



IPART assessment of local
infrastructure contributions plans

Information Paper

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

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The Independent Pricing and Regulatory Tribunal

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1 What is a contributions plan?

In New South Wales (NSW), 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.

To do so, a council must prepare a contributions plan which sets out:

- the local infrastructure required to meet the demand associated with development in a specific area
- the estimated cost of the land, works and administration required to provide this infrastructure
- the contribution rates for different types of infrastructure which the council proposes to charge developers.^a

Under the Ministerial *Environmental Planning and Assessment (Local Infrastructure Contributions) Direction 2012* (Direction), councils need to submit their contributions plans to IPART for review if they are proposing contributions above the thresholds of \$30,000 per residential lot or dwelling in identified greenfield areas and \$20,000 per residential lot or dwelling in other areas.

For these plans, councils are required to seek IPART's review. IPART then provides a report to the Minister for Planning and Public Spaces (the Minister). The Minister (or the Minister's nominee) advises the council in writing of any amendments required. Once the council has approved the plan, including with any amendments required, council may charge the contributions amounts set out in the adopted plan.

1.1 Infrastructure contributions framework

The NSW Government sets the policy under which councils collect and administer contributions. This policy includes legislation, ministerial directions, and practice notes.¹

There are 2 forms of local infrastructure contributions:

- Section 7.11 contributions, which are described above
- Section 7.12 levies, which are an alternative to s7.11 contributions and charged by councils as a percentage of the estimated cost of the development. IPART does not have a role in assessing s7.12 contributions plans.

There are also infrastructure contributions charged by the NSW government, such as Housing and Productivity Contributions.²

^a A consent authority may impose a condition under section 7.11 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) only if it is in accordance with a contributions plan (section 7.13). The *Environmental Planning and Assessment Regulation 2021* (EP&A Regulation) makes provisions for or with respect to the preparation and approval of contributions plans, including the format, structure and subject-matter of plans.

2 Why do we assess contributions plans?

Our assessments are intended to bring greater transparency and accountability to setting local development contribution rates, as we check that each item of expenditure in a contributions plan is explained and justified.

In conducting our assessment and making our recommendations, we aim to confirm that the plan reflects the reasonable costs of providing necessary local infrastructure to support the new community.

If costs in the contributions plan are too high, developers may pay too much for local infrastructure, which could discourage development where it is needed. On the other hand, if costs in the plan are too low, then the new development will impose costs on the existing community, since rates may need to be raised to fund any shortfall in the revenue received from development contributions.

Our assessments check that costs for new, public infrastructure are attributed to those who create the need for it, in a transparent and consistent way.

We also aim to confirm that the public infrastructure being funded by development contributions is essential and required by the new population. In our assessments, we follow the 'impactor pays principle', which means that costs are allocated in proportion to the contribution made in creating the costs or the need for the costs to be incurred.

For example, it would be unreasonable to expect existing residents to wholly subsidise the new or upgraded infrastructure needed to meet the demand of additional residents, through rates or otherwise. If developers create additional demand for infrastructure, then their contributions should reflect that.

Our assessment helps ensure that the infrastructure is delivered by the time it is needed, and that the existing community has been consulted.

This Information Paper sets out our intended approach for reviewing contributions plans consistent with the current legislative framework; however, we will always consider the relevant information and individual circumstances of the council and contributions plan at the time of our assessment. This means that we may depart from our typical approach if we consider it appropriate in the circumstances.

2.1 Assessment process

Councils that want to charge contribution rates above the thresholds need to submit their contributions plan to IPART, together with an application form and all relevant supporting documents. Further detail about the required supporting documentation is provided in the sections below. We recommend that councils check of the accuracy of the contributions plan before submitting it to IPART, as administrative errors or inconsistencies may delay the assessment process.

We then start our review process, engaging with the council to review the information that has been provided and seek further information if needed. We generally aim to complete our review process within six months, however if we don't have the information we need in the council's application, our review might take longer.

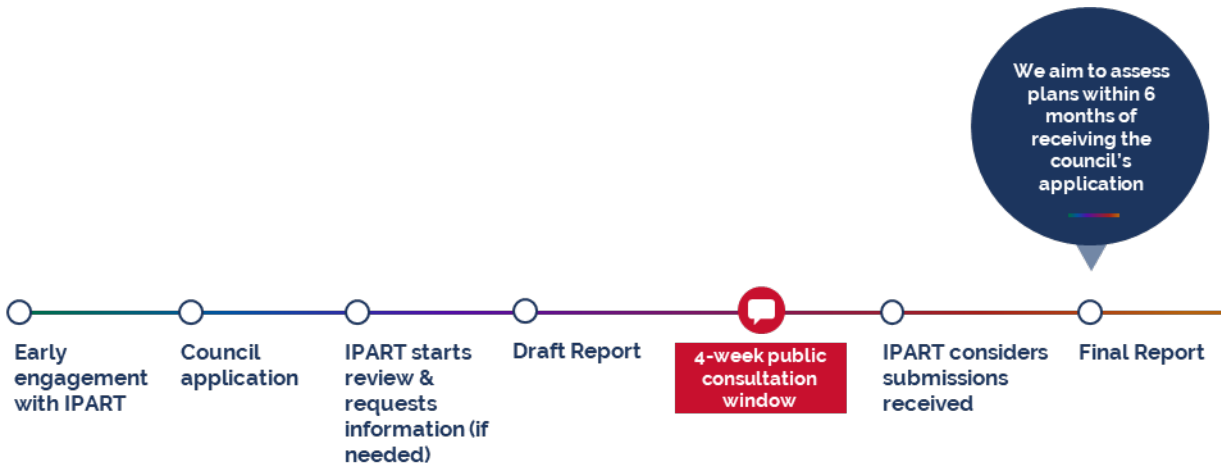
We publish a draft report, which sets out draft recommendations on the amendments required to ensure that the plan meets the Practice Note criteria.

We invite submissions from the council and other stakeholders, which we consider when making our final decisions. Consultation on the draft report is typically open for a period of around four weeks.

We consider all submissions on the draft report, then prepare a final report for the Minister and the council.^b The Minister will consider our assessment and may request the council amend the contributions plan. Once the council has made any amendments requested by the Minister (or the Minister's nominee) and approved the plan,^c the plan becomes an IPART reviewed plan and the council may charge contributions in accordance with the plan.

We encourage councils to review contributions plans regularly 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.

Figure 2.1 Review timeline



^b As required by the Direction.
^c Under clause 5(3)(e) of the Direction.

2.1.1 Early engagement with councils

Prior to receiving a CP for review, we encourage councils to contact us so that we can engage with councils around having sufficient information that reasonably supports their contribution plan or changes to their existing contribution plan. This will assist with a timely assessment and may assist with councils preparing their application. We also aim to proactively reach out to councils when we understand the council is considering or developing a contributions plan for IPART's review. We consider this early engagement critical in ensuring an efficient and effective review process.

Ideally, councils should contact us during the development of a plan, before the public exhibition period. This will allow us to review the plan 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 it. Early engagement will ensure the plan 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 contributions plan 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.

2.2 Contributions plans IPART has assessed

Since 2011, we have reviewed 34 contributions plans from a range of different councils, as shown in Table 2.1. Our current and completed assessment of plans can be found [here](#). Councils may find other reviewed contributions plans and our recent assessments useful in understanding our assessment approach and considerations.

Table 2.1 Contributions plans reviewed by IPART

Council	Plan name (short)	Date of assessment
The Hills Shire Council	CP12 Balmoral Road (2011)	October 2011
The Hills Shire Council	CP13 North Kellyville (2011)	October 2011
Blacktown City Council	CP22 Area 20 (2012)	September 2012
Blacktown City Council	CP24 Schofields (2014)	August 2014
The Hills Shire Council	CP16 Box Hill Nth (2015)	September 2015
The Hills Shire Council	CP15 Box Hill (2016)	March 2016
Blacktown City Council	CP20 Riverstone Alex Av (2016)	July 2016
Wollongong City Council	West Dapto (2016)	October 2016
Rockdale City Council	Rockdale (2016)	December 2016
Blacktown City Council	CP21 Marsden Park (2017)	August 2017
Camden Council	CGA CP Nth Leppington (2017)	May 2018
Camden Council	CGA CP Leppington (2017)	May 2018

Council	Plan name (short)	Date of assessment
The Hills Shire Council	CP17 Castle Hill Nth (2018)	November 2019
The Hills Shire Council	CP15 Box Hill (2018)	October 2018
Blacktown City Council	CP22 Rouse Hill (2018)	December 2018
Campbelltown City Council	Menangle Park CP (2018)	December 2018
The Hills Shire Council	CP12 Balmoral Road (2018)	July 2019
The Hills Shire Council	CP13 Nth Kellyville (2018)	July 2020
Blacktown City Council	CP24 Schofields (2018)	August 2019
Hawkesbury Council	Vineyard CP (2018)	November 2019
Wollongong City Council	WD CP (2020)	May 2020
The Hills Shire Council	CP15 Box Hill (2020)	October 2020
The Hills Shire Council	CP18 Bella Vista & Kellyville (2021)	February 2022
Liverpool City Council	ALN CP (2021)	July 2023
Lane Cove Council	SLS CP (2021)	December 2021
Liverpool City Council	East Leppington CP (2021)	January 2024
Camden Council	LCM CP (2021)	December 2023
Northern Beaches Council	Frenchs Forest TC (2022)	July 2023
Blacktown City Council	CP24 Schofields (2022)	October 2023
Penrith City Council	GP3 CP (2022)	September 2024
Penrith City Council	OHN CP (2022)	September 2024
The Hills Shire Council	CP15 Box Hill (2023)	April 2024
Wollongong City Council	WD CP (2024)	December 2024
Wollondilly Shire Council	Appin CP (2024)	March 2025

2.3 Assessment criteria and considerations

In assessing a contributions plan submitted by a council, we consider:

- the framework in which we operate, including the EP&A Act, the EP&A Regulation, the Direction and the [Terms of Reference](#)^d, issued to us
- the criteria set out by the Department of Planning, Housing and Infrastructure (DPHI) in its 2019 Practice Note (Practice Note)³
- information and further advice from the council and DPHI on various aspects of the plan
- submissions and replies by the council and other stakeholders
- any other matter we consider to be relevant.

^d Issued by the Premier on 14 November 2018 under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992 (NSW)*.

As required by our [Terms of Reference](#), we review contributions plans in accordance with the Practice Note criteria, assessing whether:

- 01 Public amenities and public services in the plan are on the **essential works list**.

- 02 Proposed public amenities and public services are reasonable in terms of **nexus**. This means establishing a connection between the land and facilities in a contributions plan, and the demand for them arising from the new development.

- 03 Proposed development contributions are based on a **reasonable estimate of the cost** of the proposed public amenities and public services.

- 04 Proposed public amenities and public services can be provided within a **reasonable timeframe**.

- 05 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, including any existing population.

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

- 07 Plan complies with other matters we consider relevant.

We also assess whether the plan contains all the necessary information required under clause 212 of the EP&A Regulation.

We always consult with the council and DPHI throughout the assessment process and other relevant stakeholders where appropriate. We may also arrange a site visit of the precinct and a meeting with council officers soon after we receive the application. We sometimes engage specialist consultants and use their advice to inform our decisions against the criteria.

During our assessment, we may seek further information from the council about infrastructure, cost estimates or other relevant matters.

3 How do we assess essential works?

The following public amenities or public services are considered essential works:

- land for open space including base level embellishment
- land for community facilities
- land and facilities for transport
- land and facilities for stormwater management
- the costs of plan preparation and administration.⁴

The essential works list (EWL) is relevant to those contributions plans that propose a contribution above the relevant contribution threshold, so all IPART reviewed contributions plans must be consistent with the EWL.^e

The items included in our local infrastructure [benchmarks](#) can act as a starting point for infrastructure that can be included in contributions plans,⁵ however the list is not necessarily exhaustive and non-standard items may be required for certain development areas.

To assess whether the infrastructure included in a plan is consistent with the EWL, we examine the plan's work schedules, along with the detailed cost sheets.

Councils should provide clear descriptions of the works involved for each local infrastructure item. For example, if a contributions plan includes a local park, we will examine the works included in the park to confirm that all proposed infrastructure is considered base level embellishment.

In plans we have assessed, we most often see inconsistency with the EWL in open space embellishment or the inclusion of works costs for community facilities. We encourage councils to contact us during the preparation of contributions plans if there are questions about base level embellishment or the EWL.

^e The acquisition of land and the undertaking of works for environmental purposes, such as bushland regeneration or riparian corridors, are not defined as essential works, except when the works for environmental purposes serves a dual purpose permissible under the EWL.

3.1 Open space

Councils can include land for open space, including base level embellishment of that land, in contributions plans.

Base level embellishment of open space is defined as 'works required to bring the open space up to a level where the site is secure and suitable for passive or active recreation.' This may include:

- site regrading
- utilities servicing
- basic landscaping
- drainage and irrigation
- basic park structures and equipment
- security lighting and local sports field floodlighting
- sports fields, tennis courts, netball courts, basketball courts (outdoor only).⁶

Base level embellishment does not include multi-storey carparks to service recreation areas, skate parks, and BMX tracks. These are the only embellishments that are specifically excluded as base level under the EWL. This means that we will often have to make a judgement about whether embellishments proposed by councils in contributions plans are base level, based on the supporting information provided.

However, it is difficult to define base level embellishment of open space without considering the circumstances and context in which it is being delivered. What is base level can differ between communities and their specific characteristics and needs, which change over time.

Therefore, when assessing open space works against the EWL, we consider the council's identification of community needs in its design and planning of open space embellishment. Our assessment will discern the appropriateness of embellishments against the rationale of community needs and the EWL's definition of base level embellishment.

Examples of our recent assessments of open space essential works are shown in Box 3.1 below.

Box 3.1 Examples of previous open space essential works assessments

In previous assessments, we have recommended the removal of some infrastructure because it was inconsistent with the EWL or did not meet the definition of base level embellishment. For example:

- In [Orchard Hills North](#) (2022), several items were not considered essential works, such as public art installation, outdoor heritage installation, interpretive public art, and wheeled activities including skate, scooter, and bike facilities.
- In [Box Hill](#) (2023), we recommended the removal of costs for a skate bowl/plaza and pump track/BMX track as they were not considered essential works.

However, we acknowledge that EWL assessments are case by case and unique to each contributions plan. Councils should explain the reasons for inclusion of items or works that may not be explicitly consistent with the EWL. For example:

- In [Schofields](#) (2022), we considered signage with a public art component and youth facilities to be consistent with base level embellishment of open space following the council's submission to our Draft Report.
- In [Appin Growth Area](#) (2024), we considered fitness stations and bike racks as meeting the essential works criterion for open space although these items are not explicitly included or excluded from the EWL.

3.2 Community facilities

Councils can only include land for community facilities in contributions plans and not works. In this context, community facilities means buildings or places:

- owned or controlled by a public authority or non-profit community organisation
- used for the physical, social, cultural or intellectual development or welfare of the community
- that does not include an educational establishment, hospital, retail premises, place of public worship or residential accommodation.

This may include (but is not limited to):

- community centres/halls
- libraries
- neighbourhood centres
- youth centres
- aged persons facilities
- childcare facilities

- public art gallery
- performing arts centres.⁷

3.3 Transport

Councils can include land and facilities for transport in contributions plans. This may include:

- road works
- traffic management
- bus shelters
- pedestrian and cyclist facilities.

Carparking that is related to transport, such as commuter carparks, is specifically excluded from the EWL.⁸

3.4 Stormwater

Councils can include land and facilities for stormwater management in contributions plans. Our local infrastructure [benchmarks](#) list the common stormwater management infrastructure that can be included in contributions plans. Examples may include:

- detention basins
- gross pollutant traps
- storage areas
- pipes and pits.

3.5 Plan administration

Councils can include plan administration costs in contributions plans, which are the costs directly associated with the preparation and administration of the contributions plan. This may include:

- background studies, concept plans and cost estimates that are required to prepare the plan
- project management costs for preparing and implementing the plan (e.g. the employment of staff to coordinate the plan).

Plan administration costs do not include costs that would otherwise be considered part of councils' key responsibilities, such as core strategic planning responsibilities.⁹

4 How do we assess nexus?

To require a contribution towards the provision or improvement of amenities or services, councils must be satisfied that the development will or is likely to require the provision of, or increase the demand for, public amenities and public services within the area.^f

Councils must establish the relationship between the demand for additional public amenities and public services to meet the expected development in its contributions plan,^g which we call nexus.

To assess whether there is reasonable nexus, we examine the technical studies commissioned or undertaken by councils during the planning process.

We compare the rates of provision and levels of service in the plan with the recommendations or findings in the technical studies. Where a council has made amendments to, or deviated from the recommended infrastructure, we consider whether the decisions are supported by an independent assessment or other evidence provided by council to demonstrate the nexus between the infrastructure and the demand.

4.1 Population growth

Aligning infrastructure planning with population growth is a key factor in the development of contributions plans; in particular, the establishment of nexus. Given contributions plans can typically include delivery timelines over decades, we acknowledge the risks borne and challenges faced by councils in forecasting for population growth, demographic trends, and development yield. Different proposed developments will create demand for different types of public amenities and services.

To ensure an evidence-based delivery of infrastructure, our assessment of nexus will consider councils' approach to population forecasting. We encourage using a clear and widely accepted methodology for estimating the population change arising from the expected types of development. This may include:

- using the [Urban Development Program \(UDP\)](#) dashboards
- councils' own analysis and projections
- commissioned specialist consultant studies
- existing documentation, such as Precinct Plans, Indicative Layout Plans, or Development Control Plans (DCP)
- alternative available sources, such as [profile.id](#).

^f Under section 7.11(1) of the EP&A Act.

^g As required by clause 212(1)(c) of the EP&A Regulation.

We acknowledge that each council will have its own preferences to determining population growth forecasts. Councils should explain the source of its population growth forecasts and reasons for determining that this is the most appropriate measure.

Ultimately, regardless of the forecast methodology chosen, the population forecast needs to be consistent within a contributions plan and needs to be consistent with the assumptions used in relevant planning instruments, supporting documentation and studies, or associated council strategies. Councils should avoid using growth forecasts from several sources in a single contributions plan.

Population growth forecasts provide the basis for establishing the connection between the provision of additional infrastructure and increased demand from the expected development within the plan's area. Therefore, it is important that councils clearly describe the basis and reasons for the growth assumptions in contributions plans.

4.2 Open space and community facilities

To assess if nexus has been established, our assessment will consider if the provision of open space and land for community facilities in a plan meets the expected demand from new development.

The overall amount of open space and the size of any land for community facilities should aim to be consistent with the recommended rate of provision in a technical study or needs assessment. The embellishment of facilities, such as sports fields, tennis courts, and playing courts, should also be consistent with the recommended rates of provision in a technical study. The parks, sports fields, and playgrounds should be accessible and within a reasonable walking distance for residents in the development area.

However, we recognise that councils often have open space or recreation strategies in place ahead of the development of a contributions plan. These are likely to be tailored to community needs, have performance-based standards, and be central to the planning for this infrastructure. We also acknowledge that the quantity of open space is determined through rezoning or planning for a precinct and is not something that councils can address or change through a contributions plan.

There is also a significant variation in the capability of councils to acquire additional land for open space or community facilities. Many metropolitan councils coordinating infill developments experience prohibitive land acquisition costs or a shortage of land supply. As a result, the embellishment of existing open space is more likely to be of higher quality to support larger populations in smaller areas, where it is not possible to acquire additional land for more open space.

Generally, councils have consistently demonstrated this criterion by abiding by the recommendations of a supporting social infrastructure study or providing justification where it has not been possible to. We will consider a mix of qualitative and quantitative principles^h in our assessment, rather than adopting a 'one size fits all' approach.

^h Such as the NSW Government Architect's *Draft Greener Places Design Guide* and the planning standard of open space provision at a rate of 2.83 hectares per 1,000 population.

Box 4.1 below shows examples of our previous assessments of nexus for open space, where a mix of considerations have been taken into account based on the needs or limitations of councils.

Box 4.1 Examples of previous open space nexus assessments

As discussed above, some councils are limited in the provision of additional open space and opt for higher quality embellishment instead. For example:

- In [Bella Vista and Kellyville Station](#) (2021), we considered nexus to be established despite a shortfall in provision relative to the supporting study's recommendations. The council's reasoning was based on:
 - the limited availability and high cost of land
 - the likely density of future development (more condensed than a greenfield area)
 - the high level of embellishment of individual open spaces.
- In [East Leppington](#) (2021), we considered the steps that the council took to increase the utility of planned open space reasonable in the circumstances, notwithstanding an under provision of open space relative to the recommendations of the supporting study.

On the other hand, Penrith City Council's recently assessed plans exceeded the usual quantitative benchmarks for open space provision but met qualitative standards in terms of embellishment:

- In [Orchard Hills North](#) (2022), the council proposed the provision and embellishment of 3.04 hectares per 1,000 residents
- In [Glenmore Park Stage 3](#) (2022), the council proposed the provision and embellishment of 3.19 hectares per 1,000 residents (or 6.79 hectares if Cumberland Plain Conservation Plan land for passive open space was included) to be reasonable.

We noted that while this is significantly higher than the usual benchmark in both cases, we considered this reasonable in these circumstances, as there was a higher open space provision throughout the local government area. The Penrith local government area has around 5 hectares per 1,000 people of open space, with an even higher ratio in some precincts. This provision is supported by the council's sport and recreation strategy and the master plan for the precinct.

4.3 Transport

For transport infrastructure, the road network and traffic management works should be consistent with the council's technical study of transport and accessibility needs. The levels of service for the roads and traffic management works should also be consistent with a technical study of transport and accessibility needs.

In some contributions plans we have assessed, we have identified discrepancies between the inclusion of local roads and transport infrastructure in a contributions plan and the supporting transport study. If this is the case, councils should provide an explanation about why they are different. If this information is not provided, we will need to request further information from the council to confirm whether nexus is established.

Box 4.2 below shows examples of our previous assessments of nexus for transport.

Box 4.2 Examples of previous transport nexus assessments

In some previous plans, councils have included transport items that were consistent with a technical study and other supporting material. For example:

- In [Glenmore Park Stage 3](#) (2022), we considered nexus for transport needs to be clearly demonstrated by supporting transport assessments and the council's planning. The parameters of road items were based on the technical studies, as well as considerations relevant to the context of the precinct, such as road profiles, local topography, Cumberland Plain Conservation Plan input, input from external bodies, and DPHI requirements.
- In [St Leonards South](#) (2021), we considered the technical studies, council's analysis, identified locations, and purposes of the upgrades in our assessment. With sufficient evidence provided, we found that nexus was established for all road and stormwater drainage (included under transport) upgrades.

We have also assessed plans where further clarification was required to establish nexus for the transport items that were included. For example:

- In [Lowes Creek Maryland](#) (2021), the council included road items that were inconsistent with the supporting transport study. We considered nexus established after the council explained that the difference was due to final transport requirements being determined in consultation with DPHI during rezoning and the creation of the DCP.
- In [Austral and Leppington North](#) (2021), additional intersection controls were included that were not identified in the supporting transport study. The council justified the additional items based on the council's experience and staff's local knowledge of community needs, which we considered reasonable.

4.4 Stormwater

For stormwater management infrastructure, the location and configuration of stormwater infrastructure should be consistent with a stormwater technical study.

We acknowledge that there are sometimes complexities within a contributions plan that may prevent the stormwater items included from being informed by a holistic stormwater plan. This could be due to the plan applying to a wider growth area, where certain precincts are supported by stormwater studies, but others are not.

We also acknowledge that infill developments may not require added stormwater infrastructure, as additional population could largely reflect increased density with no significant change to the area within a plan.

Councils should ensure that the inclusion of stormwater management infrastructure in a contributions plan is supported by the relevant technical studies where they are available or explain how the infrastructure needs have been determined where independent studies are not available. Our assessment will consider the stage of the development and length of the plan when considering the level of evidence required.

Box 4.3 below shows examples of our previous assessments of nexus for stormwater.

Box 4.3 Examples of previous stormwater nexus assessments

In some previous plans, councils have included stormwater management infrastructure that was consistent with a technical study. For example:

- In [Orchard Hills North](#) (2022), the supporting stormwater and flood management strategy report sufficiently established nexus for the precinct's needs for stormwater management infrastructure.
- Similarly, in [East Leppington](#) (2021), the supporting water cycle management report sufficiently established nexus for the precinct's needs for stormwater management infrastructure.

However, we have recently assessed plans that did not have the typical supporting information to establish nexus for stormwater. For example:

- [Appin Growth Area](#) (2024) was submitted for review and assessed without a comprehensive stormwater master plan. Instead, the council extrapolated the configurations recommended in respective technical stormwater studies for 2 of the precincts to the wider growth area. We considered this reasonable given the early stage of planning, and provided advice that the council updates the plan when a comprehensive stormwater study is completed.

Box 4.3 Examples of previous stormwater nexus assessments

- [West Dapto \(2024\)](#) required a revised stormwater master plan due to progression in the stage of the plan. However, the council was unable to align the development of this document with its application to IPART for review. Given that the council had a scope of works based on supporting materials that was deemed reasonable in our 2020 review of the plan, we advised that the council makes any necessary changes before its next submission to IPART.

5 How do we assess reasonable cost?

The reasonable cost criterion is about ensuring that the contributions rate is based on a reasonable estimate of the cost of providing the public amenities and services. This includes how the costs of land and facilities for infrastructure are derived and the methodology applied to calculate the contributions rate and escalate it over time. Cost estimates should include all the costs required to bring the public amenities and public services into operation, such as land, capital, fit out, design, and project management costs.

To assess whether costs are reasonable, we will typically begin with a cost comparison for each infrastructure category against previously reviewed contributions plans.



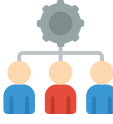


To equalise this initial analysis as much as possible, we compare total costs for each infrastructure category on a per person and per net developable area (NDA) basis. This generally captures the differences between infill and greenfield developments. For example, given the likelihood of a significantly more condensed construction, an infill development may have very high costs on an NDA basis and is more comparable on a per person basis.

If there are anomalies in this initial cost comparison, we may examine the individual costs in greater detail. This may include a line-by-line analysis and validation against supporting cost estimates. If there are discrepancies, we may also look at the supporting costs in greater detail. Even if a plan does compare with the cost of recent plans, we may still review the individual costs and validate against estimates. We will also examine if any grant funding has been or will be received for items included in the plan.

If we consider that a more detailed analysis is needed, we may consider the costs against recent plans that are comparable in scope and type. For example, we compared [Appin Growth Area \(2024\)](#) open space costs against that of [West Dapto \(2024\)](#), as both plans covered a similar expanse of greenfield land and scope of works. While comparing contributions plans can be useful, we also acknowledge that each plan is unique, with its own individual requirements and context, and there may be reasons for differences in costs between plans. Councils should highlight causes of cost escalations or discrepancies and provide evidence, to avoid the need for further requests for information and possible delays.

A summary of our key principles and typical approach to assessing reasonable costs is shown in Table 5.1 below.

Table 5.1 Key principles and approaches to assessing reasonable costs

Cost aspect	Principles and approaches
Land 	<ul style="list-style-type: none"> The cost of land should be estimated by a registered valuer and consider its use, zoning and site constraints, e.g. flooding and utility easements. The cost estimates should be comparable with other land values near the area, and similar developments nearby. Professional fees and transaction costs should also be considered in estimating the total cost of land. The costs of remediation of contaminated land should be factored into the cost of land acquisition. A desktop assessment by an environmental consultant is considered appropriate evidence to determine these costs where access to the land is not achievable.
Works 	<ul style="list-style-type: none"> The cost estimates should be based on quantity surveyor advice, quotes, benchmarks or the costs of similar infrastructure in the area. The adjustment factors (e.g. contingency allowances and on-costs) should be commensurate with the stage of infrastructure planning and delivery. Where IPART benchmarks have been used, they should be applied in accordance with our benchmark report and replaced with site-specific estimates when these are available.
Plan administration 	<ul style="list-style-type: none"> The cost estimate should either be based on a 'bottom up' approach of the cost of administering the plan and technical studies, or the IPART benchmark rate of 1.5% of the total cost of works.
Indexation 	<ul style="list-style-type: none"> The costs in the plan should be escalated from the time of the costings to the base year of the plan, using cost-reflective indexes for different types of works and land. The contribution rates should be indexed by CPI, or by separate indexes for each sub-component, from the base period onwards.
NPV approach 	<ul style="list-style-type: none"> If the council decides to use the net present value (NPV) approach, the approach should be consistent with IPART's NPV guidance (see Section 5.8). Where the council has used a nominal value approach, these costs should be escalated by appropriate indexes that are cost reflective. The expected cash flows should be consistent with the timing of infrastructure delivery and the development pattern in the area.

5.1 Cost of works

We consider that the cost of works should be based on the best available information at the time of preparing a contributions plan. Councils generally use one or more of the following approaches:

- recent competitive tender and contract rates
- quantity surveyor (QS) rates
- consultants' estimates
- actual costs
- IPART's local infrastructure benchmarks (further details in Section 5.1.1).

Sometimes, councils will adopt more than one approach to estimate costs in a contributions plan, such as the examples shown in Box 5.1 below.

Box 5.1 Examples of previous approaches to estimate costs

- In [Appin Growth Area](#) (2024), the council used QS rates and consultant estimates which were validated internally against recent tender rates.
- In [Schofields](#) (2022), the council included the actual costs it had incurred to deliver works across different infrastructure categories, and engaged a QS to estimate the costs for works that are yet to be delivered.
- In [Frenchs Forest Town Centre](#) (2021), the council used QS rates, which were formed by the QS using a mix of IPART benchmarks, independent cost estimates, and estimates based on concept designs from consultants and the council.

When a detailed analysis of works costs is required, we may compare the costs against:

- [our benchmarks](#)
- previously assessed plans similar in scope
- DPHI's open space embellishment benchmarks¹⁰
- Rawlinsons Australian Construction Handbook^{11,i}.

We may also assess the brief provided by a council to a QS, as well as assumptions made by the council or the QS about scope, quality, or the circumstances of delivery. If we have concerns about the cost of works in a contributions plan, we will request further information and justification from the council. If reasonable justification or evidence is provided, we will consider it in our assessment. We will also consider submissions on our draft report in the assessment of reasonable cost for our final report.

To assist in keeping our assessments efficient, it is critical for councils to include all supporting material related to the cost of works in its contributions plan application. Examples of our recent assessments of the cost of works are shown in Box 5.2 below.

ⁱ Sources being used for comparison that are dated before the base date of the contributions plan being assessed will always be indexed to the plan's base date.

Box 5.2 Examples of previous reasonable cost of works assessments

In previous assessments, we have undertaken a detailed analysis of the cost of works. For example:

- In [Appin Growth Area](#) (2024), open space costs were significantly higher than previous plans and our benchmarks, and exceeded DPHI's benchmarks for open space embellishment costs. In our Draft Report, we concluded that reasonable cost was not demonstrated. The council proposed revised costs in its submission to the Draft Report. We made recommendations based on the council's revised costs in our Final Report, that, if adopted, the revised costs would be considered reasonable.
- In [Orchard Hills North](#) (2022) and [Glenmore Park Stage 3](#) (2022), we sought comment from the council in our Draft Reports due to concerns with the cost of transport and open space works. After the council provided further detail on the basis of costs or why costs included in the works schedule differed from estimates, reasonable cost was considered demonstrated in our Final Reports.
- In [Box Hill](#) (2023), we found it reasonable for the council to leave some works costs from the last assessment in 2020 unchanged and also include updated cost estimates for elements of the plan that had progressed beyond the planning stage.
- In [Schofields](#) (2022), we sought additional information from the council in our Draft Report on the design of stormwater items to validate the cost estimates in the supporting QS report, which we then found to be reasonable.
- In [Austral and Leppington North](#) (2021), we recommended that the council review the cost of works for all infrastructure categories in a future review. This was due to a lack of site-specific estimates or other supporting material.
- In [East Leppington](#) (2021), we found the cost of works across each infrastructure category reasonable despite finding that the costs were possibly underestimated, which could cause funding shortfalls.

In respect to applying adjustment factors, such as on-costs and contingency, we recommend that councils follow the ranges and figures provided in our benchmarks, commensurate with the stage of planning that the plan is at.

5.1.1 Our local infrastructure benchmarks

We have updated our local infrastructure benchmarks to ensure individual items are still relevant, to update the cost and scope of individual items, and to develop costing methodologies for adjustment factors. You can find our updated benchmarks [here](#). We are also developing a benchmarks calculator spreadsheet which will be available on our website.

Ultimately, the aim of setting benchmark costs is to establish a baseline reasonable cost for common local infrastructure works types. This should improve efficiency by simplifying the process of CP preparation, lowering administrative costs for councils, providing a consistent level of infrastructure appropriate for inclusion in plans (defined as 'base level'), and providing cost signals to developers about high- and low-cost development areas.

Benchmarks can be useful as a point of comparison for councils when estimating their costs and are often useful to estimate infrastructure costs in the early stages of the plan, before detailed design work has been completed.

Box 5.3 Scenarios for using benchmark costs

It may also be reasonable for a council to use a benchmark cost when:

- it is not practical to obtain a site-specific cost estimate, such as when an infrastructure item is added to the plan after site-specific cost estimates for most other items have already been obtained and obtaining additional site-specific costs will delay the finalisation of the plan
- there is insufficient information to inform a site-specific cost estimate, such as at the early stages of infrastructure planning (prior to the preparation of concept designs)
- the cost of the infrastructure item is likely to be insignificant in the context of the total cost of infrastructure in the contributions plan and relying on benchmark costs is unlikely to result in a significant overstatement or understatement of costs.

For example, in [Frenchs Forest Town Centre](#) (2021), the council's supporting QS rates used IPART's benchmarks for a range of transport items. Given the plan was at the planning stage, we found this to be reasonable. However, we recommended that once these works progress to the design stage, we would expect a more detailed cost estimate based on designs.

Our benchmark costs will not always be appropriate for use, due to the site-specific nature of construction costs. During our assessment, we may consider it more appropriate for councils to procure independent advice from an accredited quantity surveyor, which take into consideration the unique circumstances of the development. These independent costings should be used in contributions plans if available. This helps tailor cost estimates for a plan and prevent significant over or under recovery on infrastructure spend.

Our benchmark costs are general in nature and councils should consider the benefits and risks of using benchmarks over site-specific costings. The limitations with using benchmarks include:

- the adjustment factors and benchmark figures cannot capture all site-specific nuance, e.g. topography and ground conditions, location, patterns of land ownership, and context (greenfield as opposed to infill development)

- contributions plans often have unique infrastructure items that are not included in our benchmarks
- reliance on benchmarking without considering site-specific factors can lead to councils significantly over or under recovering the costs of providing local infrastructure.

5.2 Land acquisition costs

Since 2011, costs for acquiring land have represented almost half of the total costs of assessed contributions plans on average. These costs can include:

- the actual costs of land already acquired by a council, indexed by the Consumer Price Index (CPI)
- the estimated costs of land yet to be acquired
- any just terms compensation that has been or is likely to be paid in association with land acquisition
- any estimated remediation costs due to contamination
- any conveyancing costs associated with land acquisition.

Land costs cannot include:

- administrative costs incurred by a council in connection with land acquisitions, such as valuations and project management costs (these are recovered through the allowance for plan administration costs)
- works costs associated with the land, such as demolition, fencing and other temporary works (as these are recovered through the associated infrastructure works for transport, stormwater and open space).

5.2.1 Assessing the cost of land already owned

The cost of land that the council already owns and has acquired for public infrastructure may not exceed the acquisition cost, indexed by CPI. The acquisition cost is the amount the council actually paid when it acquired the land.

IPART will assess whether the council has included in the plan any land it already owns and it acquired for public infrastructure at the indexed acquisition cost.

5.2.2 Assessing the cost of land yet to be acquired

For land that is yet to be acquired, we typically take the following steps in assessing a council's proposed land acquisition costs in a contributions plan:

1. assess the council's proposed method of determining land costs (e.g. based on average values or on valuations of individual properties)
2. assess:
 - a. the proposed values for each underlying zoning or constraint (where average values are used) or
 - b. the market valuation for each acquisition (where individual valuations are provided)
3. assess the council's application of average values (if used), including the council's assumptions about underlying/adjoining zonings and the extent of any constraints
4. assess the value of any proposed just terms compensation
5. assess the value of any remediation costs required due to contamination
6. assess the value of any other proposed costs, such as conveyancing costs.

Step 1: Assessing the council's method

This first step involves assessing the council's method of estimating the cost of land yet to be acquired. Estimates of councils' reasonable costs of acquiring land for local infrastructure should reflect the 'market value' of that land.

Estimates may be based on:

- individual valuations
- average values per square metre
- a combination of individual valuations and average values.

Ideally, estimates of land costs would be based on individual valuations of the lots specifically zoned for public infrastructure purposes. However, when a local infrastructure plan is prepared, we acknowledge that councils may not have sufficient information or resources to obtain large numbers of individual valuations, particularly for plans that apply to greenfield areas.

For this reason, we consider that it is reasonable to estimate land costs based on average values per square metre for the underlying zonings and constraints (e.g. flooding or transmission easements) in the plan.

Councils may also propose to include additional costs associated with land acquisitions in the plan (e.g. for just terms compensation, contamination, and conveyancing).

Step 2: Assessing the individual valuations or average values

The council should provide IPART with a recent valuation report from an independent qualified valuer as evidence that the individual valuations or average values are reasonable. If a council is considering using different evidence to support the reasonableness of land cost estimates, it should discuss its proposal with us when it is preparing the plan.

The valuation should be based, where possible, on direct comparison with recent relevant sales data and should include the information outlined in Box 5.4 below.

Box 5.4 Information to be included in a land valuation report

A valuation providing **average values** should include:

- an average value for every relevant underlying zoning (e.g. R2 low density residential and B4 mixed use) and grouping of constrained land (e.g. riparian corridors and transmission easements)
- the range of values per square metre for each of the above zonings demonstrated by relevant comparison sales
- justification for the valuer's advice on appropriate average values, which may include consideration of the particular land to be acquired for public infrastructure, the nature and extent of any constrained land, and any relevant development potential.

Individual valuations should provide justification for the valuer's recommended market value, including:

- total values and values per square metre indicated by relevant comparison sales
- the nature and extent of any constraints on the site
- any relevant development potential.

In assessing the individual valuations or average values, we will consider:

- the sample size of relevant comparison sales
- the date of relevant comparison sales
- whether any sales are for sites with uniform zoning and/or constraints (for example, all unconstrained R2 land or all constrained land). These sites will provide the best indication of the reasonable rate per square metre for each zoning
- the valuer's justification for the recommended market values or average values
- any other relevant matters.

If we have queries about the individual valuations or average values, we may request additional information or seek advice from an external consultant.

Step 3: Assessing the council's application of average values

Where a council has proposed to use average values, we will assess how the council has applied the average values recommended by a valuer, including its assumptions about:

- the underlying zonings
- any constraints on the land to be acquired (e.g., for flood-affected land).

Assessing the underlying zoning

The underlying zoning is the zoning that is assumed would apply if the land were not zoned for public infrastructure in the contributions plan. The underlying zoning is determined based on detailed, site-specific planning information. We may consider the zoning that applies to adjoining land, where considered relevant. We may also consider the available information, such as the Indicative Layout Plan (ILP), flood mapping, and other information provided by the council.

In assessing the appropriate zoning for each land acquisition, we assume that the underlying zoning represents the appropriate basis for valuing the land unless a council provides evidence otherwise.

Assessing the nature and extent of any constraints

The land to be acquired in a contributions plan may be constrained for a range of reasons, including:

- the existence of a riparian corridor
- the land being flood-prone
- the land being encumbered with a transmission easement
- contamination.

For each acquisition we assess whether any of the land is constrained (e.g. based on flood mapping and the ILP), and the proportion that is subject to a constraint. For example, an acquisition may comprise 70% constrained and 30% unconstrained residential (R2) land, and it would be reasonable for the estimated value of the land to be based on these relative proportions.

Step 4: Assessing the value of any proposed just terms compensation

Councils may be required to pay just terms compensation under the *Land Acquisition (Just Terms Compensation) Act 1991* (LA Act) when acquiring land for local infrastructure in contributions plans. Therefore, where the costs of just terms compensation are likely to be incurred, councils may include these costs in contributions plans. We will assess the reasonableness of a council's estimate of just terms compensation costs.

Preferably, to facilitate our assessment of any just terms compensation costs, councils should provide details of the number of residences on the land they will acquire. We prefer that any just terms compensation costs in contributions plans are based on fixed costs rather than a percentage of the proposed market value. This is because:

- the components of the likely compensation comprise mainly fixed costs
- market values can vary significantly, making a percentage approach less accurate.

However, we have recommended in recently assessed plans^j for councils to include a 'land acquisition allowance' that reasonably captures just terms compensation costs. Particularly for plans where land acquisition has not commenced or is at the planning stage, it can be difficult or resource intensive to provide exact figures. This is a simple, initial method to prevent the progression of contributions plans from being delayed.

If councils wish to include other just terms compensation costs, they should provide additional evidence that these costs are likely to be incurred and are reasonable, such as:

- the council's rationale for acquiring land before surrounding development is ready to occur, and/or
- legal advice that a certain amount of just terms compensation will be payable in particular circumstances.

Step 5: Assessing the value of contamination on proposed acquisitions

Across NSW, there is a legacy of land uses that have contaminated land which may be required for future public infrastructure. For section 7.11 contributions, councils are impacted when acquiring contaminated land due to the misaligned valuation of land (due to undiagnosed contamination) and the cost of remediation.

When in the process of acquiring land, councils may not be able to determine if the land is contaminated or not. For example, if the council is prevented from conducting investigations on the land by the landowner or unable to reach an appropriate agreement for reduced valuation if contamination is suspected. As a result, councils can be faced with immediate funding shortfalls due to remediation costs that may have not been factored into monetary contributions.

The 2005 Practice Notes state that capital funding under s7.11 includes 'the cost of land acquisition including all things necessary to bring the land into council ownership and to a standard suited for the end use.'¹² We consider this to include costs related to contamination when acquiring land for development contingent public infrastructure.

Ideally, due diligence from councils would allow for the value of contamination to be incorporated into the purchase – in the form of a reduced price, for example. However, as noted in the example above, we have heard from councils that it can be difficult to ascertain the extent of contamination or come to an agreement with a landowner despite the appropriate due diligence.

^j Appin Growth Area (2024) and West Dapto (2024).

In this event, we recommend that the council commission a desktop review 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 consider this reasonable supporting evidence to justify additional remediation costs included in a plan's land acquisition costs. This will also act as a signal to developers or landowners about permissible land acquisition allowances and may incentivise cooperation if the actual costs related to contamination are expected to be lower than suggested in a desktop review.

To further assist this process, our local infrastructure benchmarks include a unit rate for land remediation of common types of contaminated land. Based on benchmark assumptions (i.e. area and thickness), it includes:

- excavation and removal of asbestos contaminated ground material
- waste classification reporting
- plant mobilisation for excavators and trucks
- removalist crew
- personal protective equipment.

Step 6: Assessing the value of any other proposed costs

Where councils include any other costs for land to be acquired in a contributions plan, we will assess these costs on a case-by-case basis. We may draw on a range of relevant information, such as referring to the actual costs incurred by other councils for similar acquisitions.

5.3 Plan administration costs

We consider it reasonable for councils to use the IPART benchmark rate of 1.5% of the total cost of works as the estimate for plan administration costs.

However, using the standard rate may not be justified if the council expects or has incurred higher or lower, and in these cases, a council may wish to more accurately estimate this cost. For example, a 'bottom up' approach to calculating plan administration costs may also be considered reasonable.

5.4 Indexation of contribution rates

Indexation is a method of adjusting contribution rates to account for changes in the cost of land or infrastructure over time. It helps to ensure that contributions remain cost-reflective, which means that:

- they signal the costs of developing different areas – which, in turn, can assist in guiding development to where it is most cost-efficient (i.e. where the benefits of the development are greater than its costs), and

- other parties (such as a council's ratepayers) do not have to fund any shortfall between the actual costs of providing public infrastructure and the revenue received from development contributions.

Councils are permitted to make changes to contribution rates, without the need to prepare a new contributions plan, to reflect quarterly or annual variations to:

- readily accessible index figures adopted by the plan, such as a Consumer Price Index (CPI), or
- index figures prepared by or on behalf of a council that are adopted by the plan.^k

A contributions plan will typically specify a base contribution rate for each infrastructure category (and possibly separate rates for land and works). The plan must specify the index that will be used to adjust the base contribution rate, and how frequently the adjustment will occur. Most plans include a formula for the adjustment.

Most councils in NSW prepare contributions plans without discounting future cash flows to their present values. This means councils may not adequately account for the opportunity cost that arises due to the difference in time between when they incur costs to provide infrastructure and when they receive contributions to recover the cost of this infrastructure. Indexing contribution rates may not overcome this problem. Instead, or in addition, councils could use a net present value (NPV) approach to calculate their contribution rates.^l

Base contribution rates

To derive the contribution rates in the base year of the plan (base contribution rates) for each infrastructure category in a plan, councils:

1. estimate the total cost of land acquisition and works required as a result of new development in the plan's catchment area, in current dollar terms, then
2. divide this amount by the size of the catchment area, usually expressed in hectares of NDA or net increase in population.

Box 5.5 shows a general formula for calculating base contribution rates.

^k Under clause 215(5)(b) of the EP&A Regulation.

^l Further detail on the NPV approach is in Section 5.8 of this Information Paper and IPART's Technical Paper, *Modelling local infrastructure contributions*.

Box 5.5 Contribution rate formula for councils not using an NPV approach

$$DC_0 = \frac{C}{N}$$

Where:

- DC_0 is the base contribution rate (usually expressed in dollars per hectare of NDA or dollars per person)
- C is the estimated cost of infrastructure apportioned to the development area
- N is the size of the catchment (usually hectares of NDA or net increase in population)

Note: the net increase in population is the total anticipated population in the area less any existing residents.

Indexing contribution rates

In the years between plan reviews, the base contribution rate is indexed using either one rate for both land and works or separate indexes for each sub-component. Box 5.6 below outlines the different methods.

Box 5.6 Indexation of contribution rates

Method 1 – index contributions by CPI

$$DC_1 = \frac{DC_0 \times CPI_1}{CPI_0}$$

Where:

- DC_1 is the contribution rate in the next period
- DC_0 is the base contribution rate
- CPI_1 is the value of the Consumer Price Index in the next period
- CPI_0 is the value of the Consumer Price Index in the base period

Method 2 – index contributions separately for land and works

$$DC_1 = DC_{works(1)} + DC_{land(1)}$$

$$DC_{works(1)} = \frac{DC_{works(0)} \times WVI_1}{WVI_0} \quad DC_{land(1)} = \frac{DC_{land(0)} \times LVI_1}{LVI_0}$$

Box 5.6 Indexation of contribution rates

Where:

- DC_1 and DC_0 are as defined in method 1
- DC_{works} and DC_{land} are the contributions for works and land respectively
- WVI_1 and LVI_1 is the value of a works value index and land value index respectively in the next period
- WVI_0 and LVI_0 is the value of a works value index and land value index respectively in the base period

Costs already incurred

When councils are preparing a new contributions plan (or formally amending an existing plan), costs already incurred must be indexed by CPI. This is required by clause 207 of the EP&A Regulation.

This means that when calculating the base contribution rates, the cost of land that the council already owns and has acquired for public infrastructure may not exceed the acquisition cost, indexed by CPI. Similarly, the cost of works completed may not exceed the actual costs indexed by CPI.

5.5 General guidance on indexation methods

In all contexts, we consider it reasonable for councils to index contribution rates using CPI for the cost of land, works and plan administration.

For Greater Sydney, CPI (All groups) for Sydney¹³ would be considered reasonable. For other areas, such as other major cities in NSW or regional locations, CPI (All groups) for All capitals¹⁴ would be considered reasonable, as we consider these locations likely to have more in common with smaller capital cities than Sydney.

This approach is consistent with the legislative requirements and practice notes. It is also easy for all stakeholders to understand and for councils to apply. Councils do not incur any cost in preparing the index, and changes in the contribution rates are likely to be less volatile than if an alternative approach was used.

However, CPI might not track the change in prices for land and works in a contributions plan as closely as other indexes.

When assessing whether an alternative approach is reasonable, we will have regard to the relevant clauses in the EP&A Regulation, as well as the potential trade-offs between accuracy (in how the index tracks costs), transparency (in how the index is calculated), ease of applying the index (to determine contribution amounts) and cost of maintaining the index.

In our view, if councils deviate from using CPI, then a decision about a suitable alternate index requires consideration of:

- the composition of land and works in the plan
- the type and location of development to which the plan applies (e.g. greenfield vs infill and metropolitan vs non-metropolitan)
- the stage of development within the plan's catchment area
- the stage of delivery of infrastructure in the plan.

For example, it would be unreasonable to depart from CPI indexation when most of the expenditure on the land and/or works in the plan has already occurred, or where there is an agreement for it to be provided by a specific developer.^m

We consider it is generally reasonable for a council to adopt different indexes for the cost of works and/or land already incurred and for the cost of works and/or land yet to be incurred. However, we note that this makes the calculation of contributions payable at a particular time more complex.

We expect councils using an alternative to CPI for either the cost of works or the cost of land (or both), to provide an explanation in their application for assessment, and include supporting information where it could assist in our understanding of how the index is intended to be applied. We also encourage councils to explain their approach in the plan itself, to support stakeholder engagement when the draft plan is exhibited.

We note that indexation of contributions rates should not replace regular review of the plan, as outlined in Box 5.7.

Box 5.7 The importance of regular plan review

Councils should periodically review contributions plans to ensure they adequately reflect the latest planning assumptions (including population estimates) and best estimates of the cost of providing public infrastructure. Regular review helps to ensure that councils do not recoup too much or too little from developers.

We suggest that councils commit to reviewing plans at least every 3 to 5 years. This could be more regular where an area is growing rapidly, where costs have grown significantly, or changes are required to implement the plan.

While the indexation of contribution rates is an important consideration for councils when preparing plans, indexation should not replace regular review of the contributions plan.

^m A works-in-kind or Planning Agreement will typically 'lock-in' a price for the works/land the developer agrees to provide.

5.6 Indexation of contributions for works costs

In many plans assessed by IPART to date, councils have chosen to index the cost of works by CPI, which we have considered reasonable. Alternatives include:

- an Australian Bureau of Statistics (ABS) Producer Price Index (PPI)
- construction cost indexes produced by private companies.

Broadly, we consider using an ABS PPI for each specific category of works the better of these alternatives. Table 5.2 shows our preferred indexes for transport and stormwater management works, and open space embellishment. However, there may be instances where it is reasonable to use an index other than those listed in Table 5.2.

Table 5.2 Producer Price Indexes for indexing contributions towards works costs

Works category	Producer Price Index (PPI)
Transport	ABS PPI Road and Bridge Construction Index for NSW
Stormwater management	ABS PPI Road and Bridge Construction Index for NSW
Open space	ABS PPI Non-Residential Building Construction Index for NSW

Source: ABS, [Producer Price Indexes, Australia](#), Table 17: Output of the Construction Industries, subdivision and class index numbers.

When assessing the indexation method councils use to index the cost of works, we will consider the extent to which the index is likely to accurately reflect movements in the cost of the works over time.

In our assessment, if councils deviate from CPI or the above PPIs, we will ask for evidence that the alternative method chosen is reflective of costs in the plan.

5.7 Indexation of contributions for land costs

As noted earlier, since 2011, costs for acquiring land have represented almost half of the total costs of assessed contributions plans on average. Contributions plans typically cover at least a decade and given the considerable escalation in land values since 2011, it is important that indexation of contributions captures land value over time as accurately as possible to avoid funding shortfalls.

Unlike the cost of works, which are procured in a relatively homogeneous market with minimal regional price variation (within major cities), the price of land and property can vary significantly between locations. This makes it unfeasible for a single index to adequately capture the price variation of land across metropolitan NSW, let alone regional locations.

Most plans that we have assessed include provisions to index contributions for land using the same index that is adopted to adjust contributions for works (usually CPI). However, in several plans we have recently assessed, councils have proposed using a land or property value index to adjust the contribution rates for land.

5.7.1 Our assessment of indexation for land costs

In assessing the indexation method councils use for the cost of land in a contributions plan, we will consider the reasonableness of the approach in the context of the plan.

Councils should ensure that the methodology used to index land costs is transparent. We suggest councils include a clear explanation of the methodology when exhibiting the plan to facilitate stakeholder review, understanding and feedback, and, if possible, publish the results of the index on their websites after the plan has been adopted.

Using CPI for land cost indexation

We generally consider it is reasonable for councils to index contribution rates for the cost of land in a contributions plan by CPI. This is because indexing using CPI is widely accepted and understood in the context of adjusting government rates over time for the impact of cost inflation, even though CPI may not track changes in the costs of land in a plan as well as other methods.

Alternatives to CPI for land cost indexation

We prefer the use of a land value index (LVI) in favour of indexing using CPI, as it allows for changes in land prices to be better accounted for. Preferably, this would be an index constructed to account for the likely change in the price of the land in the plan (which may not change at the same pace as other land within a plan's catchment).ⁿ If this is not possible, then we generally consider a LVI based on a broader geographic region to be the more reasonable alternative.

The land in contributions plans is often made up of land with different zonings, constraints, lot sizes, and development potential, which can have a significant impact on the base year price and the movement in the underlying cost of land after the plan is adopted. A LVI that is based on a broader area has the advantage of being less volatile and susceptible to compositional bias, while still tracking the general direction and magnitude of change in the cost of land in a region.

We acknowledge that the lack of available, accessible, or functional land value indexes is an obstacle for councils, particularly those outside of Greater Sydney. However, there are a range of different methods councils could employ to account for changing land values.

Approaches may include indexing contribution rates by:

- an index of land or dwelling values developed by a property data provider on a city wide, local government area (LGA), or other geographic basis
- an index constructed from precinct-specific land value appraisals undertaken on behalf of council
- an index of unimproved land values published by the NSW Valuer General or constructed using NSW Valuer General data.

ⁿ For example, the price of land not being acquired by the council for public infrastructure may increase due to subdivision or other improvements.

The ABS also releases data and indexes that councils can consider, such as [Total Value of Dwellings](#) data which were previously published in the now ceased Residential Property Price Indexes.

Box 5.8 Previous approaches to using LVIs

Some recent approaches to land value indexation other than using CPI include:

- In [Appin Growth Area](#) (2024), the council chose to adopt CoreLogic's publicly available [Unimproved LVI for Greater Sydney](#). In response to our recommendation against the use of this LVI in our Draft Report, the council provided further justification of its suitability based on the plan's context, which assisted us in determining that the LVI was reasonable in our Final Report.
- In [West Dapto](#) (2024), we considered the proposed annual land index rate of the 5-year average percentage change derived from data published by the Valuer General to be reasonable. The 5-year average intends to account for year-to-year anomalies and trend changes in markets, and the council planned on reviewing the rate on an annual basis.
- In [Schofields](#) (2022), the council engaged CoreLogic to produce and publish a quarterly [Unimproved LVI for the North West Growth Area](#). We concluded the LVI to be reasonable and supported the methodology underpinning the index.
- In [Lowes Creek Maryland](#) (2021), the council used a bespoke LVI which relies on annual land valuations that can be used to inform a percentage change in the value of land for the precinct. Camden Council also uses this approach for other plans^o and publishes the LVIs on its [website](#).

When a council includes a LVI in its contributions plan for our assessment, we will ask the council to provide information to demonstrate that the LVI will reflect the likely change in the value of the land over time that the council needs to acquire for public infrastructure.

5.8 Net present value approach

Councils can use a net present value (NPV) model to calculate the contributions rate. An NPV approach is IPART's preferred approach to calculate contributions rates. Our [Technical Paper](#) sets out guidelines on using a NPV model.¹⁵ Councils have discretion over which approach to adopt.

In our recent assessments of [Box Hill](#) (2023) and [Bella Vista and Kellyville Station](#) (2021), the contributions rate is estimated using an NPV model, based on escalated nominal costs and revenues. Across the IPART reviewed contributions plans, The Hills Shire Council has historically used an NPV model.

^o Leppington and Leppington North, as part of the Camden Growth Areas Contributions Plan.

Box 5.9 Previous assessment of an NPV model

In [Bella Vista and Kellyville Station \(2021\)](#), which used a nominal NPV model, we considered that:

- for the timing of infrastructure delivery, the council's approach to forecasting was reasonable
- for revenue escalation, using a rate of 2.5% which represents the midpoint of the Reserve Bank of Australia's 2-3% inflation target was reasonable
- for increase in costs of land works, the council's average annual growth approach was reasonable.

For the discount rate, our recommended approach is set out in our [Technical Paper](#). We recommend that the discount rate be calculated using a market-based estimate of the cost of debt for the local government sector. We calculate this by taking the risk-free rate (10-year Commonwealth bond yield), adding half of a debt margin spread (for 10-year non-financial corporate A-rated debt) and debt-raising costs of 12.5 basis points. We publish this rate [biannually on our website](#) for application by councils.¹⁶

6 How do we assess reasonable timeframes?

Reasonable timeframes relate to the council providing infrastructure within a reasonable time relative to the purpose for which a monetary contribution was received.^P That is, receiving a contribution paid by a developer for the provision of open space, and delivering that open space in a timely manner.

For assessing reasonable timeframes, we consider the delivery schedule of local infrastructure against the staging of new development.

We examine whether the council will provide the public services and public amenities being funded through developer contributions by the time new residents would require them.

To do so, we analyse the housing development staging, how it was developed, and how the infrastructure development has then been prioritised. The works schedule associated with a contributions plan must specify the likely timing for the provision of the local infrastructure based on the anticipated receipt of contributions and the demand from expected population growth. A time for the provision may be expressed as a threshold being achieved (such as a nominated population) and does not need to necessarily specify dates.

Where possible, we would encourage councils to tie the delivery timeframe of specific infrastructure to the technical studies informing the plan. For example, if a community needs study recommends one double playing field for every 5,000 people, we expect the delivery timeframe to align with this threshold in new dwellings and population growth terms. A council can also determine its own thresholds for provision, which must be clearly based on sound projections.

We recognise that for contributions plans at the planning stage, it is difficult to accurately map the timeline of infrastructure delivery due to uncertainties related to the development. This may include supporting state government or council documentation that is yet to be finalised, inconsistencies across the early planning process, or fragmented land ownership. If this is the case a works schedule could include timeframes for delivery of infrastructure within a certain time band, which would become a rolling time band throughout the course of a plan's lifespan.

However, we would expect revised plans further along in the lifespan of the development to have more a more precise timeframe. Ultimately, the objective is to have public services and public amenities provided at a time when those demanding the infrastructure require it. Councils should review the staging of infrastructure delivery in a contributions plan regularly, as reprioritisation may be required in response to changing circumstances.

Examples of our recent assessments of reasonable timeframes are shown in Box 6.1 below.

^P In accordance with the conditions of a development consent or with a planning agreement.

Box 6.1 Examples of previous assessments on reasonable timeframes

In recent assessments, councils have applied varying approaches to establish a reasonable timeframe for infrastructure delivery. Some examples include:

- In [Appin Growth Area](#) (2024), the council took an 'as development occurs' approach. With limited supporting documentation available, it was difficult to provide specific timeframes at the early planning stage. For open space and community facilities, however, the council planned to follow the thresholds in the supporting community needs assessment.
- In [West Dapto](#) (2024), indicative timing was included for each infrastructure item within a 5-year band.
- In [Orchard Hills North](#) (2022) and [Glenmore Park Stage 3](#) (2022), indicative staging for housing development was included based on the different precincts included in the plan (i.e. Precinct 1 estimated for 2024-2026, Precinct 2 for 2026-2028, and so on). In our Draft Reports, we recommended that the council include an infrastructure delivery schedule for individual items for greater clarity, linked to the stages of development across the precincts. In response, the council provided more specific timeframes, which we were satisfied with in our Final Reports.
- In [Austral and Leppington North](#) (2021) and [East Leppington](#) (2021), the council took a priority approach, whereby transport, stormwater, and open space were to be delivered relative to the development. For both plans, stormwater works were to be provided as land was developed, with priority based on the pace of development in a given area. For the former, transport works were to be delivered in line with development with priority given to bus implementation, and for open space, priority was dependent on the proximity of development to established open space sites.

6.1 Approaches to enable delivery of infrastructure

Council expenditure for development contingent infrastructure is often put off until the council has received the full contribution amount required to deliver amenities or services. This risks delays in the provision of infrastructure for new residents if the contributions received do not meet the total costs of the infrastructure. Staggered development could result in insufficient contributions for high-cost local infrastructure at the early stage of a plan's development timeline.

This may be less of an issue for councils with multiple contributions plans in place or underway, as contributions may be pooled and used interchangeably for different precincts or areas within the council catchment.⁹ However, for councils with a single contributions plan, or other plans where contributions have already been spent, the capacity for pooled funds is limited, and there is a greater risk of a delay in the provision of infrastructure.

A contributions plan may adopt a flexible approach to enable the delivery of infrastructure to align with the timing of expected demand. In instances such as that described above, or where contributions have been taken and further development is delayed for an extended period, but the thresholds for infrastructure delivery are not reached, councils may consider:

- 'pooling' of funds, which must be reflected in the works schedule^r
- the use of other capital funds to supplement the s7.11 fund (e.g. through borrowing or general revenue), which may be recouped and repaid through future contributions (including interest)
- reviewing the priority of the proposed local infrastructure item and amending the works schedule accordingly
- reviewing the need for the proposed facility which may lead to an alternative (or perhaps interim) approach to satisfy the demand.¹⁷

Box 6.2 Previous recommendation to enable delivery

In *St Leonards South* (2021), Lane Cove Council planned to collect 70% of total contributions (equivalent to development achieving 76% of total new dwellings) before delivering a new local park.

We recommended that the council should investigate ways, such as borrowing, to deliver the new park earlier in the development timeline, as the threshold was not reasonable.

However, we acknowledged that the council is relatively small with limited cash reserves and no other contributions plans to enable pooling of funds, and a loan may push the council's financial indicators below its benchmarks.

⁹ Under clause 4 of the *Environmental Planning and Assessment (Local Infrastructure Contributions – Pooling of Contributions) Direction 2020* and clause 212(6) of the EP&A Regulation.

^r If a plan authorises the pooling of contributions, it must outline how pooled payments will be prioritised in its works schedule, as required by clause 212(1)(h) of the EP&A Regulation.

7 How do we assess apportionment?

Apportionment is about ensuring the allocation of costs equitably between all those who will benefit from the infrastructure or create the need for it. To assess whether the contribution rates are based on a reasonable apportionment of costs, we examine how the council has allocated the costs between:

- existing and new development
- stages of development
- sub-catchments of the precinct/area
- residential and non-residential development
- different residential development densities
- development within and outside the precinct/area.

We will consider all information provided to support decisions related to apportionment within a contributions plan. This may include technical studies, geographic information systems (GIS) mapping, and publicly available guidance⁵.

Fundamentally, our assessment follows the 'impactor pays' principle. Some guiding questions for reasonably apportioning costs in a contributions plan include:

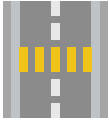


1. is there demand for the infrastructure from within the plan's area?
2. is there demand for the infrastructure from outside the plan's area?
3. would the infrastructure have been delivered in the absence of the new development?
4. how is the existing community accounted for?
5. how are costs apportioned between different types of land use (e.g. residential, industrial, and commercial)?

The appropriate units of apportionment will vary depending on the type of infrastructure and the characteristics of development in the precinct. Most plans we have assessed to date have apportioned costs on a 'per person' basis or a 'per hectare of net developable area' basis, or a combination of both. Other combinations can be used, such as in [West Dapto \(2024\)](#), where the council used traffic modelling data to apportion transport costs between part of the West Dapto Urban Release Area and adjacent areas.

Table 7.1 lists some examples of the apportionment approaches we have accepted or recommended for each infrastructure category.

⁵ Such as the Roads and Maritime Services' *Guide to Traffic Generating Developments* (2002) and Transport for New South Wales' *Apportionment of Costs Guidelines* (2008).

Table 7.1 Examples of approaches to apportionment

Infrastructure	Approaches
<p>Transport</p> 	<ul style="list-style-type: none"> • Costs being apportioned between residential and non-residential development, based on the relative size of net developable area (NDA). • Costs being apportioned across residential development on a per person basis and across non-residential development on an NDA or gross floor area (GFA) basis. <ul style="list-style-type: none"> ◦ The cost apportioned to residential development could be further apportioned based on the number of daily vehicle trips, if relevant data were available. • Where the infrastructure is shared across multiple precincts, the cost could be apportioned on a per person or NDA basis between the precincts, depending on the amount of residential/non-residential development.
<p>Stormwater</p> 	<ul style="list-style-type: none"> • Costs being apportioned between the residential and non-residential sector, based on the NDA of each sector. <ul style="list-style-type: none"> ◦ Costs then being further apportioned between individual residential developments based on their NDA. We have also accepted apportionment between residential developments on a per person basis. ◦ For non-residential apportioned costs, we have accepted these being allocated to individual developments on the NDA of the individual development. Where a net present value (NPV) model has been used, we have also accepted apportionment between non-residential developments on a GFA basis. • Where development contains on-site stormwater infrastructure (provided by the developer), the council could proportionally discount the amount apportioned, based on the extent of the on-site infrastructure. • Where stormwater infrastructure serves more than one precinct, the council could apportion the cost based on the relative size of catchment areas. • Where the precinct is divided into different stormwater catchments, the cost of infrastructure servicing each catchment should be separated and be apportioned to their respective catchments only.
<p>Open space and community facilities</p> 	<ul style="list-style-type: none"> • Costs should be apportioned on a per person basis within the precinct, or across several precincts, consistent with the needs analysis of the area(s).

7.1 Open space and community facilities

Examples of our approaches to assessing apportionment of open space and land for community facilities are shown in Box 7.1 below.

Box 7.1 Examples of previous open space and community facilities apportionment assessments

- In [Appin Growth Area](#) (2024), we accepted the apportionment of open space costs as 100% to the plan's area, with it wholly apportioned to residential development. Since the development will change the precincts from rural to urban, the increase in open space will be required to meet the new demand.
- In [Lowes Creek Maryland](#) (2021), open space and community facilities apportionment was split unevenly across residential development, with high and mixed density development contributing more than environmental, low density and medium use development. We considered this reasonable as high density and mixed-use development are expected to use social infrastructure more, given the higher number of residents per hectare relative to other residential development types, suggesting that there may be less outdoor space for this group to use within their residence.

7.2 Transport

Examples of our approaches to assessing apportionment of transport infrastructure are shown in Box 7.2 below.

Box 7.2 Examples of previous transport apportionment assessments

- In [Schofields](#) (2022), 50% of the cost of an intersection upgrade from a separate contributions plan (Quakers Hill Contributions Plan) was apportioned to the Schofields plan, and therefore included in the plan. We accepted this, as it was determined necessary from a technical study due to increase traffic volume from the Schofields precinct.
- In [Frenchs Forest Town Centre](#) (2021), the council used traffic modelling showing the morning traffic generation attributed to residential development for the basis of the apportionment, because the peak traffic flow to be at its most dense during this period. We considered that peak flow is an appropriate method for apportioning traffic and transport costs.

Box 7.2 Examples of previous transport apportionment assessments

- In [Bella Vista and Kellyville Station \(2021\)](#), the council apportioned the costs of traffic works between residential and non-residential development based on vehicle generation rates specified in the Roads and Maritime Services' [Guide to Traffic Generating Developments](#), which the council adjusted to best reflect the precinct's development density. We considered this approach and the assumptions made as reasonable.
 - Separately, the council had apportioned 100% of the costs of pedestrian bridges to residential development. We recommended that the council apportion the costs of this active transport to residential and non-residential development, given that both residents and workers in the non-residential development may use the infrastructure.

7.3 Stormwater

Examples of our approaches to assessing apportionment of stormwater infrastructure are shown in Box 7.3 below.

Box 7.3 Examples of previous stormwater apportionment assessments

- In [Orchard Hills North \(2022\)](#) and [Glenmore Park Stage 3 \(2022\)](#), the council had apportioned stormwater (and transport) costs only to residential development. We recommended the apportionment of these infrastructure costs to both residential and non-residential development on a per hectare of NDA basis, to ensure costs were equitably distributed.
- In [Bella Vista and Kellyville Station \(2021\)](#), certain stormwater costs were apportioned to residential development only. We recommended that the costs be apportioned between residential and non-residential development on a GFA basis (best cost-driver proxy available for non-residential), due to the need for this infrastructure arises from both types of development.

7.4 Apportioning past costs to future development

The principle of apportionment means that funding shortfalls from existing developments should not be apportioned to future development. This applies to instances where there is a funding gap relating to previous development, which cannot be allocated to the remaining development for recoupment. To do this would mean developers would be charged at a disproportionate cost for a smaller number of remaining dwellings or for infrastructure that does not yield demand from the remaining development.

This issue arose in [Box Hill](#) (2023), where the council included a \$172 million funding gap which had accumulated since development first commenced. The council proposed a full recovery by allocating the entire funding gap to the remaining 29% of development in the precinct.

After our review, we recommended that the council set its contribution rates so that the remaining development covers 29% of the funding gap. This intended to apportion to future development a proportion of the funding gap based on the estimated remaining development within the precinct.¹⁸

The Minister for Planning and Public Spaces' nominee did not agree with the council or IPART's approach to apportioning the funding shortfall. The Minister's nominee noted that

Principles of apportionment underpin the use of section 7.11 of the Environmental Planning and Assessment Act 1979 and determine the reasonable nature of the contribution imposed upon development. The remaining 29% of development does not generate demand for more than 29% of the total costs of infrastructure and therefore none of the shortfall can be apportioned.¹⁹

Options for councils to recoup funding shortfalls from existing development in these circumstances are limited. Councils can apply for a special rate variation, seek additional grant funding, or reconsider the local infrastructure to be provided in the area.

8 How do we assess community liaison?

Councils should provide evidence that the plan and its supporting material has been exhibited^t and publicised, and that submissions received during the exhibition period have been considered. In the past, councils have made contributions plans and supporting material available at local libraries, advertised the exhibition in local media or newspapers, provided notification letters to affected or nearby landowners and/or occupiers, or held engagement events with the public and relevant stakeholders.

The council should provide evidence showing that it has conducted appropriate community liaison and publicity, for example:

- 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 councils' 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.

We will consider how the council engaged with the community feedback and submissions it received during exhibition, how the council has considered or addressed stakeholder views or concerns and the impact on or changes to the CP as a result.

^t As required by clause 213 of the EP&A Regulation. This does not apply if the plan is a subsequent version that is amending an existing contributions plan, and the Minister has given written notice to the council that the clause does not apply.

9 How do we assess other relevant matters?

As part of our assessment, we assess if a contributions plan complies with any other matters that we consider relevant. Often, these matters may be unique to a contributions plan.

We encourage councils to be transparent about any complexities or issues that may have an impact (or may be perceived to have an impact) on a contributions plan or the local community in general. This will help prevent delays in the assessment process and make for a more cooperative process.

To establish if there are other matters we consider relevant, we examine the context and background of a contributions plan.

Some examples of other matters we may consider relevant include (but are not limited to):

- changes in council policy that materially affects contributions planning, for example:
 - changes in how a council addresses climate change impacting the design of infrastructure
 - changes in council land use policy
- Aboriginal cultural heritage or other local, state or national heritage matters
- potential wildlife or biodiversity impacts
- when a contributions plan was last amended without the need to review and what amendments were made (if applicable)
- when a contributions plan was last reviewed by IPART and what findings or recommendations were made (if applicable) and how the findings or recommendations were implemented
- the relationship between the plan and its planning instruments, for example:
 - state environmental policies
 - local environment plans
 - conservation management plans
 - development control plans
- if there are reviews underway or imminent of planning decisions or Ministerial directions that may affect the underlying assumptions within a contributions plan
- cross-boundary issues, such as the setting of catchments across more than one council area
- contribution exemptions
- active or latent risks, such as the misalignment between involved parties in delivery timelines
- governance or accountability issues, such as funds mismanagement

- contentious issues, protests or media attention relating to the plan or the local area.

A recent example of assessing other relevant matters is in [Appin Growth Area \(2024\)](#), where we considered the:

- risk that transport items may not delivered as expected
- inconsistent allocation of non-residential land
- proximity of the State Heritage registered Appin Massacre Cultural Landscape
- proximity of environmentally sensitive land connected to Appin's koala habitats.

We will consider other matters to the degree they affect the plan and if we consider changes will be required to address these matters.

We will also examine whether the council has complied with the information requires set out in [clause 212 of the EP&A Regulation](#), shown in Table 9.1 below.

Table 9.1 Required content of a contributions plan

Subsection	Requirement
1(a)	Purpose of the plan.
1(b)	Land to which the plan applies.
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 services to meet that development.
1(d)	The formulas to be used for determining the section 7.11 contributions required for different categories of public amenities and services.
1(e)	The section 7.11 contribution rates for different types of development, as specified in a schedule in the plan.
1(f)	A map showing the specific public amenities and services proposed to be provided by the council.
1(g)	A works schedule that contains an estimate of their cost and staging (whether by reference to dates or thresholds).
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.
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.
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.
5	In determining the development contribution rates 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> .
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.

- ¹ NSW Department of Planning, Housing and Infrastructure, *Local infrastructure contributions policy*, accessed March 2025.
- ² NSW Department of Planning, Housing and Infrastructure, *Housing and Productivity Contributions – Guide to the Ministerial Planning Order*, July 2024.
- ³ NSW Department of Planning, Housing and Infrastructure, *Practice Note – Local Infrastructure Contributions*, January 2019.
- ⁴ NSW Department of Planning, Housing and Infrastructure, *Practice Note – Local Infrastructure Contributions*, January 2019, pp 14-15.
- ⁵ Genus Advisory, *Benchmark costs for local infrastructure*, Final Report, April 2025, Appendix A, pp 22-23.
- ⁶ NSW Department of Planning, Housing and Infrastructure, *Practice Note – Local Infrastructure Contributions*, January 2019, p 15.
- ⁷ NSW Department of Planning, Housing and Infrastructure, *Practice Note – Local Infrastructure Contributions*, January 2019, pp 15-16.
- ⁸ NSW Department of Planning, Housing and Infrastructure, *Practice Note – Local Infrastructure Contributions*, January 2019, p 15.
- ⁹ NSW Department of Planning, Housing and Infrastructure, *Practice Note – Local Infrastructure Contributions*, January 2019, p 16.
- ¹⁰ NSW Department of Planning, Housing and Infrastructure, *Framework for Valuing Green Infrastructure and Public Spaces*, October 2023, p 21.
- ¹¹ Rawlhouse Publishing, *Rawlinsons Australian Construction Handbook*, accessed April 2025.
- ¹² NSW Department of Planning, Housing and Infrastructure, *Development Contributions – Practice Note*, July 2005, p 2.
- ¹³ Australian Bureau of Statistics, *Consumer Price Index, Australia, Data downloads – Table 5. Index Numbers by Capital City*, Series ID: A2325806K.
- ¹⁴ Australian Bureau of Statistics, *Consumer Price Index, Australia, Data downloads – Tables 3 and 4. Weighted Average of Eight Capital Cities, Index Numbers and Percentage Changes*, Series ID: A2325846C.
- ¹⁵ IPART, *Modelling local infrastructure contributions in a present value framework*, Technical Paper, August 2024.
- ¹⁶ IPART, *Local government discount rate*, Fact Sheet, February 2025.
- ¹⁷ NSW Department of Planning, Housing and Infrastructure, *Development Contributions – Practice Note*, July 2005, p 3.
- ¹⁸ IPART, *Assessment of Contributions Plan No. 15 – Box Hill Precinct (2023)*, Final Report, April 2024, pp 22-30.
- ¹⁹ NSW Department of Planning, Housing and Infrastructure, *Box Hill Precinct – Advice to Council dated 9 July 2024*, p 1.

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