

## Department of Planning, Housing and Infrastructure

Our ref: IRF24/2427

Mr Andrew Moore  
General Manager  
Penrith City Council  
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PENRITH NSW 2751

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19 December 2024

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**Subject: Draft section 7.11 contributions plans for Glenmore Park Stage 3 Orchard Hills North**

Dear Mr Moore

I am writing in relation to the draft section 7.11 contributions plans, *Glenmore Park Stage 3 at Mulgoa Development Contributions Plan 2022* and *Orchard Hills North – Area A Contributions Plan 2022* (the Plans), which Penrith City Council submitted to the Independent Pricing and Regulatory Tribunal (IPART) for assessment. IPART has completed its assessment and made eleven recommendations for each of the draft plan.

As nominee for the Minister for Planning and Public Spaces, I have considered IPART's advice. Changes to each Plan are required prior to their implementation.

These changes are detailed in **Attachments A** and **B**.

Once the amendments required by **Attachments A** and **B** have been made and the Council has finalised the Plans, they will meet the requirements of an IPART reviewed contributions plan within the meaning of clause 5(3) of the *Environmental Planning and Assessment (Local Infrastructure Contributions) Direction 2012*.

I note that the draft plans submitted to IPART for review, incorporated post exhibition changes that have not been subject to public exhibition by the Council. The Council must satisfy itself that it has met the requirements of the *Environmental Planning and Assessment Regulations 2021* regarding public consultation for this matter.

I would be grateful if you could advise the Department once the Council has completed this process, including evidence that the changes have been made, via email to [infrastructure.contributions@planning.nsw.gov.au](mailto:infrastructure.contributions@planning.nsw.gov.au).

If you have any questions in relation to this matter, please contact Ms Katrine O'Flaherty, Director Local Infrastructure at the Department on 9274 6523.

Yours sincerely,



Monica Gibson  
Deputy Secretary  
Planning, Land Use Strategy, Housing and Infrastructure

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### Attachment A: Glenmore Park Stage 3 at Mulgoa

IPART Recommendation		Minister's nominee direction	Comments
1	That the council regularly review the costs of infrastructure items in the contributions plan over the life of the development.	<b>Recommendation accepted</b>	This recommendation is for advice only and does not require immediate action to amend the contributions plan.
2	That the council update the underlying zoning to the C4 rate for transport land item T5.	<b>Recommendation accepted</b>	Amendment to the Plan required
3	That the council update the cost of plan administration to be 1.5% of the revised total works costs.	<b>Recommendation accepted</b>	Amendment to the Plan required
4	That the council use the following contingency allowances: <ul style="list-style-type: none"> <li>a. 30% for MB1, VB2, MB3, MB4 and MB5 stormwater works items</li> <li>b. 20% for transport works</li> <li>c. 15% for open space embellishment works.</li> </ul>	<b>Recommendation accepted.</b>	Amendment to the Plan required
5	That the council adjust the work schedule for residential development to: <ul style="list-style-type: none"> <li>a. remove the contingency allowance from the base cost of the land for INT1-5</li> </ul>	<b>Recommendation accepted with changes.</b> That the council adjust the work schedule to:	Amendment to the Plan required

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IPART Recommendation	Minister's nominee direction	Comments
<ul style="list-style-type: none"> <li>b. update the CPI values for transport works and land costs to reflect the September 2023 indexed value.</li> <li>c. to reduce the land disturbance allowance for transport land items T3.4, INT4 and INT3 to 5%.</li> <li>d. adjust T2.1 and T3.1 to use the R2 (&gt;10,000 square metre) rate, T3.4 to use the R3 (&lt;10,000 square metre) rate, and T3.5 to use the R2 (&lt;10,000 square metre) rate from the land valuation report.</li> </ul>	<ul style="list-style-type: none"> <li>a. remove the contingency allowance from the base cost of the land for INT1-5</li> <li>b. update the CPI values for transport works and land costs to reflect the September 2023 indexed value.</li> <li>c. to reduce the land disturbance allowance for transport land items T3.4, INT4 and INT3 to 5%.</li> <li>d. adjust T2.1 and T3.1 to use the R2 (&gt;10,000 square metre) rate, T3.4 to use the R3 (&lt;10,000 square metre) rate, and T3.5 to use the R2 (&lt;10,000 square metre) rate from the land valuation report.</li> </ul>	
<p><b>6</b> That the council apportion transport and stormwater costs to residential development on a per-person basis and to non-residential development on a per hectare of NDA basis.</p>	<p><b>Recommendation accepted with changes.</b></p> <p>That the council apportion transport and stormwater costs between residential development and non-residential development, and only include those</p>	<p>Amendment to the Plan required</p>

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IPART Recommendation	Minister's nominee direction	Comments
	costs associated with residential development in the plan.	
7	<p>That the council apportion transport and stormwater land and works costs for the public school site to residential development.</p>	<p><b>Recommendation rejected.</b> <b>Refer to recommendation 6</b></p>
8	<p>That the council ensures that it does not recover contributions for the same infrastructure items through both GP3 CP and the council's Section 7.12 City Wide Development Contributions Plan for Non-Residential Development.</p>	<p><b>Recommendation accepted with changes.</b> That the council ensures that it does not over recover contributions for the same infrastructure items through both GP3 CP and the council's Section 7.12 City Wide Development Contributions Plan for Non-Residential Development.</p>
9	<p>That the council apportion plan administration costs for transport and stormwater to non-residential development.</p>	<p><b>Recommendation accepted</b> This recommendation is for advice only and does not require immediate action to amend the contributions plan.</p>
10	<p>That the council regularly review the work schedule to ensure infrastructure is rolled out efficiently to service the development as and when it occurs.</p>	<p><b>Recommendation accepted</b> This recommendation is for advice only and does not require immediate action to amend the contributions plan.</p>
11	<p>That the council reviews infrastructure works costs and make adjustments if any grant funding is</p>	<p><b>Recommendation accepted with changes.</b> This recommendation is for advice only and does not require immediate</p>

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IPART Recommendation	Minister's nominee direction	Comments
<p>received for infrastructure items in the plan following the adoption of the plan.</p>	<p>That the council reviews infrastructure works costs and make adjustments if any grant funding is received for infrastructure items in the plan. Council should ensure that any amendments to the plan comply with the <i>Environmental Planning and Assessment Regulation 2021, Section 215</i>.</p>	<p>action to amend the contributions plan.</p>

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### Attachment B: Orchard Hills North – Area A

IPART Recommendation		Minister's nominee direction	Comments
1	That the council monitor the design and development of open space embellishments in the contributions plan to ensure that only embellishments that are consistent with the essential works list are included in the plan. This means the plan should not include any public art or skate parks that are inconsistent with the essential works list.	<b>Recommendation accepted</b>	This recommendation is for advice only and does not require immediate action to amend the contributions plan.
2	That the council regularly review the costs of infrastructure items in the contributions plan over the life of the development.	<b>Recommendation accepted</b>	This recommendation is for advice only and does not require immediate action to amend the contributions plan.
3	That the council update the cost of plan administration to be 1.5% of the revised total works costs.	<b>Recommendation accepted</b>	Amendment to the Plan required
4	That the council use the following contingency allowances: <ul style="list-style-type: none"> <li>a. 20% for stormwater works</li> <li>b. 30% for transport works</li> <li>c. 20% for open space embellishment works.</li> </ul>	<b>Recommendation accepted.</b>	Amendment to the Plan required
5	That the council adjust the work schedule to correct for the:	<b>Recommendation accepted.</b>	Amendment to the Plan required

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IPART Recommendation	Minister's nominee direction	Comments
<ul style="list-style-type: none"> <li>a. underestimate of the apportionment of non-residential stormwater costs</li> <li>b. underestimate of residential open space land costs</li> <li>c. underestimate of residential and non-residential plan administration costs</li> <li>d. underestimate of residential total transport works costs</li> <li>e. overestimate of residential costs through transport works item EW1.</li> </ul>		
<p><b>6</b> That the council apportion both transport and stormwater costs to both residential and non-residential development on a per hectare of NDA basis.</p>	<p><b>Recommendation accepted with changes.</b></p> <p>That the council apportion transport and stormwater costs between residential development and non-residential development.</p>	<p>Amendment to the Plan required</p>
<p><b>7</b> That the council apportion transport and stormwater land and works costs for the public school site to residential development</p>	<p><b>Recommendation rejected.</b></p> <p><b>Refer to recommendation 6</b></p>	<p><b>Refer to recommendation 6</b></p>
<p><b>8</b> When the council next reviews the OHN CP, review the capacity of the NS1, EW1 and EW2 roads to ensure they meet the needs of the future</p>	<p><b>Recommendation accepted.</b></p>	<p>This recommendation is for advice only and does not require immediate action to amend the contributions plan.</p>

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IPART Recommendation		Minister's nominee direction	Comments
	development and review the apportionment of the roads to the OHN CP and outside the precinct.		
9	That the council apportion plan administration costs for transport and stormwater to non-residential development.	<b>Recommendation accepted</b>	This recommendation is for advice only and does not require immediate action to amend the contributions plan.
10	That the council regularly review the work schedule to ensure infrastructure is rolled out efficiently to service the development as and when it occurs.	<b>Recommendation accepted</b>	This recommendation is for advice only and does not require immediate action to amend the contributions plan.
11	That the council reviews infrastructure works costs and makes adjustments if any grant funding is received for infrastructure in the plan following the adoption of the plan.	<p><b>Recommendation accepted with changes.</b></p> <p>That the council reviews infrastructure works costs and make adjustments if any grant funding is received for infrastructure items in the plan. Council should ensure that any amendments to the plan comply with the <i>Environmental Planning and Assessment Regulation 2021, Section 215.</i></p>	This recommendation is for advice only and does not require immediate action to amend the contributions plan.