

20 September 2019

## WHAT

IPART has released a Second Draft Report on its assessment of Hawkesbury City Council’s *Vineyard Precinct Section 7.11 Draft Contributions Plan* (Vineyard CP).

This report includes our analysis of the council’s revised cost estimates it submitted in June 2019 in response to our First Draft Report.

The report provides an opportunity for stakeholders to comment on the council’s revised proposal and our draft assessment.

### Our draft recommendations

Our draft recommendations would reduce total costs in the plan by 10.0%, from \$165.27 million (\$Mar2018) to \$148.73 million (\$Jun2019).

Cost reductions primarily result from:

- ▼ Using lower values for constrained land and land with protected vegetation land (\$12.56 million)
- ▼ Using separate values to estimate the cost of R2 and R3 land (\$11.80 million)
- ▼ Reducing interest costs to reflect revised land and works costs and the interest subsidy (\$2.45 million)
- ▼ Revising Boundary Road costs (\$1.90 million).

These reductions are partially offset by recommended increases in the cost of some works items, including to address the impact of price inflation since March 2018.

Indicative contributions in the plan are currently between \$54,590 and \$70,789 per residential lot or dwelling. Our draft recommendations would reduce the

contributions for equivalent lots to between \$49,018 and \$63,528.

## WHY

IPART assesses councils’ contributions plans which propose local infrastructure contributions above \$20,000 per lot or dwelling, or above \$30,000 per lot or dwelling in identified greenfield areas. The maximum contributions in the plan exceed the \$30,000 threshold that applies to development in the Vineyard Precinct.

## HOW

We assessed the Vineyard CP against the criteria in the *Local Infrastructure Contributions Practice Note* (January 2019) issued by the Department of Planning and Environment.

We based our assessment on information in the plan, submissions to our First Draft Report and information provided by the council.

## WHAT NEXT

The Second Draft Report is available at <https://www.ipart.nsw.gov.au/>. We invite interested parties to make written submissions on the Draft Report by **Friday 18 October 2019**. Details about how to make a submission are on the website.

We will consider submissions, and then provide our Final Report to the Minister for Planning and Public Spaces and the council. Once the council makes any required changes, it can levy the full rate of contributions in the plan.