



# HUNTER'S HILL COUNCIL

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## **Submission on - Review of benchmark costs for local government and the essential works list, nexus and efficient infrastructure design, IPART October 2021**

### **On-line submission**

#### **Comments in relation to IPART's draft reports.**

- 1. Essential Works List (EWL)** –Council considers that EWLs are not necessary and that it should be up to councils what works are appropriate and suitable for their communities based on nexus and an evidence base.

If it is deemed necessary then the EWL should include community facilities (in addition to land or strata) and public domain works. Council understands that the Terms of Reference given to IPART did not include community facilities but Council considers this a grave oversight. There appears to be no explanation why community facilities have been excluded.

Community facilities are important places within a LGA, particularly as density is increasing and residents increasingly seek access to high-quality community spaces to socialise, meet and recreate. Increased population places pressure on existing facilities. It is acknowledged that land and strata space are listed on the EWL, which is supported. However, if community facilities cannot be funded/part funded by development contributions councils may be reluctant to take land and/or strata space. In addition it is likely that community facilities may take longer to build without funding from contributions.

Public domain improvements should also be included in the EWL. Land acquisition is often prohibitive for councils; however, footpaths can be widened and roads closed to provide access to pockets of open space, particularly in town centres where many councils seek to encourage active transport rather than vehicle use.

- 2. Benchmarking** – councils presently spend development contributions responsibly and consider that benchmarking is unwarranted for the following reasons:
  - Councils through consultation with their communities determine the types and standard of infrastructure delivered within a LGA, the rates of which maybe higher than benchmarked costs.
  - Councils are aware of the costs that are relevant to their area. In addition, the Covid pandemic has resulted in material costs that have risen well beyond forecasts.
  - The provision of infrastructure is often based on the cost of ongoing maintenance and in order to prolong the life of infrastructure, council's may choose a higher grade of infrastructure to save money in the longer term.

- The community expects a similar standard of infrastructure across a LGA. The benchmarking as provided may lead to councils seeking gap funding which may delay delivery of or below standard infrastructure.
- In the built up areas of Sydney where there is often little or no opportunity for increased open space, councils regularly enhance existing open space to allow greater usage without reducing standards. This often costs more than the exhibited benchmark rates.

**3. Other factors that increase the cost of a project - adjustment factors for complex projects**

- It is not uncommon for councils to deal with land which is marginal but suitable for open/space recreation if stabilised or remediated. This adds to the complexity and cost of the project. Other costs for consideration include excavation, disposal of contaminated materials and the introduction of fill.
- It is considered that these types of costs should be included and adjustments made to account for these issues.

**4. DPIE and Infrastructure Contributions**

- Since IPART released its report in October 2021, the Department of Planning, Infrastructure and Environment (DPIE) has also placed numerous documents in relation to infrastructure contributions on public exhibition. It is anticipated that IPART will review DPIE's released package, and amend its draft report accordingly.



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