

West Denman

Section 7.11 Contributions Plan 2025

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Table of Contents

1. Introduction	5
1.1 Background.....	5
1.2 The West Denman Urban Release Area	5
1.3 Summary of Contribution Rates	6
2. Administration of the Plan	7
2.1 Name of Plan	7
2.2 Commencement	7
2.3 Purpose of the Plan.....	7
2.4 Land to Which the Plan Applies	7
2.5 Development to which this plan applies	7
2.5.1 Subdivision	7
2.5.2 Residential Accommodation	7
2.5.3 Traffic generating development	7
2.6 Relationship to Other Plans and Policies	7
2.7 Repeals, Savings Provisions and Transitional Arrangements	8
2.8 Exemptions	8
2.9 Types of Contributions	8
2.9.1 Monetary contribution	9
2.9.2 Dedication of land	9
2.9.3 Material Public Benefit/ Works in Kind.....	9
2.10 Variations.....	10
2.11 Payment of the Contribution	10
2.11.1 Construction Certificates.....	11
2.11.2 Goods and Services Tax	11
2.11.3 Adjustment and “indexing” of Contribution Rates.....	11
2.12 Reassessment of Contributions	12
2.13 Pooling of levies.....	12
2.14 Review of the Plan	13
2.15 Funding and Timing of Works	13
2.16 Management Costs of the Plan.....	13
2.17 Allowances for existing development.....	13
2.18 Occupancy rates	14
3. Nexus	14
3.1 Expected Development Types & demand for additional Infrastructure	14
3.2 Apportionment.....	15
3.3 Recoupment	15
4. Calculating Development Contributions	15
4.1 Land Acquisition	15

4.2 Open space and recreation facilities	16
4.2.1 Local Park/ Playground.....	17
4.2.2 Upgrade to Denman Recreation Area.....	17
4.2.3 Calculation of Contribution.....	17
4.3 Community facilities	18
4.3.1 Calculation of Contributions	18
4.4 Transport Infrastructure	19
4.5 Stormwater and drainage Infrastructure	21
4.6 Plan Management and Administration	22
Appendix A - Definitions	23
Appendix B - Maps & Plans	24
Appendix C - Works Schedule	26
Land Acquisition.....	26
Open Space and Recreation Facilities.....	26
Stormwater Infrastructure	26
Community Facilities	26
Transport Facilities.....	26

Table of Figures

Figure 1: West Denman Urban Release Area	5
Figure 2: Approximate Location of Local Park	24
Figure 3: Proposed Transport Infrastructure Location	25

West Denman Section 7.11 Contributions Plan 2025

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1. Introduction

1.1 Background

Section 7.11 of the *Environmental Planning and Assessment Act 1979 No 203* enables Council to levy contributions from development for the provision of public amenities, services and infrastructure, required as a consequence of that development. Contributions may be in the form of cash payments, transfer or dedication of land to Council, or the provision of a Material Public Benefit or Works in Kind.

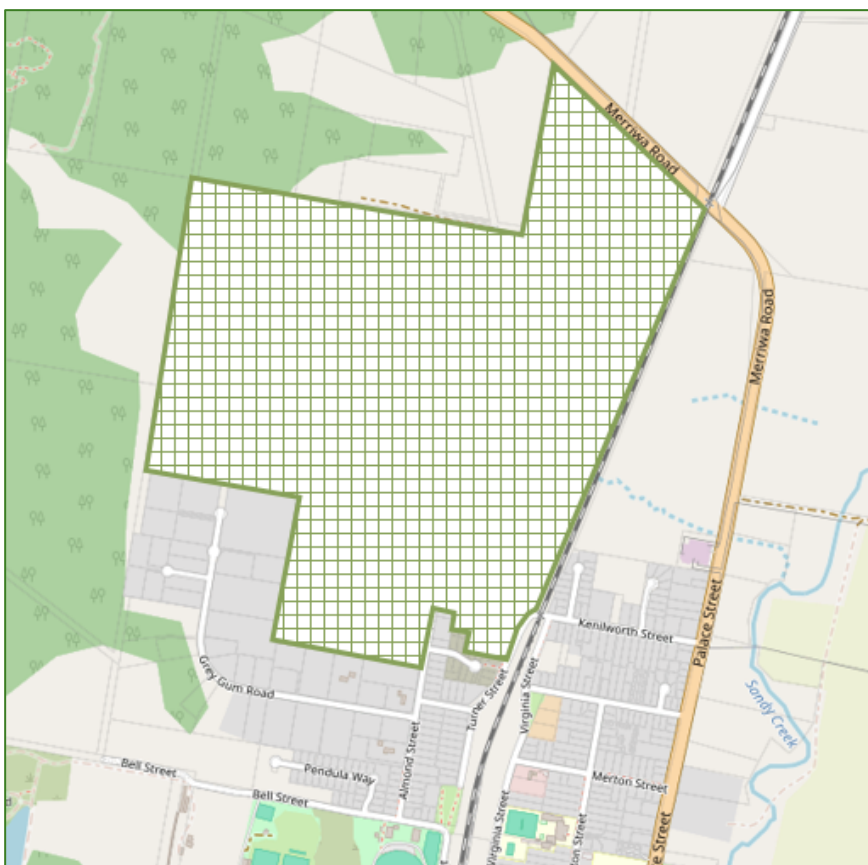
This Plan reviews the *West Denman Contributions Plan 2012* and updates the data based on current IPART benchmark costs for local infrastructure (4 April 2025) and [Section 7.11 practice notes](#) prepared by the Department of Planning NSW and the relevant legislation. The Plan also revises the works schedule by removing items that have already been completed or funded through other sources and reallocates the funding to more current projects that will benefit the area's new population. As a result of this review, the overall contributions per lot are reduced by 14.28%.

1.2 The West Denman Urban Release Area

The West Denman Urban Release Area (URA) comprises approximately 133 hectares of land which is zoned RU5 – Village Zone under the *Muswellbrook Local Environmental Plan 2009* (MLEP2009). The Urban Release Area has been identified as an extension to the Denman residential area to provide additional serviced land for housing.

It is anticipated that the land has the capacity for up to 1875 new residents or 750 residential lots, which would be developed in stages. The West Denman urban release area is shown in Figure 1 below.

Figure 1: West Denman Urban Release Area



The Urban Release Area is located to the northwest of the existing town of Denman and is currently accessed from Almond Street. West Denman is separated from Denman (to the east) by a rail line used by freight (coal) trains. Road crossings at the railway line are located at Kenilworth Street and Ogilvie Streets.

Most of the housing in Denman and most urban services, including the school, hospital, and town centre are located on the eastern side of the railway line. The town's leisure facilities, including swimming pool, playing fields, and golf course, are located on the western side of the railway line.

The Release Area is in several ownerships. A co-ordinated approach to the development of the land is important to the efficient development of the land. This Plan aims to assist in the co-ordinated provision of urban infrastructure.

Where the need for infrastructure only arises because of the development, and the provision thereof essentially only services future residents of the development area, the provision of such infrastructure will be 100% apportioned to new population. Technical / background studies have been undertaken to accurately determine the transport and water management infrastructure that will be needed to meet the demands of the incoming residents of West Denman.

The demand for public amenities, services, and infrastructure, such as community, recreation, open space and sporting facilities have been determined based on generally accepted standards of provision and existing Council standards and accepted practices.

1.3 Summary of Contribution Rates

The following is a summary of Development Contribution rates for the West Denman

Contributions Area:

Contribution Type	Per Person	One bedroom dwelling	Two-bedroom dwelling	Three Bedroom (+) Dwelling or Per Lot
Open Space and Recreation Facilities	\$434.67	\$652.00	\$869.33	\$1,086.67
Community Facilities	\$549.33	\$824.00	\$1,098.67	\$1,373.33
Transport Infrastructure	\$4,102.18	\$6,153.27	\$8,204.36	\$10,255.45
Stormwater Infrastructure	\$54.75	\$82.12	\$109.49	\$136.87
Land Acquisition	\$546.67	\$820.00	\$1,093.33	\$1,366.67
Plan Preparation and Administration	\$56.88	\$85.31	\$113.75	\$142.19
Total	\$5,744.47	\$8,616.70	\$11,488.94	\$14,361.17

2. Administration of the Plan

2.1 Name of Plan

This Plan is referred to as the West Denman Development Contributions Plan 2025 (the “Plan”).

2.2 Commencement

This Plan was adopted by Council on [insert date] and commences on [insert date].

2.3 Purpose of the Plan

The primary purposes of this contributions plan are:

- To authorise the imposition of a condition on certain development consents and complying development certificates requiring the payment of a contribution pursuant to Section 7.11 of the *Environmental Planning and Assessment Act 1979*;
- To assist Council to provide the appropriate public facilities which are required to maintain and enhance amenity and service delivery within the area;
- To publicly identify the purposes for which the levies are required;
- To provide a comprehensive framework for the assessment, collection, and expenditure of local infrastructure contributions; and
- To enable Council to be both publicly and financially accountable in its assessment and administration of the Plan.

2.4 Land to Which the Plan Applies

This Contributions Plan applies to all land within the West Denman Urban Release Area in the Muswellbrook Local Government Area as illustrated in Figure 1. The Contributions Area is the same as the West Denman Urban Release Area identified under the *Muswellbrook Local Environmental Plan 2009*.

2.5 Development to which this plan applies

2.5.1 Subdivision

This plan applies to all types of subdivision that create additional lots capable of generating demand for local infrastructure.

2.5.2 Residential Accommodation

This plan applies to all residential Development Applications for development consent and Complying Development Certificates. Residential development types are as defined in the *Muswellbrook Local Environmental Plan 2009* but excludes development types outlined further in Section 2.8 of this Plan.

2.5.3 Traffic generating development

This plan applies to non-residential traffic generating development that will create an ongoing impact on Council’s Road transport network. For the purposes of this plan, the contributions for “road transport network” is deemed to include all necessary works of carriageway construction and maintenance, including pavement, associated culverts, bridges, drainage, signs, line-marking, noise attenuation measures, landscaping, safety, and traffic management measures.

2.6 Relationship to Other Plans and Policies

Muswellbrook Shire Council has the following general Section 94 Plans in place:

- *Muswellbrook Section 94 Plan 2001*
- *Section 94A- Developer Contributions Plan 2010*

These Plans **do not** apply to the West Denman Urban Release Area.

This Plan supplements the provisions of and should be read in conjunction with the Act, Regulations, Muswellbrook Shire Council's Local Environmental Plan, Development Control Plan, and other relevant plans and policies adopted by Council.

2.7 Repeals, Savings Provisions and Transitional Arrangements

The commencement of this contributions plan updates and repeals the following contributions plans:

- **West Denman Urban Release Area Section 94 Contributions Plan 2012**

A Development Application which has been submitted prior to the adoption of this plan, but not determined, shall be determined in accordance with the provisions of the contributions plan which applies at the date of lodgement of the application.

Where a Development Application was lodged and determined under the provisions of a previous contributions plan, the contributions payable will be in accordance with the provisions of the contributions plan in operation at the time the application was determined.

In the case of modifications under section 4.55 or 4.56 of the Act, the original consent conditions will apply, however, any increase in the yield or size of the development to that which was originally approved, will be subject to the provisions of this plan.

2.8 Exemptions

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

- Development for the purpose of a single dwelling on a single allotment where a contribution under Section 7.11 (formerly known as Section 94) of the Act was paid upon creation of the lot (registration of the subdivision).
- Alterations and additions to a dwelling house or any development ordinarily incidental or ancillary to the use of the dwelling house, such as swimming pools, garages, sheds and the like that does not increase the load on Council infrastructure.
- Development undertaken by or on behalf of Council, including (but not limited to) works listed in the works schedule in Appendix C of this Plan.
- Alterations or refurbishment of an existing development, where there is no enlargement, expansion, increase in gross floor area or intensification of the current land use.
- An application for emergency services facility.
- An application for educational establishments.
- An application for demolition (where there is not a replacement building or development).
- Development excluded from Section 7.12 contributions by a Ministerial Direction under Section 7.17 of the Environmental Planning and Assessment Act 1979.

Note: *Where a development contribution under Section 7.11 of the Environmental Planning and Assessment Act 1979 has been required in respect of the subdivision of land, a levy under Section 7.12 of that Act may not be required in respect of any other development on the land, unless that other development will, or is likely to, increase the demand for public amenities or public services beyond the increase in demand attributable to the initial subdivision*

2.9 Types of Contributions

A developer can meet their obligations to provide a Section 7.11 contribution by providing:

- Monetary contribution.
- Dedication of land.

- Material Public Benefit.
- Works in Kind.

Where a developer negotiates a material public benefit, works in kind agreement, or the dedication of land in lieu of paying any part of the monetary contribution required under this Plan, the applicant must still pay Council's reasonable costs for the management of the Plan (plan management and administration contributions).

The Act also provides for the Council to consider entering into a Planning Agreement (PA) at either a development application or rezoning stage. Public amenities, services, and infrastructure delivered through a PA may be in addition to, or instead of, the payment of a monetary contribution under Section 7.11.

2.9.1 Monetary contribution

This Plan identifies the monetary contribution required for the provision of public amenities, services, and infrastructure, calculated on a per person, per dwelling (variable depending on dwelling size) or per lot basis. The contribution amount payable will be included as a condition of consent on a development approval.

2.9.2 Dedication of land

This plan authorises Council, when granting consent to an application to carry out development to which this plan applies, to impose a condition under s7.11(1) of the EP&A Act requiring the dedication of land free of cost to Council for the provision, extension, or augmentation of local infrastructure to be provided by Council.

Wherever land required under this plan is situated within a development site, the consent authority will generally require the developer of that land to dedicate the land required under this plan free of cost. A reduction in relevant contributions under this Plan may be applied.

2.9.3 Material Public Benefit/ Works in Kind

A person may make an offer to the Council to carry out works or provide another kind of material public benefit or dedicate land, in part or full satisfaction of a monetary contribution required by a condition of consent imposed under this plan.

If a developer wishes to deliver infrastructure that is included in this plan on the Council's behalf, then the developer can approach this either one of two ways:

- **Planning Agreement** - The developer may offer to enter into a planning agreement (also commonly referred to as voluntary planning agreements) to undertake works, make monetary contributions, dedicate land, or provide some other material public benefit. Planning agreements are the most appropriate mechanism for offers made prior to the issue of a development consent for the development.
- **Works in Kind** - If the developer has already received a development consent containing a condition requiring a monetary contribution, the developer may offer to undertake works in kind through a works in kind agreement or offer to dedicate land through a land dedication agreement.

Any offer of works or land should also be consistent with the relevant LEP and DCP applying to the land. The decision to accept settlement of a contribution by way of works in kind or the dedication of land is at the sole discretion of Council.

Any offer for works in kind or other material public benefit shall be made in writing to the Council and shall be made prior to the commencement of any works proposed as part of that offer. Retrospective works in kind agreements will not be accepted.

It is noted that Council generally does not forward fund and construct infrastructure such as roads, open space, and drainage reserves.

Works in kind or the dedication of land may be accepted by the Council under the following circumstances:

- Council will generally only accept offers of works or land that are items included in the schedule of local infrastructure in this plan, and
- Council determines that the works in kind are, or the land to be dedicated is, appropriate and meets a broad community need. In assessing the request, Council will consider the following:
 - The design of the facilities, and whether the design will result in facilities that are fit for purpose.
 - The proposed works or land dedication will not constrain the future provision of facilities identified in the works schedule, or conflict with what Council has prioritised in this plan.

Plans and cost estimates of the proposed works are to be prepared by suitably qualified professionals and submitted to Council for review by the applicant. Land proposed to be transferred to Council is to include a site contamination investigation report, and, if required, remediation works and transfer of land fees.

Should an offer of works in kind or land dedication be accepted, Council will negotiate with the applicant, as relevant, the following:

- an acceptable standard for workmanship and materials.
- frequency of progress works inspections.
- the program for completion of the works or the dedication of the land.
- landscaping management plan.
- an appropriate defects liability period.
- the offset amount that can be applied to reduce any section 7.11 contribution levy imposed on any development consent in the area.

Council will generally only agree to offsets of contributions where the land or works offered by the developer are items included in this plan's works schedule.

No offsets will be granted to material public benefits that comprise works required to be carried out by the developer as a condition of consent under section 4.17 of the EP&A Act.

2.10 Variations

Council may consider an application to discount or exempt a development from contributions. Applicants seeking variations in the contributions rate must be able to demonstrate, to the satisfaction of Council, that the nature of the proposed development results in a lesser demand on public amenities, services, and infrastructure than that envisaged by this Plan. Council will consider the merits of such a request, including the potential social and financial implications, and the ability of the proposed facilities to meet the demand generated by the incoming residents.

The applicant will need to make a written application to Council, including full documentation and justification of the variation. The acceptance of an application will be at Council's discretion and will only be provided in exceptional circumstances.

2.11 Payment of the Contribution

The payment of contributions is required as follows:

- Development applications involving subdivision – prior to the release of the subdivision certificate.
- Development applications involving building work – prior to the release of the construction certificate.
- Development applications involving both subdivision and building work – prior to the release of the construction certificate, or the release of the subdivision plan, whichever occurs first.

- Development applications where no subdivision or building approval is required – prior to the issue of development consent or issue of the occupation certificate.
- Applications for Caravans, Mobile Homes, and similar developments - prior to approval to operate under Section 68 of the Local Government Act, 1993.
- Complying development- prior to the issue of the complying development certificate. Certifying authorities should ensure compliance with Section 146 of the Environmental Planning and Assessment Regulation.

The amount of any monetary contribution to be paid will be imposed as a condition of consent. The contribution rate payable will be indexed in accordance with the applicable CPI rate at the time of payment.

2.11.1 Construction Certificates

Certifying authorities must ensure that a receipt(s) confirming that contributions have been paid is to be included with the certified plans provided to the Council in accordance with Clause 142(2) of the Environmental Planning and Assessment Regulation. Failure to follow this procedure may render such a certificate invalid.

An exception to this requirement is where a WIK, MPB, dedication of land, or deferred arrangement has been agreed and confirmed in writing by the Council.

2.11.2 Goods and Services Tax

Monetary Section 7.11 development contributions are exempt from the Federal Government Goods and Services Tax (GST).

2.11.3 Adjustment and “indexing” of Contribution Rates

The indexing of contributions is important to underpin the financial viability of the Contributions Plan. The indexing of contributions is important given the effects of inflation on construction costs, plan administration and other factors, and the adverse effects of land value escalation over time.

Council will index the contribution rates indicated in this Plan, on an annual basis, with reviewed rates to apply from the first working day of July.

The Clause 207 of the *Environmental Planning and Assessment Regulation 2021* allows a development contributions plan to revise the rates of Section 7.11 monetary contributions set out in the plan to reflect quarterly or annual variations to:

- Readily accessible index figures adopted by the Plan (such as a Consumer Price Index), or
- Index figures prepared by or on behalf of the Council from time to time that are specifically adopted by the Plan,

This Plan adopts the [Consumer Price Index \(All Groups\)](#) for Sydney, which is published by the Australian Bureau of Statistics as the basis for indexation of the non-land contribution rates in this Plan.

Contribution amounts will be calculated at the time development consent is granted. The contributions amounts imposed in a condition of development consent will be adjusted to reflect the applicable contribution rates at the time of the payment and not at the date of the approval of the development.

Non-land Contributions

Adjustments to the non-land contributions amount in a consent will be made as follows:

Contribution payable (CP) = CD x CPI 2

CPI 1

where:

CP is the amount of the contribution calculated at the time of payment

CD is the amount of the original contribution imposed as a condition of the development consent

CPI 2 is the Consumer Price Index Number (Sydney All Groups) available at the date of payment

CPI 1 is the Consumer Price Index Number (Sydney All Groups) available at the date of development consent.

The current contribution rates are published by Council and are available from Council Offices.

Land Contributions

When land is to be acquired or an easement sought over land, the current market value of this land would be assessed at the time of acquisition or determination of compensation with regard to current market conditions, the availability of services, appropriate heads of compensation, and the provisions of the Land Acquisition (Just Terms Compensation) Act 1991 No 22.

Non-land contributions will be reviewed quarterly in accordance with the following formula:

$$\text{Revised Contribution Rate (RC)} = \text{IC} \times \frac{\text{CPI 2}}{\text{CPI 1}}$$

where:

IC is the initial contribution rate at the time of adoption of the Plan, expressed in dollars

CPI 2 is the Consumer Price Index Number (Sydney All Groups) available at the time of the review

CPI 1 is the Consumer Price Index Number (Sydney All Groups) available at the date of adoption of the Plan, or its subsequent amendment.

2.12 Reassessment of Contributions

A written application may be made to Council for the reassessment of the development contribution payable. This may result in no change, or in the contribution being reduced or waived or modified.

Where a condition of development consent has already been imposed requiring the payment of a contribution, the applicant will need to lodge an application to review the consent in accordance with Section 8.2 or Section 4.55 of the *Environmental Planning and Assessment Act 1979*, as amended.

The application must provide sufficient information to satisfy Council of the inappropriate nature of the contribution and identify the implications to Council of reducing or waiving the contribution.

2.13 Pooling of levies

This Plan authorises monetary contributions paid for different purposes in accordance with development consent conditions authorised by this plan and any other contributions plan approved by the Council to be pooled and applied progressively for those purposes.

The priorities for the expenditure of pooled monetary contributions under this Plan is the timing of infrastructure provision as set out in the works schedule of this plan in Appendix C.

Any monies that were paid and required to be paid under any previous Plan (noted in Section 1.6) may be pooled with contributions under this Plan and applied to the works schedule in this Plan.

2.14 Review of the Plan

Regular reviews of this Plan will be undertaken to ensure its appropriateness.

A major review of this Plan is anticipated every five (5) years from the date of commencement of the Plan

2.15 Funding and Timing of Works

Public amenities, services, and infrastructure are required at the time demand is created, which may be before completion of development and before sufficient contributions are received. Council's ability to forward fund these public amenities, services, and infrastructure is limited, and consequently their provision is largely contingent upon the availability of contributions. Pooling of funds to assist with the provision of infrastructure will be considered and used when necessary.

To provide a strategy for the implementation of the public amenities, services, and infrastructure levied for in this Plan, and to use contributions in the most effective manner, the individual work schedules may be re-prioritised. This will consider development trends, population characteristics, existing funds, funds from other sources (where required), and anticipated revenue flows.

2.16 Management Costs of the Plan

The costs associated with the preparation, administration, periodic review, and management of this Plan are included in the contribution rate. These costs are shown separately in the rates schedule, and the method of calculation is described in Part 4. Studies have been undertaken to determine the demand arising from the proposed development, and the design and costings of works included in the Plan are also shown and included in the contribution rate.

The Plan Administration and Management elements of the contribution rate still apply where an MPB or WIK agreement is negotiated between a developer and the Council, to cover Council's costs of Plan review and other costs associated with administering the MPB or WIK.

Explanation of Contribution Formulae

The below formula is used in this Plan to calculate the contribution rate applicable to a specific service or facility. The contribution rate is a function of the total cost of the facility divided by the demand for that facility multiplied by the apportionment factor, as shown below:

$$\text{Facility cost (\$) x AF}$$

$$\text{Contribution (\$) = Demand}$$

where:

Facility Cost = total cost of providing the facility including land and capital costs

Demand = projected population increase or the anticipated increase in the number of lots over the life of the Plan

AF = apportionment factor based on existing and projected demand

2.17 Allowances for existing development

An allowance is to be made for demand generated by existing development at the following rates:

- Dwelling houses and single vacant allotments = 2.5 persons or 1 lot credit.

In the case of West Denman, this allowance generally takes the form of a "credit" for each existing dwelling, or vacant allotment with an unused dwelling entitlement, on the land subject to a development application.

2.18 Occupancy rates

Demand for public amenities, services and infrastructure has been generally calculated in this Plan based on the number of residents. The projected residential population has been determined by applying an average number of people per dwelling or lot.

The dwelling density or number of residents has been calculated based on the *Australian Bureau of Statistics* (ABS) Census data for 2021.

Rooms in dwellings capable of being used as a bedroom, such as a 'study', 'office' or 'sewing room' will be considered as a bedroom for the basis of calculating contributions.

Occupancy Rates	Number of Persons
One Bedroom	1.5
Two Bedroom	2.0
Three Bedroom (+) Dwelling or Per Lot	2.5

3. Nexus

Nexus refers to the relationship between the proposed development and the demand for public facilities and services created by the development. A contribution levied must be for an increased demand for a public facility or service that is caused by the development. There are three aspects to nexus:

- Causal nexus (what): Development will generate additional demand for community infrastructure and public services.
- Spatial nexus (where): Infrastructure will be located to directly serve the West Denman community.
- Temporal nexus (when): Infrastructure will be delivered in a timely manner to benefit the contributing development.

Greenfield development relies on the construction of infrastructure. New residential development in West Denman will result in a demand for the provision of a range of Council-provided open space, shared pathways/cycleways, roadworks and drainage, recreational and sporting facilities to meet the needs of the new population. Infrastructure requirements to meet these needs are detailed within the works schedules of this plan based on the demand from new development

3.1 Expected Development Types & demand for additional Infrastructure

The expected development in the West Denman Urban Area will be predominantly low-density residential development and associated development such as aged care facilities, child care centres, etc. This development is expected to increase demand for community facilities, open space, transport infrastructure, and stormwater management to meet the needs of an anticipated 1875 residents. Contributions under this Plan ensure that new development funds a fair share of the infrastructure required to support it.

The public amenities, services, and infrastructure for which Council will require development in the West Denman Urban Release Area to contribute towards include the following:

- Open space and recreation facilities;
- Community facilities;
- Transport; and
- Stormwater and drainage.

Details of the specific infrastructure items, cost estimates, and delivery timing are provided in Section 4.

3.2 Apportionment

The projects/items detailed within the works schedules of this plan have been designed to meet the demands of the future development of Muswellbrook Shire.

Consideration has been given to the existing infrastructure, the quality of that infrastructure, and whether it adequately meets the needs of the existing population. If it does, and it is deemed a new facility/item of infrastructure is only required to meet the needs of the future population, then it is appropriate that the facility/item of infrastructure be funded through future development. In these cases, 100 per cent of the cost of the facility/item of infrastructure will be apportioned to new development.

In cases where it is deemed that a new or augmented facility/item of infrastructure is not fully attributable to new development, for example, where facilities and traffic routes require upgrades to also cater for the existing population, in addition to new development, then the facility/item of infrastructure will be apportioned accordingly. For most facilities, the apportionment rate is obtained by comparing the percentage of existing population to the total projected population for that catchment. That is, the percentage of existing population that is served by the facility will be borne by Council, and the percentage attributable to new development is the Apportionment Factor that will be borne by development.

3.3 Recoupment

Council may levy contributions for the recoupment of the cost of providing public infrastructure that has already been constructed or funded by Council or a developer, where that infrastructure provides benefit to future development within the Contributions Area.

Where a developer has provided infrastructure identified in this Plan that benefits other developments, Council may enter into a planning agreement or works-in-kind arrangement to enable recoupment of the proportional costs from future developments that benefit from that infrastructure.

The cost eligible for recoupment will be determined based on the reasonable cost of works, as accepted by Council, less any contributions or credits already applied.

Council will identify and manage recoupable works through a register of forward-funded or over-delivered infrastructure items, to ensure transparency and equitable reimbursement over time.

4. Calculating Development Contributions

Note: None of the proposed changes under this Contributions Plan involves an increase to the overall contributions payable under the West Denman *Section 94 Contributions Plan 2012*. The funds have only been redirected to more relevant projects, as the original works identified in the previous plan have already been completed through other funding sources.

4.1 Land Acquisition

Council's objective is to ensure that the funds Council receives for land acquisition from Section 7.11 contributions are equivalent to the amount required to fund the purchase of all the land and the creation of easements identified for acquisition in the Plan. Costs associated with land acquisition and creation of easements are to be included in the determination of contribution rates.

When land is to be acquired or an easement is to be created, the current market value of this land or the value of the easement will be assessed at the time of acquisition or creation of the easement or determination of compensation with regard to current market conditions, the availability of services, appropriate heads of compensation, and the provisions of the [Land Acquisition \(Just Terms Compensation\) Act 1991](#), and a contribution rate determined accordingly.

As the exact future market value cannot be known, Council:

1. Estimates the current market value of the land required for public facilities; and
2. Applies the Consumer Price Index (CPI) or another relevant index to ensure the contribution maintains its real value over time.

The Table below outlines the estimated land acquisition cost for the relevant projects outlined in the sections above.

Project ID	Facility	Cost	Apportionment	Contribution
L-01	Local Park (1ha)	\$450,000	100%	\$450,000
L-02	Multipurpose Community Space	\$300,000	100%	\$300,000
L-03	New Road (T-05)	\$235,000	100%	\$235,000
L-04	Easement for Stormwater	\$40,000	100%	\$40,000
	TOTAL			\$1,025,000

The contribution formula for Land Acquisition is:

$$\frac{\text{Total Apportioned Cost of Land}}{\text{Benefiting Number of People}} = \frac{\$1025,000.00}{1,875}$$

$$= \$546.67 \text{ contribution rate per person}$$

On the basis of the \$546.67 contribution rate per person, the Contributions for Land Acquisition are calculated as follows

Type of development	Contribution Per Person	X	Occupancy Rate	Contribution
One Bedroom Dwelling	\$546.67	X	1.5	\$820.00
Two Bedroom Dwelling	\$546.67	X	2.0	\$1,093.34
Three Bedroom Dwelling or Per Lot	\$546.67	X	2.5	\$1,366.67

4.2 Open space and recreation facilities

Development contributions for open space and recreation facilities are calculated based on the additional demand created by new development and the cost of providing facilities to meet that demand. Council first determines the expected population increase within the contributions area, based on forecast dwelling yields and occupancy rates. This new population is then converted into open space and recreation needs using Council's adopted planning standards—for example, 2.83 hectares of open space per 1,000 residents, consistent with the Department of Planning's "Recreation and Open Space Planning Guidelines for Local Government (2010)" to determine the provision of open space and recreation facilities.

For a projected population increase of 1,875 people, the open space requirement is calculated as:

$$1,875 \text{ people} \times \frac{2.83 \text{ ha}}{1000 \text{ people}} = 5.3 \text{ hectares}$$

Rather than requiring the dedication of 5.3 hectares of land for open space and other recreation infrastructure to meet the demand created on the basis of benchmarks, this Plan proposes the provision of the following facilities to meet the requirements of future population within the West Denman Urban Release Area:

4.2.1 Local Park/ Playground

A local park of at least 1 hectare will be provided within the Urban Release Area, designed in accordance with the Department's *Recreation and Open Space Guidelines 2010*. The park will serve as a key community gathering space and provide recreational opportunities for all age groups, and will include a picnic shelter and seating, rubbish receptacles, shade structures, a kick-about area, concrete pathways, a drinking fountain, and a playground suitable for children and teenagers, incorporating a Council-approved safety surface and play equipment.

The estimated cost of the facility is \$422,000 plus the land component of 1 hectare, which is estimated to be approximately \$400,000. The Park is to be located relatively central to the West Denman Urban Release Area, ensuring that most dwellings are within a comfortable walking distance. Where possible, the park should adjoin the drainage reserve to enhance connectivity with open space corridors and be positioned along a public road to promote passive surveillance and accessibility. An approximate location of the proposed park has been provided on Appendix B – Maps and Plans.

4.2.2 Upgrade to Denman Recreation Area

The proposed upgrades to the Denman Recreation Area under the previous contributions Plan have been carried out via alternative funding. The contributions previously allocated for upgrades to the Denman Recreation Area will instead be redirected to support other relevant community and recreation initiatives within the Denman Urban Release Area. While specific projects have not yet been identified, these funds will continue to be used in a manner consistent with the objectives of the contributions plan, ensuring they support local infrastructure, open space, and recreational outcomes that benefit the community. A register will be maintained to record the allocation and use of these funds, and the contributions plan will be updated once new projects are identified to ensure transparency and alignment with planning objectives.

4.2.3 Calculation of Contribution

The costs attributable for the provision of new open space, recreation, and sporting facilities are comprised of capital costs for the construction and/or embellishment of the various types of recreation facilities as outlined above. Further details are supplied in Appendix C - Works Schedule of this Plan.

For the expected population increase of approximately 1,875 people the following facilities will be required:

Project ID	Facility	Cost	Apportionment	Contribution
OS-01	Local Playground	\$422,000	100%	\$422,000
OS-02	Upgrade to Denman Recreation Area	\$393,000	100%	\$393,000
	TOTAL			\$815,000

The contribution formula for Open Space, Recreation & Sporting Facilities is:

$$\frac{\textit{Total Apportioned Capital Cost of Facilities}}{\textit{Benefiting Number of People}} = \frac{815,000}{1,875}$$

= \$434.67 contribution rate per person

Based on the \$434.67 contribution rate per person, the Contributions for Open Space, Recreational and Sporting Facilities are calculated as follows

Type of development	Contribution Per Person	X	Occupancy Rate	Contribution
One Bedroom Dwelling	\$434.67	X	1.5	\$652.00
Two Bedroom Dwelling	\$434.67	X	2.0	\$869.34
Three Bedroom Dwelling or Per Lot	\$434.67	X	2.5	\$1,086.67

4.3 Community facilities

The development of the West Denman Urban Release Area (URA) is expected to accommodate an additional 1,875 residents, placing increased demand on existing community facilities, amenities, and services. While this growth will more than double Denman’s 2021 population of 1,821, it is not anticipated that new dedicated community facilities will be required. Instead, the capacity of existing facilities will be enhanced where possible to meet the needs of the expanding population.

The *West Denman Section 94 Contributions Plan 2012* identified the need for an additional multipurpose community space and childcare centre. However, the existing childcare centre at Denman Oval has been upgraded with alternative funding sources, and an additional facility is no longer required.

As a result, contributions previously allocated for the additional facility will be redirected to support the upgrade of other community facilities outlined in this plan. A register will be maintained to record the allocation and use of these funds, and the Contributions Plan will be updated once new projects are identified to ensure transparency and alignment with community needs.

Note: The proposed changes do not increase the overall contributions payable under the *West Denman Section 94 Contributions Plan 2012*. The funds have only been redirected to more relevant projects, as the original works identified in the previous plan have already been completed through other funding sources.

4.3.1 Calculation of Contributions

The costs attributable for the provision of the community facilities are comprised of capital costs for the construction and / or embellishment of the various types of community facilities as outlined above. Further details are supplied in Appendix C- Works Schedule of this Plan.

For the expected population increase of approximately 1,875 people the following facilities will be required:

Project ID	Facility	Cost	Apportionment	Contribution
C-01	Multipurpose Community Space	\$1,030,000.00	100%	\$1,030,000.00
	TOTAL			\$1,030,000.00

The contribution formula for Open Space, Recreation & Sporting Facilities is:

$$\frac{\textit{Total Apportioned Capital Cost of Facilities}}{\textit{Benifiting Number of People}} = \frac{1,030,000}{1,875}$$

$$= \$549.33 \textit{ contribution rate per person}$$

On the basis of the \$549.33 contribution rate per person, the Contributions for Community Facilities are calculated as follows:

Type of development	Contribution Per Person	X	Occupancy Rate	Contribution
One Bedroom Dwelling	\$549.33	X	1.5	\$824.00
Two Bedroom Dwelling	\$549.33	X	2.0	\$1,098.66
Three Bedroom Dwelling or Per Lot	\$549.33	X	2.5	\$1,373.33

4.4 Transport Infrastructure

The *West Denman Section 94 Contributions Plan 2012* identified the need for certain transport and road infrastructure upgrades to support the projected population growth. Since that time, several key transport improvements have been completed through alternative funding sources, reducing the need for some of the originally planned works.

Council has therefore reviewed the Plan and removed the works that were completed through other funding sources, therefore reducing the overall contribution for Transport Infrastructure.

The impact of the development of the West Denman Urban Release Area includes:

- Intensification of development.
- Increased traffic movements along Almond Street and several other streets that connect Almond Street to the Town Centre, the Golden Highway, and a range of other important destinations within the town.
- Increase traffic and pedestrian movements across two existing railway crossings of the Ulan-Muswellbrook railway.
- Increased turning movements onto the Golden Highway at Kenilworth Street and Crinoline/Palace Streets.
- A need for emergency access to the Golden Highway to the north of the Urban Release Area.
- A need for cyclists and pedestrians to safely access the existing urban area, including the school, Recreation Area, and Town Centre.

Council has resolved to extend the footpath network to improve local connectivity. The cost of the works is to be apportioned equally, with 50% funded by the West Denman URA and 50% funded by Council.

A summary of proposed Road, Traffic, Drainage, and Stormwater Management infrastructure works and costs within the West Denman Contributions Urban Release Area are shown below:

Project ID	Facility	Cost	Apportionment	Contribution
T-01	Upgrade Almond Street/ Golden Highway Intersection (Emergency Access)	\$86,000	100%	\$86,000
T-02	Upgrade Almond Street (minor)	\$528,000	100%	\$528,000
T-03	Upgrade Almond Street (major)	\$4,500,000	100%	\$4,500,000
T-04	Roundabout Installation x2	\$60,000	100%	\$60,000
T-05	Construct New Local Road (Kenilworth Street to Almond Street)	\$1,050,000	100%	\$1,050,000
T-06	Upgrade Railway Crossing including pedestrian gates (Kenilworth Street)	\$90,000	100%	\$90,000
T-07	Upgrade railway crossing including vehicular and pedestrian gates (Ogilvie Street)	\$815,000	0% (Carried out by ARTC)	\$0
T-08	Upgrade Highway Intersection (Crinoline/Palace streets and Denman Road)	\$1,483,000	0% (Carried out with grant funding)	\$0
T-09	Upgrade Highway intersection (Kenilworth Street and Denman Road)	\$479,000	100%	\$479,000
T-10	Off-road shared pedestrian path/cycleway (Almond Street to Denman Rec Area)	\$318,000	100%	\$318,000
T-10 A	Extension to Eastern Entrance	\$110,220	50%	\$55,110
11	Off-road shared pedestrian path/cycleway (Almond Street to School)	\$490,000	100%	\$490,000
T-11 A	Extension to Merton Street	\$70,950	50%	\$35,470
	TOTAL			\$7,691,585.00

Note: The above updated cost estimates were calculated using CPI adjustments under the *Denman Contributions Plan 2010, IPART benchmark costs for local infrastructure* (4 April 2025), and rounded down to simplify presentation.

The contribution formula for Transport Infrastructure is:

$$\frac{\text{Total Apportioned Capital Cost of Infrastructure}}{\text{Benefiting Number of People}} = \frac{\$7,691,585}{1,875}$$

$$= \$4,102.18 \text{ contribution rate per person}$$

On the basis of the \$4,102.18 contribution rate per person, the Contributions for Open Space, Recreational and Sporting Facilities are calculated as follows

Type of development	Contribution Per Person	X	Occupancy Rate	Contribution
One Bedroom Dwelling	\$4,102.18	X	1.5	\$6,153.27

Two Bedroom Dwelling	\$4,102.18	X	2.0	\$8,204.36
Three Bedroom Dwelling or Per Lot	\$4,102.18	X	2.5	\$10,255.45

4.5 Stormwater and drainage Infrastructure

Under the *West Denman Development Contributions Plan 2012*, a stormwater and traffic management study identified that the existing stormwater system in Denman was under capacity. The study recommended several improvements to the stormwater system, intended to be funded through the Contributions Plan.

During the review of the Plan, Council officers noted that the *Muswellbrook Shire Development Control Plan (DCP) 2009* requires stormwater management measures in all new subdivisions to ensure that post-development stormwater flows are equal to or less than pre-development conditions. As all subdivision developments in the Denman Urban Release Area will comply with this requirement, there is no net increase in stormwater flow resulting from the development.

One of the required easements has already been purchased as required under the previous Plan and, therefore, only this has been included in the current Plan for recoupment of costs. No additional contributions are required for stormwater or drainage infrastructure in relation to the Denman Urban Release Area development.

Project ID	Facility	Cost	Apportionment	Contribution
ST-01	Stormwater Channel 24 m wide and Pipe culvert upgrade	\$102,651.53	100%	\$102,651.53
	TOTAL			\$102,651.53

The contribution formula for Transport Infrastructure is:

$$\frac{\text{Total Apportioned Capital Cost of Infrastructure}}{\text{Benefiting Number of People}} = \frac{\$102,651.53}{1,875}$$

$$= \$54.75 \text{ contribution rate per person}$$

On the basis of the \$54.75 contribution rate per person, the Contributions for Open Space, Recreational and Sporting Facilities are calculated as follows

Type of development	Contribution Per Person	X	Occupancy Rate	Contribution
One Bedroom Dwelling	\$54.75	X	1.5	\$82.12
Two Bedroom Dwelling	\$54.75	X	2.0	\$109.50
Three Bedroom Dwelling or Per Lot	\$54.75	X	2.5	\$136.87

4.6 Plan Management and Administration

Costs included in this plan for management and administration are determined based on the IPART benchmark of an allowance equivalent to 1.0% of the cost of capital works that are to be met by development approved under this plan.

The contribution formula for plan preparation and administration for residential development can be expressed as follows:

$$\frac{\textit{Total AppORTioned Cost of Works \& Land Acquisition}}{\textit{Benifiting Number of People}} = \frac{\$10,664,236.53}{1,875} \times \frac{1}{100}$$

On the basis of the \$56.88 contribution rate per person, the Contributions Plan management and administration are calculated as follows:

Type of development	Contribution Per Person	X	Occupancy Rate	Contribution
One Bedroom Dwelling	\$56.88	X	1.5	\$85.31
Two Bedroom Dwelling	\$56.88	X	2.0	\$113.75
Three Bedroom Dwelling or Per Lot	\$56.88	X	2.5	\$142.19

Appendix A - Definitions

Term	Definition
ABS	The Australian Bureau of Statistics.
Bedroom	Any enclosed habitable room within a dwelling that is capable of being used for sleeping purposes, including any study or similar utility room. <div style="border: 1px solid black; padding: 5px; margin: 5px 0;"> <p>Note: Council may use discretion to determine whether a particular room is to be regarded as a bedroom for the purposes of this definition by having regard to the nature of the design and/or layout of the room and its situation in the building.</p> </div>
Consent Authority	NSW State or Muswellbrook Shire Council.
Catchment	A geographic or other defined area to which a contributions plan applies.
Council	Muswellbrook Shire Council
EP&A Act	Environmental Planning and Assessment Act 1979 (NSW)
EP&A Regulation	Environmental Planning and Assessment Regulation 2021 (NSW)
Home based business	home-based childcare, home occupation, home occupation (sex services), home business or home industry, each as defined in the MLEP 2009.
IPART	NSW Independent Pricing and Regulatory Tribunal.
LGA	Local Government Area
Local infrastructure	public infrastructure, facilities, amenities and services serving a local or district level need.
Material public benefit (MPB)	A MPB can consist of either a works in kind or the provision of certain public amenities or services that are not scheduled within a contributions plan in lieu of the part or full payment of either a monetary contribution or the dedication of land that is required as a condition of development consent.
Nexus	The relationship between expected types of development in the area and the demand for additional public facilities to meet that demand.
Voluntary Planning Agreement (VPA)	A voluntary planning agreement referred to in s7.4 of the EP&A Act.
MLEP 2009	Muswellbrook Local Environmental Plan 2009
Works-in-kind (WIK)	The construction or provision of the whole or part of a local infrastructure item that is identified in a works schedule in a contributions plan.
URA	Urban Release Area

Appendix B - Maps & Plans

Figure 2: Approximate Location of Local Park

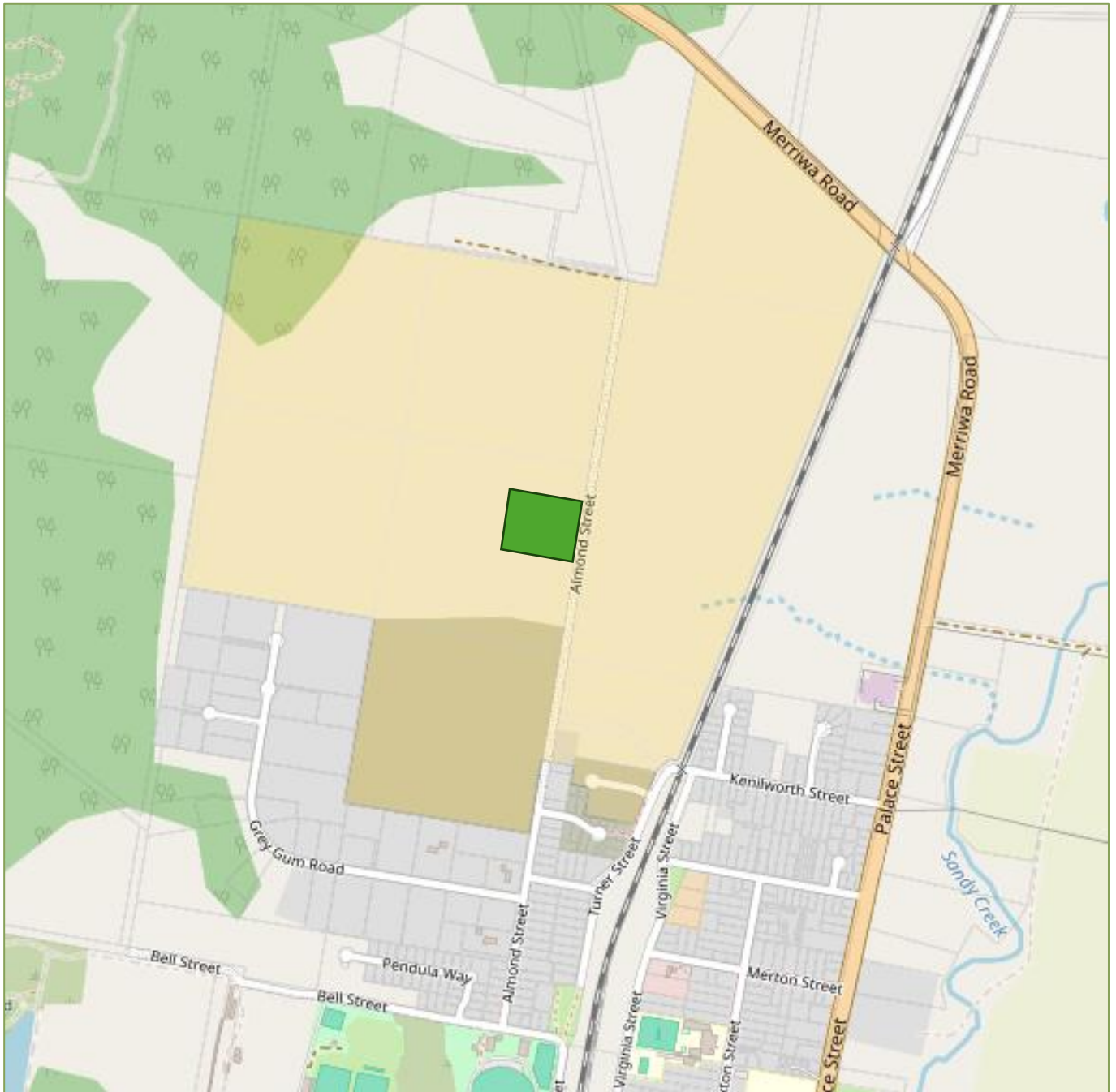
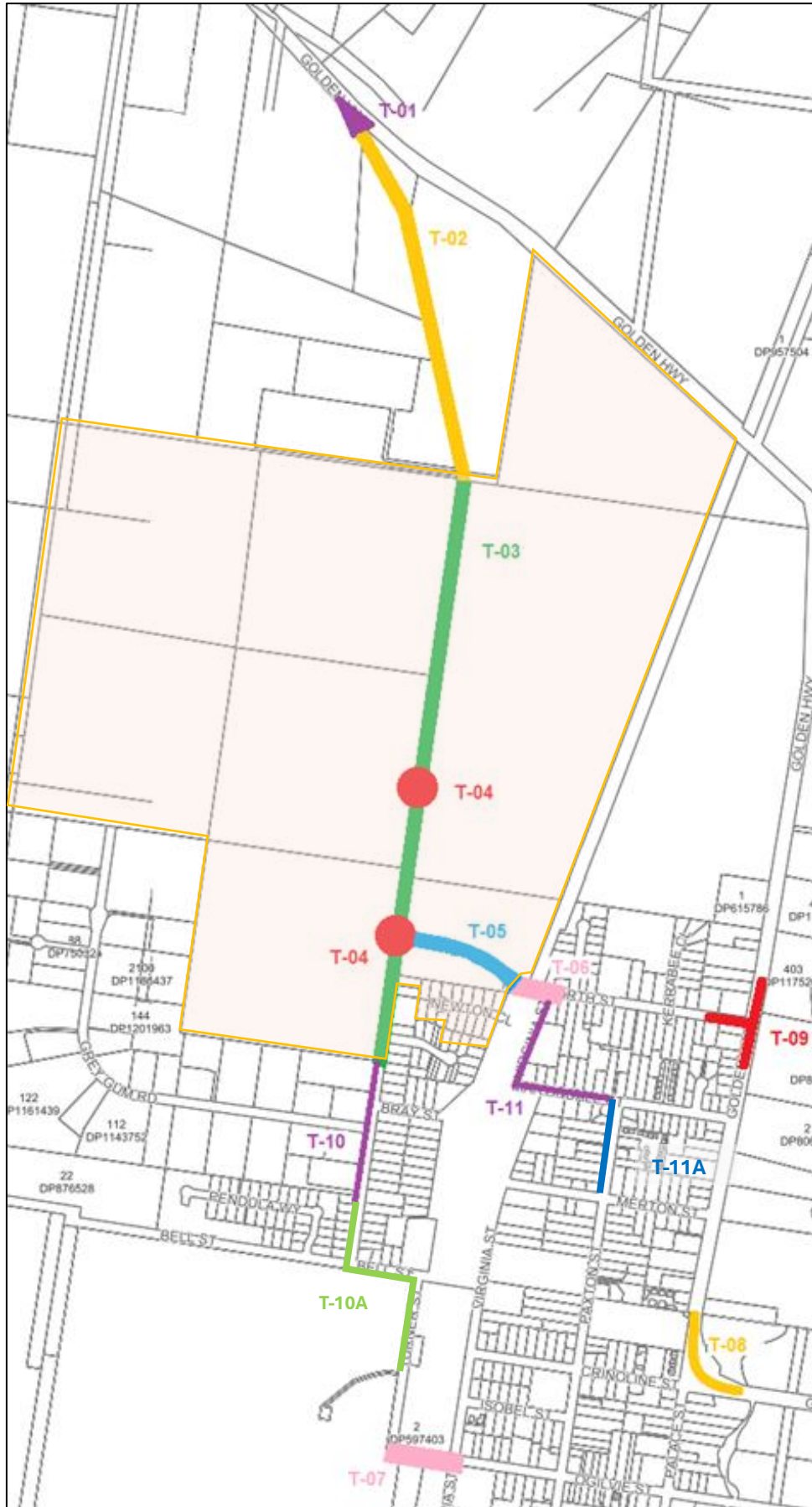


Figure 3: Proposed Transport Infrastructure Location



Appendix C - Works Schedule

Land Acquisition

Project ID	Name	Cost	Apportionment	Delivery Timeframe
L-01	Local Park	\$450,000	100%	
L-02	Multipurpose Community Space	\$300,000	100%	
L-03	Roads	\$235,000	100%	
L-04	Easement for Stormwater	\$40,000	100%	Completed
	TOTAL	\$1,025,000		

Open Space and Recreation Facilities

Project ID	Name	Cost	Apportionment	Delivery Timeframe
OS-01	Local Playground	\$422,000	100%	
OS-02	Upgrade to Denman Recreation Area	\$393,000	100%	
	TOTAL	\$815,000		

Stormwater Infrastructure

Project ID	Name	Cost	Apportionment	Delivery Timeframe
ST-01	Stormwater Channel 24 m wide and Pipe culvert upgrade	\$102,651.53	100%	Completed
	TOTAL	\$102,651.53		

Community Facilities

Project ID	Name	Cost	Apportionment	Delivery Timeframe
C-01	Multipurpose Community Space	\$1,030,000	100%	
	TOTAL	\$1,030,000		

Transport Facilities

Project ID	Name	Cost	Apportionment	Delivery Timeframe
T-01	Upgrade Almond Street/ Golden Highway Intersection	\$86,000	100%	
T-02	Upgrade Almond Street (minor)	\$528,000	100%	
T-03	Upgrade Almond Street (major)	\$4,500,000	100%	
T-04	Roundabout Installation x2	\$60,000	100%	
T-05	Construct New Local Road (Kenilworth Street to Almond Street)	\$1,050,000	100%	
T-06	Upgrade Railway Crossing including pedestrian gates (Kenilworth Street)	\$90,000	100%	

T-07	Upgrade railway crossing including vehicular and pedestrian gates (Ogilvie Street)	\$0	0%	
T-08	Upgrade Highway Intersection (Crinoline/Palace streets and Golden Highway)	\$0	0%	
T-09	Upgrade Highway intersection (Kenilworth Street and Golden Highway)	\$479,000	100%	
T-10	Off-road shared pedestrian path/cycleway (Almond Street to Denman Rec Area) + Extension to Eastern Entrance (Bell St)	\$318,000 + \$55,110	100% + 50%	
T-11	Off-road shared pedestrian path/cycleway (Almond Street to School) + Extension to Merton Street	\$490,000 + \$35,470	100% +50%	
	TOTAL	\$7,691,585.00		