

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

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

Amended: 10/06/2014, 28/5/2020, 15/09/2021, 01/08/2022

Minute Number: MIN11.527, MIN13.148, D14/147248, MIN17.512, MIN19.491,
MIN 20.240, MIN 20.276, MIN 21.116, MIN21.514, MIN22.512

File: 12039E

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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, Minute 20.276, Minute 21.116 and Minute 21.514.

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

3 PROVISIONS

Concessional Section 64 Contributions

- 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%

Covid-19 Relief (Further Refund)

- a. For developments that have received operational consent (eg, DA and/or CDC) between 7th April 2020 and 31st March 2022 (inclusive), a further refund (resulting in a total discount of 75% of the full contribution for all paid ETs) may apply following a written application from the owner/applicant to Shoalhaven Water demonstrating:
 - payment of the Section 64 Charges as outlined in the Water Development Notice has been made, and

- the development is approximately 25% complete (as determined by Shoalhaven City Council), and
 - the application for further refund is made within two (2) years from the date of consent for the development.
- b. For developments that have been granted operational consent (eg, DA and./or CDC) prior to 7 April 2020, a further refund (resulting in a total of 75% of the contributions/s paid) may apply for a further refund following a written application from the owner/applicant to Shoalhaven Water demonstrating:
- payment of the Section 64 Charges as outlined in the Water Development Notice has been made during the period between 7 April 2020 to 31 March 2022 (inclusive), and
 - the development is approximately 25% complete (as determined by Shoalhaven City Council), and
 - the application for further refund is made within two (2) years from the date of payment of the Section 64 Charge/s for the development.

General

- a. 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.
- b. 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:

Concessional Section 64 Contributions

- 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).

Covid-19 Relief (Further Refund)

- Any development/s (in relation to the further discount) which have paid or have signed an agreement/contract/deed with Council prior to 7 April 2020 to pay its Section 64 contributions.
- Any development consent granted after 31-3-2022.
- Existing approved development consent (approved prior to 7-4-2020) and payment of Section 64 Charges have been made after 31-3-2022.
- Any approved development consent that makes written application for the section 64 Covid-19 Relief after 31-3-2024.
- Any written application for the Further Refund which cannot demonstrate ALL the relevant requirements as set out under Section 3 PROVISIONS.

5 IMPLEMENTATION

Shoalhaven Water has responsibility for implementing this policy.

Concessional Section 64 Contributions

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.

2022/23 water supply ET Charge = \$6,578/ET.

2022/23 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 (2021/22)

Covid-19 Relief (Further Refund)

Applies only to those developments which have a total equivalent tenement (ET) loading greater than 2 ETs. **The further refund ONLY applies to those ETs beyond 2**

An example of the calculation and amount of the further refund after the concessional charges have been applied is*:

= 0.5 x \$31,325.70

= \$15,662.85

*** Subject to compliance with ALL relevant requirements as set out under Section 3 PROVISIONS.**

General

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

6 REVIEW

Application of the further refund/discount component of this policy will end after 31 March 2024.

Council reserves the right to review or amend this Policy and any future review may involve discontinuing the policy earlier than 31 March 2024.

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.