

# COONAMBLE

## SHIRE COUNCIL

Section 7.11

Developer Contributions Plan

## SECTION 1 INTRODUCTION

Under Section 7.11 of the Environmental Planning and Assessment Act 1979 (EP&A Act), a consent authority has the power to approve a development with a condition that requires the applicant to offer a monetary contribution to the local council. The contribution is intended to fund public amenities and services that are necessary or requested as a result of the development. A prerequisite for imposing such a condition is that it aligns with a contributions plan authorised by the local council.

The objective of this plan is to enable Coonamble Shire Council and other consent authorities to require that land developers within Coonamble Shire make contributions towards specific public amenities and services in the area.

The types of developments and amenities covered by this plan are shown in Table 1.

<b>Table 1 Contributions required under this plan</b>	
<b>Development</b>	<b>Contribution required and the amenities to be provided.</b>
(a) Mines, extractive industries and other developments that result in increased numbers of laden heavy vehicles causing pavement damage on rural roads managed by Council	A monetary contribution will be required to meet the cost of Council maintaining the haul routes

Outlined below are the contents of the Contributions Plan:

- Comprehensive details on the public amenities and services that the Council will provide. A schedule of contribution rates that correspond to different classes of development as per the plan.
- Information on how the contribution rates were determined.
- The policies of the Council regarding how and when developers can fulfill their contribution obligations, which includes the opportunity for developers to provide land and works 'in kind'.

### 1.1 How to use this plan

For easy navigation by Council staff, developers, and private certifiers, this plan has been divided into the following sections:

- **Section 2 – Plan Summary**
  - This section specifies the development that the plan applies to, as well as the corresponding contribution rates.
- **Section 3 – How are the contribution rates calculated?**
  - This section explains how contributions will be calculated and how it relates to the expected infrastructure that will be provided.

- **Section 4 – How and when will contributions be imposed on development?**
  - This section explains how conditions of consent will be used to collect contributions levied under this plan and provision to index the contributions payable to reflect changes in construction costs.
- **Section 5 – How and when a contribution requirement can be settled?**
  - This section explains how consent conditions requiring the payment of contributions can be settled.
- **Section 6 – Other administration matters**
  - This section outlines other administrative arrangements surrounding the operation of this plan, including a dictionary of terms used in this plan.
- **Appendices**
  - This section includes information supporting the body of this plan.

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## **SECTION 2 PLANNING SUMMARY**

### **2.1 Name and commencement of plan**

This plan is called Coonamble Shire Council Section 7.11 Contributions Plan 2023.

This plan commences on the date on which public notice was given under clause 214 (4) of the *Environmental Planning and Assessment Regulation 2021* or the date specified in that notice if it is a different date.

### **2.2 What is this plan's purpose?**

The primary purpose of this plan is to authorise the Council, when granting consent to an application to carry out development to which this plan applies, or Section 7.11 contributions are necessary to provide, extend, or enhance public amenities and services that are essential to the development or were established in anticipation of, or to facilitate such development.

Other purposes of this plan are as follows:

- To provide a clear and transparent basis for levying contributions under the provisions of section 7.11 of the EP&A Act.
- To provide the framework for the efficient and equitable determination, collection and management of section 7.11 contributions.
- To establish the relationship between the expected development and the public amenities and services included in this plan, to demonstrate the required contributions are reasonable.
- To allow for the provision of the required public amenities and services by alternative means where this is acceptable to the developer and the Council (for example, through a planning agreement).
- To ensure that the broader Coonamble Shire community is not unreasonably burdened by the provision of public amenities and services required as a result of development affected by this plan.

### **2.3 What land and development does this plan apply to?**

This plan applies to all land in the Coonamble Local Government Area.

This plan applies to mines, extractive industries and other development that result in increased numbers of laden heavy vehicles using Council's road network.

### **2.4 What development is exempt?**

This plan **does not** apply to the following types of development:

- Development proposed by or on behalf of the Council.
- Development exempt from section 7.11 contributions by way of a direction made by the Minister for Planning under section 7.17 of the EP&A Act.

### **2.5 What public amenities and services will be provided under this plan?**

The public amenities and services which are covered by this plan:

- Pavement damage to rural roads caused by mines, extractive industries and other 'heavy haulage' developments.

More details on the public amenities and services, and their relationship with the expected developments are included in Part 3 of this plan.

## 2.6 What are the contribution rates?

Table 2 summarises the contribution rates for public amenities and services in this plan.

Table 2 Contribution Rates	
Development	Contribution Rate
(a) Mines, extractive industries and other developments that result in increased numbers of laden heavy vehicles using Council's road network	<b>\$0.31</b> per Equivalent Standard Axle (ESA) per km of haul road or <b>\$0.053</b> per tonne of hauled material per km of haul road

## **SECTION 3 HOW ARE THE RATES CALCULATED?**

This part of the plan prescribes the development that will demand the public amenities and services required under this plan and explains how each of the contribution rates were calculated.

### **3.1 Rural Roads Pavement Damage**

#### **3.1.1 Overview**

This plan authorises a contribution rate of either 5.3 cents/tonne/kilometre of hauled material, or \$0.31 cents/ESA/kilometre.

The contribution rate enables the Consent Authority in any particular case, to impose a *contribution amount* on a development relating to the length of local and regional roads that will be used by heavy vehicles for the haulage of material.

The consent condition will contain both a contribution rate and an assumed haul road length. The consent condition will require the development to make periodic payments to Council based on tonnage or ESA returns in the preceding quarter.

#### **3.1.2 What is the nexus between the expected types of development and the demand for public amenities and services?**

Heavy vehicles cause significant damage to roads, reducing their lifespan and increasing the need for frequent reconstruction work. While major roads and highways can accommodate heavy vehicles, local council roads have a lower design standard and are more vulnerable to damage. Councils are responsible for maintaining roads to ensure they remain safe and trafficable. Development involving heavy vehicle movements, such as quarries or rural industries, can accelerate pavement deterioration and increase maintenance costs. Councils may require monetary contributions from such developments to cover the additional costs of maintaining the affected roads. The contributions can be based on the cost of bringing forward the need for works or the increased cost of maintaining the road. Councils will allocate the funds to the particular haul roads affected by the development.

#### **3.1.3 Calculation of the contribution rate**

The contribution rates that will be applied to developments that cause pavement damage to rural roads are based on the methodologies applied by other NSW council on such development.<sup>1</sup>

The methodology used is to determine the ratio of the cost to replace the asset to the design traffic loading, which give a replacement cost per ESA. This ratio forms the basis of further calculations to determine loss of road life in dollar per tonne of material hauled.

The following steps were followed for determining the contribution rates:

1. Determine design ESA
2. Estimate the cost to reconstruct/maintain 1 lane-km for the above ESA
3. Calculate the contribution rate in \$/ESA/km

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<sup>1</sup> Contributions levied by Coonamble Shire Council under Coonamble Shire Section 7.11 – Fixed Contributions Plan 2024.

At this point the ESA contribution rate is known. To determine the tonnage contribution rate the following additional two steps are undertaken:

4. Calculate \$/typical vehicle ESA
5. Calculate \$/tonne/km

Table 3 summarises the calculations that were performed to determine the contribution rates for a sealed rural road with a medium level of traffic of 1,000 vehicles per day per lane. In Coonamble it is most likely that there would be lower levels of traffic on both sealed and unsealed roads. However, use of these road types in the methodology yielded higher contribution rates. The medium traffic sealed road contribution is more conservative and has been adopted by Coonamble Shire Council for the purposes of this plan.

<b>Table 3 Summary of calculation of contribution rate for rural roads pavement damage</b>	
<b>Step</b>	<b>Workings for sealed road with medium traffic<sup>2</sup></b>
Determine design ESA	Treat damage to pavement and damage to wearing course separately: <ul style="list-style-type: none"> <li>• Design life of pavement: 873,743 ESAs over 30 years</li> <li>• Pavement spray seal: 262,795 ESAs over 10 years</li> </ul>
Estimate the cost to reconstruct/maintain 1 lane-km for the above ESA	Pavement reconstruction: \$200,000 per lane per km Surfacing spray seal: \$20,000 per lane per km
Calculate the contribution rate in \$/ESA/km	Pavement = $\$200,000/873,743 = \$0.23$ per ESA per km Spray seal = $\$20,000/262,795 = \$0.08$ per ESA per km <b>Total = <math>\\$0.23 + \\$0.08 = \\$0.31</math> per ESA per km</b>
Calculate \$/typical vehicle	The typical vehicle assumed to be a 'class 4 + dog trailer' No. of ESAs per typical vehicle = 2.6 Contribution per typical vehicle = $\$0.31 \times 2.6 = \$0.80$ per vehicle
Calculate \$/tonne/km	The typical load in a typical vehicle is assumed to be 15 tonnes Contribution = $\$0.80/15 = \$0.053$ per tonne per km

### 3.1.4 Calculation of the quarterly contribution payment

The process for calculating and collecting the contribution will generally be as follows:

1. Identify the length of local and regional road (i.e. haul routes) that the development's laden heavy vehicles will utilise. Classified roads that are the sole maintenance responsibility of the NSW Government are excluded from consideration. The length of haul route(s) in kilometres will be determined from information submitted by the applicant with the development application. Any development application for mines, extractive industries or other developments involving the haulage of materials or goods by heavy vehicles on any land in Coonamble LGA must include details of haul routes.

<sup>2</sup> 1000 per day per lane with a growth rate of 1% per annum

2. Consent authority imposes a development consent condition requiring payment based on:
  - a. The \$ rate per tonne per km, or the \$ rate per ESA per km (from this plan)
  - b. The total length of all haul routes (from 1. above), and
  - c. The amount of material hauled (in tonnes), or the volume of vehicles accessing the site (in ESAs) over the preceding quarter.
3. No later than twenty-eight (28) days after the end of March, June, September and December over the life of the development, the operator of the development:
  - a. Submits to Council independently verified tonnage (or ESA) returns for the development over the preceding quarter, and
  - b. Pays the roads maintenance contribution to Council reflecting the \$ rate per tonne (or per ESA) and total haul route length contained in the development consent.

### **Worked Example**

For example, where in a development application it is stated that a development's haul trucks will utilise 3.5 kilometres of public roads in the LGA, and that estimate of haul route use is considered by the consent authority to be a reasonable estimate, then the contribution amount that would be imposed on the development consent would be:

$$\begin{aligned}
 & 3.5 \times 5.3 \text{ cents per tonne per kilometre} \\
 = & \quad 18.55 \text{ cents per tonne of haulage material, calculated quarterly and indexed} \\
 & \quad \text{quarterly in accordance with the Producer Price Index described in Section 6.3.}
 \end{aligned}$$

Then, after the first full quarter of operations, the operator submitted an independently verified statement showing that there had been 7,100 tonnes of extractive material transported from the development. The Council in response would issue to the operator a tax invoice showing the following details and payment amount:

$$\begin{aligned}
 & 18.55 \text{ cents per tonne} \times 7,100 \text{ tonnes} \\
 = & \quad \$1,317.05
 \end{aligned}$$

### **3.1.5 Application information to be relied on**

In cases where the length or lengths of roads to be used by laden heavy vehicles in development are uncertain, it can be challenging to determine the appropriate contribution amount. In these instances, the council will evaluate the information submitted with the development application to determine the length or lengths of road that will be charged. The applicant is responsible for providing precise and adequate information on the expected haul route usage during the application process.

### **3.1.6 Matters to be addressed during the operation of the development**

The consent will identify the haul route length and the contribution rate applicable to the development. Council acknowledges that the haul routes used by a development may change over the life of the development. To address this the consent will include a condition that requires the proponent to prepare a statement of haulage routes at least every three years. The statement will identify the local and regional roads that are used by heavy vehicles



transporting material and goods to/from the development, as well as the proportion of the development's total heavy vehicles using each road length.

The contribution rate in the consent will be automatically adjusted in accordance with annual movements in the Producer Price Index: Road and Bridge Construction New South Wales (Catalogue No. 6427.3101) as published by the Australian Bureau of Statistics.

Where an ESA-based contribution rate is imposed on the development, the following matters shall be addressed by way of conditions of consent to be implemented at the start of, and throughout the development's life:

- A traffic classifier is to be installed (at the applicant's cost) at a suitable location to classify and count the number of loaded heavy vehicles that enter or exit the development site over each quarter. The purpose of the classifier is to record the number of ESAs that are subject to contributions.
- Responsibility for keeping the traffic classifier in good working order throughout the life of the development will rest with the operator.
- Council officers are to be provided access to the traffic classifier data on a regular (i.e. at least quarterly) basis.
- In the event of the traffic data being corrupted, then the Council at its discretion may determine the ESAs and therefore the contribution amount for the preceding period.

### **3.1.7 Roadworks may be required to be undertaken in addition to contributions required under this plan**

The Shire's local and regional road network has been constructed and is maintained by Council as necessary to ensure an acceptable standard of service.

It is possible that some of these roads may not be able to accommodate additional heavy vehicle loading generated by mines and extractive industries without immediate upgrade. There may be upgrades to roads or traffic facilities that are directly required by a development and without which, the development could not or should not reasonably occur. New roads, or upgrades to sections of the existing road network, including ongoing maintenance, may be required to accommodate the additional heavy vehicle loading.

Where a development requires works to the road network to be undertaken, the requirement will be by way of a condition imposed on the development consent under section 4.17 (1) (f) of the EP&A Act. This will be in addition to road maintenance contributions for haul routes imposed under this plan.

## **SECTION 4 HOW AND WHEN WILL CONTRIBUTIONS BE IMPOSED ON DEVELOPMENTS?**

### **4.1 Monetary Contributions**

This plan authorises the Council when determining an application for development, and subject to other provisions of this plan, to impose a condition requiring a contribution under section 7.11 of the EP&A Act on that approval for:

- The provision, extension or augmentation of public amenities and services to be provided by Council, and/or
- The recoupment of the previous costs incurred by Council in providing existing public amenities and services.

### **4.2 Latest rates to be used**

The section 7.11 contribution imposed on a development will reflect the latest, indexed contributions rates authorised by this plan.

The monetary section 7.11 contribution rates shown in Section 2.6 reflect the contribution rates at the date that this plan commenced. The rates are regularly adjusted for inflation (see Section 6.3)

Applicants should inquire at the Council for information on the latest contribution rates.

### **4.3 Variation to contributions authorised by this plan**

The Council may, after considering a written application, reduce the section 7.11 contribution otherwise calculated in accordance with the provisions of this plan.

A developer's request for variation to a contribution calculated in accordance with this plan must be supported by written justification included with the development application. Such a request will be considered as part of the assessment of the application.

## **SECTION 5 HOW AND WHEN CAN A CONTRIBUTION REQUIREMENT BE SETTLED?**

### **5.1 Timing of payments**

A monetary contribution required to be paid by a condition imposed on the development consent in accordance with this plan is to be paid at the time specified in the condition.

At the time of payment, it will be necessary for monetary contribution amounts to be updated in accordance with the relevant indexes (see Section 6.3).

### **5.2 Are there alternatives for paying the contribution?**

Applicants may propose an alternative contribution rate that more accurately reflects the likely road impacts of the particular development. Any alternative contribution rate must be agreed to by Council prior to the due date for a contribution payment or the commencement of any works as part of that alternate payment method.

Applicants may also propose alternative arrangements to the payment of a periodic contribution to Council for excessive road wear and tear. This could include, for example, reconstruction of the road pavement up-front and no ongoing maintenance contribution.

Justification of any alternative must be addressed in a transport study on the proposed development. The study should address all of the relevant matters listed in Appendix A.

## **SECTION 6 OTHER ADMINISTRATIVE MATTERS**

### **6.1 Relationship of this plan to other contribution plans**

This plan does not affect any other contribution plan adopted by the Council.

### **6.2 Savings and transitional arrangements**

This plan applies to a development application submitted after the date on which this plan took effect.

A development application that was submitted, but not yet determined, on or before the date on which this plan took effect, shall be assessed under the contributions plan or plans that applied at the date of submission of the application.

### **6.3 Adjustment of contributions to address the effects of inflation**

To ensure that the value of contributions for the construction and delivery of infrastructure is not eroded over time by inflation, this plan authorises that contribution amounts included in consents will be adjusted over time.

#### **6.3.1 Contribution rates in this plan**

Council will, without the necessity of preparing a new or amending plan, make changes to the contribution rates set out in this plan to reflect annual movements in the value of land acquisition and works.

The Producer Price Index: Road and Bridge Construction New South Wales (Catalogue No. 6427.3101) as published by the Australian Bureau of Statistics, will be used to update the contribution rates in this plan.

#### **6.3.2 Contribution amounts in consents**

A monetary contribution amount required by a condition of development consent imposed in accordance with this plan, will be indexed between the date of the grant of the consent and the date on which the contribution is paid in accordance with annual movements in the Producer Price Index: Road and Bridge Construction New South Wales (Catalogue No. 6427.3101) as published by the Australian Bureau of Statistics.

### **6.4 Pooling of contribution funds.**

The plan authorises monetary contributions paid for different purposes in accordance with development consent conditions authorised by this plan and any other contributions plan approved by Council to be pooled and applied progressively for those purposes.

### **6.5 Accountability and access to information**

In accordance with the EP&A Act and EP&A Regulation, a contributions register will be maintained by Council and may be inspected upon request.

The register will be maintained at regular intervals and will include the following:

- Particulars sufficient to identify each development consent for which contributions have been sought
- Nature and extent of the contribution required by the relevant condition of consent
- Name of the contributions plan under which the condition of consent was imposed
- Date the contribution was received, for what purpose and the amount

Separate accounting records will be maintained for each contribution type in this plan and published every year in Council's financial accounts. They will contain details concerning contributions received and expended, including interest for each service or amenity to be provided. The records are held at Council's Administration Office and may be inspected upon request.

## **6.6 Dictionary**

**Consent Authority** has the same meaning as in the EP&A Act

**Council** means Coonamble Shire Council

**EP&A Act** means the *Environmental Planning and Assessment Act 1979*

**EP&A Regulation** means the *Environmental Planning and Assessment Regulation 2021*

**ESA** means the equivalent standard axle.

**LGA** means local government area.

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