

Application for assessment of a revised section 94 development contributions plan

**Blacktown City Council
Section 94 Contributions Plan No.22 – Area 20
Precincts**

February 2016

Inquiries regarding this document should be directed to a staff member:

Tony Camenzuli (02) 9113 7706

Dennis Mahoney (02) 9290 8490

Independent Pricing and Regulatory Tribunal of New South Wales

PO Box K35, Haymarket Post Shop NSW 1240

Level 15, 2-24 Rawson Place, Sydney NSW 2000

T (02) 9290 8400 F (02) 9290 2061

www.ipart.nsw.gov.au

Contents

1	Instructions	1
2	Summary of revisions	2
3	Assessment criteria	3
3.1	Criterion 1: Essential Works List	3
3.2	Criterion 2: Nexus	4
3.3	Criterion 3: Reasonable costs	5
3.4	Criterion 4: Reasonable timeframe	6
3.5	Criterion 5: Reasonable apportionment	7
3.6	Criterion 6: Appropriate community liaison	7
3.7	Criterion 7: Other matters IPART considers relevant	8
4	Quality assurance	8
5	Attachment checklist	9

1 Instructions

This form is for use by councils which have already submitted a contributions plan to IPART but now wish to resubmit the same plan for review again. This may arise because the plan has since been significantly amended.

Under the criteria set by the Department of Planning and Environment¹, we must assess the plan in its entirety, which is why we ask councils for the checklist set out at the end of this document. However, we focus on the changes from the original plan in order to make our process as timely as possible.

If a particular contributions plan has *not* been submitted to IPART before, and the council now wishes to submit it, please use the other application form at www.ipart.nsw.gov.au/Home/Industries/Local_Govt/Contributions_Plans.

For revised contributions plans, please complete this application form and submit it, along with any attachments, to IPART via:

Via email	Via post
Attention: Tony Camenzuli, Local Government Independent Pricing and Regulatory Tribunal localgovernment@ipart.nsw.gov.au	Attention: Tony Camenzuli, Local Government Independent Pricing and Regulatory Tribunal PO Box K35 Haymarket Post Shop Sydney NSW 1240

We require an electronic copy of all documents. Where these are large, they may be posted to us on a disk or USB stick. Please discuss any information requirements or other concerns with us prior to submitting the application.

Council information

Council name	Blacktown City Council
Key council contact details (please provide name, position, phone no. and email address)	Jenny Rodger - Section 94 Officer (02) 9839 6463 jenny.rodger@blacktown.nsw.gov.au
Secondary council contact details (please provide name, position, phone number, and email address)	Dennis Bagnall – Coordinator Contributions (02) 9839 6461 dennis.bagnall@blacktown.nsw.gov.au

¹ Department of Planning and Environment *Revised Local Development Contributions Practice Note*, February 2014 (Practice Note 2014).

2 Summary of revisions

1 Please summarise the main revisions to the plan and the effects on the contributions rate

Changes by the Department of Planning and Environment to the exhibited Area 20 Precinct Plan in February 2015 nominated Blacktown City as the acquisition authority for the Second Ponds Creek trunk drainage corridor. Sydney Water was the previous acquisition authority.

There are 2 revisions to this plan:

1. new properties that we have to acquire have been added to our acquisition schedule.
2. an administrative fee that was previously not allowed by the Essential Works list has been added.

This review was done urgently so that a funding source could be identified for these Second Ponds Creek trunk drainage corridor properties. We are now being requested by developers to acquire some of these properties and need to have them listed in the contributions plan.

We are currently doing another revision of CP22 that will updated land values. Due to the urgency of this review we have only included the average land acquisition values for categories at the value in the 2013 plan.

We have also included in our application:

- a summary of revisions
- the Council report that adopted the 2013 plan.

The Council report explains that all changes recommended by IPART and required by Minister in the first IPART assesment, were complied with when Council adopted CP22 in 2013.

Preliminary information on the main revisions to the contributions plan

Name of contributions plan (CP)	Section 94 Contributions Plan No.22 - Area 20 Precinct
Maximum residential contribution rate per dwelling?	Previously: \$73,335 Proposed revision: \$92,761
What is the relevant contributions cap? (Schedule 2 of Ministerial Direction 94E)	Schedule 2 \$30,000 – Land within a growth centre (sub-clause 15).
What is the period over which the revised plan is valid?	25 years

When was the revised plan re-exhibited?	20 October 2015 to 16 November 2015
Has the Department of Planning & Environment been involved in this revision? Explain how.	Not specifically. However, the Department of Planning & Environment oversaw the process to change to the Area 20 Precinct Plan, nominating Blacktown City Council as the acquisition authority for the Second Ponds Creek trunk drainage corridor (previously Sydney Water).
How much development is yet to occur under this revised plan?	87%
What is the relationship of the revised plan to State Environmental Planning Policies, Local Environmental Plans and/or Development Control Plans?	Environmental Planning Instruments and controls apply to the Area 20 Precincts. These include: <ul style="list-style-type: none"> ▪ State Environmental Planning Policy (Sydney Region Growth Centres) 2006 (Appendix No.6); ▪ BCC Growth Centre Precincts DCP 2010; and ▪ BCC Growth Centre Precincts DCP 2010 (Schedule 4).
Does the council intend to apply for Local Infrastructure Growth Scheme funding, a special variation or another funding source for the revised plan?	Yes - Local Infrastructure Growth Scheme funding.
Has Minister referred this revised plan to IPART for review? If so, why?	Yes – contributions under this plan exceed the \$30,000 per lot/dwelling cap.

3 Assessment criteria

As with the original plan, we will assess this revised CP against the criteria listed in DP&E's *Revised Local Development Contributions Practice Note for the Assessment of Local Contributions Plan* by IPART, February 2014.

To ensure we receive all the relevant information and correctly understand the revisions to the contributions plan, please detail the changes to the plan in terms of the criteria of assessment (below). If the information is already contained in a separate report or in the CP itself, include page references as appropriate. Any referenced reports should be attached to the application.

3.1 Criterion 1: Essential Works List

The public amenities and services in the plan are on the “Essential Works List”

The most recent version of the Essential Works list is in Practice Note 2014.

2 Are all the revised facilities and land on the Essential Works List? If not, how are essential and non-essential items distinguished in the CP?

Yes.

This review also added an Administrative Fee which was not previously allowed on the Essential Works List.

3.2 Criterion 2: Nexus

There must be nexus between the development in the area to which the plan applies and the public amenities and services identified in the plan.

3 Has the expected development or demand for infrastructure changed since the previous version? If so, describe the extent of the changes arising, say, from revised zoning, dwelling/population and employment yields, and expected land-use mix.

This review has not revised population estimates. It only added properties to be acquired as a result of Council becoming the acquisition authority for the Second Ponds Creek Trunk Drainage Corridor.

4 To what extent have amendments to infrastructure in the revised plan impacted nexus compared with the previous version of the plan? Do the changes all reflect recommendations in supporting studies? Please explain in terms of the types of infrastructure – stormwater management, transport, open space and community facilities.

This review has not made any amendments regarding the above.

5 Have neighbouring precincts been considered in any revised demand assessment?

This review has not made any amendments regarding the above.

6 Has non-residential development been considered in demand re-assessment?

This review has not made any amendments regarding the above.

7 Has existing infrastructure and surplus capacity been taken into account?

The majority of the Area 20 Precinct is remains un-serviced. The existing facilities do not have the capacity to meet the demand for infrastructure created by new development. As a predominantly Greenfield area the Area 20 Precinct requires new infrastructure, as well as infrastructure upgrades to meet the demand for infrastructure created by the new development.

This is unchanged since the initial plan.

3.3 Criterion 3: Reasonable costs

The proposed development contribution is based on a reasonable estimate of the cost of the proposed public amenities and public services.

- 8 For the cost of facilities and the works schedules, please highlight any changes that have occurred as a result of this revised contributions plan. This should be done separately for each of the four major types of infrastructure. Note if the costs differ from recommendations in the supporting studies, please explain why. Regarding the changes, please explain:**
- ▼ Details of any indexation of costs (including the index used).
 - ▼ The date when estimated costs were finalised.
 - ▼ What allowances have been included in the estimated costs in the contributions plan (eg, professional fees, cost contingencies). Please detail allowances for each infrastructure category and provide an explanation for the chosen figures.

No changes were made to the cost of facilities.

- 9 For land costs and the acquisition schedules, please explain any changes to the process used to estimate the costs for the following categories, as relevant:**
- ▼ Land already acquired or owned by the council.
 - ▼ Land not yet owned by the council.
 - ▼ Facilities already constructed.
 - ▼ Facilities not yet constructed.
 - ▼ Administration costs.
- Regarding the changes, please explain:**
- ▼ Details of any indexation of costs (including the index used).
 - ▼ The date when estimated costs were finalised.
 - ▼ What allowances have been included in the estimated costs in the contributions plan (eg, professional fees, cost contingencies).

Administrative costs were added.

Council is now the acquisition authority for properties in the Second Ponds Creek Trunk Drainage corridor. These properties have been added to our schedule for acquisition. All properties added have the same average acquisition value, per category, as the first plan.

10 Has the council used an NPV model to calculate the contributions rates? If so, what assumptions have changed from the previous plan already reviewed by IPART?

No – Council does not use this method.

11 Will the council use internal borrowings to deliver infrastructure projects?

Council utilises pooled funds between contributions plans, sourced from developers and LIGS funding to prioritise and deliver infrastructure.

12 What measures have been taken to reduce costs in the contributions plan (eg, adjustment to design or alternative engineering solutions)?

Council is continually looking at ways to reduce costs, but none have affected this review.

3.4 Criterion 4: Reasonable timeframe

The proposed public amenities and public services can be provided within a reasonable timeframe.

13 Please explain any changes to timing between the original and the revised contributions plan. You should also explain the basis for any changes eg, changes to the population numbers that originally determined the trigger points for each stage of development, including any changes by types of infrastructure or staged areas of development.

No change to timing. This will be revised in our next review.

3.5 Criterion 5: Reasonable apportionment

The proposed development contribution is based on a reasonable apportionment of costs eg, between demand from existing population and demand from new population.

14 Has the basis of apportionment of costs for any of the infrastructure categories changed between the original and the revised contributions plan? If so, in what way(s) and with what implications?

No.

3.6 Criterion 6: Appropriate community liaison

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

Checklist for the revised contributions plan

Does the revised contributions plan ...		Contributions Plan page reference(s)
Or any supporting information include details of when it was publicly exhibited?	No	The adopted Plan does not contain this information. The exhibited Plan contains this information.
Or any supporting information include details of the community liaison undertaken?	No	The plan was exhibited between 20 October 2015 to 16 November 2015.
Or any supporting information include a summary of submissions received and the council's response?	No	No submissions were received on the revised Plan.

15 What publicity and community liaison has been undertaken in developing the revised contributions plan?

The revised plan was notified for 28 days in the local papers and on Council's website, inviting submissions.

16 What actions did the council take in response to the submissions?

No submissions were received.

17 Does the council intend to undertake any further publicity or community liaison?

No.

3.7 Criterion 7: Other matters IPART considers relevant

18 Is there anything else you wish to explain that may help or speed up our assessment?

The Council report **attached** provides a summary of why Council reviewed this Plan.

19 Is there any other information relating to the development of the precinct/development area or the revised contributions plan (such as VPAs) to inform us about?

No.

4 Quality assurance

As with the original plan, please check for typographical and calculation errors and revisions to supporting material before submitting the revised plan.

20 Please provide details of the quality assurance process undertaken for the contributions plan prior to submitting it to IPART for review.

Work was verified by Senior Council staff prior to exhibition.

5 Attachment checklist

As with the original application, we ask you to complete the attached checklist to ensure that all information and attachments are included with the application.

Checklist	Attached	
Version of contributions plan incorporating any post-exhibition changes	Yes	
Version of contributions plan exhibited	Yes	
Copy of all submissions to the contributions plan <i>No submissions received</i>		No
Summary of submissions and council's response <i>No submissions received</i>		No
Works schedules (preferably in Excel format)	Yes	
Maps:		
▼ Final Indicative Layout Plan	Yes	
▼ Zoning maps	Yes	
▼ Land acquisition maps	Yes	
▼ Contribution catchment maps <i>can be found in appendix A-E of the contributions plan</i>	Yes	
Breakdown of maximum residential rate by infrastructure category <i>can be found on spread sheet "Area 20 Base Rates – 2016 Adoption" tab "S94s per lot Density"</i>	Yes	
NPV model (if applicable) <i>Not used</i>		No
Expected residential densities and yields table (this may contain a breakdown of development types and areas, dwelling yields, occupancy rates, population) <i>can be found in the attached "State Environmental Planning Policy (Sydney Region Growth Centres) Amendment (Area 20 Precinct) 2011 Post-Exhibition Planning Report SEPTEMBER 2011" This was the report used in the first plan.</i>	Yes	
Supporting studies:		
▼ For stormwater management (eg, Flooding and Water Cycle Management report)	Yes	
▼ Transport infrastructure (eg, Traffic and Transport Assessment report)	Yes	
▼ Open space and recreational facilities (eg, Demographic and Social Infrastructure report)	Yes	
▼ Community facilities (eg, Demographic and Social Infrastructure report)	Yes	
▼ Other studies (eg, Post-Exhibition Planning Report)	Yes	
Other studies prepared during the precinct planning stage		No
VPAs (if relevant)		No
Schedule of land acquisitions	Yes	
Land valuation report <i>This review did not change the average acquisition rates.</i>		No