

<b>Policy title</b>	Water Supply And Sewerage Headworks Charges
<b>Responsible manager(s)</b>	Director Infrastructure Services
<b>Contact officer(s)</b>	Division Manager Water and Sewer
<b>Directorate</b>	Infrastructure Services
<b>Approval date</b>	22 November 2022
<b>Outcome area</b>	1. Sustainable
<b>Strategy</b>	1.4 Work together in the management and use of our valuable sources
<b>Delivery Program link</b>	1.4.1 Provide a safe, reliable and sustainable water and sewer services, guided by the Integrated Water Cycle Management Strategy
<b>Operational Plan link</b>	1.4.1.1 Build and renew the water supply network 1.4.1.3 Build and renew sewerage network

### Purpose

The provision of existing water and sewer services, including operations and maintenance activities, asset renewals and level of service upgrades is funded by income derived from existing consumers through water and sewer availability and usage charges. New infrastructure required to service development is funded by the developer through direct construction costs and headworks charges. That is, the developer funds the construction of new assets required to service their development, and contributes to capacity upgrades of the existing system required to accommodate the additional demand of development.

Section 64 of the *Local Government Act 1993* provides that Council may require a contribution from developers towards the cost of water and sewer management works i.e.: headworks where Council has developed a Development Servicing Plan in accordance with the Developer Charges Guidelines for Water Supply, Sewerage and Stormwater (NSW Office of Water).

Council's Development Servicing Plans (2020) for Water Supply and Sewerage Services have determined the charges to be applied to developers for the increase in demand or loading that an average residential dwelling or house, otherwise known as an 'equivalent tenement' (ET), will have on council's water and sewer infrastructure. Headworks charges for development other than an average residential dwelling are determined by assessing the demands on Council's water supply and sewerage infrastructure of that development and comparing them with an equivalent tenement. Development is therefore assessed in numbers of ET, and water and sewer headworks charges are levied as multiples of the adopted developer charges.

It is therefore important to define the demand of an equivalent tenement to enable an assessment of the impact of different types of development. This policy establishes the water and sewer demands of an equivalent tenement for the local area to be used in the determination of headworks charges, and defines the equivalent tenement demands to be used when assessing common types of development.

### Policy aims

- Promote an integrated framework for determining water and sewer headworks charges;
- Ensure consistency and fairness in the manner in which the Council deals with developers and ratepayers;
- Ensure compliance with legislative requirements under *Local Government Act 1993*;

- Promote awareness of the requirements of the Act with respect to the construction of works for developers; and
- Make the Council's policies and requirements for water and sewer headworks charges readily accessible and understandable to the public.

### Policy details

<b>1</b>	<p><b>Application</b></p> <p>This policy applies to all new developments in accordance with Council's Water Supply Services and Sewerage Services Development Servicing Plans.</p>
<b>2</b>	<p><b>Legislation</b></p> <p>This policy ensures Eurobodalla Shire Council's compliance with Section 64 of the <i>Local Government Act 1993</i> <a href="http://www.austlii.edu.au/au/legis/nsw/consol_act/lga1993182/">www.austlii.edu.au/au/legis/nsw/consol_act/lga1993182/</a></p>

### Implementation

Requirements		Responsibility																		
<b>1</b>	<p><b>Local Equivalent Tenement Demands</b></p> <p>The local Equivalent Tenement demands to be used in the determination of headworks charges are:</p> <ul style="list-style-type: none"> <li>• For water - 180 kilolitres/ET annual demand or 1500 litres/ET peak day demand</li> <li>• For sewer - 120 kilolitres/ET annual demand or 900 litres/ET peak day demand</li> </ul>	Development Assessment officers																		
<b>2</b>	<p><b>Vacant Land</b></p> <p>The following equivalent tenements shall be used for subdivision of land in which additional vacant lots are created:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Category</th> <th style="text-align: center;">Water ET</th> <th style="text-align: center;">Sewer ET</th> </tr> </thead> <tbody> <tr> <td>Small Residential Lot (&lt;500m<sup>2</sup>)</td> <td style="text-align: center;">0.8</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Standard Residential Lot (500m<sup>2</sup>-2000m<sup>2</sup>)</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Large residential Lot (&gt;2000m<sup>2</sup>)</td> <td style="text-align: center;">1.2</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Commercial Lot</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Industrial Lot</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> </tr> </tbody> </table>	Category	Water ET	Sewer ET	Small Residential Lot (<500m <sup>2</sup> )	0.8	1.0	Standard Residential Lot (500m <sup>2</sup> -2000m <sup>2</sup> )	1.0	1.0	Large residential Lot (>2000m <sup>2</sup> )	1.2	1.0	Commercial Lot	1.0	1.0	Industrial Lot	1.0	1.0	Development Assessment officers
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<b>3</b>	<p><b>Multi-Residential Development (Units)</b></p> <p>The following equivalent tenements shall be used for multi-residential developments:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Category</th> <th style="text-align: center;">Water ET</th> <th style="text-align: center;">Sewer ET</th> </tr> </thead> <tbody> <tr> <td>1 bedroom</td> <td style="text-align: center;">0.4</td> <td style="text-align: center;">0.5</td> </tr> <tr> <td>2 bedrooms</td> <td style="text-align: center;">0.6</td> <td style="text-align: center;">0.75</td> </tr> <tr> <td>3 bedrooms</td> <td style="text-align: center;">0.8</td> <td style="text-align: center;">1.0</td> </tr> </tbody> </table>	Category	Water ET	Sewer ET	1 bedroom	0.4	0.5	2 bedrooms	0.6	0.75	3 bedrooms	0.8	1.0	Development Assessment officers						
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<b>4</b>	<p><b>Multi-Residential Development (Duplex/Dual Occupancy)</b></p> <p>Where there is a potential for the property to be subdivided to create multiple lots with a residence on each lot, the equivalent tenements shall be calculated in accordance with Clause 2 Vacant Land.</p>	Development Assessment officers																		

	Where the lot size or layout is such that the property cannot be further subdivided, the equivalent tenements shall be calculated in accordance with Clause 3 Multi-Residential Development (Units).																									
<b>5</b>	<p><b>Multi-Residential Development (Secondary Dwellings)</b></p> <p>Development Consents involving the construction of a secondary dwelling where the floor area of the secondary dwelling is not more than 60 square metres shall be exempt from Headworks Charges.</p> <p>Development Consents involving the construction of a secondary dwelling where the floor area of the secondary dwelling is greater than 60 square metres shall be calculated in accordance with Clause 3 Multi-Residential Development (Units).</p>	Development Assessment officers																								
<b>6</b>	<p><b>Accommodation</b></p> <p>The following equivalent tenements shall be used for accommodation providing developments:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Category</th> <th style="text-align: center;">Water ET</th> <th style="text-align: center;">Sewer ET</th> </tr> </thead> <tbody> <tr> <td>Motel / Hotel (per room)</td> <td style="text-align: center;">0.3</td> <td style="text-align: center;">0.4</td> </tr> <tr> <td>Bed and Breakfast / Guest House (per room)</td> <td style="text-align: center;">0.3</td> <td style="text-align: center;">0.4</td> </tr> <tr> <td>Caravan Park (per short-term site)</td> <td style="text-align: center;">0.3</td> <td style="text-align: center;">0.4</td> </tr> <tr> <td>Caravan Park (per permanent site)</td> <td style="text-align: center;">0.6</td> <td style="text-align: center;">0.75</td> </tr> <tr> <td>Backpackers / Hostel (per bed)</td> <td style="text-align: center;">0.15</td> <td style="text-align: center;">0.2</td> </tr> <tr> <td>Caretakers Residence</td> <td style="text-align: center;">1</td> <td style="text-align: center;">1</td> </tr> <tr> <td>Serviced Apartments (use multi-residential development)</td> <td></td> <td></td> </tr> </tbody> </table>	Category	Water ET	Sewer ET	Motel / Hotel (per room)	0.3	0.4	Bed and Breakfast / Guest House (per room)	0.3	0.4	Caravan Park (per short-term site)	0.3	0.4	Caravan Park (per permanent site)	0.6	0.75	Backpackers / Hostel (per bed)	0.15	0.2	Caretakers Residence	1	1	Serviced Apartments (use multi-residential development)			Development Assessment officers
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<b>7</b>	<p><b>Residential Care</b></p> <p>The following equivalent tenements shall be used for residential care developments:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Category</th> <th style="text-align: center;">Water ET</th> <th style="text-align: center;">Sewer ET</th> </tr> </thead> <tbody> <tr> <td>Nursing Home (per bed)</td> <td style="text-align: center;">0.4</td> <td style="text-align: center;">0.5</td> </tr> <tr> <td>Self-Care Retirement unit (1 bedroom)</td> <td style="text-align: center;">0.4</td> <td style="text-align: center;">0.5</td> </tr> <tr> <td>Self-Care Retirement unit (2 bedroom)</td> <td style="text-align: center;">0.6</td> <td style="text-align: center;">0.75</td> </tr> <tr> <td>Self-Care Retirement unit (3 bedroom)</td> <td style="text-align: center;">0.8</td> <td style="text-align: center;">1.0</td> </tr> </tbody> </table>	Category	Water ET	Sewer ET	Nursing Home (per bed)	0.4	0.5	Self-Care Retirement unit (1 bedroom)	0.4	0.5	Self-Care Retirement unit (2 bedroom)	0.6	0.75	Self-Care Retirement unit (3 bedroom)	0.8	1.0	Development Assessment officers									
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<b>8</b>	<p><b>Commercial and Industrial</b></p> <p>Commercial and Industrial development will be assessed by following the NSW Water Directorate's <i>Section 64 Determinations of Equivalent Tenements Guidelines</i> which provides Council with a basis for determining Equivalent Tenement (ET) loadings for different types of development.</p> <p>A copy of the Water Directorate guidelines is available for download from Council's website.</p>	Development Assessment officers																								
<b>9</b>	<p><b>Staff</b></p> <p>Under supervision, applicable Council staff will be responsible for ensuring that policies are implemented appropriately within their work area, after they have received relevant training to do so.</p> <p>The Director of Infrastructure Services or Divisional Manager Water and Sewer may vary the equivalent tenement determination for a particular</p>	Development Assessment officers Director Infrastructure Services/ Division																								

	development if, in their opinion, application of the NSW Water Directorate Guidelines does not produce assessed demands that are consistent with the estimated actual demands of the proposed development. The alternative methodology for assessing the particular development shall be clearly explained and recorded in the relevant development application and property file.	Manager Water and Sewer
<b>10</b>	<b>Headworks Charges</b> Headworks charges payable are determined by multiplying the assessed loadings in numbers of ET for each development by the relevant Headworks Development Contributions charge in Council's Fees and Charges published annually as part of the Operations Plan.	Development Assessment officers and Developers
<b>11</b>	<b>Concerns</b> Concerns received regarding this policy will be recorded on Council's customer service request (CSR) or records system and handled in accordance with Council's Customer Service Policy. They will be used to analyse the history of concerns and requests and to help determine follow up actions.	Council officers
<b>12</b>	<b>Complaints</b> Complaints received regarding this policy will be lodged with the Public Officer and handled in accordance with council's Complaints Policy.	Public Officer
<b>13</b>	<b>Consultation</b> Consultation regarding this policy will occur as relevant with key stakeholders and may include legislative bodies, other relevant legislation, industry guidelines, and public comment. Public submissions regarding this policy are invited for consideration during the policy exhibition period.	As required

### Review

This policy may be reviewed and updated as necessary if legislation requires it; or when Council's functions, structure or activities change; or when technological advances or new systems change the way that Council manages Water and Sewer Headworks Charges.

The policy may be revoked at the expiration of twelve months after the declaration of the poll for the next general NSW local government election unless Council revokes it sooner.

**Note:** *The next general local government election is expected to be held in September 2024.*

Reviews of the effectiveness of this policy could include the following:

Performance indicator	Data source(s)
Delivery Program/ Operational Plan outcomes achieved	Council reporting
Concerns or complaints registered	Council records
Internal or external review	Audit

## Governance

This policy should be read in conjunction with any related legislation, codes of practice, relevant internal policies, and guidelines.

### Related legislation and policies

Name	Link
Related Council Policy or Code of Practice	<a href="https://www.esc.nsw.gov.au/council/governance/council-policies">https://www.esc.nsw.gov.au/council/governance/council-policies</a>
Local Government Act 1993	<a href="https://legislation.nsw.gov.au/view/html/inforce/current/act-1993-030">https://legislation.nsw.gov.au/view/html/inforce/current/act-1993-030</a>

### Related external references

Name	Link
Office of Local Government	<a href="http://www.olg.nsw.gov.au">www.olg.nsw.gov.au</a>

### Supporting documents

Name	Link
NSW Water Directorate Section 64 Determinations of Equivalent Tenements Guidelines	<a href="#">Water NSW</a>
Council Development Servicing Plans - Water Supply and Sewerage	<a href="https://www.esc.nsw.gov.au/_data/assets/pdf_file/0005/171608/Water-Supply-and-Sewerage-Development-Servicing-Plans.pdf">https://www.esc.nsw.gov.au/_data/assets/pdf_file/0005/171608/Water-Supply-and-Sewerage-Development-Servicing-Plans.pdf</a>

### Change history

Version	Approval date	Approved by	Min No	File No	Change
1	22 Sep 2009	Council	09/291	E09.3418 E06.0113 E06.0374	Policy adopted
2	10 Sep 2013	Council	13/272	E13.7095 E06.0113 E06.0374	Reviewed and updated
3	26 Sep 2017	Council	17/317	E16.0297 E06.0113 E06.0374	Reviewed and updated (start of new Council term)
4	22 November 2022	Council	22/313	S004-T00060	Reviewed and updated (start of new Council term) Report GMR17/021

### Internal use

Responsible officer	Director Infrastructure Services		Approved by	Council
Minute	22/313	Report	GMR22/111	Effective date 22 November 2022
File	S004-T00060	Review date	22 November 2022	Pages 5