

Water and Sewerage Headworks Charges (Section 64 Contributions) - Assistance for Developments

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

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Effective: 1/07/2011

Reaffirmed: 26/02/2013, 13/06/2017, 23/07/2019

Amended: 10/06/2014, 28/5/20

Minute Number: MIN11.527, MIN13.148, D14/147248, MIN17.512, MIN19.491,
MIN 20.240, MIN 20.276

File: 12039E

Review Date: 28/5/2021

1 PURPOSE

To assist all types of developments (subject to approval under the Environment Planning & Assessment (EPA) Act within the Shoalhaven Local Government area in relation to granting a concession to the calculated equivalent tenement loading imposed on the water supply and sewerage systems. This Policy was revised as a result of Council’s resolution to provide further economic stimulus following the impacts of the Coronavirus.

2 STATEMENT

This policy statement is based on Council Minute 11.116, Minute 13.864, Minute 20.240 and Minute 20.276.

It should be noted that Section 64 charges/contributions are also known as Headworks/Developer charges/contributions.

3 PROVISIONS

- a. The system loadings/demands to determine the applicable Section 64 charges are calculated for all developments based on the provisions contained in Council’s Delivery Program and Operational Plan, and
- b. The unit rate for the applicable Section 64 charge is contained in Council’s annual fees and charges, and
- c. For any Development Application and/or Complying Development Certificate considered by Council or by a private certifier:
 - Under the Environment Planning & Assessment Act, and
 - In accordance with the current Development Servicing Plans, and
 - Is permissible within the zoning,

the applicable Section 64 charges may be reduced (at time of payment) as follows:-

Equivalent Tenements (ETs)	Reduction Amount
0.0 - ≤ 2.0	75%
> 2.0	50%

- d. A further discount (resulting in a total discount of 75% of the full contribution for all ET) will be applied as a refund following a written application from the owner/applicant once the development is approximately 25% complete (as determined by Shoalhaven City Council).
- e. Any claims for the further discount under these provisions must be made within two years of the issue of an operational Development consent.
- f. Any proposal that has been approved where development contributions have not yet been paid as at the date of implementation of this Policy will potentially qualify for the discount.
- g. If a property changes ownership, the entitlement to a discount under this policy will remain with the land and any refund will be issued to the legal owner of the land at the time of payment of the refund.

- h. For the purpose of approving the refund of Section 64 contributions the CEO/delegate will be the sole arbitrator in determining and assessing the status of a development, and further determining eligibility for the refund.

4 EXEMPTIONS

This policy does not apply to:

- Any development/s that does not have an operational consent under the Environmental Planning & Assessment Act or has received an Occupation Certificate and/or a Subdivision Certificate and/or a Strata Certificate and/or licence for the development as the case may be,
- Any development where the development consent articulates how the Headworks charges are to be calculated (that is the charges are not specified in Council's Fees & Charges),
- Any development/s which have paid or have signed an agreement/contract/deed with Council prior to 1st July 2013 to pay its Section 64 contributions.
- Any developments which receive S64 assistance under Council Policy POL14/36 (Community Service Obligations – Water Supply, Wastewater, Effluent, Trade Waste Services and Section 64 Contributions).
- Any development/s (in relation to the further discount) which have paid or have signed an agreement/contract/deed with Council prior to 29 April 2020 to pay its Section 64 contributions.

5 IMPLEMENTATION

- a. Shoalhaven Water Group has responsibility for implementing this policy.
b. An example of the calculations involved in the implementation of this policy is as follows:-

Eligible commercial business with an original determined load of 6.2 ETs for water supply and 6.20 ETs for sewerage services.

2019/20 water supply ET Charge = \$6,578/ET.

2019/20 sewerage services ET Charge = \$8,339/ET.

Original determined charge = 6.2 x (\$6,578 + \$8,339)
= \$92,485.40

Reduction application: -

First 2 ET = 2.0 x (\$6,578 + \$8,339) x 0.25 = \$7,458.50 (0.25 is applied for 75% reduction)
>2 ETs = 4.2 x (\$6,578 + \$8,339) x 0.50 = \$31,325.70 (0.50 is applied for 50% reduction)
Reduced Payable Total = \$38,784.20

Savings = \$92,485.40 – \$38,784.20 = \$53,701.20 (2019/20)

Upon written application for the further Reduction (as a Refund) in accordance with the Provisions:

Applies to loading above 2 ETs only.

Hence, after applying a further concession, refund amount is*:

= 0.5 x \$31,325.70

= \$15,662.85

*** Subject to achieving 25% or more completion of development within 2 years of operational consent (as per the Provisions) as determined by Shoalhaven City Council.**

- c. Developments of 2 ET's or less are not entitled to any further refund as 75% reduction is already applied at assessment stage.
- d. Any determined refund will apply to the Section 64 Charge rates that were applicable at the time they were paid.

6 REVIEW

This policy will be reviewed by 28 May 2021.

7 APPLICATION OF ESD PRINCIPLES

This policy provides an incentive for economic growth of the City, while ensuring that projected system demands can be met.