

**NARRABRI SHIRE COUNCIL  
CONTRIBUTIONS PLAN**

**SECTION 94  
ENVIRONMENTAL PLANNING  
AND ASSESSMENT ACT 1979**

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## **PART 1 – PRELIMINARY**

### **1.0- INTRODUCTION**

This document has been prepared in accordance with the guidelines set out in the Department of Planning's 1997 "Section 94 Contributions Plans Manual". Section 94 of the Environmental Planning and Assessment Act 1979 is a medium by which Narrabri Shire Council can obtain contributions from developers to offset particular project impacts which otherwise might be funded by existing ratepayers.

The document outlines the procedures and identifies potential areas of impact between certain development types and the community. Assumptions have been made regarding development impacts and assigned a monetary value to enable a reasonable Contribution to be calculated pursuant to Section 94 of the Environmental Planning and Assessment Act 1979.

The development types by this document include:-

- agriculture
- commercial development
- mining and extractive industries
- major industry
- rural – residential subdivision
- residential subdivision and medium density housing

All of the above development types have the potential to increase the shire's population and require Narrabri Shire Council to upgrade community services and facilities to cater for the increased demand as a consequence of the project's impact.

The community services and facilities that experience increased demand by the above development types are:-

- bushfire protection
- open space
- roads and drainage
- community facilities such as public halls, libraries etc.

## **2.0 CITATION**

This Development Control Plan may be cited as Narrabri Shire Council Development Control Plan 4/2000, Section 94 Contributions Plan adopted by Narrabri Shire Council on ...17/04/2001

.....  
Pursuant to the provisions of Section 72 of the Environmental Planning and Assessment Act 1979.

This Development Control Plan in conjunction with the Environmental Planning and Assessment Act 1979 (as amended), Environmental Planning and Assessment Regulations, 2000 and other environmental planning instruments as amended, having effected within the Shire of Narrabri will be used as a guide in the determination of contributions.

## **3.0 DEFINITIONS**

- “Section 94” means Section 94 of the Environmental Planning and Assessment Act 1979.
- “Condition” means a condition under Section 94.
- “Contribution” means the dedication of land, the making of a monetary contribution or the provision of a material public benefit as referred to in Section 94 of the Act.
- “Contributions Plan” means a contributions plan referred to in Section 94A of the Act.
- “the Act” means the Environmental Planning and Assessment Act 1979.

## **4.0 PURPOSE**

The purpose of the plan is to enable the levying of developer contributions for specified public services and amenities which will be required as a consequence of increased demand generated by development in the Narrabri Shire.

## **5.0 AIMS AND OBJECTIVES**

The aims and objectives of this plan are:-

- (i) To detail publicly Council's policy for the administration of contributions obtained under Section 94 of the Act.
- (ii) To identify the amenities and services which Narrabri Shire Council intends to provide.

- (iii) To establish a nexus between anticipated types of development and contributions sought.
- (iv) To ensure that the demand generated by new development for amenities and services as a consequence of Council granting development approval for projects is satisfied.

## **6.0 RELATIONSHIP TO ENVIRONMENTAL PLANNING INSTRUMENTS**

This plan enables the levying of developer contributions for those land uses listed within Local Environmental Plans No 2 – No 5 and 1992.

## **7.0 LAND TO WHICH PLAN APPLIES**

This plan applies to all land within the Shire of Narrabri.

# **PART II – ASSESSMENT OF CONTRIBUTIONS**

## **8.0 TYPES OF DEVELOPER CONTRIBUTIONS**

The Council may accept a contribution in accordance with Section 94 of the Act in a number of ways, these being:-

- (i) **Dedication of Land Free of Cost:** Section 94(1)(a) of the Act enables Council to levy the dedication of land free of cost where the development is likely to require the provision of or increase the demand for public amenities and public services with the shire.
- (ii) **Payment of a Monetary Contribution:** Section 94(1)(b) of the Act enables Council to levy the payment of a monetary contribution where the development is likely to require the provision of or increase the demand for public amenities and public services within the shire.
- (iii) **Provision of a Material Public Benefit:** Section 94(5)(b) of the Act enables Council to accept a material public benefit or work in kind in part or full satisfaction of a condition(s) imposed in accordance with Sections 94(1) or (2) of the Act.

### **8.1 Assessment of Contributions**

Assessment of the amount of Section 94 contributions for the identified amenities and services is based on the expected increase in population generated by the proposed development and an evaluation of the level of demand created for new and some existing public amenities and public

services. This relationship is known as the "nexus" between the development and the Section 94 levy.

Section 94 contributions may either be obtained in advance of the provision of public amenities and public services, or, as a recoupment of funds already spent. Council will only seek recoupment of funds spent where public services and public amenities have already been provided in anticipation of, and are of benefit to subsequent development. Public services and amenities likely to be affected by development have been examined and a cost to the community calculated based upon present infrastructure value.

## **8.2 DEVELOPMENT TYPES**

The following provides an over view of the expected impact which may occur as a consequence of specific development types:

### **8.2.1 Urban and Rural Subdivision**

The subdivision of land, both urban and rural, normally provides additional scope for people to move into local government area and therefore place a demand upon a range of Council provided services and amenities.

These services range from community facilities such as libraries, swimming pools, sports fields, parks, roads, bridges, drainage, bush fire fighting services to sewerage and water reticulation.

### **8.2.2 Residential Development**

Residential development above the benchmark of a single dwelling unit per allotment, is a development type which increases population densities. In increasing the density of persons per allotment additional demand is placed upon a whole range of community services and facilities, for example; sewerage and water headworks, open space, recreational, town beautification schemes etc.

### **8.2.3 Industrial/Commercial Developments**

Industrial/commercial development can change the provision of services in the host area. Services such as water and sewerage, car parking, road networks, drainage and child care facilities may be required as a consequence of new development.

### **8.2.4 Mining, Extractive Industries and Intensive Agriculture**

Mining, extractive Industries and intensive agriculture have the potential to dramatically impact upon the Council's public services and amenities in both construction and operational phases. These development types often result in a rapid migration of workers to a community who in turn place additional demand upon community facilities, buildings, roads, sewerage, and water services, etc.

### **8.3 NEXUS AND EXPENDITURE OF FUNDS**

It is reasonable to conclude that a nexus exists between the above listed development types and increase demand upon the community facilities and services as a consequence of Narrabri Shire Council granting consent to such projects.

Bearing in mind that Narrabri Shire has a current population of 14 101 (1996 Census) it is reasonable that any monies received as a result of Section 94 contributions be spent on facilities and services which benefit the broader community. Contributions will be placed in an appropriate account and used either to supplement works on Council's Expenditure Program for capital items or to build new facilities as the demand necessitates.



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In 1991 The Shire's total population was 14 614 comprising 75% and 25% respectively for urban and rural areas. The 1996 Census revealed that the proportion of urban to rural population remained fairly constant, with 74% of the Shire's population residing in the urban area.

The Shire's population in 1996 totalled 14101 accommodated in a total of 5672 dwellings with an occupancy rate of 25 persons.

Narrabri Shire Council has experienced negative intercensal growth over the last four (4) year period. The total population decline amounted to 513 persons. It is hoped that the decline in population will have been arrested by the 2001 Census by encouraging industrial, mining and agricultural enterprises to expand and/or relocate to within the local government area. State and Federal government should be encouraged to offer decentralisation incentive packages for business to locate within the area.

The Section calculations have been premised on the assumption that the shires population decline can be arrested by the year 2001 and that the urban - rural makeup of the community will remain constant.

Development will continue over the next five years, even though the Shire's population will remain static. Development is expected in the forms of subdivision (residential, rural-residential and rural), residential (detached housing, medium density housing and dual occupancy) in conjunction with commercial/industrial land use and possibly rural industries. All of the above forms of development would be as a consequence of Council granting consent pursuant to the provisions of Narrabri Local Environmental Plans No 2, No5 and 1992. These types of development have the capacity to generate a significant demand upon the community's services and facilities.

## **9.1 BUSHFIRE FIGHTING SERVICES**

Narrabri Shire Council is responsible for the supervision of bush fire fighting services throughout the local government area. The aim of providing the service is to reduce the risk of bush fires whilst protecting human life and property. The service is operated on a voluntary basis and is supervised by the Director of Technical Services. Council remains committed to maintaining a modern bush fire service throughout the shire and believes it is appropriate for any new development to assist in ensuring that demand for bush fire services continues to be met.

Development in the rural area of the Shire will increase the demand for bush fire protection via the provision of bush fire services. The bush fire control service must be seen as a network of smaller units, each playing a role in the provision of the service for the benefit of the whole of the rural community.

The shire is serviced by 37 brigades which have equipment, the total asset value of which is conservatively estimated to be in excess of \$1 000 000, no attempt has been made to establish replacement value. These brigades provide a bush fire service for the current rural based community of 3600 persons, accommodated in 1440 dwellings. Council's contribution to the cost of acquiring equipment has been traditionally 25% of the capital cost.

It is reasonable to assume that Narrabri Shire Council will contribute at least \$125,000 towards the embellishment and acquisition of equipment for fire fighting services over the next 5 years. Therefore the value of providing the service per dwelling over the next 5 years is calculated to be, where C = Contribution, V = Value of existing Facilities, EC 5yr – Embellishment Cost over 5 years, ERD = Existing Rural Dwellings; ARD = Anticipated rural dwellings over the next 5 years.

$$C = \frac{V + EC5yr}{ERD + ARD}$$

$$C = \frac{250,000 + 125,000}{1440 + 100}$$

$$C = \$308$$

For Council to maintain the same level of service and equipment in the rural areas for bush fire fighting, protection of life and property a contribution could set at \$300 per additional living unit/allotment created within the Shire. To ensure that development is not stifled in the rural areas it is considered that the above figure should be discounted to \$250 per allotment created which is considered fair and reasonable.

The above contribution rate shall rise and fall in line with the CPI and be reviewed in conjunction with Council's management plan deliberations.

Mining, extractive industries, industries and intensive agriculture enterprises all benefit as a consequence of the bush fire fighting service and accordingly should contribute based on the rate of \$62.50 per employee. This is based on a living unit being 4 persons with contribution at \$250.00 each person equates to \$62.50.

### **9.2.1 PUBLIC OPEN SPACE, COMMUNITY SERVICES and FACILITIES.**

Narrabri Shire Council is responsible for the provision and maintenance of open space, recreational and cultural facilities sufficient to meet the needs of the whole community. A detailed recreation study has not been undertaken, however the existing area of open space is considered adequate given the Shire's population. The standard of capital equipment requires embellishment for both passive and active open space areas. The community and cultural requirements are well met by existing and planned developments but will require embellishment if population increases occur.

The open space (passive and active) areas are contained within and evenly distributed throughout the Shire which encourages their use through ease of access Community facilities are generally located within reach of the population centres.

An appraisal has been undertaken in terms of embellishment and it is estimated that a sum of \$735,000 is required for passive and active open space areas. The cost of embellishments being over a seven (7) year period.

The cost of embellishment of the existing open space per person is calculated to be, where  
C = Contribution, EC 7yrs = Embellishment Cost over 7 years, TSP = Total Shire Population:-

$$C = \frac{EC\ 7yrs}{TSP}$$

$$C = \frac{735,000}{14101}$$

$$C = \$52\ \text{per person or } \$204\ \text{per additional dwelling/allotment created}$$

A contribution of \$200 per additional living unit or allotment created is considered fair and reasonable, but only if the lot has dwelling entitlement. The above contribution rates shall rise and fall in line with the CPI and be reviewed annually in conjunction with Council's Management Plan.

## 9.2.2 COMMUNITY FACILITIES

An appraisal of the embellishment needs of community facilities, has been undertaken for the Shire area over the next seven years and it is estimated that \$350,000 will be required.

The cost of embellishment of existing community facilities is calculated to be, where C = contribution, EC 7 yrs = embellishment cost over 7 years, TSP = total Shire population.

$$C = \frac{EC\ 7\ yrs}{TSP}$$

$$C = \frac{350,000}{14101}$$

$$C = \$25\ \text{per person, or } \$100\ \text{for additional dwelling / allotment created.}$$

A contribution of \$100 per allotment / dwelling is considered fair and reasonable for subdivisions and medium density housing. A figure of \$25 per employee for mining, extractive industries and intensive agriculture enterprises is also fair and reasonable

### 9.3 ROAD NETWORK

Narrabri Shire Council is responsible for providing and maintaining both the urban and rural road networks. The network is in reasonably good repair and adequate to meet existing demand. Increases traffic however as a result of additional development will increase the need for the following works:-

- upgrading the unsealed and sealed roads;
- improving intersections;
- reconstruction of inadequate pavements;
- realignment of existing roads;
- shoulder widening;
- line marking and safety measures;
- bridge and culvert reconstruction.

It is considered fair and reasonable that new major traffic generating developments should contribute toward locally funded and maintained roads.

Council may require a "one-off" contribution or an "annual" payment depending upon the project and the demand it places upon the road network.

Developers should note that sub-surface conditions vary throughout the shire and it is not possible provide a standard formulae for calculating road work contributions. Furthermore, the road servicing the project may contain causeways, bridges and intersections which may need upgrading as a consequence of the development proceeding.

As a guide however, the Director of Technical Services will undertake an assessment of the proposed road at the time of lodgement of the relevant application, calculate existing usage and maintenance costs over a six (6) year period, determine the appropriate standard (degree of upgrading) required to cater for new development and associated cost. The contribution will be apportioned between the cost normally attributed to Council's existing usage/maintenance program and that which results as a consequence of the development.

### 9.4 PARKING

Council believes that there is not a great demand for additional car parking for the Shire. However the existing car parks provided by Council are subject to significant usage with resultant wear and tear.

Developers should be aware that a code exists for calculating the number of parking spaces each industry or development should provide. Council has adopted as a principle that new developments should contribute towards the maintenance or embellishment of existing car parks on the basis of a contribution per parking space determined in accordance with the code.

The contribution has been set at \$300 per car park as calculated in accordance with the code for each car park required and which the development is unable to provide on its own site.

The above contribution rate shall rise and fall in line with the CPI and be reviewed annually in conjunction with Council's Management Plan.

## **9.5 STORMWATER DRAINAGE**

Narrabri Local Government area is based upon the plains of the Namoi Valley, with the townships of Narrabri, Wee Waa and Boggabri being generally flat with low gradients and the associated problems of disposing stormwater.

New subdivisions, particularly those which are located at distance from existing major stormwater infrastructure, will place additional burdens on the capacity of local systems to handle the load.

In many cases, inter-lot drainage systems will be required and will need to be accommodated in Council's trunk drains.

It is considered fair and reasonable that new developments, which increase the load on storm water drainage infrastructure, should contribute towards locally funded and maintained systems.

The Director of Technical Services will undertake an assessment of the increased demand, based upon known loads and a contribution will be determined as a proportion of the cost of any increased loading.

## **PART IV – CONTRIBUTIONS – PAYMENTS THEREOF**

### **10.0 PAYMENT OF CONTRIBUTIONS**

Depending on the type of amenity or service in question, contributions may be required to be settled by one or a combination of the following methods:-

- monetary contribution;
- dedication of land; and/or
- provision of a material public benefit, ie. works “in kind”.

The contribution levels established by this plan will be reviewed annually and indexed in line with movements in the Consumer Price Index in conjunction with Councils management plan.

### **11.0 TIMING OF CONTRIBUTION**

Contributions are require to be paid as follows:-

- Applications involving subdivision – immediately prior to endorsement of final plan of subdivision.
- Applications involving building work – at the time of lodgement of the relevant Building Application.
- Applications where no building approval is required – at the time of development consent.

### **12.0 DEFERRED AND PERIODIC PAYMENT**

Council will consider deferral or waving of the payment of contributions upon applications in writing. The applicant will need to advance valid reasons for the deferral or waiving of contributions, and a decision as to whether or not to grant approval will be entirely at the discretion of Council.

If the application for deferral is accepted, the following conditions will apply:-

- (i) A bank guarantee will be required to be lodged for the full value of the contribution(s). The applicant will be responsible for any charges involved in servicing the guarantee.

- (ii) The amount of contribution outstanding will be indexed by the Consumer Price Index so that the value of the contribution outstanding does not diminish over time. Indexing will be calculated from the date on which the contribution was due to the date of payment.

An alternative to deferred payments is for an applicant to request that contributions be satisfied through periodic payments. An application for periodic payments needs to be made in writing, and should include details of instalments, including interest calculations. Periodic payments will be indexed in the same manner as deferred payments and similar bank guarantee requirements will also apply. Again, the decision as to whether to accept periodic payments rest solely with Council.

### **13.0 DEDICATION OF LAND AND MATERIAL PUBLIC BENEFITS**

A decision as to whether to accept the dedication of land or the provision of a material public benefit/works "in kind" in lieu of a monetary contribution, will be at the discretion of Council. Factors Council will take into consideration include:

- the extent to which the land/MPB/works satisfies a community need;
- the extent to which the land/MPB/works satisfies the purpose for which the contribution was sought;
- a consideration of location and other factors which may affect the useability;
- an assessment of recurrent maintenance costs to Council.

## **PART V – ACCOUNTABILITY.**

### **14.0 STATUTORY RESERVE**

Council has established a statutory reserve for the management of contributions. This fund has separate internal ledgers for each category of contribution. The following separate ledgers have been established:-

- Bush Fire
- Public Open Space/Community Facilities
- Road Network
- Parking
- Stormwater Drainage



Contributions paid into these ledgers must be spent for the purpose for which they were levied in the time specified in the Works Program. Interest will be calculated on funds held in each ledger and credited to each ledger as appropriate.

## **15.0 PRIORITY SPENDING**

Council may permit the short-term transfer of funds between ledgers in order to enable works to be undertaken on a priority basis, for example where roads works are required to be in place prior to other aspects of a subdivision proceeding. This will only be done on the basis that:

- full details of the transfer and subsequent reimbursement of funds are recorded in the respective ledgers;
- the transferred funds are returned to the relevant ledger by future contributions;
- there is a reasonable expectation that future contributions will be obtained to enable reimbursement of the ledger from which monies have been transferred;
- the purpose for which the contributions are transferred is a purpose identified in the Work Program;
- the transfer of contributions will not delay or threaten the provision of any amenity or service identified in the Works Program.

Council is not permitted to transfer funds between the contributions reserve and other funds of Council, for example the General Fund.

## **16.0 CONTRIBUTIONS REGISTER**

Council will maintain a register of all contributions received. The register will record:-

- the origin of each contribution by reference to the development consent to which it relates;
- the date of receipt of the contribution;
- the type of contribution received, eg. Money, land, works "in kind";
- the amount of the contribution and the purpose(s) for which it was levied;
- the total of contributions received each year by purpose;
- the total of contributions expended each year by purpose;

- expenditures from the fund according to date and purpose, including details of priority spending;
- interest earned by purpose.

The register will be available for public inspection, free of charge, at any time during normal office hours.

#### **17.0 ANNUAL STATEMENT**

Council will produce an annual statement of contributions received which summarises, by purpose and area, details recorded in the contributions register. This information will be available for public inspection, free of charge, at any time during normal office hours.

#### **18.0 REVIEW OF PLAN**

Any material change in the plan, with the exception of the annual adjustment of contribution amounts, will require that the plan be amended in accordance with Section 94 of the Act. This will require full public exhibition of the amended plan and consideration of submissions received.

#### **19.0 REFERENCES**

1. Section 94 Contributions Manual. Department of Planning,
2. 1996 Census of Population and Housing. Australian Bureau of Statistics.