



WEIPA TOWN AUTHORITY POLICY

Trunk Infrastructure Charges

Policy Number: WTA-P-TP04
Version: 1.0

Date Adopted: 14 August 2009
Review Date: 14 August 2012

1. INTENT

The intention of this policy is to outline the framework under which Weipa Town Authority will recover the cost of new trunk infrastructure required to support residential, commercial and industrial developments within the Weipa Town Authority planning area.

Whilst Weipa is not subject to local government planning provisions within the Integrated Planning Act and associated regulations and guidelines, Weipa Town Authority will, to a reasonable extent, apply the same principles within this legislation in the derivation of trunk infrastructure charges applied to the Weipa Town area.

2. RELATED DOCUMENTS

Documents related to this policy include the *Trunk Infrastructure Plan and Charges Report and Schedule of Trunk Infrastructure Charges*

The *Trunk Infrastructure Plan and Charges Report* does not form part of this policy, and is only intended as a guideline for Weipa Town Authority's use insofar as it describes:

- The infrastructure planning area
- The principles that underpin the charging scheme
- Information used to support the calculation of the infrastructure charges
- The indexation to be used for annual adjustment of the infrastructure charges
- Conversion factors for Equivalent Tenements (ET)

The *Schedule of Trunk Infrastructure Charges* states the Infrastructure Charging Factor (ICF) to be used to calculate the infrastructure charges, and provides a reference table to determine the applicable Trunk Infrastructure Charges for a selection of typical development scenarios.

3. POLICY

Trunk Infrastructure Charging Principles

Weipa Town Authority will seek to ensure that the trunk infrastructure charges levied on end users to support new development are formulated transparently, equitably and efficiently. The following principles to be applied by Weipa Town Authority are generally consistent with the Integrated Planning Act (IPA) Infrastructure Guideline 2/04 for Infrastructure Charges Schedule (ICS):

- Charges are to be limited to infrastructure providing direct, private benefits to end users of the infrastructure



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- Charges are limited to basic and essential services and facilities where consumer choice is limited for reasons of health and safety, or where there are compelling savings in long term costs
- Charges are formulated based on integrated plans for future trunk network development
- Charges are formulated based on reasonable performance standards. Design and construction standards are to support minimum whole of life costs for the asset.
- Infrastructure costs are to be equitably apportioned among all users of the infrastructure

Information Requirements

In order to substantiate the trunk infrastructure charges proposed within this policy, the Weipa Town Authority will maintain:

- Strategic asset management plans that identify:
 - Existing trunk infrastructure assets (description, location and year constructed)
 - Desired standards of service for each asset class
 - Asset valuations
 - Asset renewal and replacement plans
- A Trunk Infrastructure Plan that provides:
 - An overview of the trunk infrastructure planning area
 - Future development projections and assumptions, including economic, population and housing growth
 - Conversion factors used for Equivalent Tenements (ET), Equivalent Persons (EP) and trunk utilisation factors (eg. Water Consumption: x kL/EP/day)
 - Forecast project works over a ten (10) year period, for new trunk infrastructure and upgrades of existing trunk infrastructure to support new development
 - Details regarding the proportion of existing assets that have the necessary capacity to support future development
 - Infrastructure Charging Factors (ICF)
- Cadastral Mapping, CAD drawings or detailed asset registers, denoting:
 - Trunk infrastructure planning area
 - Location of trunk infrastructure
- A policy delineating the Trunk Infrastructure Charges framework (this Policy)
- A Schedule of Trunk Infrastructure Charges



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Trunk Infrastructure

The following asset classes are deemed to form part of the trunk infrastructure owned and operated by the Weipa Town Authority:

- Water (treatment plants and trunk mains)
- Sewerage (treatment plants and trunk mains)
- Stormwater drainage and flood mitigation
- Road networks

Application of Trunk Infrastructure Charges

Trunk Infrastructure Charges will be applied for all assessable residential, commercial and industrial developments where there is a material change in use or reconfiguration of a lot within the Weipa Town Trunk Infrastructure Planning Area

Trunk Infrastructure Charges will be calculated to recover:

- The cost of works to upgrade or extend existing trunk infrastructure and/or to provide new trunk infrastructure
- The proportion of existing trunk infrastructure provided to support planned development

Trunk Infrastructure Charges cannot include the costs of work to upgrade, maintain or replace infrastructure in order to return its performance to the desired standard of service, unless the upgrade delivers additional planned capacity – in which case, the component of costs associated with upgrading capacity can be recovered through Trunk Infrastructure Charges.

Trunk Infrastructure Charge notices will be calculated and issued in conjunction with development approval issued by the Weipa Town Authority.

Payment durations will be specified on the notice for payment, and if not specified, payment of the Trunk Infrastructure Charge must be received prior to the commencement of the approved development, material change of use or reconfiguration of a lot.

At its entire discretion, the Weipa Town Authority may waive all or part any Trunk Infrastructure Charge and will consider alternatives to the payment of Trunk Infrastructure Charges pursuant to this policy. Alternative payment mechanisms may include the proponent of a development carrying out capital works on behalf of the Weipa Town Authority or the gifting of community assets to Weipa Town Authority that form part of the development.



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Calculation of Trunk Infrastructure Charges

Trunk Infrastructure Charges (TIC) are to be calculated in accordance with the following formulae:

$$\text{TIC} = \text{ET} * \text{ICF}$$

where, ET = Equivalent Tenements

ICF = Infrastructure Charging Factor listed in

$$\text{ICF} = (\text{SCV} + \text{FIC})/\text{FET}$$

where, SCV = Surplus Capacity Valuation (unused proportion of existing asset's capacity)

FIC = Forecast Infrastructure Cost (estimated cost for establishment of new trunk infrastructure to support future residential, industrial and commercial development)

FET = Forecast Equivalent Tenements

Note:

- All forecasts are based on ten (10) year forward planning interval
- Establishment costs for infrastructure will be based on standard estimates and unit rates applied by the Weipa Town Authority for planning, design and construction of assets. Establishment costs will not include costs for administering the infrastructure charges scheme or costs associated with financing new infrastructure.
- Conversion factors for Equivalent Tenements will be nominated in the Trunk Infrastructure Plan

Trunk Infrastructure Charges Indexation and Review

The Trunk Infrastructure Charges Policy and Trunk Infrastructure Charges Plan will be reviewed every three (3) years to account for:

- Legislative changes, unless such changes demand earlier review
- Changes to the scope, cost or timing of infrastructure projects
- Changes to population and development projections
- Changes to consumption trends, service levels or other inputs used to determine the infrastructure charge

The infrastructure changes are to be indexed annually, except in the year in which a full review is carried out of the policy and charges, using the indexation method and series described in the Trunk Infrastructure Charges Plan.