

Non-Urban Water Supply Connection Policy

**For more information contact
Shoalhaven Water**

City Administration Centre

Bridge Road (PO Box 42)
Nowra NSW Australia 2541
P: (02) 4429 3214
F: (02) 4429 3170
water@shoalhaven.nsw.gov.au
www.shoalwater.nsw.gov.au

Adoption Date: 27/01/1998

Amendment Date: 21/12/2004, 28/07/2009, 14/12/2012, 18/07/2017, 09/05/2022,
23/09/2025

Minute Number: MIN98.18, MIN04.1655, MIN09.957, MIN12.1403, MIN17.631,
MIN22.332, MIN25.534

Next Review Date: 1/04/2029

Related Legislation: Water Management Act and Regulations, Local Government Act
1993, POEO Act, EP&A Act

Associated Policies/Documents: Water Services Association of Australia NSW Regional
Gravity Sewerage Code, Non-Urban Water Supply Connection Policy, Liquid Trade
Waste Discharge to Sewerage System Policy

Responsible Owner: Manager - Water Asset Planning & Development

Record Number: POL25/3

Contents

1	Policy Purpose	1
2	Objectives	1
2.1	Policy Statement	1
3	Definitions	1
4	Roles and Responsibilities	2
4.1	Provisions	2
4.1.1	Exemption Circumstances for Water Availability Charge	2
4.1.2	Criteria for Determination of an Application for a Non-Urban Property to Connect to Town Water Supply	2
4.2	Implementation	5
5	Related Legislation, Policies or Procedures	5
6	Risk Assessment	5
7	Monitoring and Review	6
8	Ownership and Approval	6
8.1	Public Policy	6

1 Policy Purpose

- To detail the circumstances in which non-urban properties may be considered for connection to town water supply.
- To detail the circumstances in which non-urban properties will be exempt from the water availability charge.
- To provide direction to property owners making application for the connection to town water supply.
- To provide direction to staff assessing applications for connection of properties to town water supply.

2 Objectives

2.1 Policy Statement

This policy statement is based on Council Minutes 93.290 of 16 February 1993 and 98.18 of 27 January 1998.

This policy does not apply to major extensions relating to rezoning's and other major developments.

This policy should be read in conjunction with Councils' Non-Urban Wastewater Connection Policy, Backflow Prevention and Cross Connection Control Policy and Liquid Trade Waste Discharge to the Sewerage Scheme Policy.

3 Definitions

Term	Meaning
Non-Urban	any rural zone, environmental zoned or other zones specified in the current Shoalhaven Local Environment Plan (RU1-RU5) which are not currently within the existing water service area
Property/Land	A parcel of land comprised of a lot in a DP.
Easement	Legal restriction placed over a parcel of land to benefit another property/s or authority/s.
Availability Charges	Annual charge levied by Council for the provision of a water supply or wastewater service under the Local Government Act.

4 Roles and Responsibilities

4.1 Provisions

4.1.1 Exemption Circumstances for Water Availability Charge.

Non-Urban properties shall be exempt from the water availability charge in the following circumstances:

- The property is beyond 225m of a town water main and is not connected to the town water supply.
- The property (not currently connected) cannot be supplied to the current levels of service.

Non-Urban properties will not be exempt from the water availability charge in the following circumstances:

- The property is connected to the town water supply.
- The property can be connected to the town water supply by a standard long or short water service and the dwelling on the property is within the serviceable limit.

Consideration for exemption from the water availability charge will be given, upon written application in all circumstances not included above. The determination of an application shall be at the discretion of the Director (Shoalhaven Water).

4.1.2 Criteria for Determination of an Application for a Non-Urban Property to Connect to Town Water Supply

4.1.2.1 Application

Applications for a water supply in non-urban areas must be made in writing to Shoalhaven Water's Development & Regulatory Team, providing the following information and proposed water use(s).

- i. Details of the property/s to be served including all owner names,
- ii. What infrastructure is required,
- iii. Copy of building entitlement (if vacant and required),
- iv. Description of the development that exists upon the land/s (if developed),
- v. Copy of Occupation Certificate where granted for the existing development,
- vii. A scaled plan showing the location of the property and nearest existing Council infrastructure and which infrastructure the applicant seeks connection to,
- viii. Any other information that is pertinent to the application.

4.1.2.2 Town water supply will only be made available to non-urban properties upon written application in the following circumstances:

- Where capacity exists in the existing system, and
- Where the current levels of service can be provided, and
- Where it can be demonstrated that the water supply will be of positive economic benefit (at the time of application) to the city by applying the following formula.

Benefit = (Income from usage + Availability Charge) – Operating cost

- Where the income from usage is based on the expected annual water usage (provided from Shoalhaven Waters' data) in kL times the cost per kL (per Council's current Management Plan)
- The annual water availability charge (per Council's current Management Plan)
- Operating cost is the latest available at the time of the application (per the Performance Report and asset register). See worked examples below.

Example 1

An applicant requests consideration for a water main extension to serve their property. The length of extension required is 100m and their expected annual water usage is 200kL. Assuming the application has satisfied all other criteria, and the application is for a 20mm meter.

Using the Delivery Program/Operation Plan figures:

$$\begin{aligned}
 \text{Income from usage} &= 200\text{kL} \times \$2.75 \text{ per kL} \\
 &= \$550 \\
 \text{Availability Charge} &= \$160 \\
 \text{Operating Cost per metre} &= \frac{\text{Mains operation cost} + \text{Mains maintenance cost}}{\text{Total length of mains (m)}} \\
 &= \frac{\$3,542,035.99}{1,634,000} \\
 &= \$2.17 \text{ per meter}
 \end{aligned}$$

Therefore, total annual operating cost for a 100m extension = \$217

$$\begin{aligned}
 \text{Benefit} &= \text{Income} - \text{Operating Cost} \\
 &= \$710 - \$217 \\
 &= \$493
 \end{aligned}$$

Therefore, the main extension would be approved in this case.

Example 2

Applicant requests 200m extension and proposes 100kL usage through a 20mm meter. Assuming all other criteria satisfied.

$$\begin{aligned}
 \text{Income} &= \text{usage} + \text{availability} \\
 &= \$275 + \$160 \\
 &= \$435 \\
 \text{Total operating cost} &= 200\text{m} \times \$2.17 \\
 &= \$434 \\
 \text{Benefit} &= \$435 - \$434 \\
 &= 1 > 0
 \end{aligned}$$

Therefore, the main extension would **not** be approved in this case, as the benefit is negligible

4.1.2.3 Other Conditions

- The applicant(s) shall meet all costs associated with the provision of the water supply including:
 - Preparation of water supply design and any environmental assessment.
 - Necessary construction extension of the reticulation system.
 - Service connection including meter assembly.
 - Provision of access and necessary easements.
 - Separate system connection fees or Developer Contribution charges,
 - Any other conditions considered applicable for the application, and
- One 20mm service only will be provided as a standard. A larger or additional service may be provided upon application and if capacity is available. Other special conditions may apply to larger services. Charges per Council's current Fees & Charges apply, and
- Mains shall only be extended in a road reserve and where "all weather" access is available. Mains are to be installed at the standard property offset and to be outside the road formation. A hydrant shall be located at the end of the main for flushing, and
- Connection to trunk water mains will only be permitted in exceptional circumstances, at the discretion of the Director, Shoalhaven Water.
- A backflow prevention device may be required and be subject to Council's Cross-Connection Control / Backflow Prevention Policy.
- In special circumstances a supply by agreement may be necessary. Such cases will require Council resolution.

4.1.2.4 Private Service extensions from the end of a main may be approved subject to:

- not passing another property; and
- the nearest boundary of the property is within 225m of the end of the water main; and
- there is no likelihood of further development (e.g. land locked); and
- approval is obtained by the applicant from Assets Custodian(Council or any other authority) to locate the meter assembly and private extension within the road reserve. Alternatively, the applicant will need to acquire legal access via services easement(s) through private property(s).
- Levels of service can be achieved at the frontage of the property.

Note: Construction and maintenance of the pipe extension downstream of the meter will be the responsibility of the applicant/owner.

4.2 Implementation

Shoalhaven Water Group's Water Asset Planning & Development Section has responsibility for processing an application.

5 Related Legislation, Policies or Procedures

This policy should be read in conjunction with the following documents:

- Water Management Act and Regulations
- Local Government Act 1993
- POEO Act
- EP&A Act
- Water Services Association of Australia NSW Regional Gravity Sewerage Code
- Non-Urban Water Supply Connection
- Liquid Trade Waste Discharge to Sewerage System

6 Risk Assessment

Risk Category	Risk	Notes
Reputation	Poor handling of connection applications for non-urban areas may result in perceived inequity or inconsistency, potentially leading to public dissatisfaction or complaints to media or Council.	This policy outlines clear criteria and processes for assessing applications, helping to ensure transparency and fairness, and protecting the Council's reputation by maintaining service standards.
Financial	Failure to follow cost-recovery guidelines or approving uneconomical extensions could lead to financial loss for Council.	The policy provides a cost-benefit formula ensuring that town water supply extensions are economically justified. It also outlines responsibilities for applicants to bear associated costs, thereby reducing financial risk to Council.
People	Inconsistent access to water services or unclear eligibility could result in confusion or community dissatisfaction, particularly in rural or environmentally zoned areas.	The policy establishes clear exemption and eligibility criteria, helping both staff and property owners understand when access to water services is available and how to apply.
Environment	Unplanned or excessive expansion of the water network could impact local ecosystems, land use planning, or resource sustainability.	The policy aligns with ESD principles and includes environmental considerations in the planning and extension of water supply services, thereby protecting water sources and surrounding environments.
Property and Infrastructure	Poorly planned private service extensions or unauthorized connections may result in infrastructure damage, difficult	The policy restricts connections to within 225m of existing mains and requires approval and access easements, ensuring infrastructure

	maintenance, or system inefficiencies.	integrity and proper maintenance access.
Governance (probity, transparency, resilience to scrutiny)	Lack of a formal policy or inconsistent application could lead to legal disputes, internal inefficiencies, or challenges during audits.	This policy provides a structured and consistent process for assessing and approving connections, ensuring decisions are made with proper documentation, oversight, and transparency.

7 Monitoring and Review

In accordance with S 165 (4) of the Local Government Act 1993, this policy will be reviewed within one year of the election of every new Council.

8 Ownership and Approval

8.1 Public Policy

Responsibility	Responsible Owner
Directorate	Shoalhaven Water – Water Asset Planning & Development
Endorsement	CEO
Approval/Adoption	Council