Section 7.12 Contributions Plan



Amendment No. 1: Adopted by Council: 23 August 2017

Effective from: 6 September 2017

Amendment No. 2: Adopted by Council: 31 July 2019

Effective from: 14 August 2019

1.1 What is the name of this Plan?

This contributions Plan is called the Liverpool Plains Contributions Plan 2012 (Plan).

1.2 Application of this Plan

This Plan applies to all land within the local government area of Liverpool Plains Shire Local Government Area (Area).

1.3 Development to which this Plan applies

This Plan applies to applications for development consent and applications for complying development certificates to be made by or under Part 4 of the *Environmental Planning and Assessment Act*, 1979 (Act) in respect of development on land to which the Plan applies.

1.4 What is the purpose of this contributions Plan?

The primary purposes of this Plan are:

- to authorise the imposition of a condition on certain development consents requiring the payment of a levy determined in accordance with this Plan
- to require a certifying authority (the Council or an accredited certifier) to impose, as a condition on a complying development certificate, a requirement that the applicant pay to the Council a levy determined in accordance with this Plan
- to govern the application of money paid to the Council under a condition authorised by this Plan
- to assist the Council to provide the appropriate public amenities and services required to maintain and enhance amenity and service delivery within the Area

1.5 When does this contributions Plan commence?

This contributions Plan takes effect on the date on which public notice was published, pursuant to Clause 31(4) of the *Environmental Planning and Assessment Regulation 2000*.

1.6 Continuation of existing contributions Plan

This Plan repeals the 2007 s94A (s7.12) Plan applying to land in the Area.

1.7 Expected development & public facilities demand

For the purposes of clause 27(1)(c) of the *Environmental Planning and Assessment Regulation 2000*, the relationship between the expected types of development in Liverpool Plains Shire and the demand for additional public amenities and services to meet that development has been established through current demographic information.

The expected types of development are, but not limited to:

- Residential
- Medium density residential flat buildings
- Dual occupancies
- Villas
- Townhouses
- Detached dwellings
- Alterations and additions

- Mixed use development
- Commercial development
- Industrial development
- Recreation and tourism related development
- Subdivisions
- Rural Industry
- Mines
- Quarries

The relationship between expected development and the demand for public facilities is established through various strategic studies undertaken over the last few years as well as the *Liverpool Plains Growth Management Strategy and Study* (September 2006) that established development scenarios for the Shire of Liverpool Plains.

The recent Namoi 2030 Study provided various scenario results for the Liverpool Plains Shire Council based on the development of coal and local economic impetus within the Shire. It is estimated that the population would rise to 10,000 by 2025 at is "cruised the commodity surge".

With the likely population growth, provision will need to be made for additional or improved public facilities and infrastructure to meet additional demand. As the likely population growth will diminish the enjoyment and standards of public facilities for the existing population, these additional or improved facilities are required to address demand.

A range of public facilities are required to be provided or improved to meet residential development demands including open space provision, improvement and embellishment, stormwater drainage augmentation, community and cultural facilities, public domain, town centre and village improvements, transport, access and mobility improvements such as for walking, cycling, public transport and private vehicles, and environmental improvements.

Commercial developments raise demands for public facilities, stormwater drainage augmentation, public domain and town centre improvements, cultural facilities, and transport, access and mobility improvements.

Mixed use developments and recreation and tourism related developments raise similar demands for public facilities as both residential and commercial development.

Public facilities required to meet the demands of Industrial development primarily include transport, stormwater drainage, access and mobility improvements and environmental improvements.

Council's vision for the Shire is to achieve higher levels of growth and generate improved quality of life through expanded opportunities for economic and social development being realised within an environmentally and financially sustainable framework.

Council is extremely conscious of the need to maintain the sense of community that has been critical to Liverpool Plains Shire's development over the years. This will be achieved through:

- An open, accessible and honest Council displaying appropriate leadership
- Developing effective road, transport and infrastructure networks
- Promotion of economic sustainability and technological change
- Creation of a dynamic area having pride in its agricultural and national heritage
- Protection of the natural, built and cultural environment
- Provision of a high standard of recreational and cultural facilities
- Quality urban design and development

The s7.12 levy will enable Council to provide high quality and diverse public amenities and services to achieve the above actions and as a consequence meet the expectations of the existing and future residents of the Liverpool Plains Shire.

The additional or improved public facilities to be provided to meet the expected future development are set out in Schedule 1.

1.8 Council may require payment of the levy as a condition of development consent

This Plan authorizes the Council to grant consent to development to which this Plan applies subject to a condition requiring the applicant to pay to the Council a levy of 1% of the proposed cost of carrying out the development, **provided that** the Council does not also impose on the consent a condition pursuant to section 7.11 of the Act.

Conditions authorised by this Plan are subject to any direction given by the Minister under section 7.17 of the Act from time to time, and this Plan authorises the imposition of conditions which are in accordance with any such direction.

Any direction given by the Minister under s7.17 of the Act and in force from time to time may be attached to this Plan, but does not form part of this Plan for the purposes of the Act.

1.9 Certifying authority must require payment of the levy as a condition of issuing a complying development certificate

This Plan requires a certifying authority (the Council or an accredited certifier) to issue a complying development certificate in respect of development to which this Plan applies subject to a condition requiring the applicant to pay to the Council a levy of 1% of the proposed cost of carrying out the development.

1.10 How will the Council apply money obtained from the levy?

Money paid under a condition authorized by this Plan is to be applied by the Council towards meeting the cost of the public amenities and public services that will be or have been provided within the Area as listed in the Works Schedule in Schedule 1.

Map showing Council area for which specific public amenities and public services to be provided is contained in Schedule 3.

Subject to s.7.3(2) of the Act and clause 1.12, the public amenities and public services listed in Schedule 1 are to be provided in accordance with the staging set out in that Schedule.

1.11 Are there any exemptions from the levy authorised by this Plan?

Council may exempt the following kinds of developments from the levy authorised to be imposed under this Plan:

 a development by a registered charity, community organisation or service club that will, in the opinion of the Council, provide a material public benefit to the Liverpool Plains Shire community.

For such claims to be considered, any such development will need to include a comprehensive submission arguing the case for an exemption and include details of the mechanism ensuring that such development is, and will remain in the form proposed.

1.12 Pooling of Levies

For the purposes of s7.3(2) of the Act, this Plan authorises s7.12 levies paid for different purposes to be pooled and applied (progressively or otherwise) for those purposes in accordance with the priorities set out in the Works Schedule in Schedule 1.

1.13 Construction certificates and obligations of accredited certifiers

In accordance with clause 146 of the *Environmental Planning and Assessment Regulation 2000*, 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 levies has been satisfied.

In particular, the certifier must ensure that the applicant provides a receipt(s) confirming that levies 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 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 with the applicant.

1.14 How is the proposed cost of carrying out the development determined?

The proposed cost of carrying out the development will be determined by the Council in accordance with clause 25J of the *Environmental Planning and Assessment Regulation* 2000.

The procedures set out in Schedule 2 to this Plan must be followed to enable the Council to determine the amount of the levy that is payable.

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 associated with obtaining such advice will be at the expense of the applicant.

1.15 When is the levy payable?

The Council's policy is that the levy must by paid to the Council at the time specified in the condition that imposes the levy.

If no such time is specified, the Council's policy is that the levy must be paid prior to the issue of a construction certificate or complying development certificate.

1.16 How will the levy be adjusted?

Contributions required as a condition of consent under the provisions of this Plan will be adjusted at the time of payment in accordance with the following formula:

Contribution = Co + Aat time of payment

Where

\$ Co is the original levy as set out in the consent

A is the adjustment amount which is = $Co \times ([Current Index - Base Index])$ [Base Index]

Where

Price Index

Current Index -Consumer is the Consumer Price Index, All Groups, Sydney as published by the Australian Bureau of Statistics in respect of the quarter ending immediately prior to the

date of payment;

Base Index -**Consumer Price Index**

is the Consumer Price Index, All Groups, Sydney as published by the Australian Bureau of Statistics in respect of the guarter ending immediately prior to the date of imposition of the condition.

Note: In the event that the Current Consumer Price Index, All Groups, Sydney is less than the Base Consumer Price Index, All Groups, Sydney, the Current Consumer Price Index, All Groups, Sydney shall be taken as not less than the Base Consumer Price Index, All Groups, Sydney

1.17 Can deferred or periodic payments be made?

Council does not allow deferred or periodic payment of levies authorised by this Plan.

1.18 Are there alternatives to payment of the levy?

If an applicant for development consent seeks to make a contribution towards the provision of public amenities and services to meet development other than by payment of a levy or development contributions, the applicant may adopt one of the following procedures.

• Offer made to the Council as part of a development application

If an applicant does not wish to pay a levy or other contributions in connection with the carrying out of development, the applicant may include in the relevant development application an offer to carry out works or provide a material public benefit towards which the levy was to be applied.

The Council will consider the offer as part of its assessment of the development application. If the Council agrees to the arrangement and grants consent to the application, it will substitute a condition of consent under s4.17 of the Act requiring the works to be carried out or the material public benefit to be provided for a condition requiring payment of a levy under s7.12 or development contributions under s7.11. If the Council does not agree to the alternative arrangement, it may grant consent subject to a condition authorised by this Plan

requiring the payment of a levy.

In assessing the applicant's offer, the Council will have regard to the requirements of the current Practice Note issued by the NSW Government in the *Revised Development Contributions Manual* and may consider matters such as, but not limited to, the following:

- the overall benefit of the proposal,
- the monetary value of the material public benefits, or work in kind,
- what needs of the population would be satisfied and whether these equal or exceed those provided by conventional means,
- whether the works program in the adopted development contributions Plan remains valid or requires amendment,
- the financial implications for cash –flow and the short-fall in anticipated contributions,
- the timing of completion and future recurrent costs,
- future dedication, handover and management arrangements.

• Offer made to Council following the grant of development consent requiring payment of a levy

If development consent has been granted to the carrying out of development subject to a condition authorised by this Plan to pay a levy, the applicant must comply with the condition unless it is modified under s4.55 of the Act.

If the applicant does not wish to pay the levy, the applicant may make an application to the Council under s4.55 of the Act to modify the consent by substituting for the condition requiring payment of the levy a condition requiring the carrying out of works or the provision of a material public benefit towards the public purpose to which the levy was to be applied.

If the Council approves the application, the applicant will be bound by the substituted condition. If the Council does not approve the application, the applicant will remain bound by the condition authorised by this Plan requiring payment of the levy.

In assessing the s4.55 application, the Council will have regard to the requirements of the current Practice Note issued by the NSW Government in the *Revised Development Contributions Manual* and may consider matters such as, but not limited to, the following:

- the overall benefit of the proposal,
- the monetary value of the material public benefits, or work in kind,
- what needs of the population would be satisfied and whether these equal or exceed those provided by conventional means,
- whether the works program in the adopted development contributions Plan remains valid or requires amendment,
- the financial implications for cash –flow and the short-fall in anticipated contributions,
- the timing of completion and future recurrent costs.
- future dedication, handover and management arrangements.

Offer to enter into a voluntary Planning agreement

If an applicant does not wish to pay a levy or development contributions in connection with the carrying out of development, the applicant may offer to enter into a voluntary Planning agreement with the Council under s7.4 of the Act in connection with the making of a development application.

Under the Planning agreement, the applicant may offer to pay money, dedicate land, carry out works, or provide other material public benefits for public purposes. Those purposes need not relate to the impacts of the applicant's development nor to the items listed in Schedule 1.

The applicant's provision under a Planning agreement may be additional to or instead of

paying a levy in accordance with a condition of development consent authorised by this Plan. This will be a matter for negotiation with the Council.

The offer to enter into the Planning agreement together with a copy of the draft agreement should accompany the relevant development application.

The Council will publicly notify the draft Planning agreement and an explanatory note relating to the draft agreement along with the development application and will consider the agreement as part of its assessment of that application.

If the Council agrees to enter into the Planning agreement, it may impose a condition of development consent under s7.7(3) of the Act requiring the agreement to be entered into and performed. If the Council does not agree to enter into the Planning agreement, it may grant consent subject to a condition authorised by this Plan requiring the payment of a levy.

Applicants should refer to the Practice Note on Planning Agreements contained in the Revised Development Contributions Manual

Dictionary

In this Plan, unless the context or subject matter otherwise indicates or requires, the following definitions apply:

"Applicant" means the person submitting a development application.

Act means the Environmental Planning and Assessment Act 1979,

Council means Liverpool Plains Shire Council,

development contributions means a development contribution required to be paid by a condition of development consent imposed pursuant to section 7.12 of the Act,

levy means a levy under s7.12 of the Act authorised by this Plan,

Regulation means the Environmental Planning and Assessment Regulation 2000.

s7.11 Plan means a contributions Plan made pursuant to section 7.13 of the Act

SCHEDULE 1 (Clause 1.10)

Works Schedule

The works listed in this schedule may be funded from a mix of sources, including contributions collected from this Plan.

Staging as in this schedule means:

ITEM DOAD TRANSPORT

ITEM PUBLIC FACILITIES

- Short Term 1-2 years
- Medium Term 3-4years
- Long Term 5-10 years
- Ongoing, continuing works

A. Completed works for which contributions will be recouped

Nil

B. Works in progress for which contributions will continue to be levied

ITEM	STORMWATER DRAINAGE	EXPENDITURE	STAGING
B1.	Quirindi Stormwater Study/Strategy	\$40,000	Short Term

RUAD I KANSPURI	EXPENDITURE	STAGING

B3. Werris Creek Main Street Improvements \$600,000 Short - Medium Term

CVDCNDITUDE

EXPENDITURE STAGING

C. New Public facilities for which contributions will be sought

C1.	. Community Improvement					
	1.	Quirindi Library Facilities		\$500,000	Long Term	
	2.	Quirindi New Swimming Pool \$3,000,000		Long Term		
	3.	Cultural – Werris Creek Rail Museum		\$1,000,000	Medium Term	
	4.	Childcare Centre Additions & Improvements	<u>&</u>	\$800,000	Medium Term	
	5.	Werris Creek Pool Amenities		\$400,000	Long Term	
	6.	Quirindi Indoor Sports Stadium		\$1,600,000	Short – Medium	
	7.	Cinematic Museum		\$300,000	Term Long Term	

C2.	Stormwater Drainage		
	 Stormwater Works – Quirir Tree 	ndi, Willow \$2,500,000	Long Term
C3	Environmental Management		
	 Environmental Management a Improvement Program – Quir Jacob & Joseph Creek and W Creek 	indi Creek,	Medium Term
C4.	Parks		
	Village Parks improvem embellishment	ent and \$400,000	Medium Term
	Golland Fields Improvement I	Program \$175,000	Medium Term
	Quirindi Racecourse/Showgro Improvement Program	ound \$700,000	Medium to Long Term
	4. George V Park Willow Tree	\$80,000	Medium Term
C5.	Transport		
	Mobility Improvements Quiring Werris Willow	Creek \$100,000	Medium to Long Term
	 Pedestrian Pathways to Town Conception Quiring Werris Willow 	i \$450,000 Creek \$250,000	Medium to Long Term
	 Corridor Road Improvements Quirindi East to Town Centre Quirindi – Werris Creek Road C Golf Course 	\$800,000 ycleway to \$500,000	Short to Medium Term
	6. Traffic Study – Quirindi	\$20,000	Short Term
	Study for Rail Overpasses- Quiri Creek and Willow Tree	ndi, Werris \$150,000	Short Term
	8. Main Street Upgrade	Quirindi \$2,000,000	Medium Term

C7. Road Intersection upgrades

1.	Brady	's Lane/ Werr	is Creek	Road	and	\$200,000	per	Medium -	Long
	Bells	Gate/Werris	Creek	Road	for	road		Term	
	Quirin	di North Rural-	Residen	tial Are	а	intersection			

SCHEDULE 2 (Clause 1.14)

Procedure

A cost summary report may be required to be submitted to allow Council to determine the contribution that will be required.

The following procedures as outlined below will be used by Council:

(1) Where Council does not accept a submitted estimate of the value of works, Council may require a cost summary report to be completed for works with a value no greater than \$250,000.00 (Form 1).

Alternatively, for a single dwelling, Council may accept a signed contract with a licensed builder which is accompanied by a fair estimate of other assessable development costs not included in the building contract, such as landscaping, paths, fences, driveway and the like.

(2) Where Council does not accept a submitted estimate of the value of works, Council may require a Quantity Surveyor's Detailed Cost Report to be completed by a registered Quantity Surveyor for works with a value greater than \$250,000.00 (Form 2).

How to Calculate Value of Works

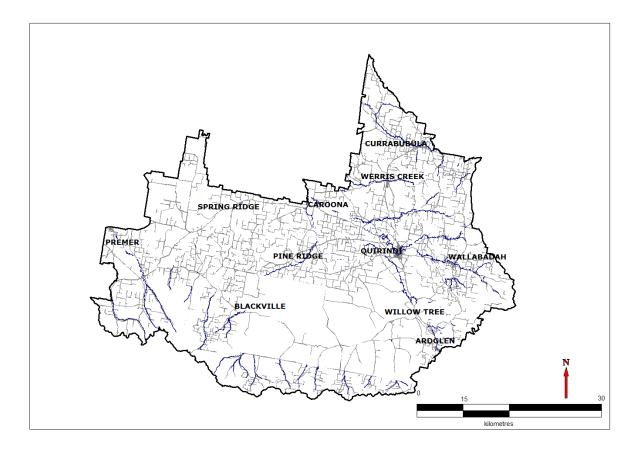
To avoid doubt or confusion in the calculation of the value of works or construction costs, clause 25J of the Environmental Planning and Assessment Regulation 2000 sets out the things that must be included in the estimation of the value of works as follows:

25J Section 7.12 levy—determination of proposed cost of development

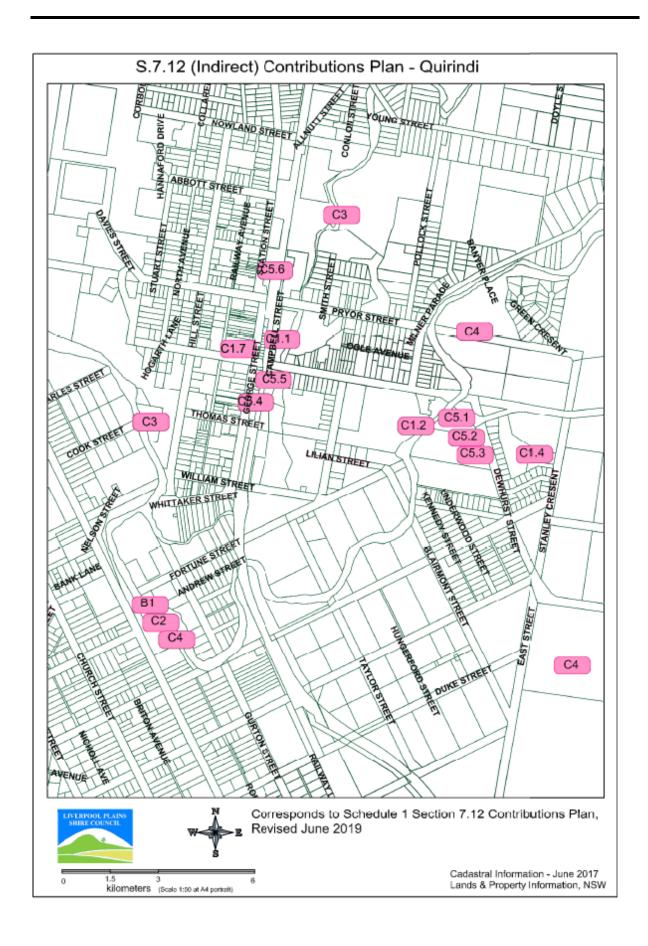
- (1) The proposed cost of carrying out development is to be determined by the consent authority, for the purpose of a Section 7.12 levy, by adding up all the costs and expenses that have been or are to be incurred by the applicant in carrying out the development, including the following:
 - (a) if the development involves the erection of a building, or the carrying out of engineering or construction work—the costs of or incidental to erecting the building, or carrying out the work, including the costs (if any) of and incidental to demolition, excavation and site preparation, decontamination or remediation.
 - (b) if the development involves a change of use of land—the costs of or incidental to doing anything necessary to enable the use of the land to be changed,
 - (c) if the development involves the subdivision of land—the costs of or incidental to preparing, executing and registering the Plan of subdivision and any related covenants, easements or other rights.
- (2) For the purpose of determining the proposed cost of carrying out development, a consent authority may have regard to an estimate of the proposed cost of carrying out the development prepared by a person, or a person of a class, approved by the consent authority to provide such estimates.
- (3) The following costs and expenses are not to be included in any estimate or determination of the proposed cost of carrying out development:
 - (a) the cost of the land on which the development is to be carried out,
 - (b) the costs of any repairs to any building or works on the land that are to be retained in connection with the development,
 - (c) the costs associated with marketing or financing the development (including interest on any loans),
 - (d) the costs associated with legal work carried out or to be carried out in connection with the development,
 - (e) project management costs associated with the development,
 - (f) the cost of building insurance in respect of the development,
 - (g) the costs of fittings and furnishings, including any refitting or refurbishing, associated with the development (except where the development involves an enlargement, expansion or intensification of a current use of land),
 - (h) the costs of commercial stock inventory,
 - (i) any taxes, levies or charges (other than GST) paid or payable in connection with the development by or under any law.

SCHEDULE 3 (Clause 1.10)

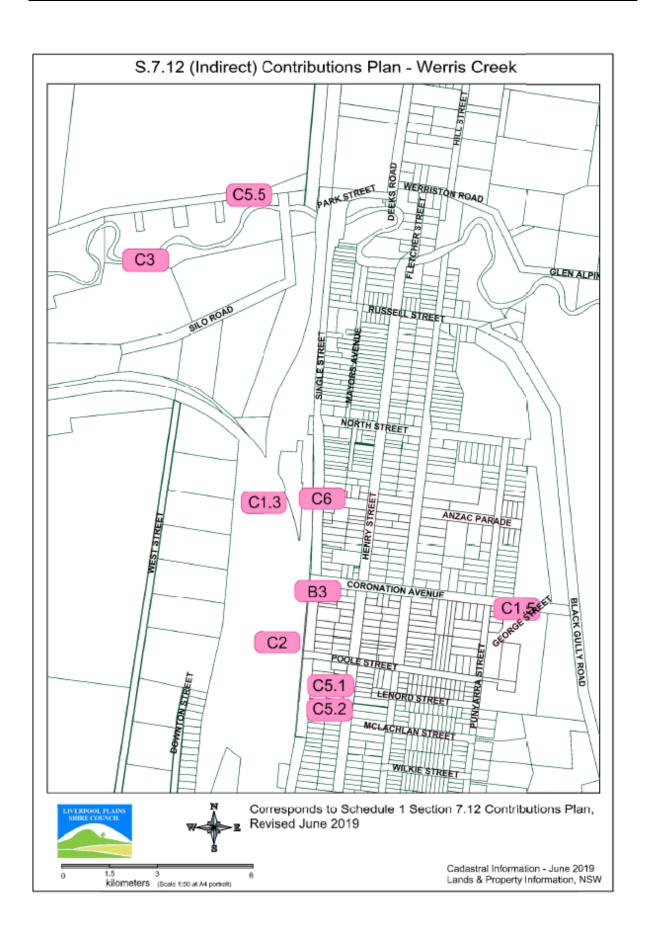
Maps

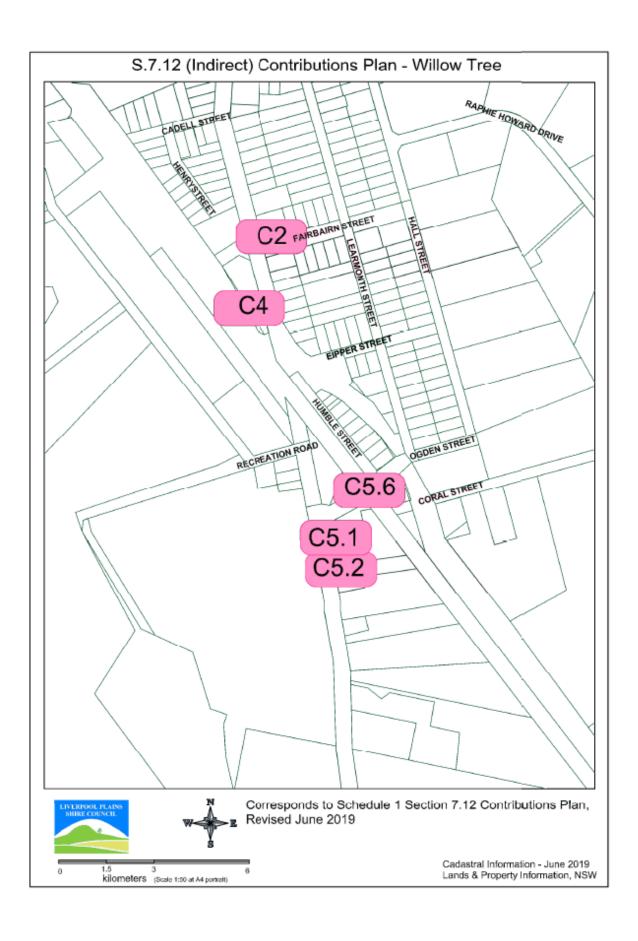


LIVERPOOL PLAINS SHIRE COUNCIL AREA









Form 1.

S	Δ	MPI	F	COST	SUMM	ARY	REPO	RT
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Cost Summary Report

[Development Cost no greater than 100,000.00]

DEVELOPMENT APPLICATION No. REFERENCE:

CONSTRUCTION CERTIFICATE No. DATE:

APPLICANT'S NAME:

APPLICANT'S ADDRESS:

DEVELOPMENT NAME:

DEVELOPMENT ADDRESS:

ANALYSIS OF DEVELOPMENT COSTS:

Demolition and alterations	\$ Hydraulic services	\$
Structure	\$ Mechanical services	\$
External walls, windows and doors	\$ Fire services	\$
Internal walls, screens and doors	\$ Lift services	\$
Wall finishes	\$ External works	\$
Floor finishes	\$ External services	\$
Ceiling finishes	\$ Other related work	\$
Fittings and equipment	\$ Sub-total	\$

Sub-total above carried forward	\$
Preliminaries and margin	\$
Sub-total	\$
Consultant Fees	\$
Other related development costs	\$
Sub-total	\$
Goods and Services Tax	\$
TOTAL DEVELOPMENT COST	\$

I certify that I have:

- inspected the Plans the subject of the application for development consent or construction certificate.
- calculated the development costs in accordance with the definition of development costs in clause 25J of the *Environmental Planning and Assessment Regulation 2000* at current prices.
- included GST in the calculation of development cost.

Signed:	
Name:	
Position and Qualifications:	
Date:	

Form 2

SAMPLE QUANTITY SURVEYORS REPORT

Registered* Quantity Surveyor's Detailed Cost Report [Development Cost in excess of \$100.000.00]

*A member of the Australian Institute of Quantity Surveyors

DEVELOPMENT APPLICATION No. REFERENCE:

CONSTRUCTION CERTIFICATE No. DATE:

APPLICANT'S NAME:

APPLICANT'S ADDRESS:

DEVELOPMENT NAME:

DEVELOPMENT ADDRESS:

DEVELOPMENT DETAILS:

Total Development Cost		¢	
Gross Floor Area – Car Parking	m^2	Total Car Parking Spaces	
Gross Floor Area – Retail	m^2	Total Site Area	m^2
Gross Floor Area – Residential	m^2	Total Gross Floor Area	m^2
Gross Floor Area – Commercial	m^2	Gross Floor Area - Other	m^2

Total Development Cost \$
Total Construction Cost \$
Total GST \$

ESTIMATE DETAILS:

Professional Fees	\$	Excavation	\$
% of Development Cost	%	Cost per square metre of site area	\$ /m ²
% of Construction Cost Demolition and Site Preparation	% \$	Car Park Cost per square metre of site area	\$ \$ /m ²
Cost per square metre of site area	\$ /m ²	Cost per space	\$ /space
Construction – Commercial Cost per square metre of site area	\$ \$ /m ²	Fit-out – Commercial Cost per m ² of commercial area	\$ \$ /m ²
Construction – Residential Cost per square metre of residential area	\$ \$ /m ²	Fit-out – Residential Cost per m ² of residential area	\$ \$ /m ²
Construction – Retail Cost per square metre of retail area	\$ \$ /m ²	Fit-out – Retail Cost per m ² of retail area	\$ \$ /m ²

I certify that I have:

- inspected the Plans the subject of the application for development consent or construction certificate.
- prepared and attached an elemental estimate generally prepared in accordance with the Australian Cost Management Manuals from the Australian Institute of Quantity Surveyors.
- calculated the development costs in accordance with the definition of development costs in the S7.12 Plan of the council of [insert] at current prices.
- included GST in the calculation of development cost.
- measured gross floor areas in accordance with the Method of Measurement of Building Area in the AIQS Cost Management Manual Volume 1, Appendix A2.

Signed:	
Name:	
Position and Qualifications: _	
Date:	

ATTACHMENT 1: Current Ministerial Direction under S7.12

Environmental Planning and Assessment Act 1979 DIRECTION UNDER SECTION 94E

I, the Minister for Planning, under section 7.12 (94E) of the *Environmental Planning and Assessment Act 1979* ("the Act"), direct consent authorities that:

- (1) The maximum percentage of the levy for development under Section 7.12 of the Act, having a proposed cost within the range specified in the Table to Schedule A, is to be calculated in accordance with that Table.
- (2) Despite subclause (1), a levy under Section 7.12 of the Act cannot be imposed on development:
 - a) for the purpose of disabled access,
 - b) for the sole purpose of affordable housing,
 - c) for the purpose of reducing the consumption of mains-supplied potable water, or reducing the energy consumption of a building,
 - d) for the sole purpose of the adaptive reuse of an item of environmental heritage, or
 - e) other than the subdivision of land, where a condition under section 94 of the Act has been imposed under a previous development consent relating to the subdivision of the land on which the development is proposed to be carried out.

In this direction words and expressions used have the same meaning as they have in the Act. The term "item" and "environmental heritage" have the same meaning as in the *Heritage Act 1977*.

This direction does not apply to development applications and applications for complying development certificates finally determined before 1 December 2006.

Minister for Planning,

Sydney

[Dated: 10 November 2006]

SCHEDULE A

Proposed cost of the development	Maximum percentage of the levy
Up to \$100,000	Nil
\$100,001 - \$200,000	0.5 percent
More than \$200,000	1.0 percent