



Mr Peter Conroy
General Manager
Hawkesbury City Council
PO Box 146
WINDSOR NSW 2756

Dear Mr ^{Peter} Conroy

I am writing in relation to the Vineyard Precinct Section 7.11 Contributions Plan (Vineyard CP), which Council submitted to the Independent Pricing and Regulatory Tribunal (IPART) for assessment.

Upon completion of its assessment, IPART made 23 recommendations in relation to the Vineyard CP. Only some of IPART's recommendations require Council to take action to amend the contributions plan prior to enabling Council to seek developer contributions above the \$30,000 threshold. On behalf of the Minister for Planning and Public Spaces, I have considered IPART's recommendations and require Council to amend the Vineyard CP by making nineteen (19) changes to the plan. Attachment A to this letter outlines all of the IPART recommendations that I have endorsed.

When Council has adopted the amended plan it will be considered as having met the requirements of Clause 5(3) of the Environmental Planning and Assessment (Local Infrastructure Contributions) Amendment Direction dated 28 July 2017, and the Vineyard CP will be deemed an IPART reviewed contributions plan.

Please advise the Department of Planning, Industry and Environment (the Department) once this process is completed and provide evidence that the changes have been made.

Should you have any questions in relation to this matter, please contact Mr Geoff Thompson, Director, Infrastructure Programs and Coordination at the Department on 9274 6235.


Brett Whitworth
Deputy Secretary
Greater Sydney Place and Infrastructure

22 August 2020

Encl: Endorsed IPART recommendations

Attachment A: List of required amendments to the Vineyard Precinct Section 7.11 Contributions Plan

IPART No.	Required amendments to the Vineyard Precinct Section 7.11 Contributions Plan
1.	<p>Reduce the cost of Boundary Road in the plan by \$1,902,642, using the council's revised cost estimate from Mitchell Brandtman with adjustments to;</p> <ul style="list-style-type: none"> • The quantity of excavated material to be removed from the site (road segment) • Allowances for design costs (road segment, bridge and signalised intersection) • Contingency allowances (road segment). (page 36, IPART report)
3.	<p>Increase the cost of collector roads (other than Boundary Road) in the plan by \$2,518,209, comprising:</p> <ul style="list-style-type: none"> • An increase of \$426,822 for new collector roads [items CR1, CR3 & CR7], based on the council's revised estimate from cost consultant Mitchell Brandtman. • A decrease of \$361,051 for Commercial Road [items CR4 & CR5], to remove the cost of roundabouts from the per linear metre rate used to estimate the cost of this road. • An increase of \$2,178,367 for full-width collector road upgrades [items CR2 & CR6], based on WTP's cost estimates for similar roads in the Vineyard CP. • An increase of \$274,071 for the half-width collector road upgrade [item CR8], based on a unit rate that is 50% of our recommended per linear metre rate for full-width collector road upgrades (see point above). (page 36, IPART report)
4.	<p>Separately account for the cost of three roundabouts on Commercial Road, which IPART estimate would increase the cost of transport works by \$1,617,160 (This is partially offset by the reduction in the per linear metre rate for Commercial Road – see recommendation above). (page 37, IPART report)</p>
5.	<p>Remove the double-counting of the contingency allowance for bus shelters, which IPART estimate would reduce the cost of transport works by \$44,257 (\$3,688 per bus shelter). (page 37, IPART report)</p>
6.	<p>Increase the cost of cycleway creek crossings in the plan by \$540,113. (page 37, IPART report)</p>
7.	<p>For the next version of the plan, consult on and review the costs and benefits of the proposed number and location of cycleway creek crossings in the precinct. (page 37, IPART report)</p>
8.	<p>Index the cost of remaining transport works items (the Windsor Road/Otago Street intersection and the cycleway network) works to June 2019, which IPART estimate would increase the cost of transport works by \$134,786. (page 37, IPART report)</p>
9.	<p>Clarify that existing development in the precinct is eligible for demand credits towards transport infrastructure contributions. (page 48, IPART report)</p>
10.	<p>Add cost of channel stabilisation works on drainage corridor 1 (DC1), which IPART estimate would increase the cost of:</p> <ul style="list-style-type: none"> • Stormwater management land by an estimated \$1,472,783 • Stormwater management works by an estimated \$646,357. (page 55, IPART report)
11.	<p>Reduce the contingency allowance for basins, GPTs and raingardens to 10% of base costs, consistent with WT Partnership's recommendation, which IPART estimate would reduce the cost of stormwater management works by \$426,866. (page 59, IPART report)</p>
12.	<p>Reduce the cost of channel stabilisation works DC2 by \$618,351, reflecting an approach that apportions 88% of the cost of works to new development.(page 61, IPART report)</p>
13	<p>Increase the open space embellishment costs by \$2,847,253, comprising:</p> <ul style="list-style-type: none"> • \$178,530 for sporting fields, riparian land and land with existing native vegetation (ENV), based on revised cost estimates from Mitchell Brandtman.

	<ul style="list-style-type: none"> \$2,668,723 for local parks and district parks, based on revised cost estimates from Mitchell Brandtman with some adjustments. (page 69, IPART report)
14.	For its next review of the plan, the council obtain more detailed designs, or at a minimum, scope works for hypothetical parks of a similar size to those in the Vineyard Precinct. (page 70, IPART report)
15.	Calculate the cost of plan administration for the Vineyard CP based on 1.5% of the adjusted cost of works, which would increase the cost of plan administration by an estimated \$62,396. (page 76, IPART report)
16.	Use a value of \$100 per square metre where land is constrained by both a transmission line easement and flood constrained land. Note: IPART's recommendation to use a value of \$85 per square metre for flood constrained land in the Vineyard Precinct is not supported.
17.	Not supported
18.	Reduce the estimated cost of acquiring land for District Park 5 by \$7,283,839 to account for the constraint on development arising from the presence of protected vegetation. (page 90, IPART report)
19.	Increase the cost of land by \$2,951,918 reflecting the inclusion of an allowance of 5% of land costs to cover the 'other acquisition' costs associated with acquisition of land in the plan. (page 97, IPART report)
20.	Revise the interest costs in the plan to reflect: <ul style="list-style-type: none"> IPART's recommended adjustments for transport and stormwater management costs The latest available market interest rate, as advised by T-Corp An interest rate buffer, as advised by T-Corp The 50% refund of interest payments under the NSW Government's Low Cost Loan Initiative. (page 101, IPART report)
21.	To reflect the council's intended approach to the indexation of contribution rates, ensure that the plan: <ul style="list-style-type: none"> Specifies that the land contribution rates will be indexed in accordance with movements in a third party provider's LGA-wide residential property sales index, explains whether the land contribution rates will be indexed quarterly or annually and states that the index will be published on the council's website. Specifies that plan administration contribution rates will be indexed in accordance with quarterly movements in the Consumer Price Index (All Groups Index) for Sydney as published by the Australian Bureau of Statistics (ABS). (page 104, IPART report)
22.	The council update the base period of the plan to June 2019 and, in doing so, update all the costs in the plan to June 2019 costs. (page 105, IPART report)
23.	Review the plan within the next three years to include more accurate assumptions about the scope, cost and apportionment of works. (page 107, IPART report)