

## City of Clarence

### Headworks Levy Policy

#### A. Policy Objectives

The Policy aims to:

- Support the community and the development industry by providing optimised, efficient and sustainable infrastructure;
- Promote equity between and within generations utilising existing and proposed community infrastructure;
- Promote certainty for the Development Industry by providing clear guidelines;
- Ensure consistent levels of service through orderly provision and coordination of public utilities and infrastructure.

#### B. Commencement

The following Policy will apply from (date of adoption).

#### C. Definitions

For the purpose of this Policy, the following definitions apply:-

AD	average day demand for water supply
BCA	Building Code of Australia
development	subdivision, any other proposal requiring a Permit under Land Use Planning and Approvals Act or Local Government (Building and Miscellaneous Provisions) Act
ET	equivalent tenement, being the load or demand for a particular use relative to a typical dwelling
GFA	Gross floor area
GPT	Gross Pollutant Trap
LATM	Local Area Traffic Management (eg roundabouts, slow points)
MD	Maximum day demand flow for water
tenement	single/detached residence, dwelling or the like
ultimate demand	the demand placed on infrastructure after full development (within the design timeframe) of the identified service areas, zones or catchments
unit	is an equivalent measure used to determine the number of tenements within a particular proposal
WSUD	Water Sensitive Urban Design

#### D. Application of Policy

As of the commencement date, the following provisions shall apply to all development within the City boundaries *requiring a Planning Permit* and increasing the demand on, or for, any of the following services:-

- Public open space infrastructure
- Roads
- Water and/or sewerage (including re-use)
- Stormwater drainage
- Car parking.

Each proposal impacting on any or all the above services will be levied a charge based upon its –

- Consumption of existing (spare) infrastructure capacity, and
- Demand on proposed infrastructure.

Applicable infrastructure will be those projects and/or assets identified in the Headworks Plan. Such projects shall be identified through appropriate modelling and/or strategic planning studies by competent parties, and as adopted by Council.

The planning horizon for inclusion of infrastructure for the purpose of cost recovery through this Policy shall not exceed twenty (20) years.

Charges shall be calculated per Equivalent Tenement, and be calculated by service catchment, zone, suburb or the like as appropriate for each infrastructure group. Current calculations are undertaken as follows:-

Service	Calculated by:-
Water	Supply/pressure zone
Sewerage	Treatment plant and Pump Station catchments
Roads & Transport	Proximity to arterial &/or collector road
Public open space infrastructure	Service catchment - suburb/region
Stormwater drainage	Discharge catchment
Car parking	Location/precinct

*No provision or requirement of this Policy precludes or reduces the obligation of the Developer to provide appropriate infrastructure to service their proposal directly, as required by a Development Permit.*

## E. Recoverable Works

Works considered as headworks per this Policy include:-

Service	Works
Water	Land, reservoirs, pump stations, mains (>225mm), demand management
Sewerage	Land, treatment plants, trunk sewers (>250mm), pump stations, rising mains, pressure gravity mains, effluent reuse facilities including treatment pumping and storage.
Roads (& Transport)	Land, arterial & collector roads (including associated roadside infrastructure), intersection treatments, sealing, widening, cycle paths, LATM
Public open space infrastructure	Land, walkways (including board walks), wetlands, equipment, landscaping, shelters, barbeques.
Stormwater drainage	Land, wetlands, trunk drainage (watercourses, open drains, pipes >450mm), GPT, WSUD.
Car parking	Land, car parks (single or multi storey), on-street parking

Those works identified for cost recovery through provisions of this Policy shall be listed in the Headworks Plan. Listed details shall include (at least):-

- Project name or description
- Year of construction
- Cost of works
- Service zone or catchment benefiting from the works
- Existing demand served by the infrastructure (ET)
- Ultimate demand served by the infrastructure (ET)

## **F. Recoverable Cost of Works**

Works recoverable under this Policy shall be valued on the basis of current valuation or estimated installation cost for existing and proposed works respectively.

In the case of existing works, the current (audited) valuation shall be reduced to the written down value for determining unit charges.

## G. Determination of Impact

The development projections, provision of infrastructure and all related analyses are applied with regard to meeting peak demands against adopted service levels for the respective services. Those design assumptions and standards shall be clearly outlined in the Headworks Plan.

Power shall rest with the General Manager or their nominee to determine an equivalent tenement value for the proposal where no alternative determination can be reached.

### 1. Equivalent tenements

The tenement factors contained in Schedule 1 will be applicable to determine the demand imposed by development proposals in equivalent tenements. The factor applies for each unit as listed, that is

**Number of ET = # units in the development x equivalence factor.**

For uses not listed specifically, the General Manager or their nominee shall make determinations from the information in Schedule 1 and relevant industry based information. Alternately, a traffic study may be required to be prepared and submitted.

*Example Fifteen townhouses represents  $15 \times 0.6 = 9ET$  for water  
(from Schedule 1, there are 15 units – residences – in this case)*

Where proposals include mixed uses, then those uses should be separately considered to determine the ET value.

*Example A shop (150m<sup>2</sup>) with dwelling attached represents  $15 \times 0.1 + 1 = 2.5ET$  for water  
or  $15 \times 0.25 + 1 = 4.75ET$  for roads & traffic  
(from Schedule 1, there are 15 units – 10m<sup>2</sup> – for the shop)*

### 2. Occupancy

For non-residential development, the tenement values in Schedule 1 are based upon occupancy and per capita use. The tenement value is determined from the tabulated occupancy and shall be applied per unit as listed.

For uses not listed specifically, the General Manager or their nominee shall make determinations from the information in Schedule 1 and relevant industry based information. Alternately for road and transport infrastructure, a traffic study may be required to be prepared and submitted.

*Example A shop of 150m<sup>2</sup> represents  $150 \times 0.14ET/10m^2 = 1.2.1ET$  for sewerage,  
based upon occupancy of 1 person per 10m<sup>2</sup>*

### 3. Out of Sequence Development

Where development proposals require out of sequence construction of infrastructure to that proposed within the Headworks Plan, the developer shall meet the full cost of all programmed works brought forward in order to service the proposal.

In addition to the demands for the proposal, those works brought forward shall be capable of adequately meeting the demands for planned growth up to the programmed construction date.

## H. Determination of the Headworks Charge

Headworks charges shall be calculated as follows:-

- Determine the demand imposed by the development, in equivalent tenements (ET) – from section G above;
- Apply the unit tenements charge (see Schedule 2 below) for each ET;
- Add any out of sequence charges;
- Adjust the charge for CPI.

$$\text{Charge} = (\text{number of ET} \times \text{unit tenement charge} + \text{out-of-sequence charges}) \times \text{CPI adjustment}$$

Unit tenement charges, or unit charges, shall be tabulated with their calculation date in Schedule 2.

The unit charge shall be indexed quarterly from the date of calculation. The Index factor shall be CPI (All Groups Index) Hobart.

## I. Concessions, Substitutions

The General Manager may enter into agreements with Developers to substitute land or infrastructure to an equivalent value. All substitutions shall be supportive of the infrastructure for which the charge relates, and represent logical and effective asset provision in accordance with the strategies at the time of agreements being reached.

Where previous contributions have been paid to Council or relevant infrastructure has been constructed, concessions may be allowed for future development provided the Developer provides satisfactory evidence/documentation supporting their claim.

Works that have been provided or previous payments made for infrastructure items included in the *Headworks Plan* within the terms of this policy, or under a preceding policy of Council, may be considered when calculating payments required under this policy. To qualify for any allowance, the applicant shall provide documented evidence of the cost of works or quantum of payment. Any agreed allowances shall be nett with no allowance made for interest earned, escalation or the like.

Concessions relative to alternative technologies or demand reduction techniques will only be considered where their impacts are determined by the General Manager to be permanent in their operating environment.

*Example Using water efficient devices to achieve a reduction in water use might only be considered where flow restrictors are installed within wall cavities and therefore cannot be removed – without considerable expense.*

## J. Payment

Payment of headworks charges shall be made as follows, unless otherwise specified by an approval condition:-

Subdivision	Prior to sealing subdivision plans
Strata Schemes	Prior to issue of the Certificate of Approval
Intensified Use	Prior to commencing the intensified use

Council may agree (subject to approval of the General Manager) to accept a security or bond to secure payment of relevant contributions in lieu of payment at the time

specified above. Any resolved administration fees relevant to such transactions shall be payable in addition to the headworks charge.

Bond agreements and securities shall include (but not be limited to) the following conditions/provisions:-

- Headworks charge, in total, shall exceed \$25,000
- Developer pays all administrative costs including relevant Council fees at the time of establishing respective bonds and agreements as required
- The sum of the security shall be equivalent to 110% of the calculated headworks charge to allow for indexation
- Security to remain in place until released by Council (General Manager or nominee) or drawn down by Council (General Manager or nominee)
- Where the headworks charge has not been paid and the use has commenced, then Council shall draw down the security to the appropriate amount
- Where the use has not proceeded, and all relevant Permits have lapsed (including any Permit extensions), the security shall be released
- For staged developments, Council (General Manager or nominee) may agree to release securities in line with the approved development staging
- Where payment of the headworks charge has been made in full, then the security shall be released in full

Where necessary, Part 5 agreements or similar provisions shall be implemented to secure the obligation of the Applicant and subsequent land owners to Council.

## **K. Review**

Overall policy review shall be undertaken not less than once per three years, or as required due to changes to Heads of Power.

Eligible infrastructure projects may be added – through the Headworks Plan - at any time by Council resolution.

Specific developer charges shall be calculated – per tenement – at least every three years.

## **L. Heads of Power and Responsibility**

Local Government Act 1993 (as amended)  
Land Use Planning and Approvals Act 1993 (as amended)  
Local Government (Building and Miscellaneous Provisions) Act 1993 (as amended)  
Strategic Plan 2006-2011

Application of the Policy shall rest with the Manager Integrated Assessment.

Provisions of this Policy shall be applied through conditions in appropriate Planning Permits.

Currency and validation of the Clarence Headworks Plan, and determination of ET factors rests with the Group Manager Asset Management.



## Schedule 1 - Equivalent Tenement Conversion Factors

Occupancy figures represent the occupancy rate assumed/adopted for calculation purposes. Where applicable, areas represent gross floor area unless noted.

Water Supply			
Source	Equivalence factor		
	tenement	occupancy	unit
Dwelling	1.0	-	dwelling
Flats, units, townhouses (1-2br)	0.56	-	residence
(3br)	0.81		
Motel	0.50	1.3	room
Shop (no food prep), office	0.08	1	10m <sup>2</sup>
Shopping centre, bulky goods sales >1000m <sup>2</sup>	0.03	3.3	10m <sup>2</sup>
Restaurant, tea room <sup>1</sup>	0.17	10	10m <sup>2</sup>
Child Care centre	0.13	2.5	10m <sup>2</sup>
School, primary (teaching/class areas only)	0.26	5	10m <sup>2</sup>
School, secondary (teaching/class areas only)	0.51	5	10m <sup>2</sup>
Medical centre	0.10	1	10m <sup>2</sup>
Caravan Park – van/cabin site	0.65	1.7	site
tent site	0.22	1.7	site
Cinema, convention centre, sport stadiums	0.21	10	10m <sup>2</sup>
Club rooms and change facilities	0.05		10m <sup>2</sup>
Church, public hall	0.03	10	10m <sup>2</sup>
Hotel/Tavern/Club	0.09	5	10m <sup>2</sup>
Factory, workshop	0.15	2	10m <sup>2</sup>
Service station <sup>2</sup>	0.04	1	10m <sup>2</sup>
Warehouse, light industrial	0.02	0.2	10m <sup>2</sup>
Sports ground – irrigated area	0.02	-	10m <sup>2</sup>
Parks (irrigation)	0.004		
Laundry	0.21		10m <sup>2</sup>
Takeaway shop, food prep	0.21	10	10m <sup>2</sup>
Nursery (includes open plant display area)	0.04	-	10m <sup>2</sup>
Airport	110		site
	0.026		passenger
Gaol	0.82	1	Bed
High base load uses (MD:AD<2.25)	1		1170L/d
High peak load uses (peak hour) <sup>3</sup>	1		0.06L/s

<sup>1</sup> Demand may be reduced 50% if no patron toilet facilities are required by the BCA.

<sup>2</sup> GFA includes bowser roofed area. Factor shall be doubled where car wash facilities provided.

<sup>3</sup> Peak load uses can be discounted by 50% provided the peak flows do not fall within typical peak flow periods (6-8am, 6-9pm). Localised upgrades – at developer cost - might still be necessary to meet peak demands.

Sewerage			
Source	Equivalence factor		
	tenement	occupancy	unit
Dwelling	1.0	-	dwelling
Flats, units, townhouses (1-2br)	0.84	-	residence
(3br)	1.29		
Motel	0.90	1.3	room
Shop (no food prep), office	0.14	1	10m <sup>2</sup>
Shopping centre, bulky goods sales >1000m <sup>2</sup>	0.04	3.3	10m <sup>2</sup>
Restaurant, tea room <sup>4</sup>	0.31	10	10m <sup>2</sup>
Child Care centre	0.18	2.5	10m <sup>2</sup>
School, primary (teaching/class areas only)	0.36	5	10m <sup>2</sup>
School, secondary (teaching/class areas only)	0.72	5	10m <sup>2</sup>
Medical centre	0.18	1	10m <sup>2</sup>
Caravan Park – van/cabin site	0.78	1.7	site
tent site	0.26	1.7	site
Cinema, convention centre	0.38	10	10m <sup>2</sup>
Church, public hall	0.05	10	10m <sup>2</sup>
Hotel/Tavern/Club	0.10	5	10m <sup>2</sup>
Factory, workshop	0.22	2	10m <sup>2</sup>
Warehouse, light industrial	0.02	0.2	10m <sup>2</sup>
Service station <sup>5</sup>	0.06	1	10m <sup>2</sup>
Sports ground – spectator facilities as for convention centre	-	-	-
Club rooms and change facilities	0.10		10m <sup>2</sup>
Laundry	0.41		10m <sup>2</sup>
Takeaway shop, food prep	0.38	10	10m <sup>2</sup>
Nursery (includes open plant display area)	0.01	-	10m <sup>2</sup>
Airport	115		site
	0.038		passenger
Gaol	1.23	1	bed
High base load uses (>10kL/d)	1		585L/d
High peak load uses (peak periods)	1		0.017L/s

Base discharge figure assumes average daily flow (ADF).

Peak discharge figures assume peaked average flow (4xADF) over 24hours. These may be negotiated where discharges will be restricted to system "low flow" periods.

<sup>4</sup> Demand may be reduced 50% if no patron toilet facilities are required by the BCA.

<sup>5</sup> GFA includes bowser roofed area. Factor shall be doubled where car wash facilities are provided.

Roads & Traffic				
Source	Equivalence factor			
	tenement	peak <sup>6</sup>	trips/d	unit
Dwelling (2.6ep)	1.0	0.85	8	dwelling
Flats, units, townhouses	0.75	0.6	6	residence
Rural residential	0.75		6	lot
Housing for aged/disabled	0.25	0.2	2	residence
Motel, B&B	0.375	0.4 pm	3	room
Restaurant	0.70	0.5 pm	6	10m <sup>2</sup>
Cinema, convention centre	0.937	1.3	7.5	10m <sup>2</sup>
Church, public hall	0.5		4	10m <sup>2</sup>
Hotel/Tavern/Club	1.25		10	10m <sup>2</sup>
Drive-in fast food	4.25		34	10m <sup>2</sup>
Shop, office	0.25	0.3	2	10m <sup>2</sup>
Shopping centre, <10,000m <sup>2</sup> >10,000m <sup>2</sup>	1.0	1.2	8	10m <sup>2</sup>
	0.655	0.55	5.25	
Convenience store	3.25	2.5	26	10m <sup>2</sup>
Video Store	1.5	2	12	10m <sup>2</sup>
Takeaway	0.75		6	10m <sup>2</sup>
Bulky goods retail >1000m <sup>2</sup>	0.225	0.03 am 0.24 pm	1.8	10m <sup>2</sup>
Markets	2.25	4	18	stall
Nursery, hardware	0.5		4	10m <sup>2</sup>
Caravan Park	0.25		2	site
Child Care centre(pre-school/kinder) <sup>7</sup>	1.0	4.5 am 2.5 pm	8	10m <sup>2</sup>
Medical centre	1.0		8	10m <sup>2</sup>
School (teaching/class areas only) <sup>8</sup> , primary secondary/tertiary	1.31		10.5	10m <sup>2</sup>
	0.655		5.25	
Service station	3.25	2.5	26	10m <sup>2</sup>
Tyre & mechanical outlets	0.125		1	10m <sup>2</sup>
Factory, workshop, warehouse	0.06		0.5	10m <sup>2</sup>
Industrial, transport terminal	0.06	0.1	0.5	10m <sup>2</sup>
Sports ground (spectator areas)	0.875		7	10m <sup>2</sup>
Airport	0.5		4	10m <sup>2</sup>

A 'trip' is a single vehicle movement from the property to a destination, or vice versa. Travel to the shops and return represents 2 'trips'.

The am peak period is assumed between 0700-0900, and the pm peak 1600-1800.

<sup>6</sup> Number of trips/h in peak hour periods - am & pm unless noted.

<sup>7</sup> The pm peak for *pre-school centres only* is 1430-1600.

For long day care, the tenement value may be discounted 20% and peak values may be discounted 40% (am), and 10% (pm).

For before/after care, the tenement value may be discounted 20% and peak values may be discounted 60% (am), and 10% (pm).

<sup>8</sup> Based on 1 student per 2m<sup>2</sup> class space.

Ogden KW and Taylor SY, *Traffic Engineering and Management*, Monash University  
1996  
Roads and Transport Authority NSW, Guide to Traffic Generating Developments v2.2,  
RTA 2002

<b>Public Open Space and Facilities</b>			
Source	Equivalence factor		
	tenement	occupancy	unit
Dwelling	1.0	2.6	dwelling
Flats, units, townhouses (1-2br)	0.56	1.45	residence
(3br)	0.81	2.1	
Retail, Commercial	0.15	-	10m <sup>2</sup>
Industrial, warehousing, transport terminals	0.08	-	10m <sup>2</sup>

<b>Stormwater Drainage</b>		
Source	Equivalence factor	
	tenement	unit
Residential	1.0	10m <sup>2</sup>
Retail, Commercial	2.04	10m <sup>2</sup>
Industrial, warehousing, transport terminals	1.6	10m <sup>2</sup>

All stormwater factors based upon **lot area**.

<b>Car Parking</b>		
Source	Equivalence factor	
	tenement	unit
Refer Off-Street Parking Code 2004	To be determined	