# Changes to the practice notes

1. The Department of Planning and Environment has undertaken the first comprehensive rewrite of all local infrastructure contributions practice notes since 2005.
2. The practice notes are now expressed in plain language and provided in a consistent format to make them easier to navigate. Updates have been made to the content clarifying policy, providing additional best practice guidance and new worked examples. We have not made changes to current policy.
3. We have released these practice notes as draft and want to hear from practitioners and other interested stakeholders before finalising. We are also eager to hear how we can build this resource over time.
4. The consultation burden on councils is high and this is a significant amount of content.
5. We have made this feedback form to make it easy for stakeholders to provide feedback. You can also contact us at infrastructure.contributions@planning.nsw.gov.au to ask questions or to arrange a briefing session.
6. **What feedback are we seeking?**
7. We are seeking feedback to help develop the practice notes into a practical hands on tool for local contributions practitioners. The feedback you provide will be used to identify:
* where the draft practice notes could be clarified or amended to better explain concepts;
* gaps in the guidance and other topics to be covered in future releases;
* resources that stakeholders would find useful (for example different types of templates); and
* areas where the department could collaborate with stakeholders to develop knowledge-sharing materials like worked examples.
1. **How will we use your feedback?**
2. The feedback will be used to make immediate improvements to the initial set of practice notes prior to their release. We will also use this feedback to establish a program of future work including opportunities to collaboratively develop materials with those who have the capacity to do so.

# Feedback form

Provide your feedback on the new draft local infrastructure contributions practice notes. Submissions due byFriday 23 February 2024. Once complete, submit this form on the [NSW Planning Portal](https://www.planningportal.nsw.gov.au/draftplans/exhibition/draft-local-infrastructure-contributions-practice-notes).

1. **Name**:
2. **Council or organisation**:
3. **Email**:
4. **Phone**:
5. ***How to fill in this feedback form:***
* *There is a page for each module to help you to provide your comments.*
* *Use the Navigation Pane under the ‘View’ toolbar to jump between pages of this document.*
* *You don’t have to respond to each module or every question.*
* *You are welcome to include any other attachments or comments in your final submission on the Planning Portal.*

# 1. Role and structure of the practice notes

Link: <https://www.planningportal.nsw.gov.au/role-and-structure-of-practice-notes>

**What’s changed**

The new practice notes are broken into chapters which are called modules, and each module is on a specific policy topic. They are designed so someone can read a practice note front to back or go directly to a policy topic, depending on their requirements. This module describes the new structure.

The new format provides a clear distinction between policy positions, best practice advice and procedure.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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1. **Is the new format clear?**

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# 2. Principles of infrastructure contributions

Link: <https://www.planningportal.nsw.gov.au/principles-of-infrastructure-contributions>

**What’s changed**

Reasonableness, nexus, apportionment, and accountability remain the underlying principles of the local infrastructure contribution system. The guidance on how these principles can be considered specifically for each local contribution mechanisms has been expanded and made clearer.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 3. Selecting the most appropriate contribution mechanism

Link: <https://www.planningportal.nsw.gov.au/selecting-most-appropriate-contribution-mechanism>

**What’s changed**

Guidance has been reworded in plain language and simplified.

A detailed comparison between the different mechanisms has been added, including consideration on which may be appropriate for different circumstances.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 4. Ministerial directions for local contributions

Link: <https://www.planningportal.nsw.gov.au/ministerial-directions-local-contributions>

**What’s changed**

All the existing Ministerial directions for local contributions have been consolidated into this module. A summary of the Minister’s existing direction making powers for local contributions has been added.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 5. What can be funded through section 7.11 and 7.12 contributions

Link: <https://www.planningportal.nsw.gov.au/funding-through-section-711-712-contributions>

**What’s changed**

Guidance has been reworded in plain language and simplified. Discussion of the constraints of each mechanism has been expanded.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 6. Governance, probity, and internal controls

Link: <https://www.planningportal.nsw.gov.au/governance-probity-internal-controls>

**What’s changed**

Guidance around governance and probity for local contributions has been expanded, including more detail on how councils can ensure appropriate measures are taken.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 7. Joint contributions plans and cross boundary infrastructure

Link: <https://www.planningportal.nsw.gov.au/joint-contributions-plans-cross-boundary-infrastructure>

**What’s changed**

Existing guidance for development sites that extend across LGA boundaries has been simplified.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 8. Making a section 7.11 contributions plan

Link: <https://www.planningportal.nsw.gov.au/making-section-711-contributions-plan>

**What’s changed**

Guidance has been reworded in plain language and expanded, including new guidance on the contents of a contributions plan and the steps required to develop one.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 9. Exempting certain development from contributions

Link: <https://www.planningportal.nsw.gov.au/exempting-certain-development-from-contributions>

**What’s changed**

Guidance has been reworded in plain language and simplified.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 10. Defining plan catchments and subcatchments

Link: <https://www.planningportal.nsw.gov.au/defining-plan-catchments-subcatchments>

**What’s changed**

Existing guidance on catchment boundaries and mapping in contributions plans has been expanded, including recommending that contribution plan maps be to the same standard as other maps created by council.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 11. Determining demand and demonstrating nexus

Link: <https://www.planningportal.nsw.gov.au/determining-demand-demonstrating-nexus>

**What’s changed**

Guidance has been reworded in plain language and simplified. New guidance on different ways councils can demonstrate nexus depending on the type and scale of infrastructure has been added.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 12. Developing a works schedule and mapping infrastructure

Link: <https://www.planningportal.nsw.gov.au/developing-works-schedule-mapping-infrastructure>

**What’s changed**

Existing guidance on developing works schedules has been expanded, including new guidance detailing how works schedules should feed into a council’s financial plan and delivery program and expanded guidance on mapping requirements. A new works scheduled template has been provided including suggested contents.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 13. Estimating infrastructure costs

Link: <https://www.planningportal.nsw.gov.au/estimating-infrastructure-costs>

**What’s changed**

Guidance outlining that councils can use cost estimates, benchmarks and actual costs in their plans has been expanded, including discussion around the when each may be appropriate to use in a contributions plan.

Guidance on nominal cost versus net present value has been expanded, explaining the benefits and draw backs of each methodology and providing a worked example.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 14. Calculating contribution rates

Link: <https://www.planningportal.nsw.gov.au/calculating-contributions-rates>

**What’s changed**

Guidance has been reworded in plain language and simplified.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 15. Exhibiting and adopting contributions plans

Link: <https://www.planningportal.nsw.gov.au/exhibiting-contributions-plans>

**What’s changed**

Guidance has been reworded in plain language and simplified.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 16. IPART review of section 7.11 plans

Link: <https://www.planningportal.nsw.gov.au/review-of-section-711-plans-ipart>

**What’s changed**

Existing guidance has been simplified and superseded information has been removed.

No change has been made to the criteria IPART use to review contributions plans.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 17. Reviewing, amending and repealing contributions plans

Link: <https://www.planningportal.nsw.gov.au/adopting-reviewing-repealing-contributions-plans>

**What’s changed**

Guidance on plan reviews and benefits of a 4 or 5 year review timeframe has been expanded.

**Many contributions plans are not reviewed within the suggested 5 year period, what barriers do councils face in undertaking regular plan review?**

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1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 18. Indexing contribution rates and conditions of consent

Link: <https://www.planningportal.nsw.gov.au/indexing-contribution-rates-conditions-of-consent>

**What’s changed**

Existing advice on indexation has been expanded including new advice discussing alternative indices, including Producer Price Index, which councils may wish to consider.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 19. Works in kind agreements

Link: <https://www.planningportal.nsw.gov.au/works-in-kind-agreements>

**What’s changed**

Guidance has been reworded in plain language and simplified. New guidance has been added highlighting the potential tendering obligations for works in kind and discussing the value of offsetting the works in kind agreements against the developer’s total liability instead of just the one infrastructure category.

**Are there barriers to entering into a works in kind agreements?**

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1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 20. Credits for existing development or past contributions

Link: <https://www.planningportal.nsw.gov.au/credits-for-existing-development-or-past-contributions>

**What’s changed**

Guidance has been reworded in plain language and simplified.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 21. Timing of contributions payments

Link: <https://www.planningportal.nsw.gov.au/timing-contributions-payments>

**What’s changed**

Guidance has been reworded in plain language and simplified, and some common payment timings have been included.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 22. Making a section 7.12 contributions plan

Link: <https://www.planningportal.nsw.gov.au/making-section-712-contributions-plan>

**What’s changed**

Guidance has been reworded in plain language and expanded, including new guidance on the contents of a contributions plan and the steps required to develop one.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 23. Requesting a higher section 7.12 rate

Link: <https://www.planningportal.nsw.gov.au/requesting-higher-section-712-rate>

**What’s changed**

Guidance has been reworded in plain language and simplified and the process for requesting the higher maximum percentage has been expanded, including that councils should contact the department before exhibiting a plan to discuss the higher percentage request.

No change has been made to the assessment criteria.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 24. Using planning agreements

Link: <https://www.planningportal.nsw.gov.au/using-planning-agreements>

**What’s changed**

The planning agreement principles have been simplified to remove ones that were:

* 1. legislative requirements,
	2. general planning requirements not specific to planning agreements,
	3. covered in detail elsewhere in the practice note.

The existing requirement for planning agreements to be assessed against the acceptability test has been made clearer.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 25. Council policies and procedures for planning agreements

Link: <https://www.planningportal.nsw.gov.au/council-policies-procedures-for-planning-agreement>

**What’s changed**

Guidance has been reworded in plain language, simplified and duplication removed.

The requirements for council’s planning agreement policies has been simplified and made clearer, including improved guidance around what procedures and processes councils should develop in their policies.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 26. Negotiating and entering into a planning agreement

Link: <https://www.planningportal.nsw.gov.au/negotiating-entering-into-a-planning-agreement>

**What’s changed**

Guidance has been reworded in plain language, simplified and duplication removed. Indicative steps for entering into a planning agreement have been made clearer.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 27. Notifying planning agreements

Link: <https://www.planningportal.nsw.gov.au/notifying-planning-agreements>

**What’s changed**

Guidance on notifying planning agreements and writing explanatory notes has been expanded. New guidance has been added discussing the benefits of formally exhibiting planning agreements, instead of only notifying them.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 28. Borrowing, pooling contributions and forward funding infrastructure

Link: <https://www.planningportal.nsw.gov.au/borrowing-forward-funding>

**What’s changed**

Guidance has been reworded in plain language and simplified. The options for forward funding infrastructure, and the risks and benefits of doing so have been discussed in more detail. New guidance on councils’ debt servicing ratios and the implications of borrowing have been added.

**Are there barriers to forward funding infrastructure?**

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1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 29. Security for contributions and planning agreements

Link: <https://www.planningportal.nsw.gov.au/security-for-contributions-planning-agreements>

**What’s changed**

Guidance has been reworded in plain language and simplified. Security is discussed in the context of both contributions plans and planning agreements, including expanded guidance on the different types of security, and which may be appropriate in different situations.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 30. Financial management of contributions

Link: <https://www.planningportal.nsw.gov.au/financial-management-of-contributions>

**What’s changed**

Guidance has been reworded in plain language and simplified.

1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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# 31. Reporting and publication requirements

Link: <https://www.planningportal.nsw.gov.au/reporting-publication-requirements>

**What’s changed**

Guidance has been reworded in plain language and simplified. Iinformation on the contributions reporting requirements introduced in 2020, and new optional templates have been added.

1. **What are the barriers faced by councils when completing their reporting and publication requirements?**

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1. **Are there gaps in this module? Could any concepts be more clearly explained?**

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1. **Are there any resources, templates or materials that would help?**

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