



Central Coast Council

## **Ordinary Council Meeting**

**Attachments Provided  
Under Separate Cover**

**Monday, 8 February, 2021**

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**Central Coast Council**  
Attachments provided under separate cover to the  
**Ordinary Council Meeting**  
to be held in the Council Chamber,  
2 Hely Street, Wyong  
On Monday, 8 February 2021 ,  
commencing at 6:30pm

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# **GOSFORD CITY NUCLEAR FREE ZONE (Amendment 1)**



**GOSFORD CITY NUCLEAR FREE ZONE****GOVERNANCE AND PLANNING – DEVELOPMENT & COMPLIANCE****POLICY OBJECTIVES**

To establish Gosford City as a nuclear free zone.

**POLICY STATEMENT**

The City of Gosford is a nuclear free zone.

**REGULATIONS**

Gosford City Council declares the Gosford Local Government area a Nuclear Free Zone. As a Nuclear Free Zone area, Gosford City Council ensure that the Gosford Local Government area:

- a prohibits production, storage or disposal of nuclear waste or by product; or
- b prohibits extraction of uranium, radium or thorium as a primary mineral; or
- c prohibits extraction of these minerals from any other mining activity to be used commercially; or
- d prohibits establishment of any industry or activity involving the treatment or processing of any such mineral or nuclear (e.g. spent fuel reprocessing or conditioning); or
- e prohibits transportation of any nuclear materials through the council boundaries; or
- f prohibits docking of any vessel within the council boundaries that has failed to verify that no radioactive material is on board; or
- g prohibits military training bases that utilise, store or transport depleted uranium stocks; or
- h except in direct and exclusive association with a hospital, medical facility and in any measuring device.
- i erect "Nuclear Free Zone" signs at suitable entry points to the LGA as soon as possible.

**PROCEDURE**

This procedure being an administrative process may be altered as necessary by the General Manager.

Signs will be erected at the City boundaries stating:

"This is a Nuclear Free Zone"

(Minute No 156/1984 - 13 March 1984)  
 (Minute No 547/1994 - 14 June 1994)  
 (Minute No 322/1996 - 23 April 1996 - Review of Policies)  
 (Minute No 239/2000 - 24 October 2000 – Review of Policies – no changes)  
 (Minute No 214/2005 - 8 March 2005 - Review of Policies)  
 (Minute No 2007/783 - 4 December 2007)  
 (Minute No 311/2009 - 5 May 2009 - Review of Policies)  
 (Min No 2013/388 - 16 July 2013 - Review of Policies)



# Yasmin Catley MP

MEMBER FOR SWANSEA



Mr Gary Murphy  
Chief Executive Officer  
Central Coast Council

C/-ask@centralcoast.nsw.gov.au

Dear Mr Murphy,

I write in respect of recent comments made by the Hon. Taylor Martin MLC regarding nuclear power on the Central Coast.

Mr Martin has indicated his support for a repeal of legislation which bans uranium mining and nuclear power in New South Wales. Mr Martin has stated that "the prohibitions on uranium mining and nuclear energy reflect the outdated fears of the 1980s".

The Central Coast, and Lake Munmorah in particular, has previously been identified as a potential location for a nuclear power plant, and the people of the Central Coast voiced their vehement opposition to this proposal when it first came to light in 2016.

Nuclear power leaves our coastal community facing the grim prospect of becoming a nuclear power plant wasteland.

I call on you to condemn the Hon. Taylor Martin's proposal to put nuclear on the coast.

I look forward to your response.

Yours sincerely,



Yasmin Catley MP  
Member for Swansea

11 March 2020

Cc: Lisa Matthews – Mayor, Central Coast Council



Office: Shop 1, 204 Pacific Hwy, Swansea NSW 2281 Mail: PO Box 306, Swansea NSW 2281  
Phone: (02) 4972 1133 Fax: (02) 4972 1494 Email: Swansea@parliament.nsw.gov.au



15 April 2020

Yasmin Catley, MP  
Member for Swansea  
PO Box 306  
SWANSEA NSW 2281

Dear Ms Catley,

**RE: *Uranium Mining and Nuclear Facilities (Prohibitions) Repeal Bill 2019***

Thank you for your recent letter to Chief Executive Officer Gary Murphy, dated 11 March 2020. Gary has asked that I respond on his behalf regarding comments made by the Honourable Taylor Martin, MLC regarding the future of nuclear power in NSW. Please find below information relevant to your enquiry.

Council staff have reviewed the key proposed outcomes of the *Uranium Mining and Nuclear Facilities (Prohibitions) Repeal Bill 2019* that has been a bill introduced to NSW Parliament. I understand that if supported by NSW Parliament, this Repeal Bill would repeal the *Uranium Mining and Nuclear Facilities (Prohibitions) Act 1986* in its entirety, and also amend the *Mining Act 1992* to permit issuance of uranium exploration licences.

I note that if the *Uranium Mining and Nuclear Facilities (Prohibitions) Repeal Bill 2019* was supported by NSW Parliament, Commonwealth laws would continue to prohibit the use of nuclear energy for electricity generation across Australia, and these prohibitions would continue to apply in NSW. Therefore, any possible nuclear energy generation development at either Vales Point or Munmorah power station sites would continue to be prohibited.

It is acknowledged that Commonwealth law does permit uranium mining with Ministerial approval, therefore a direct outcome of support for this Bill could potentially be future applications for mining of uranium within NSW. However, there are no known uranium deposits on the Central Coast.



**Wyong Office:** 2 Hely St / PO Box 20 Wyong NSW 2259 | P 02 4350 5555

**Gosford Office:** 49 Mann St / PO Box 21 Gosford NSW 2250 | P 02 4325 8222

E [ask@centralcoast.nsw.gov.au](mailto:ask@centralcoast.nsw.gov.au) | W [www.centralcoast.nsw.gov.au](http://www.centralcoast.nsw.gov.au) | ABN 73 149 644 003

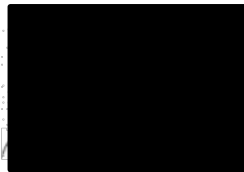


It is noted that the Standing Committee on State Development recommended repeal of the Uranium Mining and Nuclear Facilities (Prohibitions) Repeal Bill 2019 on 4 March 2020. However, this is yet to be voted on by the NSW Government.

I note your concerns about this contentious issue and wish to advise that if given the opportunity to comment, Central Coast Council will lodge a submission in relation to this issue.

If you have any further enquiries, please contact Scott Duncan, Section Manager, Land Use & Policy on (02) 4350 5547.

Yours faithfully,



Scott Cox  
**Director**  
**Environment & Planning**

KLH / Kathryn Heintz



**Wyong Office:** 2 Hely St / PO Box 20 Wyong NSW 2259 | P 02 4350 5555

**Gosford Office:** 49 Mann St / PO Box 21 Gosford NSW 2250 | P 02 4325 8222

**E** ask@centralcoast.nsw.gov.au | **W** www.centralcoast.nsw.gov.au | ABN 73 149 644 003

## 6. Central Coast Council

Central Coast Council's governance and internal controls over LICs were not fully effective. Between 2001 and 2019, more than \$13.0 million in LICs was mis-spent on administration costs in breach of the EP&A Act. There is scope for improved oversight of the projected financial status of contributions plans and credit arrangements with developers. Policies and procedures from the two former councils are not aligned.

In May 2016, the newly amalgamated Central Coast Council inherited 53 contributions plans from the former Gosford City and Wyong Shire Councils. Managing this number of contributions plans fragments the available funds and increases complexity. Central Coast Council is currently working on consolidating these plans. Between June 2016 and June 2019, its LIC balance doubled from \$90 million to \$196 million. Central Coast Council does not assess and report to senior management or its Audit, Risk and Improvement Committee about the projected financial status of contributions plans. Central Coast Council has a LIC committee but it has no formal charter and senior officers do not regularly attend meetings. This limits the committee's effectiveness as a decision-making body. A draft policy relating to works-in-kind agreements provide no guidance about probity in negotiations with developers. Valuations of works-in-kind and land dedications are not independent as they are paid for by the developer.

Central Coast Council has adjusted its accounts in 2018–19 by \$13.2 million to repay the LIC fund for administration expenses that were not provided for in 40 contributions plans.

### Recommendations

By June 2020, Central Coast Council should:

1. obtain independent validation of the adjustment made to the restricted asset accounts and general fund to repay LICs spent on administration, and adjustments made to each infrastructure category within the contributions plans
2. publish current contributions plans from the former Gosford City Council on the Central Coast Council website.

By December 2020, Central Coast Council should:

3. regularly report to senior management on the projected financial status of contributions plans
4. increase transparency of information available to the public about LIC works planned and underway, including intended use of contributions collected under VPAs
5. consolidate existing plans, ensuring the new contributions plans includes a regular review cycle
6. develop a formal charter for the developer contributions committee and increase the seniority of membership
7. complete and adopt council's works-in-kind policy currently under development, ensuring it addresses probity risks during negotiations with developers
8. mitigate risks associated with lack of independence in valuations of works-in-kind and dedicated land
9. improve public reporting about expenditure of cash collected under VPAs
10. improve management oversight of credit arrangements with developers
11. implement security measures to ensure the integrity of key spreadsheets used to manage LICs
12. align policies and procedures relating to LICs across the amalgamated council including developing policies and procedures for the management of S64 LICs
13. update council's VPA policy to address increased or indexed bank guarantees to accommodate cost increases.



# Works-In-Kind Policy

For Works-In-Kind relating to Development Contributions levied under Section 7.11 of the *Environmental Planning and Assessment Act, 1979*

February 2021

Policy No: CCC 101

Policy owner:	Environment & Planning
Approved by:	Central Coast Council
Date of approval:	Day/Month/202X
Policy category:	Strategic
Content Manager No:	D14314739
Review date:	November 2021 or as required by legislative change

**Central Coast Council** P: 1300 463 954 E: [ask@centralcoast.nsw.gov.au](mailto:ask@centralcoast.nsw.gov.au) W: [centralcoast.nsw.gov.au](http://centralcoast.nsw.gov.au)  
A: Wyong: 2 Hely St / PO Box 20, Wyong NSW 2259 Gosford: 49 Mann St / PO Box 21, Gosford NSW 2250

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## Purpose

1. The purpose of this Policy is to establish the overarching principles for the consideration of proposals to provide a material public benefit in the form of Works-In-Kind (WIK), in lieu of full or partial satisfaction of condition/s of development consent requiring the payment of Development Contributions under Section 7.11 the Environmental Planning and Assessment Act 1979 (EPA).

## Policy Statement

2. Council is committed to ensuring:
  - a. the delivery and maintenance of local facilities, services and other infrastructure to serve the needs of its growing population;
  - b. the provision of such is well-planned, appropriately timed and delivered, meets relevant construction and quality standards, and represents value for money for Council and the community; and
  - a. that any WIK Proposals are assessed in an equitable and transparent manner.

## Scope

3. This Policy covers all elected members of Council, all personnel employed by Council, any person or organisation contracted to or acting on behalf of Council, any person or organisation employed to work on Council premises or facilities, and all activities of the Council.
4. This Policy applies to Applicants that have received development consent subject to a Section 7.11 payment condition, and who propose the provision of material public benefits in the form of WIK as full or partial satisfaction of such a payment.
5. This Policy applies to new WIK Proposals and variations to existing WIK Agreements requested or sought from the date of adoption of this Policy.
6. This Policy does not apply to:
  - a. the dedication of land to Council to satisfy the requirements of an adopted Contributions Plan and a condition imposed under Section 7.11 of the Environmental Planning and Assessment Act 1979 requiring the dedication of land (however, it may apply to a WIK proposal for the embellishment of such land if identified within the relevant Section 7.11 Development Contribution Plan);
  - b. Local Infrastructure Contributions (LICs) (also known as Development Contributions) levied under any s7.12 Development Contribution plan, prepared in accordance with the provisions of the *Environmental Planning and Assessment Act 1979 NSW* (the Act);
  - c. Any proposal or request to provide Material Public Benefits other than WIK.



- d. Water Supply and Sewerage Developer Charges payable under a Development Servicing Plan levied under the *Water Management Act, 2000 NSW*.
- 7. This Policy is supported by WIK Guidelines, which may be reviewed as required, subject to endorsement of Council's Development Contributions Committee (DCC) and Council's Chief Executive Officer (CEO).

## General

- 8. Council is under no obligation to accept offers to enter into WIK Agreements.
- 9. Council will only consider applications to enter a WIK where the relevant Section 7.11 Contributions Plan provides that a WIK can be entered into for the carrying out of works in full or partial satisfaction of a monetary contribution condition of a development consent.
- 10. All WIK Proposals will be lodged and progressed in accordance with Council's WIK Guidelines.
- 11. All WIK Proposals will be evaluated against criteria established by Council's WIK Guidelines.
- 12. All WIK Agreements will be subject to the payment of securities.
- 13. All executed WIK Agreements will be recorded on a WIK Register maintained by Council.
- 14. The arrangements of any executed WIK Agreement will not be conditioned within a development consent.

## Compliance, monitoring and review

- 15. Suspected breaches or misuse of this policy are to be reported to the Chief Executive Officer. Alleged breaches of this policy shall be dealt with by the processes outlined for breaches of the Code of Conduct, as detailed in the Code of Conduct and in the Procedures for the Administration of the Code of Conduct.
- 16. Where works which would be the subject to a WIK Agreement have commenced or have been completed without a WIK Agreement being executed, Council will not enter into a retrospective WIK Agreement and will not reimburse the costs associated with the works undertaken.
- 17. This policy will be reviewed every four years, following the election of a new Council, or as required by legislative change.

## Definitions

**Act:** means the *Environmental Planning and Assessment (EP&A) Act, 1979*.

**Applicant:** means the person who has the written authority to act on behalf of the landowner of the land who has the benefit of a development consent that relates to that land.



**Contributions Plan/s:** means a plan prepared by Council in accordance with the provisions of Part 7, Division 7.1, Subdivision 3 of the Act and Regulations for the purposes of Section 7.11 or 7.12 of the Act.

**Contributions Plan Works Schedule:** means the schedule within a contribution plan which itemises the works, costs, staging and timing thereof to be delivered by the plan.

**Contributions Plan Works Value:** means the value assigned to the provision of an item of work or facility under a Contribution Plan.

**Council:** means the Central Coast Council which includes any reference to the former Wyong Shire Council or Gosford City Council

**Development Application:** has the same meaning as within the Act.

**Development Consent:** has the same meaning as within the Act.

**Development Contribution:** means a Local Infrastructure Contributions (LIC) made by a developer under a planning agreement, monetary contribution, the dedication of land free of cost, or the provision of a public benefits to be used for or applied towards a public purpose.

**Development Contribution Condition:** means a condition imposed by the Consent Authority relating to the payment of monies in accordance with applicable Development Contribution Plans.

**Developer Contributions Committee (DCC):** means the internal Council Developer Contributions Committee, comprising relevant employees of the Council that review and provide advice in relation to offers from developers for proposed WIK in lieu of payment of contributions.

**Guidelines** means the operational procedures and assessment Guidelines, as amended from time to time, and endorsed by the DCC or CEO.

**Local Infrastructure Contribution (LIC)** are fees charged by councils when new development occurs. They are used to provide infrastructure to support development, including open space, parks, community facilities, local roads, footpaths, stormwater drainage and traffic management.

**Material Public Benefit** means a Work-In-Kind which is listed in the works schedule of a development contributions plan for which a monetary contribution would be normally sought or the provision of certain public amenities or services that may or may not exist in the area that is not included in a development contributions plan. A Material Public Benefit is not the dedication of land or the payment of a monetary contribution under the *Environmental Planning and Assessment Act, 1979*.

**Security/Securities** means a financial amount of money paid to Council to pay costs associated with completion of any outstanding works to be undertaken by the Applicant and/or rectification of defects of the works once completed.

**Work:** has the same meaning as within the Act.

**Works-In-Kind:** means the undertaking of work, or the provision of amenities, services or facilities, as nominated in a Contribution Plan's Work Schedule and includes reference to Contribution Offsets. It does not include the dedication of land.

**Works-In-Kind Agreement:** means the agreement between an Applicant and Council which details the works, plans, costing, timing and other matters deemed necessary for the provision of Works-in-Kind.

**Works-In-Kind Policy:** means this policy.

## Related resources

### 18. Legislation:

- a. Environmental Planning and Assessment Act, 1979 (NSW)
- b. Local Government Act 1993 (NSW)

### 19. Associated documents:

- a. Council's Code of Conduct
- b. Central Coast Council Works-In-Kind Guidelines
- c. Central Coast Council s7.11 Development Contribution Plans (multiple)
- d. Central Coast Council s7.12 Development Contribution Plan

## History of revisions

Amendment history	Details
Original approval authority details	Council
	XX/XX/20XX <insert Council Meeting date and minute number of resolution adopting the policy <remove if not needed>
	This policy sets out principles that apply to considering applications to undertake WIK in lieu or partial or full payment of Development Contributions payable and conditioned on a

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development consent under s7.11 of the *Environmental Planning & Assessment Act, 1979*.

The policy may be underpinned by operational procedures.

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CM document number:

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# Works-In-Kind Policy – Water Management Act Matters

For Works-In-Kind relating to Development Contributions levied under Section 306 of the *Water Management Act, 2000*

February 2021

Policy owner:	Water and Sewer
Approved by:	Central Coast Council
Date of approval:	Day/Month/202X
Policy category:	Strategic
Content Manager No:	D14306208
Review date:	December 2021 or as required by legislative change

Policy No: CCC 102

**Central Coast Council** P: 1300 463 954 E: [ask@centralcoast.nsw.gov.au](mailto:ask@centralcoast.nsw.gov.au) W: [centralcoast.nsw.gov.au](http://centralcoast.nsw.gov.au)  
A: Wyong: 2 Hely St / PO Box 20, Wyong NSW 2259 Gosford: 49 Mann St / PO Box 21, Gosford NSW 2250

Works-In-Kind Policy – Water Management Act Matters 2

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## Purpose

1. The purpose of the Works-In-Kind Policy is to provide a framework for Council to consider, and for Applicants to apply to provide Works-In-Kind, in lieu of full or partial payment of Water Supply and Sewerage Developer Charges required under the Water Management Act 2000 (WMA).
2. The policy also allows for a refund to an Applicant for any balance of the value of agreed Works-In-Kind that exceeds the amount of Developer Charges payable as identified in the Works In Kind Agreement.
3. The consideration of Works – In Kind, in lieu of full or partial payment of Section 7.11 Development Contributions required under the Environmental Planning and Assessment Act 1979 (EP&A Act) is covered by a separate Council Policy.

## Policy Statement

4. Council is committed to ensuring:
  - a. the delivery of water supply and sewerage infrastructure occurs as required to serve the needs of its growing population;
  - b. the provision of such is well-planned, appropriately timed and delivered, meets relevant construction and quality standards, and represents value for money for Council and the community; and
  - a. that any WIK Proposals are assessed in an equitable and transparent manner.

## Scope

5. This Policy covers all elected members of Council, all personnel employed by Council, any person or organisation contracted to or acting on behalf of Council, any person or organisation employed to work on Council premises or facilities, and all activities of the Council.
6. This Policy applies to Applicants that:
  - a. Intend to lodge an application for Development which is likely to be subject to Developer Charges payment condition/s should a Section 306 Requirements Letter be issued; or have been issued a Section 306 Requirements Letter for a Development which is subject to a Developer Charges payment condition, and
  - b. Propose to undertake Works-In-Kind as partial or full satisfaction of making such payment.
7. This Policy applies to new WIK Proposals and variations to existing WIK Agreements requested or sought from the date of adoption of this Policy.

## Works-In-Kind Policy – Water Management Act Matters

4

8. This Policy does not apply to:
  - a. the provision of temporary assets or reticulation assets which are required to be vested in Council, at no charge to Council, as described in the Water Supply and Sewerage Development Servicing Plans.
  - b. Development Contributions payable levied under any s7.11 or 7.12 Development Contribution Plan levied under the EP&A Act.
  - c. Any proposal or request to provide Works -In-Kind that are not consistent with the intent of the Water Supply and Sewerage Development Servicing Plans (provide trunk water supply and sewerage capacity to service growth).
9. This Policy is supported by WIK Guidelines, which may be reviewed as required, subject to endorsement of Council's Development Contributions Committee (DCC) and Council's Chief Executive Officer (CEO).

## General

10. Council is under no obligation to accept offers to enter into WIK Agreements.
11. Council will only consider applications to enter a WIK where the relevant Development Servicing Plan provides that a WIK can be entered into for the carrying out of works in full or partial satisfaction of Developer Charges payable shown on a Section 306 Requirements Letter.
12. All WIK Proposals will be lodged and progressed in accordance with Council's WIK Guidelines.
13. All WIK Agreements will be subject to the payment of securities.
14. All Works-In-Kind Proposals will be evaluated against criteria established by Council's WIK Guidelines.
15. All executed WIK Agreements will be recorded on a WIK Register maintained by Council.

## Compliance, monitoring and review

16. Suspected breaches or misuse of this policy are to be reported to the Chief Executive Officer. Alleged breaches of this policy shall be dealt with by the processes outlined for breaches of the Code of Conduct, as detailed in the Code of Conduct and in the Procedures for the Administration of the Code of Conduct.
17. Where works which would be the subject to a WIK Agreement have commenced or have been completed without a WIK Agreement being executed, Council will not enter into a retrospective WIK Agreement and will not reimburse the costs associated with the works undertaken.
18. This policy will be reviewed every four years, following the election of a new Council, or as required by legislative change.

## Definitions

**Act:** means the *Water Management Act (WMA), 2000*.

**Applicant:** means the person who has the written authority to act on behalf of the landowner of the land who has the benefit of a development consent that relates to that land.

**Council:** means the Central Coast Council which includes any reference to the former Wyong Shire Council or Gosford City Council.

**Developer Charges:** means the provision made by a developer under a DSP, monetary contribution, or the provision of infrastructure to be used for or applied towards the provision of water supply and/or sewerage capacity to service existing or future growth.

**Developer Charges Payable:** means a condition imposed by Council as a Water Authority relating to the payment of monies in accordance with applicable DSPs.

**Developer Contributions Committee (DCC):** means the internal Council Developer Contributions Committee, comprising relevant employees of the Council that review and provide advice in relation to offers from developers for proposed WIK in lieu of payment of contributions.

**Development Servicing Plan:** means a plan prepared by Council in accordance with the provisions of the prevailing Independent Pricing and Regulatory Tribunal (IPART) determination on Water and Sewerage Developer Charges.

**Development Servicing Plan Works Schedule:** means the schedule within a contribution plan which itemises the works, costs, staging and timing thereof to be delivered by the plan.

**Development Servicing Plan Works Value:** means the value assigned to the provision of an item of work or facility under a DSP.

**Guidelines** means the operational procedures and assessment Guidelines, as amended from time to time, and endorsed by the DCC or CEO

**Material Public Benefit** means a Work-In-Kind which is listed in the works schedule of a Water Supply and Sewerage Development Servicing Plan for which a monetary contribution would be normally sought or the provision of certain water and/or sewerage infrastructure that may or may not exist in the area that is not included in a Water Supply and Sewerage Development Servicing Plan. A Material Public Benefit is not the dedication of land or the payment of a monetary contribution under the *Environmental Planning and Assessment Act, 1979*.

**Security/Securities** means a financial amount of money paid to Council to pay costs associated with completion of any outstanding works to be undertaken by the Applicant.

**Water Management Act Application:** has the same meaning as within Section 305 of the Act.



Works-In-Kind Policy – Water Management Act Matters

6

**Water Management Act Requirements:** has the same meaning as within Section 306 of the Act.

**Work:** has the same meaning as within the Act.

**Works-In-Kind:** means the undertaking of work, or the provision of amenities, services or facilities, as nominated in a Contribution Plan's Work Schedule and includes reference to Contribution Offsets. It does not include the dedication of land.

**Works-In-Kind Agreement:** means the agreement between an Applicant and Council which details the works, plans, costing, timing and other matters deemed necessary for the provision of Works in Kind.

**Works-In-Kind Policy:** means this policy.

## Related resources

19. Legislation:

- a. Local Government Act 1993 (NSW)
- b. Water Management Act 2000

20. Associated documents:

- a. Council's Code of Conduct
- b. Central Coast Council Works-In-Kind Guidelines – Water Management Act Matters
- c. Central Coast Council Water Supply and Sewerage Development Servicing Plans (multiple)

## History of revisions

Amendment history	Details
Original approval authority details	Council
	XX/XX/20XX <insert Council Meeting date and minute number of resolution adopting the policy <remove if not needed>
	This policy sets out principles that apply to considering applications to undertake WIK in lieu or partial or full payment

## Works-In-Kind Policy – Water Management Act Matters

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of Development Contributions payable and conditioned on a development consent under s7.11 of the *Environmental Planning & Assessment Act, 1979*.

The policy may be underpinned by operational procedures.

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CM document number:

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# Works-In-Kind Guidelines

For Works-In-Kind relating to Development Contributions levied under Section 7.11 of the  
*Environmental Planning and Assessment Act, 1979*

February 2021

Version: 0.1 Draft

Document owner:	Environment & Planning
Approved by:	Day/Month/Year
Date of approval:	D14314738
Content Manager No:	November 2021 or as required by legislative change
Review date:	

**Central Coast Council** P: 1300 463 954 E: [ask@centralcoast.nsw.gov.au](mailto:ask@centralcoast.nsw.gov.au) W: [centralcoast.nsw.gov.au](http://centralcoast.nsw.gov.au)  
A: Wyong: 2 Hely St / PO Box 20, Wyong NSW 2259 Gosford: 49 Mann St / PO Box 21, Gosford NSW 2250

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## Purpose

The purpose of these Works-In-Kind (WIK) Guidelines is to ensure that there is a transparent and consistent approach to the lodgement, assessment and conditioning of a WIK Agreement.

This Guideline is to be utilised in the assessment and negotiation of proposals seeking to provide a material public benefit in the form of WIK, in lieu of full or partial satisfaction of Development Consent Conditions requiring payment of Contributions levied in accordance with a Section 7.11 Contribution Plan under the provisions of the *Environmental Planning & Assessment Act, 1979 (NSW)*.

## Scope

These Guidelines are to be utilised and applied by all personnel employed by Council, any person or organisation contracted to or acting on behalf of Council, any person or organisation employed to work on Council premises or facilities, and all activities of the Council, who is/are involved in the assessment, evaluation, negotiation, refusal or execution of WIK Agreements.

These Guidelines have also been prepared for the information of Applicants that have received Development Consent subject to a Section 7.11 payment condition, and who propose the provision of material public benefits in the form of WIK as full or partial satisfaction of such a payment.

## Background

1. The EPA Act permits Councils to collect Local Infrastructure Contributions (LICs), otherwise known as development contributions, to contribute to the provision of local facilities, services and other infrastructure required to serve the needs of the community.
2. The purpose and value of LICs are defined by Section 7.11 or Section 7.12 Development Contribution Plans, prepared and adopted by Councils.
3. When a development is granted development consent, the payment of LICs, and the amount and purpose thereof, are applied as conditions to that development consent by the relevant consent authority and the condition wording sets out the required payment at a time as specified by the consent.
4. In some cases, applicants may seek to provide a material public material public benefit in the form of WIK, in lieu of full or partial satisfaction of the conditioned LICs.
5. Council recognises that the provision of WIK offers an alternative solution for the timely delivery of local facilities, services and other infrastructure.

## Procedure

### Applications to Undertake WIK

6. Council is under no obligation to accept offers to enter into WIK Agreements.
7. Applications to undertake WIK will be progressed in accordance generally with the process as outlined at Attachment 1 to these Guidelines.
8. Council will only consider applications to enter a WIK Agreement where the relevant Section 7.11 Contributions Plan provides that WIK Agreements may be entered into for the carrying out of works as full or partial satisfaction of a Section 7.11 Development Contribution Condition of a Development Consent.
9. Applications to enter into WIK Agreements will only be considered where the proposed works are identified within the applicable Section 7.11 Development Contribution Plan/s Works Schedule.
10. The dedication of land to Council, prescribed or otherwise by the applicable Section 7.11 Development Contribution Plan, is not considered as a WIK. However, the embellishment of such land if identified within the relevant Section 7.11 Contribution Plan Works Schedule and requires the payment of a Development Contribution by a condition of Development Consent, may be eligible for consideration as a WIK proposal.
11. Preliminary negotiations for a WIK Agreement may commence prior to the determination of a Development Application seeking Development Consent. However, a WIK Agreement will not be executed prior to the issuing of a Development Consent, and must conform with the general principles of the original proposal.
12. Applications to enter into a WIK Agreement must be lodged in a format as prescribed by Council, supported by the payment of the relevant fees as described by Council's Fees and Charges applicable at the time of lodgement.
13. Any variation sought by a Applicant to the standard WIK Agreement template (at Attachment 2 of this Policy) proposed by an Applicant must be documented with relevant and appropriate supporting justification, lodged at the same time as the WIK Application.

### Evaluation and Negotiation of proposed WIK

14. The Assessing Officer and their direct supervisor identified in the Assessment Report for a Development Application for which WIK are proposed shall take no part in the consideration or negotiation of an Application for a WIK Agreement.

15. The evaluation and any negotiations required to facilitate amendments of proposed WIK will be undertaken by the Senior Contribution Officer (as the "Evaluation Officer") and peer reviewed by the relevant Section Manager in the Strategic Planning Unit.
16. All WIK Applications will be evaluated against the following criteria:
17. the nature and extent of WIK proposed, in terms of the:
- i. value of the works,
  - ii. the priority for infrastructure delivery; and
  - iii. context with proposed development and any adjoining development;
18. whether the Development Contribution Plan/s Work Schedule or Contribution Plan Works Value is valid or requires amendment;
19. the value of existing funds available within the relevant Contribution Plan;
20. the design, maintenance burdens, standards and delivery timing of the proposed works;
21. any likely or potential precedent that may be created by the acceptance of the WIK and/or whether works will/will not prejudice the timing/delivery of public services in the Development Contributions Plan work program;
22. any proposed variations to the standard WIK Agreement template by the Applicant or Council.
23. As part of the evaluation:
- a. Council will obtain the services of a suitably experienced and qualified civil estimator (at the expense of the Applicant but independent of the applicant) to validate the costs and standards proposed within the WIK Application. This will occur only after the applicant has agreed in writing to pay the costs associated with the civil estimator;
  - b. The Applicant and/or their representatives or agents will have no contact with the suitably experienced and qualified civil estimator engaged by Council; and
  - c. Council staff with relevant technical and specialist skills may be requested to comment on the contents of the proposed WIK, including but not limited to designs, construction standards, maintenance costs etc.
24. All WIK Applications and their evaluations will be referred to Council's Development Contributions Committee (DCC) for review.

## Acceptance and Execution of WIK Agreements

25. The DCC may require further amendments to the WIK Agreement before finalisation and approval of a WIK application.
26. In the event the DCC decline to support a WIK Application, the decision of the DCC is final. Any revised proposal must be re-lodged as a new WIK Application.
27. Advice will be provided for the information of the Applicant if the DCC declines to support a WIK Application.
28. In the event the DCC agree to support a WIK Application, Council's Delegate with the requisite level of financial delegation (in accordance with Council's Delegation of Authority Policy) will be briefed, and the Applicant will be advised.
29. All costs (including legal costs) and fees associated with the assessment of a WIK Application and the drafting, review and finalisation of the WIK Agreement, are to be borne by the Applicant.
30. Upon request and prior to the lodgement of a WIK Application, a written quote for the anticipated costs and fees will be provided to the Applicant.
31. Council's Legal Unit may require amendments to the draft WIK Agreement. Council's Senior Contribution Officer will act as the liaison between the Applicant and Council's Legal Unit.
32. Once a WIK Agreement is agreed to by all parties, the Applicant will be required to sign two copies of the WIK Agreement in the presence of a witness, and return to Council for execution by the relevant delegate of Council. One copy of the WIK Agreement will be returned to the Applicant.
33. The authority to endorse and execute a WIK Agreement is to be based on the financial delegations of Senior Management on the Development Contributions Committee, or the CEO, whichever is attributable to the financial value of the WIK.

## Registration of the WIK Agreement

34. A completed WIK Agreement will be recorded on a register maintained by Council and recorded in Council's Record Management System.

## Credits and Offsets

35. Council will only consider offsetting the Development Contributions payable by a condition of a Development consent, for the works shown in that Development Contributions Plan Works Schedule which is the subject the WIK Agreement.



## Conditions of Consent

36. Any development consent will itemise the contributions applicable under any relevant s7.11 Development Contribution Plan.
37. Works within a Development Contributions Plan with a direct nexus to the development will be conditioned within a Development Consent.
38. Generally, works within a Development Contributions Plan will not be reflected as a condition of consent where there is an insufficient nexus to the development.
39. Notwithstanding the above, Council may impose conditions for works required by a Development Contributions Plan if the work is primarily required for the development (e.g. roadworks) instead of primarily for the provision of a public amenity.
40. The arrangements of a WIK Agreement cannot be conditioned within a development consent.

## Further Assessments and Development Consents

41. Where there is insufficient information submitted with a Development Application to assess works required for a Development, the Applicant will be responsible for obtaining any necessary development consents, approvals and/or permits prior to the commencement of the works.

## Payment and Release of Securities

42. All WIK Agreements will require payment of securities.
43. The securities will be retained by Council.
44. The value of the security is to be set in accordance with the value specified by Council's Civil Works Specifications – Construction Specification. The total value of the security bond and the timing for its payment is to be set out in the WIK Agreement.
45. Refund of securities will be associated with the completion of relevant deliverables as set out within the WIK Agreement.
46. Council reserves the right to retain a portion of the securities for a specified period (both as set out in the WIK Agreement) post-handover of the completed WIK for use by Council to rectify any defects or unplanned maintenance associated with the WIK post-handover. Any securities not utilised at the completion of this period will be refunded to the Applicant.

## Works commenced without an Executed WIK Agreement

47. Where works which would be the subject to a WIK Agreement have commenced or have been completed without a WIK Agreement being executed, Council will not enter into a retrospective WIK Agreement and will not reimburse the costs associated with the works undertaken.

## Compliance, monitoring and review

48. Suspected breaches or misuse of this Guideline are to be reported to the Chief Executive Officer. Alleged breaches of this policy shall be dealt with by the processes outlined for breaches of the Code of Conduct, as detailed in the Code of Conduct and in the Procedures for the Administration of the Code of Conduct.
49. These Guidelines will be reviewed every four years or as required by legislative change or for other purposes.

## Records management

50. All staff must maintain all records relevant to administering this policy in Council's electronic recordkeeping system.

## Definitions

**Act:** means the *Environmental Planning and Assessment (EP&A) Act, 1979*.

**Applicant:** means the person who has the written authority to act on behalf of the landowner of the land who has the benefit of a development consent that relates to that land.

**Consent Authority:** has the same meaning as within the Act.

**Contributions Plan/s:** means a plan prepared by Council in accordance with the provisions of Part 7, Division 7.1, Subdivision 3 of the Act and Regulations for the purposes of Section 7.11 or 7.12 of the Act.

**Contributions Plan Works Schedule:** means the schedule within a contribution plan which itemises the works, costs, staging and timing thereof to be delivered by the plan.

**Contributions Plan Works Value:** means the value assigned to the provision of an item of work or facility under a Contribution Plan.

**Council:** means the Central Coast Council which includes any reference to the former Wyong Shire Council or Gosford City Council

**Development Application:** has the same meaning as within the Act.

**Development Consent:** has the same meaning as within the Act.

**Development Contribution:** means a Local Infrastructure Contribution made by an Applicant under a planning agreement, monetary contribution, the dedication of land free of cost, or the provision of a public benefits to be used for or applied towards a public purpose.

**Development Contribution Condition:** means a condition imposed by the Consent Authority relating to the payment of monies in accordance with applicable Development Contribution Plans.

**Development Contributions Committee (DCC):** means the internal Council Development Contributions Committee, comprising relevant employees of the Council that review and provide advice in relation to offers from Applicants for proposed WIK in lieu of payment of contributions.

**Guidelines** means the guidelines supporting this policy.

**Local Infrastructure Contribution (LIC)** are fees charged by councils when new development occurs. They are used to provide infrastructure to support development, including open space, parks, community facilities, local roads, footpaths, stormwater drainage and traffic management.

**Material Public Benefit:** means a Work-In-Kind which is listed in the works schedule of a development contributions plan for which a monetary contribution would be normally sought or the provision of certain public amenities or services that may or may not exist in the area that is not included in a development contributions plan. A Material Public Benefit is not the dedication of land or the payment of a monetary contribution under the Act.

**Security/Securities:** means a financial amount of money paid to Council to pay costs associated with completion of any outstanding works to be undertaken by the Applicant and/or rectification of defects of the works once completed.

**Regulations:** means the *Environmental Planning and Assessment Regulation, 2000 (NSW)*

**Work:** has the same meaning as within the Act.

**Works-In-Kind (WIK):** means the undertaking of work, or the provision of amenities, services or facilities, as nominated in a Contribution Plan's Work Schedule and includes reference to Contribution Offsets. It does not include the dedication of land.

**Works-In-Kind Agreement:** means the agreement between an Applicant and Council which details the works, plans, costing, timing and other matters deemed necessary for the provision of WIK.

**Works-In-Kind Guidelines:** means these operational Guidelines, as amended from time to time, and endorsed by the DCC or CEO.

**Works-In-Kind Policy:** means the Central Coast Council Works-In-Kind Policy CCC101, as amended from time to time, and endorsed by Council.

## Related resources

### 51. Legislation:

[Environmental Planning and Assessment Act, 1979 \(NSW\)](#)

[Environmental Planning and Assessment Regulation, 2000 \(NSW\)](#)

[Local Government Act, 1993 \(NSW\)](#)

### 52. Associated/Internal documents:

[Code of Conduct](#)

[WIK Policy CCC101 \(For WIK relating to Development Contributions levied under Section 7.11 of the Environmental Planning and Assessment Act, 1979 \(NSW\)\)](#)

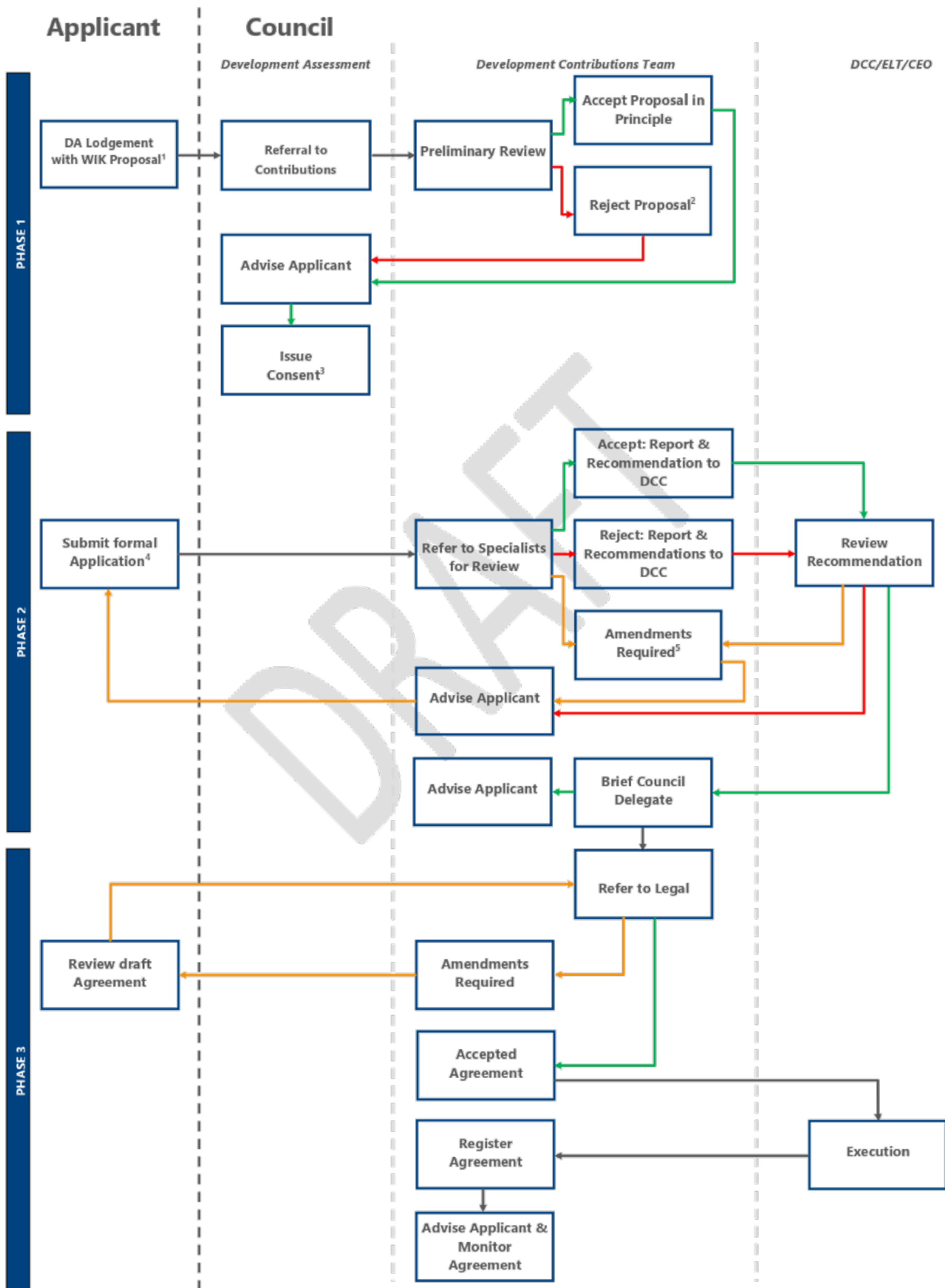
[Delegations of Authority granted under the Local Government Act, 1993 \(NSW\)](#)

[Central Coast Council s7.11 Development Contribution Plans \(multiple\)](#)

[Central Coast Council s7.12 Development Contribution Plan](#)

[Central Coast Civil Works Specifications – Construction Specification](#)

Appendix 1: WIK Lodgement & Assessment Process Flow Chart



## Appendix 2: WIK Agreement Template

### WIK Agreement

**Central Coast Council (ABN 73 149 644 003)**

and

**Insert name ABN and address**

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## WIK Agreement

<b>Date</b>	
<b>Parties</b>	<p><b>Central Coast Council</b> ABN 73 149 644 003 of 2 Hely Street, Wyong New South Wales 2320 and 49 Mann Street Gosford NSW 2250</p> <p style="text-align: right;">(Council)</p> <p><b>Insert name ABN and address ACN</b> of ###</p> <p style="text-align: right;">(Applicant)</p>
<b>Background</b>	<p>A. The Applicant has been granted the Development Consent or is otherwise entitled to act upon the Development Consent</p> <p>B. Condition "[Insert details]" of the Development Consent requires the Applicant to make the Monetary Contributions</p> <p>C. Condition "[Insert details]" of the Development Consent requires the Applicant to carry out the Works on the Land</p> <p>D. The Applicant offered to enter into this Agreement by letter to the Council dated "[Insert date]"</p> <p>E. The Council and the Applicant wish to enter into this Agreement to make provision for the carrying out of the Works by the Applicant in partial satisfaction of the Applicant's obligation to pay the Monetary Contributions under condition "[Insert details]".</p> <p>F. The Act authorises the Council and the Applicant to enter into this Agreement to make provision for the carrying out of the Works by the Applicant in partial satisfaction of the Monetary Contributions.</p>

## Agreement

### 1. Definitions and Interpretation

---

1.1 In this Agreement the following definitions apply:

**Act** means the *Environmental Planning and Assessment Act 1979* (NSW).

**Contributions Plan** means the [identify Plan] made by the Council under s7.18EA of the Act and adopted by the Council on [insert] as amended.

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### **Works-in-Kind Agreement**

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**Contribution Value** means the amount specified in Column 3 of Schedule 3.

**Defects Liability Period** means the period specified for that item in Column 2 of Schedule 3, commencing on the date the Works are taken to be Handed-Over in accordance with clause 9.5.

**Development** means the development the subject of the Development Consent.

**Development Application** means development application DA "[Insert DA number]" made by the Applicant to the Council on "[Insert date]"

**Development Consent** means the development consent granted by the Council under s4.16 of the Act to the Development Application on "[Insert date as notified by the Council to the Applicant in accordance with s4.18 of the Act on [Insert date]."

**Development Contribution** means a monetary contribution or the dedication of land free of cost.

**Final Lot** means a lot in the Development created for separate occupation and disposition or a lot of a kind or created for a purpose that is otherwise agreed by the parties, not being:

- (a) a lot created by a subdivision of the land that is to be dedicated or otherwise transferred to the Council, or
- (b) a lot created by a subdivision of the Land which may be further subdivided.

**GST** has the same meaning as in the GST Law.

**GST Law** has the meaning given to that term in A New Tax System (Goods and Services Tax) Act 1999 (Cth) and any other Act or regulation relating to the imposition or administration of the GST.

**Hand-Over** means the hand-over to the Council of the Works in accordance with this Agreement.

**Item of Works** means an item of the Works.

**Land** means the land specified or described in Schedule 1.

**Location Plan** means the plan contained in Schedule 2.

**Monetary Contributions** means the monetary Development Contributions required to be paid to the Council under the following condition xxx of the Development Consent for the following public purposes and in the following amounts (which have

### Works-in-Kind Agreement

been indexed in accordance with condition "[Insert details]" of the Development Consent to the date of this Agreement):

Condition	Public Purpose	\$ Amount
Condition "[insert details]"	" "[insert details]"	\$ "[insert details]"
Condition "[insert details]"	" "[insert details]"	\$ "[insert details]"

**Party** means a party to this agreement, including its successors and assigns.

**Rectification Certificate** means a compliance certificate within the meaning of s6.4(e)(iv) (or s109C(1)(a)(v) as the case may be) of the Act to the effect that work the subject of a Rectification Notice has been completed in accordance with the notice.

**Rectification Notice** means a notice in writing that identifies a defect in a work and requires rectification of the defect within a specified period of time.

**Regulation** means the *Environmental Planning and Assessment Regulation 2000*.

**Security** means an unconditional bond or bank guarantee in a form, and on terms otherwise acceptable, to the Council.

**Surplus Value** means the amount by which the sum of all Contribution Values exceeds the value of the Monetary Contributions.

**Works** means the works specified or described in Column 1 of Schedule 3 to this Agreement and includes any Item of Works and any part of any Item of Works.

**Works-As-Executed-Plan** means detailed plans and specifications of the completed Works.

1.2 In the interpretation of this Agreement, the following provisions apply unless the context otherwise requires:

1.2.1 Headings are inserted for convenience only and do not affect the interpretation of this Agreement. '

1.2.2 A reference in this Agreement to a business day means a day other than a Saturday or Sunday on which banks are open for business generally in Sydney.

### **Works-in-Kind Agreement**

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- 1.2.3 If the day on which any act, matter or thing is to be done, under this Agreement is not a business day, the act, matter or thing must be done on the next business day,
- 1.2.4 A reference in this Agreement to dollars or \$ means Australian dollars and all amounts, payable under this Agreement are payable in Australian dollars.
- 1.2.5 A reference in this Agreement to any law, legislation or legislative, provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision.
- 1.2.6 A reference to an applicable law includes a reference to anything required to be done by or under the law in relation to the Works, including anything required to be done by reason of a requirement lawfully imposed by a person or body exercising functions under the law.
- 1.2.7 A reference in this Agreement to any agreement, deed or document is to that agreement, deed or document as amended, novated, supplemented or replaced.
- 1.2.8 A reference to a clause, part, schedule or attachment is a reference to a clause, part, schedule or attachment of or to this Agreement.
- 1.2.9 An expression importing a natural person includes any company, trust, partnership, joint venture, association, body corporate or governmental agency.
- 1.2.10 Where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.
- 1.2.11 A word which denotes the singular denotes the plural, a word which denotes the plural denotes the singular, and a reference to any gender. denotes the other gender.
- 1.2.12 References to the word 'include' or 'including' are to be construed without limitation.
- 1.2.13 A reference to this Agreement includes the agreement recorded in this Agreement.
- 1.2.14 A reference to a party to this Agreement includes a reference to the servants, agents and contractors of the party, and the party's successors and assigns.
- 1.2.15 Any schedules, appendices and attachments form part of this Agreement.

### **Works-in-Kind Agreement**

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#### **2. Obligation to Carry Out Works**

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- 2.1 The Applicant is to carry out and complete the Works on the Land at the locations shown on the Location Plan.
- 2.2 The Applicant's obligation under clause 2.1 exists irrespective of whether the Applicant:
  - 2.2.1 carries out the Works itself, or
  - 2.2.2 enters into an agreement with another person under which the other person carries, out the Works on the Applicant's behalf.
- 2.3 The Applicant is to carry out and complete the Works in a good and workmanlike manner having regard to the intended purpose of the Works and otherwise to the satisfaction of Council in accordance with:
  - 2.3.1 the Development Consent, and
  - 2.3.2 the Construction Certificate with reference number SCC/xx/xxxx, and
 all applicable laws, including those relating to occupational health and safety, and
  - 2.3.3 this Agreement to the extent that it is not inconsistent with the Development Consent or an applicable law.
- 2.4 In the event of an inconsistency between this Agreement and the Development Consent or any applicable law, the Development Consent or the law prevails to the extent of the inconsistency.
- 2.5 It is the Applicant's responsibility to ensure that everything necessary for the proper performance of its obligations under this Agreement is supplied or made available.
- 2.6 The Works is to be Handed-Over to the Council in accordance with this Agreement.

#### **3. Ownership of Works, etc**

---

- 3.1 Nothing in, or done under, this Agreement gives the Applicant:
  - 3.1.1 any right, title or interest in the Works, or
  - 3.1.2 any estate or interest in the Land,
 whether at law or in equity.

## **Works-in-Kind Agreement**

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### **4. Effect of Applicant's Compliance with this Agreement**

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4.1 For the purposes of condition "[Insert details]" of the Development Consent and s7.11(5)(b) of the Act:

4.1.1 the Hand-Over of the Works under this Agreement by the Applicant satisfies the Applicant's obligation under the Development Consent to make the Monetary Contributions to the extent of the sum of all Contribution Values, and

4.1.2 the Applicant is not required to pay the Monetary Contributions to that extent.

### **5. Determination of Value**

---

5.1 For the purposes of this Agreement, the Parties acknowledge that the Contribution Value in relation to the Works is the value of the Works specified by, or determined in accordance with, the Contributions Plan or as otherwise agreed between the Parties

5.2 If the Applicant's actual cost of carrying out the Works, including any costs incurred pursuant to this Agreement, determined at the date on which the Works is Handed-Over to the Council:

5.2.1 exceeds the Contribution Value, the Applicant is not entitled to claim credit or reimbursement, as the case may be, for the difference, or an increase to the Contribution Value,

5.2.2 is less than the Contributions Value, then for the purposes of this Agreement the Contribution Value is taken to be the actual cost of carrying out the Works.

### **6. Access to the Land**

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6.1 Subject to any applicable law, the Party that owns the Land authorises the other Party to enter the Land for the purposes of this Agreement.

### **7. Protection of People and Property**

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7.1 The Applicant is to ensure in relation to the carrying out of the Works that:

7.1.1 necessary measures are taken to protect people and property, and

7.1.2 unnecessary interference with the passage of people and vehicles is avoided, and

7.1.3 nuisances and unreasonable noise and disturbances are prevented.

### **Works-in-Kind Agreement**

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#### **8. Damage and Repairs to the Works**

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- 8.1 The Applicant, at its own cost, is to repair and make good to the satisfaction of the Council any loss or damage to the Works from any cause whatsoever which occurs prior to the date on which the Works is Handed-Over to the Council.

#### **9. Hand-Over of Works**

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- 9.1 The Applicant is to give the Council not less than 20 calendar days written notice of the date on which it proposes to Hand-Over the Works to the Council, which is not to be later than the Hand-Over Date.
- 9.2 The Council may, at any time before the date specified in the notice referred to in clause 9.1, direct the Applicant in writing:
- 9.2.1 to carry out work specified in the notice to complete the Works in accordance with clause 2.3 before it is Handed-Over to the Council, and
  - 9.2.2 to Hand-Over the Works completed in accordance with the Council's direction to the Council by a specified date, irrespective of whether that date is later than the Hand-Over Date.
- 9.3 The Applicant is to comply with a direction referred to in clause 9.2 according to its terms and at the Applicants own cost.
- 9.4 Before the Works is handed-over to the Council, the Applicant is to remove from the Land:
- 9.4.1 any rubbish or surplus material, and
  - 9.4.2 any temporary works, and
  - 9.4.3 any construction plant and equipment;
- relating to the carrying out of the Works as the case requires.
- 9.5 The Works is taken, to be Handed-Over to the Council when all all of the following have occurred:
- 9.5.1 the Council gives the Applicant written notice that the Works, including any direction given under clause 9.2 have been completed to the Council's satisfaction, and
  - 9.5.2 the Council issues the Subdivision Certificate for the Development, and

### **Works-in-Kind Agreement**

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9.5.3 the Council gives the Applicant written notice that Works-As-Executed-Plan satisfactory to the Council have been provided to the Council, and

9.5.4 the Applicant has given the Council Security under clause 14.

### **10. Works-As-Executed-Plan**

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10.1 Works As Executed Plans are to be submitted to Council prior to the issue of the Subdivision Certificate for the Development.

### **11. Rectification. of Defects**

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11.1 During the Defects Liability Period the Council may give to the Applicant a Rectification Notice in relation to the Works specifying:

11.1.1 the Works requiring rectification,

11.1.2 the action required to be undertaken by the Applicant to rectify those Works, and

11.1.3 the date on which those Works are to be rectified.

11.2 The Applicant must comply with a Rectification Notice at its own cost according to the terms of the Notice whether or not the cost of doing so exceeds the amount of Security provided under clause 14.

11.3 When the Applicant considers that rectification is complete, the Applicant may give to the Council a Rectification Certificate relating to the Works the subject of the relevant Rectification Notice.

11.4 A Rectification Certificate discharges the Applicant from any further obligation to comply with the relevant Rectification Notice.

11.5 If the Applicant does not comply with a Rectification Notice, the Council may do such things as are necessary to rectify the defect and may:

11.5.1 call upon the Security to meet its costs in rectifying the defect, and

11.5.2 recover, as a debt due in a court of competent jurisdiction, any difference between the amount of the Security and the costs incurred by the Council in rectifying the defect.



### **Works-in-Kind Agreement**

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#### **12. Cost of Works carried out by the Council**

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- 12.1 The Parties acknowledge and agree that where, in accordance with this Agreement, the Council incurs a cost in carrying out, completing or rectifying a defect in the Works, the Council may recover from the Applicant in a court of competent jurisdiction its full costs, including costs determined in accordance with clause 12.2.1-12.2.3.
- 12.2 The Council's costs of carrying out, completing or rectifying the Works in accordance with this Agreement include, but are not limited to:
- 12.2.1 the reasonable costs of the Council's servants, agents and contractors reasonably incurred for that purpose
- 12.2.2 all fees and charges necessarily or reasonably incurred by the Council in order to have the Works carried out, completed or rectified,
- 12.2.3 Without limiting the generality of the preceding sub-clause, all legal costs and expenses reasonably incurred by the Council, by reason of the Applicant's failure to comply with this Agreement.

#### **13. Indemnity and Insurance**

---

- 13.1 The Applicant indemnifies the Council, its employees, officers, agents, contractors and workmen from and against all losses, damages, costs (including legal costs on a full indemnity basis), charges, expenses, actions, claims and demands whatsoever which may be sustained, suffered, recovered or made arising in connection with the carrying out by the Applicant of the Works and any other obligation under this Agreement.
- 13.2 The Applicant is to take out and keep current to the satisfaction of the Council the following insurances in relation to the Works up until the relevant date of Hand-Over to Council:
- 13.2.1 contract works insurance, noting the Council as an interested party, for the full replacement value of the Works (including the cost of demolition and removal of debris, consultants' fees and authorities' fees), to cover the Applicant's liability in respect of damage to or destruction of the Works,
- 13.2.2 public liability insurance for at least \$20,000,000 for a single occurrence, which covers the Council, the Applicant and any subcontractor of the Applicant, for liability to any third party,
- 13.2.3 workers compensation insurance as required by law, and
- 13.2.4 any other insurance required by law.

### **Works-in-Kind Agreement**

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- 13.3 If the Applicant fails to comply with clause 13.2, the Council may effect and keep in force such insurances and pay such premiums as may be necessary for that purpose and the amount so paid shall be a debt due from the Applicant to the Council and may be recovered by the Council as it deems appropriate including:

13.3.1 by calling upon the Security provided by the Applicant to the Council under this Agreement, or

13.3.2 recovery as a debt due in a court of competent jurisdiction.

- 13.4 The Applicant is not to commence to carry out the Works unless it has first provided to the Council satisfactory written evidence of all the insurances specified in clause 13.2.

### **14. Provision of Security**

---

- 14.1 Prior to the works being Handed Over to the Council and the Council giving notice under Clause 9.5 the Applicant must provide the Council with Security in the amount of "[insert amount]".

- 14.2 The Council may call upon the Security if the Council considers that the Applicant has failed to comply with a Rectification Notice issued under clause 11 or any, notice referred to in clause 19.1 in respect of a Rectification Notice, or the Council gives the Applicant a termination notice under clause 20.3.

- 14.3 If the Council calls on the Security, the Council may, by notice in writing to the Applicant require the Applicant to provide a further Security in an amount which, together with any unused portion of any existing Security does not exceed the amount specified in clause 14.1.

- 14.4 The Council may apply the Security in satisfaction of:

14.4.1 the carrying out of the Works, and

14.4.2 any liability, loss, cost, charge or expense directly or indirectly incurred by the Council because of the failure by the Applicant to comply with this Agreement.

- 14.5 The Council is to release and return the Security to the Applicant, less any amount of the Security called upon by the Council, in accordance with clause 14.2, on the later of:

14.5.1 60 days after the expiry of the Defects Liability Period, and

14.5.2 all Rectification Certificates relating to Works the subject of all Rectification Notices having been given to the Council under clause 11.

### **Works-in-Kind Agreement**

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- 14.6 The Council is not required to return any part of the Security to the Applicant if the Council has given the Applicant a termination notice under clause 20.3.

### **15. Assignment, etc.**

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- 15.1 Unless the matters specified in clause 15.2 are satisfied, the Applicant is not to do any of the following:

15.1.1 if the Applicant is the owner of the Land, to transfer the Land to any person, or

15.1.2 assign or novate to any person the Applicant's rights or obligations under this Agreement.

- 15.2 The matters required to be satisfied for the purposes of clause 15.1 are as follows:

15.2.1 the Applicant has, at no cost to the Council, first procured the execution by the person to whom the Applicant's rights or obligations under this Agreement are to be assigned or novated, of an agreement in favour of the Council on terms satisfactory to the Council, and

15.2.2 the Council, by notice in writing to the Applicant, has stated that evidence satisfactory to the Council has been produced to show that the assignee or novatee, is reasonably capable of performing its obligations under the Agreement, and

15.2.3 the Applicant is not in breach of this Agreement.

### **16. Dispute Resolution – Expert Determination**

---

- 16.1 This clause applies to a dispute under this Agreement which relates to a matter that, in the opinion of the Council, can be determined by an appropriately qualified expert.

- 16.2 Any dispute between the parties as to whether a dispute to which this clause applies can be determined by an appropriately qualified expert is to be referred to the Chief Executive Officer of the professional body that represents persons with the relevant expertise for determination, which is to be final and binding on the Parties.

- 16.3 Such a dispute is taken to arise if one Party gives another Party a notice in writing specifying particulars of the dispute.

- 16.4 If a notice is given under Clause 16.3, the Parties are to meet within 14 days of the notice in an attempt to resolve the dispute.

- 16.5 If the dispute is not resolved within a further 28 days, the dispute must be referred to the President of the NSW Law Society to appoint an Expert for Expert Determination.

### **Works-in-Kind Agreement**

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- 16.6 Expert Determination is binding on the Parties except in the case of fraud or misfeasance by the Expert.
- 16.7 Each Party must bear its own costs arising from or in connection with the appointment of the Expert and the Expert Determination.

### **17. Dispute Resolution - Mediation**

---

- 17.1 This clause applies to any dispute under this Agreement other than a dispute to which clause 16 applies.
- 17.2 Such a dispute is taken to arise if one Party gives another Party a notice in writing specifying particulars of the dispute.
- 17.3 If a notice is given under 17.2, the Parties are to meet within 14 days of the notice in an attempt to resolve the dispute.
- 17.4 If the dispute is not resolved within a further 28 days, the Parties must mediate the dispute in accordance with the Mediation Rules of the Law Society of New South Wales published from time to time and must request the President of the Law Society, or the President's nominee, to select a mediator.
- 17.5 If the dispute is not resolved by mediation within a further 28 days, or such longer period as may be necessary to allow any mediation process which has been commenced to be completed, then the Parties may exercise their legal rights in relation to the dispute, including by the commencement of legal proceedings in a court of competent jurisdiction in New South Wales.

### **18. Arbitration Excluded**

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- 18.1 The arbitration of any dispute between the Parties arising under or in connection with Agreement is expressly excluded.

### **19. Failure to Carry out Works**

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- 19.1 Subject to clause 20, if the Council considers the Applicant is in breach of any obligation under this Agreement relating to the carrying out of the Works, the Council may but is not obliged to give the Applicant a notice requiring:
- 19.1.1 the breach to be rectified to the Council's satisfaction, or
- 19.1.2 the carrying out of the Works immediately cease and the breach to be rectified to the Council's satisfaction.

### **Works-in-Kind Agreement**

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- 19.2 A notice given under clause 19.1 is to allow the Applicant a period of not less than 28 days to rectify the breach.
- 19.3 A notice given under clause 19.12 does not prevent the Applicant from rectifying the breach the subject of the Notice to the Council's satisfaction.
- 19.4 Without limiting any other rights Council has to enforce this Agreement, the Council may, if the Applicant does not comply with a notice given under clause 19.1:
- 19.4.1 call upon the Security in accordance with clause 14, and
- 19.4.2 carryout and complete the Works.
- 19.5 For the purposes of clause 19.4, any difference between the amount of the Security called upon by the Council and the costs incurred by the Council in completing the Works may be recovered by the Council from the Applicant as a debt due in a court of competent jurisdiction.
- 19.6 Clauses 16 and 17 do not prevent a notice being given under clause 19.1 and do not apply to such a notice or the circumstances relating to the giving of that notice, and any procedure commenced under clause 16 or clause 17 ceases to apply when such a notice is given.

### **20. Termination**

---

- 20.1 If the Applicant commits a breach of this Agreement, the Council may, despite any other provision of this Agreement, give the Applicant a written notice requiring the Applicant to show cause why the Council should not terminate this Agreement.
- 20.2 A notice under clause 20.1 is to:
- 20.2.1 state that the notice is given under this Agreement, and 20.2.2 particularise the nature of the breach by the Applicant, and
- 20.2.3 require the Applicant to show cause by notice to the Council why the Council should not terminate this Agreement, and
- 20.2.4 specify a date by which the Applicant is to show cause as provided for in clause 20.2.3.
- 20.3 If the Applicant fails to show cause to the reasonable satisfaction of the Council why the Council should not terminate this Agreement in relation to the Applicant's breach, the Council may terminate this Agreement by written notice to the Applicant.

### **Works-in-Kind Agreement**

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- 20.4 If the Council terminates this Agreement under clause 20.3 the rights and liabilities of the Parties are the same as they would have been at common law had the Applicant repudiated this. Agreement and the Council elected to treat this Agreement as at an end and recover damages.
- 20.5 Clauses 16 and 17 do not prevent a notice being given under clause 20.1 or 20.3 and do not apply such a notice or the circumstances relating to the giving of that notice, and procedure commenced under clause 16 or clause 17 ceases to apply to when such a notice is given.

### **21. Governing Law & Enforcement**

---

- 21.1 This Agreement is governed by the law of New South Wales.
- 21.2 This Agreement may be enforced by either Party in any court of competent jurisdiction.
- 21.3 Clauses 16 and 17 do not prevent the enforcement of this Agreement in any court of competent jurisdiction and any procedure commenced under clause 16 or 17 ceases to apply when such proceedings are commenced in such a court.
- 21.4 The Parties, submit to the non-exclusive jurisdiction of its courts and courts of appeal from them.
- 21.5 The Parties will not object to the exercise of jurisdiction by those courts on any basis.

### **22. Notices**

---

- 22.1 Any notice, consent, information, application or request that must or may be given or made to a Party under this Agreement is only given or made if it is in writing and sent in one of the following ways:
- 22.1.1 delivered or posted to that Party at its address set out in Schedule 4.
- 22.1.2 faxed to that Party at its fax number set out in Schedule 4.
- 22.1.3 emailed to that Party at its email address set out in Schedule 4.
- 22.2 If a Party gives the other Party 3 business days' notice of a change of its address or fax number, any notice, consent, information, application or request is only given or made by that other Party if it is delivered, posted or faxed to the latest address or fax number.
- 22.3 Any notice, consent, information, application or request is to be treated as given or made if it is:
- 22.3.1 delivered, when it is left at the relevant address. 22.3.2 sent by post, 2 business days after it is posted.

### **Works-in-Kind Agreement**

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22.3.3 sent by fax, as soon as the sender receives/from the sender's fax machine a report of an error free transmission to the correct fax number.

22.4 If any notice, consent, information, application or request is delivered, or an error free transmission report in relation to it is received, on a day that is not a business day, or if on a business day after 5pm on that day in the place of the Party to whom it is sent, it is to be treated as having been given or made at the beginning of the next business day.

### **23. Approvals and Consent**

---

23.1 Except as otherwise set out in this Agreement, and subject to any statutory obligations, a Party may give or withhold an approval or consent to be given under this Agreement in the Party's absolute discretion and subject to any conditions determined by the Party.

23.2 A Party is not obliged to give its reasons for giving or withholding consent or for giving. Consent subject to conditions.

### **24. Costs**

---

24.1 The Applicant is to pay to the Council, within 7 days of receipt of a written demand by the Council, the Council's additional costs of preparing, negotiating, executing and stamping the final version of this Agreement and any document related to this Agreement.

### **25. Entire Agreement**

---

25.1 Subject to anything expressly provided for to the contrary in this Agreement:

25.1.1 this Agreement contains everything to which the Parties have agreed in relation to the matters it deals with, and

25.1.2 no Party can rely on an earlier document, or anything said or done by another Party, or by a director, officer, agent or employee of that Party, before this Agreement was executed, except as permitted by law.

### **26. Further Acts**

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26.1 Each Party must promptly execute all documents and do all things that another Party from time to time reasonably requests to effect, perfect or complete this Agreement and all transactions incidental to it.

## **Works-in-Kind Agreement**

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### **27. Joint and Individual Liability and Benefits**

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- 27.1 Except as otherwise set out in this Agreement, any agreement, covenant, representation or warranty under this Agreement by 2 or more persons binds them jointly and each of them individually, and any benefit in favour of 2 or more persons is for the benefit of them jointly and each of them individually.

### **28. No Fetter**

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- 28.1 Nothing in this Agreement shall be construed as requiring Council to do anything that would cause it to be in breach of any of its obligations at law, and without limitation, nothing shall be construed as limiting or fettering in any way the exercise of any statutory discretion or duty.

### **29. Representations and Warranties**

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- 29.1 The Parties represent and warrant that they have power to enter into this Agreement and comply with their obligations under the Agreement and that entry into this Agreement will not result in the breach of any law.

### **30. Severability**

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- 30.1 If a clause or part of a clause of this Agreement can be read in a way that makes it illegal, unenforceable or invalid, but can also be read in a way that makes it legal, enforceable and valid, it must be read in the latter way.
- 30.2 If any clause or part of a clause is illegal, unenforceable or invalid, that clause or part is to be treated as removed from this Agreement, but the rest of this Agreement is not affected.

### **31. Modification**

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- 31.1 No modification of this Agreement will be of any force or effect unless it is signed by the Parties to this Agreement.

### **32. Waiver**

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- 32.1 The fact that a Party fails to do, or delays in doing, something the Party is entitled to do under this Agreement, does not amount to a waiver of any obligation of, or breach of obligation by, another Party.
- 32.2 A waiver by a Party is only effective if it is in writing.
- 32.3 A written waiver by a Party is only effective in relation to the particular obligation or breach in respect of which it is given and is not to be taken as an implied waiver of any



### **Works-in-Kind Agreement**

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other obligation or breach or as an implied waiver of that obligation or breach in relation to any other occasion.

### **33. GST**

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33.1 In this clause:

**Adjustment Note, Consideration, GST, GST Group, Margin Scheme, Money, Supply** and **Tax Invoice** have the meaning given by the GST Law.

**GST Amount** means in relation to a Taxable Supply the amount of GST payable in respect of the Taxable Supply.

**GST Law** has the meaning given by the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

**Input Tax Credit** has the meaning given by the GST Law and a reference to an Input Tax Credit entitlement of a party includes an Input Tax Credit for an acquisition made by that party but to which another member of the same GST Group is entitled under the GST Law.

**Taxable Supply** has the meaning given by the GST Law excluding (except where expressly agreed otherwise) a supply in respect of which the supplier chooses to apply the Margin Scheme in working out the amount of GST on that supply.

33.2 Subject to clause 33.4, if GST is payable on a Taxable Supply made under, by reference to or in connection with this Deed, the Party providing the Consideration for that Taxable Supply must also pay the GST Amount as additional Consideration.

33.3 Clause 33.2 does not apply to the extent that the Consideration for the Taxable Supply is expressly stated in this Deed to be GST inclusive.

33.4 No additional amount shall be payable by the; Council under clause 33.2 unless, and only to the extent that the Council (acting reasonably and in accordance with the GST Law) determines that it is entitled to an Input Tax Credit for its acquisition of the Taxable Supply giving rise to the liability to pay GST.

33.5 If there are Supplies for Consideration which is not Consideration expressed as an amount of Money under this Deed by one Party to the other Party that are not subject to Division 82 of the GST Law, the Parties agree:

33.5.1 to negotiate in good faith to agree the GST inclusive market value of those Supplies prior to issuing Tax Invoices in respect of those Supplies;

### **Works-in-Kind Agreement**

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- 33.5.2 that any amounts payable by the Parties in accordance with clause 33:2 (as limited by clause 33.4) to each other in respect of those Supplies will be set off against each other to the extent that they are equivalent in amount.
- 33.6 No payment of any amount pursuant to this clause 33, and no payment of the GST Amount where the Consideration for the Taxable Supply is expressly agreed to be GST inclusive, is required until the supplier has provided a Tax Invoice or Adjustment Note as the case may be to the recipient.
- 33.7 Any reference in the calculation of Consideration or of any indemnity, reimbursement or similar amount to a cost, expense or other liability incurred by a party, must exclude the amount of any Input Tax Credit entitlement of that party in relation to the relevant cost, expense or other liability.
- 33.8 This clause continues to apply after expiration or termination of this Agreement.

**Works-in-Kind Agreement**

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Schedule 1

(Clause 1.1)

The Land

**Works-in-Kind Agreement**

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Schedule 2 (Clause 1.1)

Location Plan

"[Insert plan]"

### Works-in-Kind Agreement

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#### Schedule 3 (Clause 1.1)

#### The Works

#### Table

Column 1	Column 2	Column 3
Works	Defects. Liability.	Contribution Value
"[Insert details]"	"[Insert period]"	\$11insert amount]"
"[insert details]"	"[Insert period]" ,	\$"[Insert amount]"

**Works-in-Kind Agreement**

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Schedule 4

(Clause 22)

Contact for Notices

## Council

Attention: Gary Hamer

Address: Central Coast Council 2 Hely Street Wyong and 49 Mann Street Gosford

Fax Number:

Email:

## Applicant

Attention: "[Insert details]"

Address: "[Insert details]"

Fax Number: "[Insert details]"

Email: "[Insert details]"

### Works-in-Kind Agreement

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#### Executed as an Agreement

**Signed, Sealed and Delivered** for and on behalf )  
of **Central Coast Council ABN** by authority of )  
the directors in the presence of: )

)

)

\_\_\_\_\_  
General Manager

\_\_\_\_\_  
Director of Environment and Planning

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Name (please print)

**Signed Sealed and Delivered** for and on behalf of )  
**Insert name ABN and address ACN** by authority )  
of the directors in the presence of: )

)

\_\_\_\_\_  
Secretary/Director

\_\_\_\_\_  
Director

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Name (please print)

Works-in-Kind Agreement

History of revisions

Amendment history	Details
Original approval authority details	<div>Chief Executive Officer</div> <div>XX/XX/20XX</div> <div>This document establishes the procedures and assessment guidelines for the assessment and negotiation of proposals seeking to provide a material public material public benefit in the form of WIK, in lieu of full or partial satisfaction of development consent conditions requiring payment of Contributions levied in accordance with a Section 7.11 Contribution Plan under the provisions of the <i>Environmental Planning &amp; Assessment Act, 1979 (NSW)</i>.</div> <div>CM document number:</div>





# Works-In-Kind Guidelines – Water Management Act Matters

For Works-In-Kind relating to Water and Sewerage Developer Charges levied under Section 306 of the *Water Management Act, 2000*

February 2021

Version: 0.1 Draft (remove once approved)

Document owner:	Water and Sewer
Approved by:	Central Coast Council
Date of approval:	Day/Month/Year
Content Manager No:	D14308223
Review date:	November 2021 or as required by legislative change

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## Purpose

The purpose of these Works-In-Kind (WIK) Guidelines is to ensure that there is a transparent and consistent approach to the lodgement, assessment and conditioning of a WIK Agreement relating to Water Management Act matters.

This Guideline is to be utilised in the assessment and negotiation of proposals seeking to provide a material public benefit in the form of WIK, in lieu of full or partial satisfaction of Section 306 Requirements Letter requiring payment of Water and Sewerage Developer Charges levied in accordance with a Water Supply and Sewerage Development Servicing Plan under the provisions of the *Water Management Act, 2000 (NSW)*.

## Scope

These Guidelines are to be utilised and applied by all personnel employed by Council, any person or organisation contracted to or acting on behalf of Council, any person or organisation employed to work on Council premises or facilities, and all activities of the Council, who is/are involved in the assessment, evaluation, negotiation, refusal or execution of WIK Agreements relating to Water Management Act matters.

These Guidelines have also been prepared for the information of Applicants that have received a Section 306 requirements letter subject to a Developer Charges payment condition, and who propose the provision of material public benefits in the form of WIK as full or partial satisfaction of such a payment.

## Background

1. The Act permits Councils to collect Water and Sewerage Developer Charges to contribute to the provision of Water Supply and Sewerage infrastructure required to serve the needs of the community.
2. The purpose and value of Water and Sewerage Developer Charges are defined by Water Supply and Sewerage Development Servicing Plans (DSP), prepared and adopted by Councils and subsequently registered with the Independent Pricing and Regulatory Tribunal (IPART).
3. When a development is provided a Section 306 Requirements Letter, the payment of Water and Sewerage Developer Charges are applied as conditions (including required timing of payment) that must be met before a Section 307 Certificate of Compliance can be granted.
4. In some cases, applicants may apply to provide a material public material public benefit in the form of WIK, in lieu of full or partial satisfaction of the conditioned Water and Sewerage Developer Charges.

## Works-In-Kind Procedures and Assessment Guidelines – Water Management Act Matters

4

5. Council recognises that the provision of WIK offer an alternative solution for the timely delivery of trunk infrastructure to service development and realises efficiencies in asset delivery.

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## Procedure

### Applications to Undertake WIK

6. Council is under no obligation to accept offers to enter into WIK Agreements.
7. Applications to undertake WIK will be progressed in accordance generally with the process as outlined at Appendix A to these Guidelines.
8. Council will only consider applications to enter a WIK where the relevant Development Servicing Plan provides that a WIK can be entered into for the carrying out of works in full or partial satisfaction of Developer Charges payable shown on a Section 306 Requirements Letter.
9. Applications to enter into WIK Agreements will only be considered where the proposed works meet the eligibility requirements described in the relevant Water Supply and Sewerage Development Servicing Plan.
10. The dedication of land to Council, or creation of easements associated with new Water and Sewerage assets is not considered as a WIK. The creation of suitable land tenure to support the construction and ongoing operation of the assets by Council is the Applicants responsibility.
11. Formal applications to enter into Works-In-Kind Agreements may only be made after the issuing of a Section 306 Notice of Requirements and where the relevant DSP provides for works in kind to be undertaken. However, an applicant may approach Council in relation to a proposed works in kind agreement either before or after the issuing of a Section 306 Requirements Letter.
12. Applications to enter into a WIK Agreement must be lodged in a format as prescribed by Council, supported by the payment of the relevant fees as described by Council's Fees and Charges applicable at the time of lodgement.
13. Any variation sought by an Applicant to the standard WIK Agreement template (at Appendix B of this Policy) proposed by an Applicant must be documented with relevant and appropriate supporting justification, lodged at the same time as the WIK Application.

### Evaluation and Negotiation of proposed WIK

14. Negotiation of Works in Kind Agreements may only be undertaken by the Team Leader Water Assessments and Senior Development Engineer positions. The applicable Section Manager and Unit Manager may also be involved if required.
15. All Works-In-Kind Applications and their evaluations will be referred to the Section Manager Water Services & Design for review and endorsement.

16. Council will only offset developer charges payable under the DSP for the works shown in that DSP works schedule which is the subject the works in kind agreement.

17. Any proposal to undertake Works-In-Kind which are not identified within the applicable DSP Works Schedule must satisfy the following criteria before being considered or accepted by Council:

The works form part of a Water Supply and Sewerage Servicing Strategy which has been approved by the Water Services and Design Section which is responsible for network planning.

The works are not defined as temporary or reticulation assets as described within the applicable DSP.

An applicable rate for the value of the proposed asset type is contained within the applicable DSP. In the absence of such a rate, the consideration of rates consistent with Council's last audited asset valuation of Water Supply and Sewerage Assets may apply

18. All Works-In-Kind Applications will be evaluated against the following criteria:

the nature and extent of Works-In-Kind proposed, in terms of the:

- i. value of the works,
- ii. the priority for infrastructure delivery; and
- iii. context with proposed development and any adjoining development;

whether the DSP contains an applicable rate to value the proposed works based on the relevant asset type. In the absence of a rate for that asset type, Council may consider rates consistent with Council's last audited asset valuation of Water Supply and Sewerage Assets;

the value of existing funds available within the relevant DSP. This may impact the timing of any net refund payable to a Applicant where the value of the works in the agreement exceed the value of the Developer Charges payable;

the design, maintenance burdens, standards and delivery timing of the proposed works

any likely or potential precedent that may be created by the acceptance of the Works-In-Kind and/or whether works will/will not prejudice the timing/delivery of public services in the Contributions Plan work program;

any proposed variations to the standard Works-In-Kind Agreement template by the applicant or Council;

if Council could deliver the works and achieve a better value for money outcome while not unnecessarily delaying the associated Development;

Background check of the Applicant and/or Developer (e.g. financial security etc.) dependant on the risk profile of the asset being constructed.

19. As part of the evaluation of the Works in Kind Agreement, Council staff with relevant technical and specialist skills may be requested to comment on the contents of the proposed Works-In-Kind, including but not limited to designs, construction standards, maintenance costs etc.
20. All WIK Applications and their evaluations will be referred to Council's Development Contributions Committee (DCC) for review.

### **Acceptance and Execution of WIK Agreements**

21. The DCC may require further amendments to the WIK Agreement before finalisation and approval of a WIK application.
22. In the event the DCC decline to support a WIK Application, the decision of the DCC is final. Any revised proposal must be re-lodged as a new WIK Application.
23. Advice will be provided for the information of the Applicant if the DCC declines to support a WIK Application. This advice will outline the reasons for the refusal of the WIK Application.
24. In the event the DCC agree to support a WIK Application, Council's Delegate with the requisite level of financial delegation (in accordance with Council's Delegation of Authority Policy) will be briefed, and the Applicant will be advised.
25. All costs (including legal costs) and fees associated with the assessment of a WIK Application and the drafting, review and finalisation of the WIK Agreement are to be borne by the Applicant. Upon request and prior to the lodgement of a WIK Application, a written quote for the anticipated costs and fees will be provided to the Applicant.
26. Council will issue a quotation to the Applicant for such costs, which must be accepted by the Applicant, prior to the draft WIK Agreement being issued to Council's Legal Unit for review.
27. Council's Legal Unit may require amendments to the draft WIK Agreement. Council's Team Leader Water Assessments will act as the liaison between the Applicant and Council's Legal Unit.
28. Once a WIK Agreement is agreed to by all parties, the Applicant will be required to sign two copies of the WIK Agreement in the presence of a witness, and return to Council for execution by



the relevant delegate of Council. One copy of the WIK Agreement will be returned to the Applicant.

29. The authority to endorse and execute a WIK Agreement is to be based on the financial delegations of Senior Management on the Development Contributions Committee, or the CEO, whichever is attributable to the financial value of the WIK.

### **Registration of the WIK Agreement**

30. A completed WIK Agreement will be recorded on a register maintained by Council and recorded in Council's Record Management System.

### **Section 306 Notice of Requirements Letter**

31. Any Section 306 Requirements Letter will itemise the Developer Charges payable under any relevant Water Supply and Sewerage Development Servicing Plan (DSP).
32. Works within a DSP with a direct nexus to the development will be conditioned within a Section 306 Requirements Letter.
33. Generally, works within a Water Supply and Sewerage DSP will not be conditioned within a Section 306 Requirements Letter where there is an insufficient nexus to the development.
34. Notwithstanding the above, Council may impose conditions for works required by a Water and Sewer DSP if the work is required at the development to avoid future delivery inefficiencies if the works were undertaken at a later date (e.g. restoration after future roadworks or future stormwater asset creation).
35. The arrangements of a WIK Agreement cannot be conditioned within a Section 306 Requirements Letter.

### **Further Assessments and Development Consents**

36. The Applicant will be responsible for obtaining any necessary development consents, approvals and/or permits prior to the commencement of the works. This may result in the need for additional approvals specific to the creation of the works. Council's Water Authority will not issue approval under Part 5 of the Environmental Planning & Assessment Act for proposed works.

### **Payment and Release of Securities**

37. All WIK Agreements will require payment of securities.



38. The securities will be retained by Council.
39. The value of the security is to be set at 5% of the total value of the Works to be delivered as defined in the WIK Agreement. The total value of the security bond and the timing for its payment is to be set out in the WIK Agreement.
40. Refund of securities will be associated with the completion of relevant deliverables as set out within the WIK Agreement.
41. Council implements a separate process to obtain a maintenance/defects bond after the works reach practical completion. This may be used by Council to rectify any defects or unplanned maintenance associated with the WIK post-handover. This amount would be defined and administered separately to the WIK agreement.

### Works commenced without an Executed WIK Agreement

42. Where works which would be the subject to a WIK Agreement have commenced or have been completed without a WIK Agreement being executed, Council will not enter into a retrospective WIK Agreement and will not reimburse the costs associated with the works undertaken.

### Compliance, monitoring and review

43. Suspected breaches or misuse of this Procedure and Assessment Guidelines are to be reported to the Chief Executive Officer. Alleged breaches of this policy shall be dealt with by the processes outlined for breaches of the Code of Conduct, as detailed in the Code of Conduct and in the Procedures for the Administration of the Code of Conduct.
44. These Guidelines will be reviewed every four years or as required by legislative change or for other purposes.

### Records management

45. All staff must maintain all records relevant to administering this policy in Council's electronic recordkeeping system.

### Definitions

**Act:** means the *Water Management Act (WMA), 2000*.

**Applicant:** means the person who has the written authority to act on behalf of the landowner of the land who has the benefit of a development consent that relates to that land.

**Council:** means the Central Coast Council which includes any reference to the former Wyong Shire Council or Gosford City Council.

**Developer Charges:** means the provision made by a Applicant under a DSP, monetary contribution, or the provision of infrastructure to be used for or applied towards the provision of water supply and/or sewerage capacity to service existing or future growth.

**Developer Charges Payable:** means a condition imposed by Council as a Water Authority relating to the payment of monies in accordance with applicable DSPs.

**Developer Contributions Committee (DCC):** means the internal Council Developer Contributions Committee, comprising relevant employees of the Council that review and provide advice in relation to offers from Applicants for proposed WIK in lieu of payment of contributions.

**Development Servicing Plan:** means a plan prepared by Council in accordance with the provisions of the prevailing Independent Pricing and Regulatory Tribunal (IPART) determination on Water and Sewerage Developer Charges.

**Development Servicing Plan Works Schedule:** means the schedule within a contribution plan which itemises the works, costs, staging and timing thereof to be delivered by the plan.

**Development Servicing Plan Works Value:** means the value assigned to the provision of an item of work or facility under a DSP.

**Guidelines** means the guidelines supporting this policy.

**Material Public Benefit** means a Work-In-Kind which is listed in the works schedule of a Water Supply and Sewerage Development Servicing Plan for which a monetary contribution would be normally sought or the provision of certain water and/or sewerage infrastructure that may or may not exist in the area that is not included in a Water Supply and Sewerage Development Servicing Plan. A Material Public Benefit is not the dedication of land or the payment of a monetary contribution under the *Environmental Planning and Assessment Act, 1979*.

**Security/Securities** means a financial amount of money paid to Council to pay costs associated with completion of any outstanding works to be undertaken by the Applicant.

**Water Management Act Application:** has the same meaning as within Section 305 of the Act.

**Water Management Act Requirements:** has the same meaning as within Section 306 of the Act.

**Work:** has the same meaning as within the Act.

**Works-In-Kind:** means the undertaking of work, or the provision of amenities, services or facilities, as nominated in a Contribution Plan's Work Schedule and includes reference to Contribution Offsets. It does not include the dedication of land.

**Works-In-Kind Agreement:** means the agreement between an Applicant and Council which details the works, plans, costing, timing and other matters deemed necessary for the provision of Works in Kind.

**Works-In-Kind Guidelines:** means these operational Guidelines, as amended from time to time, and endorsed by the DCC or CEO.

**Works-In-Kind Policy:** means the Central Coast Council Works-In-Kind Policy (for Works under the Water Management Act, 2000) CCC102, as amended from time to time, and endorsed by Council.

## Related resources

### 46. Legislation:

Local Government Act 1993 (NSW)

Water Management Act 2000

### 47. Associated/Internal documents:

Council's Code of Conduct

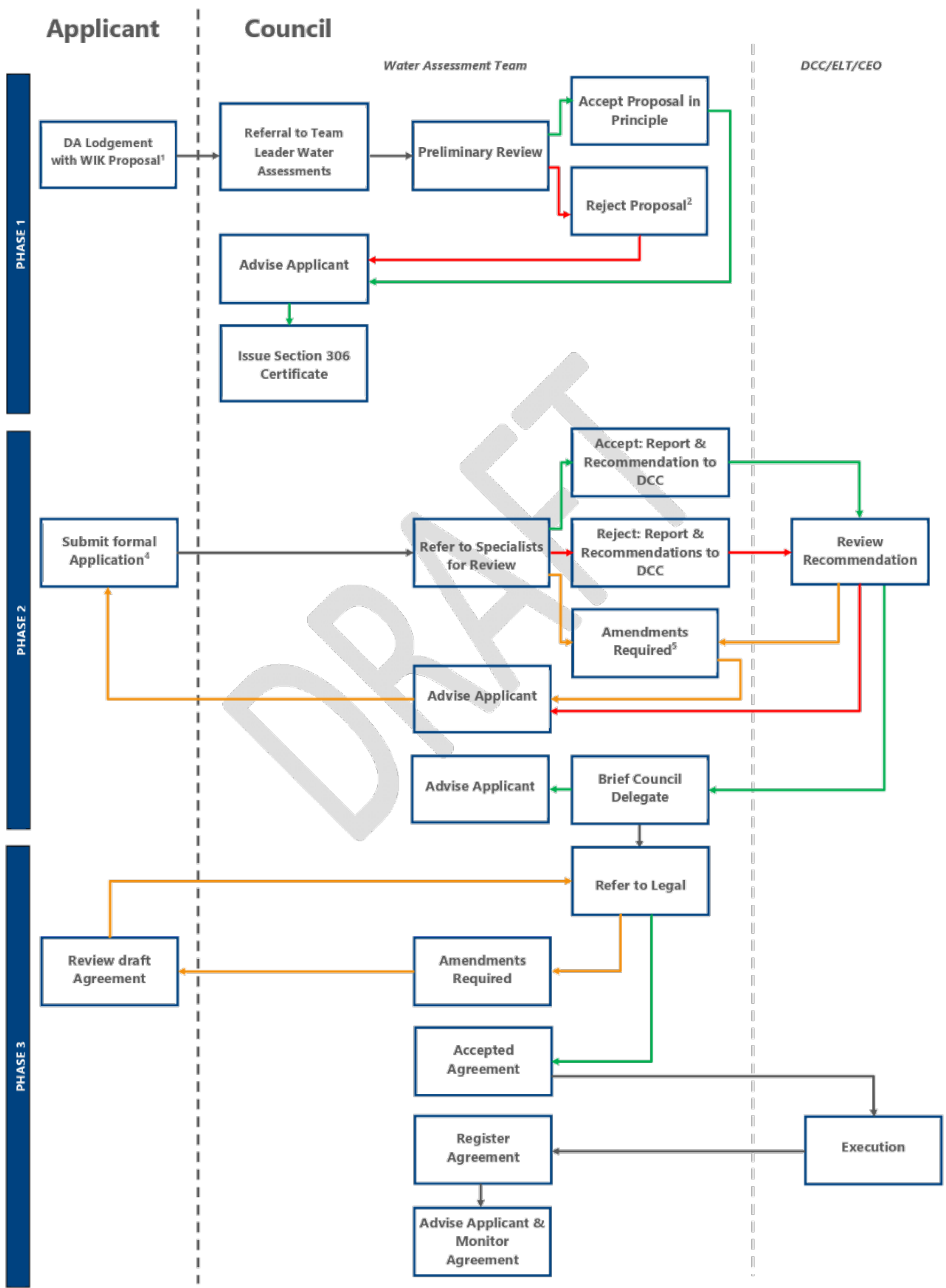
Central Coast Council Works-In-Kind Policy – Water Management Act Matters

Central Coast Council Water Supply and Sewerage Development Servicing Plans  
(multiple)

Delegations of Authority granted under the Local Government Act, 1993 (NSW)

Works-In-Kind Policy CCC102 (for Works under the Water Management Act, 2000)

Appendix A: WIK Lodgement & Assessment Process Flow Chart



## Appendix B: Water Management Act WIK Agreement Template



### **Water Management Act Works-In-Kind Agreement**

**Central Coast Council**

and

**Applicants Organisation**

**Applicant Mailing Address**

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## Works-In-Kind Agreement

<b>Date</b>	Date
<b>Parties</b>	<p><b>Central Coast Council</b> ABN 88 651 380 372 of 16 Hely Street, Wyong New South Wales 2320</p> <p style="text-align: right;">(Council)</p> <p><b>Applicant Entity Pty Ltd</b> ABN x</p> <p>P.O. x Suburb (Applicant)</p> <p>NSW 2xxx</p>
<b>Background</b>	<p>A. The Applicant has been granted the Development Consent or is otherwise entitled to act upon the Development Consent</p> <p>B. Condition x of the Section 306 Requirements Letter requires the Applicant to make the DSP Monetary Contributions</p> <p>C. Condition x of the Section 306 Requirements Letter requires the Applicant to carry out the Works on the Land</p> <p>D. The Applicant offered to enter into this Agreement by letter to the Council dated x/x/20xx</p> <p>E. The Council and the Applicant wish to enter into this Agreement to make provision for the carrying out of the Works by the Applicant in partial satisfaction of the Applicant's obligation to pay the DSP Monetary Contributions under condition x of the associated Section 306 Notice of Requirements Letter.</p> <p>F. The Act authorises the Council and the Applicant to enter into this Agreement to make provision for the carrying out of the Works by the Applicant in partial satisfaction of the Monetary Contributions.</p>



## Agreement

### Definitions and Interpretation

1.1 In this Agreement the following definitions apply: ,

**Act** means the *Water Management Act 2000* (NSW).

**Certificate of Compliance** means a Certificate provided by the Water Authority following the completion of all requirements listed on the associated Section 306 requirements letter.

**Development Servicing Plan (DSP)** means the Northern/Southern Region Water Supply and Sewerage Development Servicing Plan 2019 made by the Council under Determination by the Independent Pricing and Regulatory Tribunal (IPART).

**DSP Contribution Value** means the amount specified in Section 3.1 of Schedule 3.

**DSP Monetary Contributions** means the DSP Monetary Contributions required to be paid to the Council under the following conditions of the Section 306 Requirements Letter for the following public purposes and in the following amounts:

Condition	Public Purpose	Section 306 DSP Monetary Contributions Requirements	
		Water (\$2020/21)	Sewerage (\$2020/21)
Condition x	Water & Sewer Services / Infrastructure	\$x	\$y

**DSP Surplus Value** means the amount by which the sum of all DSP Contribution Values exceeds the value of the DSP Monetary Contributions (if applicable).

**Defects Liability Period** means the period specified for that item in Section 3.5 of Schedule 3, commencing on the date of the notice referred to in clause 9.5.

**Development** means the development the subject of the Development Consent.

**Development Application** means development application DA xxxx/xxx made by the Applicant to the Council on xx/xx/xxx

**Development Consent** means the development consent granted by the Council under s4.16 of the Act to the Development Application on "[Insert date as notified by the Council to the Applicant in accordance with s4.18 of the Act on [Insert date]..

**DSP Contribution** means a monetary contribution.

**GST** has the same meaning as in the GST Law.

**GST Law** has the meaning given to that term in A New Tax System (Goods and Services Tax) Act 1999 (Cth) and any other Act or regulation relating to the imposition or administration of the GST.

**Hand-Over** means the hand-over to the Council of the Works in accordance with this Agreement.

**Item of Works** means an item of the Works.

**Land** means the land specified or described in Schedule 1.



**Location Plan** means the plan contained in Schedule 2.

**Party** means a party to this agreement, including its successors and assigns.

**Regulation** means the *Water Management (General) Regulation 2018*.

**Section 306 Requirements Letter** means a list of requirements imposed by the Water Authority which must be met before a Water Management Act Certificate of Compliance (Section 307 Certificate) is granted.

**Security** means an unconditional bond or bank guarantee in a form, and on terms otherwise acceptable, to the Council.

**Works** means the works specified or described in Section 3.2 of Schedule 3 to this Agreement and includes any Item of Works and any part of any Item of Works.

**Works-As-Executed-Plan** means detailed plans and specifications of the completed Works.

1.2 In the interpretation of this Agreement, the following provisions apply unless the context otherwise requires:

1.2.1 Headings are inserted for convenience only and do not affect the interpretation of this Agreement. '

1.2.2 A reference in this Agreement to a business day means a day other than a Saturday or Sunday on which banks are open for business generally in Sydney.

1.2.3 If the day on which any act, matter or thing is to be done, under this Agreement is not a business day, the act, matter or thing must be done on the next business day,

1.2.4 A reference in this Agreement to dollars or \$ means Australian dollars and all amounts, payable under this Agreement are payable in Australian dollars.

1.2.5 A reference in this Agreement to any law, legislation or legislative, provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision.

1.2.6 A reference to an applicable law includes a reference to anything required to be done by or under the law in relation to the Works, including anything required to be done by reason of a requirement lawfully imposed by a person or body exercising functions under the law.

1.2.7 A reference in this Agreement to any agreement, deed or document is to that agreement, deed or document as amended, novated, supplemented or replaced.

1.2.8 A reference to a clause, part, schedule or attachment is a reference to a clause, part, schedule or attachment of or to this Agreement.

1.2.9 An expression importing a natural person includes any company, trust, partnership, joint venture, association, body corporate or governmental agency.

1.2.10 Where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.

1.2.11 A word which denotes the singular denotes the plural, a word which denotes the plural denotes the singular, and a reference to any gender. denotes the other gender.

1.2.12 References to the word 'include' or 'including' are to be construed without limitation.

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1.2.13 A reference to this Agreement includes the agreement recorded in this Agreement.

1.2.14 A reference to a party to this Agreement includes a reference to the servants, agents and contractors of the party, and the party's successors and assigns.

1.2.15 Any schedules, appendices and attachments form part of this Agreement.

### **Obligation to Carry Out Works**

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2.1 The Applicant is to carry out and complete the Works on the Land at the locations shown on the Location Plan.

2.2 The Applicant's obligation under clause 2.1 exists irrespective of whether the Applicant:

2.2.1 carries out the Works itself, or

2.2.2 enters into an agreement with another person under which the other person carries, out the Works on the Applicant's behalf.

2.3 The Applicant is to carry out and complete the Works in a good and workmanlike manner having regard to the intended purpose of the Works and otherwise to the satisfaction of Council in accordance with:

2.3.1 the Development Consent, and

2.3.2 the Section 306 Requirements Letter, and

2.3.3 all applicable laws, including those relating to occupational health and safety, and

2.3.4 this Agreement to the extent that it is not inconsistent with the Development Consent or an applicable law.

2.4 In the event of an inconsistency between this Agreement and the Development Consent or any applicable law, the Development Consent or the law prevails to the extent of the inconsistency.

2.5 It is the Applicant's responsibility to ensure that everything necessary for the proper performance of its obligations under this Agreement is supplied or made available.

2.6 The Work is to be Handed-Over to the Council in accordance with this Agreement.

### **Ownership of Works, etc**

---

3.1 Nothing in, or done under, this Agreement gives the Applicant any right, title or interest in the Works.

### **Effect of Applicant's Compliance with this Agreement**

---

4.1 For the purposes of condition 1 of the Section 306 Requirements Letter and the Act:

4.1.1 the performance of this Agreement by the Applicant satisfies the Applicant's obligation under the Section 306 Requirements Letter to make the Monetary Contributions to the extent of the sum of Contribution Values to the value of \$x(as indexed from the relevant financial year to the current financial year), and

4.1.2 the Applicant is not required to pay the DSP Monetary Contributions to that extent.

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### **Determination of Value**

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- 5.1 For the purposes of this Agreement, the Parties acknowledge that the Contribution Value in relation to the Works is the value of the Works specified by, or determined in accordance with, the Development Servicing Plan or as otherwise agreed between the Parties
- 5.2 If the Applicant's actual cost of carrying out the Works, including any costs incurred pursuant to this Agreement, determined at the date on which the Works is Handed-Over to the Council, differs from the Contribution Value, then no party to this Agreement shall be entitled to claim credit or reimbursement, as the case may be, for the difference.

### **Access to the Land**

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- 6.1 Subject to any applicable law, the Party that owns the Land authorises the other Party to enter the Land for the purposes of this Agreement.

### **Protection of People and Property**

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- 7.1 The Applicant is to ensure in relation to the carrying out of the Works that:
- 7.1.1 necessary measures are taken to protect people and property, and
  - 7.1.2 unnecessary interference with the passage of people and vehicles is avoided, and
  - 7.1.3 nuisances and unreasonable noise and disturbances are prevented.

### **Damage and Repairs to the Works**

---

- 8.1 The Applicant, at its own cost, is to repair and make good to the satisfaction of the Council any loss or damage to the Works from any cause whatsoever which occurs prior to the date on which the Works is Handed-Over to the Council.

### **Hand-Over of Works**

---

- 9.1 The Applicant is to give the Council not less than 20 calendar days written notice of the date on which it proposes to Hand-Over the Works to the Council.
- 9.2 The Council may, at any time before the date specified in the notice referred to in clause 9.1, direct the Applicant in writing:
- 9.2.1 to carry out work specified in the notice to complete the Works in accordance with clause 2.3 before it is Handed-Over to the Council, and
  - 9.2.2 to Hand-Over the Works, as completed in accordance with the Council's direction to the Council by a specified date, that is prior to the Hand-Over Date.
- 9.3 The Applicant is to comply with a direction referred to in clause 9.2 according to its terms and at the Applicants own cost.
- 9.4 Before the Works is handed-over to the Council, the Applicant is to remove from the Land:
- 9.4.1 any rubbish or surplus material, and
  - 9.4.2 any temporary works, and
  - 9.4.3 any construction plant and equipment;

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relating to the carrying out of the Works as the case requires.

- 9.5 The Works is taken, to be Handed-Over to the Council when the Council gives the Applicant written notice to that effect.

### **Works-As-Executed-Plan**

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- 10.1 Council will not accept the Hand Over of any works until the relevant Work as Executed Documentation has been prepared by the Applicant and accepted as satisfactory by Council.

### **Rectification. of Defects**

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- 11.1 During the Defects Liability Period the Council may give to the Applicant a Rectification Notice in relation to the Works specifying:
- 11.1.1 the Works requiring rectification,
  - 11.1.2 the action required to be undertaken by the Applicant to rectify those Works, and
  - 11.1.3 the date on which those Works are to be rectified.
- 11.2 The Applicant must comply with a Rectification Notice at its own cost according to the terms of the Notice.
- 11.3 When the Applicant considers that rectification is complete, the Applicant may give to the Council a Rectification Certificate relating to the Works the subject of the relevant Rectification Notice (Rectification Certificate).
- 11.4 A Rectification Certificate discharges the Applicant from any further obligation to comply with the relevant Rectification Notice.
- 11.5 If the Applicant does not comply with a Rectification Notice, the Council may do such things as are necessary to rectify the defect and may:
- 11.5.1 call upon the Security to meet its costs in rectifying the defect, and
  - 11.5.2 recover, as a debt due in a court of competent jurisdiction, any difference between the amount of the Security and the costs incurred by the Council in rectifying the defect.

### **Cost of Works carried out by the Council**

---

- 12.1 The Parties acknowledge and agree that where, in accordance with this Agreement, the Council incurs a cost in carrying out, completing or rectifying a defect in the Works caused by the Applicant or its contractor, the Council may recover from the Applicant in a court of competent jurisdiction its full costs, including costs determined in accordance with clause 12.2.1-12.2.3.
- 12.2 The Council's costs of carrying out, completing or rectifying the Works in accordance with this Agreement include, but are not limited to:
- 12.2.1 the reasonable costs of the Council's servants, agents and contractors reasonably incurred for that purpose
  - 12.2.2 all fees and charges necessarily or reasonably incurred by the Council in order to have the Works carried out, completed or rectified,
  - 12.2.3 without limiting the generality of the preceding sub-clause, all legal costs and expenses reasonably incurred by the Council, by reason of the Applicant's failure to comply with this Agreement.

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### **Indemnity and Insurance**

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- 13.1 The Applicant indemnifies the Council, its employees, officers, agents, contractors and workmen from and against all losses, damages, costs (including legal costs on a full indemnity basis), charges, expenses, actions, claims and demands whatsoever which may be sustained, suffered, recovered or made arising in connection with the carrying out by the Applicant of the Works and any other obligation under this Agreement.
- 13.2 The Applicant is to take out and keep current to the satisfaction of the Council the following insurances in relation to the Works up until the relevant date of Hand-Over to Council:
- 13.2.1 contract works insurance, noting the Council as an interested party, for the full replacement value of the Works (including the cost of demolition and removal of debris, consultants' fees and authorities' fees), to cover the Applicant's liability in respect of damage to or destruction of the Works,
- 13.2.2 public liability insurance for at least \$5,000,000 for a single occurrence, which covers the Council, the Applicant and any subcontractor of the Applicant, for liability to any third party,
- 13.2.3 workers compensation insurance as required by law, and
- 13.2.4 any other insurance required by law.
- 13.3 If the Applicant fails to comply with clause 13.2, the Council may affect and keep in force such insurances and pay such premiums as may be necessary for that purpose and the amount so paid shall be a debt due from the Applicant to the Council and may be recovered by the Council as it deems appropriate including:
- 13.3.1 by calling upon the Security provided by the Applicant to the Council under this Agreement, or
- 13.3.2 recovery as a debt due in a court of competent jurisdiction.
- 13.4 The Applicant is not to commence to carry out the Works unless it has first provided to the Council satisfactory written evidence of all the insurances specified in clause 13.2.

### **Provision of Security**

---

- 14.1 Within 7 days of the date of this Agreement, the Applicant is to provide the Council with the Security in the amount of \$x(indexed as required) being 5% of the total DSP allowance subject to this Agreement.
- 14.2 The Council may call upon the Security if the Council considers that the Applicant has failed to comply with a notice referred to in clause 19.1 or the Council gives the Applicant a termination notice under clause 20.3.
- 14.3 If the Council calls on the Security under clause 19.1, the Council may, by notice in writing to the Applicant require the Applicant to provide a further Security in an amount which, together with any unused portion of any existing Security does not exceed the amount specified in clause 14.1.
- 14.4 The Council may apply the Security in satisfaction of:
- 14.4.1 the carrying out of the Works, and
- 14.4.2 any liability, loss, cost, charge or expense directly or indirectly incurred by the Council because of the failure by the Applicant to comply with this Agreement.

- 14.5 The Council is to release and return the Security to the Applicant, less any amount of the Security called upon by the Council in accordance with clause 19.1, within 14 days of the completion of the Works by the Applicant in accordance with this Agreement.
- 14.6 The Council is not required to return any part of the Security to the Applicant if the Council has given the Applicant a termination notice under clause 20.3.

### **Assignment and Novation**

---

- 15.1 Unless the matters specified in clause 15.2 are satisfied, the Applicant is not to do any of the following:
- 15.1.1 if the Applicant is the owner of the Land, to transfer the Land to any person, or
- 15.1.2 assign or novate to any person the Applicant's rights or obligations under this Agreement.
- 15.2 The matters required to be satisfied for the purposes of clause 15.1 are as follows:
- 15.2.1 the Applicant has, at no cost to the Council, first procured the execution by the person to whom the Applicant's rights or obligations under this Agreement are to be assigned or novated, of an agreement in favour of the Council on terms satisfactory to the Council, and
- 15.2.2 the Council, by notice in writing to the Applicant, has stated that evidence satisfactory to the Council has been produced to show that the assignee or novatee, is reasonably capable of performing its obligations under the Agreement, and
- 15.2.3 the Applicant is not in breach of this Agreement.

### **Dispute Resolution – Expert Determination**

---

- 16.1 This clause applies to a dispute under this Agreement which relates to a matter that, in the opinion of the Council, can be determined by an appropriately qualified expert.
- 16.2 Any dispute between the Parties as to whether a dispute to which this clause applies can be determined by an appropriately qualified expert is to be referred to the Chief Executive Officer of the professional body that represents persons with the relevant expertise for determination, which is to be final and binding on the Parties.
- 16.3 Such a dispute is taken to arise if one Party gives another Party a notice in writing specifying particulars of the dispute.
- 16.4 If a notice is given under Clause 16.3, the Parties are to meet within 14 days of the notice in an attempt to resolve the dispute.
- 16.5 If the dispute is not resolved within a further 28 days, the dispute must be referred to the President of the NSW Law Society to appoint an Expert for Expert Determination.
- 16.6 Expert Determination is binding on the Parties except in the case of fraud or misfeasance by the Expert.
- 16.7 Each Party must bear its own costs arising from or in connection with the appointment of the Expert and the Expert Determination.

### **Dispute Resolution - Mediation**

---

- 17.1 This clause applies to any dispute under this Agreement other than a dispute to which clause 16 applies.

- 
- 17.2 Such a dispute is taken to arise if one Party gives another Party a notice in writing specifying particulars of the dispute.
- 17.3 If a notice is given under 17.2, the Parties are to meet within 14 days of the notice in an attempt to resolve the dispute.
- 17.4 If the dispute is not resolved within a further 28 days, the Parties must mediate the dispute in accordance with the Mediation Rules of the Law Society of New South Wales published from time to time and must request the President of the Law Society, or the President's nominee, to select a mediator.
- 17.5 If the dispute is not resolved by mediation within a further 28 days, or such longer period as may be necessary to allow any mediation process which has been commenced to be completed, then the Parties may exercise their legal rights in relation to the dispute, including by the commencement of legal proceedings in a court of competent jurisdiction in New South Wales.

### **Arbitration Excluded**

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- 18.1 The arbitration of any dispute between the Parties arising under or in connection with Agreement is expressly excluded.'

### **Failure to Carry out Works**

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- 19.1 Subject to clause 20, if the Council considers the Applicant is in breach of any obligation under this Agreement relating to the carrying out of the Works, the Council may but is not obliged to give the Applicant a notice requiring:
- 19.1.1 the breach to be rectified to the Council's satisfaction, or
- 19.1.2 the carrying out of the Works immediately cease and the breach to be rectified to the Council's satisfaction.
- 19.2 A notice given under clause 19.1 is to allow the Applicant a period of not less than 28 days to rectify the breach.
- 19.3 A notice given under clause 19.1 does not prevent the Applicant from rectifying the breach the subject of the notice to the Council's satisfaction.
- 19.4 Without limiting any other rights Council has to enforce this Agreement, the Council may, if the Applicant does not comply with a notice given under clause 19.1:
- 19.4.1 call upon the Security in accordance with clause 14, and
- 19.4.2 carryout and complete the Works.
- 19.5 For the purposes of clause 19.4, any difference between the amount of the Security called upon by the Council and the costs incurred by the Council in completing the Works may be recovered by the Council from the Applicant as a debt due in a court of competent jurisdiction.
- 19.6 Clauses 16 and 17 do not prevent a notice being given under clause 19.1 and do not apply to such a notice or the circumstances relating to the giving of that notice, and any procedure commenced under clause 16 or clause 17 ceases to apply when such a notice is given.

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### Termination

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- 20.1 If the Applicant commits a breach of this Agreement, the Council may, despite any other provision of this Agreement, give the Applicant a written notice requiring the Applicant to show cause why the Council should not terminate this Agreement.
- 20.2 A notice under clause 20.1 is to:
- 20.2.1 state that the notice is given under this Agreement, and
  - 20.2.2 particularise the nature of the breach by the Applicant, and
  - 20.2.3 require the Applicant to show cause by notice to the Council why the Council should not terminate this Agreement, and
  - 20.2.4 specify a date by which the Applicant is to show cause as provided for in clause 20.2.3.
- 20.3 If the Applicant fails to show cause to the reasonable satisfaction of the Council why the Council should not terminate this Agreement in relation to the Applicant's breach, the Council may terminate this Agreement by written notice to the Applicant.
- 20.4 If the Council terminates this Agreement under clause 20.3 the rights and liabilities of the Parties are the same as they would have been at common law had the Applicant repudiated this Agreement and the Council elected to treat this Agreement as at an end and recover damages.
- 20.5 Clauses 16 and 17 do not prevent a notice being given under clause 20.1 or 20.3 and do not apply such a notice or the circumstances relating to the giving of that notice, and procedure commenced under clause 16 or clause 17 ceases to apply to when such a notice is given.

### Governing Law & Enforcement

---

- 21.1 This Agreement is governed by the law of New South Wales.
- 21.2 This Agreement may be enforced by either Party in any court of competent jurisdiction.
- 21.3 Clauses 16 and 17 do not prevent the enforcement of this Agreement in any court of competent jurisdiction and any procedure commenced under clause 16 or 17 ceases to apply when such proceedings are commenced in such a court.
- 21.4 The Parties, submit to the non-exclusive jurisdiction of its courts and courts of appeal from them.
- 21.5 The Parties will not object to the exercise of jurisdiction by those courts on any basis.

### Notices

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- 22.1 Any notice, consent, information, application or request that must or may be given or made to a Party under this Agreement is only given or made if it is in writing and sent in one of the following ways:
- 22.1.1 delivered or posted to that Party at its address set out in Schedule 4.
  - 22.1.2 faxed to that Party at its fax number set out in Schedule 4.
  - 22.1.3 emailed to that Party at its email address set out in Schedule 4.



- 22.2 If a Party gives the other Party 3 business days' notice of a change of its address or fax number, any notice, consent, information, application or request is only given or made by that other Party if it is delivered, posted or faxed to the latest address or fax number.
- 22.3 Any notice, consent, information, application or request is to be treated as given or made if it is:
- 22.3.1 delivered, when it is left at the relevant address.
  - 22.3.2 sent by post, 2 business days after it is posted.
  - 22.3.3 sent by fax, as soon as the sender receives/from the sender's fax machine a report of an error free transmission to the correct fax number.
- 22.4 If any notice, consent, information, application or request is delivered, or an error free transmission report in relation to it is received, on a day that is not a business day, or if on a business day after 5pm on that day in the place of the Party to whom it is sent, it is to be treated as having been given or made at the beginning of the next business day.

### **Approvals and Consent**

- 23.1 Except as otherwise set out in this Agreement, and subject to any statutory obligations, a Party may give or withhold an approval or consent to be given under this Agreement in the Party's absolute discretion and subject to any conditions determined by the Party.
- 23.2 A Party is not obliged to give its reasons for giving or withholding consent or for giving. Consent subject to conditions.

### **Costs**

- 24.1 The Applicant is to pay to the Council, within 7 days of receipt of a written demand by the Council, the Council's additional costs of preparing, negotiating, executing and stamping the final version of this Agreement and any document related to this Agreement.

### **Entire Agreement**

- 25.1 Subject to anything expressly provided for to the contrary in this Agreement:
- 25.1.1 this Agreement contains everything to which the Parties have agreed in relation to the matters it deals with, and
  - 25.1.2 no Party can rely on an earlier document, or anything said or done by another Party, or by a director, officer, agent or employee of that Party, before this Agreement was executed, except as permitted by law.

### **Further Acts**

- 26.1 Each Party must promptly execute all documents and do all things that another Party from time to time reasonably requests to effect, perfect or complete this Agreement and all transactions incidental to it.

### **Joint and Individual Liability and Benefits**

- 27.1 Except as otherwise set out in this Agreement, any agreement, covenant, representation or warranty under this Agreement by 2 or more persons binds them jointly and each of them individually, and any benefit in favour of 2 or more persons is for the benefit of them jointly and each of them individually.

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### **No Fetter**

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- 28.1 Nothing in this Agreement shall be construed as requiring Council to do anything that would cause it to be in breach of any of its obligations at law, and without limitation, nothing shall be construed as limiting or fettering in any way the exercise of any statutory discretion or duty.

### **Representations and Warranties**

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- 29.1 The Parties represent and warrant that they have power to enter into this Agreement and comply with their obligations under the Agreement and that entry into this Agreement will not result in the breach of any law.

### **Severability**

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- 30.1 If a clause or part of a clause of this Agreement can be read in a way that makes it illegal, unenforceable or invalid, but can also be read in a way that makes it legal, enforceable and valid, it must be read in the latter way.
- 30.2 If any clause or part of a clause is illegal, unenforceable or invalid, that clause or part is to be treated as removed from this Agreement, but the rest of this Agreement is not affected.

### **Modification**

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- 31.1 No modification of this Agreement will be of any force or effect unless it is signed by the Parties to this Agreement.

### **Waiver**

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- 32.1 The fact that a Party fails to do, or delays in doing, something the Party is entitled to do under this Agreement, does not amount to a waiver of any obligation of, or breach of obligation by, another Party.
- 32.2 A waiver by a Party is only effective if it is in writing.
- 32.3 A written waiver by a Party is only effective in relation to the particular obligation or breach in respect of which it is given and is not to be taken as an implied waiver of any other obligation or breach or as an implied waiver of that obligation or breach in relation to any other occasion.

### **GST**

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- 33.1 In this clause:

**Adjustment Note, Consideration, GST, GST Group, Margin Scheme, Money, Supply and Tax Invoice** have the meaning given by the GST Law.

**GST Amount** means in relation to a Taxable Supply the amount of GST payable in respect of the Taxable Supply.

**GST Law** has the meaning given by the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

**Input Tax Credit** has the meaning given by the GST Law and a reference to an Input Tax Credit entitlement of a party includes an Input Tax Credit for an acquisition made by that party but to which another member of the same GST Group is entitled under the GST Law.

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**Taxable Supply** has the meaning given by the GST Law excluding (except where expressly agreed otherwise) a supply in respect of which the supplier chooses to apply the margin scheme in working out the amount of GST on that supply.

- 33.2 Subject to clause 33.4, if GST is payable on a Taxable Supply made under, by reference to or in connection with this Agreement, the Party providing the consideration for that Taxable Supply must also pay the GST Amount as additional consideration.
- 33.3 Clause 33.2 does not apply to the extent that the Consideration for the Taxable Supply is expressly stated in this Deed to be GST inclusive.
- 33.4 No additional amount shall be payable by the Council under clause 33.2 unless, and only to the extent that the Council (acting reasonably and in accordance with the GST Law) determines that it is entitled to an Input Tax Credit for its acquisition of the Taxable Supply giving rise to the liability to pay GST.
- 33.5 If there are Supplies for consideration which is not consideration expressed as an amount of Money under this Agreement by one Party to the other Party that are not subject to Division 82 of the GST Law, the Parties agree:
- 33.5.1 to negotiate in good faith to agree the GST inclusive market value of those Supplies prior to issuing Tax Invoices in respect of those Supplies; and
- 33.5.2 that any amounts payable by the Parties in accordance with clause 33.2 (as limited by clause 33.4) to each other in respect of those Supplies will be set off against each other to the extent that they are equivalent in amount.
- 33.6 No payment of any amount pursuant to this clause 33, and no payment of the GST Amount where the consideration for the Taxable Supply is expressly agreed to be GST inclusive, is required until the supplier has provided a Tax Invoice or Adjustment Note as the case may be to the recipient.
- 33.7 Any reference in the calculation of consideration or of any indemnity, reimbursement or similar amount to a cost, expense or other liability incurred by a party, must exclude the amount of any Input Tax Credit entitlement of that party in relation to the relevant cost, expense or other liability.
- 33.8 This clause continues to apply after expiration or termination of this Agreement.

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**Schedule 1 (Clause 1.1)****1.1 The Land**

The Land and Works being within the Stages x of the approved subdivision of Lot x sec y in D.P. z  
(DA x/20xx), Suburb.

**Schedule 2 (Clause 1.1)****2.1 Location Plan**

"[Insert plan]"

**Schedule 3 (Clause 1.1)**

**3.1 DSP Monetary Contributions**

The table below shows the DSP Monetary Contributions applicable for WMA/xxx/20xx, as provided by Council in the Section 306 Certificate.

DEVELOPMENT		ET's Payable	DSP MONETARY CONTRIBUTIONS (total)	
			WATER	SEWER
<i>Development Description – DA x/20xx – WMA/x/20xx</i>		x	\$x	\$x
		Sub-Total	\$260,579.50	

**3.2 The Works**

The items and associated cost allocations listed in the DSP to be delivered through this Agreement are shown in the table below. Approved design drawings for which this Agreement relates are listed in Schedule 5

DSP ITEMS		Quantity (m or no.)	Size (mm for pipes or L/s for pumpstation)	Rate from DSP (\$/m) (\$20xx ex. GST)	COST ALLOWANCE
WATER		(a)		(b)	(c) = (a) x (b)
Asset Type (e.g. 200mm Water Main)	Describe Asset Location	e.g. 215m	200mm	x	x
SEWER					
Asset Type (e.g. Sewer Pumpstation SPS x)	Describe Asset Location	Eg. 1 SPS	100L/s	x	x
TOTAL					\$x

The above assets are the only assets within this agreement eligible for Works In Kind as per the CCC Works-In-Kind Procedure and Assessment Guidelines – Water Management Act Matters. All other assets as part of the development will be donated to Council.

**3.3 DSP Monetary Contributions vs DSP Cost Allowance**

The Applicant proposes to deliver the Works in lieu of payment of DSP Monetary contributions for the proposed development.

A summary of the DSP Monetary Contributions vs the applicable credit amounts for the Works appears in the table below.

DESCRIPTION OF INFRASTRUCTURE WORKS TO BE DELIVERED THROUGH WIK	ET's Payable	DSP MONETARY CONTRIBUTIONS (\$20xx)	ITEMS TO BE DELIVERED (COSTS SHOWN BASED UPON DSP CREDIT - \$20xx)	Balance Payable to Council (CONTRIBUTIONS \$20xx)
WATER		(a)	(b)	(c) = (a) – (b)
Asset	x	\$x	\$x	\$x
SEWER				
Asset or N/A	x	\$x	\$x	\$x
TOTAL (excl. GST)				\$x

From the table above, it can be seen that the balance payable to Council is approximately \$x OR it can be seen that a refund of approximately \$x is payable to the applicant. The final amount payable will be confirmed based on the final length of DSP assets constructed and confirm on Work as Executed documentation.

### **3.4 Defects Liability Period**

The defects liability period for all DSP works included within this Agreement is 12 months, commencing after the date of practical completion.

### **3.5 Cashflow and Timing of Payment from Council to Applicant**

#### *If balance payable to Council*

As part of this Agreement, the Applicant will forward fund the full costs to deliver the Works and not be liable to pay any DSP Monetary Contributions for Stages x of DA x/20xx prior to construction commencing. The agreed costs associated with the Works (defined in Section 3.2) will be recoverable in full as part of the total sum applicable to this Agreement.

The Applicant will pay Council approximately \$x (based on final constructed quantities) being the difference between the total of the DSP Monetary Contributions and the allowance to deliver the Works contained within this Agreement, prior to the granting of a Section 307 Certificate.

#### *If balance payable to Applicant.*

As part of this Agreement, the Applicant will forward fund the full costs to deliver the Works and not be liable to pay any DSP Monetary Contributions for Stages x of DA x/20xx prior to construction commencing. The agreed costs associated with the Works (defined in Section 3.2) will be recoverable in full as part of the total sum applicable to this Agreement.

Council will pay the Applicant approximately \$x (based on final constructed quantities) being the difference between the DSP allowance to deliver the Works contained within this Agreement and the total of the applicable DSP Monetary Contributions, at the time of practical completion of the Works is achieved.

**Schedule 4 (Clause 22)****4.1 Contact for Notices****4.1.1 Council**

Attention: Luke Drury, Section Manager, Water Services and Design

Address: Central Coast Council 16 Hely Street Wyong/ 49 Mann Street Gosford

Phone Number: 0400 734 217

Email: [Luke.Drury@centralcoast.nsw.gov.au](mailto:Luke.Drury@centralcoast.nsw.gov.au)

**4.1.2 Applicant**

Attention: Name

Address: P.O. Box x

Phone Number: (02) x

Email. x

**Schedule 5 – Approved Plans**

The Works are to be undertaken generally in accordance with the approved development plans and specifications listed below:

Drawing Number	Title



**Executed as an Agreement**

**Signed, Sealed and Delivered** for and on behalf )  
of **Central Coast Council ABN 88 651 380 372** )  
by authority of the directors in the presence of: )  
) )

\_\_\_\_\_  
*Council Delegated Officer (CEO or Director)*

\_\_\_\_\_  
*Council Delegated Witness*

\_\_\_\_\_  
Name (please print)

**Signed Sealed and Delivered** for and on behalf of )  
**x Pty Ltd ABN x and address P.O. Box x** by )  
authority of the directors in the presence of: )

\_\_\_\_\_  
Secretary/Director

\_\_\_\_\_  
Director

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Name (please print)

## History of revisions

Amendment history	Details
Original approval authority details	<p>Chief Executive Officer</p> <hr/> <p>XX/XX/20XX</p> <hr/> <p>This document establishes the procedures and assessment guidelines for the assessment and negotiation of proposals seeking to provide a material public material public benefit in the form of WIK, in lieu of full or partial satisfaction of development consent conditions requiring payment of Contributions levied in accordance with a Section 7.11 Contribution Plan under the provisions of the <i>Environmental Planning &amp; Assessment Act, 1979 (NSW)</i>.</p> <hr/> <p>CM document number:</p> <hr/>

**Dwelling house or secondary dwelling affected by natural disaster**

- (1) The objective of this clause is to enable the repair or replacement of lawfully erected dwelling houses and secondary dwelling that have been damaged or destroyed by a natural disaster.
- (2) This clause applies to land in the following zones—
  - (a) *[set out the zones to which the clause is to apply]*,
- (3) Despite any other provision of this Plan, development consent may be granted to development on land to which this clause applies to enable a dwelling house or secondary dwelling that has been damaged or destroyed by a natural disaster to be repaired or replaced if—
  - (a) the dwelling house or secondary dwelling was lawfully erected, and
  - (b) the development application seeking the development consent is made to the consent authority no later than 5 years after the day on which the natural disaster caused the damage or destruction.

## Natural Disasters Clause

Guidance for Implementation



November 2020

### Natural Disasters Local Environmental Plan Clause

#### Introduction

Clause 5.9 of the Standard Instrument Order (the clause) was introduced to support homeowners whose homes have been damaged or destroyed by natural disasters. The clause applies to development applications (DAs) where development consent is sought to repair or replace a dwelling house or secondary dwelling that was damaged or destroyed by a natural disaster.

The clause was prepared in response to regulatory challenges faced by homeowners seeking to rebuild homes following natural disasters where planning controls in Local Environmental Plans (LEP) have changed over time.

The clause will ensure that development consent can be granted for the repair or replacement of a dwelling that was damaged or destroyed by a natural disaster despite any provisions in the relevant LEP which would otherwise prevent the consent authority from doing so.

The clause intends to eliminate the need for applicants to:

- Prepare formal requests to vary a development standard; or
- Demonstrate the continuance of an existing use in circumstances where dwelling houses or secondary dwellings are no longer permitted with consent in the relevant zone (applicants will need to demonstrate that the existing dwelling was lawfully erected).

#### Natural Disasters

Natural disasters are naturally occurring, rapid onset events that cause serious disruption to life or property in a community or region, such as floods, bushfires, earthquakes, storms, cyclones, storm surges, landslides and tsunamis. A natural disaster can include a state of emergency declared under section 33 of the *State Emergency and Rescue Management Act 1989*.

The rebuilding or repair of damage or destruction caused by or because of any of these events is development to which the clause applies.

#### Varying Development Standards

The clause states that consent can be granted to the specified development in a zone where the clause applies despite any other provision of the relevant LEP. For this reason, it is not necessary for applicants to submit a request to vary a development standard where a development standard is contravened. DAs will still undergo a merit assessment to ensure that dwelling houses and secondary dwellings are of an appropriate size, location and design in the context of the site.

In situations where key planning controls or development standards have changed over time, removing the need to formally request a variation under clause 4.6 of the relevant LEP will save time and resources for applicants and consent authorities.

#### Merit Assessment

For DAs where the clause applies, the consent authority cannot refuse a DA on the basis it does not comply with a development standard or other provision in the applicable LEP.

The proposed development will be assessed on its merits against the relevant considerations under section 4.15 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) and any other applicable legislation.

## Natural Disasters Clause

### Guidance for Implementation



Any standards or provisions outlined in a State Environmental Planning Policy (SEPP) that are relevant to the DA continue to apply (including any concurrence or referral requirements). Development Control Plan (DCP) provisions also continue to apply.

### Evaluation under section 4.15 of the *Environmental Planning and Assessment Act 1979* where the clause applies

For DAs where the clause applies, LEP provisions themselves must not be used as a reason for refusal. However, if the consent authority considers that the risk, or other environmental impact associated with the proposed development is inconsistent with the relevant considerations of section 4.15, the consent authority can refuse the application on that basis.

#### Example

Due to a period of local severe rains, a river floods and destroys two homes. Although this natural event is not subject to an emergency declaration under section 33 of the *State Emergency and Rescue Management Act 1989*, it is still considered to be a natural disaster and accordingly, the natural disasters clause could potentially be applied to rebuild the destroyed dwelling houses.

Council is unable to refuse the DA to rebuild the destroyed dwelling on the basis that it does not comply with a development standard in the applicable LEP – however, council will be able to undertake a merit assessment under section 4.15 of the EP&A Act. If council considers the site is unsuitable for redevelopment under section 4.15(1)(c) due to flooding concerns, then the DA may be rejected on this basis.

### Other Applicable Legislation

The requirements of other applicable legislation referred to in a SEPP, or in the EP&A Act continue to apply to DAs where the clause applies. For example, section 4.14 of the EP&A Act continues to apply for development of bushfire prone land and all relevant requirements of *Planning for Bushfire Protection 2019* must be satisfied.

*State Environmental Planning Policy (Vegetation in Non-Rural Areas) 2017* and the *Biodiversity Conservation Act 2016* will also continue to apply to development involving clearing of vegetation and development of land with high biodiversity values. Any relevant assessment and offsetting requirements under that Act must also be met.

### Replace and Repair

The clause refers to the *repair* or *replacement* of a lawfully erected dwelling house or secondary dwelling that was damaged in a natural disaster. There is no requirement for the *replacement* or *repair* subject of a DA to be identical to the original dwelling which was destroyed or damaged.

Development consent can be granted for dwelling houses and secondary dwellings that are of a different size, location or design to the original dwelling under the clause. Changes to the design and location of a proposed dwelling may be required to meet the relevant provisions of a DCP, other environmental planning instruments, associated legislation or the requirements of the National Construction Code.

### Lawfully Erected

To be a lawfully erected dwelling house or secondary dwelling, it must have been constructed under a valid development consent, building approval or another lawful planning pathway under the EP&A Act or equivalent historical planning legislation.

## Natural Disasters Clause

Guidance for Implementation



### Further Information

For more information:

Web: [www.planningportal.nsw.gov.au/natural-disasters-clause](http://www.planningportal.nsw.gov.au/natural-disasters-clause)

Phone: 1300 73 44 66

Email: [disaster.recovery@planning.nsw.gov.au](mailto:disaster.recovery@planning.nsw.gov.au)



28 August 2020

Leah Schramm,  
Director, State and Regional Economy  
NSW Department of Planning Industry and Environment  
Submission via NSW Planning Portal

Dear Sir/Madam,

**Central Coast Council Submission - Proposed Optional LEP Clause for Natural Disasters**

Thank you for the opportunity to make a submission in response to the exhibition of the proposed new optional clause for the *Standard Instrument (Local Environmental Plans) Order 2006* (SI LEP).

It is understood that the Clause proposes to clarify that development consent may be granted to development for the purposes of repairing or replacing a lawful dwelling damaged by a natural disaster. Specifically, the Clause is intended to clarify that despite any other provisions of a relevant Local Environmental Plan (LEP), approval to repair or rebuild a dwelling, including a secondary dwelling, can be granted if the original lawful dwelling was destroyed or damaged in a natural disaster, provided that application is lodged within 5 years of the day of that event. A Development Application (DA) is still required, merit assessment is still required, however the rebuild or repair cannot be refused based on any development standards in the LEP.

In principle, Council is supportive of the intent behind the proposal. There are however several matters which Council would like further considered and would welcome the opportunity to further discuss these in a working group with the Department of Planning, Industry and Environment (DPIE), industry groups, and other Local Government organisations. For now, our comments are outlined below:

**Definitions and Clarifications**

- The terms 'Natural Disaster', or 'Declared Natural Disaster', should be defined in the SI LEP, and therefore in the definitions of the LEP. It is considered that the 'commonly understood meaning' does not provide enough clarity and may be abused or be subject to Appeal.
- The wording of the declaration, and the planning wording is critical, so that Insurance companies honour their responsibilities, and ensure the cost to rebuild is covered. For example, the Picton 2016 East Coast "Storm" event not being defined as "flooding" (by the Insurance company), that took out commercial development and civic structures. See Action Item 18 and



**Wyong Office:** 2 Hely St / PO Box 20 Wyong NSW 2259 | P 02 4350 5555  
**Gosford Office:** 49 Mann St / PO Box 21 Gosford NSW 2250 | P 02 4325 8222  
E [ask@centralcoast.nsw.gov.au](mailto:ask@centralcoast.nsw.gov.au) | W [www.centralcoast.nsw.gov.au](http://www.centralcoast.nsw.gov.au) | ABN 73 149 644 003

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Department of Planning, Industry and Environment

page 25 (5.17.7 DA approval process.) of the independent report:

<https://www.wollondilly.nsw.gov.au/assets/Documents/Resident-Services/EmergencyManagement/Wollondilly-Shire-Council-Report-Version-4.1.pdf>

- The relevant construction standards applicable to new dwellings should be clarified. The Frequently Asked Questions (FAQs) advise that *Planning for Bushfire Protection (PBP) 2019* and other legislation will be applicable, but it is unclear whether this relates to the replacement dwelling siting alone or is inclusive of current building construction standards.
- Other exemptions need to be clarified, such as are new DAs exempt from development contributions (particularly secondary dwellings).

#### ***Application and Implementation Vehicle***

- It is considered that there should be a broader planning provision (e.g., a SEPP that is enacted to cover a 'declared natural disaster area' and has a sunset clause or timeframe e.g., within 24 months of declaration) that enables rebuilding 'like for like', for anything declared as being damaged from a 'declared natural disaster'.
- The proposal to nominate zones where this proposal would or should apply is not supported. A natural disaster can occur anywhere. Whilst there are some easily identified areas (bushfire prone land, land subject to coastal hazard or geotechnical instability), the provision should apply anywhere a dwelling is lawfully permitted. For example, a bushfire may raze a residential zone, a rural-residential zone or an environmental management zone, each permitting a dwelling. In June 2010 a mini-tornado at Lennox Head in northern NSW destroyed parts of the residential and business district, as well as public infrastructure, yet left other areas of the town untouched. Mapping by zones would be unlikely to fully address the matter.

#### ***Merits Based Assessment***

- The FAQs state that the replacement dwelling does not have to be identical to the original and may need to be relocated to address the requirements of a Development Control Plan (DCP) or new legislation. However, it also states that the rebuild or repair cannot be refused based on any development standards in the LEP, where the LEP introduced new provisions following the date the dwelling was approved. This creates an environment of confusion, as it appears to give a DCP a higher power than an LEP.
- The proposal would enable development standards such as Height of Buildings (HOB) and Floor Space Ratio (FSR) to be varied with no limitation, when the purpose of the DA is to repair or rebuild a dwelling damaged in a natural disaster. This could potentially result in Council being unable to refuse a DA for a proposal with a height limit that far exceeds that permitted in the zone. This could lead to exploitation where localities which have a high likelihood of being affected by a natural disaster, are also highly sought after because of the other particular opportunities afforded by that locality (e.g. views).
- If the intention is to make the process easier/less costly for property owners and to allow some degree of flexibility perhaps any variation to a development standard (other than where the



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Department of Planning, Industry and Environment

issue of permissibility due to minimum lot size due to an LEP change) should be limited to a percentage before a Clause 4.6 is required.

- Confirmation is required that rebuilds enabled by the proposal would not be exempt from other provisions within the LEP provisions which are not development standards (e.g. heritage, coastal hazard clauses, flood planning clauses etc.). If these were also to be exempted from application, this would potentially prevent the rightful refusal of rebuilds where land is documented to be at increasing risk over time, such as land affected by coastal hazards or sea level rise.
- The proposal raises concerns that rebuilding in the same location and to the same standard may not be appropriate, as the land is reconfirmed as being subject to flooding, inundation, landslip, coastal storm bite and geological hazards, or bushfire. The merit assessment would need to be free to consider:
  - Was the location the cause?
  - Were the building standards the cause?
  - Are changing conditions through climate change the cause?

#### ***Timeframe for Operation of the Clause***


- It is considered that acceptance of a DA to rebuild up to 5 years from the day of the natural disaster is too long a period, and that 2 years would be sufficient, assisting morale and generating employment and economic gains for these areas in the short term.

#### ***Existing Use Rights and Other Development Types***

- The FAQs state that the draft clause would not impact existing use rights. What is the situation where a dwelling burned down in natural disaster that was operating a home business/business under existing use rights, and the DA to rebuild was lodged 4 years after the disaster and constructed 2 years after that - would the existing use rights still apply for the business that operated in the dwelling 6 years prior?
- This proposal would only cover dwellings and no other measures in disasters that are equally important and may occur but technically do not have 'approval' e.g., Emergency stabilisation works, pop-up commercial structures/containers (e.g., insurance, mobile bank, pop-up shops, accommodation, living in a caravan on a site, etc.)

Should you like further information regarding Council's submission, please contact Mr Peter Kavanagh, Senior Strategic Planner on 0408 261 150, or via [peter.kavanagh@centralcoast.nsw.gov.au](mailto:peter.kavanagh@centralcoast.nsw.gov.au)

Kind Regards

  
Shari Driver  
Manager, Strategic Planning  
INNOVATION AND FUTURES