ATTACHMENTS

ORDINARY MEETING

Thursday 17 September 2026
10:00 AM
Council Chambers

Contents

Upper Lachlan Shire Council

Date:17 September 2026	Policy Title: Development Contributions Plan (Previously Upper Lachlan Development Contributions Plan 2007 & Section 94A Development Contributions Plan)
This cover sheet provides a summary of the proposed amendments to the attached Policy. Council initially adopted this policy on 27 March 2012. The policy was last updated on 19 November 2015.	
Sponsor: Director Environment and Planning	Action required: Approval by Council

Reason for review/update:

Council regularly review and update policies to ensure that they are current, fit-for-purpose and relevant to Council's operations. The attached policy has been reviewed and updated in line with this practice and the sponsor is now seeking your approval to implement this policy.

Summary of the changes:

The following amendments have been made to this Policy:

- Removed references to amended legislation or non-related legislation to this policy.
- Update of position titles
- Changed to Development Contributions Plan (Previously Upper Lachlan Development Contributions Plan 2007 & Section 94A Development Contributions Plan)
- Contribution amounts based on updated population forecast and costings
- Formatting and relevant annexures have been updated to meet current legislative requirements and NSW Government Practice Notes
- Council engaged gln consultants to assist with this process and review.

Consultation(s):

N/A

Internally cleared by

Position: Director Planning and Environment	Position: Manager Planning and Regulatory

POLICY:-	
Policy Title:	Development Contributions Plan (Previously Section 94A Development Contributions Plan)
File reference:	
Date Policy was adopted by Council initially:	27 March 2012
Resolution Number:	88/12
Other Review Dates:	27 March 2012 and 19 November 2015
Resolution Number:	325/15
Current Policy adopted by Council:	17 September 2026
Resolution Number:	XXX/26
Next Policy Review Date:	2029

PROCEDURES/GUIDELINES:-	
Date procedure/guideline was developed:	
Procedure/guideline reference number:	

RESPONSIBILITY:-	
Draft Policy Developed by:	Manager Planning and Regulatory
Committee/s (if any) consulted in the development of this policy:	NA
Responsibility for implementation:	Manager Planning and Regulatory
Responsibility for review of Policy:	Manager Planning and Regulatory

Upper Lachlan Shire Development Contributions Plan - 2026

Upper Lachlan Shire

Prepared by

gln. planning consulting strategy

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Summary

Summary of contribution rates

Table 1: Section 7.11 contribution rates for residential accommodation

	Per person	Per 1 bed dwelling or secondary dwelling	Per 2 bed dwelling or secondary dwelling	Per 3 or more bed dwelling or residential allotment	Maximum contributions while Minister's Direction is in place[1]
Occupancy rates		**1.47**	**1.67**	**2.57**	
Roads	$5,133	$7,568	$8,588	$13,167	$12,209
Waste management	$1,451	$2,140	$2,428	$3,723	$3,452
Open space and recreation	$876	$1,292	$1,466	$2,248	$2,084
Community facilities	$823	$1,214	$1,377	$2,112	$1,958
Plan administration	$124	$183	$208	$319	$296
Total	**$8,407**	**$12,396**	**$14,067**	**$21,568**	**$20,000**

Table 2: Section 7.12 levy rates

Development type	Levy rate
Development that has a proposed cost of carrying out the development:	
• up to and including $100,000	Nil
• more than $100,000 and up to and including $200,000	0.5% of that cost
• more than $200,000	1% of that cost

[1] At the time this plan was made, consent authorities could not impose a monetary contribution on a residential development that exceeded $20,000 per lot or dwelling. This restriction is due to a Direction made by the Minister for Planning on 28 August 2012, as amended. The consent authority therefore shall not impose a total monetary contribution under this plan that exceeds $20,000 for each dwelling approved in the development while this Direction (or any similar or subsequent direction) remains in place.

Table 3: Heavy haulage contribution rate

Development type	Contribution rate
Development resulting in heavy vehicular movements on local and rural roads within the LGA	$0.0643 per tonne per km

Summary of proposed infrastructure

The contributions that are made by developers will be applied by Council to deliver the schedule of infrastructure works shown in **Appendix D** to this plan.

Contributions anticipated to be made under this plan will fund only a portion the total costs of infrastructure works, as shown in the table below, with the balance coming from other sources (such as grants). A summary of the infrastructure types and costs are shown below:

Table 4: Summary of proposed infrastructure costs

Type of local infrastructure	Total cost of works	Cost attributable to s7.11 contributions	Cost attributable to s7.12 contributions
Roads	$29,600,000	$6,882,723	$22,717,277
Waste management	$15,050,488	$1,946,071	$13,104,417
Open space and recreation	$1,680,000	$1,174,996	$505,004
Community facilities	$3,680,000	$1,104,000	$2,576,000
Emergency services	$329,114	$-	$329,114
Plan administration	$166,617	$166,617	$-
Total	**$50,506,219**	**$11,274,407**	**$39,231,812**

More details on the demand for local infrastructure, the relationship of the local infrastructure with the expected development, and specific facilities to be provided are included in **Appendix B** and **Appendix C** to this plan.

Plan structure

This plan has been broken up into the following sections:

Section 1 – Introduction

This section describes the types of developments required to make contributions as well as those excluded from making contributions.

Section 2 – What contributions apply and how are they calculated?

This section explains how conditions of consent will be used to require contributions and levies, how s7.11, s7.12 and heavy haulage contributions are applied and calculated and the way in which contribution rates will be adjusted over time to reflect changes in infrastructure costs.

Section 3 – How does development contribute under this Plan

This section outlines how contributions are imposed under this Plan and the forms in which they may be provided, including monetary contributions, land dedication, works-in-kind and material public benefits. This section also describes accredited certifiers' obligations to address the requirements of this plan in the issuing of construction certificates and CDCs.

Section 4 – Timing and payment of contributions

This section explains when contributions are to be paid, how the payable amount is determined at the time of payment, and how indexation, GST and deferred payment arrangements are applied under this Plan.

Section 5 – Plan Administration

This section identifies the Plan’s relationship to other contribution plans and transitional arrangements. It also outlines how Council pools and reports on Plan funds, and when Council may undertake a Plan update and review.

Appendices

The appendices include:

Appendix A: Worked examples for calculation of section 7.11 and section 7.12 contributions.

Appendix B: A discussion on the anticipated infrastructure demand.

Appendix C: How contribution rates in the plan have been determined.

Appendix D: The schedule of the local infrastructure that is to be delivered under the plan.

Appendix E: The location maps of the local infrastructure that is to be delivered under the plan.

Appendix F: Glossary

Plan overview

The Upper Lachlan Shire Local Government Area (**LGA**) had an estimated residential population of 9,030 people in 2026[2]. Future residential development in the area over the next 15 years is expected to accommodate approximately 1,341 additional residents and 559 new dwellings[3].

This population growth will create additional demand for new and upgraded local infrastructure, including open space and recreation facilities, public domain enhancements, and roads. Contributions of land, works and money from the developers in the Upper Lachlan Shire LGA will be a key source funding for infrastructure.

Sections 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979* (**EP&A Act**) authorises a council (if it has adopted a contributions plan) and other consent authorities to require contributions from development toward the provision, extension or augmentation of local infrastructure, if the development is likely to require the provision of or increase the demand for that infrastructure.

The Upper Lachlan Shire Local Infrastructure Contributions Plan's (the **Plan**) primary purpose is to authorise Upper Lachlan Shire Council (**Council**), a planning panel or an accredited certifier to impose conditions on development consents or complying development certificates (**CDCs**) requiring section 7.11 contributions or section 7.12 fixed rate levies from development to which the plan applies.

This Plan has been prepared in accordance with the EP&A Act and Environmental Planning and Assessment Regulation 2021 (**EP&A Regulation**); and having regard to the latest practice notes issued by the Department of Planning, Housing and Infrastructure.

This Plan applies to all development that occurs throughout the Upper Lachlan Shire LGA as shown in **Figure 1**.

[2] .id (informed decisions), January 2025

[3] id (informed decisions), January 2025

1 Introduction

In this section:

1.1: Land to which this plan applies

1.2: Development to which this plan applies

1.3: Excluded development.

This plan is called the Upper Lachlan Shire Development Contribution Plan 2026 (the **Plan**) and commenced on XXX 2026. The Plan's main purpose is to authorise:

- the consent authority, when granting consent to an application to carry out development to which this plan applies, or
- the Council or a registered certifier, when issuing a complying development certificate (**CDC**) for development to which this plan applies,

to require **either** a contribution under section 7.11 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) **or** a fixed development levy under section 7.12 of the EP&A Act to be made towards the provision, extension or augmentation of local infrastructure required because of development in the Upper Lachlan Shire Local Government Area (**LGA**), or infrastructure that has been provided in anticipation of, or to facilitate, such development.

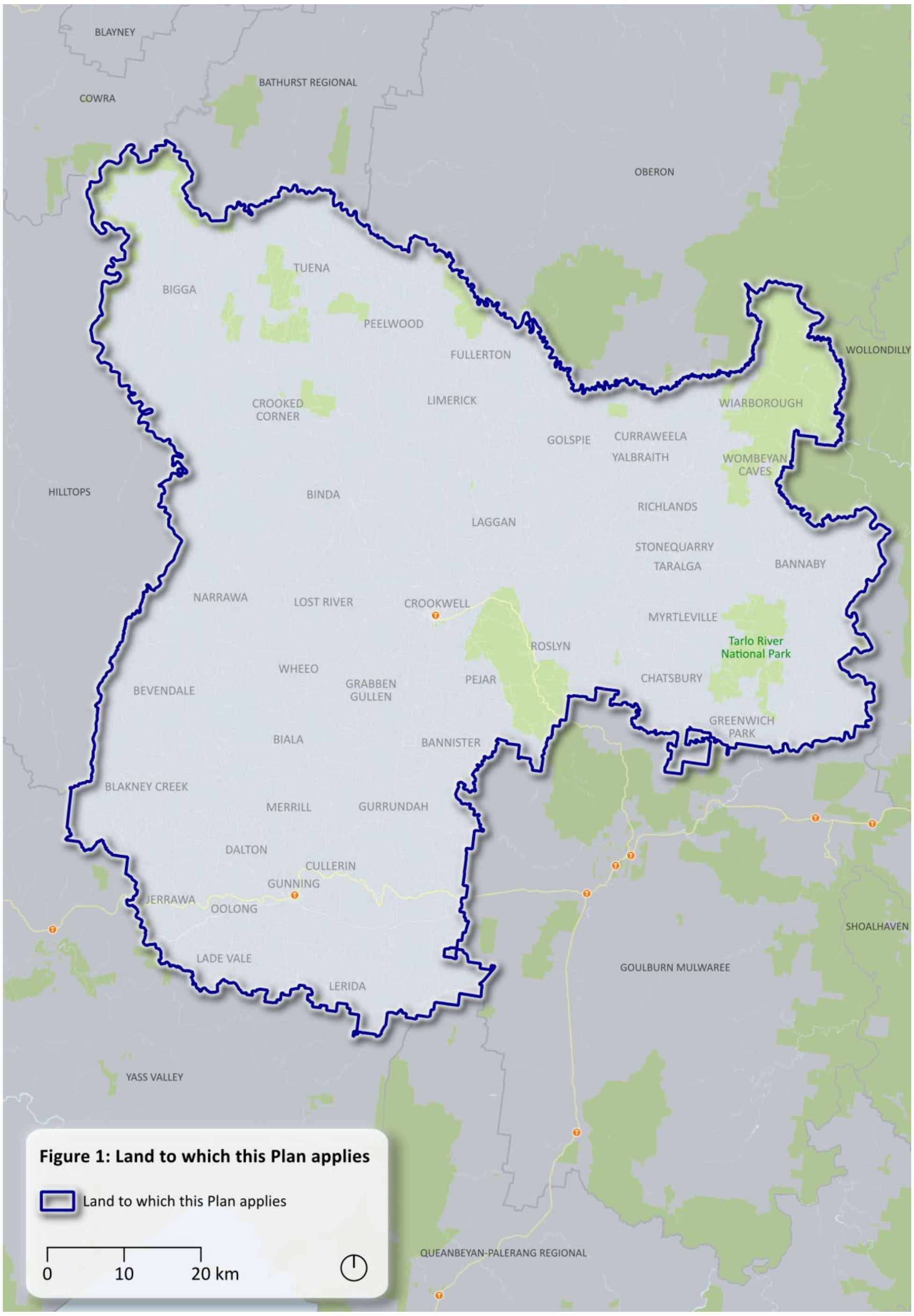
The plan's other purposes are:

- to provide a framework for the efficient and equitable determination, collection and management of development contributions in the Upper Lachlan Shire LGA.
- to establish the relationship between the expected development and proposed local infrastructure to demonstrate that the s7.11 contributions required under this plan are reasonable.
- to ensure that the broader Upper Lachlan community is not unreasonably burdened by the provision of local infrastructure that is required because of development.

This plan has been prepared in accordance with the EP&A Act and Regulation, having regard to the most recent practice notes issued by the NSW Department of Planning, Housing and Infrastructure (**DPHI**).

1.1 Land to which this plan applies

This plan applies to all land in the Upper Lachlan Shire LGA as shown in **Figure 1** overleaf.



Source: GLN Planning

Figure 1. Land to which this plan applies

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1.2 Development to which this plan applies

This plan applies to all development within the Upper Lachlan Shire LGA (as outlined in the previous subsection). Application of contributions requires the submission of a development application or an application for a complying development certificate.

The type of contribution that applies to the development will be determined as follows:

Type (a) development: New residential accommodation (including secondary dwellings) that would result in a net increase in population / dwellings.

Type (b) development: Non-residential development and alterations and additions on all types of development, where the proposed cost of that development is more than $100,000.

Type (c) developments: Development involving increased heavy vehicle movements on local and rural roads related to the exportation or importation of material including extractive industries, mines and quarries.

1.3 Excluded development

The following development is excluded from the need to pay a contribution under this plan:

- Development excluded from section 7.11 contributions or section 7.12 levies by way of a direction made by the Minister for Planning. Copies of the current directions are available on the DPHI website. At the time of commencement of this Plan, section 7.11 / 7.12 exclusions apply to development:
  - undertaken by a ‘social housing provider’ for the purposes of ‘seniors housing’ as defined in *State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004*;
  - for the purpose of disabled access;
  - for the sole purpose of providing affordable housing;
  - for the purpose of reducing a building’s use of potable water (where supplied from water mains) or energy;
  - for the sole purpose of the adaptive reuse of an item of environmental heritage; and
  - that has been the subject of a condition requiring monetary contributions under a previous development consent relating to the subdivision of the land on which the development is to be carried out.
- Development undertaken by or on behalf of Council, including but not limited to works identified in the works schedule at **Appendix D** of this plan.

Council may, on a case-by-case basis, consider the exclusion of the following types of development from paying a contribution:

- Developments which provide a distinct community benefit on a not-for-profit basis including but not necessarily limited to: accommodation associated with fire stations, police stations or police shop fronts, ambulance stations, rescue services, State Emergency Service (**SES**) and Rural Fire Services (**RFS**) operational bases and the like. This provision is not intended to include corporate headquarters of any type.

1.3.1 Developments where only part of the development is excluded

If the development is a mixed-use development and includes any of the above excluded development, only the excluded component of the development will be excluded from the need to pay a contribution under this plan.

1.3.2 Applying for an exclusion

Applicants seeking an exclusion must apply in writing in their development application or application for complying development certificate clearly demonstrating compliance with the relevant type of excluded development outlined in this section.

Council is responsible for determining if a development meets the requirements to be excluded from paying a contribution under this plan. If Council is satisfied that the development is consistent with the relevant exclusion, it will exclude the development from the need to pay a contribution.

In the case of complying development, Council must first verify any exclusions in writing. Certifiers must obtain Council's written confirmation that a development is excluded before excluding it from the need to pay a contribution under this plan.

2 What contributions apply and how are they calculated?

In this section:

2.1 Section 7.11 contributions

2.1.1 Calculating Section 7.11 contributions

A s7.11 contribution applies to residential accommodation resulting in a net increase of population / dwellings. This includes secondary dwellings and is calculated as follows:

Section 7.11 contribution =

net increase in residents x per resident contribution rate, as indexed

In accordance with the requirements of a Direction made by the Minister for Planning on 28 August 2012, the final contribution amount imposed cannot be more than $20,000 for each dwelling authorised by the consent.

Some worked examples for calculating section s7.11 contributions for different types of development are shown in **Appendix A.**

The calculation process is as follows:

1. Calculate the net increase in residents. This can be done by multiplying the number of bedrooms[4] by the appropriate occupancy rate per Table 5.
2. This net increase can then be multiplied by the indexed per resident rate.
3. Divide that amount by the number of dwellings authorised by the development consent to determine whether the amount exceeds the $20,000 cap.
4. Where it exceeds the cap, apply the capped amount calculated as $20,000 multiplied by the number of dwellings authorised in the consent. Where it is less than the capped amount, apply the amount derived in Step 2.

2.1.2 Contribution demand credits for existing residential developments

For development sites that contain existing residential development or that have been subdivided for residential development, a credit for the existing infrastructure demand (based on the assumed existing population relating to the development or site) will be applied for the purpose of

[4] For the purposes of this Plan, the number of bedrooms is to be determined having regard to the submitted plans and the likely use of rooms (see "bedroom" in **Appendix F** Glossary). Council reserves the right to determine the number of bedrooms for contribution calculation purposes.

determining the net increase in population. The credit applied will be based on the occupancy rates cited in **Table 5.**

Table 5: Assumed occupancy rates for calculating contributions and demand credits

Development type	Assumed occupancy rate
Residential accommodation	
Dwellings or secondary dwellings with 3 or more bedrooms	2.57 persons per dwelling
2-bedroom dwellings or secondary dwellings	1.67 persons per dwelling
1-bedroom dwellings or secondary dwellings	1.47 persons per dwelling

2.1.3 Indexation of s7.11 contribution rates

To ensure that contribution values are not eroded over time by inflation, Council will adjust the contribution rates listed in **Table 1** in accordance with the Consumer Price Index (All Groups – Sydney) as published by the Australian Bureau of Statistics, using the following formula:

$$\textit{Indexed contribution rate (\$)} = \frac{\textit{\$CPo X Current CPI}}{\textit{Base CPI}}$$

Where:

$CPo is the original contributions rate as published in **Table 1** of this Plan.

Current CPI is the latest Consumer Price Index (All Groups – Sydney).

Base CPI is the Consumer Price Index (All Groups – Sydney) as of December 2025 (101.19)

2.2 Section 7.12 levies

2.2.1 Calculating Section 7.12 contributions

The section 7.12 levy applies to non-residential development or alterations and additions and is calculated as follows:

Section 7.12 levy =

Applicable levy rate per ***Table 2*** *of this Plan x estimated development cost*

Worked examples for calculating section s7.12 levies for different types of development are shown in **Appendix A**.

Unlike section 7.11 contributions, there is no need to index the s7.12 levy when the development consent or complying development certificate is issued. This is because the section s7.12 levy is calculated as a percentage of the development cost. However, like section 7.11 contributions, the consent authority will index section 7.12 levies for inflation at the time of payment. This is shown in Part 4.2 of this Plan (Indexation at time of payment).

2.2.2 Cost Estimate Report

Section 7.12 levies are calculated as a percentage of the cost of development. Section 208 of the EP&A Regulation sets out how the proposed cost of carrying out development is determined.

Where a s7.12 levy is required under this plan in relation to a DA or application for a CDC, the application is to be accompanied by a Cost Estimate Report prepared at the applicant's cost, setting out an estimate of the proposed cost of carrying out the development.

According to the Cost Estimate Report form on Council's website, the persons approved by Council to provide an estimate of the proposed cost of carrying out development are as follows:

- For development with a value between $0 and $150,000, a cost summary report may be prepared by the applicant or a suitably qualified person.
- For development with a value between $150,000 and $3 million, a cost summary report may be prepared by a suitably qualified person; or
- For development with a value exceeding $3 million, a quantity surveyor who is a registered member of the Australian Institute of Quantity Surveyors.

Note that the estimated value of works must include the value of costs such as labour (i.e. specialist tradespeople) as well as the value of materials and fixtures to be used, as opposed to what the developer is paying for them. For example, if labour is being provided "for free", that labour still has a value which must be accurately included in the estimate of the value of works

Council will validate all Cost Estimate Reports before they are accepted using a standard costing guide or other generally accepted costing method. Should the costing as assessed by Council be considered inaccurate, Council may, at its sole discretion and at the applicant's cost, engage a person referred to above to review a Cost Estimate Report submitted by an applicant.

2.3 Heavy Haulage Contributions

2.3.1 Background

Some types of development involve heavy vehicle movements that are likely to cause road pavement damage. Mines, quarries and extractive industries are well known examples, but other development such as landfill operations, excavation, and the construction of flood mounds also involve heavy vehicle movements that can also damage road pavements.

A significant increase in the heavy vehicle load on a road has a marked impact on the life of the road pavement. The Upper Lachlan local and regional road network has been constructed and is maintained by Council as necessary to ensure an acceptable standard of service. These roads may not be able to accommodate additional heavy vehicle loading generated by heavy haulage development at their current standard. New roads, or upgrades to sections of the existing road network may be required to accommodate the additional heavy vehicle loading from development.

Development that involves significant heavy vehicle movements will generate the need for additional maintenance and earlier rehabilitation on local roads affected by the haulage routes. It is considered reasonable that the development meets the cost of these additional works.

2.3.2 Application of heavy haulage contributions

Section 7.11 of the EP&A Act allows Council to impose, as a condition of consent, the payment of a monetary contribution where a development will, or is likely to, require the provision of, or increase the demand for, public amenities and public services.

As developments with heavy haulage movements require the upgrade or early rehabilitation of local roads, Council will apply contributions on these types of development (type (c) developments).

It is reasonable for a Section 7.11 contribution to be required to cover the increased level of road damage resulting from heavy vehicle movements generated by these types of developments, and the subsequent maintenance and rehabilitation of these roads.

2.3.3 Calculation of the contribution for extractive industry developments

The contribution amount will be calculated based upon the following formula:

CONTRIBUTION = TONNES x LENGTH OF ROUTE x CONTRIBUTION RATE

Where:

CONTRIBUTION = the contribution required to be paid to Council

TONNES = tonnes of resource removed from the site per quarter by road transport

LENGTH OF ROUTE = the length of the local or rural road route followed by heavy vehicle movements (to be nominated by the developer and confirmed by Council officers during the assessment of the development application)

RATE = $0.0643 per tonne per km. This rate is indexed by CPI over time. Derivation of this rate is shown in **Appendix C**.

The contribution for heavy haulage vehicular activity will be collected over the life of the development consent.

A developer will be required to provide details of the proposed haul route to be used by heavy vehicles excluding any national road and an estimate of the amount of extracted material or other product to be hauled per year with any development application.

The number of tonnes per year may be verified by either:

- the developer submitting weighbridge tonnage dockets for each vehicle movement; or
- multiplying the volume of material extracted or imported by a factor of 1.6 to calculate the approximate tonnage of material

2.3.4 Indexation of heavy haulage contribution rates

Similar to section 7.11 contribution rates under this Plan, Council will adjust the heavy haulage contribution rate listed in **Table 3** in accordance with the Consumer Price Index (All Groups – Sydney) as published by the Australian Bureau of Statistics, using the following formula:

$$\textit{Indexed heavy haulage contribution rate (\$)} = \frac{\textit{\$HHo X Current CPI}}{\textit{Base CPI}}$$

Where:

$HHo is the original contributions rate as published in **Table 3** of this Plan.

Current CPI is the latest Consumer Price Index (All Groups – Sydney).

Base CPI is the Consumer Price Index (All Groups – Sydney) as of December 2025 (101.19)

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3 How does development contribute under this Plan?

In this section:

3.1 Imposing local infrastructure contributions

In accordance with the EP&A Act, development contributions under this Plan will be imposed as a condition of development consent or as a condition on a Complying Development Certificate.

This plan, in accordance with the EP&A Act, authorises Council or an accredited certifier, when determining an application for development or an application for a CDC, to impose a condition requiring either a contribution under section 7.11 or a levy under section 7.12 of the EP&A Act on that approval for:

- the provision, extension or augmentation of local infrastructure to be provided by Council; and
- the recoupment of the previous costs incurred by Council in providing existing local infrastructure.

A section 7.12 levy cannot be required in relation to development if a section 7.11 contribution is required in relation to that development.

In accordance with the Act, an obligation to provide contributions toward local infrastructure may be satisfied by one or more of the following methods:

- Payment of a monetary contribution;
- Dedication of land; and/or
- Provision of a material public benefit.

Monetary contributions are typically imposed as a condition of development consent or complying development certificate. However, Council may, at its discretion, permit an alternative method of satisfying the contribution—such as the dedication of land or provision of works—in accordance with the Act and this Plan.

3.2 Dedication of land

Council may accept the dedication of land identified in the works schedule at **Appendix D** as a means of satisfying local contributions conditions under this Plan. The value of the land may, at Council's discretion, be credited as a full or partial offset against the monetary contribution.

Where such dedication is accepted, it must be undertaken in accordance with the following:

- The process for dedication of land is to occur in conjunction with the payment of monetary contributions applicable to any development consent granted for the land;

- The dedication of land is to be 'free of cost' – meaning that all costs associated with the dedication of the land and its transfer to Council's ownership are to be borne by the applicant/developer;
- At the time of transfer, the land is to be in a condition which is suitable for its identified public purpose (as determined by Council) and is to be cleared of all rubbish and debris and have a separate title.

Where land is not identified in the works schedule of this Plan, it may still be dedicated to Council in accordance with Council's Developer Agreements Policy [XXX] through a Planning Agreement, generally at no cost. Such dedication does not automatically satisfy a contribution required under this Plan. Council will determine, at its discretion, whether any credit is to be applied, and a separate monetary contribution may still be required.

3.3 Works in Kind and Material Public Benefit

Council may accept the provision of works in kind or a material public benefit as a means of satisfying a local infrastructure contribution condition under this Plan. Works-in-kind involve the delivery of part or all of an infrastructure item identified in the works schedule (**Appendix D**), while a material public benefit may comprise another form of public benefit accepted by Council in accordance with the Act. The value of the works in kind or material public benefit may, at Council's discretion, be credited as a full or partial offset against the monetary contribution.

Acceptance of works in kind or a material public benefit is at the sole discretion of Council and is to be in accordance with Council's Developer Agreements Policy [XXXXX]. Where Council accepts such an arrangement:

- The value of the works that can be used to offset monetary contributions under this Plan is equal to its value in the contributions plan (if identified in the contributions plan),
- For works not identified in the contributions plan, the value of the works must be provided by the applicant at the time of the request and must be independently certified by a Quantity Surveyor who is registered with the Australian Institute of Quantity Surveyors or a person who can demonstrate equivalent qualifications.
- The works are delivered to a standard that is to Council's full satisfaction.
- Council may review the valuation of works and may seek the services of an independent person to verify the costs. In these cases, all costs will be at the expense of the applicant.

3.4 Construction certificates and the obligation of accredited certifiers

It is the responsibility of the certifying authority to accurately calculate and apply section 7.11 or s7.12 contribution conditions to a CDC. Contributions imposed on a CDC must be paid prior to the commencement of works authorised by the CDC.

Accredited certifiers should contact Council where there is any uncertainty as to whether a section 7.11 or s7.12 condition applies to a CDC.

In accordance with section 7.21 of the EP&A Act and Clause 146 of the EP&A Regulation, a certifying authority must not issue a construction certificate for building work or subdivision work under a development consent unless it has verified that each condition requiring the payment of monetary contributions has been satisfied.

In particular, the certifier must ensure that the applicant provides a receipt(s) confirming that contributions have been fully paid and copies of such receipts must be included with copies of the certified plans provided to the council in accordance with Clause 142(2) of the EP&A Regulation.

Failure to follow this procedure may render such a certificate invalid. The only exceptions to the requirement are where a works in kind, material public benefit, dedication of land or deferred payment arrangement has been agreed by the council. In such cases, council will issue a letter confirming that an alternative payment method has been agreed and that the condition has been satisfied.

4 Timing and payment of contributions

4.1 Timing of payments

The amount of developer contributions will be determined as part of the assessment of a development application and will appear as a condition on the respective development consent issued under Section 4.16 of the EP&A Act. The notice will include a condition indicating the timing, amount of payment and the specific public amenity or service in respect of which the condition is imposed.

The timing of when a contribution needs to be paid depends on the type of development. Generally, this can be summarised as follows:

- *For development involving subdivision* – the contribution must be paid prior to the release of the Subdivision Certificate (linen plan).
- *In the case of a development application involving building work* - prior to the release of a Construction Certificate. Where the construction certificate is for part of a development the contribution shall relate to the number of dwellings.
- *For works authorised under a complying development certificate* – the contributions are to be paid prior to any work authorised by the certificate commences, as required by clause 156 of the EP&A Regulation.
- *In the case a development application for the use of building or the use of works* – prior to the issue of a 149D certificate.
- *In the case of a development application where no building works are involved* - prior to occupation or commencement of the approved use.
- *In the case of an extractive industry / heavy haulage development* – at the end of each financial year based upon extraction rates indicated in the quarterly returns for that year.

4.2 Indexation at time of payment

Contributions (s7.11, s7.12 and heavy haulage) required under a development consent or CDC will be adjusted for indexation at the time of payment, using the following formula:

$$\textit{Indexed contribution rate (\$)} = \frac{\textit{\$Co X Current CPI}}{\textit{Base CPI}}$$

Where:

$Co is the original contributions rate conditioned by the development consent or CDC.

Current CPI is the latest Consumer Price Index (All Groups – Sydney).

Base CPI is the Consumer Price Index (All Groups – Sydney) at the date the contribution condition is imposed.

4.3 Goods and Services Tax

Items in the works schedule of this Plan (**Appendix D**) have been calculated without any Goods and Services Tax (**GST**) component, in accordance with Australian Taxation Office rulings that were current at the time this plan was made.

As a result, contributions under this Plan are exempt from GST.

4.4 Cash contribution payment methods

Payment of contributions can be made online via credit card or at the counter via credit card, eftpos or any other means determined acceptable by Council from time to time.

4.5 Deferred payments

Deferred or periodic payments may only be permitted in the following circumstances:

- Where the applicant can demonstrate to the Council that the payment of contributions in accordance with this plan is unreasonable and Council accepts deferred or periodic payment; or
- Where the applicant intends to make a contribution by way of works-in-kind or land dedication in lieu of a cash contribution in a future stage of the development being levied and Council and the applicant have a legally binding agreement for the provision of the works or dedication; or
- In other circumstances considered reasonable by Council.

All requests for deferred or periodic payment of contributions are required to be made in writing and may only be accepted where:

- There are valid reasons for the deferral or periodic payment (as outlined above);
- The granting of the request will not adversely impact on the administration, operation or cash reserves;
- The granting of the request will not jeopardise the timely provision of works or land identified.

Where Council allows a deferral of contributions, an appropriate bank guarantee shall be secured for the amount of contributions to be deferred. The conditions under which the Council may accept deferred settlement by way of a bank guarantee are that:

- The bank guarantee be by an Australian bank for the amount of the total or outstanding contribution amount, plus an amount equal to thirteen (13) months interest plus any charges associated with establishing or operating the bank security;
- The bank unconditionally pays the guaranteed sum to the Council if the Council so demands in writing not earlier than 12 months from the provision of the guarantee or completion of the work;

- The bank must pay the guaranteed sum without reference to the applicant or landowner or other person who provided the guarantee, and without regard to any dispute, controversy, issue or other matter relating to the development consent or the carrying out of development;
- The Bank's obligations are discharged when payment to the Council is made in accordance with this guarantee or when Council notifies the Bank in writing that the guarantee is no longer required;
- Where a bank guarantee has been deposited with Council, the guarantee shall not be cancelled until such time as the original contribution and accrued interest are paid.

The conditions under which the Council may accept payment by way of periodic payment for a staged development are that:

- the instalment be paid before the work commences on the relevant stage of the development;
- the amount to be paid at each stage is to be calculated on a pro-rata basis in proportion to the demand for the relevant facility being levied by the overall development, plus CPI and any interest that may be due.

Any outstanding component of the contribution shall be indexed, at the date of payment, in accordance with the Indicative Borrowing Rate for NSW Local Government Authorities, as published weekly.

5 Plan Administration

In this section:

5.1 Relationship to other contributions plans

This Plan repeals the *Upper Lachlan Development Contributions Plan 2007* and *Upper Lachlan Section 94A Development Contributions Plan* (last amended November 2015). This plan does not affect any conditions of consent issued under any previous repealed (predecessor) plans.

5.2 Transitional arrangements

This Plan applies to any development application or complying development certificate application made on or after the date of this plan's commencement.

It does not apply to development applications or applications for a complying development certificate submitted but not determined before the date this plan commenced. Instead, such applications will be determined against the relevant contribution plan that applied at the date the application was lodged.

In the case of applications to modify a consent under section 4.55 of the EP&A Act, the modification application will be determined against the same contribution plan that was applied to the original consent.

Contributions levied on development consents under the previous contribution plans remain payable and are indexed in accordance with that plan. Contributions levied under a previous plan may be allocated to the delivery of projects in this Plan's works schedules (**Appendix D**) through the pooling of funds.

5.3 Funds pooling

Contributions collected under this plan or by a repealed contributions plan will be pooled and collectively used for purposes outlined in the work schedule of this plan. The priorities for the expenditure of pooled monetary contributions under this plan are the priorities for works as set out in the works schedule of this plan.

5.4 Accountability and reporting

In accordance with the EP&A Act and Regulation, a contributions register will be maintained by Council and published on its website and on the NSW Planning Portal.

The register will be updated at regular intervals and will include the following:

- particulars sufficient to identify each development consent for which contributions have been sought
- the nature and extent of the contribution required by the relevant condition of consent
- the name of the contributions plan under which the condition of consent was imposed
- the date the contribution was received, for what purpose and the amount.

Annual financial statements for contributions will also be published on Council's website and made available on the NSW Planning Portal.

5.5 Plan review

Council will generally review this plan every 5 years or as needed, including to ensure the plan's works schedules respond to the evolving infrastructure needs of the Upper Lachlan Shire area to which this plan applies.

Pursuant to section 215(5) of the EP&A Regulation, Council may make certain minor adjustments or amendments to the plan without prior public exhibition and adoption by Council. Minor adjustments include correcting minor typographical errors, indexing contribution rates and detailing when infrastructure items or works have been completed.

This plan will operate until either Council has collected contributions for all works items in the works program, or the plan is repealed.

APPENDIX A: WORKED EXAMPLES

Appendix A: Worked Examples

This appendix contains examples for calculating section 7.11 contributions and section 7.12 levies for various types of development. Note that these examples reflect current contribution rates. S7.11 contribution rates should be indexed as the CPI is updated. While s7.12 levies are not affected by indexation on the date of calculation (because they are based on the estimated development cost), the s7.12 levy should be indexed by CPI at the date of payment.

In this section:

- Worked example 1 – Residential alterations (s7.12)
- Worked example 2 – Secondary dwellings (s7.11)
- Worked example 3 – Subdivision of land into 5 lots (s7.11)
- Worked example 4 – Erection of a new 3-bedroom dwelling on a vacant allotment
- Worked example 5 – Dwelling knock down rebuild (s7.12)
- Worked example 6 – Demolition of an existing dwelling and construction of new homes (s7.11)
- Worked example 7 – Mixed use development (s7.11)
- Worked example 8 – New retail development (s7.12)
- Worked example 9 – Heavy haulage contribution (s7.11)

Worked example 1 – Residential alterations (s7.12)

Development description

Alterations to an existing 3-bedroom dwelling to add a swimming pool, 1 additional bedroom and wine cellar. The proposed development cost is $222,000.

Working

A section 7.12 levy is required in accordance with section 1.2 as alterations and additions are classified as Type B development, and the development cost is over $200,000. The section 7.12 levy is calculated as 1 per cent of the development cost ($222,000), which equals **$2.220**.

Worked example 2 – Secondary dwellings (s7.11)

Development description

An application is received for a 2-bedroom secondary dwelling to be constructed at the rear of a dwelling in Upper Lachlan. A section 7.11 contribution was paid at the time of the original subdivision for the lot and primary dwelling.

Working

The contribution for the development is:

2-bedroom secondary dwelling	=	$14,067
Total contribution	**=**	**$14,067**

Worked example 3 – Subdivision of land into 5 lots (s7.11)

Development description

Subdivision of an allotment containing an existing 3-bedroom dwelling (where a s7.11 contributions was paid previously on the lot) into 5 new allotments. This comprises the existing dwelling being retained on 1 lot, and 4 new 450m^2 allotments.

Working

The development is classified as Type (a) development as it includes subdivision but not building work. A section 7.11 contribution is therefore required on the new residential lots created and is calculated as follows:

4 ´ lots 450 m^2	=	4 ´ $21,568	=	$86,272
CAPPED at $20,000 per dwelling	=	4 ´ $20,000	=	$80,000
Total contribution	**=**	**$80,000**		

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Worked example 4 - Erection of a new 3-bedroom dwelling on a vacant allotment

Development description

Erection of a new 3-bedroom dwelling on a vacant allotment. A section 7.11 contribution was paid at the subdivision stage, based on the allotment area (per example 3 above).

Working

Under excluded development provisions in section 1.3 of this plan, a dwelling on a vacant allotment of land where a 7.11 contribution was imposed on that allotment under a previous development consent is excluded from the need to pay a contribution under this plan. **Therefore, a contribution for this development under this plan is not required.**

Worked example 5 – Dwelling knock down rebuild (s7.11)

Development description

Demolition of an existing 1-bedroom dwelling house and construction of a new 3-bedroom dwelling house, garage and pool. The development cost is $1 million.

Working

A section 7.11 contribution is required as the development will result in a net increase in population, resulting from a 1-bedroom dwelling being upgraded to a 3-bedroom dwelling. The s7.11 contrib

Net increase in residents		
Net resident increase	=	Future residents – existing residents
Existing residents	=	1.47 residents
Future residents	=	2.57 residents
Net increase in residents	=	1.10 residents
Residential contribution	=	1.10 residents x $8,407
Total contribution	=	**$9,247.70**

Note that contributions have been calculated as above because through time, the application of an indexed credit against a capped contribution may erode the final contribution rate after indexation. These effects are shown in the sample calculation below where, despite future values increasing by 10%, the cap on contributions (but not credits) results in a lower contribution amount collected by Council.

		2026 (unindexed)	Assumed future values if indexation increases by 10%
3-bedroom secondary dwelling	=	$20,000 (uncapped value is $21,568)	$20,000 (uncapped value is $23,725)
Less credit for existing 1-bedroom dwelling		-$14,067	-$15,474
Total contribution	**=**	**$5,933** (unindexed)	**$4,256** (should be $8,251)

Worked Example 6: Demolition of an existing dwelling and construction of new homes (s7.11)

Development description

Demolition of an existing 3-bedroom dwelling on a large lot and construction of 12 new dwellings containing 3 x 1-bed dwellings, 6 x 2-bed dwellings and 3 x 3-bed dwellings. A section 7.11 contribution is required as the development will result in a net increase in the number of residents and is for the purpose of residential accommodation. Note that regardless of whether these homes are subdivided or under the same title, the same contribution calculations will apply.

Working

The section 7.11 contribution is calculated as:

Net increase in residents		
Net resident increase	=	Future residents – existing residents
Existing residents	=	2.57 residents
Future residents	=	(3 x 1.47) + (6 x 1.67) + (3 x 2.57)
Net increase in residents	=	22.14 – 2.57 = 19.57 residents
Residential contribution	=	19.57 residents x $8,407
Total contribution	=	**$164,524.99**
Average contribution	=	$164,524.99 / 12 dwellings = $13,710.42 per dwelling

Worked example 7 – Mixed-use development (s7.11)

Development description

Demolition of an existing 1 storey 2-bedroom dwelling house. Erection of a 2-storey new mixed-use building containing 300m^2 of ground floor business premises and 1 x 2-bedroom and 2 x 3-bedroom shop top housing apartments. The estimated development cost is $4 million.

Working

A section 7.11 contribution is required as the development will result in a net increase in population. As a s7.11 contribution has been conditioned, a s7.12 levy cannot also be conditioned as this constitutes double-dipping.

Net increase in residents		
Net resident increase	=	Future residents – existing residents
Existing residents	=	1.67 residents
Future residents	=	(1 x 1.67) + (2 x 2.57)
Net increase in residents	=	6.81 – 1.67 = 5.14 residents
Residential contribution	=	5.14 residents x $8,407
Total contribution	=	**$43,211.98**
Average contribution	=	$43,211.98 / 3 dwellings = $14,403.99 per dwelling

Worked example 8 – New retail development (s7.12)

Development description

A proposed commercial development in Upper Lachlan involves the construction of a building, car parking and landscaping with a cost of construction of $6 million.

Working

$6,000,000 x 1%	$60,000
Total contribution	**$60,000**

Worked example 9 – Heavy haulage contribution (s7.11)

Development description

An extractive industry development operates along Collector Road, Lerida and is 15 kilometres from the Hume Highway. The latest weighbridge docket indicates 1,560 tonnes of material was extracted in the last year.

Working

Contribution based on tonnage		
Heave haulage contribution	=	Tonnes x Length of Route x Contribution Rate
	=	1,560 tonnes x 15km x $0.0643
Total contribution	=	**$1,504.46** for this year

APPENDIX B: EXPECTED DEVELOPMENT

Appendix B: Expected Development

This Appendix outlines the expected development and population growth underpinning this Plan, including residential occupancy rates, development and population projections used to derive section 7.11 contribution rates. It also includes projections for employment, industrial and retail/commercial development within the area.

In this section:

B.1: Residential occupancy rates

Dwelling occupancy rates for the Upper Lachlan Shire LGA are summarised in **Table 6** below. These have been derived from 2021 Census data, published by the Australian Bureau of Statistics. These occupancy rates have been used to calculate the contribution rates ($/dwelling) in **Table 1.**

Table 6: Residential occupancy rates (residents/dwelling)

Number of bedrooms	Occupancy rate
0-1 bedrooms	1.47
2 bedrooms	1.67
3 or more bedrooms	2.57
Average occupancy rate	2.40

Source: derived from 2021 Census data, published by the Australian Bureau of Statistics

B.2: Development and population projections

A significant driver for the demand for new or augmented local infrastructure in the LGA will be the expected changes in the population. The period of this Plan is from 2026 to 2046, and the population projections adopted for the purposes of calculating the s7.11 contributions rate are shown in **Table** 7 below.

These population projections were taken from .id (informed decisions), with dwelling projections derived using average household occupancy rates published by the Australian Bureau of Statistics (**ABS**). The population and dwelling projections adopted in this Plan are broadly consistent with the Upper Lachlan Housing Strategy 2026, but better reflect historical growth patterns in the LGA. These projections have also been adjusted to align with the Plan's 20-year timeframe from 2026 to 2046.

Table 7: Population and dwelling projections adopted under this Plan

	2026	2046	Change	Growth rate
Population (residents)	9,030	10,371	+1,341	13%
Dwellings (assuming the average occupancy rate of 2.40)	3,759	4,317	+559	13%

Source: Population forecasts, 2021 to 2046, prepared by .id (informed decisions), January 2025.

B.3: Expected residential development

As the population in the Upper Lachlan LGA grows, there has been a corresponding increase in both residential dwellings and commercial development. The demand for housing has led to the construction of new homes, while expanding businesses and commercial spaces reflect the region's dynamic economy. This growth highlights the need for continued planning and infrastructure to accommodate the evolving needs of the community.

The following documents are referred to in this section as they provide a comprehensive summary of the expected residential development in the LGA over the next 15 years:

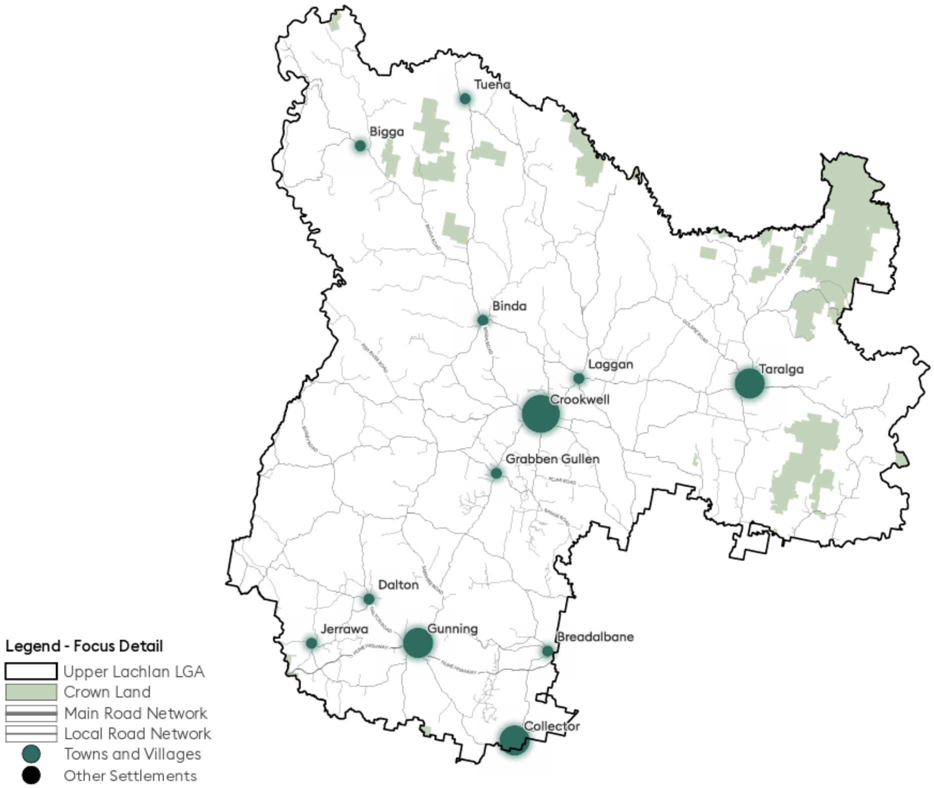
- Upper Lachlan Housing Strategy 2026
- Upper Lachlan Shire Local Strategic Planning Statement 2020 (LSPS)
- South East and Tablelands Regional Plan 2036 and Draft South East and Tablelands Regional Plan 2041

Upper Lachlan Housing Strategy 2026

Council engaged Currajong Planning, Property and Project Management to prepare a Housing Strategy for the Upper Lachlan LGA, consistent with the NSW Department of Planning's *Local Housing Strategy Guideline 2018*. The Strategy is intended to guide future residential land-use planning across the Shire, with an emphasis on housing diversity and affordability.

The Strategy forecasts that from the 8,514 residents recorded in the 2021 ABS Census, the population would grow to 9,883 by 2041 – a growth rate of 16%. While this contributions plan adopts a slightly more conservative population and dwelling forecast at 13%, this contributions plan has regard to the growth locations, settlement hierarchy, and housing supply and diversity directions emerging from the Housing Strategy to ensure infrastructure contributions are appropriately targeted to where residential growth is planned to be concentrated across the Shire. The Housing Strategy will also inform future updates to the *Upper Lachlan Local Environmental Plan 2010* and the accompanying

Development Control Plan. **Figure 2** illustrates the main towns and villages and other settlements within the LGA.



Source: Upper Lachlan Housing Strategy 2026

Figure 2. Upper Lachlan Shire Settlement Locations Map

Upper Lachlan Shire Local Strategic Planning Statement 2020

Under section 3.9 of the *Environmental Planning and Assessment Act 1979*, all NSW councils are required to prepare a Local Strategic Planning Statement (**LSPS**) — a 20-year land-use vision for the local government area that identifies local values and characteristics, opportunities and challenges, and how growth and change will be managed. The LSPS must give effect to the relevant Regional Plan (in this case, the South East and Tablelands Regional Plan) and informs the future review and amendment of Council's Local Environmental Plan, Development Control Plan, and contributions framework.

Council adopted its Local Strategic Planning Statement in 2020, applying to the whole of the Upper Lachlan LGA, including Bigga, Binda, Breadalbane, Collector, Crookwell, Dalton, Grabben Gullen, Gunning, Jerrawa, Laggan, Taralga and Tuena. The document sets out eight planning principles and 32 supporting actions to guide land-use decision-making across the Shire over the following 20 years. These principles are applied to key issues and to the geography of the Shire, with locality statements identifying where different types of development will be focused, centred on the Shire's main towns and villages.

This contributions plan gives effect to the growth, infrastructure, and settlement priorities established in the LSPS, ensuring that development contributions are aligned with Council's adopted long-term strategic direction for the Shire.

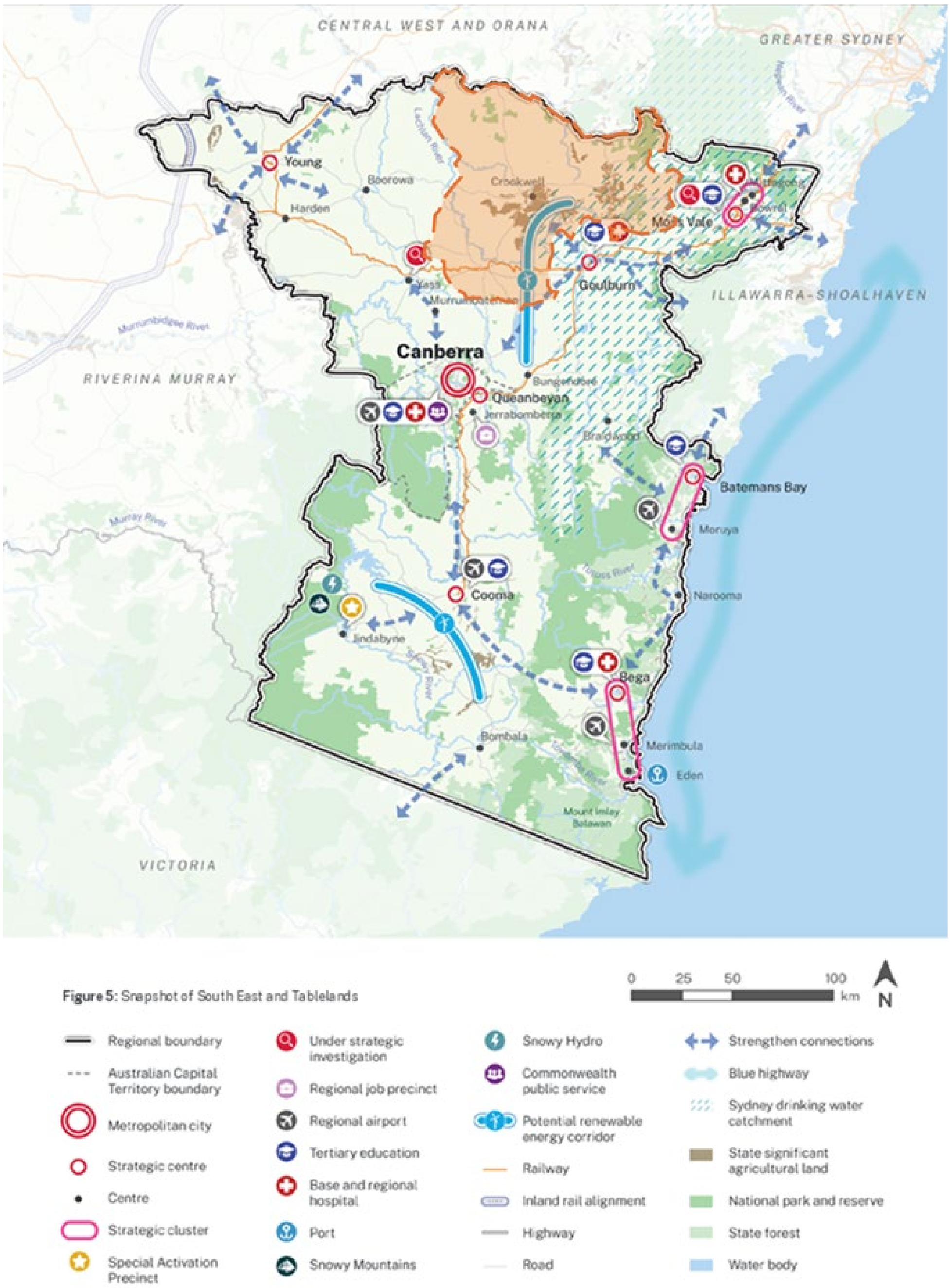
South East and Tablelands Regional Plan 2036 and Draft South East and Tablelands Regional Plan 2041

Upper Lachlan Shire Council forms part of the South East and Tablelands region, one of nine NSW regions guided by a NSW Government Regional Plan. The Plan and sets out 25 objectives under 5 themes, incorporating updated housing forecasts and a stronger focus on Aboriginal self-determination, sustainability, and disaster resilience. **Figure 3** provides a snapshot of the region, summarising key demographic, economic and environmental characteristics that inform the Plan’s vision and priorities to 2041.

Land use and infrastructure planning decisions in the Shire, including this contributions plan, sit within the framework established by this regional plan.

The current statutory regional plan, released in 2017, is the NSW Government's overarching land-use strategy for the region to 2036. It covers nine local government areas — Bega Valley, Eurobodalla, Goulburn Mulwaree, Hilltops, Queanbeyan-Palerang, Snowy Monaro, Upper Lachlan, Wingecarribee and Yass Valley. The Plan positions the region as a "borderless region" closely tied to Canberra's growth and forecast population growth of 45,450 people across the region between 2016 and 2036, concentrated in areas within commuting distance of Canberra and Sydney. It sets four regional goals and is supported by an Implementation Plan setting out priority actions and a Local Government Narrative for each council area, including Upper Lachlan, to guide local investigations and infrastructure planning.

The Department of Planning has prepared a draft update to extend the plan's horizon to 2041. Once finalised, this plan will supersede the 2036 Plan as the primary regional strategy informing local strategic planning, land-use zoning, and infrastructure contributions frameworks across Upper Lachlan Shire.



Source: Draft South East and Tablelands Regional Plan 2041

Figure 3. Snapshot of South East and Tablelands
(Upper Lachlan Shire outlined and highlighted in orange)

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B.4: Expected employment-generating development

The Upper Lachlan Shire Local Strategic Planning Statement (2020) sets out Council's planning principles and actions to guide land use and development across the Shire over a 20-year horizon, including the direction of future employment growth. Under the LSPS, employment-generating development is generally directed toward the Shire's key service centres — Crookwell, Gunning and Taralga, consistent with the settlement hierarchy established in both the LSPS and the South East and Tablelands Regional Plan. The Draft Upper Lachlan Housing Strategy (2026) similarly identifies these three settlements as the primary focus for future growth, reflecting community support (42% of survey respondents) for concentrating development in the Shire's main towns.

B.5: Industrial development

Established industrial land within the Shire is concentrated in and around Crookwell, with smaller industrial/commercial areas serving Gunning and Taralga. Key regional industries identified by Council include agriculture (sheep, cattle, potato and wool production), agribusiness (including Virbac's Crookwell operations), and renewable energy infrastructure, with wind farm development (Crookwell, Gullen Range and Taralga wind farms) also contributing to the Shire's industrial and economic base.

B.6: Retail / commercial development

Retail and commercial activity in the Shire is concentrated in its established town centres, principally Crookwell (the Shire's main administrative and commercial centre), with Gunning and Taralga providing supporting local commercial services. The draft Housing Strategy and LSPS both anticipate continued population and housing growth concentrated in these centres, which would be expected to generate corresponding demand for retail and commercial floorspace over time.

APPENDIX C: INFRASTRUCTURE DEMAND AND THE CALCULATION OF CONTRIBUTION RATES

Appendix C: Infrastructure demand and the calculation of contribution rates

This appendix describes the development-generated demand for local infrastructure and the associated strategy and infrastructure Council will provide using contributions under this plan to address this demand.

In this section:

C.1: Section 7.11 contributions rates calculation for residential development

The s7.11 contribution formula for infrastructure in this Plan can be expressed as follows:

$$\text{Contribution per person (\$)} = \sum \left(\frac{\$INF}{D} \right)$$

Where:

$INF	=	the apportioned estimated cost of providing each of the infrastructure items required to meet the development of the Upper Lachlan LGA (refer works schedule in **Appendix D**).
D	=	The demand (in persons) for each item. The cost of items responding to the demand of new population only is divided by 1,341 (forecast population growth between 2026 and 2046) while items that respond to the demand of the total population is divided by 10,371 (total forecast population by 2046).

To determine the contribution rate per dwelling, multiply the contribution rate by the relevant assumed occupancy rate shown in **Table 5** of the plan.

Contribution calculations should also account for any residential demand credits pertaining to the existing development on the site. Refer to Section 2.1.2 of the plan for more details.

Costs included in this plan for management and administration are determined based on the IPART benchmark of an allowance equivalent to 1.5% of the cost of construction works that are to be met by development approved under this plan.

C.2: S7.11 Apportionment

Community facilities

New and upgraded community facilities are required to ensure sufficient levels of community facility provision as the population grows, particularly within Crookwell, Gunning and Taralga, which are identified in the LSPS as the primary focus for future residential growth.

Based on the Parks and Leisure Australia 2012 benchmark of 1 neighbourhood community centre per 5,000 people, the forecast residential growth of 1,341 people from 2026-2046 results in the need for 0.3 of a neighbourhood community centre. This means that if one new neighbourhood community centre is built, 30% of the demand for it will come from anticipated residential growth. As a result, the community facility included under this Plan is apportioned 30% to s7.11 contributions under this Plan.

Open space and recreation

Similarly, new and upgraded open space and recreation infrastructure is required to ensure sufficient provision levels as the Shire's towns and villages grow.

Based on the benchmark provision rate of 2.83 hectares of open space per 1,000 people, the forecast residential growth of 1,341 people from 2026-2046 results in the need for 3.8 hectares of open space. Given the largely dispersed, town-based settlement pattern of the Upper Lachlan Shire, open space demand is closely tied to population growth within each town centre. As a result, Council will build these open space and recreation items in the various towns and settlements as residential growth occurs. This item is apportioned 100%% to s7.11 contributions under this Plan as it responds directly to forecast residential growth. Other items under this category that also increase the capacity of existing open space and recreation facilities (e.g. new playgrounds, capacity upgrades to recreational facilities) also result from new residential growth and accordingly, are apportioned 100% to s7.11 contributions under this Plan.

While the above open space and recreation items are apportioned to new growth only, some items more clearly accommodate the demand from existing and future residents of the Upper Lachlan Shire LGA (e.g. minor upgrades and improvements to existing facilities in established towns such as Crookwell, Gunning, etc.). For the purposes of determining the s7.11 contribution rate, 13% of the costs of these infrastructure works are apportioned to future development and to s7.11 contributions under this Plan. This is equal to the growth rate reflected in **Table 7**.

Traffic & Transport

Major road upgrades are provided in response to increased vehicular movement associated with population and development growth, particularly within and around the Shire's key service centres. As a largely rural LGA with a dispersed road network, key roads connect Crookwell, Gunning and Taralga to surrounding villages and the wider road network.

A 100% apportionment to s7.11 contributions has been applied to upgrades to town centre streets and roads that provide direct access to major service centres, where the need for the works is primarily attributable to future development. A 13% apportionment has been applied to other major road projects that will also serve the existing population but are expected to be partly attributable to additional traffic generated by future growth.

Other road projects have been included in the section 7.12 works program where they support broader access and connectivity across the LGA. These works respond to the needs of the Shire's dispersed settlement pattern and extensive rural road network and will benefit both existing and future communities.

Waste management

New and upgraded waste management infrastructure is provided in response to increased waste generation associated with population growth, while also continuing to serve the needs of the existing community. As a result, these items are apportioned 13% to s7.11 contributions under this Plan.

Plan administration

As plan administration costs arise directly as a result of the future development, it is reasonable that the costs associated with preparing and administering this Plan be recouped through contributions from development in the Upper Lachlan Shire LGA. Costs associated with the ongoing administration and management of the contributions plan will be levied at 100% on all applications that are required to make a s7.11 contribution under this Plan.

Costs included in this Plan for management and administration are determined based on the IPART benchmark[5] of an allowance equivalent to 1.5% of the cost of works this Plan.

C.3: S7.12 works items

Works to be funded through section 7.12 contributions do not require the same level of direct nexus and detailed apportionment as section 7.11 contributions. Instead, these works are identified having regard to the cumulative impact of development across the LGA, including both new and existing development.

This allows Council to adopt a more flexible and strategic approach to infrastructure planning, funding works that respond to broader community needs and network demands rather than being tied to a specific development or catchment. In this context, section 7.12 contributions provide a mechanism to support infrastructure that facilitates growth, enhances the functionality of existing assets and addresses the ongoing demands placed on local infrastructure by the community as a whole.

Where a project is proposed to be funded through both section 7.11 and section 7.12 contributions, the works schedule in **Appendix D** identifies the portion of the project cost attributed to each funding mechanism.

[5] Independent Pricing and Regulatory Tribunal of New South Wales (2014), *Local Infrastructure Benchmark Costs, pg. 63*

C.4: Heavy haulage contributions

Objectives

Fund maintenance and upgrades on local and rural roads in response to damage caused by development with heavy vehicle movements.

Strategy

Council will reconstruct the pavements of the roads affected by heavy vehicle movements. This may include road resealing, widening and upgrades to local and rural roads.

Nexus, apportionment and contribution rates calculation

A contribution will only be levied for the use of local and regional roads from the development site along the nominated principal haulage route. Road maintenance and rehabilitation costs are only levied for the increased level of road damage caused by the heavy vehicle haulage.

The heavy haulage contribution rate is calculated as below:

Step	Workings for sealed road with medium traffic
Determine design ESA	Assumed design life of pavement: **1,500,000 ESAs over 20 years** *The load imposed by heavy vehicles is measured by the equivalent standard axles (ESAs). The use of the ESA allows the total number of heavy vehicles which are predicted to use a road to be converted into an "equivalent" number of the standard axle repetitions for design and evaluation purposes.*
Estimate the cost to reconstruct/maintain 1 lane km (for the above ESAs)	Average pavement reconstruction cost: $72.98/m^2 (Rawlinsons 2020 for a regional HTR AC 40) (June 2020 117.5) Indexed to December 2025 (147.1) (ABS Producer Price Index - Road and Bridges Construction): $91.36/m^2 Construction costs with an assumed lane width of 5m = $91.36 x 5 x 1000 = $456,800 per lane per km Plan administration at 1.5% of works costs = $456,800 x 1.5% = $6,852 **Total cost (works plus plan administration)** = $456,800 + $6,852 **= $463,652 per lane per km**
Calculate the contribution rate in $ / ESA / km	Pavement = $463,652/1,500,000 **= $0.3091 per ESA per km**
Calculate the $ / typical vehicle ESA	The typical vehicle is assumed to be a Class 4 vehicle with dog trailer and an ESA of 5.2 and a total payload of 25 tonnes Contribution per typical vehicle = $0.3091 x 5.2 **= $1.6073 per vehicle**
Calculate $ / tonne / km	The typical load in a typical vehicle is assumed to be 25 tonnes. Contribution = $1.6073 / 25 **= $0.0643 per tonne per km**

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APPENDIX D: WORKS SCHEDULE

Appendix D: Works Schedule

In this section:

- D.1: Summary of works and funding from s7.11 / s7.12
- D.2: Roads
- D.3: Waste management
- D.4: Open space and recreation
- D.5: Community facilities
- D.6: Emergency services
- D.7: Plan Administration

D.1: Summary of works and funding from s7.11 / s7.12

Category	Items	Total cost	Cost attributable to S7.11	Average apportionment to s7.11	Cost attributable to s7.12
Roads	58	$ 29,600,000	$ 6,882,723	23%	$22,717,277
Waste management	7	$ 15,050,488	$ 1,946,071	13%	$13,104,417
Open space and recreation	9	$ 1,680,000	$ 1,174,996	70%	$505,004
Community facilities	1	$ 3,680,000	$ 1,104,000	30%	$2,576,000
Emergency services	1	$329,114	$-	0%	$329,114
Plan administration	1	$ 166,617	$ 166,617	100%	$-
Total	**77**	**$ 50,506,219**	**$ 11,274,407**	**22%**	**$39,231,812**

D.2: Roads

Item	Category	Subcategory	Description	Location	Estimated capital cost ($2025)	s7.11 apportionment (%)	s7.11 apportioned cost	s7.12 cost	Staging	Prioritisation
R24	Roads	MR256 S	Bitumen sealing and road reconstruction	Taralga	$ 1,727,500	0%	$ -	$ 1,727,500	Short	1
R8	Roads	MR52 N	Bitumen sealing	Crookwell	$ 300,000	0%	$ -	$ 300,000	Short	2
R23	Roads	MR256 N	Bitumen sealing	Taralga	$ 200,000	0%	$ -	$ 200,000	Short	3
R5	Roads	MR248E	Bitumen sealing	Crookwell	$ 300,000	0%	$ -	$ 300,000	Short	4
R17	Roads	MR52 S	Bitumen sealing	Gunning / Dalton	$ 200,000	0%	$ -	$ 200,000	Short	5
R15	Roads	MR241	Bitumen sealing, gravel resheeting and road rehabilitation	Gunning / Dalton	$ 1,675,000	13%	$ 216,582	$ 1,458,418	Short	6
R47	Roads	Breadalbane Road	Bitumen sealing, road rehabilitation and road reconstruction	Collector	$ 1,150,000	0%	$ -	$ 1,150,000	Short	7
R25	Roads	Bannaby Road	Bitumen sealing and road rehabilitation	Taralga	$ 1,100,000	0%	$ -	$ 1,100,000	Short	8
R1	Roads	Crookwell Town Streets	Bitumen sealing and road rehabilitation	Crookwell	$ 1,700,000	100%	$ 1,700,000	$ -	Short	9
R22	Roads	Taralga Town Streets	Bitumen sealing	Taralga	$ 200,000	100%	$ 200,000	$ -	Short	10
R32	Roads	Bigga Town Streets	Bitumen sealing	Bigga	$ 100,000	100%	$ 100,000		Short	11
R40	Roads	Binda Town Streets	Bitumen sealing	Binda	$ 100,000	0%	$ -	$ 100,000	Short	12
R46	Roads	Collector Town Streets	Bitumen sealing	Collector	$ 100,000	0%	$ -	$ 100,000	Short	13
R2	Roads	Kialla Road	Bitumen sealing and road reconstruction	Crookwell	$ 1,500,000	100%	$ 1,500,000	$ -	Short	14
R16	Roads	Jerrawa Road	Bitumen sealing and road rehabilitation	Gunning / Dalton	$ 1,250,000	13%	$ 161,629	$ 1,088,371	Medium	15
R4	Roads	Pejar Road	Gravel resheeting and road reconstruction	Crookwell	$ 1,775,000	13%	$ 229,513	$ 1,545,487	Medium	16

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R14	Roads	Collector Road	Bitumen sealing and road rehabilitation	Gunning / Dalton	$ 1,575,000	100%	$ 1,575,000		Medium	17
R26	Roads	Golspie Road	Bitumen sealing, gravel resheeting and road rehabilitation	Taralga	$ 1,320,000	0%	$ -	$ 1,320,000	Medium	18
R34	Roads	Grabine Road	Bitumen sealing and gravel resheeting	Bigga	$ 182,500	0%	$ -	$ 182,500	Medium	19
R45	Roads	Lost River Road	Road reconstruction	Binda	$ 500,000	0%	$ -	$ 500,000	Medium	20
R56	Roads	Peelwood Road	Bitumen sealing, gravel resheeting, road rehabilitation and road reconstruction	Tuena	$ 1,387,500	0%	$ -	$ 1,387,500	Medium	21
R3	Roads	Harley Road	Road reconstruction	Crookwell	$ 1,200,000	100%	$ 1,200,000	$ -	Medium	22
R33	Roads	Bigga Road	Bitumen sealing	Bigga	$ 550,000	0%	$ -	$ 550,000	Medium	23
R9	Roads	Redground Road	Bitumen sealing and gravel resheeting	Crookwell	$ 475,000	0%	$ -	$ 475,000	Medium	24
R27	Roads	Brayton Road	Bitumen sealing and gravel resheeting	Taralga	$ 420,000	0%	$ -	$ 420,000	Medium	25
R52	Roads	Range Road	Bitumen sealing	Grabben Gullen	$ 100,000	0%	$ -	$ 100,000	Medium	26
R19	Roads	Rugby Road	Gravel resheeting and road reconstruction	Gunning / Dalton	$ 1,525,000	0%	$ -	$ 1,525,000	Medium	27
R53	Roads	Hawthorne Tree Road	Bitumen sealing and road rehabilitation	Grabben Gullen	$ 550,000	0%	$ -	$ 550,000	Medium	28
R29	Roads	Rhyanna Road	Gravel resheeting	Taralga	$ 165,000	0%	$ -	$ 165,000	Medium	29
R51	Roads	Wheeo Road	Bitumen sealing, gravel resheeting and road reconstruction	Grabben Gullen	$ 710,000	0%	$ -	$ 710,000	Medium	30
R44	Roads	Redground Road	Gravel resheeting and road rehabilitation	Binda	$ 560,000	0%	$ -	$ 560,000	Medium	31
R55	Roads	Bannister Lane	Gravel resheeting	Grabben Gullen	$ 110,000	0%	$ -	$ 110,000	Medium	32

R31	Roads	Towrang Road	Gravel resheeting	Taralga	$ 220,000	0%	$ -	$ 220,000	Medium	33
R30	Roads	Tyrl Tyrl Road	Gravel resheeting	Taralga	$ 220,000	0%	$ -	$ 220,000	Medium	34
R7	Roads	Woodhouselee Road	Bitumen sealing and gravel resheeting	Crookwell	$ 575,000	0%	$ -	$ 575,000	Medium	35
R18	Roads	Lade Vale Road	Bitumen sealing and gravel resheeting	Gunning/ Dalton	$ 475,000	0%	$ -	$ 475,000	Medium	36
R41	Roads	Kangaloolah Road	Bitumen sealing and gravel resheeting	Binda	$ 210,000	0%	$ -	$ 210,000	Medium	37
R11	Roads	Bannister Lane	Gravel resheeting	Crookwell	$ 275,000	0%	$ -	$ 275,000	Medium	38
R10	Roads	Redground Heights Road	Gravel resheeting	Crookwell	$ 165,000	0%	$ -	$ 165,000	Medium	39
R12	Roads	Woodville Road	Gravel resheeting	Crookwell	$ 275,000	0%	$ -	$ 275,000	Medium	40
R6	Roads	Roslyn Road	Bitumen sealing	Crookwell	$ 200,000	0%	$ -	$ 200,000	Long	41
R21	Roads	Lerida Road Nth	Gravel resheeting	Gunning/ Dalton	$ 110,000	0%	$ -	$ 110,000	Long	42
R28	Roads	Yailbraith Road	Gravel resheeting	Taralga	$ 165,000	0%	$ -	$ 165,000	Long	43
R35	Roads	Greenmantle Road	Gravel resheeting	Bigga	$ 55,000	0%	$ -	$ 55,000	Long	44
R36	Roads	Mulgowrie Road	Gravel resheeting	Bigga	$ 55,000	0%	$ -	$ 55,000	Long	45
R42	Roads	Fish River Road	Bitumen sealing	Binda	$ 100,000	0%	$ -	$ 100,000	Long	46
R38	Roads	Wick Wack Road	Gravel resheeting	Bigga	$ 55,000	0%	$ -	$ 55,000	Long	47
R37	Roads	Foggs Crossing	Gravel resheeting	Bigga	$ 55,000	0%	$ -	$ 55,000	Long	48
R54	Roads	Glenerin	Gravel resheeting	Grabben Gullen	$ 82,500	0%	$ -	$ 82,500	Long	49
R20	Roads	Dawes Road	Gravel resheeting	Gunning/ Dalton	$ 275,000	0%	$ -	$ 275,000	Long	50
R39	Roads	Reids Flat Road	Road reconstruction	Bigga	$ 500,000	0%	$ -	$ 500,000	Long	51
R43	Roads	Woodville Road	Gravel resheeting	Binda	$ 82,500	0%	$ -	$ 82,500	Long	52
R48	Roads	Baxters Lane	Gravel resheeting	Collector	$ 110,000	0%	$ -	$ 110,000	Long	53
R49	Roads	Lerida Road Sth	Gravel resheeting	Collector	$ 110,000	0%	$ -	$ 110,000	Long	54
R50	Roads	Old South Road	Gravel resheeting	Collector	$ 82,500	0%	$ -	$ 82,500	Long	55
R13	Roads	Cummins Road	Gravel resheeting	Crookwell	$ 275,000	0%	$ -	$ 275,000	Long	56
R57	Roads	Mount Costigan Road	Gravel resheeting	Tuena	$ 82,500	0%	$ -	$ 82,500	Long	57
R58	Roads	Montana Road	Gravel resheeting	Tuena	$ 82,500	0%	$ -	$ 82,500	Long	58

D.3: Waste Management

Item	Subcategory	Description	Location	Estimated capital cost ($2025)	s7.11 apportionment (%)	s7.11 apportioned cost	s7.12 cost	Staging	Prioritisation
WM1	Crookwell WTS	Concept design and construction drawings	Crookwell	$ 100,000	13%	$ 12,930	$ 87,070	Short	1
WM2	Crookwell WTS	Construction	Crookwell	$ 4,345,000	13%	$ 561,821	$ 3,783,179	Short	2
WM3	Crookwell Landfill	Fencing	Crookwell	$ 290,000	13%	$ 37,498	$ 252,502	Short	3
WM4	Crookwell Landfill	Capping of landfill	Crookwell	$ 9,600,000	13%	$ 1,241,307	$ 8,358,693	Long	5
WM5	Crookwell rubbish tip	Rehabilitation	Crookwell	$ 175,488	13%	$ 22,691	$ 152,797	Long	7
WM6	Historical landfill sites	Fencing and rehabilitation project	Various	$ 450,000	13%	$ 58,186	$ 391,814	Short	6
WM7	Amenity upgrades		Various	$ 90,000	13%	$ 11,637	$ 78,363	Short	4
				$ 15,050,488		$ 1,946,071	$ 13,104,417		

D.4: Open space and recreation

Item	Subcategory	Description	Location	Estimated capital cost ($2025)	s7.11 apportionment (%)	s7.11 apportioned cost	s7.12 cost	Staging	Prioritisation
OS1	New open space (embellishment)	The forecast residential growth from 2026-2046 results in demand for 3.8 ha of open space. This is based on the benchmark provision rate of 2.83 ha of open space per 1,000 people.	TBC	$ 450,000	100%	$ 450,000		Medium	
OS2	Memorial Park	Glass house installation	?	$ 100,000	13%	$ 12,930	$ 87,070	Short	4
OS3	Camellia Gardens	Crookwell, Gunning, Taralga	Various	$ 100,000	13%	$ 12,930	$ 87,070	Short	3
OS4	Camellia Gardens	Shire villages	Various	$ 150,000	13%	$ 19,395	$ 130,605	Medium	4
OS5	New playgrounds	Laggan, Gunning Barbour Park	Various	$ 200,000	100%	$ 200,000		Short	2
OS6	Kiama Creek	Fencing	?	$ 30,000	13%	$ 3,879	$ 26,121	Short	3
OS7	Jean Todkill Park	Install lights	Crookwell	$ 250,000	100%	$ 250,000		Short	3
OS8	Jean Todkill Park	Upgrade existing sports building	Crookwell	$ 200,000	100%	$ 200,000		Short	3
OS9	Gunning Showground	Fence and gates install for seperation of camping and event areas.	Gunning	$ 200,000	13%	$ 25,861	$ 174,139	Short	1
				$ 1,680,000		$ 1,174,996	$ 505,004		

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D.5: Community facilities

Item	Subcategory	Description	Location	Estimated capital cost ($2025)	s7.11 apportionment (%)	s7.11 apportioned cost	s7.12 cost	Staging	Prioritisation
CF1	New neighbourhood community centre	The forecast residential growth from 2026-2046 results in 0.3 neighbourhood community centre. This is based on Parks and Leisure Australia 2012 benchmark of 1 neighbourhood community centre per 5,000 people.	TBC	$ 3,680,000	30%	$ 1,104,000	$ 2,576,000	Long	
				$ 3,680,000		$ 1,104,000	$ 2,576,000		

D.6: Emergency services

Item	Subcategory	Description	Location	Estimated capital cost ($2025)	s7.11 apportionment (%)	s7.11 apportioned cost	s7.12 cost	Staging	Prioritisation
ES1	Bushfire brigades		LGA-wide	$ 329,114	0%	$ -	$ 329,114		
				$ 329,114		$ -	$ 329,114		

D.7: Plan administration

Item	Subcategory	Description	Location	Estimated capital cost ($2025)	s7.11 apportionment (%)	s7.11 apportioned cost	s7.12 cost	Staging	Prioritisation
PA1	Plan administration			$ 166,617	100%	$ 166,617		Ongoing	
				$ 166,617		$ 166,617	$ -		

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APPENDIX E: WORKS MAPS

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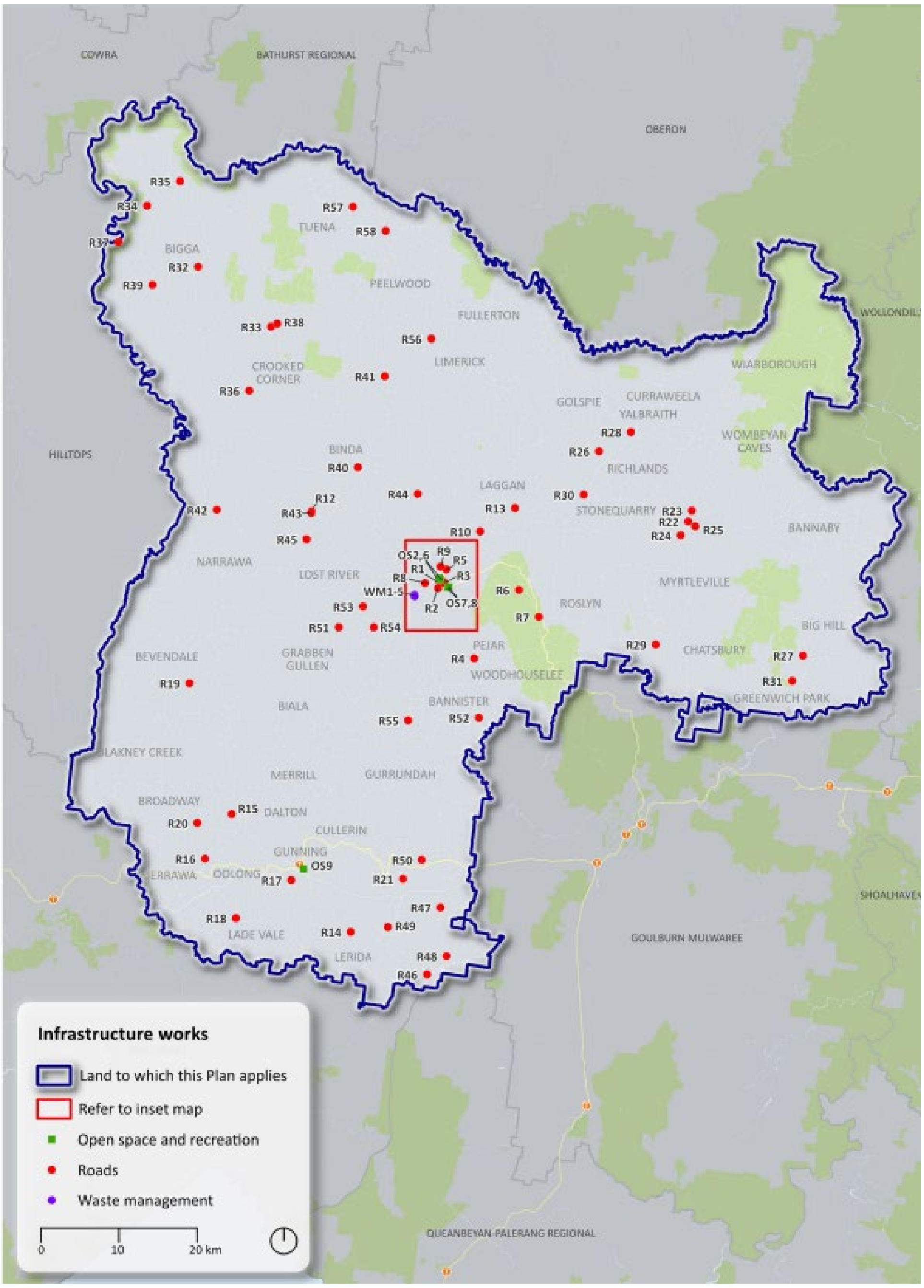
Appendix E: Works Maps

In this section:

E.1: Works map – Upper Lachlan Shire



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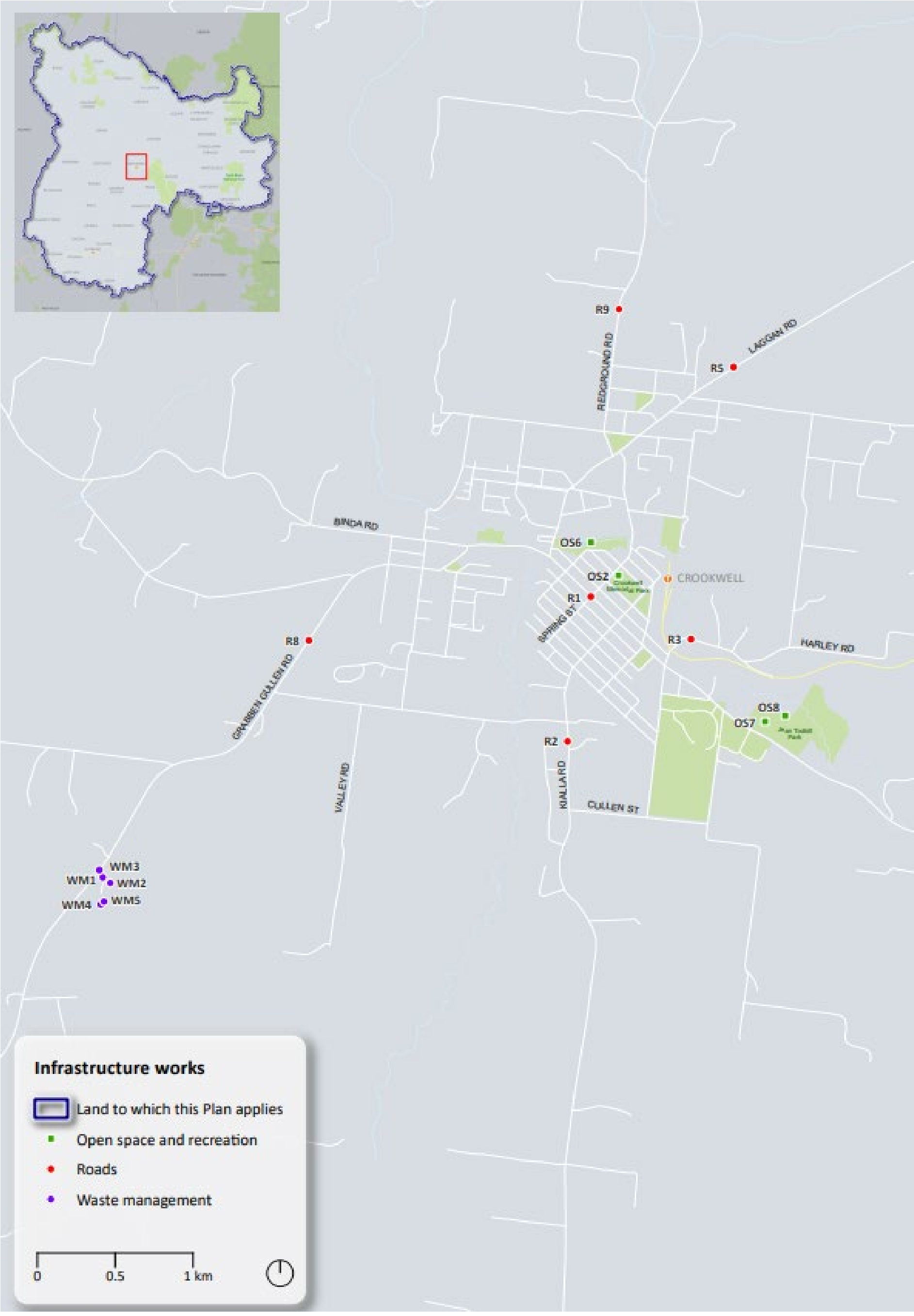
E.2: Works map – Crookwell inset



APPENDIX F: GLOSSARY

F.1: Glossary

Words and phrases used in this plan have the same meaning as the terms defined in the Upper Lachlan Local Environmental Plan 2010 or the Environmental Planning and Assessment Act 1979, except as provided for below.

Bedroom means a room within a dwelling that is capable of being used for sleeping purposes, whether or not it is described as a bedroom on the approved plans. A bedroom includes any room that, in Council's opinion, is of a size, layout and configuration that would enable it to be used for sleeping, including rooms described as studies, media rooms, rumpus rooms or the like.

Certifier has the same meaning as in the EP&A Act.

Complying development has the same meaning as in the EP&A Act.

Complying development certificate (CDC) has the same meaning as in the EP&A Act.

Consent authority has the same meaning as in the EP&A Act but also includes a registered certifier responsible for issuing a CDC.

Council means Upper Lachlan Shire Council

Department means the Department of Planning, Housing and Infrastructure.

Development has the same meaning as in the EP&A Act.

Development application has the same meaning as in the EP&A Act.

Development consent has the same meaning as in the EP&A Act.

Dwelling has the same meaning as in Upper Lachlan Local Environmental Plan 2010.

EP&A Act means the NSW Environmental Planning and Assessment Act 1979.

EP&A Regulation means the NSW Environmental Planning and Assessment Regulation 2021.

GFA means gross floor area.

LGA means local government area.

Local infrastructure means public amenities and public services that are traditionally the responsibility of local government, excluding water supply or sewerage services.

Minister means the Minister for Planning

Planning agreement has the same meaning as in section 7.4 of the EP&A Act.

Residential accommodation has the same meaning as in Upper Lachlan Local Environmental Plan 2010.

NSW GOVERNMENT | Planning & Environment

Practice Note

Local Infrastructure Contributions

January 2019

Contents

Introduction

The New South Wales (NSW) local infrastructure contributions system helps provide new and growing communities with appropriate infrastructure. The *Environmental Planning and Assessment Act 1979* (EP&A Act) and the *Environmental Planning and Assessment Regulation 2000* (EP&A Regulation) sets out how the local infrastructure contributions system works in NSW.

A user-pays philosophy underlies the funding of local or community infrastructure required to satisfy service demand generated by development activity. This requires developers to contribute to the reasonable cost and provision of local public facilities needed to support new development. Transparency and accountability measures in the collection and expenditure of contributions and the provision of public facilities help underpin confidence in the system.

The involvement of the Independent Pricing and Regulatory Tribunal (IPART) in the implementation of the local infrastructure contributions system continues to bring enhanced transparency and accountability to the system through an independent assessment of local infrastructure contributions plans.

In June 2017, the Premier announced the Housing Affordability Strategy for NSW. The strategy aims to facilitate the delivery of state and local infrastructure critical to enable housing supply. The adoption of the strategy has resulted in changes to the local infrastructure contributions framework which are outlined in this Practice Note.

Local Infrastructure Growth Scheme (LIGS) transition areas

As part of the Housing Affordability Strategy, the NSW Government has committed to $369 million to the Local Infrastructure Growth Scheme (LIGS) to support the delivery of local infrastructure in high growth areas (known as LIGS transition areas). The LIGS helps support housing delivery by funding the gap between the amount councils can charge in accordance with contributions plans and the cost of infrastructure. The maximum caps in LIGS transition areas have been revised. New maximum caps are detailed in Table 1.

Contributions plans with contribution rates above these amounts must only include land and facilities on the essential works list. To be eligible to impose a contribution rate above the cap or claim LIGS funding, a Council must submit the contributions plan to IPART for assessment and implement any advice given by the Minister.

If a contributions plan for a LIGS transition area is not an IPART reviewed contributions planthen council will not be eligible for LIGS funding.

Other lands

For all lands (other than exempt land and LIGS transition areas), the following caps on contributions plan charges will apply:

- a capped amount of $30,000 per dwelling or residential lot in greenfield areas
- a capped amount of $20,000 per dwelling or per residential lot in infill areas.

Councils can only levy contributions above the cap if the contributions plan is an IPART reviewed contributions plan and council has implemented any advice given by the Minister. An essential works list will apply when councils are seeking local infrastructure contributions above these caps.

Exempt Land

Exempt land is not subject to the essential works list or the IPART review process.

About this Practice Note

Clause 26(1) of the EP&A Regulation requires contributions plans to be prepared having regard to any relevant Practice Notes adopted by the Secretary.

This Practice Note replaces the previous *Practice Note Local Infrastructure Contributions - January 2018*.

Purpose of this Practice Note

The purpose of this Practice Note is to provide guidance to IPART and to assist local councils to understand the role of IPART in the review of contributions plans.

This Practice Note provides guidance on the local infrastructure contributions plan assessment process by identifying:

- the contributions plans that should be submitted for review by IPART
- the assessment criteria against which contributions plans will be assessed by IPART
- the requirements for submission of contributions plans to IPART.

This Practice Note should be read in conjunction with:

- the Direction issued by the Minister for Planning which relates to the local infrastructure contributions assessment process (detailed below)
- the Department of Planning and Environment's *Development Contributions Practice Notes*, *July 2005* (2005 Practice Notes) which outline the requirements for local councils in preparing and administering their contributions plans.

Legislative basis

The Minister for Planning issued a Ministerial Direction in 2012 in relation to the maximum contribution amounts that could be charged as local infrastructure contributions. The 2017 Direction amended the *Environmental*

Planning and Assessment (*Local Infrastructure Contributions*) *Direction 2012*[1] (the Direction) to put in place new caps for contribution rates in LIGS transition areas and across the restof NSW. The Direction does not apply to land identified in Schedule 1 (of the Direction) referred to in this Practice Note as exempt land. The exempt land is not subject to either the essential works list or the IPART review process.

The Direction sets out the maximum amounts that may be imposed via conditions of development consent as contributions under section 7.11 of the EP&A Act for certain residential development. However, the Direction allows a council to impose contributions that exceed the capped amounts where the relevant contributions plan is an IPART reviewed contributions plan.

How to use this Practice Note

This Practice Note is structured as follows:

Part 1 provides an outline of the legislative framework for local infrastructure contributions.

Part 2 provides an outline of the respective roles and functions of local councils, IPART and the Department of Planning and Environment in the contributions plan assessment process.

Part 3 provides details of the assessment criteria including the essential works list that IPART uses to assess contribution plans.

Part 4 provides details of submission requirements for contributions plans to IPART.

[1] The Environmental Planning and Assessment (Local Infrastructure Contributions) Direction 2012, has been amended by the Environmental Planning and Assessment (Local Infrastructure Contributions) Amendment Direction 2013, Environmental Planning and Assessment (Local Infrastructure Contributions) Amendment Direction 2016, and Environmental Planning and Assessment (Local Infrastructure Contributions) Amendment Direction 2017.

These directions, as well as a consolidated version for reference, are available on the Department of Planning and Environment's website

Terminology

The following terminology is used to convey key concepts in relation to contributions plans:

- **development application** has the same meaning as in the EP&A Act.
- **development consent** has the same meaning as in the EP&A Act.
- **IPART reviewed contributions plan** is a reference to a contributions plan that satisfies all the items in clause 5(3) of the Direction.
- **LIGS transition areas** means the lands identified in clauses 6A, 6B, 6C and 6D of the Direction and are precincts in the Blacktown, The Hills, Wollongong, Liverpool, Camden and Bayside council areas.
- **local infrastructure contribution (or development contribution)** means the provision made by a developer under a contributions plan, being a monetary contribution, the dedication of land free of cost or the provision of a material public benefit to be used or applied towards a public purpose.
- **public benefit** is the benefit enjoyed by the public as a consequence of a development contribution.
- **public facilities** mean public infrastructure, amenities and services

Part 1 Legislative Framework

1.1 General Requirements

Under section 7.11 (s7.11) of the EP&A Act, councils can obtain local infrastructure contributions as a means of funding local infrastructure required as a result of new development. A summary of the general requirements for local infrastructure contributions is provided below:

- If councils wish to seek a contribution under s7.11 of the EP&A Act, they are required under s7.13 of the EP&A Act to prepare a contributions plan. The plan needs to establish a nexus or relationship between the expected types of development in the area and the demand for public amenities and services to meet development related infrastructure demand.
- Section 7.11 contributions are imposed by way of conditions of development consent. The requirement for a contribution is generally satisfied by paying a monetary contribution, dedicating land free of cost and works-in-kind, or all of the above as determined by the consent authority.
- For contributions plans proposing contribution rates above the relevant cap, the essential works list applies (see section 3.2 of this Practice Note) and for contributions plans with rates below the relevant cap, the essential works list does not apply.
- The contribution must be towards 'public amenities or services' (s7.11 of the EP&A Act). While public amenities and public services are not expressly defined, they do not include water supply or sewerage services (s7.1 of the EP&A Act).
- Contributions plans can require the payment of a monetary contribution towards the cost of providing the public amenities or public services (being the cost as indexed in accordance with the regulations) (s7.11(3) of the EP&A Act).

1.2 Ministerial Direction - section 7.17 of the EP&A Act

Review requirements for contributions plans

The Direction allows councils to submit any contributions plan[2] that proposes to charge a contribution rate above the amounts specified in the Direction to IPART for assessment (see Table 1).

[2] If council has an existing contributions plan that has been assessed by IPART and the plan is being amended as under Clause 32(3) of the EP&A Regulation, then the Direction does not require the council to resubmit the plan to IPART to continue to charge contributions in accordance with the IPART assessed plan.

For councils in LIGS transition areas (refer to Table 1), IPART must assess the contributions plan and the council must make any changes advised by the Minister before councils can access LIGS funding or charge the new contribution rates.

Contribution caps

The Direction applies to consent authorities when a consent authority imposes conditions of development consent requiring a monetary contribution under s7.11 of the EP&A Act. The Direction also applies to accredited certifiers and the issue of complying development certificates. The maximum allowable contributions, as outlined in the Direction, are summarised in Table 1.

Table 1 – Explanation of Clauses in the Direction

Clause in Direction	Explanation of Clause	Where does it apply to
Staged increase of the caps in places identified as LIGS transition areas **Clauses 6A, 6B, 6C, 6D**	In the LIGS transition areas the caps (per lot or dwelling) are as follows: • $35,000 in greenfield areas and $25,000 in infill areas on 1 January 2018; • $40,000 in greenfield areas and $30,000 in infill areas on 1 July 2018; • $45,000 in greenfield areas and $35,000 in infill areas on 1 July 2019; and • lifted entirely on 1 July 2020. From 1 July 2020 there will be no cap on contributions if imposed in accordance with an '***IPART reviewed contributions plan'***.	Transition areas
Areas exempt from the Direction **Clause 4 and Schedule 1**	The Direction does not apply to the areas set out in Schedule 1 (Land where there is no cap). These areas are where generally more than 25% of development had already occurred prior to September 2010.	Exempt land
Provision for contributions that exceed the caps of $30,000 or $20,000 per dwelling /lot where the relevant plan is an IPART reviewed contributions plan (as defined below). **Clauses 6 (2), (3) and (5)**	Contributions may exceed an amount based on the caps of $20,000 per dwelling or lot (infill areas) or $30,000 (greenfield areas) per dwelling/ or lot if imposed in accordance with an '***IPART reviewed contributions plan'***.	All areas except for LIGS transition areas and exempt land

1.3 Requirements for an IPART reviewed contributions plan

As defined in clause 5(3) of the Direction an IPART reviewed contributions plan is a contributions plan that satisfies all the following:

a. IPART has reviewed the contributions plan (or a draft of the plan) in accordance with assessment criteria set out in any applicable practice note, including whether the facilities to which the contributions plan relates are on any essential works list set out in the practice note,

b. IPART has published a report of its review on its website and forwarded it to the Minister for Planning,

c. following the forwarding of the report to the Minister, the Minister (or a nominee of the Minister) has advised the relevant council as to any amendments required to the contributions plan,

d. the Minister's (or nominee's) advice to the council has been published on the website of the Department of Planning and Environment,

e. the relevant council has approved the plan, and has made any amendments to the plan, in accordance with the written advice of the Minister or the Minister's nominee.

Part 2 - Contributions Plan Assessment Process

The respective roles and functions of local councils, IPART and the Department of Planning and Environment in the contributions plan assessment process are outlined in this section below. The process for assessing contributions plans is detailed in Figure 1.

2.1 Role of Local Councils

Local councils prepare and exhibit the draft contributions plans in accordance with the EP&A Act and EP&A Regulation. Council may submit the contributions plan (or a draft of the plan) to IPART for review as either:

- a new contributions plan
- a new contributions plan that seeks to amend an existing contributions plan consistent with clause 32 of the EP&A Regulation.

The local council may adopt (or re-adopt) the contributions plan after it has implemented the advice received from the Minister. The Minister's advice will consider the recommendations from IPART's review.

Once the amendments have been made and council has adopted the plan, the council may impose the contributions s conditions of development consent, consistent with the plan (subject to the relevant caps in the Direction for development in LIGS transition areas). In LIGS transition areas, a council is then able to apply for LIGS funding.

Local councils do not need to submit a contributions plan (or draft of the plan) to IPART for assessment if the contributions plan falls wholly within the areas listed in Schedule 1 of the Direction.

The timing of when to adopt a contributions plan is a matter for Council having regard to the 2005 Practice Notes and the Ministerial Directions (Local Contributions). Consideration should be given to whether reexhibition of the plan is required. The following guidance is provided to assist Council in determining the appropriate time to adopt a contributions plans when IPART review is required:

Where there **is not** an existing IPART reviewed contributions plan in place.	Adoption **before** IPART review would enable Council to levy contributions subject to the maximum cap amount as set out in the Ministerial Direction. Note: Council should consider including a statement in the contributions plan expressly referring to the effect of the Direction, being that contributions are capped at the maximum cap amount until the plan is an IPART reviewed contributions plan.

Where there **is** an existing IPART reviewed contributions plan in place.	Adoption **after** the IPART review process is complete would enable Council to continue to levy under the existing IPART reviewed contributions plan while the new plan is under assessment. Note: If Council were to adopt a new or revised plan before the IPART review is complete, then contributions levied under this plan will be subject to the maximum cap set out in the Ministerial Direction.

2.2 Role of IPART

IPART is an independent body that oversees the regulation of the water, gas, electricity and public transport industries in New South Wales. IPART is an economic regulator and provides independent economic advice to the Minister for Planning in relation to the assessment of contributions plans that propose contributions that exceed capped amounts.

IPART will review the contributions plan against the assessment criteria, including the essential works list (refer to section 3.2 and Appendix A) and may engage the services of consultants to advise on aspects of the draft contributions plan.

IPART may also consult with other government departments, such as the Department of Planning and Environment, to obtain specialist advice regarding aspects of the contributions plan (or a draft of the plan). IPART will use this advice to inform its decision-making and recommendations to the Minister for Planning.

On completion of the assessment, IPART will provide its advice to councils and the Minister for Planning. This advice will focus on whether the contributions plan (or a draft of the plan):

- meets the assessment criteria set out in Part 3 of this Practice Note
- complies with the requirements of the EP&A Act, EP&A Regulation and the 2005 Practice Note.

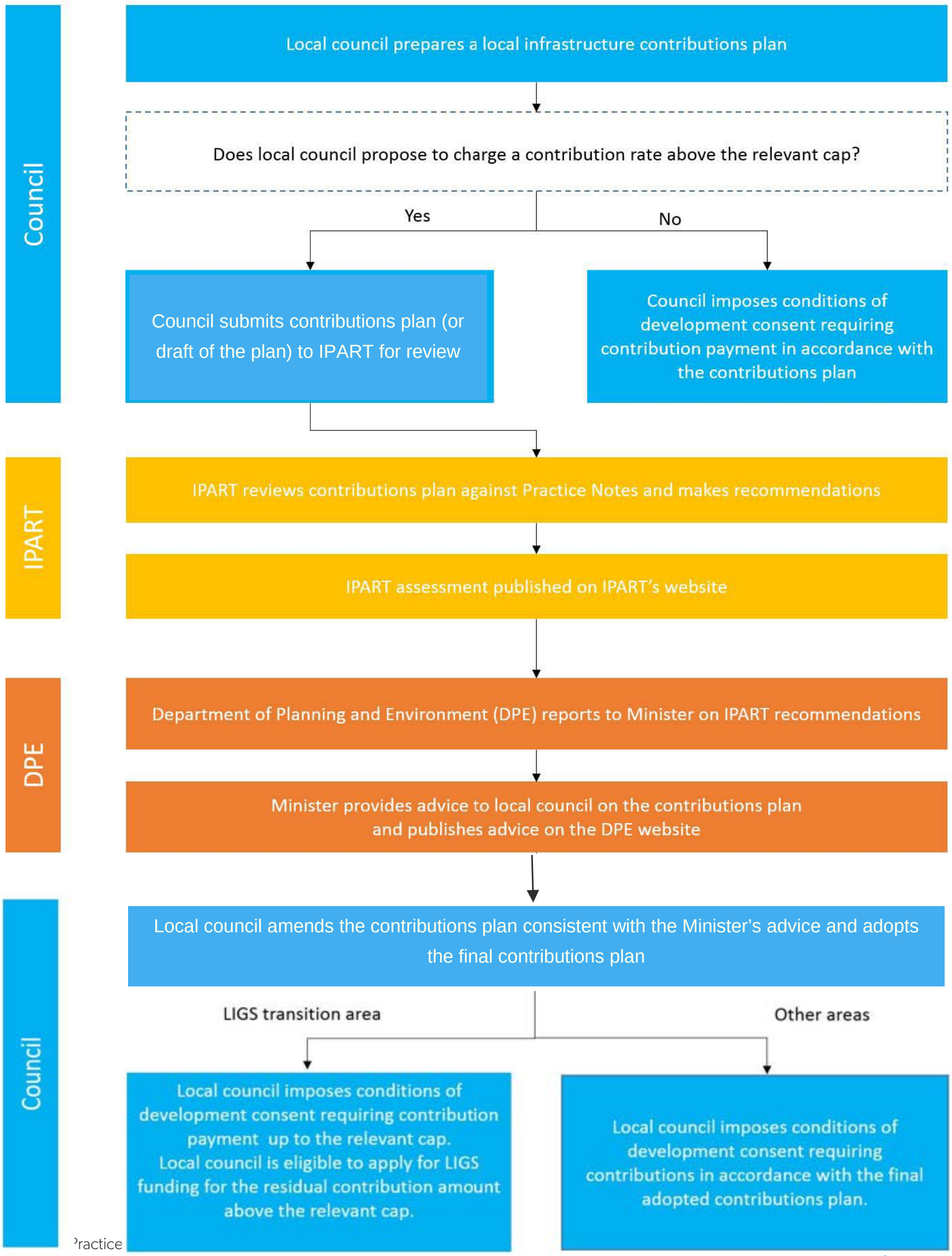
IPART will publish copies of the contributions plan (or a draft of the plan), consultants' reports (if relevant) and IPART's final report of recommendations on its website once the assessment process is finalised.

2.3 Role of the Minister for Planning

The Minister for Planning considers the report and recommendations of IPART. The Minister for Planning provides advice to council on the contributions plan, particularly on whether it should make any changes to the contributions plan and publishes the advice on the DPE website.

Council must make changes and adopt the revised contributions plan in accordance with the Minister's advice.

Figure 1 Process for assessing local infrastructure contributions plans



Part 3 Assessment criteria

3.1 What are the criteria that will be used by IPART to evaluate contributions plans?

When undertaking its evaluation of contributions plans, IPART will assess whether:

1. the public amenities and public services in the plan are on the essential works list as identified within this Practice Note
2. the proposed public amenities and public services are reasonable in terms of nexus (the connection between development and the demand created)
3. the proposed development contribution is based on a reasonable estimate of the cost of the proposed public amenities and public services
4. the proposed public amenities and public services can be provided within a reasonable timeframe
5. the proposed development contribution is based on a reasonable apportionment between:
    - existing demand and new demand for the public amenities and public services, and
    - different types of development that generate new demand for the public amenities and public services (e.g. between different types of residential development such as detached dwellings and multi-unit dwellings, and between different land uses such as residential, commercial and industrial).
6. the council has conducted appropriate community liaison and publicity in preparing the contributions plan
7. the plan complies with other matters IPART considers relevant.

Attachment A provides a detailed list of matters that IPART may consider when making its assessment against each criterion.

3.2 Essential works list

The following public amenities or public services are considered essential works:

- land for open space (for example, parks and sporting facilities) including base level embellishment
- land for community services (for example, childcare centres and libraries)

- land and facilities for transport (for example, road works, traffic management and pedestrian and cyclist facilities), but not including carparking
- land and facilities for stormwater management
- the costs of plan preparation and administration.

The essential works list is relevant only to those contributions plans that propose a contribution level above the relevant cap (unless otherwise directed by the Minister for Planning).

The essential works list does not apply to contributions plans currently below the relevant cap or to those contributions plans that are exempted from the relevant cap.

Base level embellishment

Base level embellishment of open space is considered to be those works required to bring the open space up to a level where the site is secure and suitable for passive or active recreation. This may include:

- site regrading
- utilities servicing
- basic landscaping (turfing, asphalt* and other synthetic playing surfaces planting, paths)
- drainage and irrigation
- basic park structures and equipment (park furniture, toilet facilities and change rooms, shade structures and play equipment)
- security lighting and local sports field floodlighting
- sports fields, tennis courts, netball courts, basketball courts (outdoor only), but does not include skate parks, BMX tracks and the like.

*Note: 'asphalt' (under 'basic landscaping') includes at-grade carparks to the extent that they service the recreation area only and does not include multi-storey carparks.

Community services

For the purposes of these Practice Notes, 'community services' means a building or place:

- owned or controlled by a public authority or non-profit community organisation,
- and used for the physical, social, cultural or intellectual development or welfare of the community,
- but does not include an educational establishment, hospital, retail premises, place of public worship or residential accommodation.

These may include (but are not limited to):

- community centres/halls
- libraries
- neighbourhood centres
- youth centres
- aged persons facilities (Senior Citizens centres, Home and Community Care centres)
- childcare facilities
- public art gallery
- performing arts centres.

Plan administration

Plan administration costs are those costs directly associated with the preparation and administration of the contributions plan. These costs represent the costs to a council of project managing the plan in much the same way as the project management costs that are incorporated into the cost estimates for individual infrastructure items within a plan.

Plan administration costs may include:

- background studies, concept plans and cost estimates that are required to prepare the plan
- project management costs for preparing and implementing the plan (e.g. the employment of someone to co-ordinate the plan).

Note: Plan administration costs include only those costs that relate directly and solely to the preparation and implementation of the plan and do not include costs that would otherwise be considered part of council's key responsibilities such as core strategic planning responsibilities.

Environmental works

The acquisition of land and the undertaking of works for environmental purposes e.g. bushland regeneration or riparian corridors are **not** defined as essential works for the purposes of this Practice Note.

The only exception to this is where it can be demonstrated that the land and/or works in question serve a dual purpose with one or more of the categories of works that meet the definition of essential infrastructure outlined above. In this situation, only the component of land and/or works that serves the dual purpose can be considered as essential works.

Part 4 Submission Requirements

4.1 What additional information will IPART need?

IPART's review of contributions plans will be based upon this Practice Note, the EP&A Act and EP&A Regulation, the 2005 Practice Notes and relevant Ministerial Directions. In order to clarify the requirements for councils, IPART's application form provides a checklist of the information needed for IPART to complete the review. This application form can be found on IPART's website (http://www.ipart.nsw.gov.au).

Councils should insert answers to the questions and/or details of where each piece of information can be found within the contributions plan or supporting information and must include the completed checklist with the submission.

4.2 How a council can submit a contributions plan for review

Councils are to submit their contributions plans and relevant documentation (including a completed application) in electronic form and may provide a hard copy. Once received, IPART will place the contributions plan on IPART's website.

Submissions are to be made to:

Local Government Team IPART

PO Box K35

Haymarket Post Shop 1240

Electronic copies may be sent to: localgovernment@ipart.nsw.gov.au

Attachments

Attachment A – Examples of detailed consideration for assessment criteria

1. The public amenities and public services in the plan are on the essential works list as identified within this Practice Note.
2. There is nexus between the development in the area to which the plan applies (the development area) and the kinds of public amenities and public services identified in the plan.
    - What are the types of public amenities and services for which the proposed development will create demand?
    - On what basis have the estimates of demand for the public amenities and public services been established? Is there a needs assessment?
    - Has the council assessed the implications of the expected types of development catered for by the contributions plan on the demographic structure of the development area?
    - Is there a clear and acceptable methodology for estimating population change arising from the expected types of development?
    - Is the information on demand both reliable and up-to-date?
    - Can the new demand be accommodated, in whole or in part, within existing public amenities and public services?
    - Are the public amenities and public services appropriately located for the expected types of development in the area to which the plan applies?
    - If the expected development did not occur, would the public amenities and public services still be required?
3. The proposed development contribution is based on a reasonable estimate of the cost of the proposed public amenities and public services.
    - How were the plan and cost estimates for the land and works prepared?
    - Are the costs up-to-date?
    - Do the cost estimates include all of the costs required to bring the public amenities and public services on the essential works list into operation (e.g. land, capital, fitout, design and project management costs)?

- Have relevant professionals (e.g. quantity surveyors, chartered surveyors, land valuers) been engaged to provide an independent assessment of the costs of providing the public amenities and public services?
- How has the council taken Consumer Price Index (CPI) into account?
- Are the assumptions and calculations robust?
- Has a Net Present Value (NPV) methodology been utilised? If so, has an appropriate discount rate been used?
- Does the plan seek to recoup funds?

4. The proposed public amenities and public services can be provided within a reasonable timeframe.
   - Is the timeframe (year or threshold) for provision relevant for the specific kinds of public amenities and public services?
   - Will the public amenities and public services be provided at a time when those demanding the infrastructure require it?
   - Does the plan provide for pooling of funds?
5. The proposed development contribution is based on a reasonable apportionment of costs.
   - Are the public amenities and public services only required to meet the need of the new development or will it also serve the existing community?
   - How is the existing community accounted for in the apportionment of costs?
   - How are costs apportioned between different types of land use (e.g. residential, industrial and commercial land uses?
6. The council has conducted appropriate community liaison and publicity in preparing the contributions plan.
7. The plan complies with other matters IPART considers relevant.
   - When did the contributions plan come into effect? When was the plan last reviewed? When was the plan last amended without the need to review the plan?
   - What is the relationship with Local Environmental Plans (LEP) and Development Control Plans (DCP), and is there any programmed review of these instruments that may affect the underlying assumptions within the plan?
   - Does the plan comply with any other matter IPART considers relevant?