

FACT SHEET

– Section 94 Contributions



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1. What are Section 94 Contributions?

Section 94 Contributions are a contribution made by developers to help fund the cost of services and infrastructure that are required as a result of development.

The Contributions are payable on residential developments in accordance with a Contributions Plan prepared by Council and which also identifies the works and services that the money will be spent on. Broadly speaking the categories of facilities that the money is spent on are:

- Open Space, Sporting and Recreation
- Library and Community
- Transport and Traffic Management
- Bushfire Protection
- Plan Administration and Management

2. How are the contribution rates determined?

The rates are calculated by determining the likely future growth population of an area and identifying, and costing the works and services that will be needed by the future population. A cost per person to provide the required facilities is established and related to a cost per dwelling. The contributions are then charged on a per dwelling basis. The investigations and rationale for the contributions are included in summary form in the Contributions Plan.

In calculating the contributions two principles are relevant:

- Nexus; which requires the contribution to be spent on works or services that reasonably relate to the development that pays the contribution;
- Apportionment; which requires that the incoming population pay a reasonable share of the cost of the works and services identified for that population. However it is also recognised that the existing population of an area will also use the new facilities, and that it is reasonable that they also pay a share of the cost. This is factored in to the contribution rate;

3. What else affects the Section 94 contribution rates that must be paid?

Developments pay different contribution rates depending upon whether they are considered major (eg requiring open space to be provided specifically for the development) or minor.

The contributions are also adjusted to account for CPI movements each quarter, using the index rates published by the Australian Bureau of Statistics.

- The current Section 94 rates can be found on our website under Planning\Developer Contributions

4. What is included in the Contributions Plan?

In addition to the matters listed above, the Contribution Plan includes any other matters required by the legislation, as well as information about administrative procedures, Council policy on matters such as refunds, exemptions, deferred payments and other matters.