

Mr Michael Edgar
General Manager
The Hills Shire Council
PO Box 7064
NORWEST NSW 2158

Dear Mr Edgar

I am writing in relation to the *Balmoral Road Urban Release Area Contributions Plan No. 12 (CP12)* which Council submitted to the Independent Pricing and Regulatory Tribunal (IPART) for assessment.

Upon completing its assessment, IPART made eleven (11) recommendations in relation to CP12. On behalf of the Minister for Planning and Public Spaces, I have considered these recommendations and require Council amend CP12 by making eleven (11) changes as outlined in Attachment A.

Once Council has made the necessary changes and adopted the contributions plan it will be deemed an "IPART reviewed contributions plan" in accordance with the requirements of Clause 5(3) of the *Environmental Planning and Assessment (Local Infrastructure Contributions) Amendment Direction 2012 (as amended)*. Please advise 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 on 9274 6235.

Yours sincerely



19 April 2020

Brett Whitworth
Deputy Secretary
Greater Sydney, Place and Infrastructure

Encl: Attachment A: List of required amendments to Contributions Plan No. 12– Balmoral Road Urban Release Area Contributions Plan

Attachment A - List of required amendments to Contributions Plan No. 12– Balmoral Road Urban Release Area Contributions Plan

IPART No.	Required amendments to Contributions Plan No. 12 – Balmoral Road Release Area Contribution Plan
1.	Include the cost of works for new road construction fronting open space in two locations in the cost of transport infrastructure in the plan, which would increase the cost of transport works by an estimated \$2,342,049 and remove the same works items (and costs) of open space infrastructure. (page 23, IPART report)
2.	Reduce the cost of cycleways by \$7,731,221 reflecting updated unit rates for BRCW1 and BWCW3 a lower unit rate of \$120/m for all other cycleways not yet constructed and updated allowances for project management design and contingency. (page 25, IPART report)
3.	Revise project management and design fees for remaining stormwater management works to a combined 15% of the base estimate for the works. (page 32, IPART report)
4.	Redistribute the surplus revenue received for stormwater management infrastructure to other infrastructure categories which would reduce the contributions for each of the other categories. (page 34, IPART report)
5	Adjust the land acquisition costs for the library expansion apportioned to the residents of CP12 (2018) to reflect the respective shares of demand from the Balmoral Road Release Area and the North Kellyville Precinct, using the most up-to-date population estimates for each precinct. (page 47, IPART report)
6.	Calculate the cost of plan administration for CP12 based on 1.5% of the IPART adjusted reasonable cost of works. (page 51, IPART report)
7	Revise the cost of acquiring strata space for the library expansion allocated to CP12 (2018) using a square metre rate of \$5,750, which we estimate would reduce the cost in CP12 (2018) by \$699,893. (page 54, IPART report)
8.	Roll forward the base period in the model by one year to 2017-18 and in doing so: <ul style="list-style-type: none"> • Include an additional year of actual revenue and expenses including any interest expense/revenue • Update the discount rate to 4.1% • Update and recalculate the cost escalation factors as shown in Table 9.2 at page 60 of the IPART report (page 57, IPART report)
9.	Remove the residual amount associated with land acquisition and update the forecast timing of expenditure to take into account actual expenditure and any anticipated changes to the timing of infrastructure delivery. (page 57, IPART report)
10.	Update the forecast timing of revenue receipts to take account of the actual revenue received and number of development applications approved. (page 57, IPART report)
11.	Amend the plan to update dwelling, occupancy and population figures for the release area and the indicative residential contributions. (page 61, IPART report)