

DEVELOPMENT CONTRIBUTIONS PLAN (Revision 2)

SECTION 7.12 ENVIRONMENTAL PLANNING & ASSESSMENT ACT 1979

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1. Administration and operation of the plan

1.1 What is the name of this development contributions plan?

This development contributions plan is called the *Murrumbidgee Council* S7.12 Development Contributions Plan 2017 (Revision 2) ("the development contributions plan").

1.2 Application of this development contributions plan

The development contributions plan applies to all land within the Local Government Area of Murrumbidgee Council.

1.3 When does this development contributions plan commence?

The development contributions plan commences on 25 May 2017.

1.4 The purpose of this contributions plan

The primary purpose of the development contributions plan is:

- to authorise the imposition of a condition on certain development consents and complying development certificates requiring the payment of a levy pursuant to section 7.12 of the *Environmental Planning and Assessment Act 1979* (EP&A Act); and
- to assist Murrumbidgee Council ("Council") in providing the appropriate public facilities that are required to maintain and enhance amenity and service delivery within the Murrumbidgee local government area; and
- to publicly identify the purposes for which the levies are required; and
- to ensure Council's management of levies complies with relevant legislation, guidelines and practice notes.

1.5 When is the levy applicable?

The levy is applicable to applications for development consent and applications for complying development certificates under Part 4 of the EP&A Act, except where exempt under Section 1.7 below.

1.6 What is the levy amount?

The amount to be levied is:

- nil where the proposed cost of carrying out the development is \$100,000 or less; or
- 0.5% of the development cost where the proposed cost of carrying out the development is between \$100,000 and \$200,000; or
- 1.0% of development cost where the proposed cost of carrying out the development is more than \$200,000.

1.7 Are there any exemptions to the levy?

The following development is exempted from a levy under this development contributions plan:

- development where the proposed cost of carrying out the development is \$100,000 or less; or
- development for the purposes of a single dwelling house; or
- development for the purposes of creating disabled access; or
- affordable housing as defined by the EP&A Act; or seniors housing as defined by State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004 (other than self-contained dwellings forming part of seniors housing development); or

- works undertaken for charitable purposes or by a registered charity; or
- places of public worship, public hospitals and emergency services; or
- recreational facilities, community, cultural or educational facilities provided by or on behalf of the Council or another public authority; or
- development for the sole purpose of adaptive reuse of an item identified in Council's Heritage Schedule in the LEP; or
- development exempted from Local Infrastructure Contributions by way of a Direction made by the Minister for Planning under section 7.17 of the EP&A Act; or
- development, apart from subdivision, where a condition of section 7.11 of the EP&A 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 addition, Council will not impose a levy in respect of development:

- for the sole purpose of Building Code of Australia Class 10 structures except for class 10 structures involving wind farms, frost fans; or solar panels and battery installations associated with wind farms or solar farms or battery storage facilities; or
- for which Council considers by formal ratification at a full Council meeting as an exemption. For such claims to be considered, any such development will need to include a comprehensive submission justifying the case for exemption.

1.8 Relationship with other plans and policies

The development contributions plan repeals the Darlington Point Section 94 Plan.

The development contributions plan supplements the provisions of the *Jerilderie Local Environmental Plan 2012, Murrumbidgee Local Environmental Plan 2013* and any amendment or local environmental plan/s which may supersede these plans.

Council may also levy contributions towards the provision of water and sewerage infrastructure, which are not part of this development contributions plan. Such contributions will be charged in accordance with the requirements of Section 64 of the *Local Government Act 1993* and the *Water Management Act 2000*.

1.9 Pooling of levies

The development contribution plan expressly authorises money obtained from section 7.12 levies paid for different purposes to be pooled and applied (progressively or otherwise) for the public facilities listed in the works program at Schedule 1 and in accordance with any staging set out in that Schedule.

1.10 Construction certificates and the obligation of accredited certifiers

In accordance with clause 156 of the *Environmental Planning and Assessment Regulation* 2021 ("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 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 156(2) of the EP&A Regulation.

Failure to follow this procedure may render such a certificate invalid.

1.11 Complying development certificates and the obligations of accredited certifiers

In accordance with section 7.21(1) of the EP&A Act, a certifying authority (Council or an accredited certifier) must impose a condition requiring payment of the levy in accordance with the development contributions plan and which satisfies the following criteria:

- Pursuant to section 4.17(1) of the EP&A Act and the development contributions plan, a levy calculated in accordance with Section 1.12 below.
- The amount to be paid is to be adjusted in accordance with Section 1.15 below.

1.12 How will the levy be calculated?

The levy will be calculated as follows:

Levy payable = L x \$C Where:

L is 0.005 where the cost of development is between \$100,001 and \$200,000 or 0.01 where the cost of development is more than \$200,000; and

\$C is the cost of carrying out the proposed development (calculated in accordance with Section 1.13 below).

1.13 How will the cost of carrying out the proposed development be calculated?

A development application or an application for complying development certificate must submit an estimated cost of development that has been calculated in accordance with clause 208 of the EP&A Regulation.

That clause provides as follows:

"208 Determination of proposed cost of development—the Act, s 7.12(5)(a)

- (1) The proposed cost of carrying out development must be determined by the consent authority by adding up all the costs and expenses that have been or will be incurred by the applicant in carrying out the development.
- (2) The costs of carrying out development include the costs of, and costs incidental to, the following-
 - (a) if the development involves the erection of a building or the carrying out of engineering or construction work—
 (i) erecting the building or carrying out the work, and
 - (ii) demolition, excavation and site preparation, decontamination or remediation,
 - (b) if the development involves a change of use of land—doing anything necessary to enable the use of the land to be changed,
 - (c) if the development involves the subdivision of land—preparing, executing and registering—
 - (i) the plan of subdivision, and
 - (ii) the related covenants, easements or other rights.
- (3) In determining the proposed cost, a consent authority may consider an estimate of the proposed cost that is prepared by a person, or a person of a class, approved by the consent authority to provide the estimate.

- (4) The following costs and expenses must not be included in an estimate or determination of the proposed cost—
 - (a) the cost of the land on which the development will be carried out,
 - (b) the costs of repairs to a building or works on the land that will be kept in connection with the development,
 - (c) the costs associated with marketing or financing the development, including interest on 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 for the development,
 - (g) the costs of fittings and furnishings, including refitting or refurbishing, associated with the development, except if the development involves an enlargement, expansion or intensification of a current use of land,
 - (h) the costs of commercial stock inventory,
 - (i) the taxes, levies or charges, excluding GST, paid or payable in connection with the development by or under a law,
 - (j) the costs of enabling access by people with disability to the development,
 - (k) the costs of energy and water efficiency measures associated with the development,
 - (I) the costs of development that is provided as affordable housing,
 - (m) the costs of development that is the adaptive reuse of a heritage item.
- (5) The proposed cost may be adjusted before payment of a development levy, as specified in a contributions plan, to reflect quarterly or annual variations to readily accessible index figures adopted by the plan between the day on which the proposed cost was determined by the consent authority and the day by which the development levy must be paid.

Example—

A contributions plan may adopt the Consumer Price Index.

(6) To avoid doubt, this section does not affect the determination of the fee payable for a development application."

Without limitation to the above, Council may review the estimated cost of development 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.

1.14 When is the levy payable?

A levy must be paid to Council at the time specified in the condition on the development consent that imposes the levy. If no such time is specified, the levy must be paid prior to the issue of a construction certificate or complying development certificate.

1.15 How will the levy be adjusted?

Levies required as a condition of consent under the provisions of the development contributions plan will be adjusted at the time of payment in accordance with the following formula:

Levy at time of payment = \$L + \$A Where:

\$L is the original levy as set out in the consent condition; and **\$A** is the adjustment amount which is:

<u>\$L x (Current Index - Base Index)</u>

Base Index

where:

the **Current Index** is the most recent quarterly Consumer Price Index for Sydney as published by the Australian Bureau of Statistics (Ref:6401.0) at the time the levy is paid; and the **Base Index** is the quarterly Consumer Price Index for Sydney as published by the Australian Bureau of Statistics (Ref:6401.0) for the period immediately prior to the date of the development consent.

Note: In the event that the Current Index is less than the Base Index, the contribution payable shall be that stated in the consent condition.

1.16 Can deferred or periodic payments be made?

Council does not allow deferred or periodic payment of levies authorised by the development contributions plan.

1.17 Refunds of levies

Council's policy is that there are generally no refunds of section 7.12 levy payments made under the development contributions plan.

Should someone seek a refund of levies, a formal request must be made in writing to Council outlining the reasons for the requested refund.

1.18 Savings and transitional provisions

A development application which has been submitted prior to the adoption of the development contributions plan but not yet determined shall be determined in accordance with the provisions of the plan which applied at the date of making the application.

1.19 Accountability and access to information

Council is required to comply with a range of financial accountability and public access to information requirements in relation to community infrastructure contributions. These are addressed in Divisions 4 of Part 9 of the EP&A Regulation and include:

- maintenance of, and public access to, a levies register;
- maintenance of, and public access to, accounting records for contributions receipts and expenditure;
- annual financial reporting of levies; and
- public access to contributions plans and supporting documents.

These records are available for inspection free of charge at the Council's administration office.

2. Expected development and demand for public facilities

The relationship between expected development and the demand for public facilities is established through:

- population growth in parts of the local government area;
- the future population will require the provision of additional public facilities; and
- the future population will diminish the existing population's enjoyment and standards of public facilities unless additional facilities are provided.

Council is committed to providing the equitable distribution of public facilities for the benefit and well-being of all residents. Council's works program (Schedule 1) identifies the public amenities or services to be provided, recouped, extended or augmented by contribution monies derived by this plan.

This development contributions plan applies to all land within the local government area of Murrumbidgee. The levies will be used towards meeting the cost of provision or augmentation of public facilities that have been or will be provided across the entire local government area in accordance with the works program (Schedule 1).

Department of Planning (DoP) Circular PS 05-003 states that: there does not have to be a connection between the subject of the levy and the object any monies derived are spent on.

Accordingly, monies derived by this plan may be used to embellish public facilities in a location remote from that which the levy was derived (e.g. in another town).

3. Works Program

The works program (Schedule 1) identifies the public facilities for which section 7.12 levies under the EP&A Act will be required.

Levies paid to Council under a condition authorised by the development contributions plan will be applied towards meeting the cost of provision or augmentation of public facilities that have been or will be provided. Schedule 1 provides a summary of public facilities, which have been or will be provided by Council over the next five years, as well as the estimated cost of provision and timing.

4. References

The following reference documents have been utilised in the preparation of the development contributions plan:

- Environmental Planning & Assessment Act 1979
- Environmental Planning & Assessment Regulation 2021
- Department of Planning Circular PS 05-003 Changes to the Development Contributions System in NSW - June 2004
- Murrumbidgee Local Environmental Plan 2013
- Jerilderie Local Environmental Plan 2012

Dictionary

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

Council means Murrumbidgee Council

Development Contributions Plan means:

- Murrumbidgee Council S7.12
- Development Contributions Plan 2017

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

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

Levy means a financial contribution under section 7.12 of the EP&A Act authorised by the development contributions plan

Public Facility means a public amenity or public service

Schedule 1 – Works Program

Public facilities to be funded/embellished through S7.12 levies are listed in the following Schedule.

ITEM NO.	DESCRIPTION	ESTIMATED COST	ESTIMATED TIME FRAME	PRIORITY			
СОМ	COMMUNITY FACILITIES						
1	Hall upgrade works as required	\$450,000	2023-2026	Low			
2	Upgrades to parks as required	\$35,000	2023-2026	Low			
3	Upgrade works to sports grounds, heritage and cultural precincts, as required	\$1,500,000	2023-2026	Medium			
4	Town Medical Centres	\$5,000,000	2023-2024	High			
5	Pre-schools	\$3,500,000	2023-2024	High			
6	Critical worker housing	\$10,000,000	2023-2027	High			
ROAD WORKS							
1	Works on Council regulated roads as determined by Council as medium priority	\$1,500,000	2023-2026	Medium			