

The Office of the Chief Executive

15 December 2021

Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop
NSW 1240
Via www.ipart.nsw.gov.au

Dear Sir / Madam

Willoughby City Council Submission: *Review of the essential works list, nexus, efficient design and benchmark costs for local infrastructure – Draft Report November 2021*

Willoughby City Council appreciates the opportunity to provide comment on the *Review of the essential works list, nexus, efficient design and benchmark costs for local infrastructure* being undertaken by the Independent Pricing and Regulatory Tribunal.

Given the significant amount of detailed information in the suite of exhibition documents and the concurrent exhibition of the Infrastructure reforms by the Department of Planning, Industry and Environment, Council has reviewed the documents in as much detail as possible at this time. If there is to be further engagement with councils on this matter, Willoughby City Council staff would be happy to participate given adequate time to respond is provided.

I would like to highlight the following in our submission:

- The scope of the IPART review was constrained at the outset and therefore limited a truly independent review
- Willoughby City Council will be financially worse off as a result of the changes proposed, to the value of over \$30m to 2041, without the changes as proposed by DPIE and the gap which will emerge as a result of the difference in base level performance
- The removal of key elements of the Essential Works List demonstrates a limited view of infrastructure that supports a community
- The proposed reforms will have negative impacts on local agreements, elevating the risk that our communities will further miss out on much needed infrastructure
- The proposed benchmarks are not suitable for infill sites and stifles innovation and creating spaces that meet local needs
- There is no recognition of the service level gap that is created by using base level performance and the additional financial pressure it places on Council and the community The additional administrative burden the proposed reforms place on councils with no additional resourcing is not feasible.

Willoughby City Council

Furthermore, consideration has not been given to the consequences on Council's financial sustainability and viability. These reforms impose significant operational and capital costs at a time when the broader financial climate is bleak. Council has faced ever-increasing costs, notwithstanding the unforeseeable financial consequences of the COVID pandemic and managing various natural disasters in recent times. The recent State Government mandate that will see councils mandated to food organics and garden organics is estimated to cost councils an additional 8-16% annually. While costs have risen significantly, Council's financial capabilities have been compounded by the recent IPART decisions to cap Willoughby rates at 0.8% - the lowest rate in twenty years; combined with the benchmark waste peg at 1.1%.

These unplanned State Government changes will impede our ability to raise revenue, meet burdensome administration requirements, and receive appropriate contributions from developers to meet the needs of new development. As a result, it will be the community that experiences delayed works and an overall reduction in our service levels.

These proposed changes, combined with the reforms proposed through the Infrastructure Contributions review from both IPART and DPIE, continue to outstrip councils' capacity to be financially sustainable whilst delivering services to our communities as identified through the statutory Integrated Planning and Reporting Framework and long term planning.

The financial implications of these combined decisions have not been appropriately considered, and I implore the State Government to take a more holistic view of the widespread impact of these changes in light of other reforms, specifically on direct income and the additional resourcing required to meet the administration burden imposed.

The timing of the exhibition coincided with the Local Government election caretaker period, therefore this submission has not been endorsed by the Council.

To discuss this submission further, please contact me by emailing [REDACTED] or by phoning [REDACTED]

Yours sincerely

[REDACTED]

Debra Just
CHIEF EXECUTIVE OFFICER

Phone:

[REDACTED]

Page:

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Willoughby City Council Submission

Improving the Infrastructure Contributions System

Independent Pricing and Regulatory Tribunal

14 December 2021

About Willoughby City

The City of Willoughby occupies 23 square kilometres on the lower north shore of Sydney, with its own CBD of Chatswood and a large part of St Leonards. Located 8.5 kilometres north of the Sydney CBD, Willoughby City incorporates the suburbs of Artarmon, Castle Cove, Castlecrag, Chatswood, Middle Cove, Naremburn, Northbridge and Willoughby, as well as parts of Gore Hill, Lane Cove North, St Leonards and Roseville.

The Lane Cove River and the foreshore of Middle Harbour feature treasured bushland, while our City's residential areas are home to more than 81,000 people. Industrial and commercial zones support approximately 73,000 jobs and a gross regional product of \$11.5 billion. The City of Willoughby's population is forecast to grow to 104,000 in 2041. During the same period, the City expects to support approximately 530 new workers per year.

Council is the custodian of a diverse portfolio of community infrastructure assets, including 21 sports fields, 17 public halls, seven libraries, a regional performing arts centre, two visual arts spaces, three public swim centres, 425 hectares of open space, 330 hectares of bushland, 60,000 street trees, 288 kilometres of roads, and much more. Those infrastructure assets are the foundation of an even more diverse array of services highly valued by local communities. 96% of Willoughby City residents have advised they are somewhat satisfied, satisfied, or very satisfied with Council, in response to a recent community survey, which compares positively to a benchmark for metropolitan councils of 89%¹.

Willoughby City Council's social license for development and increased density comes from associated improvements to community infrastructure. Council uses development contributions to help build infrastructure to meet increased demand generated by new development.

Willoughby City Council currently operates a hybrid contributions plan under which it collects funding for community infrastructure from both s.7.11 contributions and s.7.12 levies. Section 7.11 contributions are payable for additional dwellings, while s.7.12 levies are payable for other types of development, including alterations and additions, and non-residential development

The Willoughby Local Infrastructure Contributions Plan 2019 already provides for Council to collect s.7.12 levies of up to 3% of the cost of developments in the Chatswood CBD area. **Compared to Willoughby City's current settings for local infrastructure contributions, the reforms proposed by both IPART and DPIE could see our community miss out on almost \$42 million in funding for local infrastructure in the 20 years to 2041².**

Overall Feedback

The limited scope of the Independent Pricing and Regulatory Tribunal (IPART) Terms of Reference did not allow a fulsome review of all elements, diminishing the end product. The public exhibition process was challenging given the same closing dates for IPART and Department of Planning, Industry and Environment (DPIE) submissions. In addition, the changing policies in the midst of the exhibition period, the significant suite of documents on exhibition, the short timeframe and timing

¹ Micromex Research. (2020). *Willoughby City Council community perception research 2020*.

² GLN Planning, (2021). *Impacts of local government rates and infrastructure contributions reforms: Northern Sydney Region of Councils (NSROC)*

of the exhibition at the end of the year within Council caretaker mode did not allow Council to undertake a thorough review.

The commitment that no Council will be worse off from the Infrastructure Contributions Review will not be the reality for Willoughby City Council, as we can demonstrate we will be worse off, with a gap of almost \$42m over the next 17 years. The impacts go beyond the financial impact, including: likely reduced service levels and community outcomes; delay in delivery of infrastructure works due to filling the increasing gap; reduced autonomy for the community and local government sector; reduction in transparency; reduction in service standards; reduced ability to implement the Government's aspirations in relation to design and place making; and an increased administration burden on councils. These are all significant factors for both Council and its community.

The removal of community facilities works, public domain works and indoor recreation facilities from the Essential Works List (EWL) demonstrates a limited view of the range of infrastructure that contributes to creating and supporting a community. The implication of the removal of these elements is significant: for councils financially; for the ratepayers who will need to fund the gap or see a decline in service delivery; and for the new communities who may not have the infrastructure to support their needs at the time they need it. In the case of Willoughby City Council the income impact of the EWL excluding community facility, indoor recreation centre and public domain facility works would result in an income reduction to 2040/41 (in real terms) of 13% for Willoughby amounting to \$1.5 m per annum or \$16 per capita.³

Given the proposed changes to the EWL, increased contributions rates required by the State under the proposed Regional Infrastructure Contributions, the gap between existing service levels and the proposed benchmarks, this will likely negatively impact future local agreements. It is anticipated that the combination of the above elements will become unfeasible for developers and result in less chances for developers to work with councils to offer works in kind or better quality works in kind. These perverse impacts will elevate the risk that communities will miss out on vital infrastructure as they grow.

Council understands the EWL will be deferred for three years, however an early understanding of the future changes and any additional requirements on councils is imperative to ensure sufficient planning and resourcing is available.

The development of a limited EWL and associated benchmarks which are clearly focused on greenfield sites, do not recognise the needs of a metropolitan council in an established part of the City, does not align to the State Government's approach outlined in the forthcoming Design and Place SEPP or recognise the serious issues regarding the provision and embellishment of open space in these dense established areas. Given its prescriptiveness, it also stifles innovation in creating spaces that respond to the needs of specific areas. It does not facilitate, for the need to provide for multi-use spaces, particularly in infill councils where every space must work harder for the increased population on limited land. In addition, it does not assist in the use of the wider public domain to create new spaces for community enjoyment as advocated in the upcoming Design and Place SEPP. The result is a lost opportunity to create great places through good design and innovation for the benefit of our communities.

In essence it is considered the proposed system would reduce the flexibility afforded to councils in delivering infrastructure identified through engagement and consultation with the community and

³ GLN Planning, (2021). *Impacts of local government rates and infrastructure contributions reforms: Northern Sydney Region of Councils (NSROC)*

with a focus on the needs of greenfield sites, the increasing challenges faced by established urban councils have been largely ignored.

Response to IPART Questions

1. Do you think our proposed principles-based approach to the EWL, as part of our broader framework incorporating efficient design and delivery and benchmark costs, provides enough certainty? Have we got the balance right between flexibility and certainty?

Council supports the development of a principles based framework, as this embeds fundamental thinking into all decisions in order to deliver consistent and appropriate outcomes relative to the local government area. This does provide sufficient flexibility and certainty for Council.

However, as part of the Terms of Reference provided by the Minister, IPART were given limited scope in the first instance which seems to defeat the purpose of finding the most suitable approach to the EWL.

Council agrees with the inclusion of strata for community facilities. However, disagrees with the exclusion of community facilities. As suggested by IPART, infill councils are compelled to make existing facilities work harder by applying *“innovation such as dual and shared use of open space and community facilities”*. Without contributions funding the works, it limits councils’ ability to expedite turning that space/land usable and functional as an end product for the end users. It is short sighted in understanding the need for these facilities, be that new or embellishments / refurbishments being made to increase capacity of existing facilities given the cost and limited access to land for new facilities. The impact this will have on the facilities being provided in the community will be to create perverse impacts, requiring either:

- a. Council to meet the costs of increased infrastructure demand generated by new development from existing members of the Willoughby community who will effectively have to subsidise growth; or
- b. Council will be forced to delay or remove projects from its infrastructure contributions plans; or,
- c. a combination of both the outcomes listed above.

Willoughby City Council already has a gap in the provision of community facilities and open space infrastructure, the revised EWL will only exacerbate the gap.

There are a number of elements that Council believes have been left off the EWL in addition to community facilities, including, public domain improvements, indoor recreation facilities, and various open space elements. Council has recommended further inclusions in question 4 below.

2. Is the proposed evidence to establish nexus for infrastructure in a contributions plan appropriate and reasonable? Is there any other guidance on nexus for local infrastructure that should be included in an updated practice note to assist councils, developers and other stakeholders in preparing and assessing contributions plans?

Council supports providing evidence to establish a nexus, however also recognises that technical studies may not always be feasible or cost efficient, and therefore supports internal reports, modelling, and studies as appropriate. The inclusion of operational data of existing infrastructure / facilities relative to the proposed infrastructure (such as utilisation) feedback, should also be recognised as a key piece of supporting evidence in establishing nexus.

In some areas, particularly transport, it can be difficult to identify the future demand for surrounding pathways or bus stop upgrades in traffic studies which are developed early in the process, these recommended additions above would support the refinement of these types of issues in a more cost effective manner.

3. What further guidance on base level, efficient local infrastructure should be included in an updated practice note to assist councils, developers and other stakeholders in preparing and assessing contributions plans? How definitively should the guidance in an updated practice note specify the standards expected of infrastructure (e.g. legislation and other industry standards)?

Guidance provided in a Practice Note must ensure councils have the flexibility to develop facilities that suit their particular needs. As a key function and guiding principle of the Local Government Act, councils undertake significant planning, needs assessment and community consultation to understand and plan for meeting the needs of our community in the long term.

In addition, Council operate a suite of facilities across the local government area and work with other providers of services to better understand the operational needs and service requirements that are required in the context of the existing community and network of services and facilities. This work allows councils to be responsive to their local needs, create opportunities for points of difference with neighbouring councils and create opportunities for innovation. This work should be the prevailing guidance for what infrastructure should be included in Contributions Plans, not requirements outlined in a Practice Note which diminish the needs of the communities and their ability to influence the range and standard of local infrastructure where they live.

The definition of base level is challenging. Willoughby, like most metropolitan councils, would find it rare that a base level of service (as documented) would be expected or accepted by the community, or produce the outcomes needed to meet the identified needs. This gap in the base level to the current / expected level of service will therefore be an additional cost in an ever increasing gap of funding for facilities that ratepayers will need to meet.

The report makes reference to taking into account the future requirements for more climate resilient infrastructure, but does not provide sufficient detail as to how this will be done. In particular, benchmarking should acknowledge that higher standards are likely to be required in the near future in order for infrastructure to adequately withstand the climate extremes expected over their determined life cycle.

4. Are there other items that we should consider benchmarking?

Council understands that the benchmarks identified are a baseline (noting comments above) and there are other factors impacting different LGAs that may impact costs.

The EWL is unreasonably limited and consideration should be given to inclusion of the following specific infrastructure works / assets to support the delivery of appropriate infrastructure for incoming communities, particularly active open space. Additional elements that should be added to the list and benchmarked include:

- Bike Racks
- Rubbish bins & bin surrounds
- Other fencing apart from boundaries including bollards
- Bubblers

- All court types apart from netball e.g. tennis, half basketball, futsal/multi use (synthetic surface)
- Practice cricket nets - fencing, surfaces, undersurfaces
- Dirt Bike Tracks
- "Double playing fields/Hydraulic works" to include surface (natural & synthetic), drainage systems, irrigation (sport, park & playground), shock pads & base for synthetic fields
- Exercise stations
- Freestanding & retaining walls
- Park turf - natural & synthetic
- "Picnic area" to include picnic settings, picnic shelters
- Public artwork
- "Electrical works" to include remote lighting/irrigation tech systems ("Cloudmaster" controllers)
- Skate Park
- Garden beds & edging
- Bushland (vegetation)
- Goalposts (ovals & courts)
- Roads within parks or bushland reserves
- Public domain and streetscape
- Indoor sports and recreation facilities.

As outlined previously community facilities, public domain improvements and indoor recreation facilities should all form part of the benchmarked list.

5. Do you agree with our approach to use adjustment factors so that the benchmarks are applicable to a broader range of projects? See comments in section 4 above

Yes, adjustments factors are appropriate and useful to recognise the differences across areas and requirements. For example, location, site constraints and ground condition can change costs significantly, the costs of transporting materials to the middle of a bushland reserve for stone steps compared to adjacent to a suburban road are radically different.

In addition, other elements that should be considered in the plan preparation and administration costs include, community engagement and consultation, feasibility and waste and disposal costs, none of which have been identified.

Material and supply chain costs have risen higher and longer than anticipated due to COVID, given this continuing situation it highlights the opportunity for councils to utilise actual costs in many cases as the more realistic approach.

6. What other factors increase the complexity of a project that could be used as an adjustment factor?

Other factors that should be considered include, climate change, supply chain availability, waste, disposal and infill costs. See comments in section 4 above.

7. We seek stakeholder views on the approach to project allowances, including the rates and their application

The proposed on cost rates and contingency rates are reasonable.

8. We seek stakeholder views on alternative benchmarks for open space. Is there value in a per person benchmark? How would it work?

Applying the benchmark costs in the list with necessary associated adjustments and the ability to provide evidence of need through Council's own strategies is preferable to a blanket one-size-fits-all benchmark

The application of a per person benchmark is understood not to be pursued which is agreed in favour of Council locally planning and costing works to upgrade and embellish open space in response to the anticipated growth.

9. Does 1.5% of the total value of works excluding land broadly reflect the actual cost councils face to administer a contributions plan? If not, what percentage would better reflect the actual cost councils face?

The current approach does not cover the administration costs, and given the increased processes and requirements under the proposed changes from IPART Council does not believe that 1.5% is sufficient. 3% is recommended to cover the varied administration costs including financial modelling / accounting, strategic planning, research, technical studies and reports, community engagement and consultation, as well as setting up technological requirements such as corporate system integration and online contribution calculator.

10. What other types of information or data would provide a clear evidence base for the true costs of plan administration?

Whatever method is suggested, it would be appropriate for the State to provide a suitable technological solution, reducing the burden on Council staff to invent bespoke systems.

11. We seek views on our proposed approach to annual escalations and 4 yearly reviews of benchmarks, including the choice of index and timeframe.

Council is supportive of ensuring contributions keep pace with inflationary costs and recognise the limitations of the currently used Consumer Price Index. An annual update of benchmarks to escalate the benchmark costs to ensure they continue to keep pace with cost increases is supported. Consideration should also be given to transitioning between CPI and PPI, the process, time and consistency of approach, which will take significant work for staff to manage smoothly.

In addition, the COVID pandemic has resulted in a number of factors such as delayed supply chain which have a significant impact on the cost of projects, these types of environmental impacts must also be considered in the escalations.

Review of the benchmark scope and alignment to standards and better practice should occur at minimum every four years, unless better practice or standards emerge.

12. We seek views on an appropriate feedback or data collection mechanism to obtain reliable and consistent project information to refine the benchmarks over time.

In addition to reviewing revised contributions plans, particularly those with actual data, working with peak bodies and research authorities to gauge industry changes would also be useful. Also private businesses or organisations who utilise Council facilities collate data which may be suitable.

It will be imperative to understand the processes and costs of collecting that data and therefore these costs should be incorporated into the administration costs. Depending on detail required this could be onerous to councils in an operational sense, and consideration must be given to commercial in confidence issues.

13. Are the proposed principles and information requirements for councils using an alternative costing approach adequate? Should councils be required to provide any further information to justify deviations from the standard benchmark costs?

The three principles outlined are supported and provide councils with flexibility to build benchmarks which are appropriate to them considering the varying circumstances of different sites and local needs.

It is reasonable to expect councils to justify their use of deviations from the standard benchmark costs and Council agrees in principle with the governance arrangements outlined. However, the level required should be appropriate to the materiality of the deviation, to ensure the level of administration is not disproportionate to the benefit.

14. Are the proposed principles for reviewing plans and updating costs adequate? Are there any principles that should be removed from or added to this list?

Council supports the principles identified for reviewing contributions plans.

15. Are the proposed information requirements for councils enough? Are there any other pieces of information that should be added to this list?

Providing evidence to map an original compared to a revised contributions plan may be appropriate, if the administration is streamlined and simplified, thereby not creating a cumbersome process for staff.

16. Do you support our approach for a threshold to determine which plans must be reviewed?

Council agrees with the process outlined.

17. Do you support our proposal for a fixed 4 yearly review of contributions plans?

Four years is reasonable to conduct a review, recognising that this may confirm the plan remains appropriate and fit for purpose

18. Does the annual update and four-yearly review provide an appropriate balance between cost reflectivity and certainty?

Yes, this aligns to council delivery program timeframes and review of the Long Term Financial Plan. Consideration should be given to allowing the timeframe to align to the periods in which councils must undertake their Integrated Planning and Reporting four year reviews.

Any tools that will create a simplified or automated process would be useful for all councils.

Response to Typical scopes and benchmark costs of local infrastructure (Cardno)

Significant detail has been provided in the Cardno report which we have not had sufficient resources to go through each item. However, the most significant issue relates to the base costs provided by Cardno for review which seem to be for green field sites and do not provide a suitable benchmark for infill sites and metropolitan areas. This is reinforced by the Cardno *Draft Benchmarking Items and Costing Methodology* report which states:

“It is proposed that, where appropriate, infill (sometimes referred to as brownfield) cost banding will be developed by reviewing existing contract data and calculating adjustment factors that could be applied to greenfield installation costs. These adjustment factors reflect the following items that can increase the cost of infrastructure works at infill sites

> increased costs for traffic management and night works

> remediation works

> demolition

> utility relocation

It has already been identified that infill sites present a large number of additional costs that are not necessarily comparable between sites. It is our intent to determine the range of additional costs incurred by the above list and any other obstacles regularly encountered at infill sites. We will document the assumptions and the allowable limits. Where a council considers that an infill project cost significantly exceeds the assumptions and the documented limits they would be required to provide evidence to support their estimate”

Also in the *Supplementary Report - Benchmark Datasheets* states

“Site constraint factors are listed in Table 2-4. These figures are preliminary and further analysis is being undertaken. Stakeholder feedback, with supporting contract data, on infill cost impacts is welcomed.”

Given that Willoughby City Council is in an established metropolitan area it would be expected that the costs of works undertaken are more for these ‘infill’ sites. The benchmark costing provided appears to be for more ‘greenfield’ sites or areas where large road widening or similar projects are undertaken in locations such as Western Sydney or regional NSW. As a result, many of the comments in regards to the benchmarking relate to concerns of additional costs faced by local councils in established urban areas.

These factors are supported by the review undertaken by Mitchell Brandtman, Quantity Surveyors and Construction Expert Opinion on behalf of NSROC, as attached to the NSROC submission.

If factors or allowances are not provided for the above, then Council would not likely be able to use the benchmarking rates and would need to derive their costs from first principles (and supporting information being suggested) adding higher burden to projects. This is a significant issue in terms of financial and staff resourcing.

Council have a number of general queries:

- When key risks are shown, is Council able to add additional costs to factor in these risks. There does not seem to be a ‘factor’ provided for these risks. How should Council account for these risks when estimating the costs using the benchmarking? It should be noted that there is not likely to be a detailed design that would have determined all the risks such as underground utilities.
- Is there any ‘factor’ that allows for community consultation and stakeholder engagement that usually occurs during the concept and design phasing? How is Council to allow for this?

- Under the exclusions it is noted that there is traffic control listed for some items. Is traffic control supposed to be included in the constrained site factor costs? Costs will vary depending on the location and type of road and traffic control is an essential part of these works so excluding it is not appropriate.
- In many of the items, 'splays' are included. What does this mean? Is it purchasing land from an adjacent land owner? These costs would be significant and would be dependent on land value.

Given the limited time for review of this detail, Council has not been able to review every data sheet in detail, however comments in relation to some specific items are below:

Item	Feedback
Item No. 1.07 Upgrade to collector road Item No. 1.08 Upgrade to sub-arterial road	<ul style="list-style-type: none"> • Minimum quantity 1km is for larger councils that experiencing growth. Willoughby City Council would generally have smaller lengths that would have high costs due to traffic control and site establishment in built up areas. Often works of a smaller nature have a higher cost associated in terms of benchmarking rates.
Item No. 1.09 Signalised intersection (single lane) "T" intersection	<ul style="list-style-type: none"> • An exclusion should be added for TfNSW project management costs which may be in the tens of thousands dollars & relocation of underground services should also be added as an exclusion. • Signal control box should be an inclusion.
Item No. 1.13 Priority controlled/ un-signalised intersection	<ul style="list-style-type: none"> • Costs are low. Pram ramp costs would be higher than the total amount shown for the intersection. • Kerb return adjustments would not be covered by the costs shown.
Item No. 1.14 Roundabout single lane	<ul style="list-style-type: none"> • We would suggest a benchmarking for urban Councils not in "Greenfield" areas. • Exclusions (may be reasonable required) should include traffic control.
Item No. 1.16 Concrete pathway	<ul style="list-style-type: none"> • Allow for exclusions for utility pit adjustments to match path levels and other items such as retaining walls to support paths.
Item No. 1.19 Road bridge (including over railways, waterways) Item No. 1.20 Pedestrian / Cycleway bridge	<ul style="list-style-type: none"> • Under risks: include lift installation for accessibility. • Bridge construction costs would be heavily impacted depending on the type of road the bridge is located on, for example on a state road, construction times may be limited to certain hours of the night and many existing utility services that may need to be adjusted, this would be very different for a local road.
Item No. 1.23 Bus Shelter	<ul style="list-style-type: none"> • Exclusions electrical supply costs should be listed. • It refers to item 1.17 lighting but there is no Item 1.17.

Item	Feedback
Item No. 1.25 Pedestrian crossing	<ul style="list-style-type: none"> • Base Construction cost in an urban environment is closer to \$20K • Exclusions add kerb blisters for wider roads. • Cannot see pricing for Flat road hump (separate item 1.9.1) • Would suggest a new item for raised pedestrian crossing.
Item No. 2.01 Culvert	<ul style="list-style-type: none"> • Appears to be for greenfield works only as it does not list any service relocations or other risks commonly encountered in urban environment.
Item No. 2.02 Combined basin and raingarden facility Item No. 2.03 Single raingarden facility	<ul style="list-style-type: none"> • No risks listed of relocation of services. • Highly dependent on design of facility.
Item No. 2.04 Bio-retention basin	<ul style="list-style-type: none"> • The cost is very low for urbanised areas where these are constructed and does not include pricing that is typically found in these works, pricing is approximately 30-40% undervalued • Pricing is not representative of works in built up areas by specialised contractors. • Absence of CRC Water Sensitive Cities is significant gap of expert knowledge • Are works being completed as part of other works, or is this a standalone project? • Absence of CRC Water Sensitive Cities is significant gap of expert knowledge in applicable standards • Other inclusions: <ul style="list-style-type: none"> ○ Hard surface – Kerb and gutter – Is used in majority of Bio retention works ○ Traffic control • Other risks: <ul style="list-style-type: none"> ○ Non-destructive digging - Services ○ Works over 1.2m below surface ○ Location of works – In road/verge, greenfield or open space ○ Traffic Control Requirements ○ Existing services and/or significant trees
Item No. 2.11 Gross pollutant trap	<ul style="list-style-type: none"> • Unsure what “Proprietary GPT system” is, as products on market are evolving quite quickly and pricing is varied if using concrete vs fiberglass/plastic alternatives. Or perhaps this pricing is exclusive of purchase price of GPT device? • Effectiveness and efficiency of devices differs wildly and requires significant maintenance <ul style="list-style-type: none"> ○ ‘Proprietary’ devices generally fail and are poorly serviced ○ Bespoke GPT’s far more effective but higher cost including design • Additional inclusions: <ul style="list-style-type: none"> ○ Excavation and backfilling but excluding reinstatement of any hard surfacing ○ Imported stabilised fill material

Item	Feedback
	<ul style="list-style-type: none"> ○ Installation works ○ Connection into network ○ Cost of purchase of Proprietary GPT system ○ Greenfield development or in built up area ○ Depth ● Additional risks: <ul style="list-style-type: none"> ○ Removal of excess spoil ○ Waste levy allowances ○ Excavated material other than VENM ○ Encountering rock ○ Dewatering ○ Stockpile location located further than 500m from site ○ Bypass during works ○ Works over 1.2m below surface ○ Location of works – In road/verge, greenfield or open space ○ Traffic Control Requirements ○ Existing services and/or significant trees ○ Maintenance Service Access – Hardstand ● The cost above is for the device only and is 30/40% under estimated. ● Appears to be developer required devices rather than works typical of Council. 95% of Willoughby City Council works are done on culverts exceeding 2x 1200mm. ● Could pricing be done on catchment size, rather than pipe diameter? Yes, there is a direct relationship, however catchment and localised historic rainfall better articulates the cost / benefit to Councils.
Item No. 2.13 Stormwater pipe	<ul style="list-style-type: none"> ● Rates appear to be for greenfield sites and significant undervalue the works in an urban environment. ● Base costs to Council based on tender rates are higher than rates listed by Cardno in the order of about 40% higher with additional costs for traffic control and site establishment. ● The “Valuation of water supply sewerage and stormwater asset (reference rates manual)” from 2014 + CPI has figures that are similar to Councils costs. The reference rates manual also has a table for “additional costs for construction difficulty”
Item No. 2.15 Stormwater pit	<ul style="list-style-type: none"> ● Exclusions are to include adjustments to surrounding assets and restoration of these in an urban environment. These base rates look like they are more applicable to a greenfield environment. The base rates need to be higher for an urban environment.
Item 4.01 Amenities Block	<ul style="list-style-type: none"> ● Hard to tell in doc if m² rate is based on 100m² or 400m² amenities block. ● Unit rate appears low, recent example \$1.2M for 200m²? = \$6,000/m²
Item 4.05 Practice Cricket Nets	<ul style="list-style-type: none"> ● Low, recent example average \$86,000
Item 4.07 Demolition	<ul style="list-style-type: none"> ● Highly variable

Item	Feedback
Item 4.08 Sportsfield	<ul style="list-style-type: none"> • Irrigation should be moved from "exclusions min req" to "may be reasonably required" - drainage & irrigation both essential. Often project involves drainage/irrigation & surface together.
Item 4.09 Sports Lighting	<ul style="list-style-type: none"> • Oval lighting low, recent example \$250,000
Item 4.12 Basic Landscaping	<ul style="list-style-type: none"> • Edging low, recent example 99, metal 92 • Using m² rate for planting not per plant would be more suitable
Item 4.15 Park Lighting	<ul style="list-style-type: none"> • Too low, recent example \$4,120
Item 4.18 Picnic area	<ul style="list-style-type: none"> • Functional description needs updating (incorrectly refers to paved areas) • Shelter cost low
Item 4.19 Playground	<ul style="list-style-type: none"> • Equipment range between \$5,400 & \$9,000 is too low. Average cost \$20,000 • Rubber softfall too low, average cost \$430 + edging • Fencing too low and height should be 1.2m for playground not 950mm.
Item 4.21 Shade Sail	<ul style="list-style-type: none"> • Recent example \$380/m²

ENDS.