



Anthony Roberts MP

Minister for Planning, Minister for Housing, Special Minister of State

IRF17/511

Ms Meredith Wallace
General Manager
Bayside Council
PO Box 21
ROCKDALE NSW 2216

COPY

Dear Ms ^{Meredith} Wallace

I am writing in relation to the *Rockdale Contributions Plan 2016 – Urban Renewal Area* dated March 2016 (RCP) which Council submitted to the Independent Pricing and Regulatory Tribunal (IPART) for assessment.

Upon completing its assessment, IPART made 32 recommendations in relation to RCP. I have considered these recommendations and require Council amend RCP by making 13 changes before Council is eligible to apply for funding from the Local Infrastructure Growth Scheme (LIGS). These changes are outlined in Attachment 1.

These 13 changes will need to be made to RCP and adopted by Council before it meets the requirements of Clause 5(3) of the *Environmental Planning and Assessment (Local Infrastructure Contributions) Amendment Direction* dated 28 July 2017 and deemed an 'IPART reviewed contribution plan'. You will need to advise the Department once this process is completed and provide evidence that the changes have been made.

The Amendment Direction allows Council to charge the capped contribution amounts described in Clause 6B for development approved in accordance with an 'IPART reviewed contributions plan'.

In accordance with the LIGS funding guidelines, Council may apply for funding from the LIGS once the 13 requested changes have been made and the subsequent plan adopted by Council. Funding will be issued subject to budget allocation and funding rounds being open.

IPART also made recommendations to RCP to be addressed as part of the next review of the plan. These matters are outlined in Attachment 2.

Should you have any questions in relation to this matter, please contact Ms Megan Nugent, A/Director, Developer Contributions and Agreements at the Department on 9274 6517.

Yours sincerely



Anthony Roberts MP
Minister for Planning
Minister for Housing
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22 JAN 2019

Encl: Attachment 1: Required amendments to RCP prior to LIGS funding
Attachment 2: Matters to be considered in the next review of RCP

Attachment 1: Required amendments to RCP prior to LIGS funding

Rockdale Contributions Plan – Urban Renewal Area

IPART No.	Minister's required amendments to RCP prior to LIGS funding
1.	Remove from the essential works in RCP 2016 the portion of the cost of undergrounding 33kV State Rail power lines in the RURA (\$4,726,358) which is for public amenity improvement only. (page 42)
3.	Remove from the cost of essential transport works in RCP 2016, works for planted verges and other streetscape works that are outside the RURA on Bonar St, Booth St and another new road (sub-item 9.1), comprising: – \$3,012,971 for item WB1.1.1, and – \$1,460,228 for item BS1.3.6. (page 47)
4.	Remove \$10,730,904 for item WC2.3.1 being road widening works between Brodie Spark Drive and Burrows Street ¹ .
5.	Reduce (by \$212,469) the cost of the intersection improvement at Bonar St and Guess Ave (item WC1.4.2) to reflect an upgrade of splitter islands rather than a 4-leg roundabout. (page 47)
7.	Remove \$7,623,606 in costs from the transport essential works in RCP 2016 in line with the recommended adjustments in Table 3.2. (page 51)
12.	Remove \$15,251,532 from the cost of essential stormwater infrastructure 5 stormwater items: WC1.1.4 (\$408,836), WC2.1.2 (\$1,472,562), WC2.1.3 (\$512,760), WC4.1.1 (\$11,384,812) and WC4.1.2 (\$1,472,562); and Revise the cost of essential stormwater infrastructure by \$3,634,952 from RCP to the costs provided by JWP to IPART for the following stormwater items: WC1.1.1 (\$1,999,283), WC1.1.2 (\$3,707,200), WC1.1.3 (\$4,128,960) and WC3.1.1 (\$1,090,241) ¹
14.	Remove \$6,561,813 in costs from the stormwater essential works in RCP 2016 in line with the recommended adjustments in Table 4.2.
17.	Remove costs of \$1,436,631 associated with acquisition of stratum for a community facility from RCP as stratum is not covered by the Essential Works List ²
19.	Remove \$905,981 for SWSOOS aqueduct pathway and embellishment between Arncliffe St and the Princes Hwy (items WC4.2.1 and WC4.2.2) from the plan ¹ (page 85)
21.	Remove the embellishment costs for the Bonar Street Community Park (\$2,377,858) from RCP 2016 and replace with the revised embellishment costs of \$766,709 Council provided to IPART as referenced on Page 97 of IPART's report ³
22.	Remove \$592,987 from the cost of open space embellishment in RCP 2016 for reduced additional factors (12% indirect costs and 10% council on-costs) in the base cost estimates for Wolli Creek Town Park and Thompson Street Reserve. (page 93)
23.	Remove \$257,893 from the cost of open space embellishment in RCP 2016 for a lower contingency allowance of 15% in cost estimates for Wolli Creek Town Park and Thompson Street Reserve. (page 93)
26.	Reduce plan administration costs in RCP 2016 to equate to 1.5% of the reduced capital costs which results from this assessment. (page 101)

Notes:

¹ IPART recommendation amended

² Stratum for community facility is not defined as essential works under the Practice Note

³ Reduced rate of embellishment considered reasonable

Attachment 2: Matters to be considered in the next review of RCP

Rockdale Contributions Plan – Urban Renewal Area

IPART No.	Matters to be considered by Council in the next review of RCP
6.	Review the land acquisition cost estimates for transport infrastructure in RCP 2016 based on Council's policy for land to be dedicated free of cost by a developer, and reduce the land costs in RCP 2016 where land is dedicated free of cost without any offset contributions. (page 51)
8.	For transport works 'in progress' and which are likely to be delivered in stages, Bayside Council consider the need to split the works items into sub-items to allow more accurate cost estimates for each item, where feasible. (page 51)
9.	Include the completion dates for all completed transport works in RCP 2016 and the work schedule. (page 51)
10.	Index transport works estimates (but not actual costs) to current dollars, Bayside Council apply the more cost-reflective ABS PPI (Road and Bridge Construction) instead of the CPI. (page 51)
11.	Review item WC2.3.1 and local road widening works in consultation with RMS to determine the scope of works and access treatments along the western side of Princes Highway between Brodie Sparks Road and Argyle Street ¹ .
13.	<p>Undertake further studies to demonstrate the nexus between the proposed flood mitigation and stormwater infrastructure and the expected development in the RURA. These studies are required to:</p> <ul style="list-style-type: none"> – determine the base flood levels, depths and hazards that existed prior to rezoning and development – determine the additional impacts on the flood levels, depths and hazards caused by redevelopment, and – determine the works required to mitigate the flood levels, depths and hazards at full redevelopment to achieve acceptable targets (page 68)
15.	Index stormwater works estimates (but not actual costs) to current dollars, Bayside Council apply the more cost-reflective ABS PPI (Road and Bridge Construction) instead of the CPI. (page 72)
16.	<p>Review the approach to apportionment of stormwater costs in RCP 2016 on completion of further studies to establish nexus and determine the flood mitigation and stormwater works for the RURA. This review should consider:</p> <ul style="list-style-type: none"> – the distribution of demand for the works arising from the development and resulting benefits across different areas of the RURA, and – the apportionment of costs to those who create the need or demand for the stormwater works. (page 77)
18.	<p>Establish the open space requirements in the plan based on a needs-based assessment of the RURA which considers:</p> <ul style="list-style-type: none"> – the demands of the demographic for accessible active and passive open space, and – the options to meet the demands with an audit of existing and accessible open space, both inside and outside the RURA. (page 85)
20.	Review the cost of open space embellishment for the Wollie Creek Town Park to ensure that only base level embellishment is included for the park (page 93)
21.	Review the reasonable base level embellishment costs for the Bonar Street Community Park ¹ .
24.	To index open space embellishment estimates (but not actual costs) to current dollars, Bayside Council apply the more cost-reflective ABS PPI (Non-Residential Building Construction) instead of the CPI (page 93)

25.	Undertake a holistic review of apportionment methods for open space and community facility costs ¹ .
27.	Prioritise infrastructure delivery setting out in the contribution plan and the work schedule an indicative timetable for infrastructure provision based on known or assumed plans for development, in tranches of three years, if necessary (Page 103)
32.	<p>Revise RCP 2016 to present its contents in a way that more fully complies with the requirements of the Environmental Planning and Assessment Regulation 2000, particularly in relation to:</p> <ul style="list-style-type: none"> – clearly labelling and illustrating in maps the location and extent of all of infrastructure items, particularly stormwater, but also open space and transport – more systematically demonstrating nexus for the proposed infrastructure, based on all relevant technical studies and related information, and – updating the work schedule with more detail about proposed infrastructure components and costs, and more specific estimates of the staging of delivery. (page 113)

Note:¹IPART recommendation amended