

ATTACHMENTS DISTRIBUTED UNDER SEPARATE COVER

**CCL 24/08/2021 - PUBLIC EXHIBITION OF CITY OF NEWCASTLE
DRAFT DEVELOPMENT CONTRIBUTIONS PLANS**

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**CCL 24/08/2021 - PUBLIC EXHIBITION OF CITY OF NEWCASTLE
DRAFT DEVELOPMENT CONTRIBUTIONS PLANS**

ITEM-88 **Attachment A:** Draft Section 7.11 Development Contributions
Plan

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Draft Section 7.11 Development Contributions Plan



Acknowledgment

City of Newcastle acknowledges that we operate on the grounds of the traditional country of the Awabakal and Worimi peoples.

We recognise and respect their cultural heritage, beliefs and continuing relationship with the land and waters, and that they are the proud survivors of more than two hundred years of dispossession.

City of Newcastle reiterates its commitment to address disadvantages and attain justice for Aboriginal and Torres Strait Islander peoples of this community.

This Section 7.11 Development Contributions Plan has been prepared by DFP Planning Pty Ltd



planning consultants

in association with the City of Newcastle

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Abbreviations

ABS	Australian Bureau of Statistics
CC	construction certificate
CDC	complying development certificate
Council	Newcastle City Council
DA	development application
DCP	development control plan
DPIE	NSW Department of Planning, Industry and Environment
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
EP&A Regulation	<i>Environmental Planning and Assessment Regulation 2000</i>
FSR	floor space ratio
GFA	gross floor area
LEP	local environmental plan
LGA	local government area
LSPS	Local Strategic Planning Statement
PA	planning agreement
RMS	NSW Roads and Maritime Services
SC	Subdivision Certificate
SEPP	state environmental planning policy

Executive Summary

Purpose and Objectives of the Plan

This Plan is the **City of Newcastle Section 7.11 Development Contributions Plan 2021-2036** and has been prepared to satisfy the requirements of the *Environmental Planning and Assessment Act 1979* and *Environmental Planning and Assessment Regulation 2000*, enabling Council or an accredited certifier to impose conditions of consent requiring monetary contributions from development for the provision of transport and social infrastructure that is required to meet the demands of that development.

In order to impose a condition of development consent requiring contributions, Council must be satisfied that the proposed development will or is likely to require the provision of or increase the demand for the infrastructure for which the contribution is being required.

This Plan will ensure that adequate transport and social infrastructure is provided to meet the demands generated by new development and that the existing community is not burdened by the provision of transport and social infrastructure required as a result of future development.

In addition, this Plan provides an administrative framework under which specific infrastructure strategies may be implemented and coordinated and a comprehensive strategy for the assessment, collection, expenditure, accounting and review of development contributions on a reasonable and equitable basis. In this way, Council can be publicly and financially accountable in its assessment and administration of the Plan.

Nature of future development

Between 2021 to 2036, there is forecast to be approximately 23,740 additional residents in the City of Newcastle Local Government Area (LGA) accommodated within approximately 11,520 private dwellings.

This future residential population will create a demand for new, enhanced or augmented transport and social infrastructure and hence this Plan sets out a framework to require future development to make reasonable contributions toward the cost of the infrastructure identified in this Plan.

Life of the Plan

The Plan caters for a planning period from 2021 to 2036 with this period generally aligning with various NSW State Government and Council strategies and being within the horizon of residential population forecasts utilised by Council for planning and infrastructure purposes.

The Plan will be monitored during this time to ensure that transport and social infrastructure is provided as development proceeds and to amend the Plan if necessary, as it is unlikely that growth will remain exactly in accordance with that forecast in the Plan.

The cost estimates and land values within the Plan will be indexed between the date of adoption of this Plan and the date of payment of the contribution. Cost estimates and land values will also be monitored during the life of the Plan to ensure that they reflect current costs and if necessary, amendments will be made to the Plan.

Apportionment of costs

To ensure that the required contributions only relate to the demand generated by a proposed development, the cost of some facilities in this Plan are apportioned to account for demands of the existing population. However, where the demand for facilities is solely as a consequence of future development, the full costs of those facilities are to be borne by future development.

This Plan also accounts for the varying demands generated by different types of development. For instance, different forms of residential development are anticipated to have different occupancy rates and contributions have been calculated accordingly.

Executive Summary

Summary of contributions by infrastructure type

Table E1 summarises the facilities for which contributions are sought under this Plan and the base upon which contributions are to be sought, based on various calculations specified within this Plan (see Sections 4.1.5, 4.2.5, 4.3.5 and 4.4.5).

Table E1: Summary of contribution rates by infrastructure type		
Infrastructure Category	Base Factor to Generate Contribution Rate	Contribution (per person)
Transport	per person	\$1,078.87
Open Space and Recreation	per person	\$4,636.14
Community Facilities	per person	\$857.65
Plan Preparation and Administration	per person	\$164.08
	TOTAL	\$6,736.74

For the purposes of applying this Plan, the above rates are converted to a development type as set out in **Table E2**.

Summary of contributions by development type

Table E2 summarises the total contribution rates for typical development types as at the time that this Plan is publicly exhibited. The rates will be indexed after public exhibition so that they accurately reflect the costs at the date of commencement of the Plan.

The rates will be indexed between the date of commencement of the Plan and the date of payment (see **Section 2.6** for further details). A development consent or complying development certificate will reflect the indexed rate that applies at the date of consent.

Table E2: Summary of contribution rates by development type		
Development Type	Occupancy Rate^A	Contribution
Dwelling house / residential lot / exhibition home	2.65	\$17,852.37
Secondary Dwelling / Rural worker's dwelling	1.50	\$10,105.11
Studio / 1-bed apartment in a residential flat building or shop-top housing	1.50	\$10,105.11
2-bed apartment in a residential flat building or shop-top housing	1.60	\$10,778.79
3 or more bed apartment in a residential flat building or shop-top housing	1.95	\$13,136.65
Seniors housing ^B	1.82	\$12,260.87
Attached dwelling, dual occupancy dwelling, multi-dwelling housing, semi-detached dwelling	2.00	\$13,473.49
Other Development	See Note C	
Notes:		
A. These are the occupancy rates for future residential development (excluding existing development) to 2036.		
B. Excluding residential care facilities.		
C. Other development not specified in this table will be assessed in accordance with Section 1.5 and Section 1.6 of this Plan and the per person rates specified in Table E1 .		

Executive Summary

Summary of works schedule

The works to be provided by funds generated by this Plan are specified in the schedule of works at [Appendix B](#) and summarised in **Table E3**.

Table E3: Summary of works schedule	
Description	Cost to New Development
Transport	\$19,725,689
Open Space and Recreation	\$84,765,322
Community Facilities	\$15,681,000
Plan Preparation and Administration	\$3,000,000
TOTAL	\$123,172,011

Rounding differences

The figures in this report are subject to rounding differences. Minor discrepancies may occur due to differences between the calculated approximation of a number and its exact mathematical value. All end values (contribution rates) have been calculated through the master spreadsheet.

1 Introduction

1.1 Name of this Plan

This Plan is the **City of Newcastle Section 7.11 Development Contributions Plan 2021-2036** (the “Plan”).

1.2 Commencement of this Plan

This Plan has been prepared pursuant to the provisions of the *Environmental Planning and Assessment Act 1979* (the Act) and the *Environmental Planning and Assessment Regulation 2000* (the Regulation) and takes effect from **<INSERT DATE>**, being the date specified in the public notice, published pursuant to the Regulation.

1.3 Purpose and Objectives of this Plan

This Plan has been prepared to satisfy the requirements of the Act, which enables Council or an accredited certifier to require contributions from development for the provision of transport and social infrastructure that is required to meet the demands of that development.

Contributions may be in the form of a monetary contribution, dedication of land to Council or the provision of a material public benefit, which may include a work commonly referred to as a ‘work-in-kind’.

In order to impose a condition of development consent requiring contributions, Council must be satisfied that the proposed development will or is likely to require the provision of or increase the demand for the transport and social infrastructure for which the contribution is being required as detailed in the provisions of this Plan. Accordingly, the objectives of this Plan are to:

- (a) authorise Council or an accredited certifier to impose conditions under the Act when granting consent to development on land to which this Plan applies including Complying Development;
- (b) ensure that adequate transport and social infrastructure is provided to meet the demands generated by new development;
- (c) provide an administrative framework under which specific infrastructure strategies may be implemented and coordinated;
- (d) provide a comprehensive strategy for the assessment, collection, expenditure accounting and review of development contributions on an equitable basis;
- (e) ensure that the existing community is not burdened by the provision of transport and social infrastructure required as a result of future development; and
- (f) enable Council to be both publicly and financially accountable in its assessment and administration of the Plan.

1.4 Land to which the Plan applies

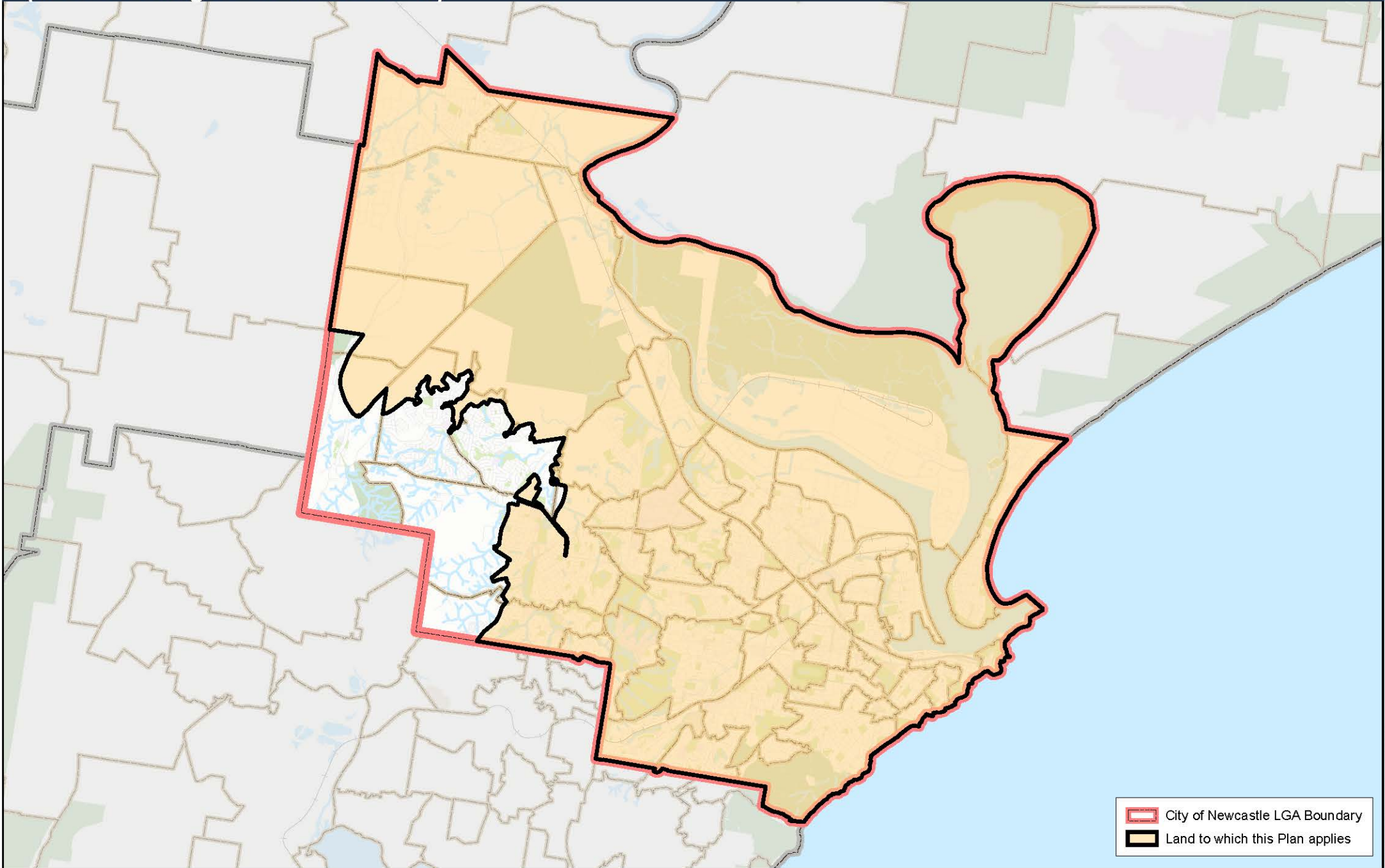
This Plan applies to all land shown on the Map (see **Figure 1**) which includes all land within the City of Newcastle LGA except for land to which the Section 7.11 Western Corridor Local Infrastructure Contribution Plan applies.

1.5 Development forms to which this Plan applies

This Plan applies to residential development which would result in the creation of additional private lots/dwellings except as provided by Section 1.6 of this Plan.

Where development is of a type not specifically stated in this Plan and is not explicitly exempt from this Plan, but which would result in additional demands for transport and social infrastructure, City of Newcastle will determine an appropriate residential occupancy rate and apply the per person rate as specified in **Table E1** of this Plan.

Figure 1 – Land Application Map – City of Newcastle LGA (not including Western Corridor)



DISCLAIMER: Although great care has been taken in the preparation of these documents/maps, City of Newcastle makes no representation or warranty as to the accuracy or completeness of any information contained in them. City of Newcastle accepts no responsibility for any misprints, errors, omissions or inaccuracies in these documents/maps or for loss or damages resulting from reliance on any information provided



Scale: 1:120,000 at A4



1 Introduction

1.6 Exemptions and Reductions

Council will provide an exemption from, or reduction to, development contributions required by this Plan when directed to do so by the Minister for Planning and Public Spaces or as specified in this Section.

At the date of commencement of this Plan, the prevailing Ministerial Directions¹ included the following relevant to the land to which this Plan applies:

1. No contributions for development undertaken by a 'social housing provider' for the purposes of 'seniors housing' as defined in *State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004*;
2. No contributions for an application determined by the City of Newcastle (or delegate) or accredited certifier for development on land within the 'Port of Newcastle Lease Area' as shown on the relevant Map within *State Environmental Planning Policy (Three Ports) 2013*;
3. A maximum of \$20,000 per dwelling or per lot for development comprising one or more dwellings or in the case of subdivision, the creation of one or more residential lots.

In addition, the following forms of residential accommodation are exempt from this Plan, although these forms of accommodation may attract a contribution under Council's s7.12 Contributions Plan:

- Boarding houses;
- Group homes;
- Hostels;
- Residential care facilities; and
- Student housing.

Council does not apply discounts to the payment of development contributions unless otherwise stated in this Plan.

1.7 Operation Period of the Plan

The Plan is intended to cater for a planning period 2021 to 2036 which is within the period for which residential population forecasts have been prepared.

The Plan will be monitored and if growth appears likely to occur earlier or later than forecast, the operation period of the Plan may be adjusted to suit.

1.8 Structure of this Plan

This Plan is arranged into four sections:

Section 1 – Introduction (this section), identifies the name of the Plan, its commencement date, the purpose, aims and objectives of the Plan, the land to which the Plan applies and the Plan's relationship to other plans, reports and policies.

Section 2 – Administration and operation of the Plan, outlines the scope of the Plan, the forms of development to which it applies, the types of transport and social infrastructure addressed by the Plan, describes how and when contributions are to be made and provides details regarding the ongoing management and review of the Plan.

Section 3 – Expected development and demand for transport and social infrastructure, outlines the forecast future development and basis for increased demand for facilities and services.

¹ Contributions required under this Plan will be in accordance with the Ministerial Directions in force at the date of determination of an application which may vary from those stated in this Plan.

1 Introduction

Section 4 – Transport and social infrastructure and contributions, provides details of each category of infrastructure in the Plan, including details of existing provision, nexus, what will be provided and when, apportionment and how contributions have been calculated.

The **Appendices** to this Plan include a Glossary which explains the meaning of words and terms used in this Plan, a detailed Works Schedule, maps showing the location of facilities, pro-forma conditions for development consents and Complying Development Certificates and a list of References including the plans, policies and other information which support the contents of the Plan.

1.9 Glossary

The meanings of key words and terms used in this Plan and are contained in the Glossary at **Appendix A**.

1.10 Relationship with other plans, reports and policies

The Section 7.12 Newcastle Development Contributions Plan 2020 will continue to apply to development applications determined prior to the date this Plan comes into force and any modification applications pursuant to s4.55 of the EP&A Act that have not been determined prior to the date this Plan comes into force.

The Plan supplements the provisions of and should be read in conjunction with the Act and Regulation, the City of Newcastle's prevailing Local Environmental Plan, Development Control Plan and other relevant plans and policies adopted by Council.

1.11 Savings and transitional arrangements

If a development application has been made before the commencement of this Plan in relation to land to which this Plan applies and the application has not been finally determined before that commencement, the application must be determined in accordance with the provisions of this Plan.

If a modification application pursuant to s4.55 of the Act has been made before the commencement of this Plan in relation to land to which this Plan applies and the application has not been finally determined before that commencement, the application must be determined as if this Plan had not commenced.

2 Administration of the Plan

2.1 Scope of this Plan

Between 2021 and 2036, there is forecast to be approximately 23,740 additional residents in the City of Newcastle Local Government Area (LGA) accommodated within 11,520 private dwellings and other residential accommodation such as boarding houses, group homes, hostels, residential care facilities and student housing (see **Section 3.3**).

This future development in the LGA will create a demand for new, enhanced or augmented transport and social infrastructure.

This Plan sets out the range of infrastructure considered necessary to cater for this demand and how future development proposals will be required to contribute to the cost of this infrastructure.

2.2 Types of transport and social infrastructure addressed by this Plan

Under this Plan, Council will require development contributions for the following transport and social infrastructure:

- Transport, including road, footpath and cycling infrastructure;
- Open space and recreation facilities including:
 - New and embellished public spaces and associated landscaping;
 - New and embellished recreation facilities;
- Community facilities including:
 - Libraries and resource materials; and
 - Community centres and halls;
- Preparation of this Plan and supporting studies; and
- Administration and management activities associated with this Plan.

2.3 How will contributions be imposed?

In accordance with the Act, development contributions under this Plan will be imposed as a condition of development consent (see **Appendix D**) or as a condition on a Complying Development Certificate (see **Appendix E**).

2.4 Methods of payment

In accordance with the Act, an obligation to provide contributions toward transport and social infrastructure can be satisfied by one or more of the following methods:

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

Generally, the method of payment will be specified as a condition of the development consent although Council may consider any of the abovementioned alternative methods of payment at its sole discretion and in accordance with the Act and the provisions of this Plan.

2.4.1 Monetary contributions

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

2.4.2 Dedication of land

In accordance with the provisions of this Plan, Council may require that land be dedicated as a form of contribution toward the provision of transport and social infrastructure. Where such dedication is required, it must be undertaken in accordance with the following:

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

2 Administration of the Plan

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

2.4.3 Material public benefits / 'works-in-kind'

Council may accept an offer by the applicant to provide an 'in-kind' contribution (i.e. the applicant completes part or all of the work/s identified in the Plan) or through provision of another material public benefit (other than the dedication of land) in lieu of the applicant satisfying its obligations under this Plan.

Council is under no obligation to accept works-in-kind or material public benefit (MPB) offers and in considering any such offer, will assess the benefits to the Council and the community and give due consideration to relevant matters including the following:

- (a) the extent to which the works/MPB satisfies the purpose for which the contribution was sought;
- (b) the works-in-kind being facilities which are already included in the Plan;
- (c) the extent to which the MPB satisfies a community need or may reduce the demand for items within the works schedule;
- (d) the impending need to construct the works for which the contributions are to be offset;
- (e) the provision of the works/MPB will not prejudice the timing, the manner or the orderly provision of public facilities included in the works program or the financial integrity of Council's Plan;
- (f) an assessment of the shortfall or credit in monetary contributions as a result of the proposal;
- (g) the availability of supplementary funding to make up the shortfall in contributions;
- (h) locational and other factors that may affect usability;
- (i) impact of recurrent operational and maintenance costs; and
- (j) the provision of the works/MPB must not result in piecemeal delivery of infrastructure or likely to result in the need to reconstruct the works due to future nearby developments (i.e. normally the works will need to relate to a whole street block or a defined precinct).

In accepting material public benefits other than a work-in kind, Council must be satisfied that the offer provides a substantial benefit to the community not envisaged by the Plan and that this benefit warrants Council accepting responsibility in fulfilling the intent of the Plan notwithstanding a reduction in expected cash contributions.

A 'work in-kind' relates to the undertaking of a specific or equivalent work specified in the Plan, and is therefore more readily capable, in comparison to other material public benefits of meeting the above criteria. However, Council may not accept an off-set to the cash otherwise required to be paid which exceeds the quantum of cash payable under the infrastructure category that relates to the work-in kind.

For example, if a condition of a development consent requires a certain cash payment towards transport infrastructure, the provision of a work-in kind for transport infrastructure proposed by the Plan will meet only the cash payment required towards transport infrastructure by that consent, even if the cost of the works exceeds that amount.

If the cost of a work in-kind exceeds the cash payment required by a development consent under the infrastructure category that relates to the work-in kind, Council may consider the following:

2 Administration of the Plan

- (a) provision of the work at the applicant's expense with Council recouping contributions from future development and reimbursing the applicant for costs exceeding the applicant's share, up to the total estimated cost in the Plan; or
- (b) granting a credit to the applicant on the basis of the equivalent number of persons, beds or workers that the applicant may rely upon to offset contributions otherwise payable under this Plan for other development within the LGA (see also Section 2.8).

2.4.4 Planning agreements

An applicant may voluntarily offer to enter into a planning agreement with Council in connection with a development application. Under a planning agreement, the applicant may offer to pay money, dedicate land, carry out works, or provide other material public benefits for public purposes. The applicant's provision under a planning agreement may be additional to or instead of making contributions provided for by the Act.

An applicant's offer to enter into a planning agreement, together with the draft agreement, will generally need to accompany the relevant development application or an application to modify the development consent. Council may also consider an offer to enter into a planning agreement where an applicant has sought a change to an environmental planning instrument (commonly referred to as a rezoning application).

Council will publicly notify the draft planning agreement and explanatory note relating to the draft agreement along with the relevant application and will consider the draft planning agreement as part of its assessment of the relevant application. If Council agrees to enter into the planning agreement, it may impose a condition of development consent requiring the agreement to be entered into and performed.

2.5 Timing of payments

A contribution must be paid to Council at the time specified in the condition of development consent that imposes the contribution. If no such time is specified, the contribution must be paid as follows, subject to any prevailing Ministerial Direction:

- In the case of subdivisions - prior to the issue of the Subdivision Certificate for each stage; or
- In the case of development involving building work – prior to the issue of the first Construction Certificate; or
- In the case of development that involves both subdivision and building work – prior to issue of the Subdivision Certificate or first Construction Certificate, whichever occurs first; or
- In the case of development that does not involve subdivision or building work – prior to occupation or issue of an Occupation Certificate, whichever occurs first; or
- In the case of Complying Development:
 - where works are proposed - prior to any works commencing;
 - where no works are proposed – prior to occupation or issue of an Occupation Certificate, whichever occurs first.

It is the responsibility of an accredited certifier to ensure that a condition is imposed on a complying development certificate in accordance with this Plan and that any monetary contributions have been paid to Council prior to issuing a Complying Development Certificate.

2.5.1 Deferred or periodic payments

Deferred payment of development contributions may be permitted in certain circumstances in accordance with the criteria outlined below:

- (a) an application for deferred payment or payment by instalments is to be made in writing to Council explaining the circumstances of the request;
- (b) the decision to allow deferred payment will be at the sole discretion of Council;

2 Administration of the Plan

- (c) the timing or the manner of the provision of public facilities included in the works program will not be prejudiced;
- (d) the works project to which the request applies does not relate to public safety or health;
- (e) the amount of the contribution or outstanding balance is not less than \$50,000;
- (f) where the applicant intends to make a contribution by way of a planning agreement, material public benefit or works-in-kind in lieu of a cash contribution or by land dedication and Council and the applicant have a legally binding agreement for the provision of the works or land dedication;
- (g) the maximum period of deferred payment of the contribution is two years from the standard payment date; and
- (h) the maximum period for payment by instalments is two years from the standard payment date;
- (i) deferred payments and payments by instalments are subject to indexation.

If Council decides to accept deferred payment or payment by instalments, Council will require the applicant to provide a bank guarantee with the following conditions:

- the Bank Guarantee(s) must be in Australian Dollars from a major Australian Trading Bank and in the name of City of Newcastle;
- the Bank Guarantee(s) must have no end date, be unconditional and irrevocable, and be in favour of City of Newcastle;
- the sum of the Bank Guarantee(s) will be the amount due to Council at the date of issue, plus an additional amount specified by Council to make provision for any anticipated indexation during the life of the Bank Guarantee until the estimated date of release;
- the bank unconditionally pays the guaranteed sum to Council if Council so demands in writing;
- the bank must pay the guaranteed sum without reference to the applicant or landowner or other person who provided the guarantee, and without regard to any dispute, controversy, issue or other matter relating to the development consent or the carrying out of development;
- the bank's obligations are discharged when payment to Council is made in accordance with this guarantee or when Council notifies the bank in writing that the guarantee is no longer required;
- where a bank guarantee has been deposited with Council, the guarantee shall not be cancelled until such time as the original contribution, indexation and other charges are paid;
- An administration fee may apply to utilise the bank guarantee option as stated in Council's Fees and Charges.

2.5.2 Construction certificates and the obligation of accredited certifiers

In accordance with the Act and the Regulation, a certifying authority must not issue a Construction Certificate or an Occupation Certificate, whichever is applicable under a development consent, unless it has verified that each condition requiring the payment of monetary contributions has been satisfied.

In particular, the certifier must ensure that the applicant provides a receipt(s) confirming that contributions have been fully paid and copies of such receipts must be included with copies of the certified plans provided to Council in accordance with the Regulation. Failure to follow this procedure may render such a certificate invalid.

The only exceptions to this requirement are where an alternate payment method has been agreed by Council. In such cases, Council will issue a letter confirming that an alternative payment method has been agreed with the applicant.

2 Administration of the Plan

2.5.3 Complying development and the obligation of accredited certifiers

In accordance with the Section 7.21 of the Act, accredited certifiers must impose a condition on a Complying Development Certificate, requiring monetary contributions in accordance with this Plan.

The conditions imposed must be consistent with Council's standard condition for Complying Development Certificates (see **Appendix E**) and be strictly in accordance with this Plan. It is the professional responsibility of an accredited certifier to inform themselves of any amendments to this Plan (including current indexed rates), to accurately calculate the contribution and to apply the development contributions condition correctly in accordance with Council's current consent condition requirements.

Accredited certifiers should contact Council for a copy of the current consent condition requirements.

It is also the professional responsibility of an accredited certifier to ensure that any applicable monetary contributions have been paid to Council prior to authorising works to commence.

2.6 Indexation of contributions

To ensure that the value of contributions is not eroded over time, the contributions stated in this Plan will be indexed at the time of payment to reflect changes in the cost of facilities in the following manner:

$$\$C_{PY} = \frac{\$C_{PC} \times CPI_{PY}}{CPI_{PC}}$$

Where:

\$C_{PY} is the amount of the contribution at the date of Payment.

\$C_{PC} is the amount of the contribution for works schedule items at the date of the Plan Commencement (or date of development consent – see below).

CPI_{PY} is the Consumer Price Index (Sydney – All Groups) (CPI) as published by the Australian Bureau of Statistics (ABS) for the financial quarter at the date of Payment.

CPI_{PC} is the CPI (Sydney – All Groups) as published by the ABS for the financial quarter at the date of the Plan Commencement (or date of development consent – see below).

A development consent or complying development certificate may show the contribution payable at the date the consent/certificate is issued. In this circumstance, if the contribution is not paid within the same financial quarter as the date of the consent/certificate, the payment shall be further indexed in accordance with the above formula.

Contribution rates under this Plan and the estimated costs upon which they are based will also be indexed by Council on a regular basis consistent with the above methodology. The adjustment of contribution rates and estimated costs will occur by way of an amendment without the need to prepare a new contributions plan, in accordance with the Regulation. The current contributions rates are available from Council Administration Offices or Council's website.

2.7 Allowances for existing development

All forecasts of future additional development within this Plan have been calculated allowing for existing development at the time of preparing the Plan and to accord with the estimated resident population as of 1 January 2021.

Contributions required under this Plan are based on the estimated net increase in demand. When calculating contributions, the contribution that would be applicable to any existing lawful development on the site of a proposed new development will be discounted. 'Existing lawful development' is taken to be development that existed on the site of the proposed development as of 1 January 2021 and which has the benefit of a valid development consent or existing use rights.

2 Administration of the Plan

Accordingly, if an applicant wishes to obtain an allowance against contributions payable based on pre-existing development, information must be provided with the development application which demonstrates the lawful existence of the development on the subject site as of 1 January 2021.

Council will only consider an allowance for the existing development to the extent of the demand for specific transport and social infrastructure arising from that development.

2.8 Credits

A credit may be provided by Council where the net contributions provided by any particular development exceed that required by the Plan. This could arise where an applicant proposes the provision of work or dedication of land, at a value determined by Council to exceed the amount of cash otherwise payable in accordance with the Plan. However, credits will only be provided at Council's absolute discretion.

A credit will only be provided against the same infrastructure category for which the surplus contribution relates. For example, if the applicant proposes to dedicate more public open space that would otherwise be required under the Plan, then a credit could be accrued against open space contributions requirements of future development. Consequently, if an applicant dedicates more public open space than would otherwise be required under the Plan, the value of the additional open space cannot be used to offset the cash contribution otherwise payable under a different contribution category, such as transport or community facilities. The objective is to ensure that Council maintains an adequate flow of contributions across the range of facilities to be funded under this Plan to provide for the orderly and staged delivery of all categories of facilities.

The amount and terms of the credit are to be negotiated prior to the dedication of land or commencement of works and will be for the additional value only as agreed by Council. If agreed, Council will advise the applicant of the credit which would be redeemable in lieu of contributions in the same infrastructure category otherwise payable by the applicant for future development in the area to which this Plan applies.

Council reserves the right to require payment of a monetary contribution or to terminate the "credit agreement" should the applicant be unwilling or unable to meet its terms. No credit will be given for land or works which are not nominated in the works schedule in the relevant contributions plan.

If an applicant seeks to offset a credit against the cash payable under a different infrastructure category or to be reimbursed in cash, then this would need to be negotiated with Council as part of a planning agreement or a works-in-kind/material public benefit agreement in accordance with the provisions of this Plan and Council's associated Policies.

2.9 Monitoring and review of the Plan

It is intended that this Plan be monitored and reviewed on a regular basis as it contains forecasts of future development and the likely demands and costs of providing transport and social infrastructure for residents and workers arising from that future development.

Monitoring actual developments, population changes and community demands will allow appropriate updating and amendment as necessary.

The cost of works proposed by the Plan (including land values) may also need review over time if there is a concern that the indexation of costs may not be adequately reflecting actual current costs.

Council's aim is that all forecasts, costs and assumptions are reviewed and adjustments and/or amendments as appropriate will be made at five yearly intervals after the date of adoption of this Plan.

In accordance with Clause 32(3) of the Regulation, Council may also make minor amendments to this Plan such as minor typographical corrections and adjustment of contribution rates due to indexation as specified in this Plan. Such amendments may be made without public exhibition and/or adoption by Council.

2 Administration of the Plan

2.10 Accounting and management of funds

2.10.1 Accounting standards and contributions register

Separate accounting records are maintained for all development contributions made to Council under this Plan and a development contributions register will be maintained by Council in accordance with the Regulation.

Council is also required to publish details of development contributions accounts annually and this is undertaken as part of Council annual financial reporting cycle.

2.10.2 Treatment of funds received prior to the commencement of this Plan

There are no funds received under previous s7.11 plans that require transferring to the account for this Plan.

2.10.3 Investment of funds

To maintain the time-value of monetary contributions received under this Plan, Council will invest these funds until the time of expenditure for infrastructure specified in this Plan.

Council will report all investment returns as part of its annual contributions accounts reporting and all investment returns will be retained within the development contributions accounts, to be used for the purpose for infrastructure specified in this Plan.

2.10.4 Pooling of contributions

Subject to any prevailing Ministerial Direction, this Plan expressly authorises monetary contributions received under this Plan, any previous plans and any other current s7.11 or s7.12 contributions plans to be pooled and applied (progressively or otherwise) for the purposes for which the contributions were made.

2.10.5 Other funding sources

Works proposed in this Plan represent infrastructure to be funded via a variety of sources. In some instances, the total cost of work is to be funded pursuant to the development contributions provisions of the Act. In other instances, the cost is to be borne by a combination of development contributions under this Plan, development contributions received under previous contributions plans, and/or other funds.

Several of the proposed works items in this Plan have been allocated grant funding and accordingly, the cost attributable to future development does not include such grant funding. Should additional grant funding become available in the future, the works schedule in this Plan will be reviewed and the contribution rates may be adjusted.

2.10.6 Refunds

A request for a refund of monetary contributions paid to Council must be accompanied by either:

1. A modification application pursuant to s4.30 or s4.55 of the Act, which seeks to amend/delete the contributions condition; or
2. Surrender of a development consent pursuant to s4.17 or s4.63 of the Act in the form required by cl97 of the Regulation.

Subject to other considerations required by s4.15 or s4.28 of the Act, Council may consider refunding monetary contributions paid pursuant to this Plan, where:

- the condition requiring payment of a monetary contribution was imposed in a manner that was not in accordance with the provisions of this Plan as it existed at the date of determination of the development application or complying development certificate;
- the number of dwellings/lots/persons approved by the development application or complying development certificate has changed as a consequence of an approved modification;
- a modification application seeks the full or partial use of the development for a purpose that would qualify for a reduction or exemption (e.g. seniors housing by a social housing provider). In this instance, no reduction or refund will be granted unless Council is satisfied that the

2 Administration of the Plan

application has been assessed with regard to all relevant considerations applicable to that type of development and if appropriate, lawful additional conditions are imposed to require the development to be operated in such a manner that accords with the proposed use (e.g. housing to be provided by a social housing provider that is to be occupied by persons 55 and over or persons with a disability).

Refunds will not be considered where occupation/commencement of the approved development has occurred.

In assessing a request to refund monetary contributions, Council will consider whether it is in a financial position to do so, having regard to whether those funds have already been spent or committed for expenditure (e.g. a project has started and would be adversely impacted if the money contribution (in whole or in part) is refunded). Council may also have regard to whether it is appropriate to provide a refund in accordance with a payment schedule.

Furthermore, where a request for a refund is not as a consequence of an error on behalf of the consent authority, any refund will be exclusive of any interest that may have been earned on the contribution between the date of payment to the date of the refund.

2.10.7 Goods and services tax

At the date of preparing this Plan, monetary development contributions were exempt from the Federal Government Goods and Services Tax (GST).

In addition, at the date of preparing this Plan, non-monetary contributions by way of dedication of land, works-in-kind or material public benefit in lieu of contributions that would be exempt under Section 81-5 of the GST Act, do not constitute a taxable supply. Therefore, there are no GST implications for non-monetary contributions.

However, if legislative changes (including Australian Tax Office tax rulings) determine otherwise, contributions in this Plan will be adjusted to include GST.

3 Expected development and demand for transport and social infrastructure

3.1 Overview

The City of Newcastle LGA is Australia's seventh largest city comprising land area of approximately 187km² extending approximately 18km from the mouth of the Hunter River in the east to Minmi and Beresfield in the west and with 14km of coastline extending from Stockton in the north to Merewether in the south.

The LGA is the economic hub and cultural heart of the Hunter Region and is home to significant infrastructure including the Port of Newcastle, John Hunter Hospital, University of Newcastle, Newcastle Art Gallery, Newcastle Museum and the Civic Theatre and Playhouse.

The LGA also has significant natural areas with diverse ecosystems and subject to the pressures of natural hazards and urbanisation.

The majority of the existing residential population is contained in the existing urban areas in the southern and eastern portions of the LGA and this is where much of the anticipated future residential development is expected to occur, arising out of development in the Catalyst Areas and Renewal Corridors identified in Council's Local Strategic Planning Statement (LSPS) as well as infill development. A significant portion of future development is also expected to occur within the Western Corridor urban release area which is subject to the Western Corridor s7.11 Plan.

3.2 Existing Population Characteristics

The detailed population figures prepared by .id estimate the resident population of the LGA for the year 2021 as being 171,308 persons living in 73,730 dwellings (.id, 2021). For the purposes of this Plan, this is taken to be the 'existing' residential population. This is an increase of approximately 10,390 persons (or 6.5%) over the 2016 population.

Based on information derived from the 2016 ABS Census, approximately 71% of the total housing stock in the LGA comprised detached dwellings, approximately 15% comprised attached dwellings, dual occupancies, semi-detached dwellings and multi dwelling housing and approximately 12% comprised apartments.

Notwithstanding, detached dwellings account for only a small proportion of dwelling approvals since 2016 (27%) and the estimates of infill housing supply prepared for Council indicate that the vast majority of future housing supply will be for apartments and forms of housing other than detached dwellings.

The age structure of the existing population is characterised by a much higher proportion of persons aged 15-35 years (31%) compared to the NSW average (27%) with other age cohorts all slightly less than the NSW average.

3.3 Forecast Development and Population

3.3.1 Hunter Regional Plan 2036

The Hunter Regional Plan 2036 was finalised in October 2016 and is a 20-year plan to guide the NSW Government's planning priorities and decisions for the Hunter Region and provide a framework for more detailed land use and infrastructure planning and funding. The following summarises key aspects of the plan as they relate to the City of Newcastle:

- The resident population of 'Greater Newcastle' (comprising the urban areas of the LGAs of Newcastle, Lake Macquarie, Port Stephens, Cessnock and Maitland) is expected to grow by approximately 125,000 people in 50,000 dwellings between 2016 and 2036 with the City of Newcastle LGA accounting for 33,300 of these new residents in 16,800 dwellings with 6,000 new dwellings within the Newcastle City Centre;
- The new public transport gateway at Wickham will generate growth; and
- The existing network of on-road and off-road cycling and walking trails is to be expanded including providing enhanced access to natural areas.

3 Expected development and demand for transport and social infrastructure

3.3.2 Local Strategic Planning Statement

The City of Newcastle Local Strategic Planning Statement (LSPS) was adopted by Council in May 2020 and provides the direction for land use planning for the Newcastle LGA for the 20-year period from 2020 to 2040.

The LSPS contains a Structure Plan which identifies one greenfield release area (Housing Release Area) which are within the area subject to the Section 7.11 Western Corridor Local Infrastructure Contribution Plan. The Structure Plan also identifies several Urban Renewal Corridors and seven (7) Catalyst Areas with 6,650 new dwellings forecast across four (4) of these areas.

3.3.3 Forecast Residential Development

Based on the forecasts prepared by .id, it is estimated that 11,520 additional private dwellings will be constructed in the LGA from 2021 to 2036, although approximately 1,480 of these dwellings are expected to occur in the Western Corridor, which is not subject to this Plan (.id, 2021).

Accordingly, this Plan has been formulated on the basis that from 2021 to 2036, there will be approximately 10,040 additional private dwellings accommodating 18,285 new residents in those parts of the LGA to which this Plan applies.

Table 1 provides a summary of the estimated existing population and the forecast additional population subject to contributions under this Plan on a five yearly basis to 2036.

	Existing	Forecast Additional			Total Additional
	2021	2026	2031	2036	
Dwellings	68,285	3,770	3,180	3,090	10,040
Persons	155,185	6,860	5,795	5,630	18,285

Note:
A. All figures exclude the Western Corridor and persons in other residential accommodation such as boarding houses, group homes, hostels, residential care facilities and student housing.

Table 2 provides a summary of the forecast growth including the anticipated average occupancy rate for future dwellings in this period.

Residential Dwelling Type	Occupancy Rate ^A	Dwellings	Persons
Dwelling House / Lot / Exhibition Home	2.65	500	1,330
Secondary Dwellings / Rural worker's dwelling	1.50	500	750
Residential Flat Buildings and Shop Top Housing with 1 bedroom / bedsit ^B	1.50	1,040	1,560
Residential Flat Buildings and Shop Top Housing with 2 bedrooms ^B	1.60	2,700	4,320
Residential Flat Buildings and Shop Top Housing with 3+ bedrooms ^B	1.95	415	810
Seniors Housing ^C	1.82	1,370	2,490
Attached dwellings, dual occupancy dwellings, multi-dwelling housing and semi-detached dwellings	2.00	3,515	7,025
Total		10,040	18,285

Notes:
A. Forecast average occupancies for new dwellings from 2021 to 2036.
B. Housing mix derived using 2016 Census data and an analysis of development approvals between 2017-2019, representing a unit mix of 25% one bedroom, 65% two bedroom and 10% three bedroom units.
C. Excluding residential care facilities and a hostel within the meaning of clause 12 of *State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004*

3 Expected development and demand for transport and social infrastructure

In addition to the population in private dwellings, there is also anticipated to be additional population of approximately 1,350 persons within other residential accommodation such as residential care facilities, boarding houses, group homes, hostels, student housing and the like.

The forecast additional population in these other forms of residential accommodation has been excluded from the underlying calculations in this Plan although these other forms of residential accommodation may be subject to a levy pursuant to Council's s7.12 Contributions Plan.

3.4 Demand for public facilities and services

One of the fundamental principles of development contributions is the relationship, or 'nexus', between the expected types of development and the demonstrated demand for new, augmented or embellished transport and social infrastructure created by that development. Key aspects of determining nexus are:

- whether the anticipated development actually creates a demand or increases the demand for transport and social infrastructure;
- whether the estimates of demand for infrastructure to which the proposed development contribution relates are reasonable;
- what types of transport and social infrastructure will be required to meet that demand;
- whether the proposed development contribution is based on a reasonable apportionment between existing demand and new demand for transport and social infrastructure to be created by the proposed development to which the contribution relates;
- whether the proposed development contribution is based on a reasonable estimate of the cost of proposed transport and social infrastructure; and
- when facilities will be provided to meet the demand of the development – often expressed as timing or thresholds.

It is also necessary to ensure that new development only contributes to its share of the total demand for public facilities and services, rather than any demand generated by the existing population, which may result out of a deficiency in existing facilities. This is known as 'apportionment'.

The increased usage of and demand for new transport and social infrastructure as a consequence of future development will in most cases, exceed the capacity of existing public facilities in the LGA. Accordingly, it will be necessary for new and embellished transport and social infrastructure to be provided to cater for the anticipated demand of that development.

Section 4 of this Plan establishes the nexus between the anticipated development and the demand for additional or embellished transport and social infrastructure and if relevant, details how that nexus has been apportioned, to ensure that contributions reflect the demand of new development, rather than existing demand or past deficiencies.

4 Infrastructure contributions

4.1 Transport

4.1.1 Introduction

The forecast development within the LGA will generate additional demand for use of roads and related transport infrastructure by vehicular, bicycle and pedestrian traffic and this demand will require augmentation of existing facilities due to the additional pressures on those facilities. This section outlines the nature of the existing local road environment and the rationale for the augmentation of those facilities.

4.1.2 Existing provision and Nexus to development

The existing transport network comprises roads, on-road and off-road footpaths, shared paths and cycle lanes as well as supporting infrastructure such as traffic management devices, crossing facilities, signage and other street furniture. In addition, the LGA is serviced by numerous bus networks, many of which are on local roads, and these service hundreds of bus stops.

These transport networks are geographically extensive although do not necessarily provide an equitable level of accessibility and/or safety to all existing residents.

Furthermore, as the community moves toward more sustainable modes of transport, the existing transport networks and infrastructure will not be adequate to cater for the demand of an increased population.

Future development will be responsible for 18,285 additional residents in private dwellings which will increase demand for new and augmented traffic management, pedestrian and bicycle facilities and bus stop improvements that assist in providing a sustainable, safe, efficient and user friendly transport network.

Network improvements have been identified in Council's Cycling Plan and from consideration of Council's asset registers and the works schedule at **Appendix B** identifies network improvements which future development will be expected to contribute toward.

4.1.3 Strategy – proposed infrastructure

Council's strategies for addressing the additional demands placed on the local road environment by future development are as follows:

- Bus stop environment improvements comprising shelters, footpath connections and safe crossing points;
- Localised road works to facilitate on-road bicycle facilities and transitions to off-road facilities and related local traffic management measures; and
- Embellishment of footpaths and shared ways to cater for increased pedestrian and bicycle traffic.

The Works Schedule at **Appendix B** sets out all transport facilities for which a contribution is required under this Plan.

The location of the proposed facilities is identified on the maps at **Appendix C** to this Plan.

4.1.4 Apportionment

The forecast additional population to be levied under this Plan (18,285 persons) constitutes 10.46% of the total future population in the LGA (excluding the western corridor) at 2036 (174,815 persons). Accordingly, only 10.46% of the cost of transport improvements will be sought from development to be levied under this Plan.

4 Infrastructure contributions

4.1.5 Calculation of contribution rate

The formula for the calculation of the contribution rate for transport facilities is as follows:

$$\begin{aligned} \text{Contribution rate} &= \frac{\text{Total Cost of Facilities x Apportionment}}{\text{Total Additional Private Residents}} \\ \text{per person} &= \frac{\$188,603,100 \times 10.46\%}{18,285 \text{ persons}} \\ &= \frac{\$19,725,689}{18,285 \text{ persons}} \\ &= \$1,078.87 \text{ per person} \end{aligned}$$

4 Infrastructure contributions

4.2 Open space and recreation facilities

The forecast development within the LGA will generate additional demand for local open space and recreation facilities and this demand will require additional open space and embellishment of existing facilities to cater for increased pressures on existing facilities.

4.2.1 Existing Facilities

As of 2021 there was approximately 1,168.5 hectares of Council-owned public open space in the LGA comprising:

- 63 sportsgrounds;
- 12 BMX/skate parks;
- 118 playspaces;
- 6 surf clubs;
- 6 beaches;
- 2 ocean baths; and
- 5 inland swimming pools.

Based on the 2021 residential population, the land containing this infrastructure equates to approximately 69.6m² per person. Whilst this quantum of open space land exceeds historical benchmarks typically used for public open space, it does not mean that the distribution and capacity of facilities within existing open space land are capable of meeting the demands of the existing and future populations.

4.2.2 Nexus to development

Based on the current standard of public open space provision in the LGA of 69.6m² per person, the forecast additional population in private dwellings of 18,285 persons would generate a demand for approximately 127 hectares of additional open space land. Alternatively, using the historical benchmark of 2.83 hectares per 1,000 persons, approximately 52 hectares of open space land would be required.

Furthermore, based on industry accepted benchmarks, the future population to be levied under this Plan would generate a demand for:

- 6 new sportsgrounds (each comprising 2 playing fields capable of being converted to an oval) - based on 1 sportsground per 3,000 persons with a minimum area of 3 hectares;
- 12 new playgrounds in local parks of approximately 1.5 hectares in area within 400m walking distance of all dwellings - based on 1 playground per 1,500 persons;
- 6 new sports courts - based on 1 multipurpose court per 3,000 persons;
- 1 new swimming centre - based on 1 centre per 17,500 persons;
- Approximately one third contribution to a new indoor sports / aquatic centre - based on 1 indoor sports aquatic centre per 60,000 persons.

Alternatively, significant embellishment of existing facilities will be required to cater for additional usage from the forecast additional population.

The existing and future populations also generate a demand for high quality urban spaces in addition to traditional parks and sportsgrounds. This includes areas of the public domain in town centres and comprises, plazas, malls, street edges and the like.

4 Infrastructure contributions

4.2.3 Strategy – proposed infrastructure

Council recognises the significant cost of acquiring land for new open space to maintain the current quantitative level of service plus the cost of embellishing and maintaining this quantum of new open space. Accordingly, this Plan does not seek contributions from future development to acquire open space land commensurate with the current or historical benchmarks.

In accordance with adopted Council strategies, this Plan seeks:

- A 100% contribution toward embellishment of existing parks including additional and/or upgraded playgrounds;
- A 100% contribution toward embellishment of existing sportsgrounds and recreation facilities;
- A part contribution (10.46%) toward town centre public domain improvements to revitalise passive open spaces in urban settings;
- A part contribution (10.46%) toward Council's Smart City infrastructure to provide 21st technology in and around Council public places and spaces ; and
- A part contribution (10.46%) toward improvements to existing swimming pools and/or provision of a regional aquatic centre.

The open space and recreation facilities are set out in the Works Schedule at **Appendix B** to this Plan and their location is identified on the maps at **Appendix C**.

4.2.4 Apportionment

The parks and sportsground embellishment proposed under this Plan have been identified to cater for the demand of future development from 2021 to 2036 and accordingly, the full cost of these works will be borne by private dwelling development over that period.

The remaining infrastructure is required for all residents and accordingly, the forecast additional population to be levied under this Plan (18,285 persons) will only be required to contribute its share of the cost of those items, based on the forecast additional population being 10.46% of the total future population in the LGA (excluding the western corridor) at 2036 (174,815 persons).

4.2.5 Calculation of Contribution Rate

The formula for the calculation of the contribution rate for open space and recreation facilities is as follows:

$$\begin{aligned}
 \text{Contribution rate} &= \frac{\text{Cost of Full Demand Facilities} + \text{Cost of Shared Demand Facilities} \times 10.46\%}{\text{Total Additional Private Residents}} \\
 \text{per person} & \\
 &= \frac{\$71,550,000 + \$126,355,572 \times 10.46\%}{18,285 \text{ persons}} \\
 &= \frac{\$84,765,322}{18,285 \text{ persons}} \\
 &= \$4,636.14 \text{ per person}
 \end{aligned}$$

4 Infrastructure contributions

4.3 Community facilities

The forecast development within the LGA will generate additional demand for community facilities and this demand will require additional community facilities and upgrading of existing facilities.

4.3.1 Existing Facilities

Libraries

There are 11 Council-owned libraries within the LGA including two flagship libraries, eight branch libraries and one digital library.

Collectively, these facilities provide 4,725m² of library floor space although several local libraries (Stockton and Lambton) do not meet the minimum floor area recommended in *The People Places– A Guide for Public Library Buildings in New South Wales* (State Library NSW, 2012).

In addition, 60% of libraries are less than 300m² which limits their ability to be flexible and multipurpose spaces.

Community Spaces

There are 20 Council-owned community spaces within the LGA including nine community centres, six community halls, three senior citizen centres, one youth centre and one meals-on-wheels centre. Of these spaces, 17 facilities serve a local function and 3 facilities can be described as serving a district level function.

Collectively, these facilities provide 6,395m² of community floor space although this is not evenly distributed across the LGA with none in the Stockton area.

In addition 23% of the local facilities are less than 150m² in floor area and 88% are less than 350m². Accordingly only two facilities exceed the minimum of 400m² which might be anticipated for a quality local facility.

Furthermore, only one of the district facilities exceeds the 800m² floorspace that might be expected of a quality district facility.

Cultural Spaces

There are 44 cultural spaces in the LGA, of which seven are Council-owned and these are all metropolitan or district facilities, with all located in or nearby the city centre and none are local facilities.

4.3.2 Nexus to development

Future development will be responsible for 18,285 new residents in private dwellings from 2021 to 2036. This additional population will generate additional demand for community facilities such as community halls, meeting rooms, cultural facilities and libraries including upgrading of existing facilities to cater for additional capacity or to enable a wider variety of activities to be undertaken. The following subsections outline the nexus between this forecast additional population and the facilities for which contributions will be sought through this Plan.

Libraries

Whilst the number of existing libraries meets the requirements using the State Library guidelines, the floor area provided and the manner in which floorspace is provided do not currently meet the requirements.

Based on the State Library NSW floorspace calculator, the additional future population from 2021 to 2036 will generate a demand for an additional 1,105m² of library floorspace.

Community Spaces

The existing community spaces provide for approximately 37m² of community floorspace per 1,000 persons as of 2021. This is well below the benchmark of 80m² per 1,000 persons adopted by other major metropolitan areas such as the City of Parramatta LGA.

4 Infrastructure contributions

Based on this standard, the forecast additional population in private dwellings of 18,285 persons between 2021 and 2036 will require an additional 1,463m² of community floorspace.

Furthermore, based on standards of provision of one district facility per 30-50,000 persons and one local facility per 10,000 persons, the floorspace requirements of the future population might be met by the provision of two new local facilities and a part contribution to a new district facility and/or embellishment of existing local and district facilities.

Cultural Spaces

Based on a benchmark of 20m² of cultural floorspace per 1,000 persons (adopted from Wollongong Social Infrastructure Planning Framework 2018- 2028) the forecast additional population in private dwellings of 18,285 persons between 2021 and 2036 will require an additional 366m² of cultural community floorspace.

4.3.3 Strategy – proposed infrastructure

Council has assessed that the additional population from 2021 to 2036 will generate a demand for the following community facilities, for which contributions will be sought under this Plan:

- Libraries – 1,105m² of library floorspace to be met by provision within a new library (which may be part of a new multipurpose community hub) and/or embellishment of existing libraries;
- Community Spaces - 1,463m² of community floorspace to be met by provision within new multipurpose community hub/s and/or embellishment of existing community spaces;
- Cultural Spaces - 366m² of cultural floorspace to be met by provision within new buildings (which may be part of new multipurpose community hub/s) and/or embellishment of existing facilities.

The Works Schedule at **Appendix B** sets out all community facilities for which a contribution is required under this Plan.

The location of the proposed facilities is identified on the maps at **Appendix C** to this Plan.

4.3.4 Apportionment

The community facilities outlined above are specifically to cater for the demands of future development from 2021 to 2036 and accordingly, the full cost of the infrastructure will be borne by private dwelling development over that period.

4.3.5 Calculation of Contribution Rate

The formula for the calculation of the contribution rate for community facilities is as follows:

$$\begin{aligned}
 \text{Contribution rate per person} &= \frac{\text{Total Cost of Facilities} \times 100\%}{\text{Total Additional Private Residents}} \\
 &= \frac{\$15,681,000}{18,285 \text{ persons}} \\
 &= \$857.65 \text{ per person}
 \end{aligned}$$

4 Infrastructure contributions

4.4 Plan Preparation and Administration

4.4.1 Introduction

In accordance with the Act, Council is authorised to recoup the reasonable costs of preparing this Plan and the cost, or part there-of, of any studies specifically prepared to inform the Plan. In addition, contributions may be sought toward the costs associated with the ongoing administration of the Plan.

4.4.2 Nexus to Development

This Plan has been specifically prepared to enable Council to ensure that adequate transport and social infrastructure is provided to meet the demands generated by any new development and that the existing community is not burdened by the provision of infrastructure required as a result of future development.

4.4.3 Strategy

The proposed costs associated with this category of contributions comprises:

- The costs associated with preparing the Plan; and
- Ongoing administration and management of the Plan over a 15-year period.

4.4.4 Apportionment

As this Plan has been prepared solely to cater for the demands of future development, the costs associated with the Plan's preparation and ongoing administration will be borne fully by future development.

4.4.5 Calculation of Contribution Rate

The formula for the calculation of the contribution rate for plan preparation and administration is as follows:

$$\begin{aligned}
 \text{Contribution rate} &= \frac{\text{Total Cost of Plan Preparation and Administration}}{\text{Total Additional Private Residents}} \\
 \text{per person} &= \frac{\$3,000,000}{18,285 \text{ persons}} \\
 &= \$164.08 \text{ per person}
 \end{aligned}$$

Appendix A - Glossary

Terms used in this Plan have the following meanings except where the meaning of a term is inconsistent with the Act or the *Standard Instrument—Principal Local Environmental Plan (SILEP)*, in which case the definition in the Act or SILEP will prevail:

“**ABS**” means the Australian Bureau of Statistics.

“**Act**” means the *Environmental Planning and Assessment Act 1979*.

“**affordable housing**” means housing for very low income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument.

“**applicant**” means the person(s) or organisation(s) submitting a development application.

“**apportionment**” means the adjustment of a contribution (usually a percentage) to ensure the contributing population only pays for its share of the total demand for the facility.

“**attached dwelling**” means a building containing 3 or more dwellings, where:

- (a) each dwelling is attached to another dwelling by a common wall, and
- (b) each of the dwellings is on its own lot of land, and
- (c) none of the dwellings is located above any part of another dwelling.

“**backpackers’ accommodation**” means a building or place that:

- (a) provides temporary or short-term accommodation on a commercial basis, and
- (b) has shared facilities, such as a communal bathroom, kitchen or laundry, and
- (c) provides accommodation on a bed or dormitory-style basis (rather than by room);

“**bed and breakfast accommodation**” means an existing dwelling in which temporary or short-term accommodation is provided on a commercial basis by the permanent residents of the dwelling and where:

- (a) meals are provided for guests only, and
- (b) cooking facilities for the preparation of meals are not provided within guests’ rooms, and
- (c) dormitory-style accommodation is not provided;

“**boarding house**” means a building that:

- (a) is wholly or partly let in lodgings, and
- (b) provides lodgers with a principal place of residence for 3 months or more, and
- (c) may have shared facilities, such as a communal living room, bathroom, kitchen or laundry, and
- (d) has rooms, some or all of which may have private kitchen and bathroom facilities, that accommodate one or more lodgers,

but does not include backpackers’ accommodation, a group home, hotel or motel accommodation, seniors housing or a serviced apartment;

“**Consumer Price Index (CPI)**” is a standard measure of price movements published by the Australian Bureau of Statistics.

“**contribution**” means the same as “**development contribution**”;

“**contributions plan**” means a contributions plan referred to in the Act.

“**Council**” means Newcastle City Council

“**DCP**” means a Development Control Plan adopted by Council under the Act.

Appendix A - Glossary

“**development**” has the meaning under Section 4 of the Act which in relation to land means:

- (a) the use of land; and
- (b) the subdivision of land; and
- (c) the erection of a building; and
- (d) the carrying out of a work; and
- (e) the demolition of a building or work; and
- (f) any other act, matter or thing that may be controlled by an environmental planning instrument.

“**development consent**” means consent under Part 4 of the Act to carry out development and includes, unless expressly excluded, a complying development certificate.

“**development contribution**” means the making of a monetary contribution, dedication of land or the providing of a material public benefit (including a work-in-kind), or any combination of these as referred to in the Act for the provision of transport and social infrastructure;

“**dual occupancy**” means a dual occupancy (attached) or a dual occupancy (detached).

“**dual occupancy (attached)**” means 2 dwellings on one lot of land that are attached to each other, but does not include a secondary dwelling.

“**dual occupancy (detached)**” means 2 detached dwellings on one lot of land, but does not include a secondary dwelling.

“**dwelling**” means a room or suite of rooms occupied or used or so constructed or adapted as to be capable of being occupied or used as a separate domicile;

“**dwelling house**” means a building containing only one dwelling;

“**eco-tourist facility**” means a building or place that:

- (a) provides temporary or short-term accommodation to visitors on a commercial basis, and
- (b) is located in or adjacent to an area with special ecological or cultural features, and
- (c) is sensitively designed and located so as to minimise bulk, scale and overall physical footprint and any ecological or visual impact.

It may include facilities that are used to provide information or education to visitors and to exhibit or display items.

“**educational establishment**” means a building or place used for education (including teaching), being:

- (a) a school, or
- (b) a tertiary institution, including a university or a TAFE establishment, that provides formal education and is constituted by or under an Act;

“**exhibition home**” means a dwelling built for the purposes of the public exhibition and marketing of new dwellings, whether or not it is intended to be sold as a private dwelling after its use for those purposes is completed, and includes any associated sales or home finance office or place used for displays.

“**GFA**” means the same as gross floor area.

“**gross floor area**” means the sum of the floor area of each floor of a building measured from the internal face of external walls, or from the internal face of walls separating the building from any other building, measured at a height of 1.4 metres above the floor, and includes:

- (j) the area of a mezzanine, and
- (k) habitable rooms in a basement or an attic, and
- (l) any shop, auditorium, cinema, and the like, in a basement or attic,

but excludes:

Appendix A - Glossary

- (m) any area for common vertical circulation, such as lifts and stairs, and
- (n) any basement:
 - (i) storage, and
 - (ii) vehicular access, loading areas, garbage and services, and
- (o) plant rooms, lift towers and other areas used exclusively for mechanical services or ducting, and
- (p) car parking to meet any requirements of the consent authority (including access to that car parking), and
- (q) any space used for the loading or unloading of goods (including access to it), and
- (r) terraces and balconies with outer walls less than 1.4 metres high, and
- (s) voids above a floor at the level of a storey or storey above.

“group home” means a permanent group home or a transitional group home;

“group home (permanent)” or **“permanent group home”** means a dwelling:

- (a) that is occupied by persons as a single household with or without paid supervision or care and whether or not those persons are related or payment for board and lodging is required, and
- (b) that is used to provide permanent household accommodation for people with a disability or people who are socially disadvantaged,

but does not include development to which [State Environmental Planning Policy \(Housing for Seniors or People with a Disability\) 2004](#) applies;

“group home (transitional)” or **“transitional group home”** means a dwelling:

- (a) that is occupied by persons as a single household with or without paid supervision or care and whether or not those persons are related or payment for board and lodging is required, and
- (b) that is used to provide temporary accommodation for the relief or rehabilitation of people with a disability or for drug or alcohol rehabilitation purposes, or that is used to provide half-way accommodation for persons formerly living in institutions or temporary accommodation comprising refuges for men, women or young people,

but does not include development to which [State Environmental Planning Policy \(Housing for Seniors or People with a Disability\) 2004](#) applies;

“hospital” means a building or place used for the purpose of providing professional health care services (such as preventative or convalescent care, diagnosis, medical or surgical treatment, psychiatric care or care for people with disabilities, or counselling services provided by health care professionals) to people admitted as in-patients (whether or not out-patients are also cared for or treated there), and includes ancillary facilities for (or that consist of) any of the following:

- (a) day surgery, day procedures or health consulting rooms,
- (b) accommodation for nurses or other health care workers,
- (c) accommodation for persons receiving health care or for their visitors,
- (d) shops, kiosks, restaurants or cafes or take-away food and drink premises,
- (e) patient transport facilities, including helipads, ambulance facilities and car parking,
- (f) educational purposes or any other health-related use,
- (g) research purposes (whether or not carried out by hospital staff or health care workers or for commercial purposes),
- (h) chapels,
- (i) hospices,
- (j) mortuaries;

Appendix A - Glossary

“**hostel**” means premises that are generally staffed by social workers or support providers and at which:

- (a) residential accommodation is provided in dormitories, or on a single or shared basis, or by a combination of them, and
- (b) cooking, dining, laundering, cleaning and other facilities are provided on a shared basis;

“**hotel or motel accommodation**” means a building or place (whether or not licensed premises under the [Liquor Act 2007](#)) that provides temporary or short-term accommodation on a commercial basis and that:

- (a) comprises rooms or self-contained suites, and
- (b) may provide meals to guests or the general public and facilities for the parking of guests’ vehicles,

but does not include backpackers’ accommodation, a boarding house, bed and breakfast accommodation or farm stay accommodation;

“**LEP**” means a Local Environmental Plan made by the Minister under the Act.

“**LGA**” means Local Government Area.

“**material public benefit**” means a facility or work which is offered by a developer as a finished entity either in return for a reduction in the amount of monetary contributions required for the same category of contribution or as an additional or partial additional benefit under a Planning Agreement;

“**Minister**” means the Minister administering the *Environmental Planning and Assessment Act 1979*.

“**moveable dwelling**” means:

- (a) any tent, or any caravan or other van or other portable device (whether on wheels or not), used for human habitation, or
- (b) a manufactured home, or
- (c) any conveyance, structure or thing of a class or description prescribed by the regulations (under the [Local Government Act 1993](#)) for the purposes of this definition.

“**multi dwelling housing**” means 3 or more dwellings (whether attached or detached) on one lot of land, each with access at ground level, but does not include a residential flat building

“**planning agreement**” means a planning agreement referred to in the Act.

“**public infrastructure**” means:

- (a) public amenities and public services, and
- (b) affordable housing, and
- (c) transport infrastructure,

but does not include water supply or sewerage services.

“**Regulation**” means the *Environmental Planning and Assessment Regulation 2000*.

“**Residential accommodation**” means a building or place used predominantly as a place of residence, including:

- attached dwellings;
- boarding houses;
- dual occupancies;
- dwelling houses;
- group homes;
- hostels;
- multi dwelling housing;

Appendix A - Glossary

- residential flat buildings;
- rural worker's dwellings;
- secondary dwellings
- semi-detached dwellings;
- seniors housing; and
- shop top housing;

but does not include tourist and visitor accommodation or caravan parks.

“residential care facility” means accommodation for seniors or people with a disability that includes:

- (a) meals and cleaning services, and
- (b) personal care or nursing care, or both, and
- (c) appropriate staffing, furniture, furnishings and equipment for the provision of that accommodation and care,

but does not include a dwelling, hostel, hospital or psychiatric facility;

“residential flat building” means a building containing 3 or more dwellings, but does not include an attached dwelling or multi-dwelling housing

“rural workers dwelling” means a building or place that is additional to a dwelling house on the same lot and that is used predominantly as a place of residence by persons employed, whether on a long-term or short-term basis, for the purpose of agriculture or a rural industry on that land

“secondary dwelling” means a self-contained dwelling that:

- (a) is established in conjunction with another dwelling (the principal dwelling), and
- (b) is on the same lot of land as the principal dwelling, and
- (c) is located within, or is attached to, or is separate from, the principal dwelling.

“semi-detached dwelling” means a dwelling that is on its own lot of land and is attached to only one other dwelling.

“seniors housing” means a building or place that is:

- (a) a residential care facility, or
- (b) a hostel within the meaning of Clause 12 of [State Environmental Planning Policy \(Housing for Seniors or People with a Disability\) 2004](#), or
- (c) a group of self-contained dwellings, or
- (d) a combination of any of the buildings or places referred to in paragraphs (a)–(c),

and that is, or is intended to be, used permanently for:

- (e) seniors or people who have a disability, or
- (f) people who live in the same household with seniors or people who have a disability, or
- (g) staff employed to assist in the administration of the building or place or in the provision of services to persons living in the building or place,

but does not include a hospital;

“serviced apartment” means a building (or part of a building) providing self-contained accommodation to tourists or visitors on a commercial basis and that is regularly serviced or cleaned by the owner or manager of the building or part of the building or the owner's or manager's agents.

“shop top housing” means one or more dwellings located above ground floor retail premises or business premises.

Appendix A - Glossary

“**SILEP**” means the *Standard Instrument—Principal Local Environmental Plan*.

“**social housing provider**” means a social housing provider as defined by *State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004* which, at the date of adoption of this Plan included:

- (t) the New South Wales Land and Housing Corporation,
- (u) the Department of Housing,
- (v) a community housing organisation registered with the Office of Community Housing of the Department of Housing,
- (w) the Aboriginal Housing Office,
- (x) a registered Aboriginal housing organisation within the meaning of the [Aboriginal Housing Act 1998](#),
- (y) the Department of Ageing, Disability and Home Care,
- (z) a local government authority that provides affordable housing,
- (aa) a not-for-profit organisation that is a direct provider of rental housing to tenants.

“**social infrastructure**” means public amenities and public services, but does not include water supply or sewerage services.

“**student housing**” means a building that:

- provides accommodation and communal facilities principally for students enrolled to study at an education establishment during teaching periods; and
- may incorporate some fully self-contained dwellings.

“**tourist and visitor accommodation**” means a building or place that provides temporary or short-term accommodation on a commercial basis, and includes any of the following—

- (a) backpackers' accommodation,
- (b) bed and breakfast accommodation,
- (c) farm stay accommodation,
- (d) hotel or motel accommodation,
- (e) serviced apartments,

but does not include—

- (f) camping grounds, or
- (g) caravan parks, or
- (h) eco-tourist facilities.

“**work-in-kind**” means the carrying out of work which is identified in the costed works schedule which form part of this Plan in return for a reduction in the amount of monetary contributions (but not a reduction in the total quantum of contributions) required for the same category of contribution.

Appendix B – Works Schedule

Facility Ref	Description	Land Acquisition Cost	Capital Cost	Total Facility Cost	Grant Funding	Cost attributable to New Development	Cost to be met by Council / Others	Timing / Priority
Transport								
TT-001	Cycleway network	\$12,003,310	\$91,100,000	\$103,103,100	-	\$10,783,384	\$92,319,716	2021-36
TT-002	Pedestrian accessibility and mobility network	-	\$52,500,000	\$52,500,000	-	\$5,490,889	\$47,009,111	2021-36
TT-003	Local Area Traffic Management works	-	\$30,000,000	\$30,000,000	-	\$3,137,651	\$26,862,349	2021-36
TT-004	Bus shelters	-	\$3,000,000	\$3,000,000	-	\$313,765	\$2,686,235	2021-36
	Sub-total	\$12,003,310	\$176,600,000	\$188,603,100	-	\$19,725,689	\$168,877,411	-
Open Space and Recreation								
OSR-001	Parks & playgrounds network embellishment	-	\$58,050,000	\$58,050,000	-	\$58,050,000	-	2021-36
OSR-002	Sporting grounds and recreation facilities network improvements	-	\$15,000,000	\$15,000,000	\$1,500,000	\$13,500,000	-	2021-36
OSR-003	Town centres public domain improvements	-	\$56,855,572	\$56,855,572	-	\$5,946,431	\$50,909,141	2021-36
OSR-004	Digital infrastructure	-	\$13,500,000	\$13,500,000	-	\$1,411,943	\$12,088,057	2021-36
OSR-005	Leisure Centre infrastructure	-	\$56,000,000	\$56,000,000	-	\$5,856,948	\$50,143,052	2021-36
	Sub-total	-	\$199,405,572	\$199,405,572	\$1,500,000	\$84,765,322	\$113,140,250	-
Community facilities								
CF-001	New library floorspace and/or embellishment	-	\$6,353,750	\$6,353,750	-	\$6,353,750	-	2021-36
CF-002	New community space floorspace and/or embellishment	-	\$8,412,250	\$8,412,250	-	\$8,412,250	-	2021-36
CF-003	New cultural space floorspace and/or embellishment	-	\$915,000	\$915,000	-	\$915,000	-	2021-36
	Sub-total	-	\$15,681,000	\$15,681,000	-	\$15,681,000	-	-
Plan Preparation and Administration								
PA-001	Plan preparation and administration	-	\$3,000,000	\$3,000,000	-	\$3,000,000	-	2021-36
	Sub-total	-	\$3,000,000	\$3,000,000	-	\$3,000,000	-	-
	TOTAL	\$12,003,100	\$394,686,572	\$406,689,672	\$1,500,000	\$123,172,012	\$282,017,660	

Appendix C – Maps of Infrastructure Locations

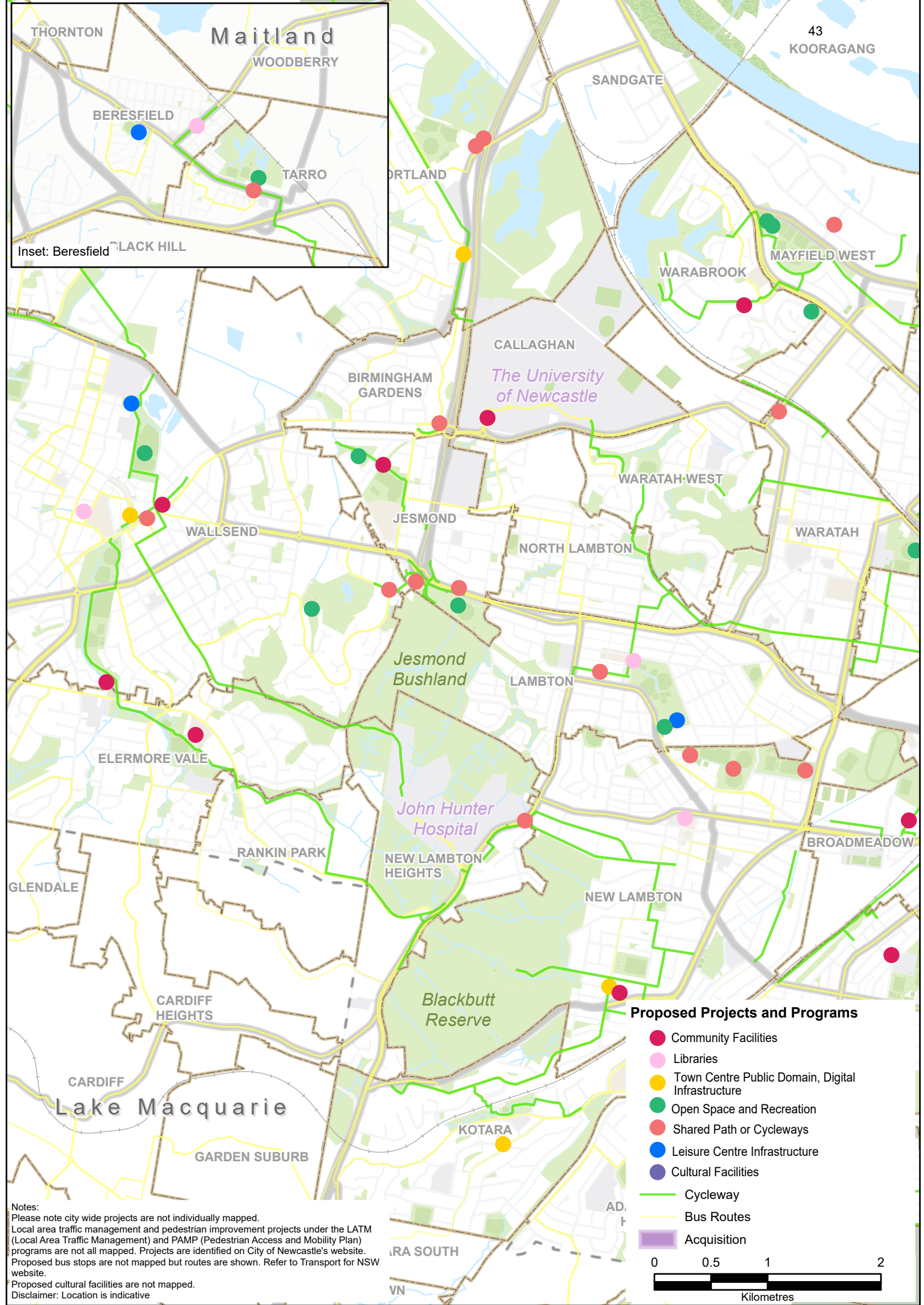


Notes:
 Please note city wide projects are not individually mapped.
 Local area traffic management and pedestrian improvement projects under the LATM (Local Area Traffic Management) and PAMP (Pedestrian Access and Mobility Plan) programs are not all mapped. Projects are identified on City of Newcastle's website.
 Proposed bus stops are not mapped but routes are shown. Refer to Transport for NSW website.
 Proposed cultural facilities are not mapped.
 Disclaimer: Location is indicative

Proposed Projects and Programs

- Community Facilities
- Libraries
- Town Centre Public Domain, Digital Infrastructure
- Open Space and Recreation
- Shared Path or Cycleways
- Leisure Centre Infrastructure
- Cultural Facilities
- Cycleway
- Bus Routes
- Acquisition

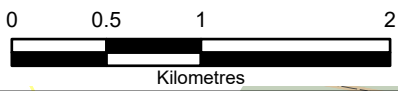
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Notes:
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 Local area traffic management and pedestrian improvement projects under the LATM (Local Area Traffic Management) and PAMP (Pedestrian Access and Mobility Plan) programs are not all mapped. Projects are identified on City of Newcastle's website.
 Proposed bus stops are not mapped but routes are shown. Refer to Transport for NSW website.
 Proposed cultural facilities are not mapped.
 Disclaimer: Location is indicative

Proposed Projects and Programs

- Community Facilities
- Libraries
- Town Centre Public Domain, Digital Infrastructure
- Open Space and Recreation
- Shared Path or Cycleways
- Leisure Centre Infrastructure
- Cultural Facilities
- Cycleway
- Bus Routes
- Acquisition



Appendix D – Pro forma Condition of Consent

- (a) In accordance with Section 4.17(1) of the *Environmental Planning and Assessment Act 1979* and the City of Newcastle Section 7.11 Development Contributions Plan 2021-2036 (the Plan), the following monetary contributions shall be paid to Council to cater for the increased demand for transport and social infrastructure resulting from the development:

Description	Contribution (\$)
Transport	\$
Open Space and Recreation	\$
Community Facilities	\$
Plan Preparation and Administration	\$
TOTAL	\$

- (b) If the contributions are not paid within the financial quarter that this consent is granted, the contributions payable will be adjusted in accordance with the provisions of the Plan and the amount payable will be calculated on the basis of the contribution rates applicable at the time of payment in the following manner:

$$\$C_{PY} = \frac{\$C_{DC} \times CPI_{PY}}{CPI_{DC}}$$

Where:

\$C_{PY} is the amount of the contribution at the date of Payment

\$C_{DC} is the amount of the contribution as set out in this development consent

CPI_{PY} is the latest release of the Consumer Price Index (Sydney – All Groups) at the date of Payment as published by the ABS.

CPI_{DC} is the Consumer Price Index (Sydney – All Groups) for the financial quarter at the date of this development consent.

- (c) The monetary contributions shall be paid to Council:
- (i) prior to the issue of the Subdivision Certificate where the development is for subdivision; or
 - (ii) prior to the issue of the first Construction Certificate where the development is for building work; or
 - (iii) prior to issue of the Subdivision Certificate or first Construction Certificate, whichever occurs first, where the development involves both subdivision and building work; or
 - (iv) prior to the works commencing where the development does not require a Construction Certificate or Subdivision Certificate.

It is the professional responsibility of the Principal Certifying Authority to ensure that the monetary contributions have been paid to Council in accordance with the above timeframes.

Council's Plan may be viewed at www.newcastle.nsw.gov.au or a copy may be inspected at Council's Administration Centre during normal business hours.

Appendix E – Pro forma CDC Condition

- (a) In accordance with Section 4.28(6) of the *Environmental Planning and Assessment Act 1979* and the City of Newcastle Section 7.11 Development Contributions Plan 2021-2036 (the Plan), the following monetary contributions shall be paid to Council to cater for the increased demand for transport and social infrastructure resulting from the development:

Description	Contribution (\$)
Transport	\$
Open Space and Recreation	\$
Community Facilities	\$
Plan Preparation and Administration	\$
TOTAL	\$

- (b) If the contributions are not paid within the financial quarter that this complying development certificate is granted, the contributions payable will be adjusted in accordance with the provisions of the Plan and the amount payable will be calculated on the basis of the contribution rates applicable at the time of payment in the following manner:

$$\text{\$C}_{PY} = \frac{\text{\$C}_{CDC} \times \text{CPI}_{PY}}{\text{CPI}_{CDC}}$$

Where:

\\$C_{PY} is the amount of the contribution at the date of Payment.

\\$C_{CDC} is the amount of the contribution as set out in this Complying Development Certificate.

CPI_{PY} is the latest release of the Consumer Price Index (Sydney – All Groups) at the date of Payment as published by the ABS.

CPI_{CDC} is the Consumer Price Index (Sydney – All Groups) for the financial quarter at the date of this Complying Development Certificate.

- (c) The monetary contributions shall be paid to Council:
- (i) prior to the works commencing where the development requires building works;
 - (ii) prior to occupation or the issue of an occupation certificate, whichever occurs first, where no works are required.

It is the professional responsibility of an accredited certifier to ensure that the monetary contributions have been paid to Council prior to authorising works to commence.

Council's Plan may be viewed at www.newcastle.nsw.gov.au or a copy may be inspected at Council's Administration Centre during normal business hours.

Appendix F – References

The following legislation, plans and policies, studies, technical guides and other information have been used to formulate the contents of the Plan:

- Australian Bureau of Statistics (2016a). Census Data
- City of Newcastle (2017). Parkland and Recreation Strategy
- City of Newcastle (2019). Newcastle Employment Lands Strategy
- City of Newcastle I (2020a). Fern Bay and North Stockton Strategy 2020
- City of Newcastle (2020b). Local Strategic Planning Statement
- City of Newcastle (2020c). Strategic Sports Plan
- Department of Planning (2005). Development Contributions Practice Notes
- Department of Planning (2009). Draft Local Development Contributions Guidelines
- Department of Planning, Infrastructure and Environment (2016). Hunter Regional Plan 2036
- Department of Urban Affairs & Planning (1997). The Section 94 Contributions Manual
- Environmental Planning and Assessment Act 1979*
- Environmental Planning and Assessment Regulation 2000*
- .id the population experts (2020). City of Newcastle Forecasts, <http://forecast.id.com.au/newcastle>
- Library Council of NSW (2005). People Places – A Guide for Public Library Building in New South Wales
- Newcastle Local Environmental Plan 2012*

ATTACHMENTS DISTRIBUTED UNDER SEPARATE COVER

**CCL 24/08/2021 - PUBLIC EXHIBITION OF CITY OF NEWCASTLE
DRAFT DEVELOPMENT CONTRIBUTIONS PLANS**

ITEM-88 **Attachment B:** Draft Section 7.12 Development Contributions Plan

DISTRIBUTED UNDER SEPARATE COVER

Draft Section 7.12 Development Contributions Plan



Acknowledgment

City of Newcastle acknowledges that we operate on the grounds of the traditional country of the Awabakal and Worimi peoples.

We recognise and respect their cultural heritage, beliefs and continuing relationship with the land and waters, and that they are the proud survivors of more than two hundred years of dispossession.

City of Newcastle reiterates its commitment to address disadvantages and attain justice for Aboriginal and Torres Strait Islander peoples of this community.

This Section 7.12 Development Contributions Plan has been prepared by DFP Planning Pty Ltd



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in association with the City of Newcastle

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Abbreviations

ABS	Australian Bureau of Statistics
CC	construction certificate
CDC	complying development certificate
Council	Newcastle City Council
DA	development application
DCP	development control plan
DPIE	NSW Department of Planning, Industry and Environment
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
EP&A Regulation	<i>Environmental Planning and Assessment Regulation 2000</i>
GFA	gross floor area
HCCDC	Hunter and Central Coast Development Corporation
LEP	local environmental plan
LGA	local government area
LSPS	Local Strategic Planning Statement
PA	planning agreement
SC	Subdivision Certificate
SEPP	state environmental planning policy

Executive Summary

Purpose and Objectives of the Plan

This Plan is the **City of Newcastle Section 7.12 Development Contributions Plan** and has been prepared to satisfy the requirements of the *Environmental Planning and Assessment Act, 1979* and *Environmental Planning and Assessment Regulation 2000*, enabling Council or an accredited certifier to levy contributions from development for the provision of transport and social infrastructure.

This Plan will assist in the provision of adequate transport and social infrastructure for future development and ensure that the existing community is not burdened by the costs of transport and social infrastructure required as a result of future development. In addition, this Plan provides the administrative framework for the collection, expenditure, accounting and review of development contributions on a reasonable basis. In this way, the Plan provides for public and financial accountability.

Nature of future development

Between 2021 and 2036, there is forecast to be approximately 23,740 additional residents in the City of Newcastle Local Government Area (LGA) accommodated within 11,520 private dwellings and other residential accommodation such as boarding houses, group homes, hostels, residential care facilities and student housing.

There is also estimated to be an increase in non-residential development over this 15-year period comprising approximately 78,500m² of retail floor space, approximately 212,500m² of other commercial floor space and approximately 121,000m² of industrial floor space.

This future development will require new, extended or augmented transport and social infrastructure.

Life of the Plan

The Plan caters for a planning period from 2021 to 2036 with this period generally aligning with various NSW State Government and Council strategies and being within the horizon of residential and employment forecasts utilised by Council for planning and infrastructure purposes.

The levy payable under this Plan will be indexed between the date of determination and the date of payment of the contribution. Furthermore, the cost of development used to determine the levy under this Plan will be indexed from the date of the cost estimate to the date of determination.

Other funding sources

Contributions sought by this Plan may only partially fund transport and social infrastructure listed in this Plan. Council will draw upon other funding sources (including contributions under Council's Section 7.11 Contributions Plan) to meet the residual costs to deliver such infrastructure.

Summary of contribution rates

Table E1: Summary of Contribution Rates		
Type of Development	Levy as % of development costs	
	Newcastle City Centre	Rest of LGA
All development except the creation of additional private residential lots/dwellings. For clarity, this Plan applies to residential accommodation such as boarding houses, group homes, hostels, residential care facilities and student housing, alterations and additions to residential accommodation and all non-residential development. See Sections 1.5 and 1.6 for further details	0% for development up to and including \$100,000	
	0% for residential development more than \$100,000, up to and including \$200,000	
	0.5 % for all other development more than \$100,000, up to and including \$200,000	
	1% for development more than \$200,000, up to and including \$250,000	1% for all developments more than \$200,000
3% for development more than \$250,000		

Executive Summary

Works schedule

Contributions sought through this Plan will be used to fund, in part or in full, the transport and social infrastructure set out in the Schedule of Works at **Appendix B**.

1 Introduction

1.1 Name of this Plan

This Plan is the **City of Newcastle Section 7.12 Development Contributions Plan** (the “Plan”).

1.2 Commencement of this Plan

This Plan has been prepared pursuant to the provisions of the *Environmental Planning and Assessment Act 1979* (the Act) and the *Environmental Planning and Assessment Regulation 2000* (the Regulation) and takes effect from **<INSERT DATE>**, being the date specified in the public notice, published pursuant to the Regulation.

1.3 Purpose and Objectives of this Plan

This Plan has been prepared to satisfy the requirements of the Act, which enables Council or an accredited certifier to levy contributions from development for the provision of transport and social infrastructure.

In accordance with the Act and Regulation, this Plan authorises a consent authority to impose a condition requiring the payment of a levy, even though there is no connection between the development the subject of the development consent and the object of expenditure of any money required to be paid by the condition. Accordingly, the objectives of this Plan are to:

- (a) authorise Council or an accredited certifier to impose a condition of consent requiring the payment of a monetary contribution when granting consent to development on land to which this Plan applies, including Complying Development;
- (b) assist Council to provide the appropriate transport and social infrastructure required to maintain and enhance amenity and service delivery within the area;
- (c) ensure that the existing community is not burdened by the provision of transport and social infrastructure required as a result of future development; and
- (d) enable Council to be both publicly and financially accountable in its assessment and administration of the Plan.

1.4 Land to which the Plan applies

This Plan applies to all land within the City of Newcastle LGA shown on the Map (see **Figure 1**) including land within the Newcastle City Centre (see **Figure 2**).

1.5 Development to which this Plan applies

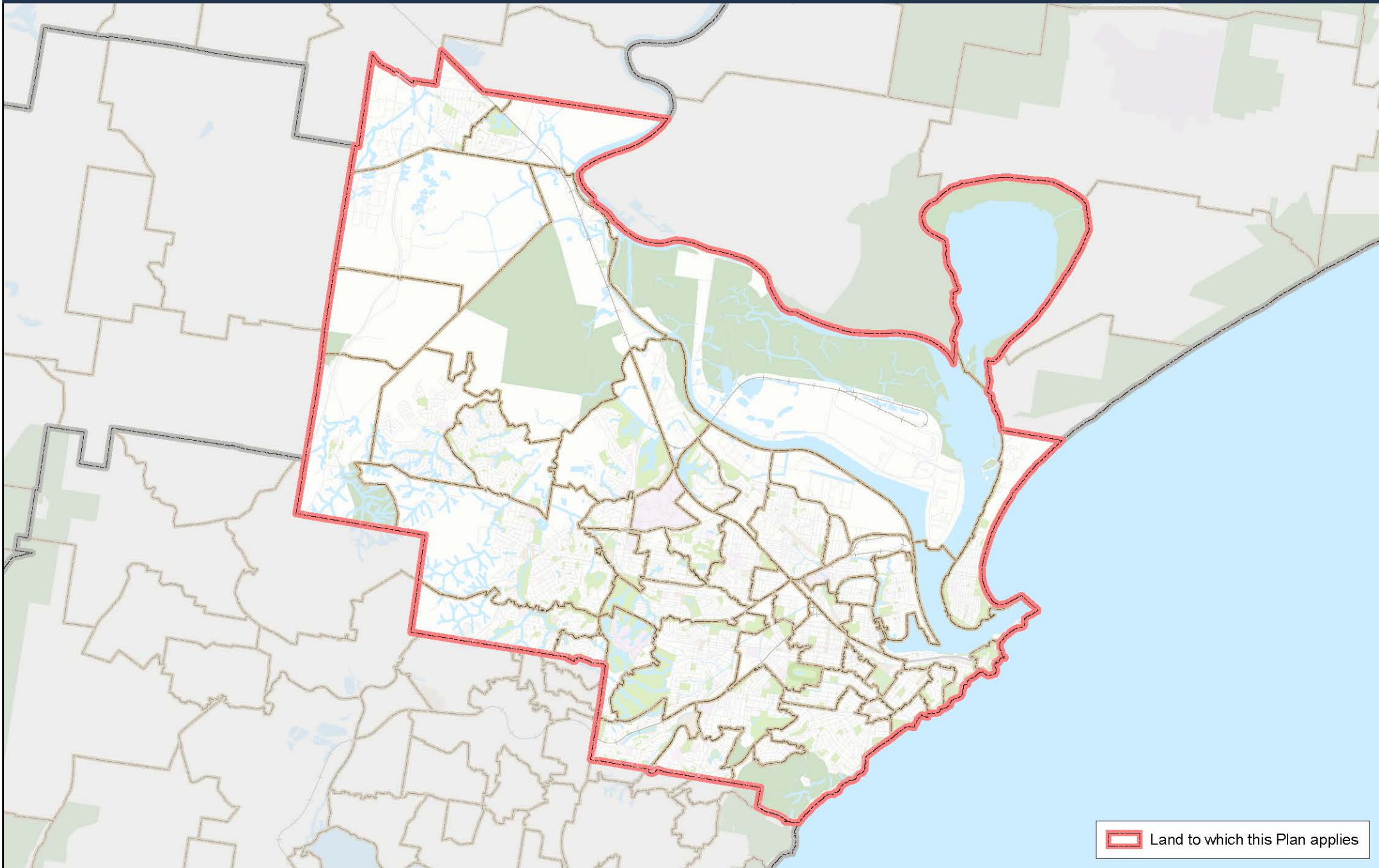
This Plan applies to all development except the creation of additional private residential lots/dwellings.

For clarity, this Plan applies to other residential accommodation such as boarding houses, group homes, hostels, residential care facilities and student housing. In addition, this Plan applies to alterations and additions to residential accommodation (greater than \$200,000) and to all non-residential development.

However, this Plan does not apply to development where the proposed cost of carrying out the development is \$100,000 or less or where an exemption is provided for by this Plan or by a prevailing Ministerial Direction (see **Section 1.6**).

Appendix F – Cost of Development Calculation details the manner in which the cost of carrying out development must be calculated.

Figure 1 - Land Application Map - City of Newcastle LGA



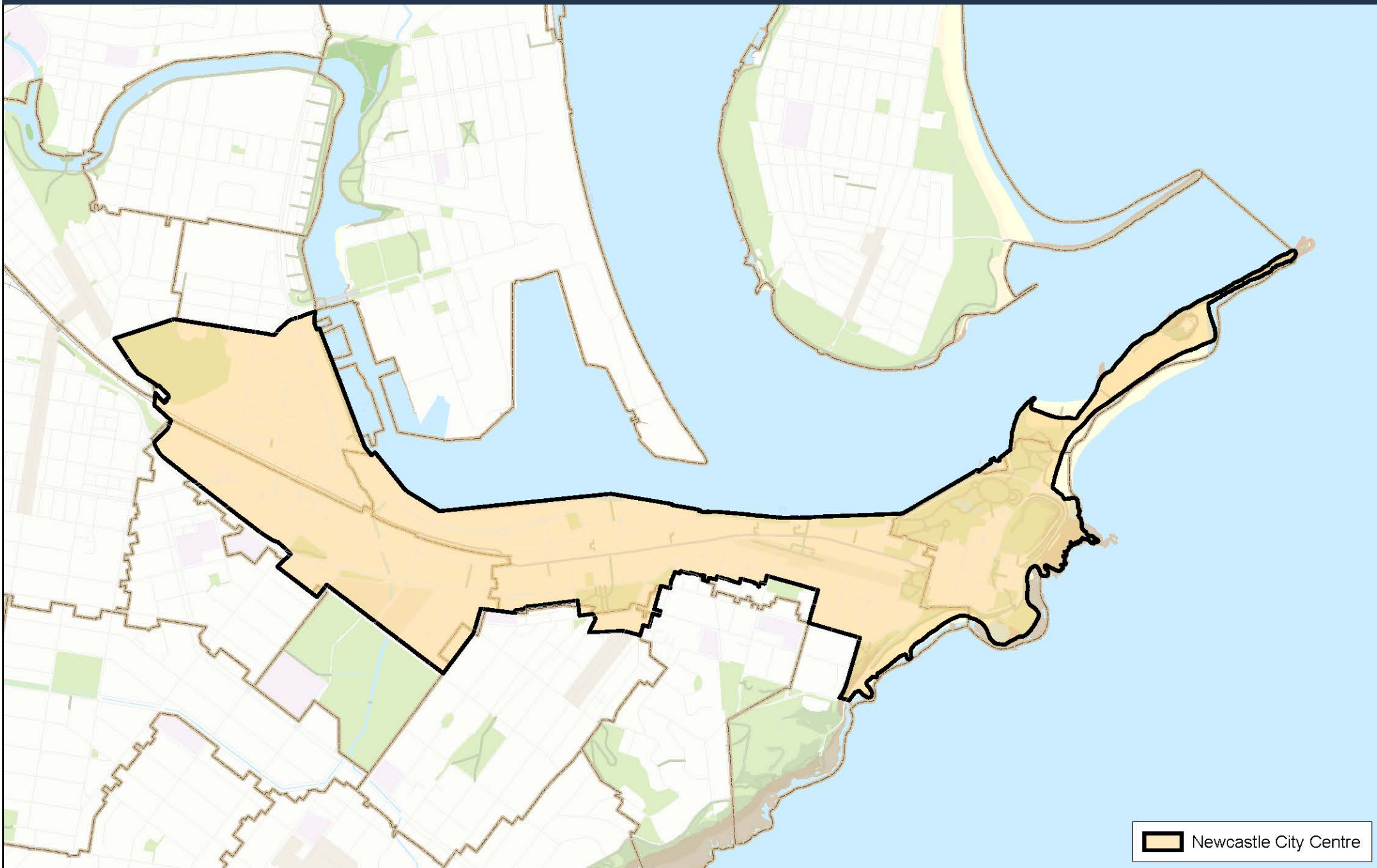
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0 1.5 3 6
Kilometres

Scale: 1:120,000 at A4



Figure 2 - Land Application Map - Newcastle City Centre



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0 0.25 0.5 1
Kilometres

Scale: 1:20,000 at A4



1 Introduction

1.6 Exemptions and Reductions

Council will provide an exemption from, or reduction to, contributions required by this Plan as follows:

1. When directed to do so by the [Minister](#). At the date of commencement of this Plan, the prevailing Directions included the following relevant to the Newcastle LGA:
 - No contributions for development undertaken by a 'social housing provider' for the purposes of 'seniors housing' as defined in *State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004*;
 - No contributions for an application determined by the City of Newcastle (or delegate) or accredited certifier for development on land within the 'Port of Newcastle Lease Area' as shown on the relevant Map within *State Environmental Planning Policy (Three Ports) 2013*;
 - No contribution for development that has been the subject of a condition requiring monetary contributions under a previous development consent relating to the subdivision of the land on which the development is to be carried out, unless that development will, or is likely to, increase the demand for public amenities or public services beyond the demand attributable to the initial subdivision.
2. No contribution in respect of development applications (or modifications thereto) made by or on behalf of the Council for infrastructure including, but not limited to, libraries, community facilities, child care facilities, recreational areas, recreation facilities, car parks and the like;
3. No contribution for the cost of remediation and grouting of land affected by mine subsidence (NB: such costs will be excluded from the total cost of development where development involves works additional to remediation and grouting of land affected by mine subsidence);
4. No contribution where the Applicant is a charity demonstrated by submission of any of the following prior to determination of the application:
 - A Certificate of Registration with the Australian Charities and Not-for-Profit Commission; or
 - A Notice of Endorsement as a Deductible Gift Recipient, issued by the Australian Taxation Office (ATO); or
 - A Notice of Endorsement for Charity Tax Concessions, issued by the ATO.
5. No contribution for the following forms of residential accommodation (except alterations and additions which exceed \$200,000), although these forms of accommodation may attract a contribution under Council's s7.11 Contributions Plan:
 - Attached dwellings;
 - Dual occupancies;
 - Dwelling houses;
 - Multi dwelling housing;
 - Residential flat buildings;
 - Rural worker's dwellings;
 - Secondary dwellings
 - Semi-detached dwellings;
 - Seniors housing (except residential care facilities); and
 - Shop top housing.
6. No contribution for alterations and additions to residential accommodation where the cost of carrying out the development is equal to or less than \$200,000, unless than development creates additional dwelling units, in which case, a contribution under Council's s7.11 Contributions Plan may apply.

1 Introduction

Council does not apply discounts to the payment of development contributions unless otherwise stated in this Plan.

Appendix F – Cost of Development Calculation details how the cost of carrying out development must be calculated and excludes certain works such as the cost of providing affordable housing.

1.7 Operation Period of the Plan

The Plan is intended to cater for a planning period 2021 to 2036 with this period generally aligning with various NSW State Government and Council strategies and being within the horizon of residential and employment forecasts utilised by Council for planning and infrastructure purposes.

The Plan will be monitored and if necessary, the works schedule may be amended to account for infrastructure works that have been delivered or for which there has been a change in the estimated costs or timing.

1.8 Structure of this Plan

This Plan has three sections:

Section 1 – Introduction (this section), identifies the name of the Plan, its commencement date, the purpose, aims and objectives of the Plan, the land and forms of development to which the Plan applies and the Plan's relationship to other plans, reports and policies.

Section 2 – Administration and operation of the Plan, outlines the types of transport and social infrastructure addressed by the Plan, describes how and when contributions are to be made and provides details regarding the ongoing management of the Plan.

Section 3 – Forecast Development and Demand for Social Infrastructure, outlines the residential and employment generating development forecast to occur during the life of this Plan and the plans, strategies and other documents that have been drawn upon to compile the works schedule for this Plan.

The **Appendices** to this Plan include a Glossary which explains the meaning of words and terms used in this Plan, a Works Schedule, maps showing the location of facilities, pro-forma conditions for development consents and Complying Development Certificates, procedures for determining the cost of development and a list of References including the plans, policies and other information which support the contents of the Plan.

1.9 Glossary

The meanings of key words and terms used in this Plan are contained in the Glossary at **Appendix A**.

1.10 Relationship with other plans, reports and policies

If a contribution is required under the City of Newcastle Section 7.11 Development Contributions Plan 2021-2036 or the Section 7.11 Western Corridor Local Infrastructure Contribution Plan, a contribution will not be imposed under this Plan.

The Plan supplements the provisions of and should be read in conjunction with the Act and Regulation, the City of Newcastle's prevailing Local Environmental Plan, Development Control Plan and other relevant plans and policies adopted by Council.

1.11 Savings and transitional arrangements

If a development application or application for a Complying Development Certificate has been made before the commencement of this Plan in relation to land to which this Plan applies and the application has not been finally determined before that commencement, the application must be determined in accordance with the provisions of this Plan.

1 Introduction

If a modification application pursuant to s4.55 of the Act has been made before the commencement of this Plan in relation to land to which this Plan applies and the application has not been finally determined before that commencement, the application must be determined as if this Plan had not commenced.

2 Administration of the Plan

2.1 Scope of this Plan

Between 2021 and 2036, there is forecast to be approximately 23,740 additional residents in the City of Newcastle Local Government Area (LGA) accommodated within 11,520 private dwellings and other residential accommodation such as boarding houses, group homes, hostels, residential care facilities and student housing.

There is also estimated to be an increase in non-residential, employment-generating floor space over this 15-year period comprising approximately 78,500m² of retail floor space, approximately 212,500m² of other commercial floor space and approximately 121,000m² of industrial floor space.

This future development in the LGA will create a demand for new, enhanced or augmented transport and social infrastructure.

This Plan sets out the range of transport and social infrastructure considered necessary to cater for this demand and how development levied under this Plan will be required to contribute to the cost of this infrastructure.

2.2 Types of transport and social infrastructure addressed by this Plan

Under this Plan, Council will require development contributions for the following transport and social infrastructure:

- road, footpath and cycling infrastructure;
- traffic management facilities;
- public domain improvements including public art;
- public open space and associated landscaping;
- recreation facilities;
- libraries and resource materials;
- community centres and halls;
- cultural facilities; and
- administration of this Plan.

2.3 How will contributions be imposed?

In accordance with the Act, development contributions under this Plan will be imposed as a condition of development consent (see **Appendix D**) or as a condition on a Complying Development Certificate (see **Appendix E**).

2.4 How will the levy be calculated?

The levy will be determined on the basis of the percentage rate as set out in **Table E1** and calculated as follows:

$$\text{Levy Payable} = \%C \times \$C$$

Where:

%C is the percentage rate applicable.

\$C is the cost of carrying out the proposed development as agreed by Council at the date of determination.

The cost of carrying out the proposed development will be determined in accordance with clause 25J of the Regulation and as follows:

- for works less than or equal \$150,000, a Cost Estimate is required and may be prepared by the Applicant (based on a builders/suppliers quote or similar) or a suitably qualified person such as a licensed builder, registered architect, building professional or the like;

2 Administration of the Plan

- for works more than \$150,000 but less than \$3,000,000, a Cost Summary Report is required and must be prepared by a suitably qualified person;
- for works equal to or greater than \$3,000,000, a Detailed Cost Report is required and must be prepared by a Quantity Surveyor registered as a member of the Australian Institute of Quantity Surveyors.

Appendix F to this Plan provides further details in regard to calculating the cost of carrying out the development including a pro-forma Cost Summary Report and a pro-forma Detailed Cost Report.

Without limitation to the above, Council may review the estimated cost of carrying out the 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 and no complying development certificate, subdivision certificate, construction certificate and/or occupation certificate will be issued until such time that the levy has been paid (see **Section 2.6**).

2.5 Methods of payment

In accordance with the Act, an obligation under this Plan to provide contributions toward transport and social infrastructure must be satisfied by payment of a monetary contribution.

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

Notwithstanding the above, an applicant may voluntarily offer to enter into a planning agreement with Council in connection with a development application, pursuant to Section 7.4 of the Act. Under a planning agreement, the applicant may offer to pay money, dedicate land, carry out works, or provide other material public benefits for public purposes. The applicant's provision under a planning agreement may be additional to or instead of making contributions provided for by the Act.

An applicant's offer to enter into a planning agreement, together with the draft agreement, will generally need to accompany the relevant development application or an application to modify the development consent. Council may also consider an offer to enter into a planning agreement where an applicant has sought a change to an environmental planning instrument (i.e. via a Planning Proposal).

Council will publicly notify the draft planning agreement and explanatory note relating to the draft agreement along with the relevant application and will consider the draft planning agreement as part of its assessment of the relevant application. If Council agrees to enter into the planning agreement, it may impose a condition of development consent requiring the agreement to be entered into and performed.

2.6 Timing of payments

A contribution must be paid to Council at the time specified in the condition of development consent that imposes the contribution. If no such time is specified, the contribution must be paid as follows, subject to any prevailing Ministerial Direction:

- In the case of subdivisions - prior to the issue of the Subdivision Certificate for each stage; or
- In the case of development involving building work – prior to the issue of the first Construction Certificate; or
- In the case of development that involves both subdivision and building work – prior to issue of the Subdivision Certificate or first Construction Certificate, whichever occurs first; or
- In the case of development that does not involve subdivision or building work – prior to occupation or issue of an Occupation Certificate, whichever occurs first; or
- In the case of Complying Development:
 - where works are proposed - prior to any works commencing;

2 Administration of the Plan

- where no works are proposed – prior to occupation or issue of an Occupation Certificate, whichever occurs first.

It is the responsibility of an accredited certifier to ensure that a condition is imposed on a complying development certificate in accordance with this Plan and that any monetary contributions have been paid to Council prior to issuing a Complying Development Certificate.

2.6.1 Deferred or periodic payments

Deferred payment of development contributions may be permitted in certain circumstances in accordance with the criteria outlined below:

- (a) an application for deferred payment or payment by instalments is to be made in writing to Council explaining the circumstances of the request;
- (a) the decision to allow deferred payment will be at the sole discretion of Council;
- (b) the timing or the manner of the provision of public facilities included in the works program will not be prejudiced;
- (c) the works project to which the request applies does not relate to public safety or health;
- (d) the amount of the contribution or outstanding balance is not less than \$5,000;
- (e) the maximum period of deferred payment of the contribution is two years from the standard payment date; and
- (f) the maximum period for payment by instalments is two years from the standard payment date;
- (g) deferred payments and payments by instalments are subject to indexation.

If Council decides to accept deferred payment or payment by instalments, Council will require the applicant to provide a bank guarantee with the following conditions:

- the Bank Guarantee(s) must be in Australian Dollars from a major Australian Trading Bank and in the name of City of Newcastle
- the Bank Guarantee(s) must have no end date, be unconditional and irrevocable, and be in favour of City of Newcastle
- the sum of the Bank Guarantee(s) will be the amount due to Council at the date of issue, plus an additional amount specified by Council to make provision for any anticipated indexation during the life of the Bank Guarantee until the estimated date of release;
- the bank unconditionally pays the guaranteed sum to Council if Council so demands in writing;
- the bank must pay the guaranteed sum without reference to the applicant or landowner or other person who provided the guarantee, and without regard to any dispute, controversy, issue or other matter relating to the development consent or the carrying out of development;
- the bank's obligations are discharged when payment to Council is made in accordance with this guarantee or when Council notifies the bank in writing that the guarantee is no longer required;
- where a bank guarantee has been deposited with Council, the guarantee shall not be cancelled until such time as the original contribution, indexation and other charges are paid;
- an administration fee may apply to utilise the bank guarantee option as stated in Council's Fees and Charges.

2.6.2 Construction certificates and the obligation of accredited certifiers

In accordance with the Act and the Regulation, a certifying authority must not issue a Construction Certificate or an Occupation Certificate, whichever is applicable under a development consent, unless it has verified that each condition requiring the payment of monetary contributions has been satisfied.

2 Administration of the Plan

In particular, the certifier must ensure that the applicant provides a receipt(s) confirming that contributions have been fully paid and copies of such receipts must be included with copies of the certified plans provided to Council in accordance with the Regulation. Failure to follow this procedure may render such a certificate invalid.

The only exception to this requirement is where an alternate payment method has been agreed by Council. In such cases, Council will issue a letter confirming that an alternative payment method has been agreed with the applicant.

2.6.3 Complying development and the obligation of accredited certifiers

In accordance with the Section 7.21 of the Act, accredited certifiers must impose a condition on a Complying Development Certificate, requiring monetary contributions in accordance with this Plan.

The conditions imposed must be consistent with Council's standard condition for Complying Development Certificates (see **Appendix E**) and be strictly in accordance with this Plan. It is the professional responsibility of an accredited certifier to inform themselves of any amendments to this Plan, to accurately calculate the contribution and to apply the development contributions condition correctly in accordance with Council current consent condition requirements.

It is also the professional responsibility of an accredited certifier to ensure that any applicable monetary contributions have been paid to Council prior to authorising works to commence or occupation to occur.

2.7 Indexation of contributions

To ensure that the value of contributions is not eroded over time, the contributions stated in a development consent or Complying Development Certificate will be indexed at the time of payment.

In this circumstance, if the contribution is not paid within the same financial quarter as the date of the determination, the payment shall be indexed in accordance with the following formula:

$$\$C_{PY} = \frac{\$C_D \times CPI_{PY}}{CPI_{PC}}$$

Where:

\$C_{PY} is the amount of the contribution at the date of Payment.

\$C_D is the amount of the contribution at the date of Determination.

CPI_{PY} is the Consumer Price Index (Sydney – All Groups) (CPI) as published by the Australian Bureau of Statistics (ABS) for the financial quarter at the date of Payment.

CPI_D is the CPI (Sydney – All Groups) as published by the ABS for the financial quarter at the date of the Determination.

If the determination is not made within the same financial quarter as the date of the estimate of the cost of development, the cost of development shall also be indexed in accordance with the above methodology for the purposes of the contribution to be stated in the determination.

2.8 Accounting and management of funds

2.8.1 Accounting standards and contributions register

Accounting records and a contributions register for all development contributions made to Council under this Plan will be maintained and where required, published, in accordance with the Regulation.

2.8.2 Treatment of funds received prior to the commencement of this Plan

Funds levied and received under previous s7.12 plans will be used to deliver transport and social infrastructure under this Plan.

2 Administration of the Plan

2.8.3 Investment of funds

To maintain the time-value of monetary contributions received under this Plan, Council will invest these funds until the time of expenditure for transport and social infrastructure specified in this Plan.

Council will report all investment returns as part of its annual contributions accounts reporting and all investment returns will be retained within the development contributions accounts, to be used for the purpose for transport and social infrastructure specified in this Plan.

2.8.4 Pooling of contributions

Subject to any prevailing Ministerial Direction, this Plan expressly authorises monetary contributions received under this Plan, any previous plans and any other current s7.11 contributions plans to be pooled and applied (progressively or otherwise) for the purposes for which the contributions were made.

2.8.5 Other funding sources

Works proposed in this Plan represent infrastructure to be funded via a variety of sources. In some instances, the total cost of work is to be funded pursuant to the development contributions provisions of the Act. In other instances, the cost is to be borne by a combination of development contributions under this Plan, development contributions received under other contributions plans (including repealed contributions plans), and/or other funds.

Where relevant, the cost anticipated to be funded by this Plan does not include any grant funding. Should grant funding become available in the future, the works schedule in this Plan will be reviewed and the works schedule costs adjusted accordingly.

2.8.6 Delivery of Infrastructure in the Honeysuckle Foreshore Public Domain Area

Council has entered into a Deed of Agreement with the Hunter and Central Coast Development Corporation (HCCDC) whereby the HCCDC has agreed to deliver the transport and social infrastructure works nominated as “Honeysuckle Public Domain Works” in the Works Schedule at **Appendix B** on behalf of Council.

In return, Council will transfer 80% of the s7.12 development contributions received from development in the Honeysuckle Foreshore Public Domain Area (see **Figure 3**) to the HCCDC for the purposes of delivering this transport and social infrastructure.



Figure 3 Land subject to the Deed of Agreement with the HCCDC

2 Administration of the Plan

2.8.7 Refunds

A request for a refund of monetary contributions paid to Council must be accompanied by either:

1. A modification application pursuant to s4.30 or s4.55 of the Act, which seeks to amend/delete the contributions condition; or
2. Surrender of a development consent pursuant to s4.17 or s4.63 of the Act in the form required by cl97 of the Regulation.

Subject to other considerations required by s4.15 or s4.28 of the Act, Council may consider refunding monetary contributions paid pursuant to this Plan, where:

- the condition requiring payment of a monetary contribution was imposed in a manner that was not in accordance with the provisions of this Plan as it existed at the date of determination of the development application or complying development certificate;
- the cost of development used to calculate the monetary contribution stated in a condition is satisfactorily demonstrated to have changed. In this instance and notwithstanding the provisions under **Section 2.4** of this Plan, Council will require a Detailed Cost Report prepared by a Quantity Surveyor registered as a member of the Australian Institute of Quantity Surveyors. Council may obtain a peer review of the applicant's estimate of cost of development and may seek to recover the costs of any such review from the applicant. In addition, should the peer review result in an increase in the cost of development, Council may seek to impose a higher contribution and require payment of the residual amount;
- a modification application seeks the full or partial use of the development for a purpose that would qualify for a reduction or exemption (e.g. seniors housing by a social housing provider or affordable housing). In this instance, no reduction or refund will be granted unless Council is satisfied that the application has been assessed with regard to all relevant considerations applicable to that type of development and if appropriate, lawful additional conditions are imposed to require the development to be operated in such a manner that accords with the proposed use (e.g. affordable housing to be provided for a defined period of time, or housing to be provided by a social housing provider that is to be occupied by persons 55 and over or persons with a disability);

Refunds will not be considered where occupation/commencement of the approved development has occurred.

In assessing a request to refund monetary contributions, Council will consider whether it is in a financial position to do so, having regard to whether those funds have already been spent or committed for expenditure (e.g. a project has started and would be adversely impacted if the money contribution (in whole or in part) is refunded). Council may also have regard to whether it may be in a position to provide a refund in accordance with a payment schedule.

Furthermore, where a request for a refund is not as a consequence of an error on behalf of the consent authority, any refund will be exclusive of any interest that may have been earned on the contribution between the date of payment to the date of the refund.

2.8.8 Goods and services tax

At the date of preparing this Plan, monetary development contributions were exempt from the Federal Government Goods and Services Tax (GST).

However, if legislative changes (including Australian Tax Office tax rulings) determine otherwise, contributions in this Plan will be adjusted to include GST.

3 Forecast development and demand for transport and social infrastructure

3.1 Strategic Context

3.1.1 Hunter Regional Plan 2036

The Hunter Regional Plan 2036 was finalised in October 2016 and is a 20-year plan to guide the NSW Government's planning priorities and decisions for the Hunter Region and provide a framework for more detailed land use and infrastructure planning and funding. The following summarises key aspects of the plan as they relate to the Newcastle LGA and this Plan:

- The resident population of 'Greater Newcastle' (comprising the urban areas of the LGAs of Newcastle, Lake Macquarie, Port Stephens, Cessnock and Maitland) is expected to grow by approximately 125,000 people in 50,000 dwellings between 2016 and 2036. The Newcastle LGA will account for 33,300 of these new residents in 16,800 dwellings with 6,000 new dwellings within the Newcastle City Centre;
- Approximately 48,000 additional jobs will be required from 2016 to 2036, with 17,964 new jobs in the Newcastle LGA and 8,000 of these within the Newcastle City Centre;
- New jobs will also be created by expansion of the University of Newcastle in the Newcastle City Centre and Callaghan campus, associated with the John Hunter Hospital and around the Port of Newcastle;
- The new public transport gateway at Wickham will generate growth;
- The existing network of on and off-road cycling and walking trails is to be expanded including providing enhanced access to natural areas.

3.1.2 Local Strategic Planning Statement

The City of Newcastle Local Strategic Planning Statement (LSPS) was adopted by Council in May 2020 and provides the direction for land use planning for the Newcastle LGA for the 20 year period from 2020 to 2040.

The LSPS outlines that between 2016 and 2040, the residential population is expected to grow by approximately 38,000 persons, a 23% increase over the 2016 resident population.

In addition, there is estimated to be an additional 36,331 new jobs over this period, being a 35% increase over the 2016 workforce population.

3.2 Forecast Development

The Hunter Regional Plan 2036 and the LSPS provide the high level context for future growth in the Newcastle LGA although Council has the benefit of more detailed residential forecasts prepared by .id Consulting Pty Ltd (2020) and employment forecasts within the Newcastle Employment Lands Strategy prepared by SGS Economics and Planning (2019).

The forecasts provide for the following additional development within the LGA between 2021 and 2036, being the planning period for this Plan.

- 23,740 additional residents within 11,520 private dwellings and other accommodation such as boarding houses, group homes, hostels, residential care facilities and student housing;
- 78,500m² of retail floor space;
- 212,500m² of other (non-retail) commercial floor space; and
- 121,000m² of industrial floor space.

3 Forecast development and demand for transport and social infrastructure

3.3 Demand for public facilities and services

The increased usage of and demand for new transport and social infrastructure as a consequence of the forecast additional development will in most cases, exceed the capacity of existing public facilities in the LGA and therefore, it will be necessary for new and embellished transport and social infrastructure to be provided to cater for the anticipated demand of future development.

For the purposes of this Plan, Council has drawn upon a variety of strategies and plans which set out the transport and social infrastructure requirements of the future population, including, but not limited to the following:

- Newcastle Cycling Plan (2020);
- Fern Bay and North Stockton Strategy (2020);
- Stevenson Park Masterplan (2019);
- Wickham Master Plan (2017);
- Beresfield Local Centre Public Domain Plan and Traffic Plan (2017);
- Stockton Public Domain Plan and Traffic Plan (2017);
- Bathers Way Public Domain Plan (2016);
- Merewether Beach Reserves Public Domain Plan (2015);
- South Stockton Reserves Public Domain Plan (2012).

In addition to transport and social infrastructure projects specifically identified in these documents, this Plan includes other projects which align with the Planning Priorities in the LSPS.

Appendix A - Glossary

Terms used in this Plan have the following meanings except where the meaning of a term is inconsistent with the Act or the *Standard Instrument—Principal Local Environmental Plan (SILEP)*, in which case the definition in the Act or SILEP will prevail:

“**ABS**” means the Australian Bureau of Statistics.

“**Act**” means the *Environmental Planning and Assessment Act 1979*.

“**affordable housing**” means housing for very low income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument.

“**applicant**” means the person(s) or organisation(s) submitting a development application.

“**ATO**” means the Australian Taxation Office.

“**Consumer Price Index (CPI)**” is a standard measure of price movements published by the Australian Bureau of Statistics.

“**contribution**” means the same as “**development contribution**”;

“**contributions plan**” means a contributions plan referred to in the Act.

“**Council**” means the Newcastle City Council

“**DCP**” means a Development Control Plan adopted by Council under the Act.

“**development**” has the meaning under Section 4 of the Act which in relation to land means:

- (a) the use of land; and
- (b) the subdivision of land; and
- (c) the erection of a building; and
- (d) the carrying out of a work; and
- (e) the demolition of a building or work; and
- (f) any other act, matter or thing that may be controlled by an environmental planning instrument.

“**development consent**” means consent under Part 4 of the Act to carry out development and includes, unless expressly excluded, a complying development certificate.

“**development contribution**” means the making of a monetary contribution, dedication of land or the providing of a material public benefit (including a work-in-kind), or any combination of these as referred to in the Act for the provision of transport and social infrastructure;

“**dwelling**” means a room or suite of rooms occupied or used or so constructed or adapted as to be capable of being occupied or used as a separate domicile;

“**dwelling house**” means a building containing only one dwelling;

“**GFA**” means the same as gross floor area.

“**gross floor area**” means the sum of the floor area of each floor of a building measured from the internal face of external walls, or from the internal face of walls separating the building from any other building, measured at a height of 1.4 metres above the floor, and includes:

- (a) the area of a mezzanine, and
- (b) habitable rooms in a basement or an attic, and
- (c) any shop, auditorium, cinema, and the like, in a basement or attic,

but excludes:

- (d) any area for common vertical circulation, such as lifts and stairs, and
- (e) any basement:

Appendix A - Glossary

- (i) storage, and
- (ii) vehicular access, loading areas, garbage and services, and
- (f) plant rooms, lift towers and other areas used exclusively for mechanical services or ducting, and
- (g) car parking to meet any requirements of the consent authority (including access to that car parking), and
- (h) any space used for the loading or unloading of goods (including access to it), and
- (i) terraces and balconies with outer walls less than 1.4 metres high, and
- (j) voids above a floor at the level of a storey or storey above.

“**LEP**” means a Local Environmental Plan made by the Minister under the Act.

“**LGA**” means Local Government Area.

“**material public benefit**” means a facility or work which is offered by a developer as a finished entity either in return for a reduction in the amount of monetary contributions required for the same category of contribution or as an additional or partial additional benefit under a Planning Agreement;

“**Minister**” means the Minister administering the *Environmental Planning and Assessment Act 1979*.

“**Ministerial Direction**” means a Direction by the Minister pursuant to Section 7.9 or Section 7.17 of the Act.

“**planning agreement**” means a planning agreement referred to in the Act.

“**public infrastructure**” means:

- (a) public amenities and public services, and
 - (b) affordable housing, and
 - (c) transport infrastructure,
- but does not include water supply or sewerage services.

“**Regulation**” means the *Environmental Planning and Assessment Regulation 2000*.

“**Residential accommodation**” means a building or place used predominantly as a place of residence, including:

- Attached dwellings;
- Boarding houses;
- Dual occupancies;
- Dwelling houses;
- Group homes;
- Hostels;
- Multi dwelling housing;
- Residential flat buildings;
- Rural worker’s dwellings;
- Secondary dwellings
- Semi-detached dwellings;
- Seniors housing; and
- Shop top housing;

but does not include tourist and visitor accommodation or caravan parks.

Appendix A - Glossary

“**seniors housing**” means a building or place that is:

- (a) a residential care facility, or
- (b) a hostel within the meaning of clause 12 of [State Environmental Planning Policy \(Housing for Seniors or People with a Disability\) 2004](#), or
- (c) a group of self-contained dwellings, or
- (d) a combination of any of the buildings or places referred to in paragraphs (a)–(c),

and that is, or is intended to be, used permanently for:

- (e) seniors or people who have a disability, or
- (f) people who live in the same household with seniors or people who have a disability, or
- (g) staff employed to assist in the administration of the building or place or in the provision of services to persons living in the building or place,

but does not include a hospital;

“**SILEP**” means the *Standard Instrument—Principal Local Environmental Plan*.

“**social housing provider**” means a social housing provider as defined by *State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004* which, at the date of adoption of this Plan included:

- (k) the New South Wales Land and Housing Corporation,
- (l) the Department of Housing,
- (m) a community housing organisation registered with the Office of Community Housing of the Department of Housing,
- (n) the Aboriginal Housing Office,
- (o) a registered Aboriginal housing organisation within the meaning of the [Aboriginal Housing Act 1998](#),
- (p) the Department of Ageing, Disability and Home Care,
- (q) a local government authority that provides affordable housing,
- (r) a not-for-profit organisation that is a direct provider of rental housing to tenants.

“**student housing**” means a building that:

- provides accommodation and communal facilities principally for students enrolled to study at an education establishment during teaching periods; and
- may incorporate some fully self-contained dwellings.

“**transport and social infrastructure**” means public amenities and public services, but does not include water supply or sewerage services.

“**work-in-kind**” means the carrying out of work which is identified in the costed works schedule which form part of this Plan in return for a reduction in the amount of monetary contributions (but not a reduction in the total quantum of contributions) required for the same category of contribution.

Appendix B – Works Schedule

Facility Ref	Description	Total Facility Cost	Cost anticipated to be funded by this Plan
s7.12-001	Cycleway network	\$103,103,100	\$8,274,977
s7.12-002	Pedestrian accessibility and mobility network	\$52,500,000	\$4,213,610
s7.12-003	Local Area Traffic Management works	\$30,000,000	\$2,407,777
s7.12-004	Bus shelters	\$3,000,000	\$240,778
s7.12-005	Town Centres Public Domain improvements	\$56,855,572	\$4,563,185
s7.12-006	Digital infrastructure	\$13,500,000	\$1,083,500
s7.12-007	Leisure Centre Infrastructure	\$56,000,000	\$4,494,518
s7.12-008	Open Space and recreation facilities embellishment	\$6,336,000	\$508,523
s7.12-009	Libraries embellishment	\$16,607,580	\$1,332,912
s7.12-010	Community space embellishment	\$17,736,420	\$1,423,512
s7.12-011	Cultural spaces embellishment	\$9,234,200	\$741,130
Honeysuckle Public Domain Works			
s7.12-012	Honeysuckle Foreshore - Tree of Knowledge Park Stage 2	\$11,200,000	\$898,904
s7.12-013	Honeysuckle Foreshore - Waterfront promenade	\$6,800,000	\$545,763
s7.12-014	Honeysuckle Foreshore - Cottage Creek naturalisation and open space	\$12,250,000	\$983,176
s7.12-015	Honeysuckle Foreshore - Cottage Creek bridge replacement	\$1,400,000	\$112,363
s7.12-016	Honeysuckle Foreshore - Worth Place Park West	\$5,300,000	\$425,374
TOTAL		\$401,822,872	\$32,250,000

Appendix C – Maps of Infrastructure Locations

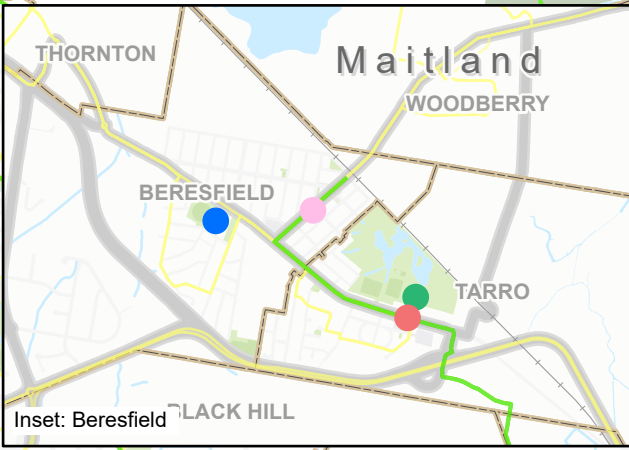
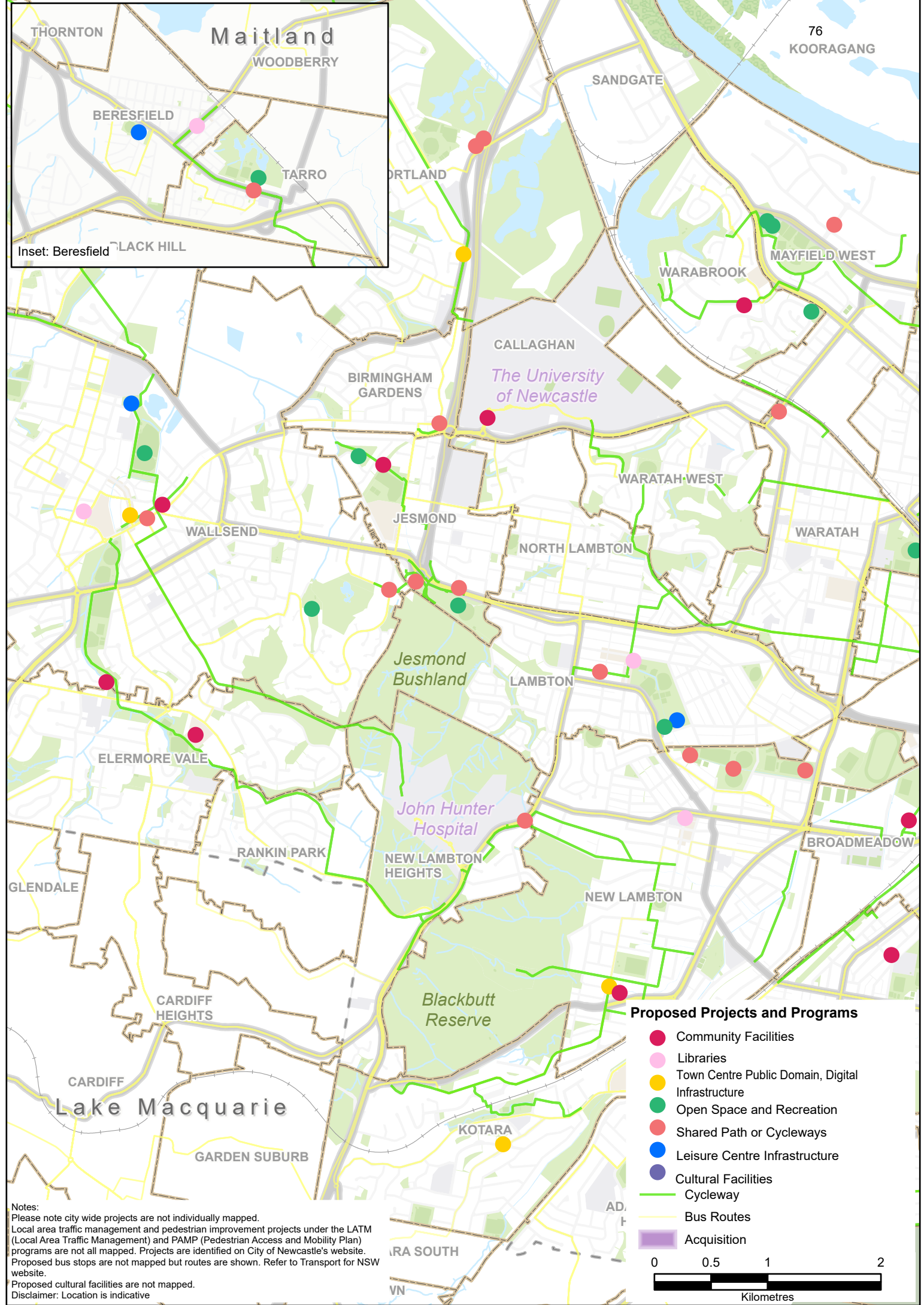


Notes:
 Please note city wide projects are not individually mapped.
 Local area traffic management and pedestrian improvement projects under the LATM (Local Area Traffic Management) and PAMP (Pedestrian Access and Mobility Plan) programs are not all mapped. Projects are identified on City of Newcastle's website.
 Proposed bus stops are not mapped but routes are shown. Refer to Transport for NSW website.
 Proposed cultural facilities are not mapped.
 Disclaimer: Location is indicative

Proposed Projects and Programs

- Community Facilities
- Libraries
- Town Centre Public Domain, Digital Infrastructure
- Open Space and Recreation
- Shared Path or Cycleways
- Leisure Centre Infrastructure
- Cultural Facilities
- Cycleway
- Bus Routes
- Acquisition

0 0.5 1 2
 Kilometres



Proposed Projects and Programs

- Community Facilities
- Libraries
- Town Centre Public Domain, Digital Infrastructure
- Open Space and Recreation
- Shared Path or Cycleways
- Leisure Centre Infrastructure
- Cultural Facilities
- Cycleway
- Bus Routes
- Acquisition

Notes:
 Please note city wide projects are not individually mapped.
 Local area traffic management and pedestrian improvement projects under the LATM (Local Area Traffic Management) and PAMP (Pedestrian Access and Mobility Plan) programs are not all mapped. Projects are identified on City of Newcastle's website.
 Proposed bus stops are not mapped but routes are shown. Refer to Transport for NSW website.
 Proposed cultural facilities are not mapped.
 Disclaimer: Location is indicative



Appendix D – Pro forma Condition of Consent

- (a) In accordance with Section 4.17(1) of the *Environmental Planning and Assessment Act 1979* and the City of Newcastle Section 7.12 Development Contributions Plan (the Plan), a monetary contribution of **#[INSERT FIGURE]** shall be paid to Council for the purposes of the provision, extension or augmentation of transport and social infrastructure.
- (b) If the contribution is not paid within the financial quarter that this consent is granted, the contribution payable will be adjusted in accordance with the provisions of the Plan and the amount payable will be calculated on the basis of the contribution rates applicable at the time of payment in the following manner:

$$\mathbf{\$C_{PY}} = \frac{\mathbf{\$C_{DC} \times CPI_{PY}}}{\mathbf{CPI_{DC}}}$$

Where:

- \$C_{PY}** is the amount of the contribution at the date of Payment
- \$C_{DC}** is the amount of the contribution as set out in this development consent
- CPI_{PY}** is the latest release of the Consumer Price Index (Sydney – All Groups) at the date of Payment as published by the ABS.
- CPI_{DC}** is the Consumer Price Index (Sydney – All Groups) for the financial quarter at the date of this development consent.

- (c) Subject to prevailing Ministerial Directions, the monetary contribution shall be paid to Council:
- (i) prior to the issue of the Subdivision Certificate where the development is for subdivision; or
 - (ii) prior to the issue of the first Construction Certificate where the development is for building work; or
 - (iii) prior to issue of the Subdivision Certificate or first Construction Certificate, whichever occurs first, where the development involves both subdivision and building work; or
 - (iv) prior to the works commencing where the development does not require a Construction Certificate or Subdivision Certificate.

It is the professional responsibility of the Principal Certifying Authority to ensure that the monetary contribution has been paid to Council in accordance with the above timeframes.

Council's Plan may be viewed at www.newcastle.nsw.gov.au or a copy may be inspected at Council's Administration Centre during normal business hours.

Appendix E – Pro forma CDC Condition

- (a) In accordance with Section 4.28(6) of the *Environmental Planning and Assessment Act 1979* and the City of Newcastle Section 7.12 Development Contributions Plan (the Plan), a monetary contribution of **\$(INSERT FIGURE)** shall be paid to Council for the purposes of the provision, extension or augmentation of transport and social infrastructure.
- (b) If the contribution is not paid within the financial quarter that this complying development certificate is granted, the contribution payable will be adjusted in accordance with the provisions of the Plan and the amount payable will be calculated on the basis of the contribution rates applicable at the time of payment in the following manner:

$$\mathbf{\$C_{PY}} = \frac{\mathbf{\$C_{CDC} \times CPI_{PY}}}{\mathbf{CPI_{CDC}}}$$

Where:

- \$C_{PY}** is the amount of the contribution at the date of Payment.
- \$C_{CDC}** is the amount of the contribution as set out in this Complying Development Certificate.
- CPI_{PY}** is the latest release of the Consumer Price Index (Sydney – All Groups) at the date of Payment as published by the ABS.
- CPI_{CDC}** is the Consumer Price Index (Sydney – All Groups) for the financial quarter at the date of this Complying Development Certificate.

- (c) Subject to prevailing Ministerial Directions, the monetary contribution shall be paid to Council:
- (i) prior to the works commencing where the development requires building works;
 - (ii) prior to occupation or the issue of an occupation certificate, whichever occurs first, where no works are required.

It is the professional responsibility of an accredited certifier to ensure that the monetary contribution has been paid to Council prior to authorising works to commence.

Council's Plan may be viewed at www.newcastle.nsw.gov.au or a copy may be inspected at Council's Administration Centre during normal business hours.

Appendix F – Cost of Development Calculation

A genuine estimate of the cost of carrying out the proposed development is required to be submitted to allow Council to determine the contribution that will be required. The following should be provided:

- for works less than or equal to \$150,000, a **Cost Estimate** is required and may be prepared by the Applicant (based on a builders/suppliers quote or similar) or a by a suitably qualified person such as a licensed builder, registered architect, building professional or the like;
- for works more than \$150,000 but less than \$3,000,000, a **Cost Summary Report** is required and must be prepared by a suitably qualified person;
- for works equal to or greater than \$3,000,000, a **Detailed Cost Report** is required and must be prepared by a Quantity Surveyor registered as a member of the Australian Institute of Quantity Surveyors.

To avoid doubt, at the date of commencement of this Plan, Clause 25J of the *Environmental Planning and Assessment Regulation 2000* provides:

- “(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,*
 - (j) *the costs of enabling access by disabled persons in respect of the development,*
 - (k) *the costs of energy and water efficiency measures associated with the development,*
 - (l) *the cost of any development that is provided as affordable housing,*
 - (m) *the costs of any development that is the adaptive reuse of a heritage item.*
- (4) *The proposed cost of carrying out development may be adjusted before payment, in accordance with a contributions plan, to reflect quarterly or annual variations to readily accessible index figures adopted by the plan (such as a Consumer Price Index) between the date the proposed cost was determined by the consent authority and the date the levy is required to be paid.”*

Appendix F – Cost of Development Calculation

Cost Summary Report*

[Development Cost of more than \$150,00 but less than \$3,000,000]

* Prepared by a licensed builder, registered architect, building professional or the like.

DEVELOPMENT APPLICATION No.	<input type="text"/>	REFERENCE:	<input type="text"/>
COMPLYING DEVELOPMENT CERTIFICATE APPLICATION No.			<input type="text"/>
CONSTRUCTION CERTIFICATE No.	<input type="text"/>	DATE:	<input type="text"/>

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:

Appendix F – Cost of Development Calculation

Detailed Cost Report*

[Cost of Development equal to or greater than \$3,000,000]

* Prepared by a Quantity Surveyor registered as a member of the Australian Institute of Quantity Surveyors

DEVELOPMENT APPLICATION No.	<input type="text"/>	REFERENCE:	<input type="text"/>
COMPLYING DEVELOPMENT CERTIFICATE APPLICATION No.			<input type="text"/>
CONSTRUCTION CERTIFICATE No.	<input type="text"/>	DATE:	<input type="text"/>

APPLICANT'S NAME:

APPLICANT'S ADDRESS:

DEVELOPMENT NAME:

DEVELOPMENT ADDRESS:

DEVELOPMENT DETAILS:

Gross Floor Area – Commercial	m ²	Gross Floor Area – Other	m ²
Gross Floor Area – Residential	m ²	Total Gross Floor Area	m ²
Gross Floor Area – Retail	m ²	Total Site Area	m ²
Gross Floor Area – Car Parking	m ²	Total Car Parking Spaces	
Total Development Cost	\$		
Total Construction Cost	\$		
Total GST	\$		

ESTIMATE DETAILS:

Professional Fees	\$	Excavation	\$
% of Development Cost	%	Cost per m ² of site area	\$/m ²
% of Construction Cost	%	Car Park	\$
Demolition and Site Preparation	\$	Cost per m² of site area	\$/m²
Cost per m ² of site area	\$/m ²	Cost per space	\$/space
Construction – Commercial	\$	Fit-out – Commercial	\$
Cost per m ² of commercial area	\$/m ²	Cost per m ² of commercial area	\$/m ²
Construction – Residential	\$	Fit-out – Residential	\$
Cost per m ² of residential area	\$/m ²	Cost per m ² of residential area	\$/m ²
Construction – Retail	\$	Fit-out – Retail	\$
Cost per m ² of retail area	\$/m ²	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 25J of the *Environmental Planning and Assessment Regulation 2000* 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:

Appendix G – References

The following legislation, plans and policies, studies, technical guides and other information have been used to formulate the contents of the Plan:

- Australian Bureau of Statistics (2016). Census Data
- City of Newcastle (2012a). Newcastle Development Control Plan 2012
- City of Newcastle (2012b). South Stockton Reserves Public Domain Plan
- City of Newcastle (2015). Merewether Beach Reserves Public Domain Plan
- City of Newcastle (2016). Bathers Way Public Domain Plan
- City of Newcastle (2017a). Beresfield Local Centre Public Domain Plan and Traffic Plan
- City of Newcastle (2017b). Stockton Public Domain Plan and Traffic Plan
- City of Newcastle (2017c). Wickham Master Plan
- City of Newcastle (2019). Stevenson Park Masterplan
- City of Newcastle (2020a). Fern Bay and North Stockton Strategy
- City of Newcastle (2020b). Local Strategic Planning Statement
- City of Newcastle (2020c). Newcastle Cycling Plan
- Department of Planning (2005). Development Contributions Practice Notes
- Department of Planning (2009). Draft Local Development Contributions Guidelines
- Department of Planning, Infrastructure and Environment (2016). Hunter Regional Plan 2036
- Department of Urban Affairs & Planning (1997). The Section 94 Contributions Manual
- Environmental Planning and Assessment Act 1979*
- Environmental Planning and Assessment Regulation 2000*
- .id Consulting Pty Ltd (2020). City of Newcastle Forecasts, <http://forecast.id.com.au/newcastle>
- Newcastle Local Environmental Plan 2012*
- SGS Economics & Planning (2019). Newcastle Employment Lands Strategy

newcastle.nsw.gov.au

ATTACHMENTS DISTRIBUTED UNDER SEPARATE COVER

**CCL 24/08/2021 - PUBLIC EXHIBITION OF CITY OF NEWCASTLE
DRAFT DEVELOPMENT CONTRIBUTIONS PLANS**

ITEM 88 **Attachment C** Hunter Regional Councils Contribution Rates

DISTRIBUTED UNDER SEPARATE COVER

ATTACHMENT C – Hunter Regional Councils Contribution Rates

Lake Macquarie Council per dwelling / lot

Belmont	\$27,731.21
Toronto – Central	\$28,295.60
Glendale catchments	\$21,685.12 - \$24,206.59
Charlestown	\$25,509.92

Port Stephens Council per dwelling / lot

Central Growth Corridor	\$19,649.00
Raymond Terrace – Rural	\$17,686.00
Tomaree Peninsula	\$18,444.00
Fern Bay	\$15,814.00

Maitland Council per dwelling / lot (3 bed dwelling/lot rate used for comparison)

Thornton North	\$20,088 - \$29,998
Lochinvar	\$19,070 - \$25,744
Louth Park	\$8,258 - \$14,857
Gillieston Heights	\$6,825 - \$11,863
Farley	\$22,224 - \$30,000
City Wide (other)	\$4,173 - \$7,505

Note: This information is provided for indicative comparison purposes only. Information on respective Council contribution rates was sourced in early 2021 and are subject to indexation each quarter in accordance with those Councils' respective contributions plans.

ATTACHMENTS DISTRIBUTED UNDER SEPARATE COVER

**CCL 24/08/2021 - PUBLIC EXHIBITION OF CITY OF NEWCASTLE
DRAFT DEVELOPMENT CONTRIBUTIONS PLANS**

ITEM 88	Attachment D	City of Newcastle Submission - Infrastructure Contributions Bill
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DISTRIBUTED UNDER SEPARATE COVER

Submission to the Upper House Committee (Portfolio Committee No. 7. Planning and Environment) on the Infrastructure Contributions Bill

This submission outlines City of Newcastle's (CN) response to key aspects of the Infrastructure Contributions Bill and provides recommendations where more information is required prior to the introduction of any new Regulation.

Introduction

The NSW State government has accepted all 29 recommendations of the Productivity Commission's Final Report on how infrastructure is funded in NSW. CN understands that the *Environmental Planning and Assessment Amendment (Infrastructure Contributions) Bill 2021* was introduced to the NSW Parliament as part of the State government's implementation of the Productivity Commission's recommendations.

Our submission is structured to relate key aspects of the Bill to the relevant Final Report recommendations.

Recommendation 4.1 Develop infrastructure contribution plans upfront as part of the zoning process

The Bill proposes to amend section 7.17 of the Environmental Planning and Assessment Act 1979 (the Act) to enable the Minister for Planning and Public Spaces (the Minister) to issue a Ministerial Direction specifying when a contributions plan must accompany a planning proposal.

Discussion

The proposal is a positive step as it aims to ensure that land is not rezoned without the necessary infrastructure planning and funding mechanisms to deliver public infrastructure and facilities that will be required by any increase in demand arising from intensification of development.

However, it is unknown whether the Minister will direct that all planning proposals be accompanied by a draft contributions plan or whether this will only happen in certain areas or if certain thresholds are met. In addition, there is no requirement that the contribution plan be "in force" by the date of commencement of the planning instrument it relates to, merely that the draft contributions plan be exhibited alongside the planning proposal.

CN Recommendation

1. CN supports the introduction of direction-making powers for the Minister to specify the circumstances in which a draft contributions plan must accompany a planning proposal.
2. CN requests that the Minister ensure that any Ministerial Direction require a draft contributions plan accompany a planning proposal that seeks "a change to the planning controls that apply to the land will enable more intensive development of the land" (as per the wording in the proposed section 7.18(5)(a)). In addition, the contributions plan must be endorsed and come into force prior to, or on the date of commencement of the instrument to which the planning proposal relates.

Recommendation 4.2 Introduce a direct land contribution mechanism to improve both efficiency and certainty for funding land acquisition

The Bill proposes to insert new sections 7.16A-F into the Act (collectively under a new “Subdivision 3A, summarised as follows:

- the new provisions will permit a new land value contribution that may be imposed by council in addition to any applicable development contributions
- the land value contribution would be a monetary contribution paid to council or direct dedication of land to council to facilitate the acquisition of land for a public purpose (e.g., a public park) within a land value contributions area
- a land value contributions area would need to be identified within a contributions plan
- the land value contribution will be based on a percentage of land area or value and would be imposed when land is rezoned as a charge on the land
- landowners will be notified of the land value contribution being imposed as part of the public exhibition of draft contributions plans and planning proposal
- the land value contribution must be paid:
 - by the vendor, on or before completion of the sale of the land, at which time the charge on the land will be discharged; or
 - by a developer via a condition imposed by the granting of a development consent. An amended Regulation would specify the “the circumstances in which a consent authority may refuse to consider development applications for development on land for which a land value contribution has not been satisfied”.
- A land value contribution certificate will be introduced which would be a certificate issued by a council specifying whether there is a land value contribution requirement applicable to the land and if so, whether it has or has not been satisfied.

Discussion

A local council can currently impose a condition of development consent requiring a monetary contribution toward the acquisition of land. However, the contribution need only be paid after a development consent is issued and typically prior to issue of a construction certificate (CC) or subdivision certificate (SC).

The new approach appears to be aimed at ensuring that existing landowners that benefit from an uplift in land value associated with a rezoning, take on the burden of the contributions value when they sell their land. However, unless the acquisition value (i.e. land value contribution) is tied to the actual sale price, a landowner could keep increasing the asking price to cover this additional cost, resulting in further increase in land value and requiring a council to fund the difference.

One of the difficulties in the traditional approach of requiring contributions toward land acquisition is trying to estimate the value of land that may need to be acquired and using an indexation mechanism that keeps pace with the often significant fluctuations in land value over time. This can leave a council in the position of having insufficient funds to acquire the most suitably located land or insufficient funds to acquire enough land to accommodate the public purpose in the manner originally intended.

It is not clear whether the new approach will resolve this issue as the way the land value contribution is to be calculated (and thereafter indexed) will be left to a future change to the Regulation, of which we have no information.

Furthermore, there is no information within the Bill or accompanying explanatory material to indicate how the land value contribution will relate to the existing Ministerial thresholds that limit the amount that a consent authority can impose for new dwellings / lots. Typically, the land acquisition component of a contributions plan can be significant and in CN's opinion, it should be excluded from any future thresholds.

CN Recommendation

1. CN supports a mechanism that seeks to capture part of the uplift in land value arising from a rezoning. However, there is insufficient detail regarding:
 - (a) How the land value contribution will be calculated i.e., will it be based on an estimated value or on the actual sale price?
 - (b) How a land value contribution will relate to any Ministerial thresholds on contributions for new dwellings / lots.
2. CN requests that this information be made available for comment prior to the introduction of any new Regulation.

Recommendation 4.9 - Encourage councils to forward fund infrastructure, through borrowing and pooling of funds

The Bill proposes to:

- (a) make it explicitly clear that a council may pool contributions received for different purposes even though those contributions may have been levied under more than one contribution plan applying to the “area concerned” and
- (b) require that any contributions required by a contribution plan be calculated in accordance with the regulations and relevant Ministerial Directions.

Discussion

The ability to pool contributions taken for different purposes is already possible under the Act.

There has been a lack of clarity as to whether contributions taken from different plans may be pooled. In 2020, the Minister issued a Direction requiring councils to “endeavour” to pool contributions for different purposes and across different plans that apply “in the local government area concerned”. Including this flexibility within the Act itself, without relying on a Ministerial Direction is logical and positive.

None of the proposed amendments to the Act under this Bill require a council to “forward fund” infrastructure through borrowing. The Productivity Commission’s recommendations did not infer any legislative amendments were required. The recommendations merely mooted that NSW Treasury review its lending criteria and investigate financial incentives for councils that borrow to build infrastructure.

Notwithstanding the necessity to have sufficient funds on hand to forward fund infrastructure, providing these infrastructure items represents a significant liability to council in recurring costs. An opportune incentive for councils to bring forward infrastructure delivery would be to provide funding for the recurring costs council will incur prior to the full associated rates base being in place.

CN Recommendation

1. CN supports moving pooling provisions into the Act although suggests that the mooted section 7.3(2) be amended to clarify that the “area concerned” means “the local government area in which the development is being carried out”.
2. CN would welcome further information regarding the financial incentives available should it wish to borrow funds to bring forward delivery of public infrastructure and to cover associated recurring costs.

Recommendation 4.10 - Defer payment of contributions to the occupation certificate stage

In 2020, the Minister issued a Direction that enabled development contributions for certain types of development to be paid prior to issue of an Occupation Certificate (OC) even if the development consent in question stated an earlier time. The Direction was a temporary measure in response to the Covid 19 pandemic.

The Bill proposes that the Minister may extend the Direction and that the Direction would have the effect of modifying an existing development consent where the payment of the contribution has yet to be paid.

Discussion

The Productivity Commission made additional recommendations relating to the deferral of contributions as follows:

- (a) Design the NSW Planning Portal so that the release of occupation certificates is contingent upon payment of infrastructure contributions.
- (b) Increase oversight of private certifiers by requiring that the certifying authority must confirm payment of contributions before issuing an occupation certificate.
- (c) Amend legislation to create an offence should certifiers issue a certificate without an infrastructure contribution payment.

The Bill does not respond to these recommendations and should the Minister seek to extend the Direction indefinitely, there must be urgent action on these recommendations to ensure that councils are not burdened by a shortfall in contributions arising from any lax practices of private certifiers.

CN Recommendation

1. CN oppose the permanent deferral of payment of contributions to OC stage, however if the Minister extends Direction indefinitely CN urges the NSW Government to urgently act on the Productivity Commission’s recommendation to:
 - (a) Design the NSW Planning Portal so that the release of occupation certificates is contingent upon payment of infrastructure contributions.
 - (b) Increase oversight of private certifiers by requiring that the certifying authority must confirm payment of contributions before issuing an occupation certificate.
 - (c) Amend legislation to create an offence should certifiers issue a certificate without an infrastructure contribution payment.

Recommendation 4.11 - Increase maximum section 7.12 fixed development consent levies

Section 7.12 of the Act enables a consent authority to impose a condition of consent requiring a monetary contribution toward public facilities and services calculated based on a percentage of the cost of carrying out the development.

The Bill proposes to refer to this type of condition as a local levy condition and proposes that the Regulation can specify:

- (c) the “types of development” to which a local levy condition can apply;
- (d) the LGAs or land to which a local levy condition can apply; and
- (e) the manner in which the contribution under a local levy condition is to be calculated.

Discussion

The Bill proposes to broaden the scope for the Regulation to set the calculation methodologies for contributions under section 7.12.

Currently, the type of development and the land to which a section 7.12 contributions plan might apply are unrestricted. Only the percentage levy is restricted by the Regulation.

CN is concerned that deferring the detail of section 7.12 calculation methodologies to the Regulation results in a risk that a highly valuable and simple contributions mechanism is diminished or taken away from councils.

CN Recommendation

1. CN requests further information regarding the Regulation changes be provided prior to the amendments to section 7.12 being implemented.

Recommendation 4.12 - Planning agreements consistent with principles-based approach

The Bill proposes to:

- (a) require planning authorities to “publicly exhibit” draft planning agreements for a mandated period of 28 days and thereafter to consider submissions, rather than merely to “notify” the draft planning agreement; and
- (b) remove the requirement for hard copies of planning agreements given that planning agreement information will now be available online.

Discussion

This is currently CN practice under its adopted Community Participation Plan.

CN Recommendation

1. CN supports the proposed measure to increase the transparency and accountability of planning agreements.

Recommendations 5.1 - Adopt regional infrastructure contributions, 5.3 - Adopt transport contributions for major projects and 5.4 - Create a new category of contributions specific to biodiversity

Sections 7.22-31 of the Act currently relate to “Special Infrastructure Contributions” (SIC) and enable the Minister to create a “special contributions area” and to determine contributions that might apply to development within that area. These contributions fund higher order infrastructure which are responsibilities of the State.

A Hunter Region Special Infrastructure Contributions has been consulted on several times, most recently in 2019.

The Bill proposes to:

- (a) rename SICs to Regional Infrastructure Contributions;
- (b) identify Regional Infrastructure Contributions in State Environmental Planning Policies (SEPPs);
- (c) quarantine the component/s of Regional Infrastructure Contributions that relate to “transport projects” and “strategic biodiversity” and only use those contributions for the specified transport projects /or nominated areas in the region that are bio-certified under the Biodiversity Conservation Act 2016.

Discussion

The proposed amendments consolidate a number of requirements for higher order infrastructure contributions which are currently spread across numerous regulations, determinations and directions. Simplifying and consolidating provisions is supported.

However, unlike s7.11 and s7.12 provisions of the Act, there is no legislative requirement for the NSW Government to “apply the payment towards the purpose within a reasonable time”. In CN’s opinion, the NSW Government should be held to the same standard as local councils with regard to the expectation to deliver infrastructure in a timely manner.

In addition, the current legislative requirement for the Minister to consult with relevant stakeholders (s7.23(4)) prior to introducing Special Infrastructure Contributions (to be known Regional Infrastructure Contributions) appears to have been excluded from the Bill.

This is a concern as the local council/s to which Regional Infrastructure Contributions might apply should be actively involved in formulating the strategies for the provision of infrastructure. This should not be left to a cursory Explanation of Intended Effect associated with a SEPP or included in a non-statutory document such as the draft Special Infrastructure Contribution Guidelines mooted in recent years.

CN Recommendation

1. There should be a legislative requirement for the NSW Government to apply payments towards Regional Infrastructure Contributions towards the purposes for which they have been made within a reasonable time.
2. The current legislative requirement for the Minister to consult with relevant stakeholders (s7.23(4)) prior to introducing Special Infrastructure Contributions (to be known Regional Infrastructure Contributions) should be included in the Bill.

Recommendation 6.1 - Use digital tools to make contributions simpler and more transparent

The Bill requires that a contributions plan must be prepared in accordance with the regulations and Ministerial directions.

Discussion

This is an existing requirement of the Act and Regulation, and the Bill does not address the recommendation of the Productivity Commission to “develop a contributions digital tool in the NSW Planning Portal, integrated with the spatial mapping and development application system” and to “Amend legislation to support the digital tools and require their use to be phased in”.

CN Recommendation

1. CN supports the Productivity Commission’s recommendations to use digital tools to make contributions easier to understand and use. The Bill should include detail on financing, timing and implementation of such systems.

Recommendation 6.5 - Better synchronise State and local strategic planning frameworks

The Bill proposes to amend section 3.9 of the Act to reduce the timeframe for councils to review their local strategic planning statements (LSPSs) from seven to five years to align with review requirements for State infrastructure strategies and regional plans.

Discussion

This change is derived from the recommendations of the Productivity Commission to ensure that a LSPS can inform and be informed by State and regional strategies and plans which are prepared on a five yearly basis.

This is a logical change which would also accord with the typical review period for contributions plans of five years.

Notwithstanding, undertaking a review of a LSPS could be a significant project and reducing the timeframe may have cost implications to council.

CN Recommendation

1. CN supports the alignment of LSPSs with State and regional strategies and plans although notes that there will be an additional financial burden on Councils to undertake the reviews more regularly.

Conclusion

CN requests that more detail is provided on the points raised in relation to the above recommendations prior to the introduction of any new Regulation.