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Submission: Major Capital Projects (est. \$33.2m over the next 10yrs) are to be funded through s94 development contributions plan, which the council does not have one. Randwick only has a simple s94A contribution plan which charges only 1% of total CIV of development as infrastructure contribution, making it one of the cheapest for developers in Sydney - developers in Blacktown pay 10x more. It is absolutely unacceptable that Randwick residents are paying for the councils' inaction/incompetence in preparing a proper s94 contribution plan - council is missing out on \$20,000 per apartment unit. IPART should consider the implications of approving this SRV, as other s94A councils will simply use SRV in lieu of a proper contributions plan - meaning residents of Sydney will pay for more and more costs attributed to new developments.

Regarding "Application PartA" Excel:

WK6: For 1st year, it appears that 67% of operating balance of SRV revenue will simply go to repaying the loan (\$1.26m), given that a further \$1.27m will simply be paid as interest expense, it is hard to see why Randwick, currently debt free, would need to go into debt in 2018-19. Can council propose to take on debt (that it currently doesn't have) and apply for SRV at the same time? It's like taking money from ratepayers to pay the banks, because the 1st year SRV is not being invested in infrastructure.

WK7: Row 157: growth in labour costs should be 2.5%, rather than around 4% as assumed. Private sector wages are barely growing and public sector is at best increasing at 2.5%, less any increase in compulsory superannuation.

WK7: Row 166: inflation rate applied to materials and contracts should also be 2.5%, rather than 2.8% as assumed. The 2.5% inflation rate is adopted by all NSW Government estimations. Councils should not use higher inflation rates, if it expects rate peg to be only 2.5% going forward.