

Media release

Monday, 8 October 2018

IPART recommends council updates infrastructure costs for Box Hill

The Independent Pricing and Regulatory Tribunal (IPART) is recommending the proposed costs of developing the Box Hill and Box Hill Industrial precincts in The Hills Shire Council be increased slightly before the council applies for State Government funding.

The recommendations, contained in a report to the NSW Minister for Planning, may marginally increase the amount of funding the council can obtain through the State Government's Local Infrastructure Growth Scheme (LIGS).

Local infrastructure contributions for the two precincts are capped at \$40,000 per lot or dwelling until 1 July 2019, then \$45,000 until 1 July 2020. After 1 July 2020, the cap will be removed entirely.

The staggered increase in the contributions cap was announced by the NSW Government last year. LIGS funding will only be available to the council until the cap is removed.

Chair of IPART's Local Government Committee, Deborah Cope, said all of the land and works in *Contributions Plan 15 Box Hill* are essential for the new development areas and are appropriate to meet the needs generated by these new communities.

"This is the third time IPART has reviewed Contributions Plan 15," Ms Cope said.

"Our previous reviews recommended significant reductions in the cost of essential infrastructure, many of which were incorporated into this latest version of the plan.

"However, we found that the council did not update the estimated cost of acquiring land for consistency with land use zoning changes that occurred since our last review.

"These changes in land zoning mean that, despite earlier savings, the overall cost of implementing the plan would increase by around \$3.5 million or 0.7%, if IPART's recommendations are implemented."

"Even though we recommend an increase in total costs, contribution rates for some infrastructure categories could be lower if the council updates its population estimates".

The Minister for Planning will consider IPART's recommendations and publish his advice to the council on the Department of Planning and Environment's website.

A full copy of IPART's assessment is available on IPART's website: <http://www.ipart.nsw.gov.au>

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