



## ***Mineral Pit and Royalties Policy***

<b>Policy Classification</b>	Council Policy
<b>First Issued:</b>	10 May 2022
<b>Next Review Date:</b>	May 2026
<b>Version Number:</b>	2
<b>Applicable Legislation:</b>	<i>Local Government Act 1999</i>
<b>Related Policies or Documents:</b>	Department of Transport, Attachment R15A – Pavement Material Specification
<b>Associated Forms:</b>	New Pit Consent Form
<b>Responsible Manager:</b>	Director Works & Infrastructure
<b>Approved by Council:</b>	14 March 2023
<b>Minutes Reference:</b>	C137:2023

## Table of Contents

1. Preamble .....	3
2. Scope .....	3
3. Process.....	3
4. Fees Payable .....	3
5. Payment of Rent .....	4
6. Payment of Royalties .....	5
7. Fencing (and other infrastructure) .....	5
8. Biosecurity .....	5
9. Rehabilitation .....	5
10. Refusal of Access .....	6
11. Authorised Officers .....	6
12. Reference to Other Documents and Forms.....	6
13. Records Management.....	6
14. Availability & Grievances.....	6

## **Mineral Pit and Royalties Policy**

### **1. Preamble**

- 1.1. Council during road construction and maintenance works, are from time to time required to enter and occupy land for the purposes of obtaining Mineral.
- 1.2. This policy aims to set out regulations and requirements to establish agreements between Council and landowners for the purpose of obtaining Mineral.
- 1.3. Pursuant to Section 294 of the Local Government Act 1999, Council has the power to enter and occupy land in connection with road maintenance or road construction to:
  - Obtain earth, minerals or timber from land;
  - Deposit soil on land;
  - Construct temporary roads and structure on land;
  - Deposit or store materials on land;
  - Carry out any other incidental activity on land.

**Minerals**" include stone, gravel, clay and sand.

### **2. Scope**

This section outlines the steps involved in order to obtain access to Mineral.

- 2.1. New Pit Consent Form, the "New Pit Consent Form" to enter and occupy land for the purpose of obtaining Mineral outlines the legislative requirements that need to be addressed prior to occupation of the land.

These requirements include:

- Expected period of occupation
- Payment amounts (if any) covering material compensation etc.
- Reinstatement requirements (if any)
- Fencing requirements (if any)
- Land (Parcel) description

### **3. Process**

- 3.1. Council officers will be required to obtain written agreements via the New Pit Consent Form with the land owner at least 48 hours prior to accessing private property to ensure compliance with Section 294 of the Local Government Act 1999, and to provide clear understanding of Councils intentions.
- 3.2. All items on the New Pit Consent form must be completed and issued at least 48 hours prior to occupation of the land.

### **4. Fees Payable**

- 4.1. The fees shall be set at the following rates and are not negotiable beyond the rate below ;

<b>Fee Category</b>	<b>Fee Description</b>	<b>Unit</b>	<b>GST</b>	<b>Comment</b>	<b>2022-2025</b>
Royalty - Mineral	Class 1 quarried pavement material <sup>1</sup>	Per Tonne	GST Inclusive	Rate applied to all. No Negotiations.	\$1.00
Royalty - Mineral	Limestone	Per Tonne	GST Inclusive	Rate applied to all. No Negotiations.	\$0.50
Royalty - Mineral	Ironstone	Per Tonne	GST Inclusive	Rate applied to all. No negotiations.	\$0.60
Royalty - Mineral	Other Rock Material	Per Tonne	GST Inclusive	Rate applied to all. No Negotiations.	\$0.50
Royalty - Mineral	Clay	Per Tonne	GST Inclusive	Rate applied to all. No Negotiations.	\$0.20
Rent Fee	Rent Annual Cropping Land	Per Hectare	GST Inclusive	Rate applied to all. No Negotiations.	\$1000.00
Rent Fee	Rent Annual Non arable Land	Per Hectare	GST Inclusive	Rate applied to all. No Negotiations.	\$50.00
Rent Fee	Rent Annual Grazing Land	Per Hectare	GST Inclusive	Rate applied to all. No Negotiations.	\$1000.00

- 4.2. Fees payable shall be determined by the Council as part of the policy review processes and can only be varied by Council resolution and endorsement.
- 4.3. This policy takes effect from the date of endorsement by Council and the fees payable including the Rent Fee are payable to any new or expanded Mineral Pits created after this date. No back payment of 'rent' is payable to landowners prior to the date of endorsement of this policy. All pits opened prior to this policy endorsement date are not eligible for the rent payment.
- 4.4. The amount payable to the land owner shall be commensurate with the amount of Mineral that is utilised by Council.
- 4.5. Any remaining Mineral within the pit shall remain the property of Council, unless otherwise negotiated between the landowner and Council when the New Pit Consent Form is completed.

## **5. Payment of Rent**

<sup>1</sup> Department of Transport, Attachment R15A Pavement Material Specification

- 5.1. Rent will be either, a once off payment based on Councils requirement for Mineral and the expected life of the pit (if less than one year), or paid annually during the life of the pit when in excess of one year.
- 5.2. The rental amount will be based on the current land use e.g. uncleared land, grazing land or cropped land.

## **6. Payment of Royalties**

- 6.1. Royalties will be paid within one (1) month of the completion of each raising and/or crushing operation.
- 6.2. Once the material has been raised, the material is owned by Council.
- 6.3.
- 6.4. Where stock has been raised prior to the date of endorsement of this policy, Council will, within 12 months of the date, assess any stockpiles at existing sites and pay any royalties owed.

## **7. Fencing (and other infrastructure)**

- 7.1. Any fencing or other infrastructure that is damaged by Council workers or its Contractors during the course of raising, loading or carting, which lies on the direct route from the Mineral pit to the nearest entry point to the road reserve, shall be the responsibility of the Council.
- 7.2. Council's delegated person must identify this infrastructure and list on the New Pit Consent Form.

## **8. Biosecurity**

- 8.1. Prior to Council entry, Council will negotiate with the landowner an operational plan in relation to biosecurity so ensure that their biosecurity requirements are met.
- 8.2. Details of the biosecurity operational plan will be recorded on the New Pit Consent Form.

## **9. Rehabilitation**

- 9.1. Reinstatement is to be negotiated with the landowner at the time of the New Pit Consent Form being signed. A landowner may request for; rehabilitation, no rehabilitation or for the pit to be transformed in to a water catchment area (i.e. dam), should a dam be requested all permits/licences are the responsibility of the landowner; No warranty is given regarding water retention capabilities of any water catchment area created.
- 9.2. Where requested and if the Mineral pit is not to be utilised again within a 12 month period, Council will rehabilitate a Mineral pit that they create.
- 9.3. Rehabilitation will include as a minimum:

- Reinstatement Overburden

- General levelling and battering of edges.

9.4. Rehabilitation aims to give the appearance of a more natural depression in the ground. No revegetation (seeding or addition of fertilizer/minerals) of pits will be undertaken other than the natural revegetation that is likely to occur within the existing soil matter.

9.5. Rehabilitation should occur as soon as practicable upon completion of works unless negotiated otherwise.

## **10. Refusal of Access**

10.1. Should a property owner refuse to provide access to their property, the delegated officers shall make all reasonable attempts to establish an alternative supply within a reasonable vicinity of the proposed works.

10.2. If no supply of Mineral is found within a reasonable vicinity of the proposed works, such works may be required to be rescheduled. This shall be at the discretion of the Authorised Officers and a report shall be presented to Council.

10.3. Council in accordance with Section 294 of the Local Government Act 1999 may elect to utilise its powers under this section to enter the land. This discretion will only be undertaken at the direction of Council.

## **11. Authorised Officers**

11.1. The Council hereby delegates the Director Works and Infrastructure, Operations Manager and Manager Projects & Regulation to:

- Negotiate the terms and conditions of the New Pit Consent Form;
- Execute the New Pit Consent Form.

11.2. In absence of the above mentioned officers, the delegation shall extend to any person appointed to act in that position.

## **12. Reference to Other Documents and Forms**

- Mineral Pit – New Pit Consent Form

## **13. Records Management**

13.1. Council shall keep records of the quantity of the said materials in tonnes raised and/or crushed.

13.2. All records shall be kept and disposed of in accordance with Council's Records Management Policy and the General Disposal Schedule.

13.3. Council is required to ensure completion of the TReL Mining Return to the Department for Energy and Mining for 30 June and 31 December annual periods.

## **14. Availability & Grievances**

14.1 This Policy will be available for inspection on Council's website [www.kangarooisland.sa.gov.au](http://www.kangarooisland.sa.gov.au) Copies will also be provided to interested

members of the community upon request, and upon payment of a fee in accordance with Council's Schedule of Fees and Charges.

- 14.2 Any grievances in relation to this Procedure or its application should be forwarded in writing addressed to the Chief Executive Officer, Kangaroo Island Council, PO Box 121, Kingscote SA, 5223

Signed



Chief Executive Officer

Date: 14 / 03/ 2023

**History:**

Date Reviewed:	Version:	Reason for Amendment:
10 May 2022	Version 1	Adopted by Council
14 March 2023	Version 2	Review of the rates as request by Elected Members