

29 November 2019



WHAT

IPART has finalised its assessment of The Hills Shire Council's draft Contributions Plan No 17 for the Castle Hill North Precinct (CP17), which is located in Sydney's North West.

CP17 outlines the proposed contributions developers are required to pay to fund the council's provision of local infrastructure to serve the new development.

Our final recommendations

Our recommendations would reduce total costs in the plan from \$79.02 million to \$70.02 million (\$2018-19), which is a reduction of 11.4%.

The reduction in costs includes our recommendations to reduce:

- ▼ The cost of road upgrades and intersections (\$4.48 million)
- ▼ The cost for open space embellishment (\$3.08 million).

Our recommendations would reduce the contribution rate for each dwelling type. For example, the developer contribution for a typical 2-bedroom dwelling would reduce from \$26,078 to \$21,539.

We found that CP17 should include the cost of playing fields at Holland Reserve to serve the open space needs of the new development, even though this reserve is located outside the precinct. The council considered a range of alternative options for playing fields and issues raised by the community, before settling on Holland Reserve.

The planning for the precinct is in its early stages, with the land yet to be rezoned and development yet to occur. As a result, the council has relied on preliminary cost estimates for the proposed infrastructure in the plan. We therefore recommend the council review the plan within three years, to allow it to refine its forecasts and ensure that developer charges are cost-reflective. The council supports this recommendation.



WHY

IPART assesses councils' contribution plans that propose contributions above a threshold amount. This threshold is \$20,000 per lot or dwelling for CP17.



HOW

We have assessed CP17 against the criteria in the *Local Infrastructure Contributions Practice Note*, January 2019. We have based our assessment on information in the plan, stakeholder submissions and further information provided by the council.



WHAT NEXT

IPART has provided its final report on the plan to the council and the Minister for Planning and Public Spaces (the Minister). It is available on our website: www.ipart.nsw.gov.au.

Once the council has made any changes requested by the Minister, it can levy contributions in accordance with the adopted plan.