

# FACT SHEET

## – Section 7.11 Development Contributions



 (02) 4677 1100  
 wollondilly.nsw.gov.au



### 1. What are Section 7.11 Development Contributions?

Section 7.11 Contributions (formerly known as Section 94) are a payment 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 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 population growth of an area and identifying, and costing the works and services that will be needed by this 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 rationale for the contributions are included in summary form in the Contributions Plan.

In calculating the contributions two important 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 usually use the new facilities as well, and that they should also pay a share of the cost. This is factored into the contribution rates.

### 3. What else affects the Section 7.11 development contribution rates?

Different types of residential developments may pay different contribution rates. Rates may also vary depending upon whether they are considered major (requiring open space to be provided) or minor.

The contributions are also adjusted to account for cpi movements that apply at the date that the payment is made.

Council's current Section 7.11 rates can be found [here](#)

### 4. What else is included in the Contributions Plan

In addition to the matters listed above, the Contribution Plan includes a works schedule, maps indicating the location of the proposed works, advice about Council's policy on refunds, indexation formulas and other procedures relevant to the administration of the Plan.