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## IPART's Final Report on Contributions Plan 17 for Castle Hill North

The Independent Pricing and Regulatory Tribunal (IPART) is recommending The Hills Shire Council reduce the amount it can charge developers in the Castle Hill North Precinct.

The recommendations would result in a net reduction of \$9.00 million, or 11.4% of total costs in the plan, and are detailed in IPART's Final Report on the assessment of The Hills Shire Council's draft *Contributions Plan No. 17 – Castle Hill North*.

Chair of IPART's Local Government Committee, Deborah Cope, said CP17 will not be subject to a cap on developer contributions when finalised, so all costs would be passed on to developers.

Ms Cope said most of the works in the plan involve upgrades to existing infrastructure, and recognise the challenge faced by the council in providing open space for future residents, given the limited space within the precinct.

"However, because development has not commenced, the scope of works required, and their costs, are based on quite high-level assumptions," she said.

"As a result of these uncertainties, we recommend the council review the plan within three years, to allow it to refine its forecasts so the contributions collected under the plan can match as closely as possible the reasonable cost of providing essential local infrastructure for new development in the Castle Hill North Precinct. This will help ensure that the contributions signal the cost of developing in this area."

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

If adopted in full, IPART's recommendations would reduce residential contributions for all residential development. For example, for a typical 2-bedroom dwelling the contribution would decrease from \$26,078 to \$21,539.

Once the council has made any changes requested by the Minister, CP17 will become an 'IPART-reviewed plan' and the council can levy contributions in accordance with the adopted plan.

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