|  |
| --- |
|  |
| T:\Chris\IPART\2016\Logos\IPART logo - trans.pngApplication for assessment of a section 94 development contributions plan – Part B |
| ApplicationLocal Government | Version 6 April 2017 |

|  |
| --- |
|  |
| Contents1 Instructions 12 Preliminary Information 23 Assessment Criteria 33.1 Criterion 1 – the “Essential Works List” 33.2 Criterion 2 – Nexus 43.3 Criterion 3 – Reasonable costs 63.4 Criterion 4 – Reasonable timeframe 93.5 Criterion 5 – Reasonable apportionment 103.6 Criterion 6 – Appropriate community liaison 123.7 Criterion 7 – The plan complies with other matters IPART considers relevant 134 Quality assurance 145 Attachment checklist 15 |

# Instructions

Please complete this application form Part B and submit it, **along with Part A** and any attachments, to IPART via:

|  |  |  |
| --- | --- | --- |
| Email | Post | In Person |
| Attention: Sarah Blackwell, Local GovernmentIndependent Pricing and Regulatory Tribunallocalgovernment@nsw.gov.au | Attention: Sarah Blackwell, Local GovernmentIndependent Pricing and Regulatory TribunalPO Box K35Haymarket Post ShopSydney NSW 1240 | Attention: Sarah Blackwell, Local GovernmentIndependent Pricing and Regulatory TribunalLevel 152-24 Rawson PlaceSydney NSW 2000 |

We require an electronic copy of all documents. Where these are too large to email, they can be posted to us on a disk or USB stick.

A separate application must be submitted for each contributions plan.

Councils are encouraged to discuss any information requirements or other concerns relating to the contributions plan with IPART prior to submitting the application form.

Council Information

|  |  |
| --- | --- |
| Council Name |  |
| Key council contact details (please provide name, position, phone number, and email address) |  |
| Secondary council contact details (please provide name, position, phone number, and email address) |  |

# Preliminary Information

Please provide the following preliminary information about the contributions plan.

Preliminary Information

|  |  |
| --- | --- |
| Name of contributions plan |  |
| What is the maximum residential contribution? |  |
| Which contributions cap applies (refer to Schedule 2 of Ministerial Direction 94E) |  |
| What is the period over which the contributions plan is valid? |  |
| If this is a new contributions plan, when was it drafted and exhibited? |  |
| If this is a revised contributions plan, when was it first adopted? When was the revised contributions plan re-exhibited? |  |
| To what extent has the Department of Planning & Environment (DP&E) been involved in the development of this plan? |  |
| How much development has yet to occur under this plan? |  |
| What is the relationship of the contributions plan with any State Environmental Planning Policies (SEPPs) Local Environmental Plans (LEPs) and/or Development Control Plans (DCPs)? |  |
| Is there any programmed review of the above instruments which may affect the underlying assumptions within the contributions plan? |  |
| Does the council intend to apply for Local Infrastructure Growth Scheme (LIGS) funding or a special variation? Please provide specific details. |  |
| Has the Minister referred this contributions plan to IPART for review? Please provide specific details. |  |

# Assessment Criteria

We will assess the contributions plan against the criteria listed in DP&E’s *Revised Local Development Contributions Practice Note for the Assessment of Local Contributions Plan by IPART*, February 2014.

To ensure we receive all the relevant information and correctly understand the contributions plan, please address the questions on the following pages. If the information is already contained in a separate report or in the contributions plan, include page references as appropriate. Any referenced reports will need to be attached to this application.

## Criterion 1 – the “Essential Works List”

The public amenities and public services in the plan are on the “Essential Works List”

We are required to assess whether the items in the contributions plan are on DP&E’s Essential Works List. For the most recent version of this list, please refer to DP&E’s Practice Note. This includes a definition for base level embellishment.

|  |
| --- |
| 1 Are all the facilities and land on the Essential Works List? If not, how are essential and non-essential items distinguished in the contributions plan? |

|  |
| --- |
| 2 For open space, please provide a specific list of embellishments that are included in the contributions plan (eg, footpaths, street furniture, seating, bins, BBQs, sports fields, artworks). |

|  |
| --- |
| 3 Only the land component for community service is on the Essential Works List. However, we require details of the community services that are intended to be provided on this land, so we can determine what proportion of the land costs can be recovered through development contributions. Please list the community services and facilities that will be provided on the land (eg, youth centres, libraries) and include the floor space area committed to each. |

## Criterion 2 – Nexus

There is nexus between the development in the area to which the plan applies and the kinds of public amenities and public services identified in the plan.

Nexus ensures that there is a connection between the infrastructure included in the contributions plan and increased demand for facilities generated by the anticipated development.

To assess nexus we examine the infrastructure items included in the contributions plan against the recommendations in the supporting studies, and whether any deviations are considered reasonable.

Checklist for the contributions plan

|  |  |  |
| --- | --- | --- |
| Does the contributions plan … |  | Contributions Plan page reference(s) |
| Incorporate a map showing the geographical area(s) covered by the contributions plan? | Yes [ ]  No [ ]  |  |
| Detail the types of development that will occur in the precinct/ development area, and the approximate land area dedicated to each? | Yes [ ]  No [ ]  |  |
| Include information about:* The existing population in the precinct/development area
* The anticipated future population in the precinct/development area?
 | Yes [ ]  No [ ] Yes [ ]  No [ ]  |  |
| Include a complete list of infrastructure? | Yes [ ]  No [ ]  |  |
| Include details of the rates of provision and demand calculations for the proposed infrastructure? | Yes [ ]  No [ ]  |  |
| Include a statement regarding design and construction standards that were used in determining the infrastructure included in the contributions plan? | Yes [ ]  No [ ]  |  |

|  |
| --- |
| 4 How was the demand for infrastructure determined for each of the below infrastructure categories?* Are there any infrastructure design construction standards or industry benchmarks that the council has used?
 |
| 1. For stormwater management:
 |

|  |
| --- |
| 1. For transport:
 |

|  |
| --- |
| 1. For open space:
 |

|  |
| --- |
| 1. For community facilities:
 |

|  |
| --- |
| 5 Does the infrastructure in the contributions plan diverge from recommendations in the supporting studies? Please provide the reasons and supporting information for any discrepancies. |

|  |
| --- |
| 6 Were there other studies prepared during the precinct planning stage that were not used in the development of the contributions plan? Please list them here and explain why they were not used. |

|  |
| --- |
| 7 How have neighbouring precincts been considered in the demand assessment? |

|  |
| --- |
| 8 How has non-residential development been considered in the demand assessment? |

|  |
| --- |
| 9 How has existing infrastructure and surplus capacity been taken into account? |

## Criterion 3 – Reasonable costs

The proposed development contribution is based on a reasonable estimate of the cost of the proposed public amenities and public services.

IPART must advise whether the proposed development contributions are based on a *reasonable* estimate of the cost of the proposed public amenities and public services.

Reasonable costs may be based on estimates that have been provided by consultants or the council’s experience. They should be comparable to the costs required to deliver similar land and facilities in other areas.

To assess costs we examine the works schedules and identify any cost differences between what was recommended in the supporting studies and the contributions plan, and why these may have occurred. We draw comparisons with the costs contained in industry guides and other sources where appropriate. An example may include our Local Infrastructure Benchmark Cost review. Consultants may also be used to help identify whether costs are reasonable for some types of infrastructure.

Checklist for contributions plan

| Does the contributions plan … |  | Contributions Plan page reference(s) |
| --- | --- | --- |
| Include a statement about how costs have been derived and when these cost estimates were prepared (eg, Quantity Surveyor, standard costs used by the council)? | Yes [ ]  No [ ]  |  |
| Explain how and when the land has been valued? | Yes [ ]  No [ ]  |  |
| Include full costs of each item of infrastructure? | Yes [ ]  No [ ]  |  |
| Explain how the council will respond to cost fluctuations and inflation? | Yes [ ]  No [ ]  |  |
| Include a schedule of the contributions rates charged under the contributions plan (eg, this could be presented as $/ha, $/person, $/dwelling)? | Yes [ ]  No [ ]  |  |
| Provide details of accounting processes for s94 funds (eg, does council ‘pool’ funds from other s94 accounts or use internal borrowings to deliver infrastructure projects)? | Yes [ ]  No [ ]  |  |
| If using a Net Present Value (NPV) approach, include assumptions made in the modelling of costs and revenue?  | Yes [ ]  No [ ]  |  |
| Include a schedule of land acquisitions required for the proposed infrastructure? | Yes [ ]  No [ ]  |  |

|  |
| --- |
| 10 Please explain the process used to estimate costs for works (as contained in the works schedule). * Separate statements for specific types of infrastructure if different processes were used
* Details of any indexation of costs (including the index used).
* The date when estimated costs were finalised.
* What allowances have been included in the estimated costs in the contributions plan? (eg, professional fees, cost contingencies). Please detail allowances for each infrastructure category and provide an explanation for the chosen figures.
 |

|  |
| --- |
| 11 Please explain the process used to estimate land costs for the following categories, as relevant:* Land already acquired or owned by the council.
* Land not yet owned by the council.
* Facilities already constructed.
* Facilities not yet constructed.
* Administration costs.

Please explain:* Details of any indexation of costs (including the index used).
* The date when estimated costs were finalised.
* What allowances have been included in the estimated costs in the contributions plan? (eg, professional fees, cost contingencies).
 |

|  |
| --- |
| 12 Do the costs in the contributions plan differ from those in any of the supporting studies or council tenders used? If so, please explain why. |

|  |
| --- |
| 13 Has the council used an NPV model to calculate the contributions rates? If so, what assumptions have been used? |

|  |
| --- |
| 14 Will the council use internal borrowings to deliver infrastructure projects? What rate of return will be applied to the internally borrowed funds? |

|  |
| --- |
| 15 What measures have been taken to reduce costs in the contributions plan (eg, adjustment to design or alternative engineering solutions)? |

## Criterion 4 – Reasonable timeframe

The proposed public amenities and public services can be provided within a reasonable time frame

Table 3.1Checklist for the contributions plan

|  |  |  |
| --- | --- | --- |
| Does the contributions plan … |  | Contributions Plan page reference(s) |
| Include details of anticipated development growth rates and how these were calculated? | Yes [ ]  No [ ]  |  |
| Include a program for infrastructure delivery and explain how it relates to the anticipated development growth rates? | Yes [ ]  No [ ]  |  |
| Include a statement regarding revision of the scheduled infrastructure timing? | Yes [ ]  No [ ]  |  |
| Include the projected timing of expenditure? | Yes [ ]  No [ ]  |  |

|  |
| --- |
| 16 How has the council determined the timing of infrastructure provision?Please provide all the details if these are not included in the contributions plan. eg, are population numbers used as trigger points for the provision of certain items and what is the rationale behind selecting these population estimates? |

## Criterion 5 – Reasonable apportionment

The proposed development contribution is based on a reasonable apportionment of costs eg, between demand from existing population and demand from new population.

The concept of apportionment is based on ensuring that developers pay only for the portion of demand that results from their new development. While nexus is about establishing a relationship between the development and demand for infrastructure, apportionment is about quantifying the extent of the relationship.

To assess apportionment we examine population and densities assumptions, and whether they are reasonable. We also examine the share of costs for infrastructure items between different land uses, development types and between different precincts.

Checklist for the contributions plan

|  |  |  |
| --- | --- | --- |
| Does the contributions plan … |  | Contributions Plan page reference(s) |
| Include details of apportionment calculations | Yes [ ]  No [ ]  |  |
| Explain the relationship between the facilities and any existing population | Yes [ ]  No [ ]  |  |

|  |
| --- |
| 17 How have the costs for infrastructure been apportioned for each of the below infrastructure categories. How has the council considered the following when apportioning the costs in the contributions plan?* Any existing development (this may include existing development within the area covered by the contributions plan)
* Different land uses (eg, residential industrial, commercial)
* Other precincts (existing development outside of the area covered by a contributions plan)

Please provide details of any calculations used. |
| 1. For stormwater management:
 |

|  |
| --- |
| 1. For transport:
 |

|  |
| --- |
| 1. For open space:
 |

|  |
| --- |
| 1. For community facilities:
 |

## Criterion 6 – Appropriate community liaison

The council has conducted appropriate community liaison and publicity in preparing the contributions plan.

Councils are required to publicly exhibit their plans and make any changes in response to submissions received before submitting the contributions plan to IPART.

Checklist for the contributions plan

|  |  |  |
| --- | --- | --- |
| Does the contributions plan … |  | Contributions Plan page reference(s) |
| 1. Or any supporting information include details of when it was publicly exhibited?
 | Yes [ ]  No [ ]  |  |
| Or any supporting information include details of the community liaison undertaken? | Yes [ ]  No [ ]  |  |
| Or any supporting information include a summary of submissions received and the council’s response? | Yes [ ]  No [ ]  |  |

|  |
| --- |
| 18 What publicity and community liaison has been undertaken in developing the contributions plan? |

|  |
| --- |
| 19 What actions did the council take in response to the submissions? |

|  |
| --- |
| 20 Does the council intend to undertake any further publicity or community liaison? |

## Criterion 7 – The plan complies with other matters IPART considers relevant

|  |
| --- |
| 21 Is there anything else you wish to explain that may help or speed up our assessment? |

|  |
| --- |
| 22 Is there any other information relating to the development of the precinct/development area or the contributions plan (such as VPAs) to inform us about? |

# Quality assurance

We also request that council undertake a quality assurance (QA) check for the contributions plan before it is submitted to IPART for review. The QA check is to address any errors or inconsistencies between the contributions plan and relevant supporting information.

Table 4.1

|  |  |
| --- | --- |
| Has the contributions plan been checked for … |  |
| Typographical errors? | Yes [ ]  No [ ]  |
| Calculation errors? This includes checking infrastructure and land cost calculations | Yes [ ]  No [ ]  |
| Outdated information and revisions? | Yes [ ]  No [ ]  |

|  |
| --- |
| 23 Please provide details of the quality assurance process undertaken for the contributions plan prior to submitting it to IPART for review. |

# Attachment checklist

Please complete the attachment checklist to ensure that all information and attachments are included with the application.

|  |  |
| --- | --- |
| Checklist | Attached |
| Application form – Part A | Yes [ ]  No [ ]  |
| Version of contributions plan incorporating any post exhibition changes | Yes [ ]  No [ ]  |
| Version of contributions plan exhibited | Yes [ ]  No [ ]  |
| Copy of all submissions to the contributions plan | Yes [ ]  No [ ]  |
| Summary of submissions and council’s response | Yes [ ]  No [ ]  |
| Works schedules (preferably in Excel format) | Yes [ ]  No [ ]  |
| Maps:* Final Indicative Layout Plan
 | Yes [ ]  No [ ]  |
| * Zoning maps
 | Yes [ ]  No [ ]  |
| * Land acquisition maps
 | Yes [ ]  No [ ]  |
| * Contribution catchment maps
 | Yes [ ]  No [ ]  |
| Breakdown of maximum residential rate by infrastructure category | Yes [ ]  No [ ]  |
| NPV model (if applicable) | Yes [ ]  No [ ]  |
| Expected residential densities and yields table (this may contain a breakdown of development types and areas, dwelling yields, occupancy rates, population) | Yes [ ]  No [ ]  |
| Supporting studies:* For stormwater management (eg, Flooding and Water Cycle Management report)
 | Yes [ ]  No [ ]  |
| * Transport infrastructure (eg, Traffic and Transport Assessment report)
 | Yes [ ]  No [ ]  |
| * Open space and recreational facilities (eg, Demographic and Social Infrastructure report)
 | Yes [ ]  No [ ]  |
| * Community facilities (eg, Demographic and Social Infrastructure report)
 | Yes [ ]  No [ ]  |
| * Other studies (eg, Post-Exhibition Planning Report)
 | Yes [ ]  No [ ]  |
| Other studies prepared during the precinct planning stage | Yes [ ]  No [ ]  |
| VPAs (if relevant) | Yes [ ]  No [ ]  |
| Schedule of land acquisitions | Yes [ ]  No [ ]  |
| Land valuation report | Yes [ ]  No [ ]  |