



Assessment of Contributions Plan No.  
15 – Box Hill Precinct (2023)

The Hills Shire Council

# Final Report

April 2024

Local Government >>

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## **Acknowledgment of Country**

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders both past and present.

We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

## **Tribunal Members**

The Tribunal members for this review are:

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Jonathan Coppel

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## **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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## Chair's Foreword

This report outlines our assessment of The Hills Shire Council's Box Hill Contributions Plan CP15 (2023) against the Department of Planning and Environment's (DPE) Local Infrastructure Contributions 2019 Practice Note and other relevant guidance. This is the fifth time we have reviewed CP15 and during this review some complex issues have emerged.

In its 2023 application, the council proposed to recover a funding gap, which has accumulated since development first commenced in Box Hill in 2014, from the remaining development. This is an unusual approach for councils to propose in our experience, and I understand it is the first occasion on which there is a significant unfunded cost that a council proposes to carry forward to future developers.

Since the council's first iteration of CP15 in 2014, the estimated total cost of providing infrastructure in Box Hill has risen significantly. This has contributed to a funding gap between the revenue collected from infrastructure charges to date, and the estimated costs of providing that infrastructure. We estimate the present value of that funding gap to be around \$172 million.

The Tribunal has endeavoured to address the issues and potential impacts arising from the proposed CP15 (2023) with careful reference to relevant Practice Notes. However, we have found that there is a lack of clear guidance. In addition to our recommendations to the Minister in relation to CP15 (2023), we also recommend that guidance on contribution plans be reviewed to provide greater clarity to both councils and IPART.

The issues raised in this review centre on who can best manage the risk of costs of public infrastructure increasing and who should pay when those costs increase.

We understand that residential development in Box Hill is about 71% developed or approved with around 10% (by value) of essential works in the CP delivered. The council's proposed approach to the funding gap would mean future developers in Box Hill would pay both the portion of infrastructure costs driven by demand associated with their development project, and 100% of the historical funding gap.

However, we understand that purchasers of dwellings and land in both the already approved development projects and yet to be approved development in Box Hill will benefit from the infrastructure within the precinct.

The Tribunal considered this proposal very carefully and has concluded that the proposed approach of allocating 100% of the funding gap to future developers is not consistent with the Practice Notes and other guidance. We concluded this approach is not open to us under the contributions plan framework.

We also note that if councils were able to take this approach, there is a risk that a 100% allocation of outstanding costs to later developers would lead to extremely high developer contributions being levied for a small number of remaining dwellings or lots covered when a plan is revised.

We consider that a decision to allocate none of the funding gap (ie 0%) to developers covered by CP15 (2023) would have been consistent with the Practice Notes and other guidance as well as usual practice among councils.

We did also consider that an apportionment of a share of the funding gap is permissible under the Practice Note and other guidance, and we initially proposed a 50:50 split in our Draft Report. The council provided feedback in its submission on our Draft Report that apportioning 50% of the cost increase to remaining 'new' development has no justifiable basis and is not consistent with how contribution plans are prepared and reviewed.

The Tribunal considered this carefully. We concluded that the best option available under the Practice Notes and other guidance to allocate more than 0% to developers covered by CP15 (2023), was to allocate the funding gap in proportion to the amount of development remaining. That is the approach that we recommend in this Final Report.

However, we acknowledge that all the options available to address the council's funding gap have potential negative impacts.

The Tribunal is very aware of the impact on ratepayers, at a time of cost-of-living pressures, if councils seek to recover a funding gap for infrastructure from rates. We note that the Practice Notes are clear that councils have other potential avenues for funding infrastructure and are expected to consider a range of risk management tools to reduce the likelihood and consequence of funding gaps due to unexpected infrastructure cost increases. We have no wish to transfer the risk of funding gaps to ratepayers if that can be avoided.

We also acknowledge that people living and working in newly developed areas need infrastructure and services.

IPART has previously commented publicly on our observation that some councils are facing financial sustainability challenges and last year we recommended that a broader review of the financial model for councils be undertaken.

At the same time, in the context of the current demand for housing, cost-reflective developer contributions help ensure that development occurs where the social benefits of the development are greater than its costs. Apportioning an unreasonable share of cost increases to developers covered by a contributions plan could have unintended consequences.

The recommended review of the Practice Notes and other guidance should provide clear policy for the type of situation that has arisen in CP15 so increased costs are borne by the appropriate party, whether it be developers or councils.

I also note that the Legislative Council Standing Committee on State Development is undertaking an Inquiry into the ability of councils to fund infrastructure and services. The issues raised by CP15 (2023) may be relevant to that Inquiry.

To contribute to improving the system for developer contributions, IPART has recently sought feedback on ways we can improve the timeliness of our assessments, reduce unnecessary complexity and increase transparency and responsiveness. We appreciate the constructive input about our processes so far from councils and other stakeholders, and we will consult further on proposed improvements to our assessment process in coming months.

Carmel Donnelly PSM

Chair

# 1 Executive Summary

The Hills Shire Council (council) submitted *Contributions Plan No. 15 – Box Hill Precinct (2023)* (CP15 (2023)) to IPART for assessment in April 2023. The council is seeking to levy development contributions above the \$30,000 cap per lot/dwelling. This is the fifth time that IPART has reviewed CP15. Since our first review of CP15 in 2014, the estimated total cost of providing infrastructure in Box Hill has risen significantly.

This has led to a funding gap between the revenue collected from infrastructure charges to date, and the estimated costs of providing that infrastructure. We estimate the present value of that funding gap is approximately \$172 million. The council has proposed to set the contributions rate for remaining developers to both fund their share of the infrastructure, and to recover the full funding gap arising from previous contributions rates being set too low.

We are required to assess contribution plans against the criteria in Department of Housing Planning and Infrastructure (DPHI) [2019 Practice Note](#). The 2019 Practice Note must also be read in conjunction with DPHI's [Development Contributions – Practice Note](#) (2005 Practice Note).

The 2005 Practice Note provides that the purpose of apportionment is to ensure that a charge under a contributions plan "only ever reflects the demands of development and not other demands".<sup>1</sup> The purpose of apportionment is that remaining development pay for the share of total demand generated by that development.

The Practice Notes does not contemplate or provide guidance where a council is seeking to recover from the remaining development all cost increases not already funded (both historical and forecast). This is particularly the case where both already approved development and yet to be developed households are going to benefit from the infrastructure within an area or precinct.

In our Draft Report, we proposed 50% of the funding gap be passed on to future development. We have subsequently received further feedback from submissions and revised this approach. This was an on-balance approach to apportioning past unfunded costs between further developers, the council and the community on which we sought feedback.

We received 3 submissions to our draft report including a detailed submission from the council, and 2 confidential submissions. The council stated it did not agree with this 50:50 split of the funding gap. It submitted that it would force ratepayers elsewhere to fund new infrastructure that they are not going to use.

We have further carefully considered issues around apportionment and nexus associated with unfunded infrastructure costs. By the time CP15 (2023) charges are in place, 71% of the total residential development will have been delivered or approved.

The council has proposed that the remaining development pay for all cost increases not already funded – both historical and forecast. This would mean that remaining development would be paying more than the efficient cost of delivering infrastructure to them.

We consider that increasing the proposed contribution rate to cover the entire \$172 million funding gap represents an unreasonable apportionment of costs on the remaining development. While the infrastructure is precinct specific and will be used by the yet to be developed households and businesses, it will also service already developed households and businesses.

Our recommendation is that contributions rates be set so that the remaining development covers 29% of the funding gap. This apportions to future development a proportion of the funding gap based on the estimated remaining development within the precinct. As such, the council should recalculate its contributions rate by setting those rates to generate \$122 million less than its total precinct costs in NPV terms.

We also recommend that the Practice Notes be revised to provide clear guidance particularly on apportioning unfunded infrastructure costs between developers, council and the community.

We estimate that if the council implements our recommendations, the contribution rate for a typical house would be around \$77,000.<sup>a</sup> This is around:

- \$18,000 (19%) lower than the \$95,000 the council proposed in its application
- \$5,000 higher than the \$72,000 in our Draft Report.

We have also made recommendations where CP15 (2023) has not completely met the criteria and made the following adjustments:

- removing the costs for the skate bowl/plaza and pump/BMX track from open space embellishment costs
- indexing costs into 2023-24 dollars
- extending by 3 months the estimated date that the council will commence levying the contributions rates in CP15 (2023)
- removing around \$122 million in costs allocated to future development in net present value (NPV) terms, being 71% of the funding gap.

After accounting for our recommendations and adjustments, we consider that the total reasonable cost of works and land in CP15 (2023) is around \$1 billion.<sup>b</sup>

After implementing our recommendations and adjustments set out in our Final Report, we consider that the plan will meet the criteria set out in the 2019 Practice Note (**Figure 1.1**).

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<sup>a</sup> This is the cost of a typical house in Killarney Chain of Ponds catchment. It would be around in \$76,000 in Second Ponds Creek catchment – due to lower stormwater infrastructure costs.

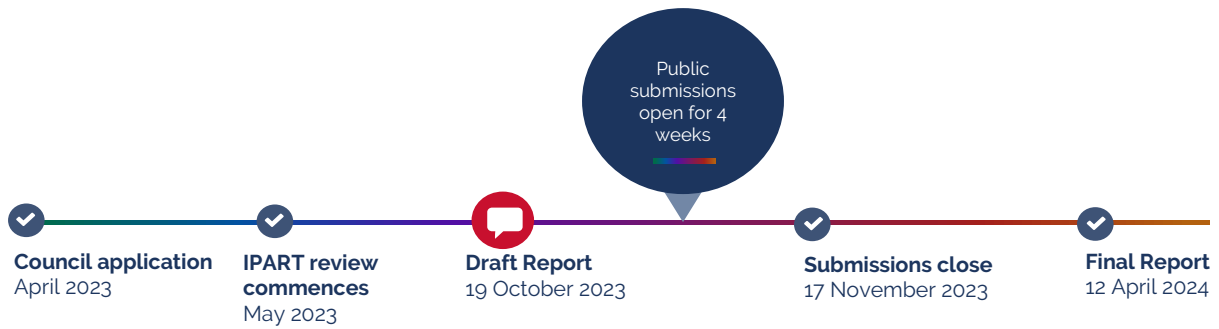
<sup>b</sup> This is our estimate of the reasonable amount of expenditure, in today's dollars, the council is proposing for essential infrastructure to service the development of the precinct since the precinct first commenced.

Figure 1.1 Summary of our assessment of CP15 (2023)

Essential Works List	Nexus	Reasonable Cost	Reasonable apportionment	Reasonable timeframe	Community liaison and publicity	Other matters
						
Demonstrated subject to recommendation	Demonstrated	Demonstrated	Demonstrated subject to recommendation	Demonstrated	Demonstrated	Demonstrated subject to recommendation

Figure 2.2 shows the review timeline for CP15 (2023).

Figure 2.2 Review timeline for CP15 (2023)





## 2 Introduction

The Hills Shire Council (the council) submitted *Contributions Plan No. 15 – Box Hill Precinct (2023)* (CP15 (2023)) to IPART for assessment in April 2023. The council is seeking to levy development contributions above the \$30,000 cap per lot/dwelling for greenfield areas set out in the *Environmental Planning and Assessment (Local Infrastructure Contributions) Direction 2012*.

For the council to levy above the cap, IPART must first review a contribution plan and provide recommendations to the Minister for Planning and Public Spaces (Minister). The Minister (or the Minister's nominee) may request the council amend the plan to incorporate our recommended changes to the plan. After the council makes the requested changes and adopts the plan, the plan becomes an IPART reviewed contribution plan and the council can levy the uncapped contributions amount in accordance with the plan and in accordance with the Ministerial Direction on any maximum contribution amounts.<sup>2</sup>

This is the fifth time that IPART has reviewed CP15 (2023). We have completed reviews in December 2014, March 2016, October 2018 and October 2020. We previously reviewed and made recommendations for CP15 (2023), which has since been updated by the council. Our assessment of CP15 (2023) focused on these updates.

We assessed CP15 (2023) against the 2019 [Practice Note](#) criteria:

1. Public amenities and services in the plan are on the **essential works list** as identified within the Practice Note.
2. Public amenities and services are reasonable in terms of **nexus** (i.e. there is a connection between the development and demand created).
3. Development contribution is based on a **reasonable estimate of the cost** of the public amenities and services.
4. Public amenities and services can be provided within a **reasonable timeframe**.
5. Development contribution is based on a **reasonable apportionment** between:
  - a. existing and new demand for the public amenities and services, and
  - b. different types of development that generate new demand for the public amenities and services (e.g. different types of residential development such as detached dwellings and multi-unit dwellings, and different land uses such as residential, commercial, and industrial).
6. Council has conducted appropriate **community liaison** and publicity in preparing the contributions plan.
7. **Other matters** IPART considers relevant.<sup>3</sup>

Our assessment involved reviewing the contributions plan and supporting documentation, including the works schedule, strategic studies, consultant reports, and correspondence with the council. For more details on our assessment approach, please see our [Information Paper](#).

The remaining sections of this Final Report provide a background on CP15 (2023), our assessment of the plan, draft recommendations, and draft recommended contributions rates.

## Recommendations for the plan

1.	Remove the costs for the skate bowl/plaza and pump track/BMX track from open space embellishment costs as these are not on the Essential Works List. This will reduce costs by \$1.2 million.	14
2.	The council update the plan for the income of \$8.23 million to reflect the agreed Accelerated Infrastructure funding for the transport item BRBRU.	19
3.	Update the cost of plan administration to be 1.5% of the revised total works costs.	20
4.	The council update the apportionment of BOUNDARYRD, BOUNDARYRD2, BRBRU, BHT23, BHR06, and BHR07 to 70% to the plan.	22
5.	The council remove \$112.8 million of the estimated funding gap in NPV terms in setting residential contribution rate for the plan.	30
6.	The council remove \$9.2 million of the estimated funding gap in NPV terms in setting non-residential contribution rate for the plan.	30
7.	The council should review the method or index used to value land next time the plan is reviewed.	31
8.	That the council only include the construction costs for BHT22 and updated land acquisitions for identified transport items if the Minister issues a written direction under section 7.19(1) of <i>Environmental and Planning Assessment Act 1979</i> requiring the council to amend the plan to include updated construction costs for BHT22 and updated land acquisitions for identified transport items.	32

## Recommendations for the Practice Notes

1.	That the Practice Notes be revised by the Department of Planning, Housing and Infrastructure to provide clear guidance on how:	26
-	risk management accountabilities and expectations associated with delivering and funding public infrastructure	26
-	how councils should seek to meet a funding gap where costs have increased	26
-	apportionment of any funding gap or savings that have arisen during earlier stages of a development to remaining development covered by a revised contributions plan.	26

### 3 The Contributions Plan No. 15 – Box Hill Precinct

#### 3.1 The Box Hill Precinct development

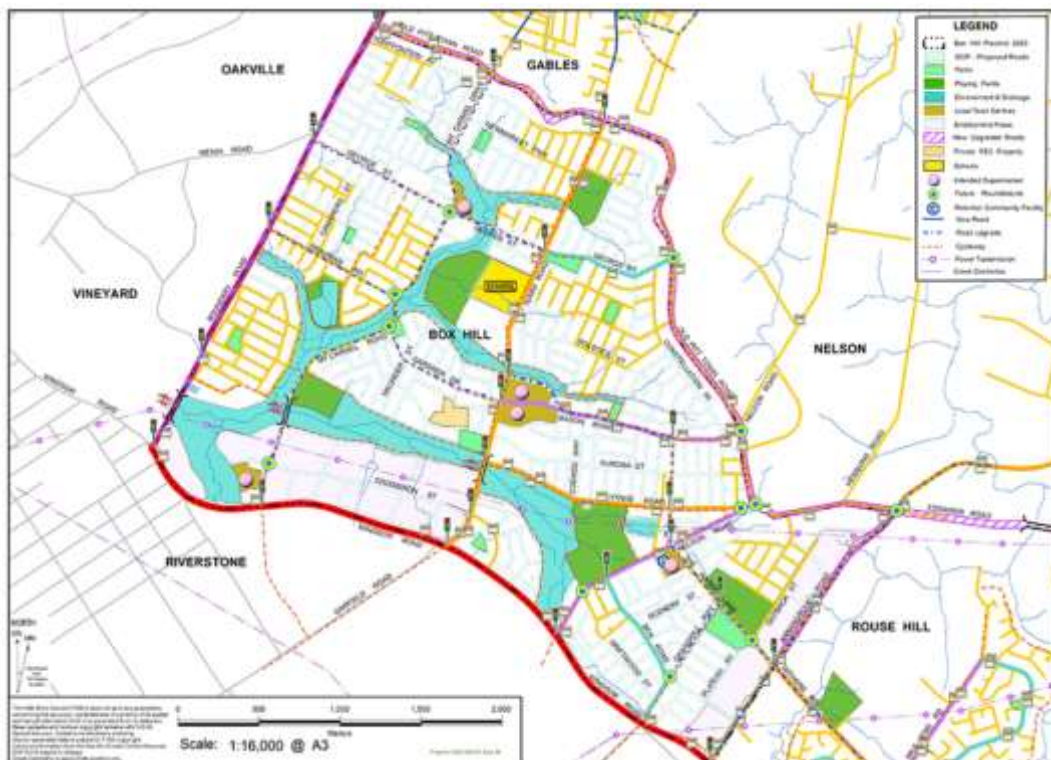
The Box Hill precinct (the precinct) comprises of the residential suburb of Box Hill and the Box Hill Industrial precinct, located approximately 40 kms north-west of Sydney’s CBD in part of the North West Growth Area (NWGA) of Sydney. The precinct is bounded by Boundary Road to the west, Annangrove Road to the east, Old Pitt Town Road to the north and Windsor Road to the south (see **Figure 3**).

The precinct’s land has been zoned for various uses to support its incoming population, including different forms of residential development, local centres, enterprise corridor, business park, light industrial, infrastructure, recreation and environmental conservation.<sup>4</sup>

Initially, the precinct was projected to develop around 9,431 dwellings to accommodate 28,932 residents (27,998 additional residents).<sup>5</sup> Since our last review of CP15 (2023), the projected development has increased to around 16,699 dwellings (16,030 additional dwellings) for almost 51,231 residents (an additional 48,956 residents).<sup>6</sup>

The precinct was rezoned for urban development in April 2013,<sup>7</sup> and the council expects it to conclude in 2037. At the time the council submitted its application approximately 63% of the residential development had already been developed or had its development approved, which is now estimated to be at about 71%<sup>8</sup>

Figure 3.1 Map of CP15 (2023) Precinct



Source :Council [website](#) on the Box Hill Release Area.

## 3.2 Contributions Plan No.15 – Box Hill Precinct

To support development in the precinct, CP15 (2023) levies contributions for stormwater (referred to as water cycle management), traffic and transport facilities, open space and recreation facilities.

IPART completed its first review of the council's initial plan in 2014.<sup>9</sup> The plan was further revised following IPART reviews in 2016, 2018 and 2020.

The council has again updated and exhibited CP15. Key updates in CP15 (2023) since our last review are:

- population update and review development status and projections
- reflect actual land acquisition and capital costs, where completed by the council
- review and update outstanding capital costs
- review and update outstanding land acquisition costs
- review of apportionment for certain infrastructure items on the edge of the precinct
- inclusion of new items to reflect increased development yield and community needs
- update to reflect the impact of state government funding decisions
- administrative and housekeeping amendments.<sup>10</sup>

The post exhibition plan was submitted to IPART for review in April 2023. The council has indicated its intention to adopt the plan following receipt of the Minister's advice following IPART's assessment.<sup>11</sup>

## 3.3 Contributions Plan No.15 – Box Hill Precinct

CP15 (2023) includes total development contributions of about \$1.006 billion, which covers the land, works and plan administration items associated with the development in the precinct.

### Stormwater works

The plan proposes to deliver about \$89.6 million for the Killarney Chain of Ponds catchment area and about \$1.2 million for the Second Ponds Creek catchment area worth of stormwater works items within the precinct.

In summary this includes combined basin and raingarden facilities, single raingarden facilities and bridges, culvert crossings, and a detention basin.<sup>12</sup> The full list of stormwater infrastructure items and associated costs are listed in **Table 4.2**.

### Transport works

CP15 (2023) proposes to deliver \$343.1 million worth of transport works items within the precinct.

In summary this includes sub-arterial roads, bridge crossings, traffic signals, pedestrian /cycle links, cycleways and bus shelters.<sup>13</sup> The full list of transport infrastructure items and associated costs are listed in **Table 4.3**.

## Open space embellishment

CP15 (2023) proposes \$126.5 million to embellish playing fields and local parks.

The open space embellishment items in CP15 (2023) include car parking, pathways, planting, playgrounds, sporting fields, amenities for playing fields and playground equipment, seating, pathways, lighting and landscaping for local parks.<sup>14</sup> The full list of items and associated costs are listed in **Table 4.4**.

## Land

CP15 (2023) includes about \$437.8 million<sup>15</sup> of land costs. The council has already acquired \$181.1million<sup>16</sup> of land and is yet to acquire the remaining \$256.8 million<sup>17</sup> of land. Land acquisitions are planned to allow for stormwater infrastructure, traffic and transport management, and open space.<sup>18</sup>

## Plan administration

CP15 (2023) includes a plan preparation and administration cost of \$8.4 million. This is based on 1.5% of the total works costs, consistent with the approach adopted the last time we assessed CP15 (2020).

## Indexation

In the financial assumptions underpinning the Net Present Value (NPV) model used by the council to determine contribution rates, CP15 (2023) adopts 3 indexes to be applied to the base contribution rates. These are:

- the ABS Established House Price Index – Sydney, which is applied to the base contributions rate for land
- the ABS Producer Price Index (Non-Residential Building Construction), which is applied to the base rate for open space works
- the ABS Producer Price Index (Road and Bridge Construction), which is applied to the base rate for stormwater management and transport and traffic expenditure.<sup>19</sup>

Last time we assessed the plan in 2020, we recommended all indexes for land and works use a geometric average rather than a simple average to better account for compound annual average growth.<sup>20</sup> The model incorporates our recommendation last time we assessed the plan to use geometric averages.

### 3.4 Contribution rates in CP15 (2023)

The council's application sets out its proposed contribution rates for dwellings. **Table 3.1, Table 3.2 and Table 3.3** below compares the council's proposed contributions rates with those in the previous plan, and that currently still apply.

Table 3.1 Comparison of CP15 (2020) and CP15 (2023) contributions rates for Killarney Chain of Ponds

Type of development	Occupancy (persons/dwelling)	2020 IPART-approved contribution rate (\$)	2023 proposed contribution rate (\$)	Difference (\$)	Difference (%)
Subdivision, dwelling house, dual occupancy	3.4	48,082	95,140	47,058	98
Integrated housing	2.7	38,183	75,552	37,369	98
Senior housing	1.5	21,213	41,973	20,760	98
Multi-unit housing rates:					
1 bedroom	1.7	24,041	47,570	23,529	98
2 bedroom	1.8	25,455	50,368	24,913	98
3 bedroom	2.5	35,354	69,955	34,601	98
4 bedroom	3.1	43,839	86,744	42,905	98

Source: IPART CP15 Final Report, 2020, p 5; The Hills Shire Council Contributions Plan No.15 – Box Hill Precinct, p. 9.

Table 3.2 Comparison of CP15 (2020) and CP15 (2023) contributions rates for Second Ponds Creek

Type of development	Occupancy (persons/dwelling)	2020 IPART-approved contribution rate (\$)	2023 proposed contribution rate (\$)	Difference (\$)	Difference (%)
Subdivision, dwelling house, dual occupancy	3.4	39,587	85,829	46,242	117
Integrated housing	2.7	31,487	68,158	36,671	116
Senior housing	1.5	17,465	37,866	20,401	117
Multi-unit housing rates:					
1 bedroom	1.7	19,793	42,914	23,121	117
2 bedroom	1.8	20,958	45,439	24,481	117
3 bedroom	2.5	29,108	63,109	34,001	117
4 bedroom	3.1	36,094	78,256	42,162	117

Source: IPART CP15 Final Report, 2020, p 6; The Hills Shire Council, Contributions Plan No.15 – Box Hill Precinct, p. 9.

Table 3.3 Comparison of CP15 (2020) and CP15 (2023) contributions rates for non-residential rates – per square metre of floor area

	<b>2020 IPART-approved contribution rate (\$)</b>	<b>2023 proposed contribution rate (\$)</b>	<b>Difference (\$)</b>	<b>Difference (%)</b>
Killarney Chain of Ponds	108.2	166.27	58.07	54
Second Ponds Creek	89.3	150.94	61.64	69

Source: IPART CP15 Final Report, 2020, p 6; The Hills Shire Council, Contributions Plan No.15 – Box Hill Precinct, p. 10.

## 4 Assessment of CP15 (2023)

This section provides our assessment of CP15 (2023) from the council. It includes our assessment of each criterion, by works category, issues relating across all categories, and our draft recommendations.

### 4.1 Overview

We assessed CP15 (2023) against criteria in the Department of Planning and Environment's (DPE) [Practice Note](#) (2019 Practice Note). For more details on our assessment approach, please see our [Information Paper](#).

We found that CP15 (2023) meets some of the 2019 Practice Note criteria. In **Table 4.1** we present a summary of our assessment of each infrastructure category and issues relating across all categories.

Table 4.1 Summary of our assessment of CP15 (2023)

Criteria	Stormwater	Transport	Open space	Land	Plan administration
Essential works list	Demonstrated	Demonstrated	Demonstrated subject to recommendations	Demonstrated	Demonstrated
Nexus	Demonstrated	Demonstrated	Demonstrated	Demonstrated	Demonstrated
Reasonable cost	Demonstrated	Demonstrated	Demonstrated	Demonstrated	Demonstrated subject to recommendation
Apportionment	Demonstrated subject to recommendations	Demonstrated subject to recommendations	Demonstrated subject to recommendations	Demonstrated subject to recommendations	Demonstrated
Timing	Demonstrated	Demonstrated	Demonstrated	Demonstrated	Demonstrated
Consultation	Demonstrated	Demonstrated	Demonstrated	Demonstrated	Demonstrated
Other matters	N/A	N/A	N/A	Demonstrated subject to recommendations	N/A

### 4.2 Essential Works List

#### 4.2.1 Stormwater

The council proposes to deliver \$90.8 million in stormwater works infrastructure within the precinct.<sup>c</sup> In addition, the council proposes to acquire \$101.7 million of land for stormwater.<sup>d</sup>

<sup>c</sup> This includes around \$89.6 million in KCP, and \$1.2 million in SPC.

<sup>d</sup> This includes \$100.4 million in KCP, and \$1.3 million in SPC.



It includes combined basin and raingarden facilities, single raingarden facilities, culvert crossing and detention basins. The purpose of each item has been identified for stormwater management. Our review of the proposed stormwater infrastructure works items within CP15 (2023) has not identified any items that are inconsistent with the essential works list set out in the 2019 Practice Note.

#### 4.2.2 Transport

The council proposes \$343.1 million of transport works in CP15 (2023), and an associated \$119.0 million in land acquisitions.<sup>21</sup> This includes 14 signalised intersections, 13 roundabouts, 4 vehicular bridge crossings, 2 pedestrian/cycleway bridge crossings, main roads, local roads, pedestrian paths and cycleways, and bus shelters.<sup>22</sup>

We consider that the transport infrastructure items proposed within CP15 (2023) meets the description in the 2019 Practice Note for land and facilities for transport.

#### 4.2.3 Open space

CP15 (2023) proposes \$126.5 million in open space works to embellish local parks, sports fields, district facilities, tennis centres, athletics track, hockey field, netball/multipurpose courts.<sup>23</sup> To enable the provision of open space within the precinct, \$217.1 million in land will need be acquired.<sup>24</sup> For a full set of open space items see **Table 4.4**.

The open space embellishment items in CP15 (2023) include car parking, pathways, planting, playgrounds, sporting fields, amenities for playing fields and playground equipment, seating, pathways, lighting and landscaping for local parks.

However, some subitems do not appear to meet open space embellishment. This includes costs for the construction of a skate bowl/plaza (\$825,000), construction of a pump track/BMX track (\$400,000) in Rainforest Street Reserve.

The 2019 [Practice Note](#) specifically excludes skate parks, BMX tracks and the like from being included as a base open space embellishment.

We recommend that the council remove the costs for the skate bowl/plaza and the pump track/BMX track from the plan. This would reduce open space costs by \$1.2 million.

### Recommendations



1. Remove the costs for the skate bowl/plaza and pump track/BMX track from open space embellishment costs as these are not on the Essential Works List. This will reduce costs by \$1.2 million.

## 4.3 Nexus

### 4.3.1 Stormwater

We consider the findings of our previous assessment of CP15 (2020) are still relevant and that nexus is established for the stormwater management works in the plan.

We consider that the additional projected population of 48,956 people in precinct is unlikely to require additional stormwater infrastructure. The additional projected population largely reflects increased density and there has been no significant change to the area within the plan.

In addition, most stormwater items are also unchanged, where technical studies relied upon by council to establish nexus, from when we last assessed the plan in 2020.

### 4.3.2 Transport

Since our last assessment of the plan in 2020, council made changes to the scope of existing items and included new transport items due to an increase in the forecast population. The major changes to transport items include 2 new pedestrian bridges to enhance accessibility and connect key locations within the precinct,<sup>25</sup> the treatment of some of the 14 signalised intersections,<sup>26</sup> and an increase from 8 to 13 roundabouts.<sup>27</sup> The plan now also includes the portion of the cost of upgrading Boundary Road for the section between Menin Road to Old Pitt Town Road. This section had previously not been included in the plan as the council was required by the Minister to use the Hawkesbury Council's cost estimate which did not include this section.<sup>28</sup>

In addition, the council undertook updated traffic modelling and/or provided further details to support changes or new transport items. We consider that the approach by council is reasonable, and that nexus is established.

### 4.3.3 Open space

We consider nexus is established for open space land and embellishment in the plan noting that there are no new open space items since we last assessed the plan in 2020.

The nexus for open space infrastructure is established by the *Demographic and Social Infrastructure Assessment: Box Hill and the Box Hill Industrial Precinct* report by Urbis (February 2011) and its October 2019 Recreation Strategy.<sup>29</sup>

The overall provision of open space is low at 1.2 hectares per 1,000 people for a forecast additional population of 48,956 residents. This is lower than we last assessed the plan in 2020, which provided for 1.47 hectares per 1,000 people of open space for a then forecast population of 42,483 residents. If 44.27 hectares of water management areas are included as part of open space for passive recreation, it would increase the overall provision of open space to 2.1 hectares per 1000 people.<sup>30</sup>

A 2022 review by the council of the provision of open space was conducted due to the expected increase in population expected within the precinct. The review found that generally the precinct was well serviced and accessible with most of residential development within 400 metres of either open space or water management areas. The council also explored opportunities to increase the amount of open space in the plan.

The council determined it would be unfeasible and unreasonably impact the contribution rates to provide additional open space, due to the high cost of land, the status of development and limited remaining population from which to recoup these additional infrastructure costs.<sup>31</sup> We also note that 63% of the residential yield within the precinct has already been approved, with it estimated that this will be 71% by December 2023, and there are minimal land areas remaining that could be identified for new open space.

#### 4.3.4 Plan administration

CP15 (2023) includes plan administration costs to cover the costs of council in forward planning, service delivery and community development staff together with professional fees to prepare and review the plan. The costs will also cover the management of the contributions system which includes the calculation and recording of contribution payments as well as monitoring of development, population, works schedule expenditure and indexation assumptions.<sup>32</sup> We consider that this establishes nexus for plan administration costs.

### 4.4 Reasonable Cost

#### 4.4.1 Stormwater

We have determined that the costs for stormwater management works in CP15 (2023) are reasonable. The costs for stormwater management works in CP15 (2023) are shown in **Table 4.2**.

Table 4.2 Costs for stormwater management works in CP15 (2023) (millions, \$Jun22)

Item no.	Description of works	Cost
KC01	Combined basin, raingardens and drainage structures	17.1
KC02	Combined basin, raingardens and drainage structures	16.3
BH01A	Combined basin, raingardens and drainage structures	5.9
BH01B	Combined basin, raingardens and drainage structures	5.4
BH01C	Combined basin, raingardens and drainage structures	6.7
BH02A	Combined basin, raingardens and drainage structures	3.2
BH02B	Combined basin, raingardens and drainage structures	2.1
BH03A	Combined basin, raingardens and drainage structures	1.0
BH03B	Combined basin, raingardens and drainage structures	5.8
RGBH10	Raingarden (in BHF01)	2.0
RGBH11	Raingarden (in BHLPO9)	1.4
RGBH04	Raingarden (in BHPF03)	1.9

Item no.	Description of works	Cost
RGKCP01	Raingarden	0.5
RGKCP02A	Raingarden	0.4
RGKCP02B	Raingarden	0.4
RGSPC01	Raingarden (SPC)	0.3
RGSPC02	Raingarden (SPC)	0.4
RGSPC03	Raingarden (SPC)	0.5
CRA	Culvert Crossing A	2.0
CRB	Culvert Crossing B	5.1
CRC	Culvert Crossing C	1.2
CRD	Culvert Crossing D	3.1
CRE	Culvert Crossing E	2.0
CRF	Culvert Crossing F	2.0
CRG	Culvert Crossing G	2.0
BPC1	GPT – Bypass catchment	0.1
BPC2	GPT – Bypass catchment	0.0
BPC3	GPT – Bypass catchment	0.1
BPC4	Culvert C4	0.1
RGBH03B	New raingarden associated with Hereford St Reserve	1.8
<b>Total</b>		<b>90.8</b>

Source: [The Hills Shire Council, CP15 \(2023\), p 5-6 and Table 10, works schedule.](#)  
Note: Figures in the table have been rounded down.

Most of the stormwater costs in the plan are unchanged since we last assessed them in 2020, except for being indexed. Some stormwater items have had updated costings which are supported by cost estimates from a suitability qualified quantity surveyor. We consider this approach reasonable.

#### 4.4.2 Transport

We have determined that most of the costs for stormwater management works in CP15 (2023) are reasonable. The costs for stormwater management works in CP15 (2023) are shown in **Table 4.3**.

Table 4.3 Costs for transport works in CP15 (2023) (millions, \$Jun22)

Item no.	Description of works	Cost
BHNR01A	New Main Road - Mt Carmel Road - Windsor Road to Killarney Chain of Ponds	9.5
BHNR01B	New Main Road - Mt Carmel Road - Killarney Chain of Ponds to Gardiner Drive	5.9
BHNR02A	New Main Road - Mt Carmel Road - Gardiner Drive to Brahman Road	9.3
BHNR06A	New Main Road - The Water Lane - Hynds Road to Mason Road	8.1
BHNR09	New Main Road - Mason Road (north) between Terry Road and Mason Road	3.6
BHRU02B	Road Upgrade - Terry Road - Town Centre Road to Mason Road Bypass (design only)	0.2
BHRU06B	Road Upgrade - Mason Road - Mason Road (north) to The Water Lane	8.3
BHRU08A	Road Upgrade - The Water Lane - Hynds Road to Nelson Road (design only)	0.6
BOUNDARYRD	Road Upgrade - Boundary Road Upgrade - Windsor Road to Menin Road	7.7

Item no.	Description of works	Cost
BOUNDARYRD2	Boundary Road - Menin Road to Old Pitt Town Road	5.4
ANNAGROVERD	Road Upgrade - Annangrove Road - The Water Lane to north of Edwards Road	13.3
HWLR	Half-width road construction adjoining non-developable land	34.4
BR2	Terry Road over Killarney Chain of Ponds	12.2
BRNKB01	Bridge over Smalls Creek between Ross Place and Edwards Rd	32.7
BRNKB01A	BRNKB01A approach road between Annangrove Road and bridge	14.0
BR1	Mt Carmel Road Bridge over Killarney Chain of Ponds	8.5
BRBRU	Boundary Road Bridge	15.4
BHPBR1	Killarney Chain of Ponds Crossing Nth (Mt Carmel Drive to Sunny Hill Parkway)	2.9
BHPBR2	Killarney Chain of Ponds Crossing Sth (Longerenong Avenue to Mt Carmel Drive)	2.1
BHT07	Mt Carmel Road / Gardiner Drive	0.5
BHT08	Mt Carmel Road / Brahman Road	0.5
BHT09	Mt Carmel Road / George Street	0.5
BHT10	Terry Road / Hynds Road	3.3
BHT11	Terry Road / Mason Road / Gardiner Drive	5.3
BHT12	Terry Road / George Street	5.2
BHT13	Mason Road / The Water Lane	3.9
BHT14	Hynds Road / The Water Lane	6.8
BHT15	Nelson Road / The Water Lane	8.2
BHT17	Mt Carmel Road / Prosper Street	4.4
BHT18	Terry Road/ Mason Road (north) / Settlement Drive	8.5
BHT19	Box Road / Nelson Road	0.7
BHT20	Grandhill Parkway / The Water Lane	3.2
BHT21	Grandhill Parkway / Box Road	2.1
BHT22	Old Pitt Town Road / Terry Road / Fontana Drive - Signals Only	6.9
BHT23	Boundary Road/ Commercial Road/ Brocklebank Street	7.2
BHT25	Mason Rd (north) / Mason Road/ Centaurus Way	6.3
BHT26	Terry Road / McCall Parkway / Rubidea Street	6.8
BHT27	Terry Road / Alan Street/ Crossiron Street	12.1
BHT28	Nelson Road / Driftwood Street	1.1
BHR01	Hynds Road / Nelson Road / Edwards Road	7.2
BHR02	Mason Road / Old Pitt Town Road / Nelson Rd	13.2
BHR03	George Street / Old Pitt Town Road	3.2
BHR05	Mt Carmel Drive / Old Pitt Town Road / Valetta Drive	8.6
BHR06	Boundary Road / George Street	8.0
BHR07	Boundary Road / Brahman Road	7.1
BUSSTOPS	Bus stop	0.5
CYCLEWAYS	Cycleways - standard rate	2.8
CYCLEWAYS2	Cycleways - constrained rate	1.4
BHR08	The Water Lane / Outback Street	3.3
<b>Total</b>		<b>343.1</b>

Source: The Hills Shire Council, CP15 (2023), p 5 and Table 10, works schedule.

Funding of \$8.23 million from the Accelerated Infrastructure Fund (AIF) had been announced for Boundary Road Bridge transport item (BRBRU) after the plan had been submitted.<sup>33</sup> We recommend that the council update the plan to reflect the income of \$8.23 million in funding to reflect the AIF funding for this item.

## Recommendations



2. The council update the plan for the income of \$8.23 million to reflect the agreed Accelerated Infrastructure funding for the transport item BRBRU.

This recommendation will have the effect of reducing the contribution rates in the plan.

### 4.4.3 Open space

We have determined that most of the costs for open space embellishment in CP15 (2023) are reasonable. The costs for open space embellishment in CP15 (2023) are shown in **Table 4.4**.

We note that while the overall costs per hectare have increased from around \$5 million per hectare (adjusted for inflation) to \$5.5 million per hectare, we consider that given the significant increase in cost of land and capital works this is reasonable.

Table 4.4 Costs for open space embellishment in CP15 (2023) (millions, \$Jun22)

Item no.	Description of works	Cost
BHLP01	Hannaford Avenue Reserve	0.5
BHLP02	Stockhorse Avenue Reserve	0.8
BHLP03	Hedgewood Drive Reserve	0.3
BHLP04	Shetland Street Reserve	0.8
BHLP05	Equinox Drive Reserve	0.4
BHLP06	Ceres Way Reserve	0.5
BHLP07	Mason Road Reserve	1.0
BHLP08	Rainforest Street Reserve	5.5
BHLP09	McCall Parkway Reserve	1.1
BHLP010	Settlement Drive Reserve	0.8
BHLP011	Turnbull Reserve	1.2
BHPF01	Playing Fields – Copenhagen Street Reserve	13.0
BHPF02	Playing Fields – Hereford Street Reserve	13.1
BHPF03	Playing Fields – Sunnyhill Parkway Sports Complex	26.9
BHPF04	Playing Fields – Brindle Parkway Reserve	10.4
BHPF05	Playing Fields – Anthony Skarratt Sports Complex	30.2
BHPF06	Playing Fields – The Water Lane Reserve	19.9
<b>Total</b>		<b>126.5</b>

Source: The Hills Shire Council, CP15 (2023), p 5 and Table 10, works schedule.

The council has taken the same approach to estimating open space items to when we last assessed the plan in 2020. This includes updated council cost estimates for delivering similar parks, and cost estimates based on detailed strategic designs. We consider that our previous findings that this approach is reasonable and are still relevant.

#### 4.4.4 Land

The contributions plan includes a total land cost of \$437.8 million<sup>34</sup>, which is under half of the costs in the plan. The council has already acquired \$181.1 million<sup>35</sup> of land and is yet to acquire the remaining \$256.8<sup>36</sup> million of land.

The council uses the actual cost of each acquisition for land already acquired. For land yet to be acquired, the council has engaged a property valuer to prepare land cost estimates to be applied to land that is not yet acquired. The land cost estimates were determined in November 2022 based on recent relevant sales evidence across the Hills local government area and neighbouring areas. The land value is based on the average market values (dollars per square metre) for different categories of land for each type of development zone. The council has also applied a 1.5% fee to cover the amount that the council may have to pay in association with land acquisition costs.

The approach taken by council for land costs is consistent with last time we assessed the plan in 2020, and we consider that this is reasonable.

#### 4.4.5 Plan administration

CP15 (2023) includes a plan preparation and administration cost of \$8.4 million<sup>37</sup>. This is based on 1.5% of the total works costs, consistent with the approach adopted the last time we assessed the plan.

As we have recommended the removal of 1.225 million in works costs, we recommend that the council update its plan administration costs to equate to 1.5% of the revised cost of works.

### Recommendations



3. Update the cost of plan administration to be 1.5% of the revised total works costs.

## 4.5 Apportionment

### 4.5.1 Stormwater

We have determined that the apportionment of stormwater management infrastructure in CP15 (2023) is reasonable.

CP15 (2023) has 2 catchment areas within the precinct. The major stormwater catchment in the precinct is the Killarney Chain of Ponds catchment, with a net catchment area of 635.35 hectares. The precinct also includes the Second Ponds Creek catchment, with a net catchment area of 55.45 hectares. The council's approach is unchanged since our previous assessment of CP15.

CP15 (2023) apportions stormwater management works and land between the Killarney Chain of Ponds and Second Ponds Creek catchments based on the location of the works. Killarney Chain of Ponds catchment has \$190.1 million, and Second Ponds Creek has \$2.4 million apportioned for stormwater management works and land.

The plan then further apportions costs between residential and non-residential development, with the apportionment of costs based on the proportion of land within each catchment area that is zoned for residential or non-residential purposes.

For the Killarney Chain of Ponds catchment, 88% of developable land is zoned for residential purposes and 12% for non-residential purposes. For Second Ponds Creek catchment, 42% of the developable land is zoned for residential purposes, and 58% of the developable land zoned for non-residential purposes.

## 4.5.2 Transport

We have determined that the apportionment of transport and traffic facilities in CP15 (2023) is generally reasonable.

The council apportioned the cost of providing transport and traffic facilities on all development within the precinct. The cost of providing transport facilities is further apportioned based on the projected demand for each individual traffic infrastructure item generated by either the residential or non-residential development, where relevant, both within the precinct and neighbouring areas with Contribution Plans.

### Boundary Road

At the time the plan was submitted, the council's application indicated that a working group had been established to investigate the classification and design of the Boundary Road upgrades. This includes informing design work and funding arrangements.<sup>38</sup>

The council confirmed that the apportionment for 6 transport items within the plan (BOUNDARYRD, BOUNDARYRD2, BRBRU, BHT23, BHR06, and BHR07) had changed to 70% to CP15 and *Hawkesbury City Council's CP Vineyard Precinct Section 7.11 Plan*. This was based on updated transport modelling. Previously the apportionment had been 81.7% to CP15 based on the apportionment recommended by IPART for Boundary Road. We consider that this approach to apportionment of these transport items is reasonable.

### Self-storage

Self-storage developments are a new category of development for CP15 (2023). The council has applied a reduced transport contribution for self-storage developments on the basis that these types of developments typically generate less traffic than other forms of non-residential development.



The council estimates that self-storage developments generate 48% of the traffic generated by other forms of non-residential development and have levied 48% of the full non-residential contribution rate. The council notes that the discount will only apply for the self-storage component of any development application. We consider this a reasonable approach.

## Recommendations



4. The council update the apportionment of BOUNDARYRD, BOUNDARYRD2, BRBRU, BHT23, BHR06, and BHR07 to 70% to the plan.

### 4.5.3 Open space

CP15 (2023) apportions all open space land and embellishment costs to the residential population within the precinct.<sup>39</sup> The council states that the need to provide open space is generated by the residential development of the Box Hill Precinct. CP15 (2023) apportions open space infrastructure to residential development on a per person basis.

This is the same approach council took last time we assessed the plan in 2020. We consider that this approach to apportionment of open space infrastructure in CP15 (2023) is reasonable.

### 4.5.4 Plan administration

CP15 (2023) apportions the cost for plan administration to both residential (82%) and non-residential development (18%).<sup>40</sup> Costs are then further apportioned amongst residential development on a per-person basis and non-residential development on a per square metre of GFA basis.

This is the same approach council took last time we assessed the plan in 2020. We consider that this approach to apportionment of plan administration in CP15 (2023) is reasonable.

### 4.5.5 Apportioning the plan's funding gap

Since our first review of CP15 in 2014, the council's estimated costs of delivering the infrastructure in the precinct have risen significantly. This includes higher:

- outturn costs than previously forecast for infrastructure already delivered (actuals)
- estimated costs for infrastructure still to be constructed (forecasts).

Some of these increases are due to general increases in the costs of purchasing land and undertaking capital works. Other increases are due to the council changing the types of infrastructure it needs to build to provide the essential services households and businesses need. Forecasting future costs and infrastructure needs, over the longer term is challenging particularly in periods of economic volatility and where the value of land or cost of building infrastructure change quickly. Global events such as COVID-19 impacted the delivery of infrastructure, leading to delays in construction and price increases. This is also the case in CP15 (2023), where the council has stated that delivery of infrastructure has been impacted by COVID-19.<sup>41</sup>

Since the commencement of development in the precinct in 2014, the estimated costs of works and land for essential infrastructure to serve the development has risen from around \$430<sup>e</sup> million to \$1 billion<sup>f</sup> (\$Jun22). The impact on infrastructure charges of this increase in cost has been partly offset by an increase in the estimated total population of the precinct from 28,000 (2014 estimate) to 49,000 (2023 estimate). This means that there is more development to levy contribution rates.

Table 4.5 below sets out the change in costs and population over the 5 iterations of Box Hill CP (CP15) that IPART has assessed. This table shows that the estimated costs per person have grown over time.

**Table 4.5 – Estimated total infrastructure costs and ultimate population in Box Hill Precinct (\$Jun22)**

Year of CP <sup>a</sup>	Total costs (\$million) <sup>b</sup>	Total population	\$/person
2014	430	28,000	15,400
2016	353	30,700	11,500
2018	616	31,600	19,500
2020	720	42,500	17,000
2023	1,002	49,000	20,400

a. Data is based on our final findings and recommendations to the Minister in each case.

b. Includes both actual expenditure and estimated future expenditure (at time of assessment) to serve the total population of the Box Hill precinct.

We also note that this is our fifth review of the plan. Generally, we encourage regular reviews of contributions plans during their lifetime, as this allows councils to refine the designs and cost estimates for infrastructure and use up-to-date information such as revised population estimates. In previous reviews of CP15 we have recommended decreases to the total costs in the plan.

Consistent with the intent and requirements of the 2019 Practice Note criteria, our focus in those reviews has been recommending indicative contribution rates that reflect the reasonable costs to deliver infrastructure within the precinct. This means that developers within the precinct are more likely to pay contributions that are no more than necessary based on a reasonable apportionment between demand (both existing and new) and the type of development.

<sup>e</sup> IPART, Assessment of The Hills Shire Council's Section 94 Contributions Plan, Box Hill Precinct, December 2014.

<sup>f</sup> The Hills Shire Council, Application to IPART for Review of Box Hill Contributions Plan (CP15), April 2023.

For this review, the council has proposed that the total funding gap is included in contributions rates for the remaining developments in the precinct. In our Draft Report, we estimated that the total funding gap included in the plan was around \$160 million<sup>9</sup> in net present value (NPV) terms.<sup>h</sup>

Since the Draft Report, we have updated our assessment and modelling to:

- index historical costs into today's dollars (\$2023-24)
- change the discount rate in the NPV calculation from 3.1% to 3.2%
- correct our overestimation of the value of the grants received by the council in the NPV calculation

These updates have increased the precinct funding gap to \$172 million.

### The council disagrees with our recommendations on the funding gap

In our Draft Report, we recommended that the contributions rate paid by the remaining development be set to recover only 50% of the estimated funding gap. After being adjusted for our recommendations on costs in the plan (and updating indexation and the discount rate), this meant that around \$79 million of the shortfall would not be funded by the remaining development. Our draft decision was that this allocation of the shortfall was a reasonable apportionment between the groups who were going to benefit from the infrastructure in the precinct.

We estimated that our draft recommendations would mean the contribution rate for a typical house would be around \$72,000. This was around \$23,000 lower than the council's proposed \$95,000.

In its submission to our Draft Report, the council stated it did not agree with this 50:50 split of the funding shortfall. It suggested that:

- our approach is inconsistent with the user pays principle underlying the contributions plan system and would force ratepayers elsewhere to fund new infrastructure that they are not going to use
- that our recommendations do not represent a transparent or accountable approach to the delivery of infrastructure in the precinct and would shift costs to ratepayers that are entirely unaware of the changes. The effect of the likely changes to delivery of planned infrastructure in the precinct has not been communicated to the residents within the precinct
- apportioning 50% of the cost increase to remaining 'new' development has no justifiable basis and is not consistent with how contribution plans are prepared and reviewed
- our methodology is unreasonable as councils would be unable to have regard to higher income received from earlier in the plan and would knowingly set a higher contribution rate

<sup>9</sup> This is the implied funding gap in the council's NPV model without any adjustments for our recommendations about the costs in the plan.

<sup>h</sup> The NPV of a future stream of cash flows represents the current equivalent lump sum of that stream. In this case, it means the council estimates that it would need an additional lump sum of \$172 million now to make sure that by the time the development is completed and the infrastructure in place, all costs are met.

- sets an arbitrary contribution rate that is significantly lower than what has been demonstrated as necessary to deliver the work program and sends the wrong signal to the market.<sup>42</sup>

The council proposed in its application that the remaining 29% of both residential and non-residential development pay for all cost increases not already funded – both historical and forecast. We recognise that the council's proposed approach of addressing the funding gap through contributions insulates the council from contributing to some of the funding needed to deliver the infrastructure. However, we consider that increasing the proposed contribution rate to cover the entire \$172 million funding gap represents an unreasonable apportionment of costs on the remaining development. While the infrastructure is precinct specific and will be used by the yet to be developed households and businesses, it will also service already developed households and businesses. We consider that this also means that remaining development is likely to be paying more than the efficient cost of delivering infrastructure to them.

There is almost always a funding gap (or, less frequently, a funding surplus) between the final costs of providing essential infrastructure in a development precinct, and the sum of the revenue raised from infrastructure charges. In most other contributions plans we have reviewed, councils use a mixture of revenue sources to fund any infrastructure gap, including through general rates.

The council in this case has proposed that the historical funding gap be fully funded by contributions from future developments. Where a precinct is in the relatively early stages of development, with only a modest funding gap and most of development still to come, the impact on the contributions rate of taking this approach may be relatively immaterial. However, in late stages of a precinct where development is largely complete, there are a diminishing number of future developments from which to recover what may be, by then, a significant funding gap. This can lead to a sharply accelerating contributions rate. This is the case in the current review of the plan, which has only around 29% of residential development remaining.

### **How we assessed how to apportion the funding gap in this review of the Box Hill CP**

The 2019 Practice Note outlines the criteria we must use to assess a contributions plan. It must also be read in conjunction with DPHI's [Development Contributions – Practice Note](#) (2005 Practice Note).

We agree with council that the 2019 Practice Note states that a user-pays philosophy underlies the funding of local or community infrastructure required to satisfy service demand generated by development activity. We also note that the 2019 Practice Notice also states that developers are required to contribute reasonable cost and provision of local public facilities needed to support new development.

Further, the 2005 Practice Note outlines that while developer contributions are an essential part of funding local infrastructure, there are several ways a council can obtain funding for local infrastructure. This includes general rates, special rates, borrowing/loans, grants and subsidies, user charges and a combination of these funding mechanisms coupled with the contribution plan rates.<sup>43</sup>

In effect, this means that there can be a gap between the amount councils can charge in accordance with contributions plans and the eventual cost to deliver infrastructure noting the difficulties of forecasting future costs and infrastructure needs.

The 2019 Practice Note provides guidance on the reasonable apportionment of costs. This includes considering apportionment between:

- existing demand and new demand for the public amenities and public services, and
- different types of development that generate new demand for the public amenities and public services (e.g. between different types of residential development such as detached dwellings and multi-unit dwellings, and between different land uses such as residential, commercial and industrial).<sup>44</sup>

The 2005 Practice Note also provides some guidance on apportionment. It states that apportionment is a tool to arrive at the correct nexus to ensure that a charge under a contributions plan "only ever reflects the demands of development and not other demands".<sup>45</sup> We assess that this means that when considering apportionment that any remaining development pay for the share of total demand generated by that development.

We consider this means that we make a fresh appraisal of 'past' and 'remaining' development each time a contributions plan is amended. This is contrary to the council's submission that 'it is reasonable to interpret the term "existing community" as the population that lived within the Box Hill Precinct prior to its rezoning as an urban release area.'<sup>46</sup>

However, we consider that the Practice Notes could provide clearer guidance in the situation where a council is seeking to recover from the remaining development all cost increases not already funded (both historical and forecast). This is particularly the case where both already approved development and yet to be approved development will benefit from the infrastructure. particularly- where there are rising costs and increasing land values. We therefore recommend that the Practice Notes be revised to provide clarity about how to address the funding gap.

## Recommendation for the Practice Notes



1. That the Practice Notes be revised by the Department of Planning, Housing and Infrastructure to provide clear guidance on how:
  - risk management accountabilities and expectations associated with delivering and funding public infrastructure
  - how councils should seek to meet a funding gap where costs have increased
  - apportionment of any funding gap or savings that have arisen during earlier stages of a development to remaining development covered by a revised contributions plan.

## Options for apportioning the funding gap

In deciding how to apportion the estimated funding gap, we considered the 2019 Practice Note, and the 2005 Practice Note. In making our decision, we also considered the following principles:

- **Nexus** – whether the decision would be consistent with nexus requirements

- **Efficiency** – whether the amount of the funding gap apportioned to future development sent the appropriate price signals to developers regarding the costs of providing infrastructure
- **Symmetry** – how the decision would apply in the theoretical case of a funding surplus, as well as a funding gap
- **Scalability** – how well the decision would work under different scenarios, for instance if the remaining development was a smaller/larger proportion of the total population of the precinct.

We analysed several options on whether the contribution rate in CP15 (2023) should be set to recover any portion of the funding gap and, if so, how much. The benefits and drawbacks of each of these options we considered are set out below.

**Option 1 - 100%** - This option apportions 100% of the funding gap to future development. It is the approach proposed by the council<sup>i</sup> in its application and would lead to contributions rates levied on future development that recovered the estimated full costs of infrastructure in the precinct, net of contributions and grants already received or approved. This means that future development would pay, through their contributions rates for:

- their share of existing infrastructure based on their relative typical use of the services
- their share of future infrastructure not yet constructed, and
- the full amount of the funding gap.

We estimate this option would result in a contributions rate of around \$108,000. The council would not need to access other funding sources to construct the infrastructure, including through rates, grants or other funds.

While this estimated contribution rate would be broadly in line with those for similar dwellings in contributions plans, we have reviewed recently for other comparable growth areas of Sydney. The contributions rate would significantly overstate the share of total costs incurred by the remaining development. Their relative use of, and access to, the basic services provided by that infrastructure – including both existing and future assets – does not reasonably support the apportionment of 100% of the funding gap to future development.

This approach does not work well if there are funding surpluses or where there is only a small proportion of development remaining. Applying this approach if there was a funding surplus would not provide the appropriate price signals to developers regarding the costs of providing infrastructure as future developments could receive a significant discount or, in some cases, even a rebate (or payment) to ensure the entire plan remained NPV neutral.

Where only a small proportion of development remained, applying this approach would result in a ballooning contributions rate, with relatively few developments remaining to cover the entire funding gap.

<sup>i</sup> The council proposed a contributions rate of around \$95,000 in its application based on unindexed costs at that time. However, following indexation of costs and appropriate treatment of grants, we estimate the equivalent charge to recover 100% of the present value of costs is around \$108,000.

We also consider that this option would also be inconsistent with the contributions plan framework underpinning the Practice Notes. Specifically, the Practice Notes outline that there are two key concepts that underpin contribution plans, reasonableness and accountability.

The 2005 Practice Note states that reasonableness in terms of nexus (the connection between the development and the demand created) and apportionment (the share borne by future development) underpins the contributions plan system. The council's submission stated that our recommendations would most likely result in the shifting of costs to ratepayers that are entirely unaware of the changes, potentially making broader rate payers accountable for infrastructure provision for which there is definitively no nexus.

While nexus is required to be considered in determining what can be included in a contribution plan, it is not a concept that is required to be considered when setting general rates and it is commonplace for ratepayers to pay for delivery of services across a local government area that they may not use. Contrary to the council's submission, we do not consider it reasonable to apportion the full funding gap to the remaining development.

In addition, accountability, including financial accountability, is a key concept for contribution plans. We consider that apportioning 100% of the funding gap would also be inconsistent with the Practice Notes that clearly outline that contribution rates are just one of the ways that council can fund infrastructure within an area or precinct and that a council should consider whether it is appropriate to use a mixture of revenue sources. This involves financial and risk management, including minimising any risks inherent in the contributions plan system.<sup>47</sup>

As such, we do not consider that this option represents reasonable apportionment in this case.

**Option 2 - 50%** - This option apportions 50% of the funding gap to future development. It was the apportionment we recommended, on balance, in the Draft Report. This approach shares the funding gap equally, in absolute terms, between:

- future development, and
- the community.

We estimate this option would result in a contributions rate of around \$86,000. It would also leave around \$86 million (in net present value terms) to be funded from other sources.

This approach shares many of the same potential benefits and drawbacks as Option 1, though the impact on the contributions rate is more muted.

One of the benefits of this approach is that it recognises the infrastructure serves the entire precinct – not just future development. We also note that the resulting contributions rate of around \$86,000 is in line with precincts in other Sydney growth areas.

As with Option 1 above however, this approach does not work well where this is a small portion of development remaining. Using a 50% share would result in a sharply increasing contribution rate if the development was closer to capacity, with relatively few future developments remaining to cover that apportioned amount.

**Option 3 - 29%** - This option apportions 29% of the funding gap to future development. With 71% of the precinct already developed or approved by the time the new contributions rate comes into effect, 29% is the remaining proportion of the Box Hill precinct which will pay the new contributions rate.

We consider apportioning based on the remaining proportion of development best reflects the principles of apportionment and nexus in the Practice Notes. By setting the apportionment percentage equal to the remaining development, the share of the funding gap diminishes in direct proportion as the development progresses. That is, if only 5% (say) of a development remained, only 5% of the funding gap would be apportioned to future development.

This however requires Council to recover the remaining 71% of the funding gap from other sources. We estimate that this amounts to around \$122 million in NPV terms.

However, it helps to ensure that the future development pays a share of the funding gap, commensurate with their relative demand for the services.

On balance, this is our preferred approach to apportioning the funding gap in this case. While the amount that will need to be funded through other means is significant, we consider it best balances the demand on infrastructure, the impact on the council and the equitable distribution of the legacy costs associated with the precinct.

**Option 4 - 0%** - This option apportions 0% of the funding gap to future development, with the council needing to cover the full funding gap.

The key benefit of this option is that it apportions the cost of existing and future infrastructure purely on demand for the services it provides. It may lead to more efficient development activity, as the price future developers pay matches the best estimate of the share of infrastructure needed.

It is also both symmetric, and scalable and does not lead to perverse contributions charges under different theoretical scenarios.

However, we consider the apportionment of the entire funding gap to council to be an inequitable outcome in this case. We consider it reasonable that the remaining development pay a proportionate amount of the funding gap, as it represents a legacy cost of providing the infrastructure to the precinct.

**Table 4.6** below sets out our estimate of the impact on the typical contribution rates in the 2 districts within the plan under different scenarios on sharing the funding gap.

Table 4.6 Impact of funding gap allocation on estimated typical residential contributions rates (\$/dwelling) (\$Jun23)

Allocation of funding gap to remaining development	Estimated contribution rate	
	Killarney Chain of Ponds	Second Ponds Creek
100%	108,000	97,000
50%	86,000	76,000
29%	77,000	67,000
0%	65,000	54,000

Source: IPART analysis



Our recommendation is that contributions rates be set so that the remaining development covers 29% of the funding gap. As such, the council should recalculate its contributions rate by setting those rates to generate \$122 million less than its total precinct costs in NPV terms.

We estimate that this, together with our recommended cost adjustments, will reduce the typical contribution rate from the council's proposed \$95,000 to around \$77,000 for a typical residential dwelling.<sup>j</sup> Estimated contributions rates for other types of developments are shown below in **Tables 5.1 to 5.4.**

## Recommendations

- 5. The council remove \$112.8 million of the estimated funding gap in NPV terms in setting residential contribution rate for the plan.
- 6. The council remove \$9.2 million of the estimated funding gap in NPV terms in setting non-residential contribution rate for the plan.

## 4.6 Timing

At the time of the council's application, 63% of the residential development in CP15 (2023) has been approved. By December 2023, the council estimated that will increase to 71%. However, by that time only 9% of the \$560 million capital works expenditure has taken place. This amount is significantly lower than the 41% of total land acquisition costs already incurred.

The council has indicated that the delays in delivering infrastructure are due to several factors. This includes changes in State Environmental Planning Policies, capping of contributions, uncertainty regarding designs and funding availability, the unprecedented rate of development and market conditions, COVID-19, difficulties in negotiating land acquisitions, out-of-sequence development and increase in population projections.<sup>48</sup>

The council has prioritised acquiring land, to reduce future costs in the plan and to proceed with designs and regulatory approvals. In response to our request for further information in the Draft Report, the council stated that it has prioritised the roll out of the most critical infrastructure. In addition, the proposed infrastructure scheduling has sought to be in-line with the rate, location and distribution of development. The council advised that they had undertaken a recent review of the status of each project, status of land acquisition, approved AIF funding and in response to community feedback.<sup>49</sup> We consider this is a reasonable approach.

<sup>j</sup> For indicative purposes, the typical residential dwelling is a dual-occupancy house in Killarney Chain of Ponds (KCP) catchment.

## 4.7 Community Liaison and Publicity

We have determined that the council's community liaison and publicity process meets the Practice Note requirements which requires the council to conduct appropriate community liaison and publicity in preparing the contributions plan.

The council placed CP15 (2023) on public exhibition from 13 December 2022 to 1 February 2023.<sup>50</sup> Notification of the exhibition was placed on council's website, social media and notification letters were sent to the 4,855 affected landowners within the precinct.<sup>51</sup>

The council exhibited the plan for 28 days, with additional time provided as required, for the Christmas Period and the Australia Day public holiday during that period. In addition, the council also accepted 11 of the 18 submissions after the exhibition period. The council considered the submissions and incorporating several post-exhibition amendments in response to the submissions received.<sup>52</sup> These amendments were made prior to submitting CP15 (2023) to IPART.<sup>53</sup>

## 4.8 Any Other Matters

### 4.8.1 Indexation for land

The council has continued to use the ABS Established House Price Index – Sydney, which is applied to the base contributions rate for land in the plan, in the financial assumptions underpinning the NPV model. The index ceased to be published in December 2021.<sup>54</sup>

We consider that it is appropriate for the council to continue to use the ABS Established House Price Index – Sydney as it is a reasonable method to ensure growing land values are recognised for CP15. However, as the index is no longer published, the council should monitor changes in the land values it acquires and review its escalation method accordingly in the next review of its plan. This may mean that council should consider using a land value index that would best reflect changes in prices.

We note that other contribution plans we are currently reviewing propose some form of land value index. For example, we recommended in the Draft Report for *Contributions Plan No.24 – Schofields Precinct (2022)*, which is also in the North-West Growth Area, that an appropriately designed and applied land value index is reasonable.<sup>55</sup>

## Recommendations



7. The council should review the method or index used to value land next time the plan is reviewed.

#### 4.8.2 Updates to construction costs and land acquisitions updates requested by the council

The council requested that the plan be updated to include certain costs that had been omitted in the plan submitted to IPART for assessment.

The council asked that capital costs for a signalised intersection (BHT22 – signalisation of Old Pitt Town Road/Terry Road/Fontana Drive) be updated to reflect actual construction costs.

In addition, the council also requested the plan be updated to reflect refinements to land acquisition for transport items as the progression of design work has identified the need to acquire additional land. These acquisitions include BHT22006, BHR05001, BHR05002, BHR05003, BHR05005, BHR05011, BHR05012, BHRU6B1001, BHRU6B1006, BHRU6B1007, BHRU6B1008, BHRU6B1009, BHRU6B1010, BHRU6B1011, BHT13002, ARU1010, ARU1011, CP15BHT13003, CP15BHT13004, BHR06A1002, BHT14001, BHT14003, and BHT14005.

The council's advice is that these were not included in exhibited version of the draft plan, that no change is required to the scope or cost of the transport item and that most land acquisitions relate to AIF funded transport items.<sup>56</sup>

In addition, the council also requested updates to land acquisition for a further two items to 13 and 15 Nelson Road, which have since been identified as needing further land acquisitions for additional road widening.

Under section 215(5) of the *Environmental Planning and Assessment Regulation 2021* (EPA Regulation) only specified types of amendments can be made to the plan without having to prepare a new contributions plan. These amendments are limited to minor typographical corrections, changes to the contribution rates to reflect quarterly or annual variations (such as CPI or other index figures), and the omission of details concerning works that have been completed.

Ordinarily, the council would be required to prepare a new contributions plan with those updates. We consider that the requested changes are minor amendments. We recommend that the Minister issue the council a written direction under section 7.19(1) of the *Environmental Planning and Assessment Act 1979* to amend the plan to include the updated construction costs and land acquisitions.

#### Recommendations



8. That the council only include the construction costs for BHT22 and updated land acquisitions for identified transport items if the Minister issues a written direction under section 7.19(1) of *Environmental and Planning Assessment Act 1979* requiring the council to amend the plan to include updated construction costs for BHT22 and updated land acquisitions for identified transport items.

### 4.8.3 Assessment against the EPA Regulations and requirements

We have determined that CP15 (2023) contains the information required by section 212 of the EPA Regulation. This clause requires the inclusion of certain information in a contributions plan for the purpose of establishing scope and location.

A summary of our assessment of CP15 (2023) against section 212 of the EPA Regulation is provided in **Table 4.7**.

Table 4.7 Assessment against EPA regulations and requirements

Subsection	Requirement	Location in CP
1(a)	Purpose of the plan.	Section 2.4
1(b)	Land to which the plan applies.	Section 2.3
1(c)	The relationship between the expected types of development in the area to which the plan applies and the demand for additional public amenities and public services to meet that development.	Sections 3.1, 3.2, 3.3, 3.4, 3.5 & 3.6
1(d)	The formulas to be used for determining the section 7.11 contributions required for different categories of public amenities and public services.	Section 2.20
1(e)	The section 7.11 contribution rates for different types of development, as specified in a schedule in the plan.	Section 1
1(f)	A map showing the specific public amenities and public services proposed to be provided by the council,	Section 3.9 (Sheets 1-14)
1(g)	a works schedule that contains an estimate of their cost and staging (whether by reference to dates or thresholds).	Section 3.9 (works schedule)
1(h)	If the plan authorises monetary section 7.11 contributions or section 7.12 levies paid for different purposes to be pooled and applied progressively for those purposes, the priorities for the expenditure of the contributions or levies, particularised by reference to the works schedule.	Section 2.18
3	A contributions plan must contain information about the council's policy about the following— (a) the timing of the payment of monetary development contributions, (b) development levies, (c) the imposition of development contribution conditions or development levy conditions that allow deferred or periodic payment.	Section 2.11 & Section 2.12
4	A contributions plan that provides for the imposition of development contribution conditions or development levy conditions in relation to the issue of a complying development certificate must provide that monetary payments in accordance with the conditions must be made before the commencement of the building work or subdivision work authorised by the certificate.	Section 2.14
5	In determining the section 7.11 contribution rates or section 7.12 levy percentages for different types of development, the council must take into consideration the conditions that may be imposed under section 4.17 (6)(b) of the Act or section 97 (1)(b) of the <i>Local Government Act 1993</i> .	Section 2.5
6	A contributions plan may authorise monetary development contributions or development levies paid for different purposes to be pooled and applied progressively for the different purposes only if the council is satisfied that the pooling and progressive application will not unreasonably prejudice the carrying into effect, within a reasonable time, of the purposes for which the money was originally paid.	Section 2.18

## 5 Recommended contributions rates

Our draft recommended total costs and contribution rates for CP15 (2023) are set out in **Table 5.1**, **Table 5.2**, **Table 5.3** and **Table 5.4**.

Table 5.1 Draft recommended total costs for CP15 (2023) (\$Jun23)

Category	Cost
Stormwater management	95,518,145
Transport	354,380,065
Open space	132,191,427
Plan administration	8,447,655
Land	496,309,556
<b>Total</b>	<b>1,086,846,849</b>

Source: IPART calculations.

Table 5.2 Recommended residential contributions (Killarney Chain of Ponds) rates for CP15 (2023) (\$Jun23)

Type of development	Occupancy (persons/dwelling)	Council proposed contribution (\$)	IPART adjusted contribution (\$)	Difference (\$)	Difference (%)
Subdivision, dwelling house, dual occupancy	3.4	97,518	77,362	-20,156	-20.7
Integrated housing	2.7	77,440	61,435	-16,006	-20.7
Senior housing	1.5	43,022	34,130	-8,892	-20.7
Multi-unit housing rates:					
1 bedroom	1.7	48,759	38,681	-10,078	-20.7
2 bedroom	1.8	51,627	40,956	-10,671	-20.7
3 bedroom	2.5	71,704	56,884	-14,820	-20.7
4 bedroom	3.1	88,913	70,536	-18,377	-20.7

Source: IPART calculations.

Table 5.3 Recommended residential contributions (Second Ponds Creek) rates for CP15 (2023) (\$Jun23)

Type of development	Occupancy (persons/dwelling)	Council proposed contribution (\$)	IPART adjusted contribution (\$)	Difference (\$)	Difference (%)
Subdivision, dwelling house, dual occupancy	3.4	87,975	66,684	-21,291	-24.2
Integrated housing	2.7	69,862	52,955	-16,907	-24.2
Senior housing	1.5	38,812	29,419	-9,393	-24.2
Multi-unit housing rates:					
1 bedroom	1.7	43,987	33,342	-10,645	-24.2
2 bedroom	1.8	46,575	35,303	-11,272	-24.2
3 bedroom	2.5	64,687	49,032	-15,655	-24.2
4 bedroom	3.1	80,212	60,800	-19,412	-24.2

Source: IPART calculations.

Table 5.4 Recommended non-residential contributions rates for CP15 (2023) – per square metre of floor area (\$Jun23)

	Council proposed contribution (\$)	IPART adjusted contribution (\$)	Difference (\$)	Difference (%)
Killarney Chain of Ponds	170.43	163.74	-6.69	-3.9
Second Ponds Creek	154.71	141.92	-12.79	-8.3

Source: IPART calculations.

- <sup>1</sup> Department of Planning and Environment, Developer Contributions – Practice Note, July 2005, p. 2.
- <sup>2</sup> Department of Planning and Environment, [Environmental Planning and Assessment \(Local Infrastructure Contributions\) Direction 2012](#), p 4.
- <sup>3</sup> Department of Planning and Environment, Practice Note – Local Infrastructure Contributions, January 2019, pp 14-16.
- <sup>4</sup> The Hills Shire Council, [Box Hill Environmental Plan Zoning Map](#), September 2020.
- <sup>5</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), August 2014, p 18.
- <sup>6</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, p 22.
- <sup>7</sup> The Hills Shire Council, [Box Hill Release Area](#), accessed 10 October 2023.
- <sup>8</sup> The Hills Shire Council, [Application for assessment of CP15](#), April 2023, p 4.
- <sup>9</sup> IPART, [Assessment of The Hills Shire Council's Draft section 94 Contributions Plan No 15, Box Hill Precinct](#), December 2014.
- <sup>10</sup> The Hills Shire Council, [Application for assessment of CP15](#), April 2023, p 5.
- <sup>11</sup> The Hills Shire Council, [Application for assessment of CP15](#), April 2023, pp 22 – 23.
- <sup>12</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, p 38.
- <sup>13</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, p 31.
- <sup>14</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, pp 28-29.
- <sup>15</sup> The Hills Shire Council, CP15 works schedule.
- <sup>16</sup> The Hills Shire Council, CP15 works schedule.
- <sup>17</sup> The Hills Shire Council, CP15 works schedule.
- <sup>18</sup> The Hills Shire Council, CP15 works schedule.
- <sup>19</sup> The Hills Shire Council Report and Minute, 11 April 2023, p 49.
- <sup>20</sup> IPART, [Assessment of The Hills Shire Council's Draft section 94 Contributions Plan No 15, Box Hill Precinct](#), December 2020, p 63.
- <sup>21</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, p 5.
- <sup>22</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, pp 32-35.
- <sup>23</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, p 28.
- <sup>24</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, p 5.
- <sup>25</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, pp 32-33.
- <sup>26</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, p 34.
- <sup>27</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, p 34.
- <sup>28</sup> The Hills Shire Council, [Application for assessment of CP15](#), April 2023, p 10.
- <sup>29</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, p 27 and The Hills Shire Council, [2019 October Recreation Strategy](#), Accessed 10 October 2023.
- <sup>30</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, p 28.
- <sup>31</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, p 28.
- <sup>32</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, p 41.
- <sup>33</sup> Department of Planning, [Accelerated Infrastructure Fund](#). Accessed 10 October 2023.
- <sup>34</sup> The Hills Shire Council, CP15 works schedule.
- <sup>35</sup> The Hills Shire Council, CP15 works schedule.
- <sup>36</sup> The Hills Shire Council, CP15 works schedule.
- <sup>37</sup> The Hills Shire Council, CP15 works schedule.
- <sup>38</sup> The Hills Shire Council, [Application for assessment of CP15](#), April 2023, p 23.
- <sup>39</sup> The Hills Shire Council, [Contributions Plan No.15 – Box Hill Precinct](#), April 2023, p 29.
- <sup>40</sup> The Hills Shire Council, [Application for assessment of CP15](#), April 2023, p 19.
- <sup>41</sup> The Hills Shire Council, Ordinary Meeting of Council, 11 April 2023, p 48.
- <sup>42</sup> The Hills Shire Council [submission to the Draft Report of Assessment of the Hills Shire Council Contributions Plan No 15 – Box Hill Precinct](#), October 2023, p 11-14.
- <sup>43</sup> Department of Planning and Environment, Developer Contributions – Practice Note, July 2005, p 1.
- <sup>44</sup> Department of Planning and Environment, Practice Note – Local Infrastructure Contributions, January 2019, p 14.
- <sup>45</sup> Department of Planning and Environment, Developer Contributions – Practice Note, July 2005, p 2.
- <sup>46</sup> The Hills Shire Council [submission to the Draft Report of Assessment of the Hills Shire Council Contributions Plan No 15 – Box Hill Precinct](#), October 2023, p 12.
- <sup>47</sup> Department of Planning and Environment, Developer Contributions – Practice Note Financial Management of Development Contributions, July 2005, p 1.
- <sup>48</sup> The Hills Shire Council, Ordinary Meeting of Council, 11 April 2023, p 48.
- <sup>49</sup> The Hills Shire Council [submission to the Draft Report of Assessment of the Hills Shire Council Contributions Plan No 15 – Box Hill Precinct](#), October 2023, p 10.
- <sup>50</sup> The Hills Shire Council, [Application for assessment of CP15](#), April 2023, p 20.
- <sup>51</sup> The Hills Shire Council, Ordinary Meeting of Council, 11 April 2023.
- <sup>52</sup> The Hills Shire Council, Ordinary Meeting of Council, 11 April 2023.
- <sup>53</sup> The Hills Shire Council, [Application for assessment of CP15](#), April 2023, p 20.
- <sup>54</sup> Australian Bureau of Statistics [Update on the Australian Bureau of Statistics work program](#), 30 March 2022.
- <sup>55</sup> IPART [Assessment of Contributions Plan No.24 – Schofields Precinct \(2022\)](#), Draft Report, p. 23.
- <sup>56</sup> The Hills Shire Council [submission to the Draft Report of Assessment of the Hills Shire Council Contributions Plan No 15 – Box Hill Precinct](#), October 2023, p 18.

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