

Richmond
Valley
Council



**CERTIFIED IN ACCORDANCE WITH THE
ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979
AND REGULATION 2021**

Draft

**RICHMOND VALLEY COUNCIL
SECTION 7.11 HEAVY HAULAGE
CONTRIBUTIONS PLAN
(AS AMENDED)
(FORMERLY S.94 HEAVY HAULAGE
CONTRIBUTIONS PLAN)**

Version	Date Effective	Comments	Approved by Council
Version 1	23 October 2013		15 October 2013
Version 2	<<dd mmm yyyy>>	Revised road construction costs, use of combination trucks & dogs, rename plan, updated legislation, updated logo, clarify when returns and payments are due	<<dd mmm yyyy>>

Table of Contents

1. Executive Summary and Introduction	3
1.1. Summary of Works	3
1.2. Summary of Contributions.....	3
2. Administration and Operation of this Plan.....	5
2.1. Name of Plan	5
2.2. Land to which this Plan applies.....	5
2.3. Purpose of the Plan.....	5
2.4. Commencement of this Plan	6
2.5. Relationship to other Council plans.....	6
2.6. Development forms to which the Plan applies	6
2.7. Relationship between expected development and demand for infrastructure	6
2.8. Cost of Road Reconstruction as a result of the expected development .	7
2.9. Savings and transitional arrangements	7
2.10. How will contributions be imposed?	7
2.11. Indexation	7
2.12. Timing of payment and Annual Returns	8
2.13. Failure to lodge Annual Returns or Payments.....	9
2.14. Nexus.....	9
3. Schedules.....	10
3.1. Typical costing for construction of road infrastructure	10
3.2. Methodology for calculating contribution rates	10
3.3. Contributions Rates for Mines and Extractive Industries.....	11

1. Executive Summary and Introduction

This plan enables Richmond Valley Council to levy developer contributions under section 7.11 (formerly Section 94) of the *Environmental Planning and Assessment Act 1979* where the anticipated development will, or is likely to, generate additional heavy haulage vehicle movements, such as from mines and extractive industries.

As a consequence of anticipated development, and having regard to the level of facilities currently available, there is likely to be an accelerated decline in life of the road network due to increased heavy haulage, a cost which would otherwise be borne by the wider community.

Richmond Valley Council has a Section 7.12 Contributions Plan that levies contributions based upon the proposed cost of development. However, due to the nature of developments such as mines and extractive industries the levying of contributions based upon cost of development would not yield sufficient finances to effectively meet the increased demand on the road network. As such this Plan will be applied in lieu of the *Richmond Valley Council Section 7.12 Contributions Plan* on developments identified by Council as Heavy Haulage developments and ongoing contribution will be based upon haulage loads and travel distance.

1.1. Summary of Works

The monies collected will fund pavement rehabilitation works on roads (including regional roads) within the nominated haulage distance for the development. The pavement rehabilitation required as a result of heavy haulage vehicle movements is directly proportionate to the mass of the load transported, the number of vehicle axles, and the volume of material transported. All contributions collected under this Plan will be spent on improvements to the haulage routes within the specified travel distance of the development from which it has been collected.

Where it can be demonstrated that damage (excessive road pavement consumption) present on roads beyond the designated haul distance has a direct nexus to that development, the monies collected under this Plan for that development may be spent on improvements and rectification of the damaged pavement sections.

1.2. Summary of Contributions

The following developer contributions may be conditioned on development consents within the Richmond Valley Council area, or those of neighbouring Local Government Areas where it can be demonstrated that the haulage routes will travel into the Richmond Valley Council area.

A detail of methodology for calculating the following contributions is contained within the schedules to this Plan.

The following developer contribution rates for heavy haulage development will apply:

Development Type	\$Levy/Tonne/Km	Travel Distance	Developer Contribution/tonne
Mines, Extractive Industries, and/or development processing quarried/mined material -			
with the following annual extraction:			
≤20,000 m ³	\$0.18	10 km	\$1.80
>20,000 m ³	\$0.18	15 km	\$2.70
Other Heavy Haulage Traffic Generating Developments -			
	\$0.18	Based on travel distance and equivalent standard axles generated by development	

Note¹ Contributions under this Plan shall be levied annually and based upon lodgement of annual returns itemising extraction rates for the previous financial year.

Note². Rates provided were correct at the time this Plan was adopted and are subject to variation based upon CPI.

2. Administration and Operation of this Plan

This Plan has been prepared in accordance with the provisions of Section 7.11 (formerly Section 94) of the *Environmental Planning and Assessment Act 1979* (EP&A Act) and the Regulation thereto.

2.1. Name of Plan

This development contributions plan is called *Richmond Valley Council Section 7.11 Heavy Haulage Contributions Plan*.

2.2. Land to which this Plan applies

This Plan applies to all land within the Richmond Valley Local Government Area.

This Plan may be applied to development located outside the Richmond Valley Council area where it can be demonstrated that heavy haulage routes will enter the Council area.

2.3. Purpose of the Plan

This Plan enables Richmond Valley Council to levy section 7.11 developer contributions on heavy haulage traffic generating development, including mines and extractive industries.

The purpose of the contribution is to recover the cost of consumption of pavement strength associated with increased axle loadings generated from heavy haulage traffic.

The purpose of the Plan is to:

- (a) to ensure that an adequate level of public road infrastructure is provided throughout the Richmond Valley LGA to handle heavy haulage;
- (b) provide an administrative framework for the levying of contributions against development involving heavy haulage;
- (c) authorise Council to impose conditions under section 7.11 (formerly s 94) of the *Environmental Planning and Assessment Act 1979* when granting consent to development on land to which this Plan applies;
- (d) ensure that the existing community is not burdened by the accelerated provision of local, distributor and regional road infrastructure resulting from the decreased life of road infrastructure due to developments involving heavy haulage;
- (e) provide a comprehensive strategy for the assessment, collection, expenditure, accounting and review of development contributions on an equitable basis; and
- (f) provide for contributions levied under this Plan to be increased annually based upon the Australian Consumer Price Index (CPI).

2.4. Commencement of this Plan

The Plan (Version 1) was first adopted by Council on 15 October 2013 and commenced when public notice was published on 23 October 2013, pursuant to clause 31(4) of the former *Environmental Planning and Assessment Regulation 2000*.

This version of the Plan (Version 2) was adopted by Council on <<date to be added>> and commences from the date on which notice is published on Council's website, pursuant to section 214(4) of the *Environmental Planning & Assessment Regulation 2021*.

Note. A notice was published on <<date to be added>>.

2.5. Relationship to other Council plans

This development contributions plan operates in conjunction with the *Richmond Valley Council Section 7.12 Contributions Plan*. The *Environmental Planning and Assessment Act 1979* prevents development being levied a contribution under both a 7.12 & 7.11 Plan. As such the Section 7.12 Plan will apply unless:

- the development involves heavy haulage traffic generation, and
- the Council determines that the best outcome for the community would be to levy a contribution under this Plan.

The Plan also supplements the provisions of the *Richmond Valley Local Environmental Plan 2012*, and *Richmond Valley Development Control Plan 2021*.

This Plan furthermore has links to key strategies within the *Richmond Valley Council Community Strategic Plan* regarding the provision of services and road infrastructure.

2.6. Development forms to which the Plan applies

This Plan may apply to developments identified by Council as generating heavy haulage traffic.

2.7. Relationship between expected development and demand for infrastructure

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

This Plan could require travel routes for every heavy haulage truck movement to be logged with the information used 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 development has a weighbridge to determine the weight of each loaded truck, and keeping of travel logs to document each travel route.

This is considered an unnecessarily onerous approach to calculating a reasonable contribution that should be reimbursed to Council to fund pavement rehabilitation works.

A more reasonable approach is to estimate the likely cost of pavement consumption caused by a typical heavy haulage vehicle (per tonne per kilometre), and multiplying this cost with an assumed average trip length of a tonne of hauled material. The average trip length is also been assumed based upon the scale of the development.

2.8. Cost of Road Reconstruction as a result of the expected development

Schedule 1 contains typical costs associated with pavement damage caused by a typical truck used to transport material on the road network. It assumes the design traffic of a section of sealed road is 1×10^6 Equivalent Standard Axles (ESA) and the replacement value of a kilometre of road being \$1,000,000.

For mines and extractive industries, the typical cost per tonne of material transported is \$0.233 per km, see Schedule 3.

For other heavy haulage generating developments the same rates can be assumed, however, length of haulage and resultant contribution per tonne will be calculated at the time of development assessment.

2.9. Savings and transitional arrangements

A development application which has been lodged prior to the adoption of this Plan, but not determined, shall be determined in accordance with the provisions of the Plan, or version of the Plan, which applied at the date the application was lodged.

2.10. How will contributions be imposed?

This Plan authorises Council, when determining a development application relating to development to which this Plan applies, to impose a condition under section 7.11 of the EP&A Act requiring payment of a monetary contribution to the Council towards the reconstruction of roads infrastructure to meet the demands of the development.

Methodology for the calculation of contributions payable is provided within the schedules to this Plan.

2.11. Indexation

Developer contributions provided for within this Plan are to be adjusted to reflect the increased cost of road construction that applies at the time consent is granted and subsequently indexed to generate annual payments.

The Council will, without the necessity of preparing a new or amending contributions plan, make changes to the monetary contribution rates set out in this Plan to reflect quarterly changes to the Consumer Price Index (CPI).

The contribution rates will be indexed as follows:

$$\$C_B = \frac{\$C_A \times \text{Current CPI}}{\text{Base CPI}}$$

Where:

\$C_A = the contribution rate at the time of adoption of this Plan, or if the rate and costing has been reviewed, at that review date.

\$C_B = the indexed contribution rate at the time development consent is to be issued or at a subsequent date of payment.

Current CPI = the *Consumer Price Index (Sydney All Groups)* as published by the Australian Bureau of Statistics at the time the rate is being indexed.

Base CPI = the *Consumer Price Index (Sydney All Groups)* as published by the Australian Bureau of Statistics at the date of adopting this Plan, or at the review date, if rates and costings have been reviewed. At the time this Plan was produced the Base CPI was 139.8 (September Quarter 2024).

Note¹. The Bureau of Statistics periodically adjusts the reference base (ie the period in which the index is set equal to 100). The index number levels for all periods will be changed by this process and it may also result in differences, due to rounding, between the percentage changes published on the old base and those on the new base.

Note². The same methodology will be applied to indexation of any costing contained within this Plan.

A condition requiring payment of a monetary contribution under this Plan must include a statement that payment rates will be subject to increase based upon indexation at the time of payment.

2.12. Timing of payment and Annual Returns

Developer contributions are to be paid on an annual basis at the applicable indexed rates based upon tonnage hauled for that period, multiplied by the set haulage distance established for the development.

The operator of the development, subject of a condition of consent requiring payment of monetary developer contributions under this Plan, shall submit an annual return by the end of September each year (the reporting period) for the preceding financial year (1 July to 30 June)(the annual return period). The return shall disclose information including total quantities of material, in tonnes, hauled for the reporting period. Where there has been no heavy haulage during the return period a nil return is required to be submitted.

Council will calculate the appropriate developer contribution payable for the annual return period, including indexation, and create a debtors account and invoice the amount payable. Payment of the contributions are to be received within 3 months of calculating the rate.

More frequent developer contribution payments may be arranged upon request and by agreement with Council. For any development with return periods and payment arrangements more frequent than annually, the following is applicable:

- Returns shall be detailed and lodged to Council, within the agreed reporting period, to calculate the developer contributions applicable for the agreed return period.
- Developer contributions for each return period shall be paid prior to the completion of the following return period.

2.13. Failure to lodge Annual Returns or Payments

If-

- reporting returns are not received within the reporting period—Council may commence formal compliance action against the development, which may include a stop use order and/or compliance order under Schedule 5 of the EP&A Act, or
- payment is not received within the required timeframe—Council may commence debt recovery procedures and/or formal compliance action against the development, which may include a stop use order and/or compliance order under Schedule 5 of the EP&A Act.

2.14. Nexus

Anticipated increases in heavy haulage transport will continue to place greater demands on the existing road infrastructure.

Traffic generating developments, such as mines and extractive industries, provide a significant role in meeting the resource needs of the community. However, they also have the potential to generate significant heavy vehicle movements with consequential impacts upon the road network.

Heavy vehicles are the primary contributor to the consumption of a road pavements structural capacity. The consumption of a road pavements structural capacity has a direct correlation to the number of equivalent standard axles [ESA] applied to the road. Therefore the consumption of structural capacity can be directly related to the ESA's generated by the vehicle and hence a development.

3. Schedules

3.1. Typical costing for construction of road infrastructure

Council's typical costs for the construction of a kilometre of sealed road is \$1,000,000.00 (@2024).

3.2. Methodology for calculating contribution rates

Assumptions

1. Design traffic volume averaged across Richmond Valley Council's road network is 1.0×10^6 Equivalent Standard Axles (Design ESAs) (based on the *Northern Rivers - Design Manual*).
2. The standard heavy haulage vehicle assumes use of Class 4 heavy rigid vehicles (3-axle truck) with a payload of 13 tonnes, and combination vehicles (3-axle truck and 3-axle dog) with a payload of up to 33 tonnes. The number of ESAs per truck payload is determined by a load factor equal to 1.9 for a standard truck & 7.7 for a truck & dog combination (assuming a full payload). The load factor for the standard truck is unchanged from the previous plan and the load factor for the truck and dog combination has been obtained from the Truck Impact Chart Technical Advisory Procedure 2.2 edition March 2018 prepared by the Australian Trucking Association.
3. The average construction cost for a local or regional road is estimated at \$1,000,000 per kilometre.

Calculation

1 truck (3-axle rigid GML) = 13 tonne payload & load factor of 1.9

1 truck & dog (6-axle) = 33 tonne payload & load factor of 7.7 (100% loaded)

Tonnes per ESA = payload / load factor

Average tonnes per ESA = $13 / 1.9$ & $33 / 7.7 = 6.84$ & 4.29 tonnes per ESA
= 5.565 tonnes per ESA (average)

$$\text{\$Levy/tonne/kilometre} = \frac{\text{\$ Cost of 1 kilometre of road}}{(\text{Design ESAs}) \times \text{Tonnes per ESA}}$$

Therefore,

$$\text{\$0.180/tonne/km} = \frac{\text{\$1,000,000}}{(1.0 \times 10^6) \times 5.565}$$

The result is a rate per tonne per kilometre of haulage.

3.3. Contributions Rates for Mines and Extractive Industries

For the purposes of calculating the contributions for mines and extractive industries the following table is used:

Development Type	\$Levy/Tonne/Km	Travel Distance	Developer Contribution/tonne
Mines, Extractive Industries, and/or development processing quarried/mined material -			
with the following annual extraction:			
≤20,000 m ³	\$0.18	10 km	\$1.80
>20,000 m ³	\$0.18	15 km	\$2.70