

Draft

Warrumbungle Shire Council

Section 7.11 Contribution Plan

2025

Warrumbungle Shire Council Section 7.11 Contributions Plan 2025

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1. EXECUTIVE SUMMARY

1.1 Background

1.1.1 What are development contributions?

Development contributions are contributions made by those undertaking development approved under the *Environmental Planning and Assessment Act 1979* (the Act). Contributions may be in the form of money, the dedication of land or some other material public benefit (or a combination of these). The mechanisms available for development contributions are limited to:

- In the case of contributions made under Sections 7.11 or 7.12 of the Act - toward the provision or improvement of amenities or services (or the recouping of the cost of provision or improvement of amenities or services).
- In the case of contributions made under a planning agreement prepared in accordance with Sections 7.4 to 7.10 of the Act - toward public purposes.

The Plan deals with Section 7.11 contributions.

1.1.2 Section 7.11 levies

Section 7.11 of the *Environmental Planning and Assessment Act 1979* enables Council to levy contributions from development for the provision of public services and amenities required because of that development. Contributions may be in the form of cash payments, transfer or dedication of land to Council, or the provision of a Material Public Benefit or Works in Kind.

Note: definitions to cover these items are explained further under Section 3.

For Council to levy contributions under Section 7.11 there must be a clear nexus between the proposed development and the need for the public service or amenity for which the levy is being required and as detailed in a Contributions Plan.

This Section 7.11 Contributions Plan seeks contributions towards the additional costs of road maintenance from developments which generate frequent heavy haulage vehicle movements.

Accordingly, certain developments will be levied because of their impact on the frequency of road maintenance, determined by a consistent methodology based on heavy vehicle usage.

1.2 Purpose

The primary purpose of this Plan is to authorise the levying of contributions that will assist Council to provide public services and amenities to:

- Ensure roads are maintained in a reasonable condition for users because of damage caused by developments that generate frequent heavy haulage movements.

The contribution may involve payment of a monetary contribution.

Other purposes of this Plan are to:

- Provide an overall strategy for the coordinated delivery of public facilities and infrastructure consistent with Council's strategic plans and management plan;
- Provide a comprehensive strategy and administrative framework for the assessment, collection, expenditure, accounting and review of developer contributions towards the equitable provision of public services and amenities;
- Identify the additional services and amenities required to meet the demands arising from new development;
- Provide an adequate level of public services and amenities to meet demand arising from development within a reasonable time, as development occurs, and at a reasonable cost, without unduly impacting on the affordability of the proposed development;
- Ensure that the development contributions are based on reasonable estimates of cost;
- Ensure that the existing community is not unduly burdened by the provision of public services and amenities which are needed (either partly or fully) because of ongoing development in the LGA, and that there is a reasonable apportionment of cost between existing demand and new demand for public infrastructure provided by Council, and
- Ensure that contributions are fair and reasonable.

1.3 Nexus

All heavy vehicles contribute to the deterioration of road pavements. Australian Road Research Board (ARRB) research shows that an increase in the number of heavy vehicles using a road will accelerate the deterioration of a road, and lead to increased road maintenance costs being incurred by Council. The impact of heavy vehicles on the condition of road pavements has been well documented by Austroads and other authoritative sources.

Council maintains the LGA's roads at an adopted level of service. As a result of a development using heavy haulage vehicles, Council will need to undertake increased maintenance work to maintain this level of service. The extent of the increased maintenance is dependent on the heavy vehicular traffic generated by the subject development.

Increased road maintenance results in an increased drain on Council's finances. These increased costs will burden the community with providing the increased funds required by Council to maintain the existing level of service for the road network because of the development, unless the subject development provides a contribution commensurate with the increased maintenance costs.

The purpose of the methodology used in this Plan is to ensure that heavy vehicle haulage associated with a specific development provides a fair contribution towards the additional costs incurred by Council because of any heavy haulage traffic associated with that development.

The costs of keeping roads in a satisfactory condition occur in three main areas:

- Rehabilitation:
 - Regional sealed pavement rehabilitation;
 - Rural sealed pavement rehabilitation, and
 - Unsealed pavement rehabilitation/gravel resheeting or gravel patching.
- Reseals
 - Maintenance reseal (i.e., regional and local roads)
- Maintenance
 - Annual routine maintenance, and
 - Heavy patching or stabilisation of selected sections.

A traffic generating development will be required to contribute a proportion of all the above costs based upon the heavy vehicle Equivalent Standard Axle (ESA) impact on the regional or local road used by the heavy vehicles in question, within a given period. Developments will be required to regularly report their haulage tonnages and the types of vehicles involved for these costs to be accurately determined.

The methodology used by the Plan to determine the contribution is based on the average annualised road maintenance costs, and the length, and type, of roads to be used by heavy vehicles associated with the subject development.

The contribution and its calculation do not apply to State Roads that are the funding responsibility of the State Government, and not Council, such as the Newell Highway or Golden Highway.

The operation of this Plan will also generate the need for planning, administration and management activities associated with this Plan, to regularly review, update and manage the future provision of infrastructure.

1.4 Exemptions

This Plan does not apply to:

- Extractive industries with an average annual approved output of up to and including 5,000 m³ of solid material, or
- Other developments within an average annual approved total haulage of up to and including 7,500 tonnes of material, or
- Development located in a Local Centre, Business, or Industrial land uses zone.

1.5 Structure of the Plan

This Plan is arranged into a summary and 7 sections as detailed below:

- Section 1** Executive Summary and Purpose of the Plan
- Section 2** Introduction
- Section 3** Operation of the Plan
- Section 4** Administration

Section 5 Nexus

Section 6 Transport Facilities

Section 7 Plan Administration Costs

1.6 Summary of Contributions Rates

Contribution rate:

Table 1: Heavy Haulage Vehicle Movement Generating Development Contribution Summary

Contribution Type	Per annum rate per tonne per kilometre of road hauled material
Road maintenance	As determined by the methodology in Section 6
Plan Management and Administration	1% of the above figure
TOTAL	Total of the above as calculated

Note: these amounts are subject to indexation.

2 INTRODUCTION

2.1 Name of the Plan

This Plan is referred to as the *Warrumbungle Shire Council Section 7.11 Contributions Plan 2025*.

This Contributions Plan has been prepared in accordance with the relevant provisions of the *Environmental Planning and Assessment Act 1979*, as amended (the Act), the *Environmental Planning and Assessment Regulation 2021* (the Regulation), the then *Department of Planning, Infrastructure and Natural Resources Development Contributions Practice Notes 2005*, relevant Ministerial Directions and Department of Environment and Planning Circulars and Guidelines.

2.2 Area to Which the Plan Applies

This Contributions Plan applies to the Warrumbungle Shire Council Local Government Area.

2.3 Types of Development to which this Plan Applies

This Plan applies to:

- Developments that generate heavy haulage vehicle movements.

Note: “development” referred to in this clause has the same meaning as in the Act.

Exemptions:

Certain developments which use heavy vehicle haulage are exempt from the payments for the heavy vehicle contribution, to:

- Assist the viability of smaller local scale enterprises,
- Simplify administration of the Plan, and
- Recognise the generally higher design standards in respect of vehicle loadings of roads in business and industrial areas.

The exempt developments are:

- Extractive industries with an average annual approved output of up to and including 5,000m³ of solid material, or
- Other developments within an average annual approved total haulage of up to and including 7,500 tonnes of material, or
- Development located in a Local Centre, Business or Industrial zone.
- Development undertaken by or on behalf of Council, unless undertaken as a business enterprise.

2.4 Commencement of Plan

This Contributions Plan takes effect on xx xx 2025

2.4.1 Savings and transitional arrangements

A development application which has been submitted prior to the adoption of this Plan but not determined shall be determined in accordance with the provisions of the Plan which applied at the date of determination of the application.

2.5 Relationship to other Plans and Policies

This Plan complements the *Warrumbungle Shire Council Section 7.12 Contribution Plan 2021* and its successors.

3 OPERATION OF THE PLAN

3.1 Method of Operation - Authorisation

In determining a Development Application or issuing a Complying Development Certificate to which this Plan applies, this Plan authorises the Council to impose a condition of consent requiring the payment of a monetary contribution in accordance with the provisions of this Plan, or in lieu thereof accept the provision of a material public benefit or works in kind.

Prior to the issue of a Complying Development Certificate for development to which this Plan applies, the issuer of the certificate must impose a condition pursuant to this Plan if such condition may be imposed.

Complying Development Certificates must be assessed and issued by Council if the developer wishes Council to consider land dedication, material public benefits or works-in-kind.

3.2 Types of Contributions

There are alternative methods of settlement of Section 7.11 developer contributions. These are as follows:

- Monetary contribution;

- Dedication of land;
- Material Public Benefit, or
- Works in Kind.

Where a developer negotiates a material public benefit (for works not in the works schedule), works in kind (for items included in the works schedule), or the dedication of land, in lieu of paying any part of the monetary contribution required under this Plan, the applicant must still pay Council's reasonable costs for the management of the Plan (plan management and administration contributions).

The Act also provides the ability for the Council to consider entering into a Planning Agreement (PA) as part of a development application or when rezoning land. Public amenities and services delivered through a PA may be in addition to, or instead of, the payment of a monetary contribution under Section 7.11.

3.3 Monetary Contribution

This Plan identifies the monetary contribution required for the maintenance of roads. The contribution amount payable will be included as a condition of consent on any development approval issued. Details of how and when the amount will be adjusted will be included in the consent as detailed in this Plan.

3.3.1 Dedication of Land

Dedication of land in lieu of monetary contributions described in this Plan will only be considered when Council deems that the land is in a location and has physical and servicing characteristics that make it suitable for the designated purpose.

All costs of dedication are to be borne by the applicant, including but not limited to, survey, legal and administration costs.

The land is to be in a condition suitable for its intended purpose cleared of all debris, weeds and waste materials. The land is to have a compliance certificate from a registered testing authority stating that the land is free from contaminated and hazardous materials and substances.

3.3.2 Works in Kind/ Material Public Benefits

A works in kind (WIK) is the undertaking of a work or provision of a facility, in lieu of the part or full payment of either a monetary contribution or the dedication of land that would normally apply. WIK are generally offered and assessed as part of the development application process. Applicants seeking Council's acceptance of a WIK arrangement should initially discuss such a proposal with Council officers to determine whether Council would agree to enter into such agreement, and to establish Council's requirements.

A material public benefit (MPB) may be offered by the developer in part or full satisfaction of a condition requiring the payment of a monetary contribution. A MPB may include the provision of work that is not scheduled within a Contributions Plan. Council may accept the provision of a MPB if it can be justified why it is of equivalent or greater benefit to the community compared to what has been identified under the Plan.

Such alternative development contributions arrangements may be negotiated with the Council in connection with the carrying out of development in the following

circumstances:

a) Offer made to the Council as part of a development application:

If an applicant does not wish to pay a monetary Section 7.11 contribution in connection with the carrying out of development, the applicant may include in a development application for the development a proposal to carry out the works towards which a contribution or levy would otherwise have been applied.

The Council will consider the alternative arrangement as part of its assessment of the development application. If the Council agrees to the arrangement and grants consent to the application, it will impose a condition of consent requiring the works to be carried out. If the Council does not agree to the alternative arrangement, it may grant consent subject to a condition imposed under Section 7.11 requiring payment of the monetary contribution.

b) Offer made to Council following the grant of development consent:

If development consent has been granted to the carrying out of development subject to a condition under Section 7.11 requiring payment of a monetary contribution towards the cost of public amenities and public services, the applicant may request in writing that they instead provide to the Council a material public benefit in part or full satisfaction of the requirements of the relevant condition. This application should be made in the form of a formal modification of development consent made under section 4.55 of the Act.

The material public benefit may be the carrying out of work or another public benefit but not the payment of money or the dedication of land free of cost.

If the Council agrees to the applicant's request, the applicant is required to comply with the alternative arrangement and is not required, in part or whole, as relevant, to comply with the conditions imposed under Section 7.11. If the Council declines the applicant's request, the applicant will be required to comply with the requirements of the conditions imposed under Section 7.11.

In either case, in deciding whether to agree to the applicant's request, the Council will have regard to the requirements of the current Revised Development Practice Notes (DIPNR 2005) and may consider matters such as, but not limited to, the following:

- The need for the facility and how it achieves the outcome being sought by this Plan and the imposition of the condition;
- The purpose and objectives of this Plan and any relevant plans or strategies;
- Whether the alternative will prejudice the timing or the manner of the provision of the infrastructure for which the contribution was required, and
- Full details of the quantities, finishes and costings of the proposed works.

The acceptance of a WIK agreement or a MPB will be at Council's absolute discretion, and aside from any exceptional circumstances, no credits will be granted for in-kind works carried out by the developer that are more than the approved

contribution amount. Where the value of the WIK, MPB or dedication of land is less than the value of the required contribution, the applicant will be required to settle the balance of the contribution by way of a monetary contribution and/or land dedication.

All works in kind will be designed and constructed in accordance with relevant Australian Standards and in accordance with prevailing adopted practice of Warrumbungle Shire Council in relation to the relevant category of works.

3.4 Planning Agreements

An applicant may offer to enter into a Planning Agreement with the Council in connection with a development application or a rezoning application that is made for the purposes of being able to subsequently make a development application. Provision is made for Planning Agreements under Sections 7.4 - 7.10 of the *Environmental Planning and Assessment Act 1979*, as amended.

Under a Planning Agreement the applicant may offer to pay money, dedicate land, carry out works, or provide other material public benefits for public purposes. The applicant's provision under a Planning Agreement may be additional to, or instead of, making contributions under Section 7.11 of the Act.

The offer to enter into a Planning Agreement, together with the draft Agreement, will generally need to accompany the relevant development or rezoning application. The Council will publicly notify the draft Agreement and explanatory note relating to the draft Agreement along with the relevant application and will consider the Agreement as part of its assessment of the relevant application. If the Council agrees to enter into the Agreement, it may impose a condition of development consent requiring the Agreement to be entered into and performed.

Council encourages the use of Planning Agreements, particularly for larger and/or more complex development.

3.5 Payment of the Contribution

3.5.1 Timing of Payment

The time of payment of contributions shall be as follows:

- Within 28 days of receipt of a quarterly notice from the Council, stating the contribution amount pursuant to the previous quarter's heavy haulage vehicle activity.

3.5.2 Deferred or Periodic Payments

Council may consider the deferred payment of contributions or payments made by periodic instalments.

A request for deferral or periodic payment must be made in writing to Council, stating the proposed length of deferral, and may only be accepted where:

- There are valid reasons for the deferral or periodic payment;
- The deferral will not prejudice the efficiency and operation or cash flows of the Plan;
- The granting of the request for deferred payment will not jeopardise the timely provision of works or land identified within the Plan;

- A suitable bank guarantee (or equivalent security) can be, and is, provided in the event that the request is accepted by Council;
- The applicant intends to make a contribution by way of a planning agreement, works-in-kind or land dedication in lieu of a cash contribution and Council and the applicant have a legally binding agreement for the provision of the works or land dedication, and
- The periodic or deferred contributions are paid, including indexing, at no cost to Council.

The conditions under which Council may accept deferred payment by way of a bank guarantee are:

- The bank guarantee is by an Australian Bank;
- indexing will be calculated from the date the contribution was due until the date of payment in accordance with the CPI indexing provisions stated in Section 3.8 of this Plan;
- The bank guarantee is for a maximum period of twelve months;
- The amount of the bank guarantee is the sum of the total contribution or the amount of the outstanding contribution at the time of deferring payment, plus an amount determined by Council to include any anticipated indexation for the next thirteen months following the date the contribution was due;
- The bank unconditionally pays the guaranteed sum to Council if Council so demands in writing, no earlier than 12 months from the provision of the guarantee or completion of the work, whichever occurs first;
- The bank must pay the guaranteed sum without reference to the applicant or landowner or other person who provided the guarantee, and without regard to any dispute, controversy, issue or other matter relating to the development consent or the carrying out of development in accordance with the development consent;
- The bank's obligations are discharged when payment to the Council is made in accordance with the approved bank guarantee or when Council notifies the bank in writing that the guarantee is no longer required, and
- Council's registration and release of bank guarantee fee is paid.

Any outstanding component of the contribution shall be indexed quarterly in accordance with the Consumer Price Index movements. Indexing will be calculated from the date the contribution was due until the date of payment.

3.6 Complying Development

Accredited Certifiers must impose a condition requiring monetary contributions in accordance with this Plan, in accordance with Section 7.11 of the *Environmental Planning and Assessment Act 1979*. The amount of the contribution is to be determined in accordance with the formulas contained in the Plan and the current contribution rates. The conditions imposed must be consistent with Council's

standard Section 7.11 consent conditions and be in accordance with this Plan. It is the responsibility of accredited certifiers to correctly calculate the contribution and apply the Section 7.11 contribution.

3.7 Goods and Services Tax

Monetary Section 7.11 development contributions are exempt from the Federal Government Goods and Services Tax (GST).

3.8 Adjusting Contributions Rates

To ensure that the value of contributions is not eroded over time by movements in the Consumer Price Index (CPI), land value increases, the capital costs of construction of facilities and administration of the plan or through changes in the costs of studies to support the Plan, the Council will index the contribution rates indicated in this Plan, on a quarterly basis, with reviewed rates to apply from the first working day of December, March, June and September.

This Plan authorises Council to undertake these index based changes without the necessity of preparing a new or amending contributions plan.

The contribution rates will be reviewed and subsequently indexed by reference to the Construction costs by the Consumer Price Index (All Groups – Sydney) as published quarterly by the Australian Bureau of Statistics.

In accordance with Clause 207 of the Regulation, the following sets out how Council will index contribution rates that are set out in this Plan.

For changes to the Consumer Price Index (Sydney All Groups), the contributions will be reviewed quarterly in accordance with the following formula:

$$\text{New Contribution Rate} = \frac{C \times \text{CPI 2}}{\text{CPI 1}}$$

where:

- C is the initial contribution rate at the time of adoption of the Plan, expressed in dollars.
- CPI 2 is the Consumer Price Index Number (Sydney All Groups) available at the time of the review.
- CPI 1 is the Consumer Price Index Number (Sydney All Groups) at the date of adoption of the Plan, or its subsequent amendment.

3.8.1 Adjusting Contributions at the Time of Payment

Contributions required as a condition of development consent will be adjusted at the time of payment using the following formula.

Contribution amounts will initially be calculated and regularly updated in accordance with the terms of Clause 3.8 at the time development consent is granted. The contributions amounts included in a development consent are to be adjusted at the date of payment based on the contribution rates that are applicable at the time of the payment, and not at the date of the approval of the development.

Adjustments to the contributions amount in a consent will be made in the following manner:

$$CP = \frac{CDC + (CDC \times (CRP - CRC))}{CRC}$$

Where:

- CP is the amount of the contribution calculated at the time of payment.
- CDC is the amount of the original contribution as set out in the development consent.
- CRP is the contribution rate at the time of payment.
- CRC is the contribution rate at the time of the original consent or quarterly statement.

The current contribution rates are published by Council and are available from Council Offices.

3.9 Reassessment of Contributions

Council may consider an application for the reassessment of the development contributions payable. This may result in the contribution being reduced, waived or modified.

Where a condition of development consent has already been imposed requiring the payment of a contribution, the applicant will need to lodge an application to review the consent in accordance with Section 8.3 of the *Environmental Planning and Assessment Act 1979*, as amended.

The request shall be in writing and provide sufficient information to satisfy Council of the inappropriate nature of the contribution and the implications to Council of reducing or waiving the contribution in the circumstances.

3.10 Review of the Plan

This Plan may be reviewed in full, or in part, when considered appropriate, having regard to the rate and type of development, cost of facility provision, and community response to service and facility provision.

A complete review of this Plan is anticipated every five years from the date of commencement of the Plan.

3.11 Funding and Timing of Works

The contributions made to Council under the Plan may fully or partially fund the public amenities and services identified in this Plan. The contribution rates have been determined based on apportionment between the expected development and other sources of demand. In circumstances where public amenities and services are not fully funded by contributions, the remaining funds will be supplied from other Council sources.

Public amenities and services are required at the time demand is created, which may be before sufficient contributions are received. Council's ability to forward fund these services and amenities is very limited, and consequently their provision is largely contingent upon the availability of contributions. Pooling of funds to assist with the provision of infrastructure, as detailed in Section 3.12 will be considered and used when necessary.

Council will aim to spend all funds within a reasonable time and in a manner which achieves an equitable high standard of road maintenance.

To provide a strategy for the implementation of the services and amenities levied for in this Plan, and to use contributions in the most effective manner, work will be reprioritised. This will take into account development trends, population characteristics, existing funds, funds from other sources (where required) and anticipated revenue flows. The priorities for Council's maintenance works will be published in Council's Delivery Program.

3.12 Pooling of Contributions

This Plan expressly authorises monetary Section 7.11 Contributions paid for different purposes to be pooled and applied (progressively or otherwise) for those purposes. The priorities for the expenditure of the contributions are shown in the Works Schedules (if any).

3.13 Accountability

Financial management and accountability are important components of Section 7.11, and Council is obliged to maintain an accurate and up to date register of all Section 7.11 contributions, pursuant to the Regulation.

Monetary contributions received under the authority of this Plan must be recorded and kept through a separate account specifically established for this Plan. The records must indicate the contributions received, contributions expended and must include the interest, if any, earned on invested funds for each account.

These records are updated monthly.

Separate accounting records are maintained for all Council's Section 7.11 and Section 7.12 Contribution Plans. Information on Section 7.11 accounts and funds relating to this Plan will be provided in a condensed format within Warrumbungle Shire Council's Annual Report/s in accordance with requirements of the Regulation.

Information is also available in Council's contribution register relating to this Plan, which can be inspected at Council during normal business hours, as required by the Regulation.

4. ADMINISTRATION OF THE PLAN

4.1. Management Costs of the Plan

There is a substantial time and cost overhead associated with this Plan and its implementation.

Accordingly, costs associated with the preparation, administration and management of this Plan will be levied on all applications which result in a contribution payable under this Plan. These costs are shown as a separate element in the rates schedule and the method of calculation is described in Section 6 and covers the implementation review, monitoring and updating procedures set out in the Plan. In addition, studies are undertaken to determine the design and costing of works as well as to review the development and demand assumptions of the Plan.

Where a MPB or WIK agreement is negotiated between a developer and the Council, the Plan Administration and Management Contribution levy will still apply. This amount will cover plan review costs and also Council's costs associated with negotiating the MPB or PA and supervision of the work undertaken.

5. NEXUS AND METHODOLOGY

This section of the Plan establishes the relationship (nexus) between the expected types of development in the Contribution Areas and the demand for additional public services and facilities to meet the needs of that development.

Nexus is the relationship between the expected types of development in the area and the demonstrated need for additional public facilities created by those developments.

The level of provision sought for the facilities identified in this Plan is considered reasonable and are required to satisfy the expected demands arising from relevant development in the Plan's Contributions Area. New or expanding development utilising heavy vehicle haulage will increase the need for maintenance of certain public roads. It will therefore be necessary for increased maintenance to be provided in response to the impact of increased heavy vehicle usage.

Table 1: Facilities Categories

Category	Types of Services/Facilities
Heavy Vehicle Generating Development	Road maintenance (heavy haulage vehicle impacts),
Plan Management and Administration	Management of development contributions and works, and review of the Plan.

Details of the methodology for calculating the contribution towards increased maintenance costs are attached to this Plan.

6. HEAVY VEHICLE GENERATING DEVELOPMENT

6.1 Introduction

The contributions provided for in this Plan are required to meet the increase in road maintenance from new development within the identified Contribution Area.

The key documents supporting these works are identified below:

- Warrumbungle Shire Council Community Strategic Plan (latest version)
- Council Operational Plan (latest version)
- Council Delivery Program (latest version)
- Council Long Term Financial Plan (latest version)
- Asset Management Policy
- Asset Management Plan – Roads

- Austroads Guide to Pavement Technology Part 2: Pavement Structural Design (2024)
- Australian Trucking Association – Track Impact Chart – Technical Advisory Procedure [Truck Impact Chart | Australian Trucking Association](#)

6.2 Nexus

Facilities provided for within this Plan are consistent with the Council's Community Strategic Plan (CSP), and in particular:

We value OUR MOBILITY AND ACCESSIBILITY

Effective transport systems that provide convenient connections to move people, goods and services.

As well as the CIVIC LEADERSHIP strategies of:

CL1.1 Ensure that Council is generating sufficient funds to provide the levels of service and infrastructure agreed with the community.

CL1.3 Asset Management Plans for all of Council's assets include levels of service with forecasts identified for operations, maintenance renewals/upgrades and depreciation.

A contribution is sought in the case of development that generates significant heavy haulage vehicle movements. It is well documented that heavy vehicles accelerate the deterioration of road surfaces, and lead to a requirement for more frequent and expensive remediation and maintenance works if road service standards are to be maintained. Accordingly, such developments may be required to contribute towards the costs of the resultant more frequent maintenance regime.

6.3 Apportionment

In relation to heavy vehicle haulage contributions, the contribution rate has been calculated solely on the demand attributable to a proposed development, and as a result no apportionment has been applied.

6.4 Methodology

All heavy vehicles contribute to the deterioration of road pavements. An increase in the number of heavy vehicles using a road will accelerate the deterioration of a road, and lead to increased road maintenance costs being incurred by Council. The impact of heavy vehicles on the condition of road pavements has been well documented by Austroads and other authoritative sources.

Council maintains the LGA roads at an adopted level of service as specified in the *Warrumbungle Shire Council's Asset Management Plan*. As a result of a development using heavy haulage vehicles, Council will need to undertake increased maintenance work to maintain this level of service. The extent of the increased maintenance is dependent on the heavy vehicular traffic generated by the subject development.

Increased road maintenance results in an increased drain on Council's finances. These increased costs will burden the community with providing the increased funds required by Council to maintain the existing level of service for the road network because of the development, unless the subject development provides a contribution

commensurate with the increased maintenance costs.

The purpose of this methodology is to ensure that heavy vehicle haulage associated with a specific development provides a fair contribution towards the additional costs incurred by Council due to any heavy haulage traffic associated with that development.

The costs of keeping roads in a satisfactory condition occur in three main areas:

- Rehabilitation:
 - Regional sealed pavement rehabilitation;
 - Rural sealed pavement rehabilitation, and
 - Unsealed pavement rehabilitation/gravel resurfacing.
- Reseals
 - Maintenance reseal (i.e., regional and local roads)
- Maintenance
 - Annual routine maintenance, and
 - Heavy patching or stabilisation of selected sections.

A traffic generating development will be required to pay a proportion of the above costs based upon the heavy vehicle Equivalent Standard Axle (ESA) impact on the regional or local road used by the heavy vehicles in question. An Equivalent Standard Axle (ESA) is defined as a Dual Tyred Single Axle transmitting a load of 80kN (or 8.2 tonne) to the pavement (Austroads).

The contribution and its calculation do not apply to State Roads that are the funding responsibility of the State Government, such as the Newell Highway.

6.4.1 Roads and Design Life

Council maintains a mix of sealed and unsealed roads. These roads have been subdivided into three categories for the purposes of this Plan:

- Regional sealed pavement;
- Local sealed pavement, and
- Unsealed pavement.

Each road type has a different design life and maintenance requirements.

Austroads Pavement Design Guides contain design tables where pavement design life can be expressed in accordance with design traffic loadings (ESA). Thus, a standard life of pavement can be expressed as ESAs. This means that the life of a pavement can be expressed as the total number of equivalent axles that should pass over it prior to replacement.

The standard life (assumed design life) for the road categories above is expressed as ESA are:

- Regional sealed roads: approximately 1,000,000 ESA over 60 years
- Local sealed: approximately 1,000,000 ESA over 90 years
- Unsealed roads: approximately 200,000 ESA over 20 years

A sealed road incurs construction costs, maintenance costs and replacement of the wearing course over its design life. An unsealed road incurs ongoing costs for maintenance and gravel resheeting and heavy gravel patching, with additional work required if there is significant damage for natural events, such as flood events.

6.4.2 Maintaining the Warrumbungle Shire Council Roads Network

Table 3: General cost of roads over their design life

Road Type	Treatment	Cost per km	How often?
Regional sealed roads	Rehabilitation	\$880,000	at 60 th year
	Reseals (average width of 8m)	\$56,000	at 15 th year
	Maintenance	\$3,080	annually
Local sealed roads	Rehabilitation	\$540,000	at 90 th year
	Reseals (average width of 6m)	\$42,000	at 15 th year
	Maintenance	\$3,080	annually
Unsealed roads	Resheet	\$30,000	at 20-25 th year
	Maintenance	\$3,000	annually

Applicants are advised to consult with Council to determine the current costs for the above maintenance activities for the specific roads affected by their proposal, prior to assessing the likely contribution of a specific development.

Based on the Table 3 above, the total cost per kilometre of a **regional sealed** road over its assumed design life is:

$$\begin{aligned}
 & \$ \text{ maintenance} \times 56 \text{ yrs} + \$ \text{reseal (at 15}^{\text{th}}, 30^{\text{th}}, 45^{\text{th}} \text{ years)} + \$ \text{ reconstruction (at 60}^{\text{th}} \text{ year)} \\
 & = (\$3,080 \times 56) + \$56,000 \times 3 + \$880,000 \\
 & = \$1,220,480 \text{ per km}
 \end{aligned}$$

The total cost per kilometre of a **local sealed road** over its assumed design life is:

$$\begin{aligned}
 & \$ \text{ maintenance} \times 84 \text{ yrs} + \$ \text{ reseal (at 15}^{\text{th}}, 30^{\text{th}}, 45^{\text{th}}, 60^{\text{th}}, 75^{\text{th}} \text{ years)} + \$ \text{ reconstruction (at 90}^{\text{th}} \text{ year)} \\
 & = (\$3,080 \times 84) + \$42,000 \times 5 + \$540,000 \\
 & = \$1,008,720 \text{ per km}
 \end{aligned}$$

The total cost per kilometre of an **unsealed road** is over its assumed design life:

$$\begin{aligned}
 & \$ \text{ maintenance} \times 19 \text{ yrs} + \$ \text{ resheet gravel (at 20}^{\text{th}} \text{ year)} \\
 & = (\$3,000 \times 19) + \$30,000 \\
 & = \$87,000 \text{ per km}
 \end{aligned}$$

6.4.3 Measuring Traffic Impacts at DA Stage

An assessment of vehicle movements generated by a development is required as part of the Statement of Environmental Effects (SEE) or Environmental Impact

Statement (EIS) accompanying the proposed development application.

6.4.4 Measuring Traffic Impacts, Post DA Determination

Notwithstanding the assessment carried out at DA Stage, Council will require ongoing reporting of haulage movements and tonnages to ensure an accurate assessment of contributions towards maintaining the relevant roads.

A quarterly report will be required from the operator of the development. The quarterly report should include details of the number and type of vehicle movements over the past 3 months, including tonnages hauled. Details of the extracted volume of material will also be required, as is usually submitted annually in returns to the NSW Government Department with responsibility for mines and quarries (if relevant). The documents should be audited and certified by the operating company's auditor.

Council may require confirmation of the accuracy of the operator's records at the operator's expense, if Council feels there are discrepancies in the operator's records or no audited statement is provided by the development. If the confirmation process determines that the operator's records are accurate within a tolerance of 5 percent, Council will assume responsibility for the relevant expenses, such as traffic surveys, etc.

There is a relationship between the volume of material extracted from the ground and the vehicle movements generated. For extractive industries, generally a 30% loose volume factor is used for conversion of solid volume to loose volume and therefore, it is assumed that an average haulage truck of loose fill volume 10m³ represents 7.7m³ of solid volume extracted. Should an applicant be of the view that this volume factor is inappropriate an alternative factor may be applied provided it is justified to Council's satisfaction.

6.4.5 Method of Assessment

The impact of heavy vehicles on roads will be calculated using ESA (equivalent standard axle), which provides a widely accepted way of determining the likely damage to a road pavement from heavy vehicles. The ESA of the relevant heavy vehicles in the operator's annual return are to be calculated using the latest edition of the Australian Trucking Association – Track Impact Chart – Technical Advisory Procedure (at the time of writing this policy, Edition 3 dated September 2024). An alternative technical source that gives similar principles for pavement impact modelling is the *Austrroads Guide to Pavement Technology*.

The calculation of contributions will be expressed as a yearly cost, calculated annually and payable quarterly.

6.4.6 Contributions Methodology Formula

This Plan applies a consistent formula to determine the contribution of heavy vehicle haulage towards road maintenance.

This formula considers:

- Use of the roads in question expressed in ESA
- The design life of the roads
- The lifecycle costs of maintaining the roads

Different road vehicles have different axle configurations and different axle load

configurations. In turn, vehicle class configurations are converted to equivalent standard axles (ESA).

The *Australian Trucking Association – Truck Impact Chart – Technical Advisory Procedure* provides a methodology for the identifying the ESAs for different vehicles. Appendix 1 shows the ESA applying to specific vehicle types.

The calculation of the periodic contribution relating to any heavy haulage development is determined by calculating the aggregate impact of the subject heavy vehicle movements on each of the road type described above. Should vehicle configurations be utilised other than those stated in the Table, the applicant should consult with Council to determine the applicable ESA that applies to their vehicle category. The periodic contribution is determined by applying the following formula:

$$\begin{aligned} \$C &= \frac{\$Reg \times ESA \times Reg \text{ Length}}{Reg. \text{ life}} + \frac{\$Local \text{ seal} \times ESA \times Local \text{ sealed Length}}{Local \text{ seal life}} \\ &+ \frac{\$Unseal \times ESA \times Unsealed Length}{Unsealed life} \end{aligned}$$

where:

- \$C is the monetary contribution payable by the development for the relevant period (e.g., preceding quarter) in dollars
- \$Reg is the standard cost of regional road per kilometre over the design life in dollars, being \$1,220,480
- \$Local sealed is the standard cost of local sealed road per kilometre over the design life in dollars, being \$1,008,720
- \$Unseal is the standard cost of local gravel road per kilometre over the design life in dollars, being \$87,000
- ESA is the total number of ESAs generated by the development in the preceding period
- Reg life is the standard life of a sealed regional road, which is 1,000,000 ESA
- Local sealed life is the standard life of a local sealed road, which is 1,000,000 ESA
- Unsealed life is the standard life of a local gravel road, which is 200,000 ESA
- Reg Length is the total length of regional sealed road travelled by the development's laden heavy vehicles estimated at the time of the development application, in kilometres
- Local seal Length is the total length of local sealed road travelled by the development's laden heavy vehicles
- Unsealed Length is the total length of local unsealed road travelled by the development's laden heavy vehicles estimated at the time of the development application, in kilometres

6.4.7 Approach to Measuring Traffic Impacts

Two methods can be used to calculate the impact of a specific development, based on the above - a less complex method using “generic” assumptions”, and a more complex method using only information specific to the subject development. Applicants can choose the methodology they prefer.

Method 1: Simplified

A less complex method makes assumptions about the nature of the roads utilised and

vehicles used. The limitations of this method are the underlying assumptions. The assumed road is based on the proportional distances of local unsealed, local sealed and regional sealed roads that make up the Shire's road system. The assumed vehicle is based on an assessment of vehicles typically used by extractive or mining industries.

Under this Method 1, contributions are to be applied by multiplying the proposed development's annual road haulage tonnage limit by a set rate of \$0.197 per tonne (19.7 cents per tonne), multiplied by the distance (km) of Council roads that make up the haulage route.

If there is no set haul route at the time of DA approval because deliveries will be made to the public as the development's customers (e.g., a quarry), then the haul route is generally to be measured between the site and the access point on the State classified road (operated by Transport for NSW) that those heavy vehicles will likely use to get to and from the surrounding region.

Method 1 Examples

Example 1

A quarry extracting 500,000 tonnes per year with a haulage route of 2 km over the local and regional road network would be required to pay the following annual contribution:

$$\text{Contribution} = \$0.197 \times 500,000 \times 2 = \$197,100 \text{ per annum}$$

Example 2

A quarry extracting 100,000 tonnes per annum over 10 km haulage route over the sealed and unsealed local and regional road network would be required to pay the following annual contribution:

$$\text{Contribution} = \$0.197 \times 100,000 \times 10 = \$197,100 \text{ per annum}$$

How rates in Method 1 were calculated

The basis of this method is:

- Current Council road maintenance costs are \$1,220,480 per km per design life for regional sealed roads, \$1,008,720 per km per design life for local sealed roads and \$87,000 per km per design life for unsealed local roads.
- The general split of roads relevant to this plan within the Warrumbungle LGA is 63.4% local unsealed roads, 20.3% local sealed roads and 16.3% sealed regional roads.
- The design life for the road pavements expressed in Equivalent Standard Axle (ESA) loadings is regional sealed roads: - approximately 1,000,000 ESA over 60 years, local sealed roads: - approximately 1,000,000 ESA over 90 years, and local unsealed roads: - approximately 200,000 ESA over 15 years.
- Based on the two most likely heavy vehicle types transporting material from quarries being a three axle heavy rigid vehicle with a payload of up to 13.5 tonne, and a six axle truck and trailer combination with a payload

up to 33 tonnes, the relevant traffic impact values to be used in this document are 347 ESA's per 1,000 tonne delivery (three axle truck) and 290 ESA's per 1,000 tonne delivery (six axle truck and trailer). Note: this allows for a fully laden load out of the quarry as well as the unladen heavy vehicle movement back to quarry.

- The majority of heavy vehicle traffic is likely to be truck and trailer combinations.

Accordingly, it is considered reasonable to apply that a single maintenance cost based on the proportional split of road types in the Shire, and a traffic impact value of 290 ESA's per 1,000 tonne for all heavy vehicle types.

However, the difference in design life between sealed and unsealed roads is significant. As a result, the formula includes two parts, being the sealed road component combining local and regional sealed roads, and an unsealed component for the unsealed local roads.

Therefore, the generic apportioned road costs for inclusion in the formulae are calculated as follows:

- Portion of Sealed road costs = $16.3\% \times \$1,220,480 \text{ per km} + 20.3\% \times \$1,008,720 \text{ per km} = \$403,708.40 \text{ per km}$
- Portion of Unsealed road costs = $63.4\% \times \$87,000 \text{ per km} = \$55,158.00 \text{ per km}$

Then, the required contribution per tonne noting the traffic impact of the heavy vehicles as 0.290 ESA's per tonne is as follows:

Contribution per tonne per km = $0.290 \times \$403,708.40 \text{ per km} / 1,000,000 + 0.290 \times \$55,158.00 \text{ per km} / 200,000$.

$(\text{ESAs} / \text{tonne}) \times (\$ / \text{km}) / (\text{ESAs}) = \$ \text{ per tonne per km}$

= $\$0.1171 + \0.0800

= $\$0.1971 \text{ per tonne per km}$.

The full contribution rate to be used under the simplified method is $\$0.1971 \text{ per tonne per km}$.

Method 2: Development Specific

A more complex method based on specific information about the subject development in relation to the actual roads travelled and the vehicles used by the development to transport the output of the industry.

The methodology considers the average annualised road maintenance costs, and the length and type of roads to be used by heavy vehicles associated with the subject development. Increased maintenance costs are calculated using the ESA loading on the road per vehicle as a proportion of the total loadings on the road. This is then converted to a total cost per tonne (1,000 kilograms) per annum over the designated route travelled by the vehicles.

The increased costs associated with each road will be calculated separately, and the total contribution payable for the development will be the sum of all the calculated contribution rates for all the individual roads on the designated travel route/s.

6.4.8 Notional examples

Example 1

A fictitious quarry is proposed. The distance travelled on Shire roads from the quarry to the nearest State road is approximately 10 km of local sealed roads.

The applicant states that the quarry will produce 100,000 tonnes of material each year.

The haulage of the excavated material will involve three axle heavy rigid vehicles which equate to 316 ESAs per 1,000 tonnes.

Because only one type of road (local sealed) is involved, the formula is:

$$\text{\$C} = \frac{\text{\$Local sealed} \times \text{ESA} \times \text{Local sealed Length}}{\text{Local sealed life}}$$

$$\text{\$C} = \frac{\$1,008,720 \times 0.316 \times 100,000 \times 10}{1,000,000}$$

$$= \$318,755.52 \text{ per annum}$$

Example 2

A fictitious mine is proposed. The distance travelled on Shire roads from the mine to the nearest State road is approximately 5 km of regional sealed roads, 10 km of local sealed roads and 5 km of local unsealed roads.

The applicant states that the mine will produce 50,000 tonnes of material each year.

The haulage of the excavated material will involve six axle truck and trailer vehicle movements with 290 ESAs per 1,000 tonnes.

Because all three road types are involved, the formula is:

$$\text{\$C} = \frac{\text{\$Reg} \times \text{ESA} \times \text{Reg Length}}{\text{Reg. life}} + \frac{\text{\$Local sealed} \times \text{ESA} \times \text{Local sealed Length}}{\text{Local sealed life}}$$

$$+ \frac{\text{\$Unseal} \times \text{ESA} \times \text{Unsealed Length}}{\text{Unsealed life}}$$

$$\text{\$C} = \frac{\$1,220,480 \times 0.290 \times 50,000 \times 5}{1,000,000} + \frac{\$1,008,720 \times 0.290 \times 50,000 \times 10}{1,000,000}$$

$$+ \frac{\$87,000 \times 0.290 \times 50,000 \times 5}{200,000}$$

$$= \$88,484.80 + \$146,264.40 + \$31,537.50$$

$$= \$266,286.70 \text{ per annum}$$

7 PLAN ADMINISTRATION COSTS

7.1 Nexus

The preparation and administration of a Section 7.11 plan requires resources. Council employs staff to undertake the financial accounting of contributions, and implement

the Plan and its works. In addition, consultant studies and specialist advice (e.g., legal and valuation) are obtained to assist with Plan preparation, management and review.

The costs involved with administering Section 7.11 are an essential component of the efficient provision of facilities necessitated by development within the Contributions Area.

7.2 Strategy

The Plan aims to provide funds to ensure the efficient management of the Section 7.11 planning and financial processes within Council. These processes will be ongoing throughout the life of the Plan.

Council staff that are accountable for facility/service planning and delivery will be involved in reviewing and updating the Plan. This may include review of the works schedules or the latest information on community needs to ensure that facility planning is current and appropriate. This may also include engaging specialist consultants (e.g., planning and engineering specialists) to carry out studies.

7.3 Calculation of Contribution

The estimated cost of Council staff and specialist consulting assistance in the preparation, implementation, management and administration of this Plan is 1% of the value of contributions.

Table 4: Plan Preparation and Management Contributions

Contributions Area	Contribution
Plan Management Administration - Heavy Vehicle Generating Development	1% of the calculated contribution

Appendix 1- Truck Impact Chart ATA

From *Technical Advisory Procedure Edition 3 – September 2024*

Load Status											



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