Amendments to Local Infrastructure Contributions Practice Note

This circular is to advise councils of amendments to *Local Infrastructure Contributions Practice Note* to clarify when a development contributions plan may be adopted by a council.

**Overview of the amendments**

The purpose of this circular is to advise councils of amendments to the *Local Infrastructure Contributions Practice Note* to clarify when a development contributions plan may be adopted by a council.

The amended Practice Note clarifies that the timing of adoption of a contributions plan is a matter for the council, having regard to the relevant legislation and *Development Contributions Practice Notes – July 2005*. The 2005 Practice Notes will continue to apply concurrently with the *Local Infrastructure Contributions Practice Note*.

The changes to the *Local Infrastructure Contributions Practice Note* include:

- Additional guidance to assist councils in determining the appropriate time to adopt a contributions plan when review by the Independent Regulatory and Pricing Tribunal (IPART) is required.
- References to the contributions caps updated to reflect changes resulting from the removal of the cap from 1 July 2020.
- Administrative changes such as updating EP&A Act references to reflect the amended Act numbering system.

**Background**

The 2005 Practice Notes set out requirements for preparing, making and administering contributions plans.

When a contributions plan proposes rates exceeding the threshold of $20,000 per lot/dwelling or $30,000 for urban release areas, the *Local Infrastructure Contributions Practice Note* also applies. It provides guidance to councils and IPART on the process for assessing contributions plans with rates above the relevant threshold amount.

However, the advice provided in the *Local Infrastructure Contributions Practice Note* on the timing of adoption of a contributions plan may have been interpreted as being contradictory to the 2005 Practice Note.

The *Local Infrastructure Contributions Practice Note* has been amended to provide clarification on this matter.

**Further Information**

For further information please contact Service NSW on 13 77 18.

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**Authorised by:**

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Acting Secretary

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**Important note:** This circular does not constitute legal advice. Users are advised to seek professional advice and refer to the relevant legislation, as necessary, before taking action in relation to any matters covered by this circular.

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