

Name of policy:	Equivalent Tenement		
Policy code:			
Adoption by Council:	29 June 2022	Minute number:	255/2022
Last review date:	June 2022		
Review timeframe:	Four (4) Years		
Next scheduled review date:	June 2026		
Related legislation:	<p><i>Local Government Act 1993: Section 64</i></p> <p><i>Water Management Act 2000: Sections 305, 306, 307</i></p>		
Association policies/documents:			
Responsible division:	Infrastructure and Engineering Services		

Policy objective

This policy governs the process for the calculation of Equivalent Tenement (ET) loadings for development proposals. The policy is intended to ensure that the calculation of ET loadings is undertaken in an efficient and equitable manner across all development types.

Development proposals generate additional demand on MidCoast Council's water and sewer networks. The application of an ET demand loading in accordance with this policy ensures that where development generates increased demand, the developer contributes fairly towards the augmentation of MidCoast Council's networks.

This policy provides guidance to both staff and developers on the principles for the calculation of ET demands for developments.

Policy statement

Council is committed to ensuring that the ET policy is efficient, equitable and that developers contribute fairly towards the augmentation of water and sewerage networks.

Coverage of the policy

This policy applies to the development assessment process for calculating demand loadings for proposed developments as part of development approvals in accordance with section 68 of the *Local Government Act 1993*.

The policy outlines the specific ET rates for the most common types of development proposals.

The Equivalent Tenement Policy will operate in conjunction with MidCoast Council's Water and Sewerage Development Servicing Plan.

Strategic Plan link

This policy aligns with the following council values;

- We protect the health and safety of our communities
 - Continue to develop a sustainable network of water, sewer and storm water systems to meet community needs and health and safety standards.

Policy content

As part of the development assessment process in accordance with section 64 and section 68 of the *Local Government Act 1993*, the ET demand of each proposed development is calculated. These calculations are derived from standard rates that are applicable to typical categories of development. The development's ET demand is calculated as follows:

$$ET\ Demand = (Development\ Size\ or\ Demand) \times (Standard\ ET\ rate\ for\ development)$$

A list of standard ET rates for the calculation of ET demand for various developments is provided within Table 1.

Where a development proposal falls outside the listed categories, or where MidCoast Council is of the opinion that the development does not adequately suit a defined category, an individual assessment shall be undertaken. This individual assessment may consider proposed consumption rates and/or similar developments from across the region compared to the demand loadings of a standard ET, or by a similar method as determined by MidCoast Council. In some instances, where insufficient data is available, investigation of similar developments may be undertaken across other Local Government Areas.

Where an individual assessment is undertaken MidCoast Council may request additional information from the proponent in regards to consumption rates to assist in the calculation of ET demands.

Development Contribution Calculation

Developer charges are levied in accordance MidCoast Council's Water and Sewerage Development Servicing Plan. The development contribution is calculated using the ET demand in the following formula:

$$Development\ Contribution = ET\ Demand \times (Water\ Developer\ Charge + Sewer\ Developer\ Charge)$$

Water and sewer developer charges are published in MidCoast Water's Revenue Policy contained in the Operational Plan. The method of calculation of developer charges is outlined in MidCoast Water's Development Servicing Plan.

Appeals

Appeals on the assessment of development contributions shall be made in writing to the determining officer within 28 days of notification. Any review to be undertaken shall be done so by a delegate of the Council, other than the original determining officer, in accordance with section 100 of the *Local Government Act 1993*.

Where a review is undertaken by MidCoast Council additional information may be requested from the proponent in regards to consumption rates to assist in the re-calculation of ET demands.

Excess Equivalent Tenement on a Parcel of Land (ET Credits)

Excess ETs may arise where the use of a parcel of land changes and reduces the ET demand. In these cases excess ETs shall be maintained and may be utilised by subsequent developments for up to a maximum of 10 years from the date of the change in land use. Where development on a given site does not utilise excess ET credits within the 10 year period, the site shall revert to the approved development usage as applicable after this period.

Transfer of Equivalent Tenement Credits

ETs which are calculated and levied on a parcel of land are not transferable to another parcel of land.

Definitions

- Standard Equivalent Tenement – An Equivalent Tenement (ET) is considered to be the demand or loading that a development will have on MidCoast Council's infrastructure in terms of average water and/or sewage discharge for an average residential dwelling or house, based on consumption data from across MidCoast Council's catchment region or, where appropriate, state wide averages as published by the Water Directorate (2016).
- Water Developer Charge – The base contribution amount for 1ET of water demand.
- Sewer Developer Charge – The base contribution amount for 1ET of sewage loading.
- Development Contribution – The amount to be levied on a development based on the ET demand multiplied by the water and/or sewer contribution amount.

References and related documents

- Water Directorate (2017) *Section 64 Determinations of Equivalent Tenements Guidelines*
- New South Wales Government (2017) *Local Government Act 1993*.
- New South Wales Government (2017) *Water Management Act 2000*.
- New South Wales Government (2017) *Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005*.

Responsible officer (position)

Manager Water Planning and Assets

Attachments

Table 1: Standard Equivalent Tenement Categories, Descriptions and Unit Rates

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TABLE 1: STANDARD EQUIVALENT TENEMENT CATEGORIES, DESCRIPTIONS AND UNIT RATES

	Category	Proposed Unit Rate	Description	Examples	Exclusions
1.	Residential				
1.1	Standard Dwelling	1.0ET per Dwelling	Dwelling on a lot which consists of multiple rooms which may be utilised as bedrooms.	<ul style="list-style-type: none"> • Single dwellings • Dual Occupancies (with total lot size >900m²) 	
1.2	Medium Density Development	0.8ET per Dwelling	Development which consists of two (2) or more dwellings on a lot, and where the apportioned land mass equates to 450m ² or less per dwelling.	<ul style="list-style-type: none"> • Units • Flats • Apartments • Dual Occupancies (with total lot size ≤900m²) 	<ul style="list-style-type: none"> • Dual Occupancies (with total lot size >900m²) • Single Dwellings
1.3	High Density Development	0.6ET per Dwelling	Developments which are multi storey (in excess of three (3) storeys), and where evidence of reduced landscape watering is provided.	<ul style="list-style-type: none"> • Multistorey unit developments 	
1.4	Single Bedroom Premises	0.5ET per Dwelling	Dwelling on a lot which consists of only a single room which may be utilised as a bedroom.	<ul style="list-style-type: none"> • Single dwellings • Units • Flats • Apartments 	
1.5	Secondary Dwelling	Exempt	As defined within Local Environmental Plans, Development Control Plans in force in the Mid-Coast Council area, and the State Environmental Planning Policy (Affordable Rental Housing) 2009, a secondary dwelling means a self-contained dwelling that: <ol style="list-style-type: none"> a) is established in conjunction with another dwelling (the principal dwelling), and b) is on the same lot of land as the principal dwelling, and c) is located within, or is attached to, or is separate from, the principal dwelling. 	<ul style="list-style-type: none"> • Granny Flat 	<ul style="list-style-type: none"> • Secondary dwellings which exceed 60m², which will otherwise be assessed as Medium Density or Single Bedroom Premises as applicable.

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	Category	Proposed Unit Rate	Description	Examples	Exclusions
			A secondary dwelling may be a standalone dwelling, be attached to an existing building or may result from the alterations or additions to a primary dwelling.		
2.	Commercial Accommodation				
2.1	Long Term Accommodation	0.6ET per Unit/Room/Site	Accommodation dwellings or rooms that are occupied either permanently or semi-permanently.	<ul style="list-style-type: none"> • Manufactured housing estates • Long term Cabins/ Caravan Sites (as designated by planning regulation for 'long term accommodation') 	
2.2	Short Term Accommodation	0.4ET per Unit/Room/Site	Accommodation dwellings or rooms which are occupied on a short term basis only.	<ul style="list-style-type: none"> • Hotels • Motels • Short Term Cabins/Caravan Sites (as designated by planning regulation for 'short term accommodation') • Bed & Breakfasts 	<ul style="list-style-type: none"> • Bed & Breakfasts which are a conversion of existing dwellings
2.3	Camping Sites	0.2ET per Site	As defined within the <i>Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005</i> including both 'Camping Sites' and 'Primitive Camping Sites'. No sullage points or water supply taps are to be provided to camping sites. Where these facilities are supplied the sites shall be assessed as 'Short Term Accommodation'.	<ul style="list-style-type: none"> • Camping sites located within camping and caravan sites. 	<ul style="list-style-type: none"> • Camping sites which are supplied with sullage points and/or water supply taps.
2.4	Backpackers	0.2ET per Bed	Short term accommodation, having rooms shared by individual parties.	<ul style="list-style-type: none"> • Backpackers • Youth Hostels • Bunk Houses 	

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	Category	Proposed Unit Rate	Description	Examples	Exclusions
2.5	Hospitals	0.6ET per Bed	A health care facility offering short-medium term critical and medical care for patients	<ul style="list-style-type: none"> Hospitals 	
2.6	Residential Care Facility	0.4ET per Bed	A residential care facility (taken to be the meaning as defined within the <i>Aged Care Act 1997</i>) which provides permanent care (personal and/or nursing care, meals, and cleaning/laundry), for seniors and/or people with a disability consisting of individual rooms with communal living and dining areas.	<ul style="list-style-type: none"> Residential Care Facilities Nursing Homes Aged Care Facilities 	<ul style="list-style-type: none"> Retirement Villages
2.7	Seniors Living/ Self-Care Facility	0.4ET per 1 Bedroom Unit/Apartment 0.6ET per 2 Bedroom Unit/Apartment 0.8ET per 3(+) Bedroom Unit/Apartment	Self-care facility which provides permanent housing for seniors and/or people with a disability consisting of individual self-care units or apartments (taken to be the meaning as defined within the <i>State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004</i> as 'Seniors Housing'). Subdivision of land is not permissible for this category to apply to a development.	<ul style="list-style-type: none"> Self-Care Facilities Retirement Villages 	<ul style="list-style-type: none"> Developments which include subdivision of land. (Subdivision of land is taken to mean Torrens, Strata or Community title subdivisions)
3.	Public Services/ Amenities				
3.1	Schools	0.04ET per Student	A facility used for the purpose of education and/or training.		
3.2	Childcare	0.03ET per Child	A facility used for the purpose of childcare.	<ul style="list-style-type: none"> Childcare Centre Preschool Crèche 	
3.3	Halls/Auditoriums/ Theatres	0.0015ET per m ²	Public entertainment areas	<ul style="list-style-type: none"> Public Halls Churches Community Centres Public Exhibition Spaces 	
3.4	Public Toilets	0.5ET per WC	Amenities provided for public use.	<ul style="list-style-type: none"> Public toilets 	<ul style="list-style-type: none"> Urinals, showers and washbasins

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	Category	Proposed Unit Rate	Description	Examples	Exclusions
4.	Commercial				
4.1	General Commercial	0.003ET per m ²	This is a broad category covering general and specific commercial/business development.	<ul style="list-style-type: none"> • Retail Shops • Shopping centres • Offices • Administration • Professional Services • Supermarkets 	<ul style="list-style-type: none"> • Developments associated with food preparation, large scale commercial and industrial developments.
4.2	Large Scale Commercial	0.001ET per m ²	Commercial premises which are utilised for the storage and sale of bulky goods. Generally consist of large floor areas.	<ul style="list-style-type: none"> • Display Centres • Bulky Goods Sales 	<ul style="list-style-type: none"> • General commercial
4.3	Cafe	0.005ET per m ²	A premise used for the preparation or service of light food and coffee to the public.	<ul style="list-style-type: none"> • Coffee Shops • Cafes 	<ul style="list-style-type: none"> • Restaurants • Take away food shops
4.4	Food Premises	0.01ET per m ²	A premise used for the preparation or service of food products to the public.	<ul style="list-style-type: none"> • Take away food • Restaurants 	<ul style="list-style-type: none"> • High volume food premises such as fast food franchises.
4.5	High Volume Food Premises	0.03ET per m ²	A high volume premise used for the preparation or service of food products to the public.	<ul style="list-style-type: none"> • McDonalds • KFC • Hungry Jacks 	
4.6	Licenced Premises	0.02ET per m ²	A premise licensed to sell alcohol. The area assessed shall include all service and entertainment areas.	<ul style="list-style-type: none"> • Pub/Bar • Licenced Club • Bowling Club 	Non service areas such as Office/Administration and Storage areas shall be calculated separately using commercial/industrial categories.
5.	Industrial				

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	Category	Proposed Unit Rate	Description	Examples	Exclusions
5.1	Light Industrial	0.0005ET per m ²	Industrial development utilised for bulk storage and warehousing in which manufacturing is not undertaken. Water shall not be utilised for operational purposes except for provision of staff amenities.	<ul style="list-style-type: none"> • Bulk storage • Warehousing 	<ul style="list-style-type: none"> • Any development which incorporates manufacturing or operational processes on site. • Office and Administration service areas are calculated separately.
5.2	Medium Industrial	0.001ET per m ²	Industrial development in which minimal water consumption may be intermittently utilised within the manufacturing or operational process.	<ul style="list-style-type: none"> • Dry Manufacturing • Dry assembly • Metal Work • Mechanical Workshops • Carpentry and Joinery 	<ul style="list-style-type: none"> • Office and Administration service areas are calculated separately.
5.3	Heavy Industrial	Case-by-case basis	Industrial development in which water consumption forms an integral function within the manufacturing or operational process. Details on water demand and sewage loads must be provided on application.	<ul style="list-style-type: none"> • Concrete plants • Laundromats • Food processing • Manufacturing (water consumption) • Breweries 	<ul style="list-style-type: none"> • Office and Administration service areas are calculated separately.
6.	Land Subdivision				
6.1	Residential Subdivision (Low Density)	1.0ET per Lot	Land subdivision for the purpose of low density residential development. Subdivision of lots from 450m ² up to 1,999m ²	Land located within residential zonings as per MidCoast Council 'Local Environment Plan'	<ul style="list-style-type: none"> • Land within any other zoning other than residential. • Subdivision of lots under 450m² or over 2000m²

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	Category	Proposed Unit Rate	Description	Examples	Exclusions
6.2	Residential Subdivision (Rural Residential)	1.2ET per Lot	Land subdivision for the purpose of low density residential development within a rural residential context. Subdivision of lots equal to or over 2,000m ²	Land located within residential zonings as per MidCoast Council 'Local Environment Plan'	<ul style="list-style-type: none"> Land within any other zoning other than residential. Subdivision of lots under 2000m²
6.3	Residential Subdivision (Medium Density)	0.8ET per Lot	Land subdivision for the purpose of medium density residential development. Subdivision of lots less than 450m ²	Land located within residential zonings as per MidCoast Council 'Local Environment Plan'	<ul style="list-style-type: none"> Land within any other zoning other than residential. Subdivision of lots over 450m²
6.4	Industrial Subdivision	1.0ET per Lot	Land subdivision for the purpose of industrial development.	Land located within industrial zonings as per MidCoast Council 'Local Environment Plan'	<ul style="list-style-type: none"> Land within any other zoning other than industrial.
6.5	Commercial Subdivision	1.0ET per Lot	Land subdivision for the purpose of commercial development.	Land located within commercial zonings as per MidCoast Council 'Local Environment Plan'	<ul style="list-style-type: none"> Land within any other zoning other than commercial.
7.	Other Development				
7.1	Other Development	Case-by-case basis	Any development which is not captured within the categories listed within this policy, or where MidCoast Water is of the opinion that the development does not adequately suit a defined category, individual assessment of the development will be made.		