



Attachments to Item 10.3.1

Special Charge Scheme Draft Policy

(9 Pages)

Special Rates and Charges Policy - 2018

Department/Unit: <i>Department Name</i>	First Implemented: 18 September 2018 Effective From: 18 September 2018 Review Date: 18 September 2019 Version: 01 Trim Reference: E1533	Origin: Responsible Officer <i>Infrastructure Manager</i> Authorising Officer: <i>Chief Executive Officer</i>
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Governance Use Only

Action / Status:

- To EMT for comment/review: *N/A*
- Staff consultation required: *No* Date comments required by: *N/A*
- Review by Audit & Risk Advisory Committee: *N/A*
- Review by Councillors: *Yes*
- Approved by CEO: *N/A*
- For consideration and endorsement by Council (if appropriate): *18 September 2018*

PURPOSE

To establish a strategic framework for the raising of financial contributions from property owners who receive special benefit from infrastructure improvements in a fair, equitable, consultative and consistent manner.

POLICY STATEMENT

This policy applies to all new or improved infrastructure assets that benefit an identified group of property owners within the municipality.

This policy details the circumstances and manner in which new or improved infrastructure works are undertaken with financial contribution from property owners based on principles of fairness and equity. This contribution shall be obtained through a Special Rate or Charge Scheme having regard to the level of special benefit received by those properties and the level of benefit received by the wider community.

Works or Services

A Special Rate or Special Charge Scheme will be used to finance works and services in all circumstances permitted by legislation.

When considering infrastructure related projects, Special Charge Schemes will apply in circumstances where there is an upgrade or an expansion to infrastructure.



Maintenance and renewal works will not be considered for a Special Charge Scheme. Dust suppression works, which, are classified as upgrade works, are of a temporary nature, and will be exempt from a Special Charge Scheme.

Initiation

Project initiation can be by the following;

- Resident initiated proposal – property owners of a street or area approach Council with a written submission demonstrating majority support from property owners that would be involved in the scheme, requesting Council consider this proposal for future capital works projects.
- Council initiated proposal – Council identifies works that are required to be undertaken that align with the Council Plan and also the prioritisation of projects, having regard to risk and other factors such as:
 - Health and Safety;
 - Amenity;
 - Environment;
 - Demonstrated need; and
 - Financial

Total Cost

For upgrade and expansion works relating to kerb and channel, footpaths or urban road reconstruction Council will contribute a minimum of 50% of the total cost related to the implementation of a scheme. Actual expenses related to the scheme include preparation, implementation, design, supervision and administration. Any additional contribution by Council shall be determined in accordance with the Ministerial Guidelines to the Act.

For other eligible special charge scheme infrastructure works Council will apply the Ministerial Guidelines to the Act.

At the completion of the scheme, the final cost of the scheme will be determined and amounts to be recovered shall not exceed 10% of the adopted scheme estimate. Any expenditure above the 10% shall be borne by the Council. Where the final cost of the scheme is less than the adopted scheme estimate the saving shall be returned to the contributors.

Apportionment

Apportionment of costs shall be on each property identified by Council as receiving a “special benefit” and has been included in the Scheme.

In determining apportionment, Council will have regard to the objectives in the *Local Government Act 1989* (Part 1A) to ensure the equitable imposition of rates and charges.

Council will determine apportionment based on a range of factors, which may include:



- Equal split of special benefit charge amongst properties benefiting;
- Frontage of lots receiving special benefit;
- Area of lots receiving special benefit;
- Use of lots receiving special benefit; and

Council will model a variety of methods to demonstrate equitable apportionment of the special benefit amongst beneficiaries.

Consultation

Community consultation and participation will play an important part in the development of specific projects. Many proposals will only be implemented if they have significant support of property owners.

The extent of consultation will depend on the size and/or likely impact of the proposed works, generally in accordance with the following:

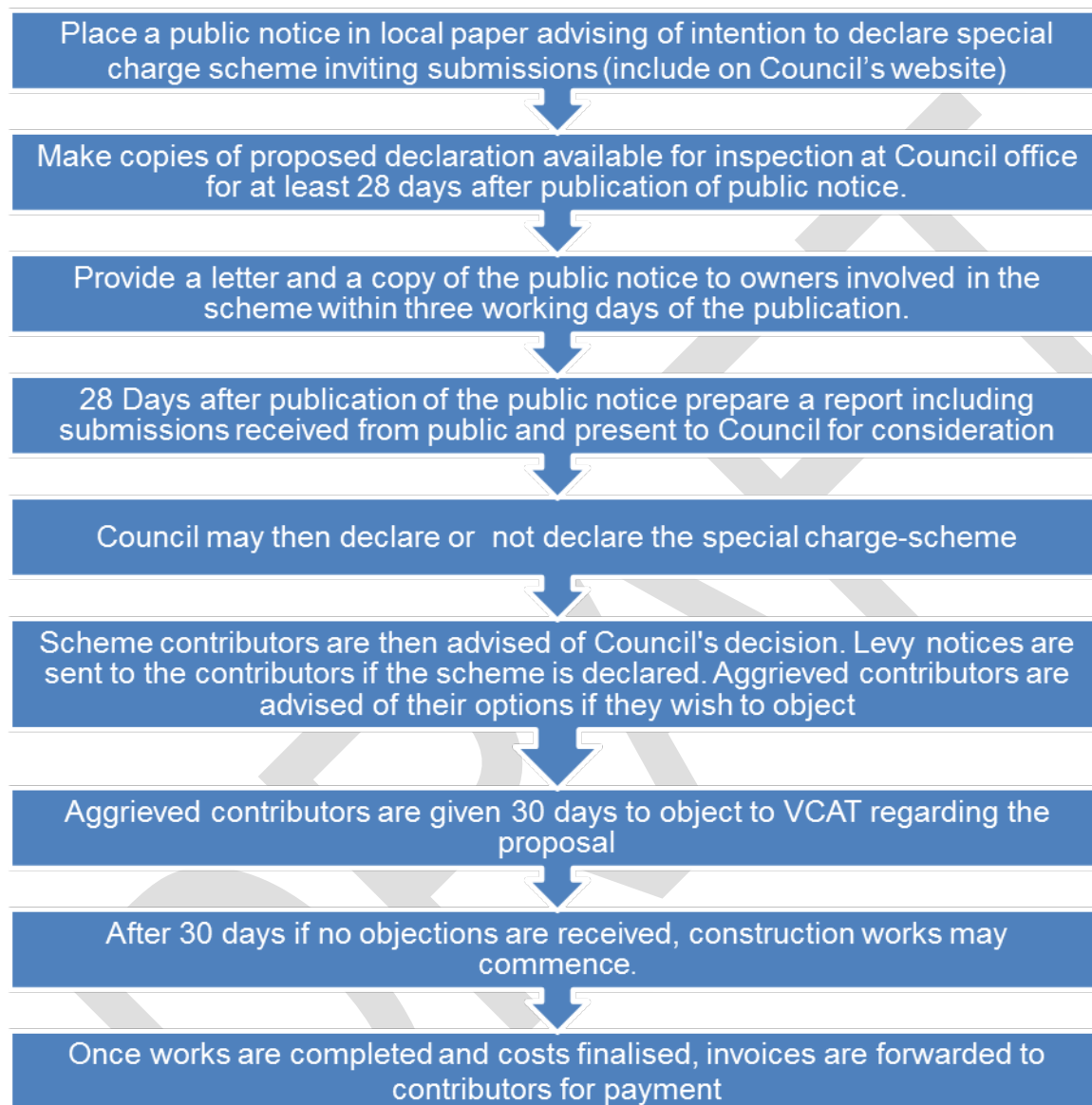
All consultation will, at a minimum, be in accordance with the requirements of the Act.

- For small projects that have demonstrated community support and/or are of limited complexity, consultation shall be undertaken in accordance with the Act.
- For larger more complex projects, or for projects in which community support is yet to be ascertained, consultation may commence with:
 - A meeting/s with beneficiaries prior to declaration of special charge scheme: and
 - A survey seeking written response from beneficiaries.

If the process for implementing the scheme continues, consultation is undertaken in accordance with the requirements of the Act.



Steps taken in the statutory process for consultation is as follows:





DEFINITIONS

Maintenance

Expenditure on an asset which maintains the asset in use but does not increase its service potential or life, e.g. repairing a pothole in a road, repairing the decking on a timber bridge, repairing a single pipe in a drainage network, repairing the fencing in a park, repair work to prevent early failure of an asset or a portion of an infrastructure network.

Renewals

Expenditure on renewing an existing asset or a portion of an infrastructure network, which increase the service potential or extends the life, e.g. re-sheeting part of a road, renewing a section of drainage network, major maintenance on bridges, resealing a road, replacing an existing footpath.

Upgrade works

Expenditure on upgrading the standard of an existing asset of infrastructure network to provide a higher level of service to users.

Upgrades would include, but not limited to:

- Replacing drainage pipes with pipes of greater capacity;
- Upgrading the standard of a road from unsealed to sealed;
- Upgrading the standard of a road to a higher classification;
- Replacing an existing bridge with one having a greater carrying capacity ; and
- Upgrading the standard of a road to include drainage and/or kerb and channel.

Expansion works

Expenditure on extending an infrastructure network, at the same standard currently enjoyed by existing residents, to a new group of users.

Expansion projects would include, but not limited to:

- Extending a footpath on a road network;
- Extending the drainage network;
- Establishment of new car parks; and
- Development of new facilities.

SCOPE

This policy applies to all Council employees, Councillors, contractors, consultants, volunteers and other authorised personnel of Mansfield Shire Council.

RESPONSIBILITIES

Overall responsibility for the application of this Policy is held by the Chief Executive Officer.



Managers are responsible for ensuring their staff comply with the principles, practices and any associated procedures of this policy. Management, employees, contractors and volunteers are to be familiar with, and competent in, the application of this Policy, and are accountable for the delivery of this policy within their areas of responsibility.

The Infrastructure Department is the owner of this policy. Any reviews of this Policy must be made in consultation with the Technical Services Officer and Infrastructure Departmental Manager.

REFERENCES / RELATED POLICIES

Local Government Act 1989 (the Act)
Ministerial Guidelines – Special Rates and Charges, September 2004.

IMPLEMENTATION

This Policy is effective from 18 September 2018.

REVIEW DATE

This Policy is to be reviewed by 18 September 2019.

AUTHORISATION TO IMPLEMENT POLICY

Signed: _____

Councillor

Witnessed: _____

Chief Executive Officer

Approval dated: 18 September 2018

Mansfield Shire Council reserves the right to review, vary or revoke this Policy at any time.



Special Rates and Charges Policy PROCEDURES

The following procedures are designed to ensure that all decisions relating to this policy are made in a consistent and open manner.

Flowchart for Special Rate & Charge Schemes

