

Scott Chapman
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Dear Scott

Re: Austral Leppington North Contribution Plan - Submission

I write to provide feedback on IPART's draft findings and draft recommendations on Council's Austral and Leppington North Section 7.11 Development Contributions Plan (ALN CP).

Overall Council supports the findings drafted by IPART. However there were general 'administration' comments in the report that are considered beyond the planning control or legislative boundaries of Council. It is these controls and boundaries that harness the Council to inform and prepare a Contribution Plan for the changes associated with a growth precinct such as Austral and Leppington North.

A contribution plan is fundamentally a financial plan governed by the EP&A legislation, that is based on a 20 – 30-year planning assumptions. For large green field areas based on projected demographic growth, high level infrastructure service delivery plans and diversified land use, there are consistent changes to demographics, design outcomes, environmental controls and land use development. The moment the preliminary data source (planning and design concept) is prepared informing the financial methodology and calculation of a contribution plan, it can be considered outdated.

As a broader topic to the draft report, Council supports the ability to reform contribution plans as a 'Live plan'. A Live Plan will allow Council to input live financial data into the Plan, as it occurs. Meaning when acquisitions are finalised the 'real' cost of acquisition is applied. Where infrastructure is built, 'real' cost of construction is applied.

Until such time as the 'real data' is recorded into the Plan, indexation will continue. Once the real cost is captured against the scheduled item, indexation can no longer be applied. This 'real time and real cost' formula would be the most fair and reasonable outcome to allow the Plan to maintain an up-to-date cost to deliver the plan.

However current legislation does not allow Council to amend the cost of works or land acquisition values within the schedules without an IPART review. Since the costs and lands are audited via the LG Act annual reporting framework as well as DPE reporting framework, then there should be no reason why this cannot be considered a fair and reasonable practice for contribution plans.

To assist IPART team in preparing their final report to the Tribunal and Minister, Council provides the following comments to the recommendations identified in the draft report for consideration:



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Recommendation 1:

Liverpool Council should comprehensively review all works costs in the ALN contributions plan within the next 2 years. The review should include:

- a. Any changes to assumption or strategies within the plan*
- b. Actual costs of delivering land and works within or near the precinct (where available)*
- c. Site specific estimates, recent benchmarks, or other relevant sources*

Council response:

Council would support a comprehensive review of all works costs in the ALN contribution plan within the next 2 years, including:

- a. Changes to assumption or strategies within the plan
- b. Actual costs of delivering land and works within or near the precinct
- c. Site specific estimates, recent benchmarks or other relevant sources.

As the review is on the existing plans and design, which are continually evolving as the lands to which the plan applies are developed. To change any assumption or strategy to the plan would require new planning framework and assessment by IPART. There are current planning proposals for sites within the ALN CP (specifically the Leppington Town Centre).

A comprehensive review of all the documents, studies, plans and designs that underpin the methodology within the Contribution Plan will require significant resourcing by Council, both in the technical skills and the financial aspects. Prior to any commitment, Council will discuss and seek assistance from the Department to resource this review.

The above recommendation notes a review, however is it the intention of IPART for Council to submit either a new plan or amended plan for assessment? Or just a working review paper? If it is a new / amended plan this will likely be projected beyond a 2 year timeframe.

Recommendation 2

Following the review of the ALN contributions plan, Liverpool Council should submit the plan to IPART for assessment within 3 years from the date that the plan becomes an IPART reviewed contribution plan within the meaning of the Minister's 2019 Direction.

Council's Response:

As per above Council would support the review of the ALN contribution plan. However, is it the intention of IPART for Council to submit a new/amended plan based on the review? A review would only highlight findings. Is IPART seeking a revision of the schedule of works and land acquisition as part of the review? Or a working review paper?

As part of this current report from IPART, Council supports an option from the Minister to allow adjustments to the current draft Contribution Plan with 'real' and 'actual' cost of items that have been delivered or land acquired that are listed in the Plan. As these items are supported by IPART and given the timeframe of the recommended review and another Ministerial approval, the funding gap recoupment of these lands and works is not likely to occur until 5 years. Significant development approval prior to the next review will likely to have occurred, risking a major financial

unfunded gap to Council and the community. Especially, if development rate continues, then there is little to no way to recoup costs without a future levy on rates.

Council can provide a list of these lands and works as an addendum to the Ministerial report, as a recommended approach by IPART.

The only other point for consideration to the recommendation is that the Contribution Plan is based on precinct assumptions and high-level design. Works and land acquisition is either delivered simultaneously or post land development and contributions are payable prior to the issuing of a construction certificate (cc) or prior to lodging a subdivision plan. The timing to update a Plan with actual costs would only occur when contributions have already been paid. The only method that would allow contributions to reflect real time actuals, is to either allow Contribution Plan to be continually updated as works are delivered, and land is acquired.

Another consideration is that contributions issued under an approved consent should be paid based on the Plan that is in force at the time of payment not at the time of approval. This will allow for all existing consents to payable under the new plan, ensuring fairness across the development precinct. Standard conditions of consent should allow Council to apply the plan in force at the time of payment. Regulations currently do not allow Council to apply the current plan if the development was approved under a former plan. Approvals may sit for many years on land, with outdated contributions that apply.

Recommendation 3

Liverpool Council should clarify the apparent double counting of street trees in its submission to the draft report or remove \$261,227 of street tree costs, as these have been double counted, before the final report.

Council Response:

Council consider that the Plan is collecting for street trees on streets which are not already in CP items (e.g. existing roads, or non-CP roads next to CP items). The current DCP also has the provision of additional trees along collector roads including additional vegetation as a local area traffic management design outcome. Refer to below DCP reference;

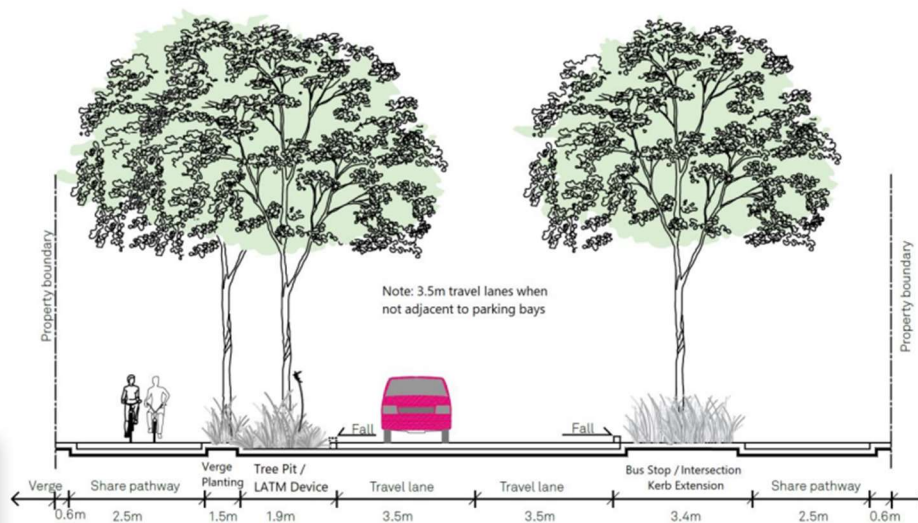


Figure 3-14: Collector Road LATM, Tree Pit, Bus Stop or Kerb Extension Details

Recommendation 4

Liverpool City Council should explore options to increase open space provision to meet industry standard benchmarks in a future review of its plan.

Council Response:

Council acknowledge that the projected number of residents /dwelling density will increase in the Austral and Leppington North precincts.

As a growth precinct, the planning, rezoning and land acquisition of these growth lands was completed by the Department. To consider the provision of additional open space, Council will need to complete independent technical studies as well as revise open space provision in response to existing shortages and density being higher than planned.

Council recently completed the Leppington Town Centre Planning proposal, highlighting the need for additional open space. The Department will assess this planning proposal and necessary legislative amendments. IPART should consider recommending to the Minister the opportunity to add 'annexures' or 'chapters' to existing contribution plans for site specific planning proposals such as the Leppington Town Centre (LTC) . The LTC Planning Proposal does identify the nexus for additional or upgraded roads, open space, drainage, pedestrian /cycling networks, water management, public domain spaces, etc. The development in these proposed precincts can identify the lands and schedules of works. It is envisaged that these proposed precincts will have the draft CP plus a site specific annexure works and lands schedule apply to development. As part of any planning proposal contribution annexures should apply and be considered as part of the approval process, allowing for plans to capture increased dwelling impacts.

For future review, it is strongly encouraged by Council that we work collaboratively with the Department to respond to the provision and planning of open space in these growth precincts. As part of these discussion Council and the Department need to recognise that open space must be 'accessible and valuable' open space. The active open space in the plan is predominately existing open space to be embellished, whereas the open space acquisition is predominately along creek corridors for the purpose of regional water and environmental management.

Recommendation 5

In its submission to this draft report Liverpool City Council should clarify whether a cycling path will be provided under the current ALN contribution Plan, if So how it will be funded and if not, remove reference to the cycling path form the LAN contributions plan.

Council Response:

Many shared paths/cycleways could be included within the costs of constructing collector roads and parks. In 2018, Council carried out a review of the Liverpool Bike Plan and identified the need for additional routes throughout the area to connect local schools, centres and major parks to the broader cycling network.

Council considers cycle paths as transport and the cost for a length of roads, calculated in the plan is based on a section of the DCP, including cycleways. Whilst they are not prescribed as a separable item, they are considered in the road reserve design. (refer to DCP)

Council seeks to retain the reference of cycleways in the Plan, to ensure a nexus and delivery to these transport networks are maintained, via consent.

Recommendation 6

In its submission to this draft report Liverpool City Council should clarify how trees from stormwater management purposes (bio-filtrations trees) have been costed within the ALN Contributions plan.

Council Response:

The description in the stormwater section (3.2) is not entirely accurate, Council did not engage SMEC to “*revise the stormwater strategy in 2019 from an entirely traditional ‘end of pipe’ solution to a hybrid solution supplementing end-of-pipe infrastructure with streetscape controls*”. Instead, Council engaged SMEC to provide detailed designs for the concept drainage system devised by Cardno previously. Unfortunately, SMEC found a handful of key deficiencies in Cardno’s solution which may not have been known due to the nature of Cardno’s plan only being a high-level concept. SMEC identified constraints such as: insufficient stormwater quality treatment outcomes, basins with vertical rather than battered edges (safety and maintenance issues), and insufficient hydraulic head to operate several end-of-pipe detention basins.

Due to the high cost of land needed to expand end-of-pipe treatment, and the issues associated with several identified basins having a lack of sufficient gradient, a hybrid solution was considered as a viable solution if Council were to meet stormwater quality targets. This involved maximising the area within flood detention basins to provide stormwater quality improvement (requiring less stand-alone stormwater quality improvement assets) and making up for the shortfall in stormwater quality treatment via point-source treatment within road reserves (requiring no additional lands). Council and SMEC discussed other solutions, such as wetlands or engineered solutions, but these were either not feasible, also involved higher maintenance costs, more expensive to build/acquire, and/or required significantly more land.

Unlike stand-alone bioretention basins, it was also understood that in-street raingardens are multi-functional assets. They enhance streetscape appearance, retain more water in a broader area (providing a broader urban cooling effect via transpiration), and their position within street blisters perform a traffic calming function. These additional benefits are not “critical infrastructure” but are understood to have broader benefits to society which are difficult to place a cost/benefit on.

Whilst it is important to note why the costs of stormwater infrastructure have increased between the two strategies, they cannot be compared to one-another as competing solutions; Cardno’s solution was not implementable and would not meet stormwater quality objectives.

Section 7.3 is not particularly clear. Council suspect that tree planting within the transport section is unrelated to raingarden provision. SMEC provided the cost based on design in SMEC ALN WCM Design Report.

General Comment:

Council acknowledges that since the lodgement of the draft Plan, significant increase to land values and building / cost of works has occurred. In addition to updating the Plan with real / actual costs (from delivered or acquisition of works and land), Council requests that the cost of works reference a start date for the application of CPI (being September 2021). Once the Plan is approved by the Minister, Council can apply the CPI with a commencement date as at September 2021. This will adjust the costs more aligned to todays current value and minimise the risk of funding differential noted by IPART.

Council land values indexation will adjust land values as per the formula within the plan. No commencement date is required for this indexation.

Thank you for this opportunity to provide a response. Should you require further information, please contact me on [REDACTED]

Yours sincerely

[REDACTED]