



2024-25 Local Government Annual Report

Report to the Minister

October 2025

Local Government »

Acknowledgment of Country

IPART acknowledges the Traditional Owners of the lands where we live and work. Our office is located on Gadigal land and our work touches on Aboriginal lands and waterways across NSW.

We pay respect to their Elders both past and present, and recognise Aboriginal people's unique and continuing cultural connections, rights and relationships to land, water and Country.



Image taken on Worimi Country (Myall Lakes)

The Independent Pricing and Regulatory Tribunal

IPART's independence is underpinned by an Act of Parliament. Further information on IPART can be obtained from IPART's website.

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Chapter 1 »

Overview

01

1.1 Executive Summary

There are 128 councils in NSW providing essential goods, services, and infrastructure to their local communities.¹ This includes local roads, bridges and footpaths; libraries, parks and playgrounds; sporting fields and swimming pools; and public health, childcare, aged care and emergency management services. Councils draw from a range of revenue sources to fund their operations, including ordinary rates levied on property owners. Rates usually raise about a third of councils' total income, with the remainder coming from government grants, development contributions, and user fees and charges.²

IPART's role in local government is governed by the [Local Government Act 1993](#) and [Environmental Planning and Assessment Act 1979](#), and related regulations, guidelines, policies and ministerial directions. IPART makes decisions and recommendations on several matters, including the rate peg, special variations, minimum rates, and local infrastructure contribution plans, in accordance with these frameworks.

We heard from our consultation on local government matters that cost of living pressures have continued to be an issue for ratepayers, communities and councils in the 2024-25 financial year. Ratepayers have expressed concerns about affordability of rates, particularly in the context of special variation applications. The Tribunal has considered this in its decision making when setting the rate peg and assessing special variation applications. Councils have also raised concerns about their long-term financial stability and the challenges of providing for their communities at a time of extra cost pressures and rising community expectations.

IPART made a [submission](#) to the Committee on State Development inquiry. This inquiry was established on 14 March 2024 to report on the ability of local governments to fund infrastructure and services. Additionally, the IPART Chair appeared at 2 [hearings](#) of the Standing Committee on State Development inquiry. The Standing Committee released its [Final Report](#) on 29 November 2024 and the [Government Response](#) to the Final Report was released on 6 May 2025. IPART stands ready to implement any changes as required by the Government's response to the Committee's recommendations.

Throughout the 2024-25 financial year, IPART held workshops, public hearings and meetings with stakeholders, providing opportunities for the public and local government sector stakeholders to have their say on local government issues. We also presented at and participated in local government sector conferences and meetings, including those organised by the Country Mayors Association and NSW Revenue Professionals. We sought feedback through surveys and formal submissions on published reports and applications. This engagement is an important focus for IPART as it allows us to consider a broad range of perspectives to inform our reviews and decision making.

The rate peg for 2025-26 was set using our rate peg methodology developed in 2023 which we introduced for the 2024-25 rate peg. The core rate peg for 2025-26 for each council ranges from 3.6% to 5.1%.³ The rate peg includes adjustments for changes in council-specific Emergency Services Levy costs, and a temporary adjustment to help councils cover the costs of running the 2024 local government elections.⁴ These adjustments reflect our new more agile approach to setting the rate peg which better captures the cost increases faced by individual councils. There is also an allowance for population growth which aims to ensure councils maintain their rates income on a per capita basis as their population grows. This means some high growth councils have total rate pegs up to 7.6%.⁵

We also received 6 special variation applications for 2025-26^a where councils proposed increases in rates income of more than the rate peg.⁶ We assessed these applications in accordance with the Office of Local Government's special variations guidelines. 4 of the applications were approved, 1 was approved for a lower increase than applied for, and 1 application was not approved.⁷

New development is essential to provide housing for NSW's growing population. Under Section 7.11 of the *Environmental Planning and Assessment Act 1979*, councils can charge local infrastructure contributions when new development occurs, to provide local infrastructure such as parks, local roads, footpaths, stormwater management and traffic management. Under a Ministerial Direction^b, IPART assesses Section 7.11 contributions plans which propose a level of contributions above \$30,000 per lot or dwelling in identified greenfield areas and \$20,000 per dwelling in other areas. In 2024-25 we received one contributions plan to review and completed assessments of 4 contributions plans submitted in the previous financial year.⁸

During the 2024-2025 financial year we initiated a [review of IPART's approach to assessing contributions plans](#). We initiated this review to improve our processes for assessing local infrastructure developer contributions and to update our benchmark costs for local infrastructure.⁹

We undertook extensive consultation with stakeholders between October and February 2025 and released a [Final Report](#) on 14 April 2025. We also published our [Benchmark costs for local infrastructure](#) which will help councils prepare cost estimates for infrastructure items, especially at the early stages of development. We developed an [Information Paper](#) to provide guidance to councils about how we assess contributions plans and the supporting evidence needed from councils to assist us with our assessments. We are committed to continuous improvement and will continue to consult with stakeholders on further enhancements we can make.

For councils using a net present value (NPV) approach, we recommend councils apply the local government discount rate when calculating local infrastructure contributions. IPART has [initiated a review of its methodology for estimating the local government discount rate](#). We expect this review to be completed in the 2025-2026 financial year.¹⁰

^a We also considered and approved [three Crown Land Adjustment applications](#) for permanent increases to council rate bases for the 2025-26 financial year, to reflect the additional income from properties that are now rateable.

^b Minister for Planning, *Environmental Planning and Assessment (Local Infrastructure Contributions) Direction 2012*, 21 August 2012 as amended (Direction).

IPART is required to report on its functions related to local government to the Minister for Local Government and the Minister for Planning and Public Spaces by 31 October each year. This Annual Report describes these functions and IPART's related activities during the 2024-25 financial year.

The Terms of Reference and delegation instruments for our functions are included in Appendix A of this report. A list of our assessments and the reports we have released is available in Appendix B.

1.2 Exercising local government functions on behalf of the Minister for Local Government

IPART exercises its functions under delegation from the Minister for Local Government. These activities are set out in Chapter 2 of this report, and include:

- Setting the 'rate peg', which determines the maximum annual change in councils' general income. This includes developing the Base Cost Change (BCC), productivity factor, population factors and other adjustments.
- Determining special variation applications from councils, where councils seek to increase their general income by more than the rate peg.
- Determining applications from councils to increase their minimum rates.
- Deciding whether to set a 'waste peg' which would cap the amount by which councils can increase their domestic waste management (DWM) annual charges.

In addition, IPART reviewed and set the maximum price that the Valuer General can charge councils for providing land valuation services in accordance with the Terms of Reference issued by the Premier under section 9 of the [Independent Pricing and Regulatory Tribunal Act 1992](#). Chapter 2 outlines this review.

1.3 Assistance to the Minister for Planning and Public Spaces

Councils' contributions plans set out the infrastructure required to support new developments and the associated costs.

The *Environmental Planning and Assessment (Local Infrastructure Contributions) Direction 2012* (Direction)^c issued by the then Minister for Planning and Infrastructure under the [Environmental Planning and Assessment Act 1979](#) allows councils to submit contributions plans that propose contributions rates above the applicable thresholds specified in the [Direction](#) to IPART for assessment. We assist the Minister for Planning and Public Spaces by [reviewing councils' local infrastructure contributions plans](#).

IPART assesses contributions plans in accordance with our [Terms of Reference](#) and the [Practice Note](#) published by the Department of Planning, Housing and Infrastructure. Following its assessment, IPART must publish and forward its report to the Minister for Planning and Public Spaces. The Minister (or Minister's nominee) advises the council of any amendments required to the plan. Once the council has made these amendments and adopted the plan, the council can charge contributions rates set out in the plan (rather than being limited to the specified thresholds).

Our assessments of contributions plans that councils have submitted to IPART for review are set out in Chapter 3 of this report.

^c As amended. Ministerial directions amending this Direction are published on the [NSW Planning website](#).

1.4 IPART's ongoing improvements in stakeholder engagement

We are committed to continually improving how we deliver our local government functions. In this report, we outline our efforts in 2024-25 to improve our processes to better meet the needs of ratepayers, councils and other stakeholders. While many of our activities proceed through well-established processes and have done so for many years, best practice among regulators is to transparently review regulatory methods from time to time, in consultation with stakeholders.

We also highlight our focus on stakeholder consultation which enables us to consider a broad range of perspectives in our reviews and assessments. One example is our [review of IPART's approach to assessing contributions plans \(CP\)](#), which was self-initiated to improve our processes for assessing local infrastructure contributions and to update costs for local infrastructure. We regularly engaged with relevant stakeholders throughout the review process, including holding a [public workshop](#) which was attended by around 100 people from councils, industry, community and other organisations.¹¹ We have committed to improving our engagement with stakeholders to create a clearer and more transparent assessment process and to address any issues as soon as possible to avoid unnecessary delays. Additionally, we have established regular [online forums](#) for interested councils and developers, to provide more opportunities to engage with IPART on our role, processes and requirements for CP reviews.¹²

We also published our [Benchmark costs for local infrastructure](#) which will help councils prepare cost estimates for infrastructure items, especially at the early stages of development. We are developing a benchmark tool to make it easier for stakeholders to apply the benchmarks to their contributions plans and we have been consulting with stakeholders on the development of the tool. We expect to release the tool publicly in the 2025-26 financial year.¹³

We consulted with stakeholders to inform our rate peg decisions through:

- holding ratepayer workshops for ratepayers and other stakeholders to provide their feedback and views on the implementation of the new rate peg methodology and for us to share any new developments
- 5 meetings of the council reference group, a group established to advise on changes in council costs.

Additionally, IPART Tribunal members and staff have undertaken the following in person engagements with the local government sector:

- IPART Secretariat presented on our review of IPART's approach to assessing contribution plans at the Developer Contributions Biannual Conference on 28 November 2024 at Renwick Community Centre.
- IPART CEO presented on IPART's role in local government at NSW Revenue Professionals conference on 20 March 2025 at the Crowne Plaza, Terrigal.
- IPART Chair presented on IPART's role in local government at the Country Mayors Association of NSW meeting on 28 March 2025 at the Parliament of NSW, Sydney.
- IPART Chair presented and participated in the panel discussion at the Developer Contributions Biannual Conference on 29 May 2025 at Wagga Wagga Civic Centre, Wagga Wagga.

- IPART Chair and IPART staff appeared at the [public hearings](#) for the parliamentary inquiry established by the Standing Committee on State Development to report on the ability of local governments to fund infrastructure and services on [May 17](#) and [30 July 2024](#) at Parliament House, Sydney.

Chapter 2 »

Exercising local government
functions on behalf of the
Minister for Local Government

02

Under delegation from the Minister for Local Government, we regulate the extent to which councils can increase their general income and some of their rates and charges every year. Our activities help ensure that councils have access to enough funds to execute their functions, while protecting the community and ratepayers from unnecessary or unjustified costs.

2.1 Setting the rate peg

The rate peg is the maximum percentage amount by which councils may increase their general income^a for a financial year. IPART is responsible for determining this percentage change each year under delegation from the Minister for Local Government.^b

Councils rely on rates revenue to deliver services and infrastructure to their communities. The cost for councils can rise each year due to factors such as award wage increases or increase in the cost of construction materials and services. The rate peg is a cap on the additional rates revenue councils can collect to cover these cost increases.

Each year IPART sets the rate peg for each of the 128 councils in NSW. Since 2023 we have used our revised methodology.¹⁴ The methodology produces a separate rate peg for each council that more accurately reflect the cost increases they face.

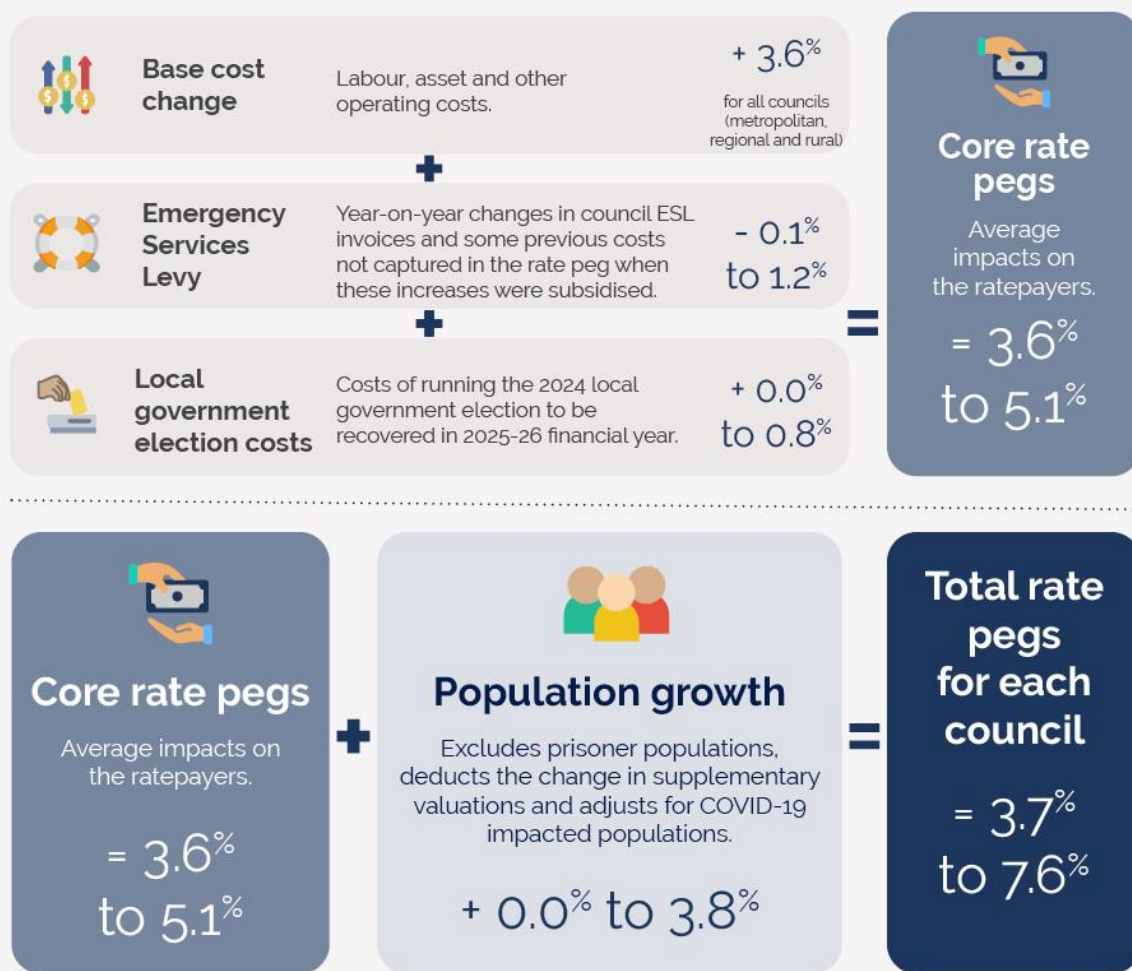
For 2025-26, the rate pegs range from 3.6% to 5.1% before adjusting for each council area's population growth (i.e. the core rate pegs). After including the population factor, the final rate pegs range from 3.7% to 7.6%.¹⁵

The 2025-26 rate pegs include several components which differ across councils. This leads to councils receiving differing final rate pegs.

^a For most councils, general income mainly comprises income from ordinary rates.

^b The Minister has the power to set the rate peg under section 506 of the [Local Government Act 1993](#) (LG Act).

2025-26 rate peg breakdown



We maintained our default approach to capture council productivity with a 0% change.

Councils have discretion to increase general income up to the rate peg, by less than the rate peg or not at all. If a council does not apply the full rate peg increase, it will be able to catch up on the shortfall in general income over the next 10 years. Some councils might have an approved special variation, which generally replaces the rate peg and is not affected by these decisions. Councils can only apply for a special variation if the elected councillors pass a formal resolution to apply to IPART for a special variation.¹⁶

We do not set the actual rates that households and businesses pay. The rate peg regulates the increase in the total amount of rates revenue that a council can collect as part of its income. It is up to each council to determine how to allocate the increase from the rate peg between residential, business and other rating categories. However, councils must set those rates to ensure that the change in general income stays at or below the rate peg limit, unless they have approval from IPART for a special variation.

Our method is designed to give ratepayers confidence that increases in council rates are reasonable, by calculating the additional revenue councils need to recover increasing costs.

2.1.1 How we have engaged with stakeholders about the rate peg



We held a ratepayer workshop

On 13 August 2024, we held an online ratepayer workshop to hear from ratepayers on issues we should consider when setting the rate pegs for 2025-26. Community members across NSW attended this workshop. The workshop provided an opportunity for ratepayers and community members to raise issues and have their say through an open forum. It also included an information session on the rate peg methodology and on some areas we considered would interest ratepayers based on frequently asked questions.

Issues raised at the workshop included the impact of any rate rise on the cost-of-living, improving the special variations process, the regulatory model for councils and support to keep the rate peg in place.¹⁷

The Council Reference Group met 5 times

In July 2024, we established the Council Reference Group (CRG), appointing 14 members. These were based on nominations from the Office of Local Government (OLG) and Local Government NSW (LGNSW).

The CRG met first to prioritise, then discuss, the issues it wanted the Tribunal to consider for the 2025-26 rate peg and future years. Issues ranged from components in the rate peg methodology and increased costs to broader local government issues.¹⁸ See [our website](#) for more information including the CRG Terms of Reference and a summary of issues discussed.

2.2 Assessment of special variation and minimum rate increase applications

2.2.1 Special Variations

Special variations are a mechanism by which a council can increase its general income by an amount greater than the rate peg. IPART is responsible for determining special variation applications submitted by councils.^c IPART can approve special variations for a single year or for multiple years (up to a maximum of 7 years), either temporarily or permanently.¹⁹

^c Functions delegated by the Minister for Local Government under sections 508(2) and 508A of the *Local Government Act 1993*. See pp 41-41 of this report for instruments of delegation.

Councils decide to apply for additional rates income for a variety of reasons, such as to increase the quality of local services, improve long-term financial sustainability, invest in new facilities or fund backlogs for asset maintenance.

We assess special variation applications against the [guidelines](#) issued by the Office of Local Government (OLG), updated most recently in November 2020. Councils are required to explain why an additional increase in rates is needed and consider how the special variation would change their financial position and long-term plans. They must also identify the productivity improvements and cost containment strategies realised in the past and proposed for the special variation period. Councils need to show that they have informed the community of the need for a special variation and have consulted with ratepayers.

OLG criteria^d for special variation assessments



Financial need

Councils should provide evidence that the special variation is needed within the context of their financial situation and plans to meet community needs



Community awareness

Councils should demonstrate that their communities are informed on the need and extent of a rate increase



Reasonable impact on ratepayers

Councils should show that they have assessed the financial impact of a special variation against their community's capacity to pay



Integrated Planning and Reporting documentation

Councils must adopt the relevant Integrated Planning and Reporting framework documents before applying for a special variation



Productivity improvement and cost containment

Councils should identify and quantify their current and future strategies to improve productivity and cost containment



Other matters IPART considers relevant

^d OLG, *Guidelines for the preparation of an application for a special variation to general income*, pp 8-10.

2.2.2 Special variations for the 2025-26 financial year

On 16 May 2025, IPART announced its [decisions](#) on 6 NSW council applications for a special variation. We received 1,100 submissions and more than 6,000 survey responses as part of our consultation process.²⁰ We value community feedback as it supports the Tribunal make an informed decision about whether a council application meets the OLG criteria. We considered all issues raised as part of our consultation process.

We assessed whether the impact of the special variation on ratepayers would be reasonable, considering current rate levels, the existing ratepayer base, and the proposed purpose of the SV.

Of the 6 special variation applications we assessed, IPART:

- fully approved 4 applications
- partially approved one application
- did not approve one application.²¹

A summary of our decisions is set out below.

Table 2.1 Special variations approved for 2025-26 financial year

Council	Application	Decision	Approved Annual Increases		
			2025-26	2026-27	2027-28
Federation Council	69.94% over 2 years	Approved	52.01%	11.8%	
Gunnedah Shire Council	37.67% over 2 years	Approved	18%	16.67%	
North Sydney Council	87.05% over 2 years	Not approved	Rate peg only		
Northern Beaches Council	39.6% over 3 years	Approved first 2 years of the SV (25.2%)	12.1%	11.7%	
Shoalhaven City Council	12% over 1 year	Approved	12%		
Upper Hunter Shire Council	33.10% over 3 years	Approved	10%	10%	10%

2.2.3 Minimum rates

Councils can specify the minimum amount of an ad valorem^e rate to be levied on each parcel of land.^f This ensures that ratepayers pay at least the minimum amount towards council services regardless of the value of their land. Should a council decide to introduce a minimum amount of a rate, it cannot set it above the specified statutory limit unless IPART has approved that council specifying a greater amount.^g

^e That is based wholly on land values.

^f Section 548(1) of the *Local Government Act 1993*.

^g Clause 126 of the *Local Government (General) Regulation 2021*. IPART exercises its function of determining applications to levy minimum rates above the statutory limit under section 548(3) of the *Local Government Act 1993* under delegation from the Minister for Local Government. See pp 41-42 of this report for the instruments of delegation.

Each year, IPART assists the Minister for Local Government in setting the statutory limit on the minimum amount of an ordinary rate by recommending the amount by which the statutory limit should be increased. IPART recommended to the Minister for Local Government that the statutory limit for the minimum amount of ordinary rates for 2025-26 be increased by 3.6% from \$617 to \$639. We calculated this amount by applying the lowest 2025-26 core rate peg to the minimum rate. This allows the minimum rate to avoid rising faster than the average rates for any councils while minimising the gradual distortion of rating structures.

Councils seeking to increase the minimum amount of a rate above the statutory limit for the first time, or to increase a minimum rate that is above the statutory limit by more than the applicable rate peg or special variation percentage, must apply to IPART for approval.

Minimum rate increases do not change the amount of general income that a council can collect in a year. The minimum rate can influence how rates are allocated among ratepayers. Since all ad valorem rates are based on unimproved land values, minimum rates are usually paid by owners of land with a low rateable value. This typically happens when there are many owners per parcel of land, as in the case of strata properties (such as apartments). In the absence of minimum rates, the rating burden can disproportionately affect owners of high value land, like detached dwellings. Councils can use minimum rates to ensure that their rating structure is fair, and the rates are more equally distributed.

IPART reviews minimum rate increase applications against [OLG Guidelines](#). We require councils to provide evidence in support of their application to increase minimum rates above the statutory limit, including evidence of community consultation. Councils also need to consider the impact of minimum rate increases on affected ratepayers.

2.2.4 Applications for minimum rate increases in the 2025-26 financial year

We received applications for minimum rate increases from Gunnedah Shire Council and North Sydney Council in conjunction with their special variation applications. We fully approved the application from Gunnedah Shire Council. We did not approve the application from North Sydney Council. This is summarised in Table 2.2.

Table 2.2 Applications for minimum rate increases in the 2025-26 financial year

Council	Application	Decision	Approved Minimum Rates
Gunnedah Shire Council	\$178 increase over 2 years for farmland and residential ratepayers \$174 increase over 2 years for business ratepayers	Approved	- For residential ordinary, rural, Gunnedah and farmland rates: – \$638 in 2025-26 – \$733 in 2026-27 - For business rates: – \$625 in 2025-26 – \$718 in 2026-27
North Sydney Council	\$833 increase over 2 years for residential ratepayers \$1,091 increase over 2 years for business ratepayers	Not approved	Rate peg only

2.2.5 How we have engaged with stakeholders about special variations and minimum rate increase applications



We expect councils applying for special variations or minimum rates increases to engage with their communities so that ratepayers are fully aware of any proposed special variation and the full impact on them. This is one of the criteria in the Office of Local Government [guidelines](#) we use to assess councils' applications.

As a further input to our assessment, we published council applications on our website for a 4-week consultation period from 25 February 2025 to 24 March 2025. Stakeholders could complete a survey-style feedback form and make submissions directly to us. We took all stakeholder feedback into account in making our decisions.

2.2.6 Crown land adjustments

Crown lands are exempt from all rates. Councils may apply to the Office of Local Government (OLG) to seek additional general income to account for parcels of Crown land that have become rateable. This land becomes rateable if it is sold or leased to private entities or transferred to State Owned Corporations that are liable to pay rates. These adjustments allow councils to apply the full rate peg or special variation (SV) uniformly to all rating categories.²²

OLG assesses councils' requests for Crown land adjustments and makes recommendations to IPART about the appropriate percentage increase to general income. This year, we approved [Clarence Valley Council](#), [Kyogle Council](#) and [Tenterfield Shire Council's](#) applications for permanent increases to their rate bases for the 2025-26 financial year, to reflect the additional income from properties that are now rateable. In making these determinations, we had regard to OLG's assessment that these applications were valid.²³

2.3 Domestic waste management annual charges

IPART decides each year whether to set a maximum percentage by which NSW local councils can increase their domestic waste management (DWM) annual charges ('waste peg').

We have decided that no limit is to apply to the amount by which councils may vary their DWM annual charges for the period from 1 July 2025 to 30 June 2026.²⁴

In making this decision, we analysed the most recent data available on councils' DWM annual charges and considered OLG's regulatory role and its commitment to its proposed approach to regulating DWM annual charges.²⁵ We also considered the current transition for council waste management to meet the state government mandate to provide Food and Garden Organics (FOGO) services by 2030.²⁶ Domestic waste management charges vary between councils depending on the range and frequency of services provided such as kerbside collection services for landfill, recycling, FOGO, drop-off facilities and periodic clean-up services.²⁷

2.4 Review of prices for Valuer General's services to councils

IPART sets the maximum price that the Valuer General can charge councils for providing land valuation services. Councils use the land valuations to set rates. In August 2024, we commenced a review of prices for the Valuer General's services to councils set to take effect from 1 July 2025. We completed this review in May 2025 and have published a [Final Report](#) and [Determination](#).

The maximum prices we have determined reflect the efficient costs of providing mass valuation and objection services to councils. Our decision was to set a single maximum price of \$7.93 per valuation across all councils. This will apply, adjusted for inflation, for 4 years from 1 July 2025 to 30 June 2029.²⁸ The price in 2025-26 will be \$8.12 per valuation after adjusting for inflation.²⁹

We also held a public hearing and received 60 submissions from stakeholders. We considered all stakeholder feedback in reaching our decisions.³⁰

Chapter 3 »

Assistance to the Minister for
Planning and Public Spaces

03

NSW's growing population needs more housing as well as and more commercial, retail, and industrial space for employment. New developments help to meet the needs of new and growing communities.

Councils are responsible for local infrastructure like roads, stormwater and open space. When new development occurs in both undeveloped (greenfield) and existing (infill) areas, local councils need to provide additional or upgraded infrastructure to support both the development and the new community.

In NSW, councils can require developers to contribute to the cost of providing that infrastructure. Councils prepare contributions plans which set out the local infrastructure required to meet the demand from new development, and the contributions a council can levy on developers to fund the necessary land and works.

We support the Minister for Planning and Public Spaces by [reviewing councils' local infrastructure contribution plans](#) where a council proposes to levy developer contributions for local infrastructure above the specified thresholds^a if councils perceive that the development will create or increase a need for infrastructure. Our work helps to ensure that councils' estimates reflect the reasonable cost of providing this infrastructure.

If costs in the plan are too low, then the costs of infrastructure to support the new development will be incurred by the existing and future or broader community that may not use this infrastructure. This is because the council would need to collect revenue for funding shortages from other sources, such as from council rates or grants, rather than the revenue received from development contributions. On the other hand, if costs in the contributions plan are too high, developers may be discouraged from proceeding with the new development.

3.1 Review of the Local Infrastructure Contribution Plans

Currently, a contributions plan that proposes contribution rates above a threshold of \$30,000 per lot or dwelling in identified greenfield areas and \$20,000 per dwelling in other areas must be submitted to IPART for review.^b

We assess contributions plans in accordance with our [Terms of Reference](#)^c and against the criteria set out by the Department of Planning, Housing and Infrastructure (DPHI) in its [Practice Note](#) and summarised below. We also consult with DPHI, the council and other relevant stakeholders and we consider any submissions from stakeholders as part of a public review process.

^a As specified in the [Direction](#).

^b In accordance with the [Direction](#).

^c IPART was first asked to review contributions plans in 2010 when it entered into an arrangement with the then Minister for Planning under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992*. The current [Terms of Reference](#) was issued in November 2018.

We provide a report on our review to the Minister for Planning and Public Spaces. The Minister (or the Minister's nominee) then advises the council of any required amendments to its contributions plan. Once the council has made any amendments, it may levy the contributions amounts set out in the adopted plan.^d

Criteria for contributions plans assessment^e

- | | |
|----|--|
| 01 | Essential Works List
The proposed infrastructure in the plan is on the essential works list, which sets out items that are considered necessary to meet the demand for new infrastructure. |
| 02 | Nexus
The proposed infrastructure is reasonable in terms of nexus. This means establishing a connection between the land and facilities in a contributions plan and the demand for them arising from the new development. |
| 03 | Reasonable cost
The proposed contributions are based on a reasonable estimate of the cost of the proposed infrastructure. This means that the way the council derived its proposed costs is appropriate, including its use benchmarks and/or indexes, and external valuations. |
| 04 | Reasonable timeframe
The proposed infrastructure can be provided within a reasonable timeframe. |
| 05 | Reasonable apportionment
The proposed contributions are based on a reasonable apportionment of costs. This means that costs are divided equitably between all those who create the need for the infrastructure, including any existing population. |
| 06 | Community consultation
Council has conducted appropriate community consultation in preparing the contributions plan. |
| 07 | Other matters
The contributions plan addresses other matters we consider relevant. |

^d Minister for Planning, *Environmental Planning and Assessment (Local Infrastructure Contributions) Direction 2012*, 21 August 2012 as amended (Direction).

^e The criteria are set out in the [Practice Note](#) and summarised in the table.

Figure 3.1 General timeline for assessing contribution plans



3.2 Contribution plans reviewed in the 2024-25 financial year

During 2024-25, one contributions plan was submitted for review by IPART. During this time, we worked on assessing a total of 5 plans, 4 of which were submitted in the previous financial year. Of the 5 contributions plans, we completed assessments of 4 plans during the financial year.³¹

Contributions Plan 15 Box Hill Precinct 2025 was submitted to IPART by the Hills Shire Council for assessment in March 2025. This is the 6th time that IPART has reviewed this contributions plan.³²

The Box Hill precinct covers an area of around 691 hectares and is projected to deliver 16,030 dwellings for an additional population of almost 49,000 residents by 2037. The development also includes 115 hectares for non-residential development, which is expected to generate almost 30,000 jobs. This development will increase the demand for transport, stormwater, and open space infrastructure.³³

Approximately 74% of residential development and 14% of non-residential development has been completed or approved. The council's revision of CP15 proposes a 14% increase in contribution rates for the remaining duration of the plan. The total revised cost of the plan is now \$1.14 billion, with a contribution rate of \$77,360 for an average dwelling in the Killarney Chain of Ponds sub-precinct and \$64,684 in the Second Ponds Creek sub-precinct.³⁴ We made 2 recommendations, the net effect being a slight decrease in the total cost of CP15 if accepted by the Minister.³⁵

We released our Draft Report in May 2025. We published and provided our Final Report to the Minister for Planning and Public Spaces in July 2025.

Appin Growth Area Contributions Plan 2024 (Appin CP) was submitted to IPART by the Wollondilly Shire Council for assessment in June 2024. This was the first time we reviewed this contributions plan.³⁶

The Appin CP includes the Appin Growth Area and covers an area of 1,357.7 hectares, including 1352.6 hectares for residential development and 5.1 hectares zoned for non-residential development, which will support commercial, retail, business, employment or industrial uses. The precinct is projected to deliver 18,650 dwellings for a total population of 55,950 residents and development to continue beyond 2051.³⁷

The council estimated that the total cost of the Appin CP is around \$1.535 billion over 30 plus years, with a contribution rate of \$84,933 for an average dwelling.³⁸ We made 6 recommendations which, if implemented, would decrease the total cost of the Appin CP by about \$175 million, and the estimated residential development contribution rate for a typical dwelling would be around \$75,500.³⁹

We released our Draft Report on 5 December 2024. We published and provided our Final Report to the Minister for Planning and Public Spaces on 6 March 2025.

West Dapto Development Contributions Plan 2024 (WDCP) was submitted to IPART by Wollongong City Council for assessment in April 2024. This was the third time we reviewed this plan.⁴⁰

The West Dapto Urban Release Area has net developable area of 1722.1 hectares. Residential development will account for around 1,452 hectares and is expected to deliver almost 20,000 homes for more than 60,000 people.⁴¹ A further 248 hectares is zoned for industrial land and 22 hectares is zoned for commercial activity, which will support light industry, retail, business and community uses.⁴² The council expects development to continue beyond 2060.⁴³

The council estimates the total cost of the WDCP is around \$1.57 billion over almost 60 years. The residential development contribution rate for a typical dwelling will be about \$79,318.⁴⁴ We made 4 recommendations for the council to address in its next amendment of West Dapto CP.⁴⁵

We released our Draft Report on 16 September 2024 and released a Revised Draft Report on 11 November 2024. We published and provided our Final Report to the Minister for Planning and Public Spaces on 16 December 2024. The Minister's nominee provided their [advice to the council](#) on 27 February 2025.⁴⁶

Orchard Hill North Contributions Plan was submitted to IPART by Penrith City Council for assessment in September 2023. This was the first time we have this plan.⁴⁷

The Orchard Hill North CP covers the Orchard Hill North rezoning area precinct and covers a net developable area of 101.15 hectares. The precinct is expected to provide 1,675 new dwellings to support a population increase of 5,025 residents. Residential development is estimated to comprise 98.95 hectares of total net developable area. The remaining 2.2 hectares of land is zoned for non-residential purposes. This includes retail, business and community use floorspace, including a supermarket, cafes and food services, specialty shops, offices and retail services. The new growth in the precinct is expected to create 174 jobs.⁴⁸

The council estimated that the total cost of the Orchard Hill North CP is around \$218 million over 10 years, with contribution rates between \$64,853 to \$129,702 for an average dwelling.⁴⁹ We made 11 recommendations to ensure that the Orchard Hill North CP meets the assessment criteria. After implementing our recommendations, the total costs of the plan will have increased from \$218 million to \$231 million (5.8%) due to increased contingencies and updating plan administration costs and fixing errors in the work schedule.⁵⁰ After implementing our recommendations, we estimated that contribution rates would range from \$68,473 to \$136,946.⁵¹

We released our Draft Report on 7 May 2024. We published and provided our Final Report to the Minister for Planning and Public Spaces on 16 September 2024. The Minister's nominee provided their [advice to the council](#) on 19 December 2024.⁵²

Glenmore Park Stage 3 at Mulgoa Development Contributions Plan was submitted to IPART by Penrith City Council for assessment in September 2023. This is the first time IPART has reviewed the Plan.⁵³

The Glenmore Park Stage 3 release area at Mulgoa precinct is 206 hectares within the Penrith local government area and is an extension of the existing Glenmore Park release area.⁵⁴ The precinct is forecast to result in around 2,300 new dwellings to support a population increase of around 6,900 residents.⁵⁵ Non-residential development comprises approximately 2% of the net developable area and will include a local retail centre and a future school site.⁵⁶

The council estimated that the total cost of the Glenmore Park Stage 3 CP would be around \$225 million over 10 years, with contribution rates between \$48,861 to \$104,238 for an average dwelling.⁵⁷ We made recommendations that, if implemented, would increase the total costs of the plan by 2%, from around \$225 million to \$230 million, mostly due to recommending increased contingencies, updating plan administration costs and fixing errors in the work schedule. If our recommendations were implemented, we estimate that contribution rates would range from \$49,549 to \$105,705.⁵⁸

We released our Draft Report on 7 May 2024. We published and provided our Final Report to the Minister for Planning and Public Spaces on 16 September 2024. The Minister's nominee provided their [advice to the council](#) on 19 December 2024 and provided [further advice to the council](#) on 5 May 2025.⁵⁹

Table 4.1 presents a summary of each contribution plan review completed in 2024-25.

Table 4.1 Contribution plans assessments completed in 2024-25^a

Contributions Plan	Assessment period	Revised total cost (\$)	Change in total cost	Change in contribution rates	Key recommendations ^b
Wollondilly Shire Council - Appin Growth Area	July 2024 – March 2025	1.36 billion	\$175 million removed (11% reduction)	Council proposed rate for a typical dwelling: \$84,933 IPART recommended rate: \$75,500	• Correct errors within the work schedule. • Adopt revised open space embellishment works costs. • Include land acquisition allowance of 5% of the purchase price. • Update the cost of plan administration to be 1.5% of the revised total works cost. • Revise the allocation of non-residential land in the Appin CP to be commensurate with an expected additional population of 55,950. • Use an ABS PPI to apply to the base contribution rates at the time of payment for each specific category of works.
Wollongong City Council - West Dapto	May 2024 – December 2024	1.57 billion	No adjustment made to costs proposed by council	No change. Council proposed rate for a typical dwelling: \$79,318	• Ensure that any necessary changes are made to the scope and costs of infrastructure in the CP based on the Stormwater Masterplan prior to next IPART submission. • Review costs and adjust for any grant funding received following adoption of the plan. • Review the inclusion of a land acquisition allowance for the purposes of land acquisition prior to next IPART submission. • Provide documentation and quantitative information regarding the amount of open space being provided by developers in its next IPART submission.
Penrith City Council - Orchard Hills North	November 2023 – September 2024	213 million	\$13 million added (5.8% increase)	Council proposed rates for a typical dwelling: \$64,853-\$129,702 IPART recommended rates: \$68,473-\$136,946	• Monitor the design and development of open space embellishments in the CP to ensure that only embellishments that are consistent with the essential works list are included in the plan. • Update the cost of plan administration to be 1.5% of the revised total works costs. • Use recommended contingency allowances. • Adjust the work schedule to correct for underestimates and overestimates of some costs. • Apportion both transport and stormwater costs to both residential and non-residential development on a per hectare of NDA basis. • Apportion transport and stormwater land and work costs for the public school site to residential development.

^a We have not included The Hills Shire Council's Box Hill Precinct CP15 in this table as it was completed in the 2025-26 financial year.

^b This is not an exhaustive list of the recommendations and suggestions included in IPART's assessment of contributions plans. For more detail, see the Final Report for each contribution plan.

Contributions Plan	Assessment period	Revised total cost (\$)	Change in total cost	Change in contribution rates	Key recommendations ^b
Penrith City Council - Glenmore Park Stage 3	November 2023 – September 2024	230 million	\$5 million added (2% increase)	Council proposed rates for a typical dwelling: \$48,861-\$104,238 IPART recommended rates: \$49,549-\$105,705	• Apportion plan administration costs for transport and stormwater to non-residential development. • Update the underlying zoning to the C4 for transport land item T5. • Update the cost of plan administration to be 1.5% of the revised total works costs. • Use recommended contingency allowances. • Adjust the work schedule for residential development to correct errors. • Apportion transport and stormwater costs to residential development on a per-person basis and to non-residential developmental on a per hectare of NDA basis. • Apportion transport and stormwater land and works costs for the public school site to residential development. • Ensure that the council does not recover contributions for the same infrastructure items through both GP3 CP and the council's Section 7.12 CP. • Apportion plan administration costs for transport and stormwater to non-residential development.

3.3 Review of IPART's approach to assessing contribution plans

In October 2024, IPART initiated a review to improve its processes for assessing local infrastructure developer contributions and to update its benchmark costs for local infrastructure.⁶⁰ We initiated this review to improve our processes for assessing local infrastructure developer CPs and to update our benchmark costs for local infrastructure.

We have looked at our processes and guidance, consulted with a range of stakeholders and carefully considered feedback to ensure we are continually improving the way we work and providing better outcomes for the people of NSW. We understand that delays to our assessment of CPs can have a financial impact on both councils and developers. We are refining our assessment process to make it more efficient and effective and improve the experience of our stakeholders. This includes ensuring our CP assessments have a clear timeframe for completion, with the goal to submit a final report to the Minister within 6 months of receiving the council's application.⁶¹

We completed this review in April 2025 and have published a [Final Report](#). We have also published our updated benchmark costs for local infrastructure, and we have published an [Information Paper](#) which provides guidance to councils on how we assess CPs and the supporting evidence we need from councils.

3.3.1 How we have engaged with stakeholders about contributions plans



During the 2024-25 financial year, we proactively engaged with stakeholders to improve IPART's approach to assessing contributions plans. We also consulted with them to help inform our recommendations to the Minister on the contributions plans we assessed. We are committed to continuous improvement and will continue to consult with stakeholders to identify further enhancements to our approach and processes.

3.4 Updated Practice Note

In late May 2025, DPHI published its updated practice notes for local infrastructure, which consolidates and replaces the 2019 Practice Note and the 2005 Practice Notes.⁶² The stated purpose of this update is to provide simpler, modernised guidance. The practice notes have been rewritten in plain language and do not contain policy changes. The practice notes are also provided on a 'digital hub' on the NSW Planning Portal. This is intended to provide a more interactive, searchable and easier to update series of practice notes.

3.5 Updated discount rate

IPART recommends councils apply the local government discount rate when calculating local infrastructure contributions using a net present value (NPV) approach.

When determining contribution rates in a contributions plan, councils have the option of using the net present value (NPV) approach. This involves the use of a cash flow model where future revenues and costs are discounted by a specified discount rate.⁶³

As at the end of January 2025, the nominal local government discount rate is 3.6% and the real discount rate is 1%.⁶⁴ Every six months, IPART publishes the discount rate we recommend councils apply if they are using a NPV approach to calculating local infrastructure contributions.

In July 2025, IPART initiated a review of its methodology for estimating the local government discount rate. We expect to complete this review in 2025-26 financial year.⁶⁵

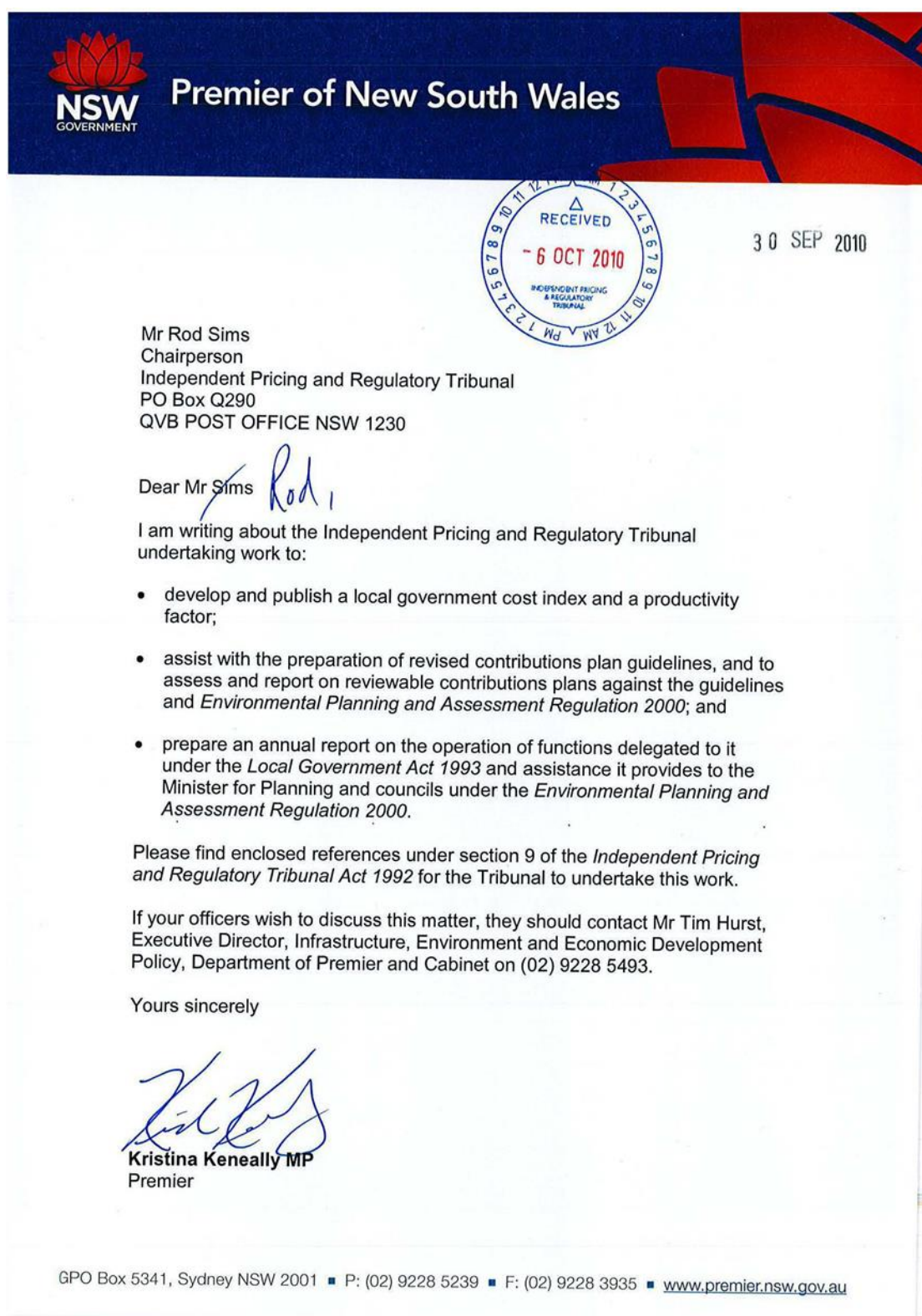
Appendices

Appendix A >>

Terms of reference



A.1 Terms of reference delegating functions to IPART



TERMS OF REFERENCE

I, Kristina Keneally, Premier of New South Wales approve the provision of services by the Independent Pricing and Regulatory Tribunal (IPART) under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992 (IPART Act)* to the Minister for Local Government (Minister) for the development of a local government cost index in accordance with the following terms of reference.

Background

Since 4 June 2010, the NSW Government has announced changes to local council charges on new housing development. The changes will lower the cost of new housing construction and provide certainty, transparency and fairness to councils, landowners, developers and the community.

At the same time the Government announced that in future the amount by which councils could increase their rating income will be determined by IPART having regard to the movements of the Local Government Cost Index and Productivity Factor. These functions are to be delegated to IPART by the Minister for Local Government.

Terms

In providing the services, IPART must:

- (a) develop a local government cost index (**Local Government Cost Index**);
- (b) develop a productivity factor (**Productivity Factor**); and
- (c) publish the Local Government Cost Index and the Productivity Factor on IPART's website.

In developing the Local Government Cost Index and the Productivity Factor, IPART is to have (where relevant) regard to the following matters (in addition to any other matters IPART considers relevant):

- (a) the change in prices of goods and services composing the typical expenditure of Councils to reflect the annual change in underlying costs of ordinary council operations;
- (b) the findings and recommendations of IPART's final report on the local government review titled "Revenue Framework for Local Government";
- (c) the identification of appropriate price indices that would reflect the movement in component costs over time;
- (d) the estimation of the relevant weights to apply to the components of the index; and

- (e) the scope for productivity improvements across the community and in comparable sectors of the economy and the achievable productivity improvements by Councils.

Definitions

Council has the meaning given to that term under the EP&A Act.

EP&A Act means the *Environmental Planning and Assessment Act 1979*.

Interpretation

- (a) A reference to a law or statute includes regulations, rules, codes and other instruments under it and consolidations, amendments, re-enactments or replacement of them.
- (b) A reference to an officer includes a reference to the officer who replaces him or her, or who substantially succeeds to his or her powers or functions.
- (c) A reference to a body, whether statutory or not:
 - a. which ceases to exist; or
 - b. whose powers or functions are transferred to another body,
 is a reference to the body which replaces it or which substantially succeeds to its powers or functions.
- (d) Words importing the singular include the plural and vice versa.

TERMS OF REFERENCE

I, Kristina Keneally, Premier of New South Wales approve the provision of services by the Independent Pricing and Regulatory Tribunal (IPART) under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992 (IPART Act)* to the Minister for Planning and the Councils for the review of Reviewable Contributions Plans in accordance with the following terms of reference.

Background

Since 4 June 2010, the NSW Government has announced changes to local council charges on new housing development including:

- (1) imposing a cap of \$20,000 per lot for council imposed charges on new development on land in established areas and a cap of \$30,000 per lot for council imposed charges on new development on land determined by the Minister for Planning as being within Greenfield areas; and
- (2) requiring IPART to review certain council Contributions Plans.

The changes will lower the cost of new housing construction and provide certainty, transparency and fairness to councils, landowners, developers and the community.

The Department of Planning, in conjunction with the Division of Local Government and IPART (overseen by the Land and Housing Supply Coordination Taskforce) are to develop guidelines for preparing Contributions Plans. Councils with contributions within their Contributions Plans that exceed the relevant cap will be required to submit them to IPART for review unless otherwise exempt by the Minister for Planning. Further, when Councils conduct a review of their Contributions Plans, they will be required to submit them to IPART for review prior to finalising those plans if the contributions within those plans exceed the relevant cap. The Minister may also refer to IPART for review any Contributions Plan that is below the relevant cap, where changes are proposed to that plan that the Minister considers merit having an independent assessment. Once IPART receives those plans, IPART is to assess them against the Guidelines and the Regulation and report to the Minister for Planning and Councils on the compliance of those plans.

Terms

In providing the services, IPART must:

- (a) assist with the preparation of revised contributions plan guidelines;
- (b) conduct an assessment of the Reviewable Contributions Plan against the Guidelines and the Regulation. As part of that assessment, IPART should consider whether:
 - (i) the infrastructure listed in the plan is essential infrastructure
 - (ii) the costs in the plan are reasonable
 - (iii) the Contributions Plan complies with the Guidelines and the Regulation;

(c) provide a report to the Minister for Planning and the relevant Council on IPART's assessment of the Contributions Plan under paragraph (a); and

(d) publish a copy of the report in paragraph (b) on IPART's website.

In conducting the assessment under paragraph (a), IPART is to:

- (a) consult with the Department of Planning (NSW);
- (b) consult with the relevant Council and any other person IPART considers necessary; and
- (c) consider any criteria set out in the Guidelines (in addition to any other matters IPART considers relevant).

Definitions

Cap means:

- (a) the \$20,000 cap per residential dwelling or per residential lot on land in established areas; or
- (b) the \$30,000 cap per residential dwelling or per residential lot on land determined by the Minister for Planning as being within Greenfield areas.

Contributions Plan means a contributions plan prepared and approved by the relevant Council under Part 4, Division 6 of the EP&A Act.

Council has the meaning given to that term under the EP&A Act.

EP&A Act means the *Environmental Planning and Assessment Act 1979*.

Guidelines means the current guidelines or practice notes (as the case may be) issued by the Department of Planning on Contributions Plans under Part 4, Division 6 of the EP&A Act.

Regulation means the *Environmental Planning and Assessment Regulation 2000* relating to the Contributions Plan.

Reviewable Contributions Plan means either:

- (a) a Contributions Plan which has a contribution that exceeds the relevant Cap, other than a Contributions Plan for which a Council, as at 31 August 2010, has received (in aggregate) development applications for at least 25 per cent of potential development within that existing Contributions Plan; or
- (b) a Contributions Plan which the Minister for Planning determines from time to time should be subject to review by IPART.

Interpretation

- (a) A reference to a law or statute includes regulations, rules, codes and other instruments under it and consolidations, amendments, re-enactments or replacement of them.
- (b) A reference to an officer includes a reference to the officer who replaces him or her, or who substantially succeeds to his or her powers or functions.
- (c) A reference to a body, whether statutory or not:
 - a. which ceases to exist; or
 - b. whose powers or functions are transferred to another body,is a reference to the body which replaces it or which substantially succeeds to its powers or functions.
- (d) Words importing the singular include the plural and vice versa.
- (e) Explanatory notes do not form part of the terms of reference, but in the case of uncertainty may be relied on for interpretation purposes.

TERMS OF REFERENCE

I, Kristina Keneally, Premier of New South Wales approve the provision of services by the Independent Pricing and Regulatory Tribunal (IPART) under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992* (IPART Act) to the Minister for Planning and the Minister for Local Government for the preparation of an annual report on the operation of IPART's delegated functions under the LG Act and IPART's assistance to the Minister for Planning and the councils in relation to the EP&A Act in accordance with the following terms of reference.

Background

Since 4 June 2010, the NSW Government has announced changes to local council charges on new housing development. The changes will lower the cost of new housing construction and provide certainty, transparency and fairness to councils, landowners, developers and the community.

Terms

In providing those services, IPART must:

- (a) prepare an annual report for the previous financial year relating to:
 - (i) IPART's delegated functions under the LG Act including:
 - (A) variation of general income
 - (B) special variation applications including those rejected and approved by IPART
 - (C) minimum amounts
 - (D) domestic waste charges
 - (ii) the development and publication of the local government cost index and the productivity factor
 - (iii) IPART assistance to the Minister for Planning and councils in relation to the EP&A Act under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992* including reviews of the contributions plans;
- (b) forward to the Minister for Planning and the Minister for Local Government the report in paragraph (a) by 31 October each year; and
- (c) publish the report in paragraph (a) on IPART's website.

Definitions

EP&A Act means the *Environmental Planning and Assessment Act 1979*.

LG Act means the *Local Government Act 1993*

Interpretation

- (a) A reference to a law or statute includes regulations, rules, codes and other instruments under it and consolidations, amendments, re-enactments or replacement of them.
- (b) A reference to an officer includes a reference to the officer who replaces him or her, or who substantially succeeds to his or her powers or functions.
- (c) A reference to a body, whether statutory or not:
 - a. which ceases to exist; or
 - b. whose powers or functions are transferred to another body,
 is a reference to the body which replaces it or which substantially succeeds to its powers or functions.
- (d) Words importing the singular include the plural and vice versa.



THE HON. BARBARA PERRY MP

Minister for Local Government,
Minister for Juvenile Justice,
Minister Assisting the Minister for Planning,
and Minister Assisting the Minister for Health (Mental Health)

Ref:
MIN:
Doc ID: A219064

Mr Rod Sims
Chairman
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB POST OFFICE NSW 1230

6 SEP 2010

Dear Mr Sims

I am writing in response to the NSW Government Cabinet Minute 124-10 – Infrastructure Contribution Reforms to Support Land and Housing Release in New South Wales.

As you are aware, Cabinet's decision required me, as Minister for Local Government, to delegate to the Independent Pricing and Regulatory Tribunal responsibility for setting the annual Local Government Rate Peg and for assessing and determining local council's applications for Special Variations to their general income from rates under section 508 and section 508A of the *Local Government Act 1993*.

In order to carry out the necessary determinations I am delegating my authority under the following sections of the Act to the Tribunal:

- Section 506 - the authority to specify the percentage by which councils' general income for a specified year may be varied ie the rate pegging percentage.
- Section 507 - the authority to vary annual charges for domestic waste management services.
- Section 508(2), (3), (6), (7) - the authority to specify a percentage by which individual councils' general income may be varied for a specified year ie special variation with a single annual percentage increase.
- Section 508A - the authority to specify the percentages by which individual councils' general income may be varied for specified years ie special variation for multiple annual percentage increases.
- Section 548(3), (8) - the authority to approve the setting of minimum amounts of rates, above the statutory maximum, for specific councils,

Attached is a copy of my Instrument to effect the above delegation.

Yours sincerely

Barbara Perry MP
Minister

LOCAL GOVERNMENT ACT 1993
DELEGATION UNDER SECTION 744

I, **BARBARA MAZZEL PERRY MP**, Minister for Local Government, by this Instrument made under section 744 of the *Local Government Act 1993* ("Act"), hereby delegate to:

- (a) the Independent Pricing and Regulatory Tribunal of New South Wales ("IPART"); and
- (b) such members of IPART and other persons as are nominated for that purpose by IPART, and approved by the Minister, from time to time:
 - (1) all of my functions (as defined in the Act) under sections 506, 507, 508(2), 508(3), 508(6), 508(7), 508A, 548(3) and 548(8) of the Act (together the "Delegated Functions"); and
 - (2) such other powers under the Act and the *Local Government (General) Regulation 2005* which are necessary for IPART to perform the Delegated Functions.

Section 506	Variation of General Income
Section 507	Variation of Annual Charges for Domestic Waste Management Services
Section 508(2), 508(3), 508(6) and 508(7)	Orders under sections 506 and 507
Section 508A	Special Variation over a period of years
Section 548(3) and 548(8)	Minimum Amounts

Dated this 6th day of September 20 10.



The Hon Barbara Perry MP
Minister for Local Government

A.2 Revised terms of reference for reviewing contribution plans



Ref: A2339404

05 OCT 2018

Dr Peter Boxall AO
Chair
Independent Pricing and Regulatory Tribunal
PO Box K35
HAYMARKET POST SHOP NSW 1240

Dear Dr Boxall,

To date, IPART has reviewed councils' development contributions plans in specified circumstances in accordance with the Terms of Reference issued on 30 September 2010.

On 17 July 2017, the *Environmental Planning and Assessment (Local Infrastructure Contributions) Direction 2012* was amended to give effect to development contributions scheme reforms. These reforms were announced by the Government in June 2017 as part of the Housing Affordability Strategy and include a staged removal of caps on council contributions and the phasing out of the Local Infrastructure Growth Scheme program.

I am writing to request that, under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992*, IPART reviews council's contributions plans in accordance with the enclosed revised Terms of Reference, which have been amended to reflect the new Direction issued by the Minister.

Yours faithfully,

Gladys Berejiklian MP
Premier

Enc.

CC: The Hon Anthony Roberts MP, Minister for Planning

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INDEPENDENT PRICING AND REGULATORY TRIBUNAL ACT 1992

TERMS OF REFERENCE

Reviewable Contributions Plans - *Environmental Planning and Assessment Act 1979*

I, GLADYS BEREJIKLIAN MP, Premier, under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992* approve provision, by the Independent Pricing and Regulatory Tribunal (IPART), of services to the Minister for Planning with respect to reviewing Reviewable Contributions Plans, in accordance with the following terms of reference.



Premier

Dated: 14/11/15

Background

The *Environmental Planning and Assessment (Local Infrastructure Contributions) Direction 2012* contemplates that a Council may submit a Contributions Plan to IPART for review, where the Plan would (but for the Direction) authorise a contribution under section 7.11 of the EP&A Act that exceeds the maximum amount that the Direction allows to be imposed as a contribution in relation to residential development.

The Minister for Planning may also refer any contributions plan to IPART for review where the Minister considers there is merit in having an independent assessment.

Services

On and from the date that these terms of reference are issued to IPART, IPART is to review each Reviewable Contributions Plan submitted to it and provide the Minister for Planning and the relevant Council with a report on its review.

In providing the services, IPART must:

- (a) review the relevant Reviewable Contributions Plan in accordance with the assessment criteria set out in the Practice Note, including whether the public amenities and services to which the Contributions Plan relates are on the essential works list (if any) set out in the Practice Note;
- (b) consider, in its review of the Reviewable Contributions Plan, whether the estimate of the costs of providing those public amenities and services, as set out in the Plan, are reasonable;
- (c) publish a report of its review on its website; and
- (d) provide a copy of the report to the Minister for Planning and the relevant Council.

Consultation

In conducting a review under these terms of reference, IPART must:

- (a) consult with the Department of Planning and Environment (NSW);
- (b) consult with the relevant Council and any other person IPART considers appropriate; and
- (c) consider any criteria set out in the Practice Note (in addition to any other matters IPART considers relevant).

Definitions

Contributions Plan means a contributions plan or draft contributions plan prepared by the relevant Council for the purposes of imposing conditions under section 7.11 of the EP&A Act.

Council has the same meaning as it has in the *Local Government Act 1993*.

EP&A Act means the *Environmental Planning and Assessment Act 1979*.

Practice Note means the “Revised Local Development Contributions Practice Note: For the assessment of Local Contributions Plans by IPART” issued by the Department of Planning and Environment and dated January 2018, as amended or replaced from time to time.

Reviewable Contributions Plan means a Contributions Plan submitted to IPART as contemplated by the *Environmental Planning and Assessment (Local Infrastructure Contributions) Direction 2012* or referred to it by the Minister for Planning.

Appendix B >>

Reports, papers and decisions
released during 2024-25

B

B.1 Reports and papers released during 2024-25

Table B.1 sets out the reports, papers and fact sheets related to our local government functions published during 2024-25. The list does not include the numerous Media Releases on our activities.

Table B.1 Reports and papers publicly released during 2024-25

Date published	Report or paper
5/06/2025	Tenterfield Shire Council - CLA instrument - Adjustment for 2025-26
5/06/2025	Kyogle Council - CLA instrument - Adjustment for 2025-26
5/06/2025	Fact Sheet - Crown Land Adjustments 2025-26
5/06/2025	Clarence Valley Council - CLA instrument - Adjustment for 2025-26
30/05/2025	Final Report - Review of Valuer General prices to local government 2025
30/05/2025	Final Determination - Prices for land valuation services provided by the Valuer General to councils
30/05/2025	Report by The CIE - Efficient operating costs of providing the NSW Valuer Generals services to councils
21/05/2025	Draft Report - Assessment of The Hills Shire Council Contributions Plan No 15 - Box Hill Precinct
16/05/2025	Minimum Rates Instrument - 2025-26 - Gunnedah Shire Council
16/05/2025	Special Variation Instrument - 2025-26 - Upper Hunter Shire Council
16/05/2025	Special Variation Instrument - 2025-26 - Federation Council
16/05/2025	Special Variation Instrument - 2025-26 - Gunnedah Shire Council
16/05/2025	Final Report - North Sydney Council - Special Variation and Minimum Rate Application for 2025-26
16/05/2025	Final Report - Federation Council - Special Variation Application for 2025-26
16/05/2025	Final Report - Northern Beaches Council - Special Variation Application for 2025-26
16/05/2025	Final Report - Shoalhaven City Council - Special Variation Application for 2025-26
16/05/2025	Final Report - Upper Hunter Shire Council - Special Variation Application for 2025-26
16/05/2025	Final Report - Gunnedah Shire Council - Special Variation and Minimum Rate Application for 2025-26
16/05/2025	Special Variation Instrument - 2025-26 - Shoalhaven City Council
14/04/2025	Final Report - Review of our approach to assessing contributions plans
14/04/2025	Information Paper - IPART assessment of contributions plans
4/04/2025	Draft Report - Review of Valuer General prices to local government 2025
6/03/2025	Final Report - Assessment of Appin Growth Area Contributions Plan - Wollondilly Shire Council
27/02/2025	Fact sheet - Local government discount rate
25/02/2025	Fact Sheet - How to make a submission about a special variation application
16/12/2024	Final Report - Assessment of West Dapto Development Contributions Plan 2024 Wollongong City Council
5/12/2024	Draft Report - Assessment of Appin Growth Area Contributions Plan - Wollondilly Shire Council
25/11/2024	Discussion paper - Review of our approach to assessing contributions plans
25/11/2024	Draft Report - Benchmark Costs for Local Infrastructure
11/11/2024	Revised Draft Report - Assessment of Wollongong City Council Contributions Plan West Dapto Development
30/10/2024	Annual Report - IPART's functions in relation to local government in 2023-24
10/10/2024	Fact Sheet - Frequently asked questions – Special Variations

Date published	Report or paper
10/10/2024	Fact Sheet - Frequently asked questions about council rates and other charges
1/10/2024	Fact Sheet - Variation of domestic waste management annual charges for NSW councils for the 2025-26 financial year
1/10/2024	Rate peg model 2025-26
1/10/2024	Information Paper - Rate pegs for NSW councils for 2025-26
26/09/2024	Technical Paper - Modelling local infrastructure contributions in a present value framework
17/09/2024	Fact Sheet - Is your council talking about a Special Variation
16/09/2024	Final Report - Assessment of Penrith City Council Contributions Plan Orchard Hills North
16/09/2024	Final Report - Assessment of Penrith City Council Contributions Plan Glenmore Park Stage 3
16/09/2024	Draft Report - Assessment of Wollongong City Council Contributions Plan West Dapto Development
20/08/2024	2025-26 Guidance booklet for Councils - Special Variations - How to prepare and apply
16/08/2024	Final Terms of Reference - Valuer General prices to local government

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