



IPART Independent
Pricing and Regulatory
Tribunal | NSW

Review of our approach to assessing
contributions plans

Final Report

April 2025

Local Government »



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:

Carmel Donnelly PSM, Chair
Dr Darryl Biggar
Jonathan Coppel
Sharon Henrick

Enquiries regarding this document should be directed to a staff member:
Bronwen Sandland (02) 9113 7710
Isaac Di Matteo (02) 9113 7719

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](#).

Contents

1	Executive summary	1
2	Background	3
2.1	Infrastructure development contributions	3
2.2	Local infrastructure contributions	3
2.3	IPART's assessment of contributions plans	4
3	Our current assessment approach	5
4	What we heard	7
5	What improvements are we making?	10
5.1	Timeframes for assessments	10
5.2	Streamlining assessments for previously reviewed CPs	10
5.3	Improving our guidance	11
5.4	Enhancing our engagement	12
5.5	Future improvements	14
6	How we assess CPs against the Practice Note criteria	15
6.1	Assessing essential works	15
6.2	Assessing nexus	15
6.3	Assessing reasonable costs	17
6.4	Assessing reasonable timeframes	22
6.5	Assessing reasonable apportionment of costs	23
6.6	Assessing appropriate community liaison and publicity	24
6.7	Assessing other relevant matters	24
7	Key actions for councils in preparing an application	26
8	Benchmarks and costing guidelines	27
8.1	We have updated our individual benchmarks	27

1 Executive summary

This review has been initiated by IPART to improve our processes for assessing local infrastructure developer contributions plans (CPs) and to update our benchmark costs for local infrastructure.

Our [Terms of Reference](#) require IPART to review each CP in accordance with the assessment criteria set out in the [2019 Practice Note](#), including whether the public amenities and services are on the essential works list and whether the cost estimates are reasonable. Within this framework, IPART has flexibility in determining how to assess CPs.

We have looked at our processes and guidance, consulted with a range of stakeholders and carefully considered feedback on our Discussion Paper¹, to ensure we are continually improving the way we work and providing better outcomes for the people of NSW.

We understand that delays to our assessment of CPs can have a financial impact on both councils and developers. We are refining our assessment process to make it more efficient and effective and improve the experience of our stakeholders. This includes ensuring our CP assessments have a clear timeframe for completion, with the goal to submit a final report to the Minister within 6 months of receiving the council's application.

While we need to consider all the assessment criteria in the Practice Note, we may be able to streamline our assessments of plans we have previously assessed by focusing our assessment on elements of the plan that have changed, drawing on our previous analysis to inform our recommendations where appropriate. We will consider each CP on a case-by-case basis and a balance is needed where plans are in place over several decades, between maintaining consistency of decisions and considering relevant factors and changes in circumstances over time.

We will work with the NSW Department of Planning Housing and Infrastructure (DPHI) to explore possible changes to the Practice Note, that may allow for a focused assessment of one or more criteria in certain circumstances.

We have published our updated [local infrastructure benchmarks](#) for individual infrastructure items, and we will update these periodically. The benchmarks can help councils prepare cost estimates for infrastructure items, especially at the early stages of development and will inform our assessment of reasonable costs.

We considered the feasibility of developing aggregate benchmarks. Based on the feedback about the limitations of the draft aggregates, we will instead publish digital tools that can be used by councils to help them in preparing their CPs. We expect this should assist with IPART's assessments and councils' preparation time.

We have also published an Information Paper which provides guidance to councils about how we assess CPs and the supporting evidence needed from councils to assist us complete our assessments. This should shorten the time it takes us to assess contribution plans. The Information Paper should help councils prepare CPs and minimise the information requests throughout the review process. The Information Paper is now available on our [website](#).

We are improving our engagement with stakeholders to create a clearer and more transparent assessment process and to address any issues as early as possible to prevent unnecessary delays.

We will establish regular online forums for any interested councils and developers, to provide more opportunities for stakeholders to engage with IPART on our role, processes and requirements for CP reviews. We will host the first forum around the middle of 2025.

We are committed to continuous improvement and following implementation of these measures, we will consider whether there is anything else we can do to make our processes more efficient. We will continue to consult with all stakeholders on further enhancements we can make, including whether there might be other opportunities to make our CP assessments faster.

We will advise councils of our progress and any future changes on our website and through our email updates. If you would like to register to receive information about local government, please subscribe for updates on our [website](#).

Figure 1.1 Timeline for our review



2 Background

There are 128 councils across NSW delivering essential goods, services, and facilities to their local communities. They provide local roads, bridges and footpaths; libraries, parks and playgrounds; sporting fields and swimming pools; and public health, childcare, aged care and emergency management services. Councils raise around a third of their total income through the rates they levy on property owners. The remaining income comes from government grants, user fees and charges and infrastructure development contributions.

2.1 Infrastructure development contributions

Infrastructure development contributions are payments made by developers that help deliver infrastructure needed to support their developments. They are a key source of funding for councils and the NSW Government to deliver local, regional and state infrastructure to support our communities.

There are 2 types of infrastructure funded by developers:

- local infrastructure (including local roads, stormwater management, community facilities and open space)
- state and regional infrastructure (including schools, hospitals, state and regional roads, public transport infrastructure, emergency services).

2.2 Local infrastructure contributions

The focus of this report is local infrastructure. In NSW, local councils are primarily responsible for providing the local or community infrastructure required to meet the additional demand for services and facilities generated by new development. Councils can require developers to fund the costs of providing this infrastructure and include the payment of infrastructure contributions as a condition for development consent.

Local infrastructure contributions are generally collected by councils using one of the options available to them under the *Environmental Planning and Assessment Act 1979* (EP&A Act):

- section 7.11 local infrastructure contributions
- section 7.12 local infrastructure contributions.
- Councils can also negotiate with developers to deliver infrastructure through planning agreements.

Section 7.11 contributions are the focus of this review. A section 7.11 contribution is a contribution (either monetary, land or in some cases works in kind) for the provision or extension of infrastructure where development creates the need for that infrastructure.² Section 7.11 contributions are charged under CPs prepared by the council.³

2.3 IPART's assessment of contributions plans

Currently, for a council to charge contributions under a contributions plan (CP) above a threshold of \$30,000 per lot or dwelling in identified greenfield areas and \$20,000 per dwelling in other areas, the CP must be submitted to IPART for review (and the plan has been approved or made in accordance with the written advice of the Minister or Minister's nominee, including with amendments (if any) specified in the written advice).⁴ IPART reviews these plans in accordance with its [Terms of Reference](#)⁵, [Ministerial Directions](#), and the [2019 Practice Note](#), which is to be read in conjunction with the [2005 Practice Notes](#).

IPART's reviews of CPs are important because they signal the reasonable costs of the essential infrastructure needed to support a new development. If councils do not recover these costs at the time of the development, it can lead to significant funding shortfalls, meaning either the council will need to find another source of funding, such as rates, or that the new community may not have all the amenities it needs.

Within this framework, IPART has flexibility in determining how to approach the assessment of CPs. Because each CP and council is unique, we do need to tailor our assessments to individual requirements and use our judgement to make assessments of each of the criteria. We have historically taken a thorough and detailed approach to assessing CPs, which has included a review of the costs of individual components of infrastructure items and seeking advice from expert consultants on specific items in CPs. While we aim to complete assessments of CPs as quickly as possible, most assessments have taken a year or more to complete.

We appreciate that there is significant variation between CPs and not all CPs require the same level of detailed assessment and analysis. Consistent with IPART's strategy and goals, we want our assessment approach to be efficient, effective and relevant. We are refining our approach to CP assessments to complete assessments as quickly as possible, to enable councils to collect contributions when they are needed.

3 Our current assessment approach

As required by our [Terms of Reference](#), we review CPs in accordance with the criteria set out in the [2019 Practice Note](#) summarised below:

- The public amenities and public services in the plan are on the essential works list.
- The proposed public amenities and public services are reasonable in terms of nexus. This means establishing a connection between the land and facilities in a CP, and the demand for them arising from the new development.
- The proposed development contributions are based on a reasonable estimate of the cost of the proposed public amenities and public services.
- The proposed public amenities and public services can be provided within a reasonable timeframe.
- The proposed development contributions are based on a reasonable apportionment of costs, meaning that costs are divided equitably between all those who create the need for the infrastructure.
- The council is required to exhibit its CP and respond to submissions. We assess whether the council has conducted appropriate community liaison and publicity in preparing the CP.
- The plan complies with other matters we consider relevant.

We use a range of information to inform our analysis of contribution plans including:

- Supporting information provided by councils – for example, strategies and needs assessments, quantity surveyor's reports and other consultants' reports.
- Benchmarks – [IPART's 2014 benchmarks](#), [IPART's 2021 Draft benchmarks](#), [IPART's 2025 benchmarks](#) and other relevant industry benchmarks.
- Rawlinson's construction guide – we use this guide to inform our assessment of reasonable costs.
- Information from previous contribution plans – we draw on previous contribution plan assessments to make consistent decisions where appropriate and to inform our analysis of reasonable costs.
- Submissions from stakeholders including the council and DPHI – we test our analysis and recommendations by releasing a public draft report. Any submissions received are considered in our final assessment.
- Expert advice – where appropriate, we may engage an expert to provide specialised advice on infrastructure items included in the contribution plan.
- Additional information – during our assessment, we may request additional information from the council, for example, to explain how it has determined the infrastructure included in the plan and its estimated costs. We may also liaise with DPHI on relevant planning and land zoning matters and the underlying assumptions about proposed development in the precinct.

Figure 2 Steps in an IPART reviewed CP



4 What we heard

4.1.1 Informal consultation

Between August and October 2024, we engaged councils and developers in a series of informal meetings to get some initial feedback on the key issues for our review. We talked to a range of councils, including councils that have recent experience with IPART reviewing their CPs, both greenfield and infill. Additionally, we consulted with councils who had never submitted a CP for IPART review. We also engaged with developers with recent experience with our assessment process and other stakeholders that have made submissions on our CP Assessment draft reports. In total we engaged with 16 organisations, including 12 councils and 4 other stakeholders.

We used the feedback from our informal consultations to inform our Discussion Paper. Key issues from the informal consultations included:

- Most stakeholders welcomed the update to the benchmark costs for local infrastructure items.
- The idea of aggregate benchmarks was generally supported if they resulted in a faster review but there were concerns about how they would be formulated.
- Most councils supported qualitative assessment of open space over the 2.83 hectares per 1000 people, although there were concerns raised about how objective the assessment would be.
- The length of time IPART assessments take was the key concern for stakeholders, noting the financial impact on councils and loss of contributions income during the time it takes for IPART to review.
- Clearer guidance about the material IPART requires when plans are submitted for assessment was broadly supported.
- Stakeholders generally supported engagement with IPART before and throughout the CP review period and one stakeholder proposed that IPART initiate forums for councils and developers.
- Many councils indicated that even with indexing costs, most CPs result in a net shortfall over the lifetime of the plan.
- Although not within our scope, several councils expressed frustration about the contribution rate thresholds not being updated or indexed and noted the limitations of the essential works list, particularly the exclusion of works for community facilities.

4.1.2 Public workshop

Following the publication of our [Discussion Paper](#), we held a [public workshop](#), attended by 99 people from councils, industry, community and other organisations. We published a [summary of the workshop](#) in February 2025. Key themes that emerged from the discussion included:

- the length of time it takes IPART to review CPs
- quantity of open space
- consistency of decisions
- timely delivery of infrastructure
- the assessment of 'other relevant matters'
- contamination of land and remediation costs and
- matters relating to local infrastructure benchmarks including benchmarks for infill development, keeping the benchmarks updated, a benchmark calculator and benchmarks for remediation.

We also heard feedback from stakeholders about broader concerns with the CP framework, which are outside the scope of this review, including:

- requests for updating and/or indexing the thresholds for contribution rates before an IPART review is required
- requests for the inclusion of community facilities in the essential works list
- requests to be able to recoup the costs of asset degradation and maintenance of roads through a CP where the degradation/maintenance requirements are a direct result of the ongoing development
- preference for the use of the Producer Price Indexes (PPIs) rather than CPI for indexing contribution rates.

The legislative framework and policies relating to contributions plans are matters for the Minister for Planning and Public Spaces. We committed to providing feedback on the CP framework to DPHI.

4.1.3 Submissions on our Discussion Paper

In our Discussion Paper, we explored strategies to refine our assessment approach, with the aim to complete our assessments as efficiently as possible. We identified three key areas where we could refine our assessment approach including providing better guidance, enhancing our engagement and focussing on matters that can be addressed through a CP. We also published and sought feedback on our draft benchmark costs for individual infrastructure items and proposed aggregate benchmarks. We received 29 written responses to the Discussion Paper. We published the [non-confidential submissions](#) in March 2025.

Stakeholders provided a range of perspectives and responses to our target questions including:

- broad support for IPART's review and for making our assessments faster
- broad support for additional guidance, however DPHI's submission noted that policy development falls outside the scope of IPART's role
- broad support for more engagement with stakeholders, although most stakeholders did not support expanding consultation on individual CPs
- broad support for local benchmarks, with a lot of feedback on individual benchmark costs
- mixed views on using aggregate benchmarks to assess reasonable costs.

On specific questions:

- Most councils supported the use of a land value index (LVI) to index the cost of land that has not yet been acquired, rather than consumer price index (CPI) however the cost and difficulties of developing a bespoke LVI for the LGA were noted and guidance on how to select on LVI was supported.
- Several councils expressed concerns about the use the Urban Development Program (UDP) growth forecasts as the agreed measure for population forecasts and provided alternatives. Others supported the use of the UDP forecasts in-principle.
- More guidance on reasonable timeframes was generally supported and submissions raised several issues about the factors that impact timely delivery of infrastructure, including market factors, weather, pooling contributions, reliance on borrowing, resources required to ensure contributions are collected and the flexibility needed to adjust timeframes without requiring further review by IPART.
- Stakeholders also sought guidance on the types of plans we have reviewed, and time taken to review, the standards and level of information that councils need to provide, how IPART assesses each of the Practice Note criteria and how to address funding gaps. We also had requests for an optional template for IPART reviewed CPs.
- Several submissions raised the question of how to account for the costs of remediation of contaminated land and sought the inclusion of a contamination factor in the benchmarks.
- There were also issues raised about the broader CP framework which are out of scope of our review, including requests for the contribution rate thresholds to be reset and indexed and changes to the essential works list to include works costs for community facilities.

5 What improvements are we making?

To address the issues outlined above, we are refining our assessment process to make it more efficient and effective and improve the experience of our stakeholders. These refinements include:

- ensuring our CP assessments have a clear timeframe for completion, with the goal to submit a final report to the Minister within 6 months of receiving the council's application
- streamlining assessments of CPs we have previously reviewed, where appropriate
- providing better guidance for councils to ensure councils understand how we assess CPs, what we consider and what supporting documents we need to make our assessment
- enhancing our engagement with councils and other stakeholders, including early engagement with councils and stakeholder forums
- updating our benchmarks for individual local infrastructure items.

5.1 Timeframes for assessments

We understand that the length of time our assessments take is the key concern for councils and this issue consistently raised in feedback on the Discussion Paper and in our workshop and informal consultation. We acknowledge that there can be a financial impact on council while CPs are under review.

We always aim to complete our assessments as efficiently as possible. Our goal is to complete our assessments within 6 months. Because each council and each CP is unique, some CPs will take longer than others to assess. Once we have completed a preliminary assessment, or earlier through early engagement with the council, we will discuss the expected assessment timeframes based on the CP and the context.

If the CP is supported by all the relevant documents and costs are consistent with the benchmark ranges, we will be able to complete our assessment more quickly. Our assessment is likely to take longer to finalise if the CP is more complex, if relevant documentation has not been provided, if costs significantly differ from the benchmarks, or if stakeholders raise significant issues through consultation on our draft reports.

We are updating our assessment processes and internal guidance to facilitate a consistent approach to assessments where appropriate and to minimise the delays that are within our control.

5.2 Streamlining assessments for previously reviewed CPs

In conducting our review of a CP, we are required to assess the CP against all criteria in the Practice Note. In the context of a previously and recently reviewed plan, while considering all criteria, we may be able to focus our assessment on elements of the plan that have changed, drawing on our previous analysis to inform our recommendations where appropriate.

The extent to which this is appropriate may depend on the type of changes made to the plan. For example, if the changes are fundamental and impact all areas of the plan, such as changes to the area or population, we will need to consider the impact on all criteria. However, for example, if the updates are only to update costs of the infrastructure, we may be able to focus our review on reasonable costs and draw on our previous assessment of other criteria to assist us in assessing the other criteria more efficiently.

We will consider this on a case-by-case basis, noting that where a CP is in place over several decades, consideration of changes in the circumstances is needed and previous assessments may not be appropriate in the current conditions and context.

In addition to streamlining our assessments where possible within the current framework, we will work with DPHI to explore possible changes to the Practice Note, to allow for a focused assessment of one or more criteria in certain circumstances.

5.3 Improving our guidance

In our Discussion Paper, we proposed to develop better guidance materials, including an updated application form and other tools, to ensure that councils know what information needs to be provided when they submit their CPs for review. We proposed to develop guidance on the use of a land value index, population forecasts, reasonable timeframes and other relevant matters. We also asked stakeholders if there were any other areas they wanted guidance on.

Submissions on our Discussion Paper broadly supported additional guidance, however DPHI's submission noted that policy development falls outside the scope of IPART's role. We agree that policy development rests with DPHI.

We have updated our guidance to councils on our assessment approach, focusing on how we assess plans, and the documents and evidence we will need to support our assessment. We think this should minimise the additional information requests made to councils throughout the review process.

We have developed an [Information Paper](#) to provide guidance to councils about how we assess CPs and what information we need from councils to help us complete our assessments as efficiently as possible. Our Information Paper is available on our [website](#).

The Information Paper focuses on how we typically assess each of the assessment criteria and the types of supporting information we need councils to provide to assist us to make an assessment. We also provide examples of how we have approached assessing each criterion in recent CPs we have reviewed. If councils ensure that their applications include all the required information and supporting documentation, this will limit the number of information requests we need to make to councils.

We have updated our website to make our information more accessible. We have also updated our application form and we recommend that councils complete this accurately and with as much detail as possible. This will ensure that we have all the information we need up-front so we can make assessments more quickly.

We have published updated [benchmarks](#), and we are also developing an interactive benchmark tool that will allow councils to input their information to check reasonable costs against the updates benchmark rates. We will test this with councils before launching on our website.

5.4 Enhancing our engagement

IPART is required to consult with DPHI, the relevant council, and 'any other person IPART considers appropriate' under the Terms of Reference. We are improving our engagement with stakeholders to create a clearer and more transparent assessment process and to address any issues as early as possible to prevent unnecessary delays.

5.4.1 Engagement with DPHI

We meet regularly with the local infrastructure team in DPHI to discuss the progress of our assessments and future CPs as well as broader matters of policy and process. We are committed to working with DPHI to facilitate a smooth application and assessment process for councils and other stakeholders.

5.4.2 Engagement with councils

Prior to receiving a CP for review, we encourage councils to contact us so that we can ensure councils are aware of the information we need to complete our assessments, and the application can be prepared accordingly. We also aim to proactively reach out to councils when we understand the council is considering or developing a CP for IPART's review. We consider this early engagement is critical in ensuring an efficient and effective review process.

Ideally, councils should contact us during the development of the CP, before the public exhibition period. This will allow us to review the CP and understand the unique aspects of the plan before it is submitted to IPART for review. It will also mean we can ensure we have suitable staff and resources available to assess the CP. Early engagement will ensure the CP meets the Practice Note criteria and the application includes all the supporting documentation needed for the application. It will also allow councils to familiarise themselves with the application process and requirement.

Once we receive a CP for review, we establish regular meetings with the council throughout the review process. This provides an opportunity for councils and IPART to raise and address any issues early.

We also aim to arrange a site visit with the council early in the assessment process where appropriate. This helps the Tribunal or delegated Committee to visualise the development and more clearly understand site constraints and local conditions.

5.4.3 Engagement with other stakeholders

We usually consult with other stakeholders through submissions on our draft reports, however we recognise that sometimes other parties have a key role in the development of a CP. We will be proactive in consulting with developers and other key stakeholders to ensure that we understand relevant stakeholder views as early as possible.

5.4.4 Stakeholder forums on IPART assessment process

Through our consultation on this review, we heard that stakeholders would appreciate more regular opportunities to engage with IPART.

We will establish regular forums for any interested councils and developers, to provide more opportunities for stakeholders to engage with IPART on our role, processes and requirements for CP reviews. Forums will provide opportunities for IPART to provide guidance to councils on the CP application and review process and allow councils and other stakeholders to ask questions or raise other matters. We will hold forums online to make them accessible for stakeholders across NSW.

There was mixed feedback on whether we should hold separate forums for councils and developers or a single forum for all parties. Some stakeholders thought it would be more appropriate to hold separate forums because the questions and issues impacting councils are different to those affecting developers or other stakeholders. Others thought it would be more useful to hold joint forums for councils and developers, to allow the parties to understand issues from different perspectives.

We have decided to establish a pilot forum program, including both joint and separate meetings with councils and developers. We will seek feedback and review the experiences of all options and determine the best way forward. We will host the first forum around the middle of 2025.

5.4.5 Stakeholder workshops on individual CPs

In our Discussion Paper, we also asked stakeholders whether they would support IPART hosting stakeholder workshops on individual CPs. We thought this might allow key stakeholders, including the council, developers and landowners, to discuss any specific issues at the start of our review process and therefore allow us to consider these issues before issuing a draft report.

The feedback we received about this proposal was varied. While some did not support the proposal because of concerns that this would add time to the review process, others thought they might be useful.

We understand that most stakeholders are keen for reviews to be completed as quickly as possible and therefore we have decided not to implement stakeholder workshops on individual CPs as a standard process. We will continue to engage with councils as early as possible and regularly throughout the assessment process. We will also identify other relevant stakeholders at the start of our review and be proactive about engaging with them.

5.4.6 Submissions

Submissions on our draft reports are important to our assessment process. They often raise important questions or issues that have an impact on our final report and recommendations.

We will continue to seek submissions on our draft reports, typically with a 4-week consultation period.

In our Discussion Paper, we also sought feedback on whether there was support for inviting submissions on the CP as soon as we receive the council's plan. This would be in addition to seeking submissions on our draft reports.

Our reason for suggesting this was so we could understand any stakeholder concerns about the CP as early as possible in our review process. Sometimes we are not made aware of issues until we receive submissions on our draft reports. These issues can necessitate additional research and consideration, consultation and further requests for information and result in delays in completing our final report or in some cases require us to issue an additional draft report prior to finalising the review.

We understand stakeholder concerns that an additional consultation period may result in a longer timeframe for assessments.

Councils generally provide information about the exhibition of the CP and submissions received. However, councils do not always provide information about how it responded to the issues raised during the exhibition or what changes the council made to the CP in response to the feedback it received.

We will therefore ask councils, when they apply to IPART for review, to provide information about how it has addressed stakeholder feedback, or the reasons for not agreeing with the matters raised by stakeholders. We will also ask the council to provide a summary of changes made between the exhibition and application versions of the CP and the reasons for the changes. This will ensure that IPART and other stakeholders understand how concerns have been addressed and will highlight any outstanding issues earlier in the assessment process.

5.5 Future improvements

We are committed to continuous improvement and following implementation of the measures outlined in this report, we will consider whether there is anything else we can do to make our processes more efficient. We will continue to consult with all stakeholders on further enhancements we can make, including whether there might be other opportunities to make our CP assessments faster.

We will work with DPHI on potential updates to the Practice Note that could facilitate targeted IPART assessments of CPs that we have previously assessed and that meet certain conditions.

We will advise councils of our progress and any future changes on our website and through our email updates. If you would like register to receive information about local government, please subscribe for updates on our [website](#).

6 How we assess CPs against the Practice Note criteria

Our [Information Paper](#) provides detailed information about how we assess the Practice Note criteria, the information we require from councils to justify their claims against the criteria and examples of our assessments of the criteria from previous CPs we have assessed. This section provides a summary of our assessment of the Practice Note criteria and our considerations of the feedback we received on specific assessment considerations that we raised in our Discussion Paper.

6.1 Assessing essential works

Councils must ensure that CPs only seek to charge contributions from developers for public services and amenities that are consistent with the essential works list. Councils and developers may make agreements to fund additional infrastructure for the new community, for example, through voluntary planning agreements, however CPs reviewed by IPART can only include infrastructure consistent with the essential works list.

We review the council's work schedule to assess whether the planned infrastructure in the CP is consistent with the essential works as detailed in the [2019 Practice Note](#).

Councils should ensure that all infrastructure listed in the work schedule is clearly included on the essential works list. For existing CP with contributions that were originally below the cap, it will be important for the council to carefully review its works schedule against the essential works list before submitting the CP to IPART for review.

The essential works list is not detailed. There are cases where infrastructure items are not explicitly identified or excluded from the essential works list. In these cases, councils should explain why the infrastructure is needed by the community and considered essential.

During all our consultations on this review, councils raised concerns about works for community facilities not being included on the essential works list. We acknowledge these concerns, however the essential works list is a matter for the Minister for Planning and Public Spaces and is out of scope of IPART's review. We have passed this feedback on to DPHI.

6.2 Assessing nexus

Councils must establish the relationship between the development and demand that the development creates for public amenities or services. To assess whether nexus is reasonable we review the technical studies, such as needs assessments, open space strategies, traffic management studies and stormwater management studies. We compare the infrastructure proposed in the CP with the recommendations or findings in the technical studies. If there are differences between the studies and the infrastructure proposed in the CP, the council should provide evidence to support these decisions.

6.2.1 Population growth

Population growth forecasts are critical for determining the delivery of development, land supply, and infrastructure. If growth in an area is underestimated, an unforeseen population increase can occur, or population growth can be higher than anticipated over the life of a CP. A higher population may mean that more or different infrastructure is needed to meet the higher demand, resulting in higher costs for the council.

In our Discussion Paper we sought feedback on whether stakeholders supported IPART using the NSW Government's [Urban Development Program](#) (UDP) growth forecasts as the agreed measure for population forecasts when assessing CPs.

Several submissions raised concerns about using the UDP growth forecasts. Stakeholders had specific concerns that the UDP forecasts are too generalised, particularly when considering precinct level CPs that may have different growth forecasts to the local government area or region more broadly. Many councils have commissioned a more detailed and accurate analysis of expected population growth as part of preparing a CP. Other councils supported the use of UDP growth forecasts in-principle. Broadly councils considered that the growth forecasts it uses should be a matter for council, based on the best information available, whether that is the UDP, or studies commissioned by the council.

The critical issue for IPART when assessing CPs is that the population measure in the CP is consistent throughout the CP, in the studies used to establish the infrastructure requirements and in the underlying planning instruments. Inconsistencies arise when councils use different population forecasts throughout the CP and we will need to investigate this further if this is the case. There may be circumstances where the supporting studies relied on population data that has since been updated. In such cases, the councils should ensure that this is clearly explained in the application and other supporting documentation.

6.2.2 Nexus for open space

In our Discussion Paper we asked stakeholders whether they supported a performance-based approach to assessing nexus for open space consistent with the Draft Greener Places Design Guide⁶. While some submissions supported the proposal in-principle, many stakeholders raised concerns about the status of the Draft Greener Places Design Guide, particularly that it has not been finalised following consultation. Other stakeholders raised concerns that a statewide guide may not adequately address local and regional issues. Some feedback suggested that we should continue to assess the provision of open space against the Growth Centres Development Code standard (2.83 hectares per 1,000 residents)⁷.

We acknowledge the concerns about the status of the Draft Greener Places Design Guide however we think there are principles in the Guide that can be applied to our assessment of nexus for open space. For example, it sets out qualitative measures to allow more innovation in planning and more efficient use of land for recreation. The focus is on the quality of the outcome, rather than just the quantity of land.⁸

We also acknowledge concerns that we are moving away from assessing open space against an objective standard and toward a subjective assessment approach. We do not have concerns about councils and planners using the 2.83 hectares per 1,000 people standard. However, we understand that decisions about the provision of open space are usually determined through planning instruments, before the CP is developed and submitted for IPART assessment. Therefore, if IPART were to make recommendations that the council increase or decrease the amount of open space in a CP, this may create inconsistency with the planning instruments underpinning the development and would be unlikely to be accepted by the Minister. We do assess the amount of land provided for open space to ensure it is consistent with planning instruments and other strategies or needs assessments commissioned by the council.

We also understand that the standard might not be achievable for every local government area. For example, for urban infill and higher density development, additional land for open space is limited and meeting the standard may not be achievable. Conversely, in greenfield development sites and regional areas, there may be a much higher provision of open space based on the availability and cost of land and expectations of local communities.

Our [Information Paper](#) provides more information about assessing nexus for open space and examples of our assessment considerations, where the provision of open space is higher or lower than the standard.

6.3 Assessing reasonable costs

We are required to assess whether the proposed development contribution is based on a reasonable estimate of the cost of the proposed infrastructure. We have updated our [local infrastructure benchmarks](#), which may support councils to determine costs, especially in the early stages of a plan where detailed design and planning has not yet taken place.

Benchmarks are necessarily general in nature, and we understand that costs may diverge from the benchmarks for several reasons. Councils should always use detailed cost estimates, such as quantity surveyor costings, valuations, quotes, evidence of actual costs or other independently validated documentation to justify costs, where they are available.

Where costs are within the range of our updated benchmarks, we expect our assessment of reasonable costs will be more straightforward and time efficient. However, there may be valid reasons why councils' costs are not within our ranges for determining reasonable cost. In this instance, councils should explain the contributing factors, such as geographical constraints or flood mitigation, and justify the costs. Councils should also provide supporting evidence to justify the costs, such as quantity surveyor reports or other evidence.

If IPART does not have sufficient, we will need to undertake further analysis and possibly engage expert technical studies. This would likely necessitate a longer timeframe to assess reasonable costs.

In cases where there is no benchmark for a particular item, or the cost is significantly higher or lower than our benchmarked cost, we will compare these items with similar items in other CPs we have previously assessed. This will inform our assessment of whether costs in the plan are reasonable.

We know that in the early stages of a CP, there is greater uncertainty about costs. Our assessment approach will consider the level of uncertainty about costs and focus on whether the overall costs for an infrastructure category (i.e. transport, open space, and stormwater) are reasonable by assessing against high-level benchmark ranges for that infrastructure category.

Regular updates to CPs, particularly the costs in plans, can help councils to manage potential future funding gaps. To support councils with more regular reviews, we are aiming to review plans more quickly in certain cases, for example where we have previously reviewed plans and there are limited amendments.

6.3.1 Aggregate benchmarks

In our Discussion Paper, we explored the possibility of developing aggregate benchmark ranges for each infrastructure category to help us assess reasonable costs more efficiently.

We engaged Genus Advisory to provide advice on developing benchmark cost ranges for stormwater, transport and open space embellishment. Genus Advisory used the total base construction costs for transport, stormwater, and open space works in CPs from 2018 to 2024 to establish an indicative aggregate range for each category of infrastructure.^a The aggregate cost ranges were on a cost per metres squared of net developable area and cost per person basis and exclude factors such as council on-costs and contingency. Genus Advisory used a 'top-down' methodology based on a greenfield development scenario only.

Feedback on the draft aggregate benchmarks was mixed. There was some support for the principle of using aggregate benchmarks to assess reasonable costs. Several stakeholders raised concerns about the applicability of the aggregate benchmarks for infill development and in regional areas, since the basis of establishing the aggregate benchmarks only considered greenfield development. Some stakeholders suggested a 'bottom up' approach to developing aggregate benchmarks would be more appropriate.

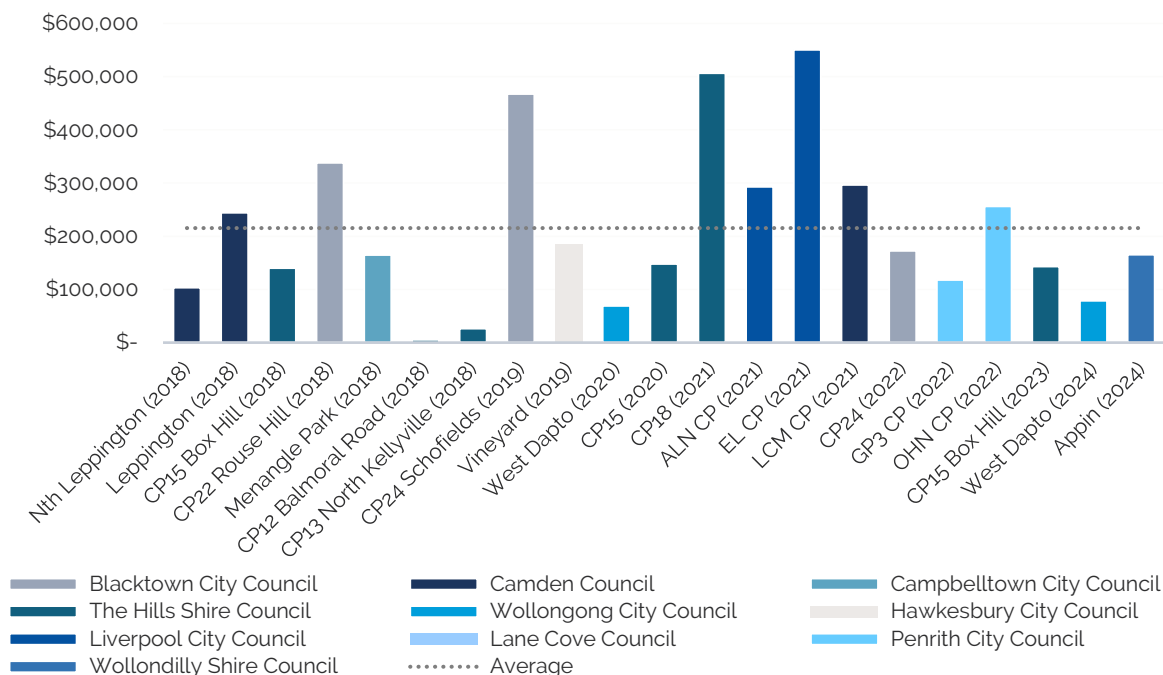
We carefully considered the feedback and methodology used to develop the draft aggregate benchmarks. We have determined that the limitations of the draft aggregate benchmarks outweigh the possible benefits of using them to determine reasonable costs. In particular, because this methodology has been developed using costs itemised in the work schedules of CPs we have reviewed, it may not reflect the total infrastructure costs for the development, for example works-in-kind or voluntary planning agreements. The aggregates were only developed for greenfield developments and were determined using a top-down methodology based on previous CPs IPART has assessed.

We have already used a comparative aggregate approach in our past reviews, as a general sense check of infrastructure costs in the assessment of reasonable costs in recent plans in addition to our assessment of individual infrastructure items. Figure 6.1 and Figure 6.2 below are examples of the comparisons we do as part of our assessment of reasonable costs.

^a IPART provided Genus Advisory with infrastructure construction costs from 2018-2024 contribution plans, indexed to 2024 dollars. We note that, in some instances, the total base construction costs provided were approximate or IPART may not have determined the costs as reasonable in our assessment of the plan. Actual costs from developers or councils have not been included in Genus Advisory's development of the aggregate cost ranges.

We will continue to use this approach however it will continue to be a tool in our assessment of reasonable costs, rather than replacing our detailed assessment of costs.

Figure 6.1 Stormwater works costs per hectare of net developable catchment area

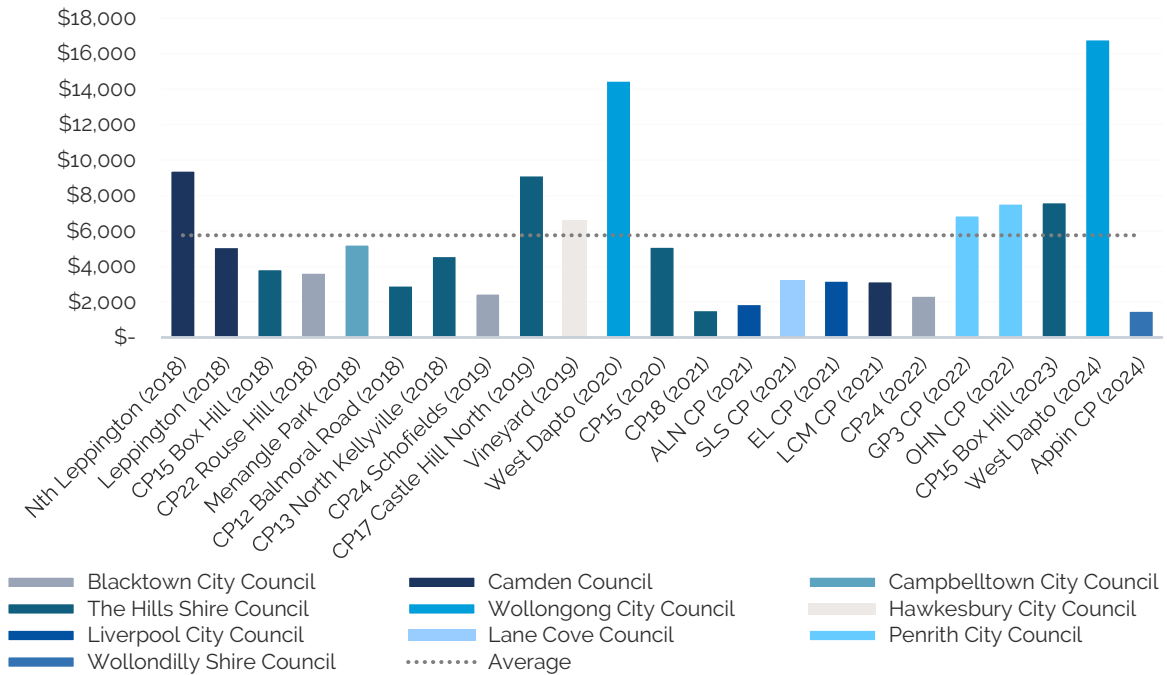


Notes: This is an example of using average costs for stormwater in our analysis of the Appin Growth Area Contributions Plan 2024, as stormwater costs per hectare of net developable catchment area⁹.

We note that we have recently reviewed the efficient costs and cost allocation of providing stormwater drainage services within the Mamre Road Precinct. Our aggregate benchmark range for stormwater costs only considers \$7.11 contributions that councils can levy from developers in a contributions plan and no additional water charges that may arise, such as where a catchment has more stringent waterway flow and quality targets.

Source: IPART analysis.

Figure 6.2 Transport works costs per person of total forecasted population (\$Dec-23)



Note: This is an example of using average costs for transport in our analysis of the Appin Growth Area Contributions Plan 2024, as transport costs per person of total forecasted population.¹⁰

Source: IPART analysis.

6.3.2 Assessing reasonable cost for land acquisitions

As part of our assessment of reasonable costs, we need to assess whether land costs included in a contribution plan are reasonable. Land is a major source of costs within CPs across NSW, but particularly for councils in the Greater Sydney Area. In our [2020 Information Paper: Contribution plan assessment: land costs](#), we found that land made up 42% of the assessed reasonable costs in CPs IPART assessed between October 2011 and July 2020. A review of 7 CPs we have recently assessed indicates that land costs represented on average 43% of the total proposed costs within the plans.¹¹

Our current approach to assessing land costs differs between land that is already acquired, and land that has yet to be acquired.¹² For land already acquired, we consider that reasonable costs are the acquisition cost for land indexed by the Consumer Price Index (CPI) as required under the EP&A Regulations.¹³

For land that is yet to be acquired, we consider several factors including:

- council's proposed method of determining land costs^b
- the proposed values for each underlying zoning^c or the market valuation for each acquisition^d
- the application of proposed values (if used) including zoning assumptions
- the value of any proposed just terms compensation, and
- the value of any other proposed costs, including conveyancing costs.

In recent years, there has been a significant increase in land values, with the value of residential land growing faster than CPI. The discrepancy between CPI and land values can mean a council does not receive enough revenue from contributions to fund the land required for a development.

One way contribution rates can better reflect the changes in land costs is by adopting a land value index. For example, in our [Assessment of Blacktown City Council Contributions Plan No 24 - Schofields Precinct \(2022\)](#) we recommended that the council could adopt a bespoke land value index provided that the index reflected change in the value of the types of land that the council needed to acquire and only applied to land it was yet to acquire.¹⁴ We broadly support councils adopting a LVI for land not yet purchased so that land costs in the plan keep up to date with changes in land values.

In our Discussion Paper we asked whether stakeholders supported using a suitable land value index to update land costs. Most councils supported the use of a LVI, especially when faced with a choice between LVI and CPI. Some councils noted that it is not always appropriate or possible for councils to develop a bespoke or local LVI, for example where sales data isn't available for a new development. Some submissions also noted that the costs of commissioning, developing and updating a local LVI may be too high and too resource intensive for some councils. Several submissions requested that IPART provide guidance on options for LVIs and how to select an appropriate LVI.

We have updated our guidance on land costs in our [Information Paper](#), including examples of LVIs in CPs that we have previously assessed¹⁵.

6.3.3 Including costs for remediation of contaminated land to be acquired

A key issue raised by stakeholders in informal consultation, workshop and formal submissions was how to account for the costs of remediation of contaminated land that is yet to be acquired, particularly when the council does not have access to the land to undertake detailed investigations or sampling to confirm the level of contamination.

The [2005 Practice Notes](#) state that capital funding under Section 7.11 includes "...the costs of land acquisition including all things necessary to bring the land into council ownership and to a standard suited for the end use".¹⁶ We consider this to include costs related to contamination when acquiring land for development contingent public infrastructure.

^b For example, based on average values or on valuations of individual properties.

^c Where average values are used.

^d Where individual valuations are provided.

We expect councils to undertake due diligence when acquiring land and expect that contamination should be reflected in the value of the land. We understand that in some cases the level of contamination is not known and, in some cases, despite due diligence, contamination is discovered after the land has been acquired. If councils cannot access the land to investigate the level and type of contamination, we recommend that the council commission a desktop review of the site by a suitably qualified environmental consultant to determine the likelihood of contamination based on past land uses to determine the cost of remediation for the planned acquisition.

We understand that past land use is reasonable predictor of the type and level of contamination and that the remediation for contamination types is also reasonably predictable, requiring the removal of soil to a certain depth depending on the type of contamination. We consider this would be suitable evidence to provide IPART to justify additional costs to the plan for the acquisition of contaminated land and related remediation works.

We have included guidance on acquiring contaminated land in our [Information Paper](#).¹⁷

Our [local infrastructure benchmark costs](#) have also included a unit rate for contaminated waste disposal as part of the land remediation process, based on benchmark assumptions (i.e. area and thickness).

6.4 Assessing reasonable timeframes

The [2019 Practice Note](#) requires us to consider whether the proposed infrastructure can be delivered within a reasonable timeframe. The 2019 Practice Note makes reference to the 2005 Practice Notes which are still in force. The 2005 Practice Notes outline the risk factors of CPs including the timing of contributions and the timing of expenditure on works and land acquisition.¹⁸ As part of our assessment of a CP, we consider whether the infrastructure in a plan will be supplied within a reasonable period.

The timing of the delivery of infrastructure should keep pace with expected population growth in the development area. Significant issues have arisen when the delivery of infrastructure has not kept pace with the development in the relevant area. If the infrastructure is not in place, new communities may move into areas with inadequate public services and amenities. In some cases, developers have had to provide temporary works so they could progress residential development.

Regular reviews of CPs during their lifetime allow councils to refine designs and cost estimates for infrastructure, review the staging of infrastructure provision, and use up to date population estimates. Up to date CPs are more likely to reflect the current infrastructure needs and costs. Councils should consider the benefits of providing more infrastructure early to ensure efficient and orderly precinct development.

We often need to seek more detail from councils on the timing of infrastructure delivery. As part of its application, the council should provide a work schedule that details timing for delivery of each infrastructure item/group and evidence that the work schedule is supported by consideration of expected timing of contributions (i.e. cash flow) or planning agreements for in-kind infrastructure delivery.

Through our consultation, councils and other stakeholders broadly supported more guidance on reasonable timeframes, noting the complexities of delivering infrastructure and timing of contributions. Councils sought guidance on pooled funding. Councils also noted the resourcing required to ensure contributions are paid. Concerns about reliance on borrowing to deliver infrastructure were raised in submissions. One submission suggested that flexibility is needed to respond to changes in timeframes and councils should be able to adjust timeframes without triggering re-submissions to IPART. Some of these issues are matters for the Minister and we have referred these to DPHI for consideration.

We have updated our guidance to councils on our assessment of reasonable timeframes.¹⁹ The object is to ensure the council has a detailed and realistic plan for the delivery of infrastructure, while recognising this will vary, depending on the stage of the plan and that it is likely change as the development progresses and infrastructure is delivered.

6.5 Assessing reasonable apportionment of costs

The [2019 Practice Note](#) requires us to assess whether the proposed development contribution is based on a reasonable apportionment between existing demand and new demand for public amenities and services and different types of development that generate new demand for the public amenities and services, for example between residential and non-residential development.²⁰

In our Discussion Paper we asked stakeholders whether there were other areas of IPART's assessment of CPs that they would like guidance on. Feedback suggested that guidance on the key principles, including apportionment, would be helpful, including examples from previous CPs we have assessed. We have provided detailed guidance in our [Information Paper](#) on how we typically approach issues, drawing on examples.²¹ We note that that IPART is not bound by its previous decisions and will make the decision it considers appropriate having regard to all the relevant information in the circumstances.

Councils should be clear about the percentages of residential and non-residential development based on net developable area (NDA) for each type of development and the methodology used to determine this, for example technical studies or mapping. These percentages should then be reflected in the apportionment of costs based on the impactor or beneficiary pays principle. That is, the contributions should be allocated to individual or group whose activities generate the need and costs of the amenities and services.

Generally, we assume that transport, stormwater and plan administration costs should be allocated to residential and non-residential development, even where the percentage of non-residential development is very small. If councils do not allocate a percentage of costs to non-residential development, the reasons for this should be justified.

Open space costs are generally only allocated to residential development because residents, rather than commercial and industrial developers, will be primary users of parks, playing fields and other open spaces. This is the same as land for community facilities.

Sometimes infrastructure will service people from both inside and outside the CP area, for example, roads or district playing fields. It is important for councils to determine the percentage allocated to the CP and outside the CP and explain the reasons for determining those allocations. If councils determine that all costs should be allocated to the CP area, they will need to provide justification for this.

6.6 Assessing appropriate community liaison and publicity

The [2019 Practice Note](#) requires us to consider whether the council has conducted appropriate community liaison and publicity in preparing the contributions plan.

In our Discussion Paper we sought feedback on proposals to increase engagement on individual CPs, such as inviting submissions on CPs and holding stakeholder workshops. As we discussed earlier, we had mixed feedback about these proposals and have determined that the best way forward is to seek more information from councils on the exhibition and post-exhibition outcomes, rather than potentially duplicating the community liaison process undertaken by councils.

To demonstrate that the council has conducted appropriate community liaison and publicity, the council should provide:

- details about exhibition period and how this was publicised
- copies of the submissions received by councils
- a summary of submissions received including the key issues raised and the council responses to issues raised by stakeholders
- a summary of changes made to the CP in response to submissions received and reasons for the changes
- copies/details of any media about the public exhibition of the CP.

Guidance about community liaison and publicity is provided in our [Information Paper](#).²²

6.7 Assessing other relevant matters

One of the criteria used by IPART to evaluate CPs is that the plan complies with any other matters IPART considers relevant. These matters vary from plan to plan.

In our Discussion Paper we asked stakeholders if they had feedback on IPART's proposal to develop guidance on how we identify and assess 'other relevant matters'. Most councils that responded to this question supported additional guidance. One council stated that it may not be beneficial given the range of matters and uniqueness of each CP and noted that engagement with councils and IPART as part of the preparation and assessment of the plan would be more effective.²³ Councils sought examples of what IPART has identified as other relevant matters. We have provided more detail and examples in our [Information Paper](#).²⁴

We note that this criterion is very broad, and it is impossible to pre-empt every matter that arises in a CP. Most of the matters we identify are matters that the council would be aware of, such as unique circumstances or issues identified in the local area. Councils should provide information about these matters and any expected impact, for example on reasonable costs or timing. Councils should also flag matters that are relevant to the local government area but are not expected to impact the CP, and the reasons why. Some examples include:

- details about any relevant planning decisions or pending decisions that may impact the CP, for example, state environmental planning policies, local environment plans, conservation management plans and development control plans
- details about any issues in the CP area or in the surrounding area, for example Aboriginal cultural heritage, conservation, local state or national heritage places and how the council is addressing these issues
- details about any contentious issues, protests or media attention relating to the area of the CP or the surrounding area.

We have provided more guidance on other matters that we have previously considered relevant in our [Information Paper](#).

Sometimes stakeholders ask us to consider whether the council's infrastructure design or planning decisions are appropriate or the zoning of land within the CP is suitable. Councils are responsible for planning, designing, and delivering infrastructure and comprehensive planning has usually taken place by the time a CP comes to IPART for review. We consider that the council and DPHI are responsible for planning matters, and we will not make recommendations that relate to planning decisions that have already been made.

7 Key actions for councils in preparing an application

Councils should ensure that the CPs submitted to IPART only include infrastructure that is consistent with the essential works list. This is particularly important for councils that are submitting an existing CP that was previously under the threshold and therefore was not previously subject to the essential works list.

The council should also provide details about the community consultation that has been undertaken prior to submission. We often find that stakeholders provide similar feedback to IPART on our draft reports to what they have already provided to councils on their exhibited CPs. It would support our assessment if councils close the loop on feedback they receive on their exhibited CPs by publishing the feedback and responses to feedback, including how the council has addressed feedback and if it resulted in changes between the exhibited CP and the CP submitted to IPART. This will provide more transparency for stakeholders and limit stakeholders trying to re-prosecute arguments that have already been addressed.

If there are exceptional factors that IPART should consider in our assessment, the council should provide this information at the time of lodging their CP for assessment. Providing all this information will support a faster assessment of the CP and will limit the number of times we need to seek further information from councils.

Where we need more information from councils to complete our assessment, and information requests remain outstanding, we may publish a draft report which identifies the matters we require further information on to complete our assessment. This allows the review to progress by concurrently seeking information and consulting on the report, reducing the overall timeframe for completing the review. We recently took this approach when assessing Penrith City Council's Orchard Hills North and Glenmore Park Stage 3 CPs.

We are required to review CPs in accordance with the [2019 Practice Note](#) criteria including that amenities and services are on the essential works list and demonstrate nexus to the development, reasonable costs, reasonable timeframe, reasonable apportionment of costs, community liaison and publicity as well as other matters we consider relevant.

Councils can support a quicker and more efficient assessment by providing all the documents used to make decisions about the infrastructure in the CP and evidence to support their claims against all the criteria.

8 Benchmarks and costing guidelines

The [2019 Practice Note](#) requires us to assess whether the proposed development contribution is based on a reasonable estimate of the cost of the proposed infrastructure. This is designed to make sure local development contributions are based on reasonable costs and only fund development contingent costs.

Our approach to date has been to thoroughly assess each item of infrastructure in a CP to determine whether costs for those items are reasonable. Generally, where costs have exceeded our 2014 local infrastructure benchmarks and/or similar items in other plans we have assessed, we have recommended cost reductions to individual infrastructure items. We have usually applied this approach regardless of the stage of the plan, including whether the plan has been subject to a previous IPART review.

We acknowledge that a focus on precise costs is not always possible or viable, particularly in the early stages of a CP, when councils are relying on concept designs and cost estimates. While some of the uncertainty in costs can be accounted for through contingency allowances, recent experience indicates that costs are most likely to continue to increase over the lifetime of a CP.

8.1 We have updated our individual benchmarks

We engaged Genus Advisory to provide advice on updating our benchmark costs for local infrastructure items. We have updated our local infrastructure benchmarks to ensure the individual items are still relevant, to update the cost and scope of individual items and to develop costing methodologies for adjustment factors. The updated [Benchmark costs for local infrastructure report](#) is available on our website.²⁵

8.1.1 Feedback on our benchmarks

In our Discussion Paper, we asked for feedback on the local infrastructure benchmark list of items and costs. We received detailed feedback from a number of stakeholders that we provided to Genus Advisory to consider when finalising the benchmarks.

A summary of the feedback and our response is shown in Table 8.1 below.

Table 8.1 Summary of the feedback received on our benchmarks

Feedback	Response
Councils requested additional items to be benchmarked.	<ul style="list-style-type: none"> A few common items have been added in the Final Benchmark Report, such as bins and bubblers for open space, and guardrails for transport. Many items were specific to individual councils' community expectations or not consistent with the essential works list and therefore did not suit the common items included for benchmarking, such as fishing facilities or ocean baths.
Councils provided technical suggestions related to item scopes, costings, and adjustment factor methodologies.	<ul style="list-style-type: none"> Select scopes, costings, and methodologies have been updated where appropriate. Some councils provided cost information that was specific to the site and may not be applicable to the infrastructure item more broadly. Benchmarks are designed to reflect standard assumptions, and it is not practical to develop benchmarks that reflect the full range of site-specific or unique circumstances. and anecdotal information, but the benchmarks cannot be a bespoke estimate and are based on standard assumptions.
Councils called for additional adjustment factors, such as a contamination contingency	<ul style="list-style-type: none"> An itemised contamination contingency has been added in the form of benchmark land remediation costs for different types of contamination. Councils can depart from the benchmarks and provide detailed alternative costings where the council's requirements are different to the benchmarks.
Councils called for an interactive spreadsheet to calculate benchmark costs.	<ul style="list-style-type: none"> We intend to provide a benchmark spreadsheet calculation tool which will be uploaded to our website.
Councils expressed the need for periodical updates to the full benchmarking exercise, i.e. costs and adjustments	<ul style="list-style-type: none"> The Final Benchmark Report has included costs for financial year 2025/2026, in anticipation of cost escalation and to help ensure that the benchmarks do not lose currency shortly after publication. We intend to update our benchmarks biannually after the 2025/2026 financial year.
There was broad support for the benchmarks, along with the view that site-specific costs should take precedence.	<ul style="list-style-type: none"> Our local infrastructure benchmarks are best used as a guide and tool for councils preparing contributions plans and not expected to be the best estimate for any specific circumstance. We encourage councils to procure the best available cost estimates that are tailored to the specific circumstances of a contributions plan.
Councils expressed mixed views on the viability of the aggregate benchmarks, noting limitations and uncertainties about the methodology and practical use.	<ul style="list-style-type: none"> The Tribunal has decided not to pursue aggregate infrastructure benchmarks. We intend to continue our usual practice of comparing the costs of a CP being assessed to previous CPs. This will functionally allow for the same analysis that the aggregate benchmarks would have provided and is a more reliable cost comparator.

It is important to reiterate that benchmarks are intended as a general guide and sense check for councils and do not replace or over-ride actual costs or detailed cost estimates where they are available. Benchmarks can be particularly useful for councils at the early stages of planning a CP where detailed design and planning has not been completed.

As noted above and in Table 8.1, the Tribunal decided to not provide aggregate benchmarks for local infrastructure costs that were proposed in our Discussion Paper. During our assessments, we will instead continue using recently assessed plans as a cost comparator for plans being assessed. The cost analysis will be inclusive of adjustment factors and on a per person and per hectare of net developable area basis. This will provide us with a broad stroke comparison for reasonable cost using a transparent and effective method.

8.1.2 Local infrastructure items benchmarked

Based on the categories of essential works,²⁶ prior benchmarking review,²⁷ recent CPs that we have assessed, and feedback received to our Discussion Paper, we prepared a list of relevant local infrastructure items for benchmarking.

With advice from Genus Advisory on the relevancy of items, potential site constraints, and development applicability, the list was finalised to include 30 vehicle and pedestrian transport items, 14 urban stormwater management items, and 30 open space embellishment items.

Table 8.2 Local infrastructure items benchmarked

Reference	Item
Transport	
T-1.01	New local road
T-1.02	New local road (half-width)
T-1.03	New collector road
T-1.04	New collector road (half-width)
T-1.05	New sub-arterial road
T-1.06	New industrial road
T-1.07	New rural road
T-1.08	Upgrade to local road
T-1.10	Upgrade to collector road
T-1.12	Upgrade to sub-arterial road
T-1.13	Signalised intersection (single lane)
T-1.14	Signalised intersection (2 lane)
T-1.15	Signalised intersection and 1 turning lane
T-1.16	Signalised intersection and 2 turning lanes
T-1.17	Priority controlled/unsignalised intersection
T-1.18	Roundabout (single lane)
T-1.19	Roundabout (two lane)
T-1.20	Concrete pathway/footpath/share way/cycleway
T-1.22	Road bridge (including over railways, waterways, grade separation)
T-1.23	Rail bridge
T-1.24	Cycleway bridge
T-1.25	Pedestrian bridge
T-1.26	Bus stop (signage only)
T-1.27	Bus shelter
T-1.28	Bus shelter and kiosk
T-1.29	Pedestrian crossing
T-1.31	Street lighting
T-1.32	Waste disposal
T-1.33	Guardrails
T-1.34	Contaminated waste disposal (land remediation)
Stormwater	
ST/T-1.01	Box culvert and headwall

Reference	Item
ST-1.01	Combined basin and raingarden facility
ST-1.02	Stormwater headwalls
ST-1.03	Single raingarden facility
ST-1.04	Bio-retention basin
ST-1.05	Bio-retention filter
ST-1.09	Constructed wetland
ST-1.10	Detention basin
ST-1.11	Gross pollutant trap
ST-1.12	Enhanced storage area
ST-1.13	Stormwater pipe
ST-1.14	Stormwater pit
ST-1.15	Stormwater channel/open channel
ST-1.16	Stormwater channel stabilisation
Open space	
OSE-1.01	Amenities building
OSE-1.02	BBQ area
OSE-1.03	Boundary fencing
OSE-1.05	Car park
OSE-1.06	Cricket wicket
OSE-1.07	Cricket wicket only
OSE-1.08	Demolition
OSE-1.09	Double playing fields
OSE-1.10	Combined field
OSE-1.14	Tennis court (outdoor)
OSE-1.15	Netball court (outdoor)
OSE-1.16	Netball court 6 no.
OSE-1.17	Basketball court (outdoor)
OSE-1.18	Playing lighting
OSE-1.19	Double/combined playing lighting
OSE-1.20	Basic landscaping
OSE-1.21	Park (security) lighting
OSE-1.22	Paved area (hard surfaces)
OSE-1.23	Picnic area
OSE-1.24	Playground/exercise equipment
OSE-1.25	Seating area
OSE-1.26	Shade sail
OSE-1.27	Spectator seat
OSE-1.28	Turfing
OSE-1.29	Retaining wall
OSE-1.30	Site clearance
OSE-1.31	Synthetic playing surfaces/artificial grass
OSE-1.34	Bins
OSE-1.35	Bicycle racks

Reference	Item
OSE-136	Bubblers

Note: certain items were removed from the initial list provided by IPART however, for consistency, the item numbering was maintained. This accounts for the apparent missing item numbering in the table.

Source: Genus Advisory, *IPART Benchmark Costs for Local Infrastructure 'Final Draft'*, 21 March 2025, pp 21-22.

8.1.3 Benchmark scopes

The scopes for the infrastructure items set out what is included in each item, to ensure that they are well defined and clear. The item datasheets define the typical scope for each item, describing the components and activities that comprise the benchmark cost and identifying key exclusions and relevant standards. The typical scope also includes sub-items or item variations, key identified risks, and a minimum quantity relative to the unit rate costing. Table 8.3 below displays the item data sheet template that has been used to define the typical scopes by Genus Advisory.

Table 8.3 Item data sheet template

Component	Description
Technical information	
Item name	Name of the infrastructure item included under one of the categories on Table 8.2.
Item reference	The unique reference number assigned to each infrastructure item.
Functional description	A description of the most fundamental requirements for the infrastructure item.
Inclusions	Describes the significant components of the final delivered asset, included in the base cost.
Key scope of work inclusions	The key activities assumed to be undertaken to construct or install the infrastructure item.
Exclusions (may be reasonably required)	Required but covered elsewhere – cross referenced to an appropriate item or sub-item.
Exclusions (exceed minimum requirements)	Assets which may sometimes be included but often considered to be over-engineered or gold plated.
Key identified risks	Examples of the most significant risks contemplated in delivering the infrastructure item.
Sub-item details	The scope of the infrastructure item specific to a particular sub-item.
Specific sub-item information	Includes descriptions or components that specifically relate to the particular sub-items listed in the row above.
Applicable standards	Refers to industry accepted design standards or guidance relevant to an infrastructure item/sub-item.
Cost information	
Methodology	The type of costing methodology used to derive the benchmark base unit rate.
Benchmark base unit rate FY24/25	The benchmark base unit rate (i.e. per unit, square metre, linear metre, or other metric) in financial year 2024/2025 dollars.
Benchmark base unit rate FY25/26	The benchmark base unit rate (i.e. per unit, square metre, linear metre, or other metric) in financial year 2025/2026 dollars.
Minimum quantity	Provides the minimum quantity or amount that is applicable to the prescribed benchmark base unit rate.

8.1.4 Costing methodology

Genus Advisory has developed [benchmark costs](#) using either a 'bottom-up' approach, which is based on detailed analysis of all work requirements, or a 'top-down' approach, which relies on existing costing references and data from completed projects. For example, the cost methodology for a single lane roundabout was bottom-up (or 'first principles estimating') while a bay of 3 practice cricket nets was top-down (or 'reference pricing').

We acknowledge there may be infrastructure works that are outside of the scope of our updated benchmark scope and costs. As an alternative costing approach, non-standard items can have costs estimated by an appropriately qualified quantity surveyor via a bottom-up or top-down approach.

8.1.5 Adjustment factors

Each development may have a unique set of constraints that can impact the complexity and cost of delivering the same piece of infrastructure to the same standard. To address this complexity and enhance the usefulness of the proposed benchmarks, we have asked Genus Advisory to provide advice on how to account for variations between different sites and circumstances, including greenfield and infill developments or in regional or metropolitan locations.

We consider that this approach should help enable the benchmarks to be applicable to a broader range of projects, which will minimise the need for councils to develop comprehensive, site-specific cost estimates, and reduce the administrative burden.

Through updating common factors and introducing more that are relevant, we expect our updated construction cost adjustment factors to assist in recognising the complexity of construction costs:

- Site constraints – across infill and greenfield development sites, there are a range of constraints which can have a varying level of impact on the construction costs for infrastructure items.
- Location – we recommend that Rawlinson's Australian Construction Handbook (regional indices) can be used as a guide to establish the additional costs incurred when delivering infrastructure works in regional areas compared to metropolitan areas. Although, this factor must be balanced and considered against the application of a proximity to raw materials factor.
- Proximity to raw materials – separate to location factor, local infrastructure for stormwater and transport is significantly affected by the haulage costs of raw materials required for construction, which is directly proportional to the distance from material supply sources.
- Waste disposal – Genus Advisory has included a benchmark cost (T-1.32 in the final [Benchmark costs for local infrastructure](#)) that provides a dollar per tonne rate for each type of waste disposal, factoring for the NSW Environment Protection Authority (EPA) waste levy, tip fees, and haulage.

- Land remediation – based on the feedback received, costs related to land contamination can cause unforeseen funding issues. Genus Advisory have incorporated an additional contaminated land waste disposal benchmark cost (T-1.34 in the final [Benchmark costs for local infrastructure](#)), which provides a dollar per square metre rate for the excavation and removal of different types of contaminated land.
- Council on-costs – professional fees, authority fees/levies/other statutory charges, internal staff costs, and project specific insurance can represent a significant portion of the total project cost for construction.
- Contingency – given the cost forecasts in CPs typically span decades into the future, contingency aims to cover the risks and uncertainty that may occur during the implementation of a project. We have updated our recommended contingency factors to be more comprehensive and relevant since our last review. We note that the overall contingency shown in Table 8.7 should be applied at the commencement of the project and carefully managed throughout the duration of each stage of the project.

While we acknowledge the impact that ground conditions can have on the construction cost of infrastructure items, our updated benchmark data sheets include assumptions around ground conditions and there is no additional cost adjustment factor for this risk. Uncertainty around ground conditions is factored into the contingency estimates. If ground conditions are known and are significantly different from the benchmark assumptions this should be dealt with as a 'non-standard item' using the methodology set out in the [Benchmark costs for local infrastructure](#).²⁸

The tables below summarise the cost factor ranges for site constraints, proximity to raw materials, council on-costs, and contingency.

Table 8.4 Site constraints

Likely impact of constraint	Cost factor range (%)
Infill	
High	26 to 40
Medium	15 to 25
Low	0
Greenfield	
High	11 to 15
Medium	5 to 10
Low	0

Source: Genus Advisory, *IPART Benchmark costs for local infrastructure*, April 2025, p 11.

Table 8.5 Proximity to raw materials

Description	< 25km from raw material source (%)	25 – 75km from raw material source (%)	> 75km from raw material source (%)
Transport	0	5	10
Stormwater	0	2.5	5

Source: Genus Advisory, *IPART Benchmark costs for local infrastructure*, April 2025, p 12.

Table 8.6 Council on-costs

Description	On-costs (%)	Cultural heritage (%)
Small project - \$0 to <\$1m construction cost	25	10
Small/medium project - \$1m to <\$2m construction cost	17.5	5
Medium project - \$2m to <\$5m construction cost	15	3
Large project - >\$5m construction cost	12.5	2.5

Source: Genus Advisory, *IPART Benchmark costs for local infrastructure*, April 2025, p 13.

Table 8.7 Contingency

Infrastructure type	Planning phase (%)	Design development (%)	Construction phase (%)	Overall contingency (%)
Transport	15	15	10	40
Stormwater	15	10	10	35
Open space embellishment	15	10	10	35

Source: Genus Advisory, *IPART Benchmark costs for local infrastructure*, April 2025, p 14.

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- ¹ IPART, *Review of IPART's approach to assessing contributions plans*, Discussion Paper, November 2024
 - ² Department of Planning, Housing and Infrastructure, *NSW infrastructure contributions guide 2021*.
 - ³ Department of Planning, Housing and Infrastructure, *NSW infrastructure contributions guide 2021*.
 - ⁴ Minister for Planning, *Ministerial directions for local infrastructure contributions*, (various).
 - ⁵ *Terms of Reference - Reviewable Contributions Plans* - Premier of NSW – 14 November 2018.
 - ⁶ Government Architect NSW, *Draft Greener Places Design Guide*, Issue No 4 - 2020.
 - ⁷ Growth Centres Commission, *Growth centres development code*, October 2006.
 - ⁸ Government Architect NSW, *Draft Greener Places Design Guide*, Issue No 4 - 2020.
 - ⁹ IPART, *Assessment of Appin Growth Area Contributions Plan*, Final Report March 2025, p 34.
 - ¹⁰ IPART, *Assessment of Appin Growth Area Contributions Plan*, Final Report March 2025, p 36.
 - ¹¹ This includes West Dapto (2024), Orchard Hills North (2023), Glenmore Park – Stage 3 (2023), Revised CP15 – Box Hill (2023), CP24 – Schofields Precincts (2022), East Leppington (2021), and Austral and Leppington North Precincts (2021).
 - ¹² IPART, *Contributions plan assessment: land costs*, Information Paper, July 2020.
 - ¹³ Environmental Planning and Assessment Regulation 2021, cl 207.
 - ¹⁴ IPART, *Assessment of Contributions Plan No. 24 – Schofields Precinct (2022), Blacktown City Council*, Final Report, October 2023.
 - ¹⁵ IPART, *Assessment of local infrastructure contributions plans*, Information Paper, pp 33-44.
 - ¹⁶ Department of Planning, Housing and Infrastructure, *Development Contributions – Practice Notes, July 2005 – Development contributions as a method of funding public infrastructure* p 2 (of PDF).
 - ¹⁷ IPART, *Assessment of local infrastructure contributions plans*, Information Paper, p 27.
 - ¹⁸ Department of Planning, Housing and Infrastructure, *Development Contributions – Practice Notes, July 2005 – Financial management of development contributions* pp 22-26 (of PDF).
 - ¹⁹ IPART, *Assessment of local infrastructure contributions plans*, Information Paper.
 - ²⁰ Department of Planning, Housing and Infrastructure, *Practice Note Local Infrastructure Contributions*, January 2019, pp 14.
 - ²¹ IPART, *Assessment of local infrastructure contributions plans*, Information Paper, chapter 7.
 - ²² IPART, *Assessment of local infrastructure contributions plans*, Information Paper, chapter 8.
 - ²³ The Hills Shire Council, submission on Discussion paper - Review of our approach to assessing contributions plans, February 2025, p7 (of PDF).
 - ²⁴ IPART, *Assessment of local infrastructure contributions plans*, Information Paper, chapter 9.
 - ²⁵ Genus Advisory, *Benchmark costs for local infrastructure*, April 2025.
 - ²⁶ Department of Planning, Housing and Infrastructure, *Practice Note Local Infrastructure Contributions*, January 2019, pp 14-16.
 - ²⁷ IPART, *Review of the essential works list, nexus, efficient design and benchmark costs for local infrastructure*, Draft Report, October 2021, pp 46-58.
 - ²⁸ Genus Advisory, *Benchmark costs for local infrastructure*, April 2025, p17.

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