



# **Walcha Council Section 7.11 Contribution Plan**

## **Heavy Haulage**

**2023**

## S7.11 Contributions Plan for Heavy Haulage

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# Walcha Council Section 7.11 Contributions Plan – Heavy Haulage

## Executive Summary

### 1.1 Plan Overview

The road network within the Walcha Council (Council) comprises two distinctive parts from an operational and funding perspective.

1. The first is the State Road network that traverses the LGA, comprising the Oxley Highway. The maintenance of these State Roads is 100% funded either directly or indirectly by Transport for NSW (TfNSW).
2. The remaining "local road network" is the responsibility of Walcha Council (Council). Some grant funding is provided by State and Federal Governments for road maintenance and upgrading of the local road network in accordance with the prevailing government priorities, however the responsibility for maintenance of this road network is borne overwhelmingly by the rate payers of Walcha.

Roads have a design life after which they need reconstruction. Heavy vehicles can significantly reduce the life of a road. The heavy vehicles have a disproportionately greater impact on the life of roads compared to other light vehicles, notwithstanding their greater numbers of the latter.

Highways and main roads that are part of the State Road network are generally designed and constructed to accommodate heavy vehicles and the damage associated with heavy trucks is recouped through registration and general taxation. Roads within the local road network conversely, often have a lower design standard and are more susceptible to wear and tear associated with heavy vehicles. This results in the need for more frequent reconstruction work.

The majority of heavy haulage vehicles that impact on the local road network are associated with the seasonal haulage of agricultural produce and the haulage of materials that are quarried and/or processed for road and building construction, such as sand, road base, crushed aggregate, asphalt and water. Some of these products are used for the production of concrete, which has a secondary trip component from concrete batching plants to development sites, albeit in smaller trucks.

It does, however, have to be acknowledged that the transportation of extracted materials generally has a much higher weight per axel that agricultural produce and thus a higher impact on the design life of roads.

This contribution plan is primarily focused on recouping the cost of the impact on local roads by haulage of extractive materials such as gravel, sand, rock, minerals, etc.

The imposition of a contribution for non-extractive materials may be appropriate in some cases, although there are a number of complexities, such as:

- The inability to levy contributions on general agricultural production due to such a land use being permissible under the Local Environmental Plan without consent.
- The difficulty in some instances of ascertain heavy haulage routes.
- The variability of product weights that are hauled.

This plan sets out a reasonable estimate of the cost per tonne of material hauled that should be paid to Council for the cost of road reconstruction, necessary as a result of the pavement damage to the local road network. This approach is based on:

- The average cost of road reconstruction due to typical heavy haulage vehicles on a tonne per kilometre rate.
- The travel distance on the local road network between the source of the material hauled and the destination and/or the connection point with a State Road. In cases where there are multiple haulage routes an estimate of the tonnage for each route needs to be made.

This plan has been prepared in accordance with the requirements of the *Environmental Planning and Assessment Act 1979* (EP&A Act) and *Environmental Planning and Assessment Regulation 2001* (EP&A Regulation). In preparing the plan Council has had regard to the latest practice notes issued by the NSW Department of Planning in accordance with clause 211 of the EP&A Regulation.

## 1.2 Summary

Two principal contribution rates have been identified with the contribution formulae providing for multi-trip routes in the interest of certainty.

**Table 1.2 Contribution Rate**

Development Type	Contribution Rate
Extractive Industries and/or processed quarried material, mines or other material or substance conveyed by heavy haulage vehicles.	Regional or Local Sealed Roads \$0.111 per tonne per kilometre
Other Heavy Haulage traffic generating developments	Unsealed Roads \$0.058 per tonne per kilometre
Plan Preparation & Administration	1.5% of contribution
<b><i>NB: These rates are identified in June 2021 dollars and will be indexed annually.</i></b>	

As per the conditions of consent, the contributions related to road maintenance for the development will be ongoing throughout the operational period. These contributions will be calculated and invoiced by the Council periodically, typically on a 3 or 12-month basis, as determined by the

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conditions of consent. The amount of the contributions may be adjusted to align with the consumer price index (CPI) for the relevant quarter.

The CPI is a measure of changes in the prices of goods and services consumed by households, and it is used to gauge inflation. By adjusting the road maintenance contributions with the CPI for the relevant quarter, the Council aims to account for changes in the cost of materials, labor, and other factors that may affect road maintenance expenses over time. This helps ensure that the contributions remain reflective of the current costs associated with road maintenance, and it helps maintain fairness in the distribution of costs among stakeholders.

According to the plan, in certain cases, the Council may determine that a proposed haulage route is not capable of accommodating additional heavy vehicles associated with a development. In such instances, the Council may require contributions from the developer to upgrade the roads to meet the increased demand caused by the development. This is done to ensure that the road infrastructure is adequately maintained and can handle the increased traffic and associated wear and tear.

Additionally, the Plan allows for a portion of the contributions collected to be applied towards the costs associated with administration, management, and review of the Plan. The amount for administration and management costs is set at 1.5 percent of the contributions, as determined by the Independent Pricing and Regulatory Tribunal (IPART). This amount covers the expenses incurred by the Council in implementing and managing the development contribution plan, including administrative overheads and financial management.

Furthermore, the plan outlines the administration and financial management of the income derived from the contributions, in accordance with Section 7.11 of the *Environmental Planning and Assessment Act 1979* (EP&A Act). Section 7.11 of the EP&A Act governs the collection, use, and management of development contributions by local councils in New South Wales, Australia.

It is important to note that existing development consents that include conditions requiring the payment of development contributions levied under previous development contribution plans will continue to remain valid. This means that if a development consent has already been granted and includes conditions related to development contributions based on a previous plan, those conditions and the associated contributions will still be applicable and payable in accordance with the wording of the related consent conditions.

Developers should carefully review and comply with the requirements of the development contribution plan, including any conditions related to haulage routes, administration and management costs, and the financial management of contributions. This will ensure smooth compliance with the Plan, and help in the successful execution of the development itself.

Potential roads that will be the subject of works partly or fully funded under this Plan are the roads that the Council has responsibility for, which includes all the roads within the LGA except the State Roads.

Development that is likely to occasion significant heavy vehicle movements may be approved in any location throughout the LGA. As a result, it is not possible for Council to specify in this plan which sections of the roads will be upgraded or maintained using contributions collected under this plan. It is also notable that all the roads in the network are at a different stage of their design life. It is intended that works programs and application of funds collected under this plan will be determined as part of Council's annual Integrated Planning & Reporting process.



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## Operation & Administration of Plan

### 2.1 Name of Plan

This contributions Plan is called the Walcha Council Section 7.11 Contributions Plan 2023 – Heavy Haulage (the Plan).

### 2.2 Application of this Plan

This Plan applies to all land within the local government area of **Walcha Council Local Government Area (Area)**.

### 2.3 Development to Which this Plan Applies

This Plan applies to development on land to which this Plan applies that requires development consent or a complying development certificate under the *Environmental Planning and Assessment Act, 1979 (the Act)* that generate heavy haulage vehicle movements. Developments that typically meet the criteria include, but are not limited to:

- Extractive industries (e.g. quarries)
- Concrete batching plants
- Waste services
- Warehousing and logistics.

This plan will apply to:

- modifications to existing development consents where conditions require ongoing Section 94 contributions related to traffic movements under repealed plans, in order to align relevant conditions with this plan.
- development located outside of the Walcha Council area where it can be demonstrated that traffic generating development routes will impact on the road network within the Walcha LGA on an ongoing basis.

In these cases, Council will consider the impact of the development and impose a condition of consent requiring payment of levies in accordance with this Plan.

This Plan does not apply to development where Council is not the consent authority – e.g. state significant development.

### 2.4 Purpose of Contributions Plan

The Plan serves as a framework for determining and collecting developer contributions in the Walcha Shire Council area, in accordance with Section 7.11 of the *Environmental Planning and Assessment Act 1979* (EP&A Act). The contributions are imposed as a condition of development consent or prior to issue of a complying development certificate. They are intended to ensure that developments that

increase demand on Council facilities or assets, contribute towards the maintenance, upgrade, or construction of these assets.

The Plan identifies the public amenities and services that will be provided by the Council, and includes a schedule of contribution rates that will be applied to developments subject to the Plan. These contribution rates are calculated based on the demand created by the development, and the Plan provides an explanation of how these rates are calculated. Additionally, the Plan includes administrative details on how and when development proponents will need to meet their contribution obligations.

The Plan also establishes the requirement for a nexus to be established between the development and the need for additional or brought-forward development of Council facilities or assets, unless exemptions apply. This means that contributions will be sought from developments that have a direct impact on the demand for Council facilities or assets, ensuring that the costs of providing necessary infrastructure are proportionally shared by developers whose projects create such demand.

## **2.5 Plan Commencement**

This Contributions Plan takes effect on the date on which public notice of the decision to approve the plan or a later day specified in the notice was published, pursuant to Clause 214 of the *Environmental Planning and Assessment Regulation 2021*.

A development application submitted all prior to the date of commencement, but not yet determined shall be determined in accordance with the provisions of the Plan adopted at the date of determination.

## **2.6 Relationship to Other Contribution Plans**

Where a development application does not include works that would attract a development contribution under this plan, it may be subject to the *Walcha Council 7.12 Development Contributions Plan*.

## **2.7 Payment of Levy as Condition of Consent**

This Plan authorises Council or the consent authority to grant consent to development to which this Plan applies subject to the payment of a levy based on the proposed cost of carrying out the development, **provided that** Council or the consent authority does not also impose on the consent a condition pursuant to s7.12 of the Act.

Conditions authorised by this Plan are subject to any direction given by the Minister under s7.17 of the Act from time to time, and this Plan authorises the imposition of conditions which are in accordance with any such direction.

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Any direction given by the Minister under s7.17 of the Act and are in force from time to time may be attached to this Plan, but does not form part of this Plan for the purposes of the Act.

## **2.8 Levy Exemptions**

Council may exempt the following kinds of developments from the levy authorised to be imposed under this Plan:

- a development by a registered charity, community organisation or service club that will, in the opinion of Council, provide a material public benefit to the Walcha Council community.

For such claims to be considered, any such development will need to include a comprehensive submission arguing the case for an exemption and include details of the mechanism ensuring that such development is, and will remain in the form proposed.

The Plan also does not apply to development:

- facilities by or on behalf of a public authority,
- identified in any applicable Ministerial directions issued under Section 7.17 of the EP&A Act as being exempt from levies
- other than the subdivision of land, where a condition under s7.11 of the Act has been imposed under a previous development consent relating to the subdivision of the land on which the development is proposed to be carried out and the purpose for which that condition was imposed is a purpose towards which a levy under this Plan may be applied.

## **2.9 Pooling of Levies**

This Plan authorises money paid in accordance with any condition of development consent imposed under this Plan, to be pooled in accordance with s7.3 of the Act in respect of development within Council's area and applied progressively towards the various purposes listed in Schedule 1 for which such conditions were imposed.

## **2.10 Construction Certificates & Obligations of Accredited Certifiers**

In accordance with Clause 146 of *the Environmental Planning and Assessment Regulation 2021*, a certifying authority must not issue a construction certificate for building work or subdivision work under a development consent unless it has verified that each condition requiring the payment of levies has been satisfied.

In particular, the certifier must ensure that the applicant provides a receipt(s) confirming that levies have been fully paid and copies of such receipts must be included with copies of the certified Plans

provided to Council in accordance with clause 142(2) of the Regulation. Failure to follow this procedure may render such a certificate invalid.

The only exceptions to the requirement are where a works-in-kind, material public benefit, dedication of land or deferred payment arrangement has been agreed by Council. In such cases, Council will issue written notification confirming that an alternative payment method has been agreed with the applicant.

## **2.11 Timing of Levy Payment**

The contribution, or levy, is required to be paid as per the specifications of the condition which required the contribution be payable. If no time is specified, the levy must be paid prior to the first construction or complying development certificate issued in respect of the development under Part 6 of the Act.

The amount of development contribution shall be calculated on the basis of the adopted rate at the time of payment of the contribution, and any consent issued requiring the application of the Plan shall contain appropriate conditions stating the timing, form and amount of payment to be made.

Generally, the timing of the payment of contributions will be as follows:

- Contribution for maintenance works: will be determined and collected on a quarterly or annual basis (i.e. 3 or 12 months) at the discretion of Council. Contributions will be based on the submission to Council of returns calculated from weighbridge dockets or other suitable records for the applicable period, from the time the consent becomes operational, and shall be collected for every period or part thereof that the development is operating.
- Construction and upgrade contributions: will be determined and collected (and works undertaken) prior to the issue of a Construction Certificate, except as otherwise determined by Council.

## **2.12 Indexation of Contributions**

The contributions stated in consents are calculated on the basis of the 7.11 contribution rates determined in accordance with the Plan. If the contributions are not paid within the financial year in which consent is granted, the contributions payable will be adjusted and the amount payable will be calculated on the basis of the contribution rates that are applicable at time of payment.

Contributions required as a condition of consent under the provisions of the Plan will be indexed in accordance with quarterly updates to the Consumer Price Index, Australia, All Groups CPI; issued by the Australian Bureau of Statistics (ABS Series ID A2325806K). This includes contributions associated with heavy haulage, where Council will apply the CPI adjustment at the time of the invoice preparation.

The following formula for indexing contributions is to be used:

- Contribution at time of payment = \$C x (CP2/CP1)

Where:

- \$C is the original contribution as set out in the consent
- CP1 is the Consumer Price Index; All Groups CPI; Sydney at the time the consent was issued
- CP2 is the Consumer Price Index; All Groups CPI; Sydney at the time of payment.

## 2.13 Deferred or Periodic Payments

Like other NSW Local Governments, Walcha Council does not allow for deferred, periodic or discounted payments of any contribution authorised under this Plan.

## 2.14 Review of Contribution Rates Without Public Exhibition

Council may make certain amendments to this plan without the need to prepare a new contributions plan<sup>1</sup>. These include minor typographic corrections, admission of details concerning works that have been completed and amending contribution rates to reflect indexing. Amendments to contribution rates will be undertaken to reflect annual variations to the Consumer Price Index (CPI) for Sydney as published by the Australian Statistician. The annual indexation will be undertaken on or about 1 July each year based on the March reference period.

The current standard contribution rates for this plan are published by Council on its webpage, and are located within the Fees & Charges Schedule, renewed each financial year.

## 2.15 Alternatives to Payment

If an applicant for development consent seeks to make a contribution towards the provision of public amenities and services to meet development other than by payment of a levy or development contributions, the applicant may adopt one of the following procedures.

### Offer made to the Council as part of a development application

If an applicant does not wish to pay a levy or other contributions in connection with the carrying out of development, the applicant may include in the relevant development application an offer to carry out works or provide a material public benefit towards which the levy was to be applied.

Council will consider the offer as part of its assessment of the development application. If Council agrees to the arrangement and grants consent to the application, it will substitute a condition of consent under s4.17 of the Act requiring the works to be carried out or the material public benefit to

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<sup>1</sup> In accordance with clause 32(3) of the EP&A Regulation

be provided for a condition requiring payment of a levy under s7.12 or development contributions under s7.11. If Council does not agree to the alternative arrangement, it may grant consent subject to a condition authorised by this Plan requiring the payment of a levy.

In assessing the applicant's offer, Council will have regard to the requirements of any current Practice Note issued by the NSW Government and may consider matters such as, but not limited to, the following:

- the overall benefit of the proposal,
- the monetary value of the material public benefits, or work in kind,
- what needs of the population would be satisfied and whether these equal or exceed those provided by conventional means,
- whether the works program in the adopted development contributions Plan remains valid or requires amendment,
- the financial implications for cash flow and the shortfall in anticipated contributions,
- the timing of completion and future recurrent costs,
- future dedication, handover and management arrangements.

### **Offer made to Council following the grant of development consent requiring payment of a levy**

If development consent has been granted to the carrying out of development subject to a condition authorised by this Plan to pay a levy, the applicant must comply with the condition unless it is modified under s4.55 of the Act.

If the applicant does not wish to pay the levy, the applicant may make an application to Council under s4.55 of the Act to modify the consent by substituting for the condition requiring payment of the levy a condition requiring the carrying out of works or the provision of a material public benefit towards the public purpose to which the levy was to be applied.

If Council approves the application, the applicant will be bound by the substituted condition. If Council does not approve the application, the applicant will remain bound by the condition authorised by this Plan requiring payment of the levy.

In assessing the s4.55 application, Council will have regard to the requirements of the current Practice Note issued by the NSW Government and may consider matters such as, but not limited to, the following:

- the overall benefit of the proposal,
- the monetary value of the material public benefits, or work in kind,
- what needs of the population would be satisfied and whether these equal or exceed those provided by conventional means,
- whether the works program in the adopted development contributions Plan remains valid or requires amendment,

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- the financial implications for cash —flow and the short-fall in anticipated contributions,
  - the timing of completion and future recurrent costs,
  - future dedication, handover and management arrangements.

### **Offer to enter into a Voluntary Planning Agreement**

If an applicant does not wish to pay a levy or development contributions in connection with the carrying out of development, the applicant may offer to enter into a Voluntary Planning Agreement (VPA) with Council under s7.4 of the Act in connection with the making of a development application.

Under the VPA, the applicant may offer to pay money, dedicate land, carry out works, or provide other material public benefits for public purposes. Those purposes need not relate to the impacts of the applicant's development.

The applicant's provision under a VPA may be additional to or instead of paying a levy in accordance with a condition of development consent authorised by this Plan. This will be a matter for negotiation with Council.

The offer to enter into the VPA together with a copy of the draft agreement should accompany the relevant development application.

Council will publicly notify the draft VPA and an explanatory note relating to the draft agreement along with the development application and will consider the agreement as part of its assessment of that application.

If Council agrees to enter into the VPA, it may impose a condition of development consent under s7.7(3) of the Act requiring the agreement to be entered into and performed. If Council does not agree to enter into the VPA, it may grant consent subject to a condition authorised by this Plan requiring the payment of a levy.

## **2.16 Unspent Contribution Funds**

This Plan authorises unspent monetary contributions made under previous development contribution plans for the purposes of road maintenance be redirected to works authorised for payment under this plan, with the purpose of delivering the same or similar outcomes sought by previous plans.

## **2.17 The Goods and Services Tax (GST)**

At the time this plan was made the position of the Australian Taxation Office was that the payment of development contributions made under the EP&A Act is exempt from the Goods and Services Tax (GST).

Items in the works schedule of this plan have been calculated without any GST component.

Should this position change, GST will be added to the contributions rate.

## 2.18 Cross Boundary Development

A condition may be authorised by this Plan for the benefit (or part benefit) of an adjoining local government area in which the development is to be carried out. Any monetary contribution that is required to be paid under any such condition is to be apportioned among the relevant councils—

- a) in accordance with any joint or other contributions plan approved by those councils, or
- b) if provision is not made for the apportionment in any such plan—in accordance with the terms of the development consent for the development.

Any dispute between the councils concerned is to be referred to the Planning Secretary and resolved in accordance with any direction given by the Planning Secretary.

## 2.19 Reporting and accounting requirements

Council must keep and maintain a contributions register containing all information as per the *Environmental Planning & Assessment Regulation 2021*.

Council is required to keep up-to-date planning agreement and contributions register on its websites ([www.walcha.nsw.gov.au](http://www.walcha.nsw.gov.au)) and include a link on the NSW Planning Portal. The information published is to include:

- a) Copies of all planning agreements (including amendments and variations to the agreements).
- b) Copies of the explanatory notes relating to those agreements or amendments.
- c) Planning agreement registers with additional information required in the amending Regulation.
- d) Local contributions register as per the Regulation.
- e) Annual financial statements for planning agreements and local infrastructure contributions showing aggregate totals of money, land, and works/works-in-kind received (also referred to as 'material public benefit').
- f) Copies of all current contributions plans and current contribution rates under each plan.
- g) Annual report information related to contributions expenditure, including a detailed breakdown of contributions expenditure by project.

## 2.20 Savings & Transitional Arrangements

A development application which has been submitted prior to the adoption of the 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.



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## Relationship Between Expected Development & Demand for Infrastructure

### 3.1 Overview

In most cases it is difficult to make a precise assessment of the impact of heavy haulage vehicles on the local road network arising from proposed developments such as quarries, because the destination and travel route of heavy haulage vehicles varies depending on a wide range of factors. The purchase of quarried materials by third parties also can make determining the precise impact on the local road network problematic.

Council could as a condition of consent require the travel routes for every heavy haulage truck movement to be logged and use the information to calculate the precise cost of the road pavement damage and commensurate reconstruction needs attributable to those movements. For accuracy this would need to be accompanied by a requirement that each quarry development had a weighbridge to determine the weight of each loaded truck. It is considered an unnecessarily onerous approach to calculating a reasonable contribution that should be reimbursed to Council to fund reconstruction work.

A more reasonable approach is to estimate the likely cost of pavement damage caused by a typical heavy haulage vehicle (per tonne per kilometres) and multiplying this cost with the trip length on the local road network of a tonne of hauled material.

This plan makes the assumption that the primary vehicles that will be used for heavy haulage is a truck and dog (6 axle – 48.5t) with an impact of 290 ESA per 1,000 tonnes. This will be the basis for calculating the cost of the reduced life of local roads unless it can be substantiated that a different truck type and configuration will be used. In such cases an alternative cost can be calculated.

### 3.2 Nexus Between Development & Works

The Plan recognizes that developments generating heavy vehicle movements on Council's road network can increase the burden on the road system and may require new or upgraded roadworks to be constructed. The increased usage of heavy vehicles on existing roads can result in reduced road life, requiring increased construction and maintenance work beyond typical standards. This can also have an impact on road safety and amenity, necessitating additional works to ensure that roads are constructed to acceptable standards.

To calculate the impact of heavy vehicles, the Plan uses equivalent standard axles (ESA) which reflect the likely damage to a road from a heavy vehicle, taking into account both the number of wheels on the road surface (axle loadings) and the gross transport weight of loaded vehicles (payloads). This allows for a more accurate assessment of the impact of heavy vehicles on road degradation.

The land over which contributions will be calculated is determined on a development-specific basis, taking into account the location of developments and the actual roads utilized by those developments, as well as the estimated impact of the developments. This ensures that the contributions are tailored to the specific circumstances of each development and the roads affected by it.

Council has determined that developments generating significant truck movements on Council roads will reduce the expected life of the subject roads. As such, the Plan requires these developments to make a monetary contribution towards the additional and/or brought-forward maintenance costs, as well as any specific new construction and upgrade costs that are directly related to the development. This ensures that the developments are contributing towards the costs associated with the increased burden on the road system and the need for additional maintenance and construction works.

By requiring developments to make contributions towards the impacts they generate on the road system, the Plan aims to ensure that the costs of road maintenance, upgrades, and new construction works are appropriately shared among those who directly benefit from the road infrastructure. This helps to ensure that the road network is maintained to acceptable standards and can adequately support the heavy vehicle movements associated with developments, while also mitigating the impacts on road safety, amenity, and longevity.

### **3.3 Schedule of Works**

The Plan covers the repair of pavement damage to Council roads that may be caused by mines, extractive industries, and other heavy haulage developments. However, it does not include private roads within the Council area or national highways or state roads within the Council area.

Since heavy haulage developments can impact roads anywhere in the Council area, it may not be possible to identify all the roads subject to the Plan upfront. The assessment of which roads are subject to the Plan will be done by Council at the time of development application, taking into account the specific circumstances of each development.

Any monies received under the Plan will be allocated to the haul roads that the developments have contributed towards, and records of such allocations will be maintained as described in Section 2.19 of the Plan.

Council may, at its discretion, accept the provision of land and/or works in lieu of monetary payments by development proponents to satisfy the required road works. This allows for flexibility in meeting the road works requirements outlined in the Plan, depending on the circumstances of each development and the availability of alternative means of contribution.

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## 3.4 Contribution Rate Calculation

The contributions rates applied to developments that cause pavement damage to Council roads are based on the methodologies applied by other similar councils, including those identified in the following plans:

- *Armidale Regional Council Section 7.11 Contributions Plan 2018 – Heavy Vehicles* (Armidale Regional Council)
- *City Wide Infrastructure Contributions Plan 2020* (Cessnock City Council)
- *Narrabri Shire Section 7.11 – Fixed Contributions Plan 2016* (Narrabri Shire Council)
- *Contributions Plan for Heavy Haulage Generated by Extractive Industries 2017* (Dungog Shire Council)
- *Uralla Shire Council Section 7.11 Development Contributions Plan 2021 – Heavy Haulage* (Uralla Shire Council)

### 3.4.1 Methodology

The methodology allows for determination of a proportional cost to replace roads as informed by ESAs and tonnage. It includes the following steps:

1. Determine ESA contribution rate
  - a. Determine standard design ESA for Council roads
  - b. Estimate the cost to reconstruct and maintain one lane for one kilometre for the standard design
  - c. Express the contribution rate in dollars per ESA per kilometre.
2. Determine standard vehicle and tonnage
3. Calculate dollars per tonne per kilometre.

### 3.4.2 Calculations

Calculations for contributions are shown in Table 3.2 and are based on standard design and cost assumptions for the region. While Council's roads may experience less daily traffic, lighter duty roads attract higher contribution rates (reduced ESA does not result in an equal reduction in cost).

An ESA of 2.6 has been used for tonnage calculations, reflecting a Class 4 truck with a dog trailer.

**Table Error! No text of specified style in document.-1: Heavy haulage contribution rates across New South Wales**

Step	Calculation
<b>1. Determine ESA contribution rate</b>	
<b>a. Determine standard design ESA for Council roads</b>	<ul style="list-style-type: none"> <li>• Regional sealed road: <b>1,000,000 ESA</b> over 60 years</li> <li>• Local sealed road: <b>1,000,000 ESA</b> over 700 years</li> <li>• Unsealed roads: <b>200,000 ESA</b> over 17 years</li> </ul>
<b>b. Determine maintenance requirements for Council roads</b>	<ul style="list-style-type: none"> <li>• Regional sealed roads: <ul style="list-style-type: none"> <li>– Rehabilitation: \$400,000 @ 60<sup>th</sup> year</li> <li>– Reseal: \$32,500 at 15<sup>th</sup> year</li> <li>– Maintenance: \$3,080 annually</li> </ul> </li> <li>• Local sealed roads: <ul style="list-style-type: none"> <li>– Rehabilitation: \$270,000 @ 70<sup>th</sup> year</li> <li>– Reseal: \$32,500 at 15<sup>th</sup> year</li> <li>– Maintenance: \$3,080 annually</li> </ul> </li> <li>• Unsealed road: <ul style="list-style-type: none"> <li>– Resheet: \$35,000 @ 17<sup>th</sup> year</li> <li>– Maintenance: \$2,174 annually</li> </ul> </li> </ul>
<b>c. Estimate cost to reconstruct and maintain one lane for one kilometre</b>	<ul style="list-style-type: none"> <li>• Regional sealed roads: <ul style="list-style-type: none"> <li>– \$ maintenance x 58 yrs. + \$reseal (@ 15th, 30th, 45th years) + \$ reconstruction (@ 60th year)</li> <li>– (\$3,080 x 58) + (\$32,500 x 3) + \$400,000 = <b>\$676,140 per km</b></li> </ul> </li> <li>• Local sealed roads: <ul style="list-style-type: none"> <li>– \$ maintenance x 68 yrs. + \$ reseal (@ 15th, 30th, 45th, 60<sup>th</sup> years) + \$ reconstruction (@ 70th year)</li> <li>– (\$3,080 x 68) + (\$32,500 x 4) + \$270,000 = <b>\$609,440 per km</b></li> </ul> </li> <li>• Unsealed road: <ul style="list-style-type: none"> <li>– \$ maintenance x 15yrs. + \$ resheet (@ 17th year)</li> <li>– (\$2,174 x 15) + \$35,000 = <b>\$67,610 per km</b></li> </ul> </li> </ul>
<b>d. Express contribution rate in dollars per ESA per kilometre</b>	<ul style="list-style-type: none"> <li>• Regional sealed roads: \$676,140/1,000,000 = \$0.676 per ESA per km</li> <li>• Local sealed roads: \$609,440/1,000,000 = \$0.609 per ESA per km</li> <li>• Unsealed roads: \$67,610/200,000 = \$0.338 per ESA per km</li> </ul>
<b>2. Determine standard vehicle and tonnage hauled</b>	<ul style="list-style-type: none"> <li>• Standard vehicle: Class 4 truck (12m) with dog trailer</li> <li>• ESAs per standard vehicle: 2.6</li> <li>• Standard tonnage hauled: 15 tonnes</li> </ul>
<b>3. Calculate dollars per tonne per kilometre</b>	<ul style="list-style-type: none"> <li>• Regional sealed roads: <ul style="list-style-type: none"> <li>– Contribution per standard vehicle per km: \$0.676 x 2.6 = \$1.757</li> <li>– Contribution per tonne per km: \$1.757 / 15 = \$0.117</li> </ul> </li> <li>• Local sealed roads: <ul style="list-style-type: none"> <li>– Contribution per standard vehicle per km: \$0.609 x 2.6 = \$1.583</li> <li>– Contribution per tonne per km: \$1.583 / 15 = \$0.105</li> </ul> </li> <li>• Unsealed roads:</li> </ul>

	<ul style="list-style-type: none"> <li>- Contribution per standard vehicle per km: <math>\\$0.338 \times 2.6 = \\$0.878</math></li> <li>- Contribution per tonne per km: <math>\\$0.575 / 15 = \\$0.058</math></li> </ul>
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Given the similarity in costs between regional and local sealed road, a single contribution amount has been identified, being the average of the costs.

**Two principal contribution rates have been identified:**

- **Regional or local sealed road: \$0.111 per tonne per km**
- **Unsealed road: \$0.058 per tonne per km**

The Section 7.11 levy payable under this Plan is as follows. Contribution formulae have been provided for multi-trip routes in the interest of certainty.

**Table Error! No text of specified style in document.-2: Contribution formulae**

Tonnage Contribution
<p>Contribution = <math>R_1 \times (L_1 \times T_1 + L_2 \times T_2 \dots L_n \times T_n) + R_2 \times (L_1 \times T_1 + L_2 \times T_2 \dots L_n \times T_n)</math></p> <p>Where:</p> <ul style="list-style-type: none"> <li>● <b>R<sub>1</sub></b>: Per Tonne rate for sealed road used by the development</li> <li>● <b>R<sub>2</sub></b>: Per Tonne rate for unsealed used by the development</li> <li>● <b>L<sub>1</sub></b>: Length of road route 1 used by the development (km)</li> <li>● <b>T<sub>1</sub></b>: Estimated material tonnage trucked along route 1</li> <li>● <b>L<sub>2</sub></b>: Length of road route 2 used by the development (km)</li> <li>● <b>T<sub>2</sub></b>: Estimated material tonnage trucked along route 2</li> </ul>

The use of tonnage contribution rates is the standard approach for calculating contributions towards road construction and maintenance costs. However, in certain cases where lighter duty trucks are expected to be used, ESA (Equivalent Standard Axle) rates may be used instead of per-tonne rates. This would involve replacing the per-tonne rate with a per-vehicle per-kilometre rate, and using the number of trips per period in the calculations.

In addition, Council may consider using alternate standard vehicle ESAs for tonnage contributions if it can be demonstrated that a different type of vehicle or combination more accurately reflects the expected operations at the site. For example, if concrete agitator trucks or B-doubles are expected to be used, Council may adjust the contribution rate accordingly.

Furthermore, Council may identify specific circumstances that could increase or reduce the costs associated with road construction and maintenance, and may require recalculation of contributions based on the actual costs of the day. The determination of the appropriate contribution rate will be made by Council during the development assessment process, taking into account the information provided by the applicant.

### 3.5 Contribution Rate Application

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

- Identify the length of Council roads that the development will use for heavy haulage purposes. This will be based on information provided with a development application and verified by the consent authority
- Calculate the required periodic payment using the contribution rates shown in the Plan; that is: at per ESA per kilometre or rate per tonne per kilometre
- Assess whether any additional road construction or upgrade works are required to meet the specific needs of the development; if so, include a condition that the development makes a contribution under this plan based on:
  - The rate per tonne per km or rate per ESA per km, as per this plan.
  - The total length of all haul routes
  - The actual amount of material hauled (in tonnes) or number of vehicles hauling (in ESAs) for each quarter
- No later than one month after the end of March, June, September and December over the life of the development, the operator of the development submits tonnage or ESA data for the development for the quarter (e.g. weighbridge records)
- Council confirms suitability of data and issues an invoice to the operator, reflecting the applicable rate and haul route as per the development consent
- The operator pays the required contribution, as per the standard terms of the invoice.

Due to the nature of heavy haulage related development and road maintenance impacts, Council does not allow deferred periodic payment of contributions under this plan.

### 3.6 Examples

#### Example 1: Development with no return load

- A development will utilise 10 kilometres of local sealed roads for heavy haulage purposes
- The development is estimated to generate 10,000 tonnes per quarter
  - ✓ Contribution rate: 10 kilometres x \$0.111 per tonne per kilometre for sealed road = \$1.11 per tonne of haulage material
- Upon operation, verified data on tonnes hauled on Council roads is compiled for the quarter to the satisfaction of Council (see method and timing of payments below)

- Council prepares an invoice using a payment calculation is made as follows (substituting the 10,000 tonne figure with the verified quarterly figure if different):

***\$1.11 per tonne x 10,000 tonnes of haulage material = contribution of \$11,100.***

### **Example 2: Development with multi-trip load**

- A development will result in multi-trip deliveries, utilising 5 kilometres for the first trip along a regional sealed road and 3 kilometres for the second trip along an unsealed road
- The development is estimated to generate 5,000 tonnes per quarter for the first trip and 2,000 tonnes per quarter for the second trip.
  - First trip contribution rate: 5 kilometres x \$0.111. per tonne per kilometre for regional sealed roads = \$0.555 cents per tonne of haulage material
  - Second trip contribution rate: 3 kilometres x \$0.058 cents per tonne per kilometre for local sealed roads = \$0.174 per tonne of haulage material
- After the development has assembled verified data on tonnes hauled on Council roads, to the satisfaction of Council (see method and timing of payments below), a final payment calculation is made as follows:

***First trip: \$0.555 per tonne x 5,000 tonnes of haulage material = contribution of \$2,775.***

***Second trip: \$0.174 per tonne x 2,000 tonnes of haulage material = contribution of \$348.***

## **3.7 Verification**

There are two different types of contribution rates that may be imposed on development: a tonnage-based rate and an ESA (Equivalent Standard Axle) based rate. For the tonnage-based rate, operators are required to provide weighbridges as the verification instrument, which will record the tonnage of material associated with each vehicle and its destination. For the ESA-based rate, operators are required to provide traffic classifiers as the verification instrument, which will classify the type and number of loaded heavy vehicles entering or leaving the development, and record the number of ESAs subject to contributions.

Council officers must be provided access to these verification instruments as required, and the installation and maintenance of these instruments are the responsibility of the operators. However, Council may approve alternate verification instruments if deemed acceptable. If Council deems that the records are not suitable, they may determine the tonnage, route, and contributions associated with the period at their discretion.

### **3.8 Operational Changes**

A statement of haulage routes will need to be submitted every two years to Council to support any changes in operations related to production and delivery of materials for the relevant development. This statement will outline the routes that will be used for hauling materials to and from the development site, taking into consideration any changes in logistics, transportation methods, or other relevant factors that may have evolved over time.

By requiring proponents to update the statement of haulage routes every two years, the development consent process ensures that the transportation logistics for the development remain up-to-date and relevant to the changing operational needs. This helps to mitigate potential adverse impacts on the local community and environment, and ensures that the development is carried out in compliance with applicable regulations and best practices.

The statement will identify:

- Mapped Council roads used by heavy vehicles travelling to and from the development
- Estimated number of trips per quarter associated with each route
- Estimated tonnage per quarter associated with each route.

### **3.9 Additional Roadwork Requirement**

When a designated haul route is unable to handle additional heavy vehicle movements, the Council may require upgrades to be made to accommodate development. If the Council identifies specific road or traffic management measures that are needed to accommodate the development, a condition will be imposed under Section 4.17(1)(f) of the Environmental Planning and Assessment Act (EP&A Act). Additionally, road maintenance contributions may also be imposed under this plan.

These measures are typically put in place to ensure that the increased traffic associated with the development does not negatively impact the existing road infrastructure and traffic management in the area. The purpose of these conditions and contributions is to ensure that the developer takes responsibility for any additional strain on the road network caused by the development and undertakes necessary upgrades or maintenance to mitigate the impact. This is done to protect public safety, maintain road quality, and ensure efficient traffic flow in the area.

### **3.10 Apportionment**

The contribution rate has been developed to reflect costs associated with the demand attributed to proposed development. As such, no adjustments are required for the purposes of apportionment.



## Administration Costs

### 4.1 Nexus

The application and operation of the Plan requires various resources and associated costs, such as calculating contributions, reviewing evidence provided by operators, and financial accounting related to contributions and works. It also may require consultant and specialist advice to assist with operating, managing, and reviewing the plan. These costs are necessary for the efficient operation of the plan and can be considered valid subjects for contributions.

It is important to budget and allocate resources for these activities to ensure the efficient operation of the plan. The costs associated with these resources are considered valid subjects for contributions, as they are necessary for the successful implementation of the plan and achieving its objectives.

### 4.2 Calculation

Costs associated with administration, management and review of the plan are set at 1.5 per cent of contributions, as approved by the Independent Pricing and Regulatory Tribunal (IPART). Therefore Council will levy an amount equivalent to 1.5 percent of the assessed cost per tonne per kilometre of material hauled for the cost of plan preparation and administration.

This is to make provision for the:

- costs expended by the Council for the preparation of the Plan
- anticipated costs of staff time to implement the plan, process and account for contributions and monitor and amend the plan.

## Dictionary

In this Plan, unless the context or subject matter otherwise indicates or requires, the following definitions apply:

**"Applicant"** means the person submitting a development application.

**ABS** means the Australian Bureau of Statistics.

**Act** means the *Environmental Planning and Assessment Act 1979*.

**Council** means Walcha Council.

**CP1** means is the Consumer Price Index, All Groups Sydney, as published by the ABS in respect of the quarter ending immediately prior to the date of the consent.

**CP2** means is the Consumer Price Index, All Groups Sydney, as published by the ABS in respect of the quarter ending immediately prior to the date of payment.

**Development contributions** means a development contribution required to be paid by a condition of development consent imposed pursuant to section 7.12 of the Act.

**ESA** means equivalent standard axles.

**Extractive Industries** means the winning or removal of extractive materials (otherwise than from a mine) by methods such as excavating, dredging, tunnelling or quarrying, including the storing, stockpiling or processing of extractive materials by methods such as recycling, washing, crushing, sawing or separating, but does not include turf farming. For the purpose of this plan, extractive industry also includes mines and the processing and/or refining of extractive materials.

**Levy** means a levy under s7.12 of the Act authorised by this Plan.

**Local Road Network** means the road network within the Shire excluding State Highways.

**IDC** means the indexed development cost.

**Mine** means any place (including any excavation) where an operation is carried out for mining of any mineral by any method and any place on which any mining related work is carried out, but does not include a place used only for extractive industry.

**Minister** meaning the minister administering the Act.

**OCD** means the original development cost determined by the Council

**Planning Agreement** means a voluntary planning agreement referred to in section 7.4 of the EP&A Act.

**Public Facility** meaning a public amenity or public service.

**Quarry or quarried material, quarried product** means an extractive industry or material obtained from an extractive industry.

**Regulation** means the *Environmental Planning and Assessment Regulation 2021*.

**s7.11 Plan** means a contributions Plan made pursuant to section 7.13 of the Act.

**s7.12 Plan** means a contributions Plan made pursuant to section 7.13 of the Act.

**Work in Kind** means the undertaking of a work or provision of a facility by an applicant which is already nominated in the works schedule of a contributions plan.

**VPA** means Voluntary planning Agreement.

## SCHEDULE 1- Weight to Volume Conversions

Adopted weight to volume conversions for quarry materials for the purposes of contribution calculation.

Material	Weight to Volume
Road Base - Basalt	1.75 tonnes/metre <sup>3</sup>
Aggregate - Basalt	1.50 tonnes/metre <sup>3</sup>
Road Base - Chert	1.70 tonnes/metre <sup>3</sup>
Sand - Siliceous	1.50 tonnes/metre <sup>3</sup>
Sand - Indurated	1.80 tonnes/metre <sup>3</sup>

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## SCHEDULE 2 - Standard Conditions of Consent

### Deferred Commencement Conditions

- A quantitative/volumetric survey of the site shall be undertaken by a practicing registered surveyor at the cost of the applicant/operator prior to the commencement of any site works or excavations. The survey shall be undertaken and submitted to the requirements and satisfaction of Council. An electronic copy of the survey data shall be provided in a format that can be used with subsequently surveys to determine the volume of material extracted.

### Other Conditions

- A contribution shall be paid in accordance with the Walcha Council Heavy Haulage Contributions Plan current at the time of payment on a quarterly basis within one month of the end of the quarter. The quarters shall comprise 1 January - 31 March, 1 April - 30 June, 1 July - 30 September, 1 October - 31 December unless otherwise notified by Council. NOTE: At the time of the consent this requires a payment of **<insert rate applicable at time of consent>** per tonne of material hauled from the site. This rate is subject to indexing in accordance with clause 2.12 of the *Walcha Council Heavy Haulage Contributions Plan 2023*
- A "remittance form" as issued by Council shall be submitted to Council for each quarter either accompanying the required payment or as a "nil" return. The information required includes applicable quarter, quantities of material, tonnage rate, contribution payment and the like and be certified by a company officer.
- A quantitative/volumetric survey shall be undertaken by a practicing registered of the surveyor prior to the commencement of the quarry and stockpiles on an annual basis and submitted to Council that provides an estimate of material removed from the site. The annual cycle shall be the financial year unless otherwise notified Council.
- An annual audit of quarry sales by volume and weight shall be undertaken by an independent auditor and submitted to Council on an annual basis. This audit shall also provide a reconciliation between the sales and the contributions that were payable under the *Walcha Council Heavy Haulage Contributions Plan* to demonstrate compliance with the terms of the Consent. The annual cycle shall be the financial year unless otherwise notified Council.
- Quantitative/volumetric surveys of the site shall be undertaken periodically by a practicing registered surveyor at the cost of the applicant/operator upon written request by Council. The surveyor shall use the methodology supplied by Council to determine the weight of the extracted material and reconcile such with quarterly and annual returns. Where the survey indicates that more material has been extracted that indicated by returns, the applicant/operator shall pay a contribution in respect of the outstanding amount.