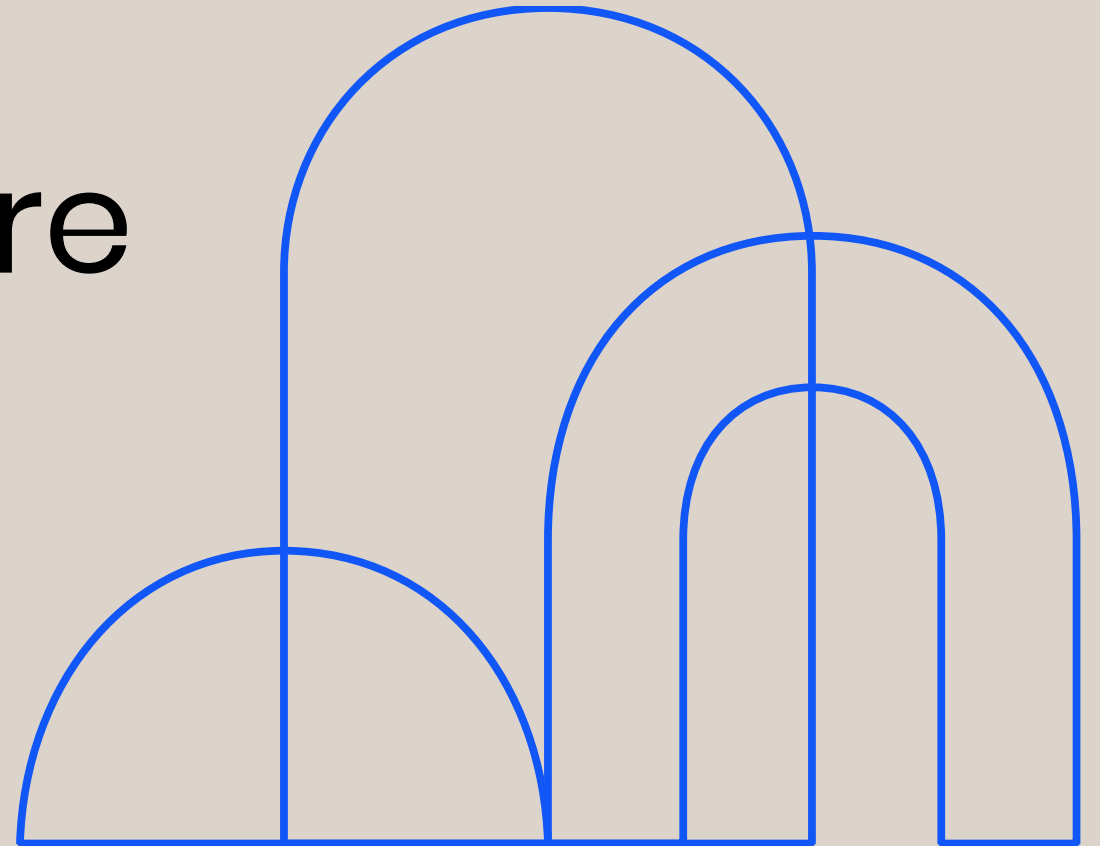


# Local Infrastructure Contributions

Infrastructure Funding & Delivery

Katie Miles, Inner West Council

28 August 2023



# Presentation Outline

- Introduction 101 – Local vs State Contributions
- Inner West Local Infrastructure Contribution Plan 2023
  - Why we did it?
  - How we did it?
  - What is it intended to do?
- What we're doing next



# Local vs State Contributions

## Local Infrastructure Contributions (LICs) are paid to local councils

- Local roads and traffic management
- Drainage
- Open space
- Community facilities
- Water and sewer

## State Infrastructure Contributions (SICs) are paid to the State Government

- State and regional roads
- Land for:
  - hospitals
  - schools
  - parks and environmental conservation
- Emergency services facilities
- Planning and delivery of new urban areas



# Contributions! Where have you gone?



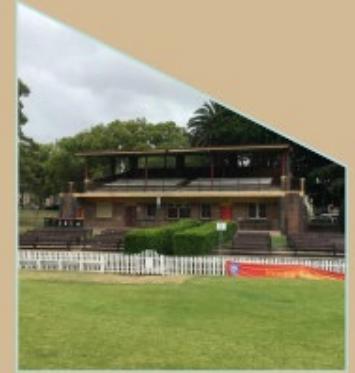
Petersham Town  
Hall Upgrades



Balmain Town  
Hall Upgrade



Dawn Fraser  
Pool



Petersham Park  
Grandstand  
Upgrade



Marrickville  
Library



Bike Route LR03  
Livingstone Road



Sydenham Green



Shared Path  
Hawthorne  
Canal



Alex Trevallion  
Plaza

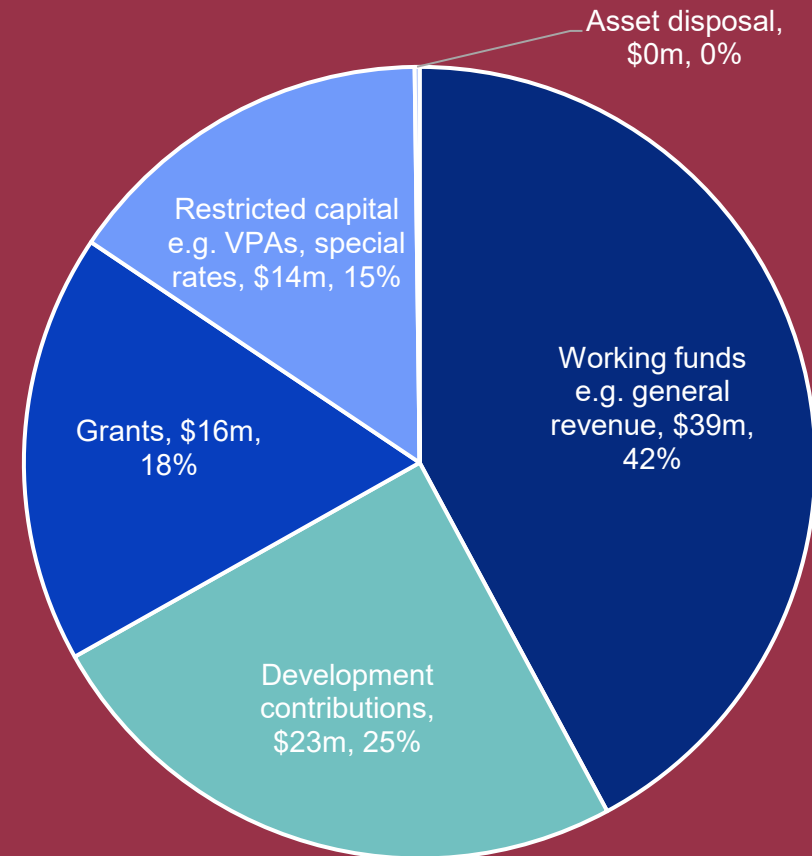


Ashfield Aquatic  
Centre

# Financial Context

Inner West Council – Contribution Plans (revenue received)			
Financial Year	S7.11 Revenue	S7.12 Revenue	Total Revenue received
21/22	\$6.6million	\$2.4million	\$9million
20/21	\$6.7million	\$1.5million	\$8.3million
19/20	\$14.1million	\$0.7million	\$14.8million
18/19	\$10.1million	\$1.3million	\$11.5million
17/18	\$9.8million	\$1million	\$10.8million
16/17	\$16.4million	\$1.3million	\$17.8million

Capital works Expenditure 21/22

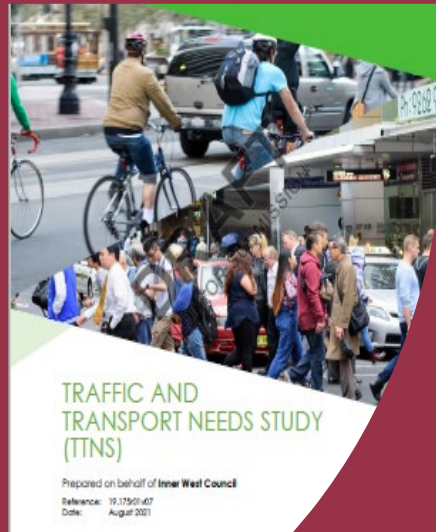
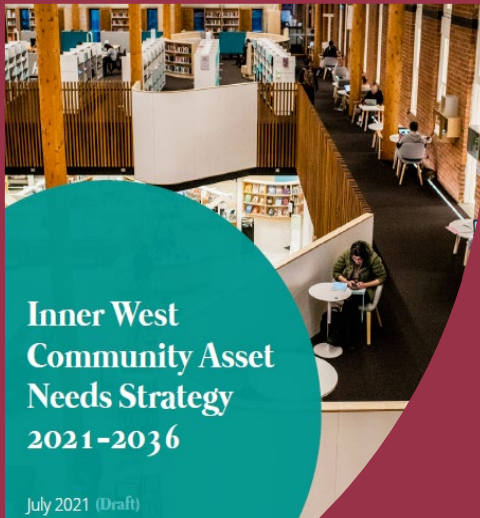


# CP Program

No.	Actions	2019	2020	2021	2022	2023	2024
1	Procurement - RFQs	●					
2	Infrastructure needs studies		●	●			
3	Draft works schedule			●	●		
4	Contributions income / options testing				●		
5	Gap funding plan				●		
6	Staff consultation		●	●	●		
7	Executive briefing			●	●		
8	Council briefing				●		
9	Draft CP + Needs Studies public exhibition				●		
10	Post-exhibition (Workshops, briefings and reports)				●		
11	Staff training					●	
12	CP commencement – 20 February					●	
13	Policies, Procedures, Governance Review					●	
14	Technology Solutions for Contributions Management					●	●

← WE ARE HERE

# 5 years in the making....





What was the catalyst?

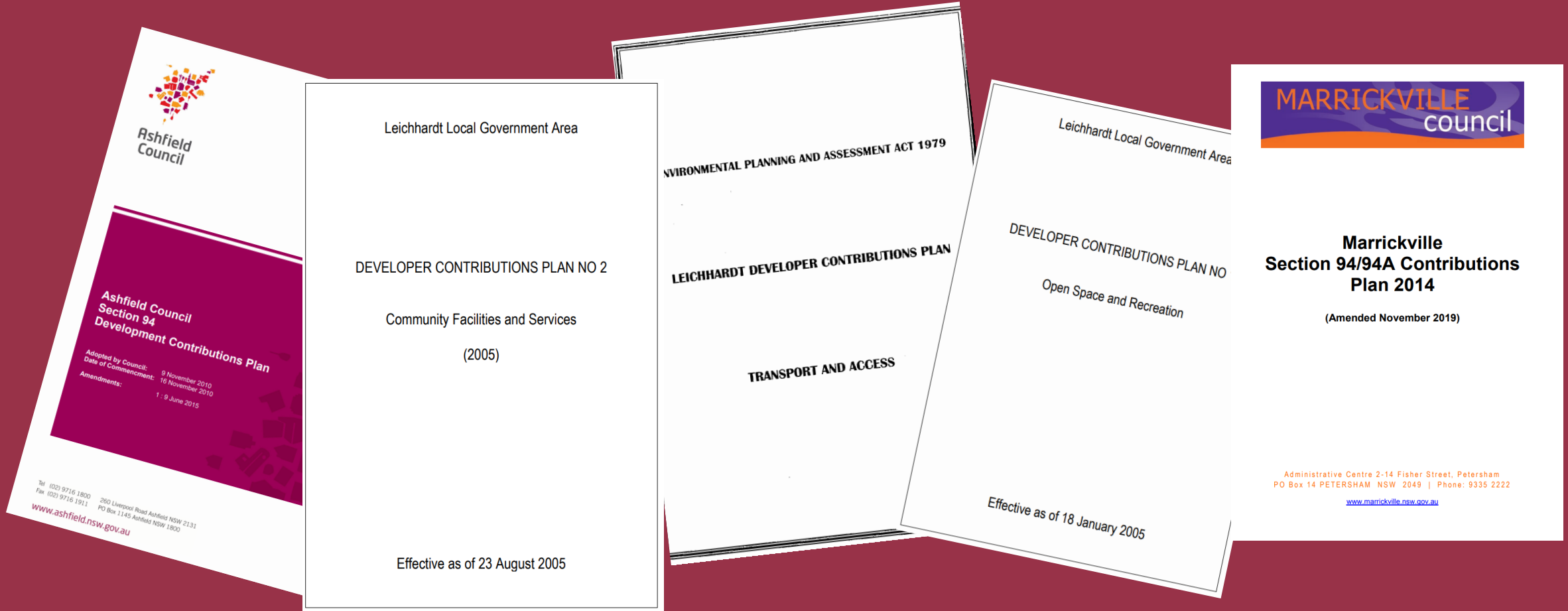


# Drivers for Review:

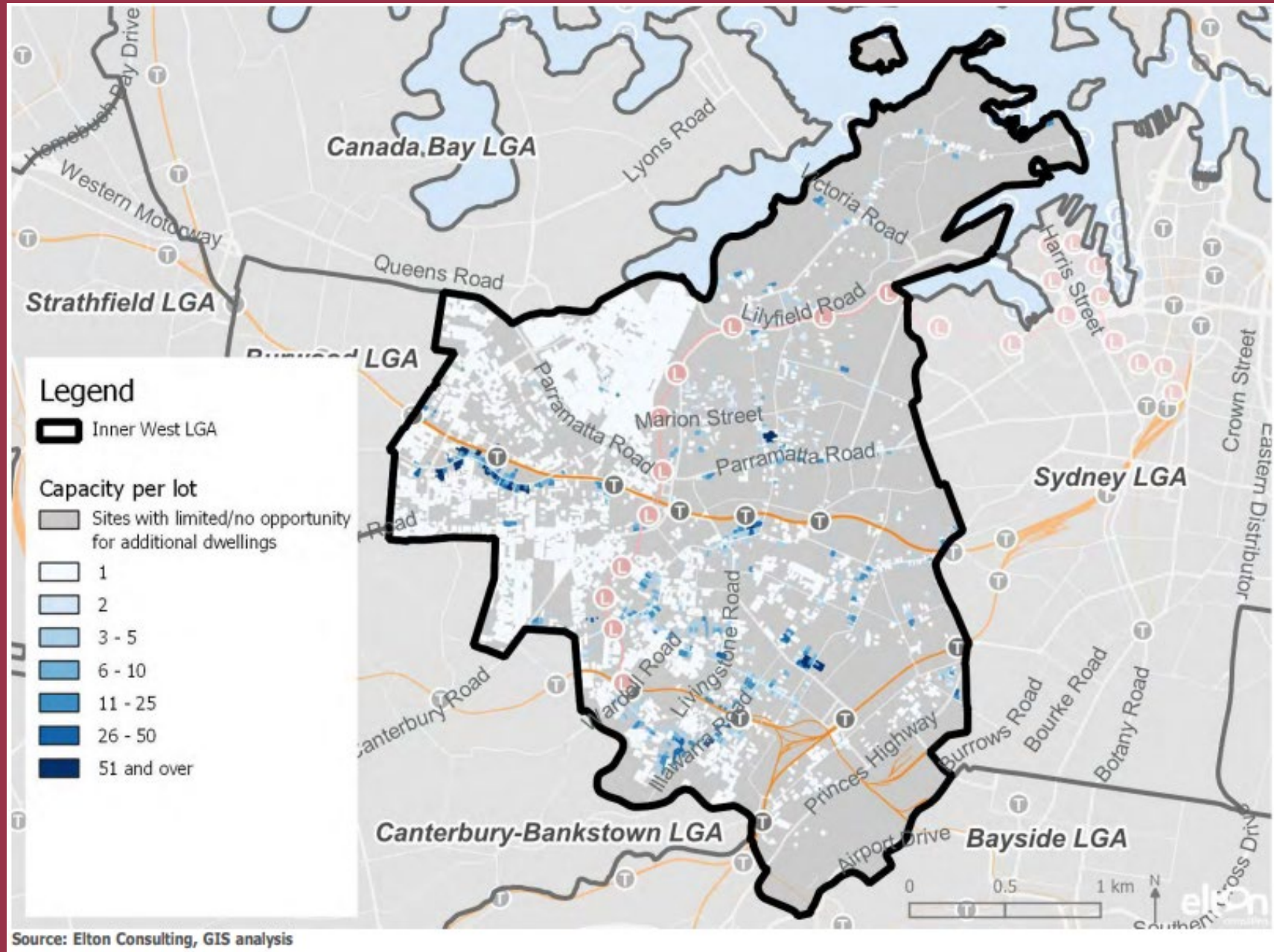
- Implementation of the Inner West Local Strategic Planning Statement (2020) and supporting studies
- Existing CPs were outdated
- Inner West Council Delivery Program 2018-22 commits to preparing a new s7.11 and s7.12 contributions plan
- Councils required to periodically review their contributions plans e.g. every 5 years



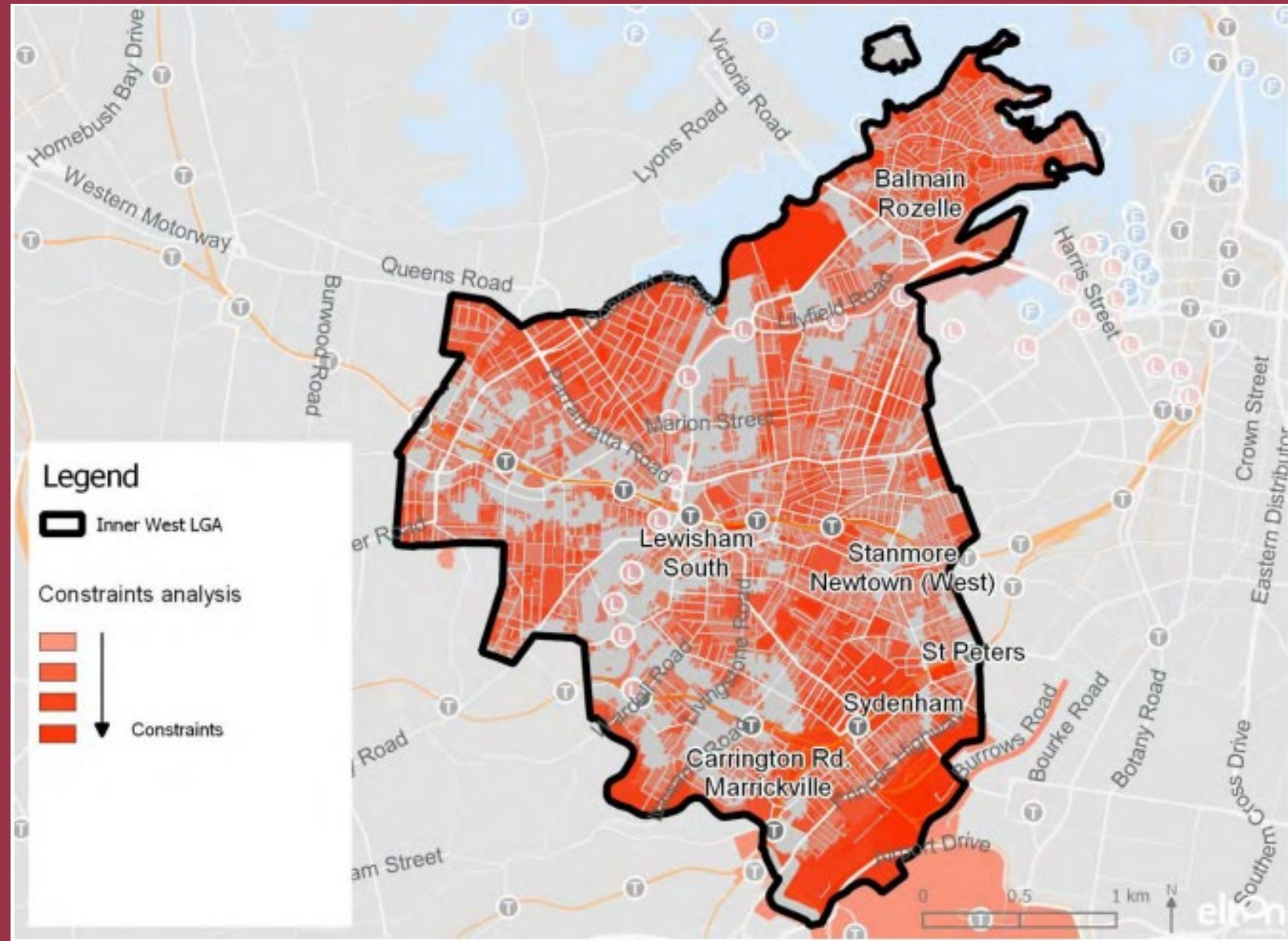
# What we had....



Capacity for growth was constrained



# Constraints Mapping



Where will the  
bulk of the  
growth occur?

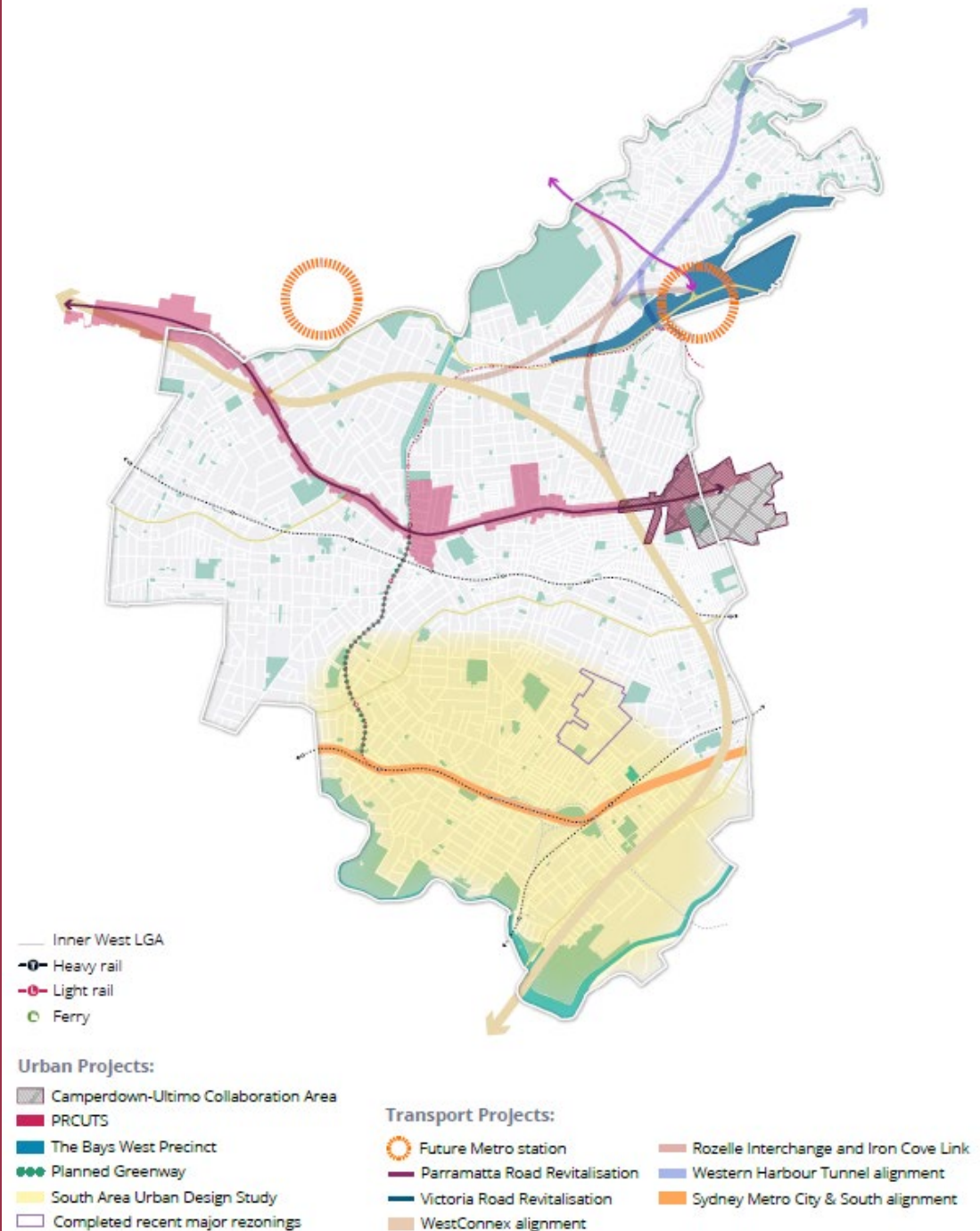


Figure 15 Investigation Areas from 2019

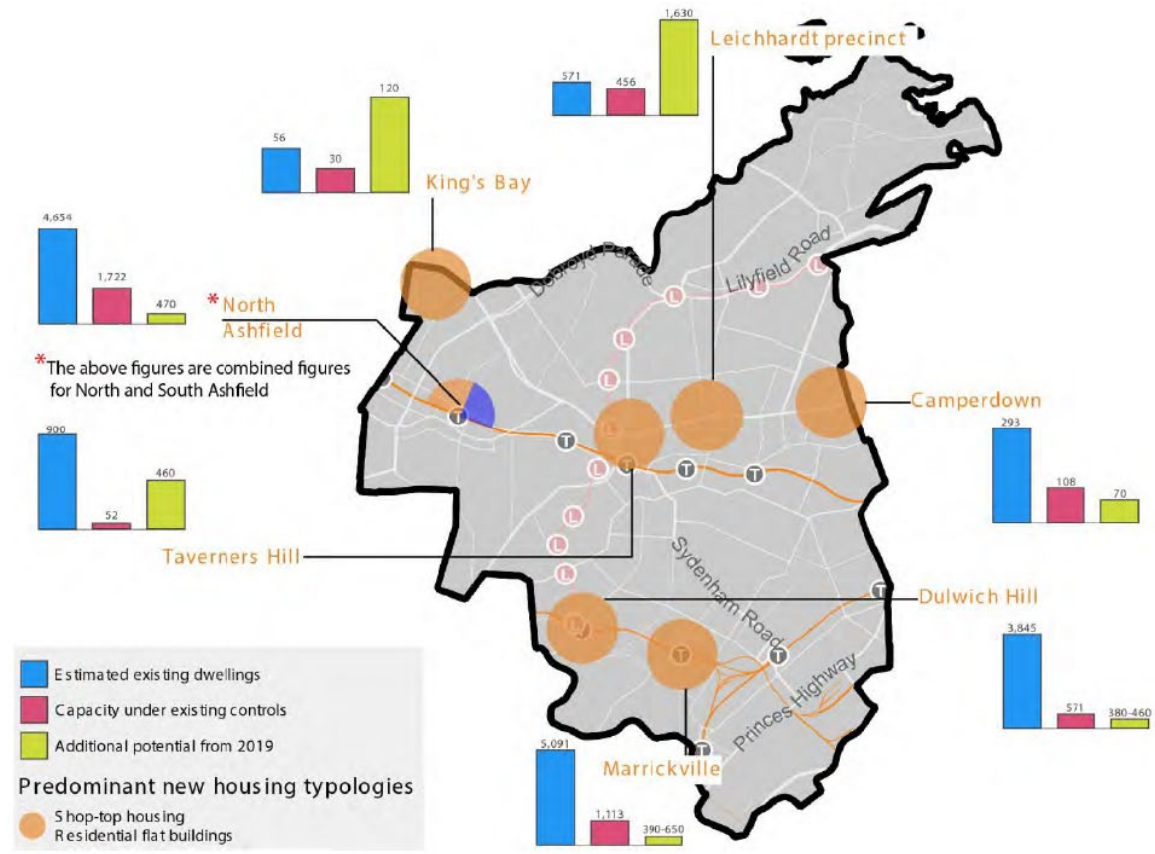
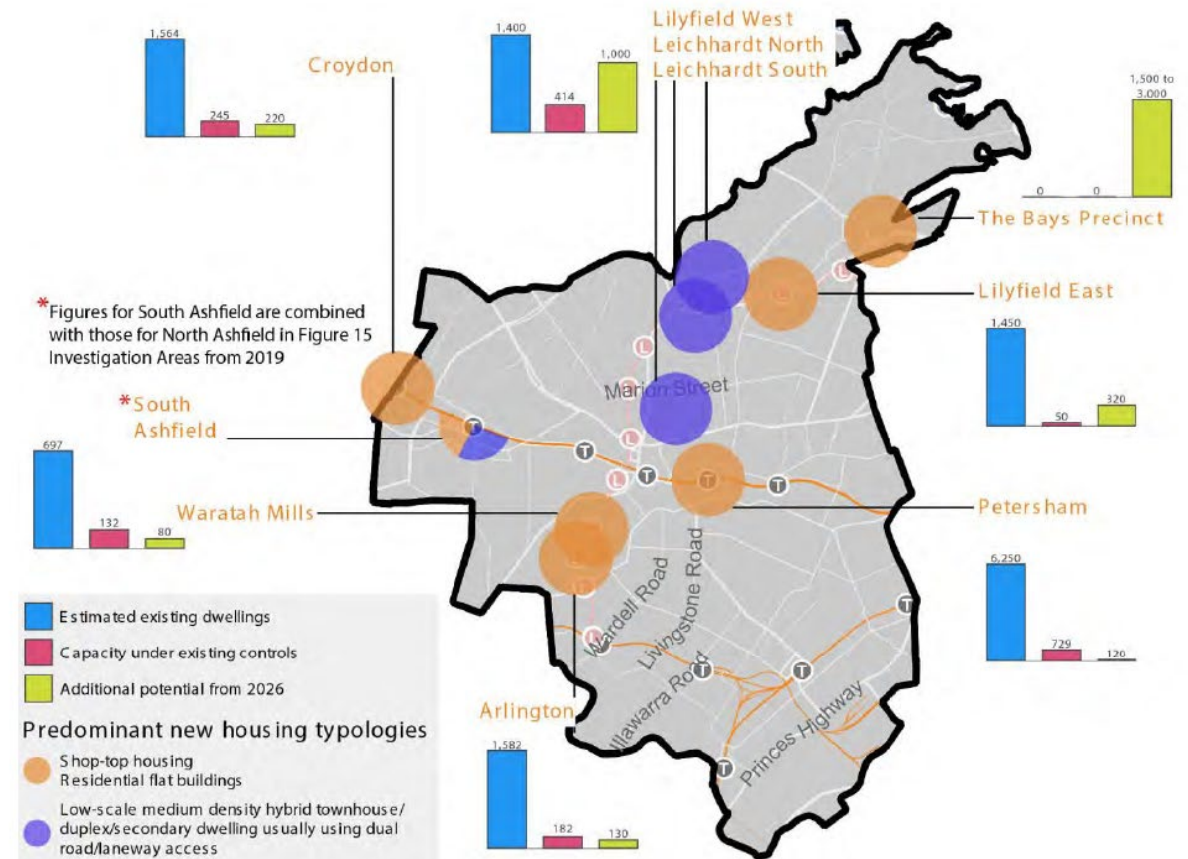


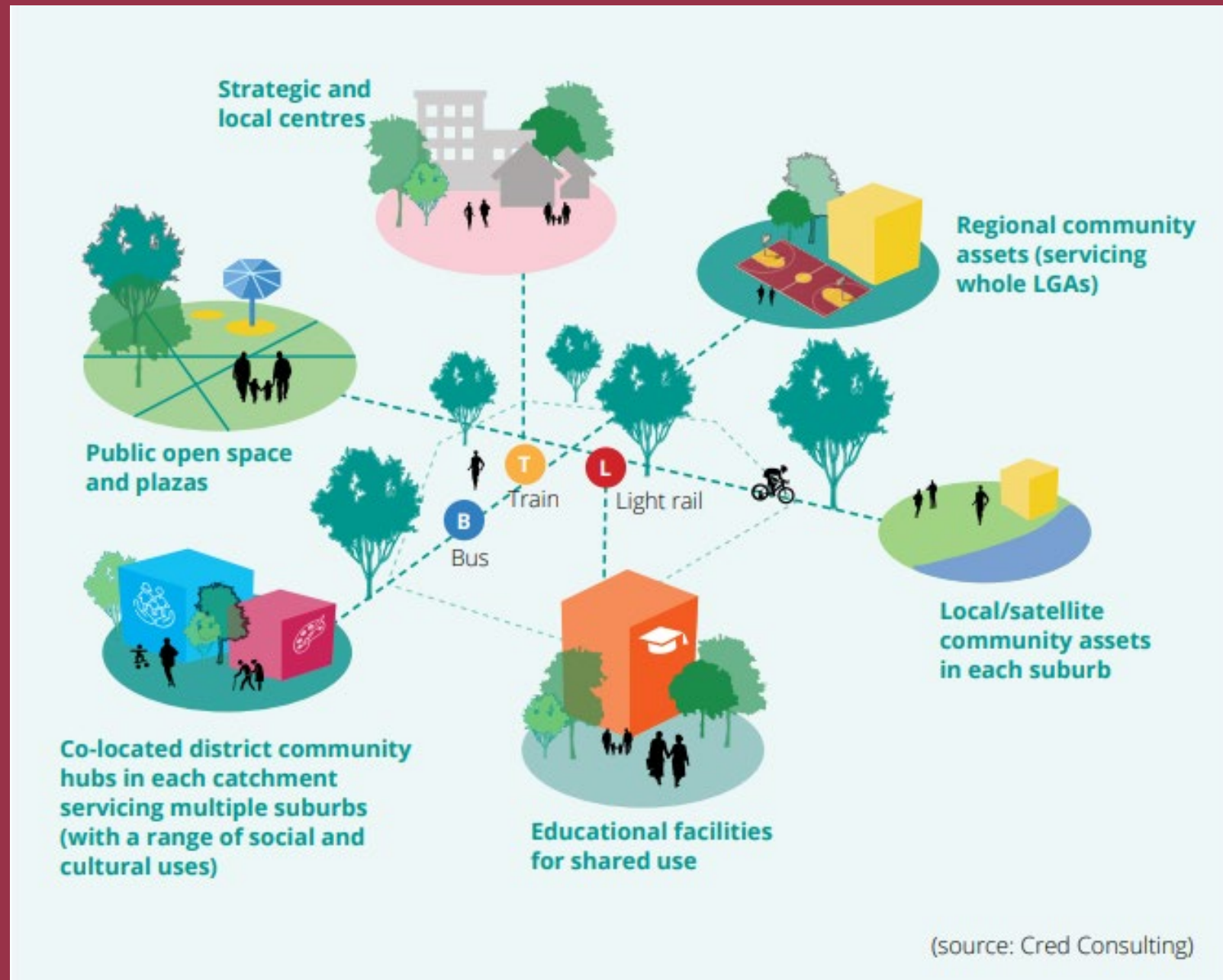
Figure 16 Longer Term Investigation Areas from 2026



# What does the new population need?



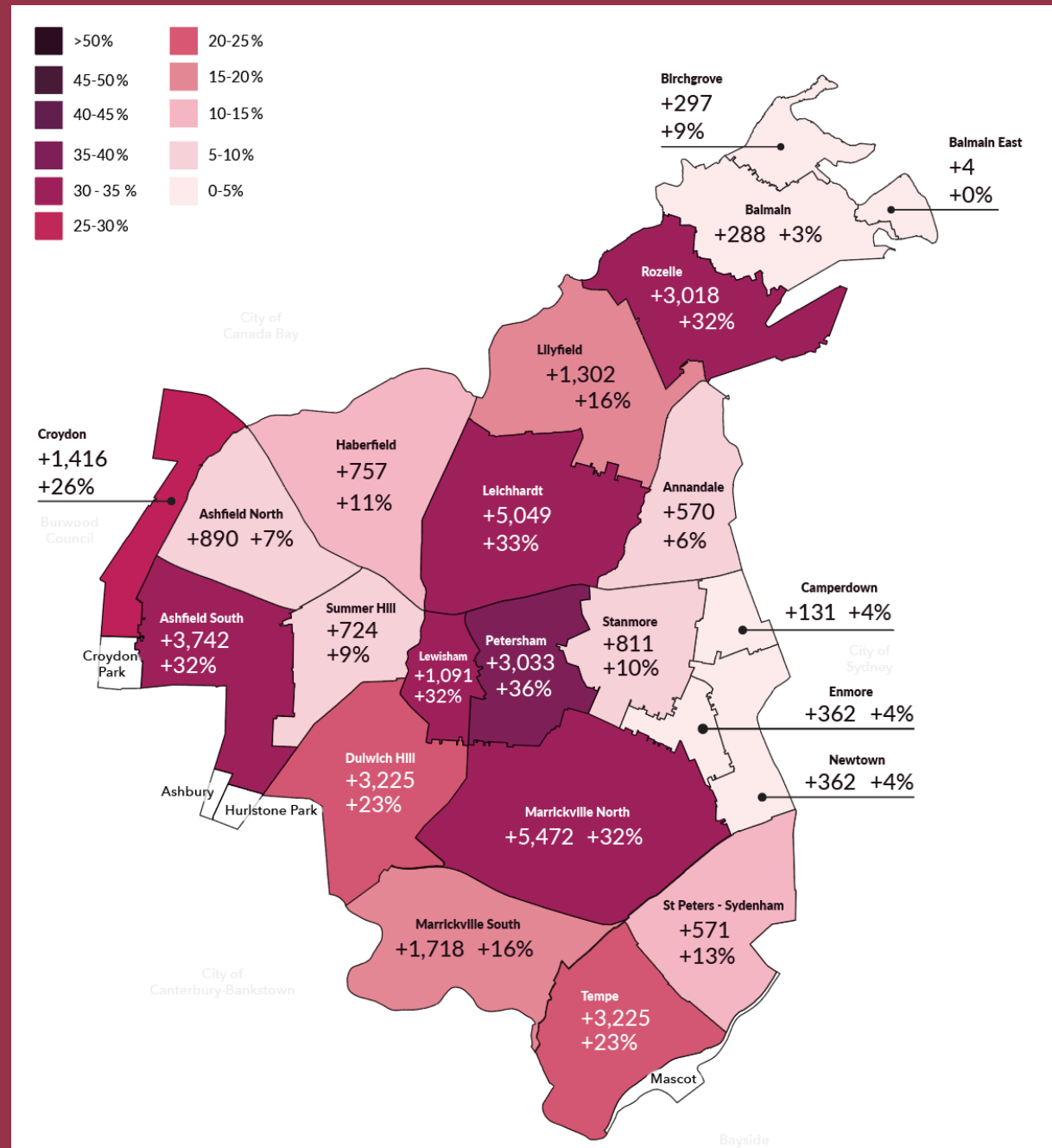
# A networked approach to social Infrastructure





# Population Projections

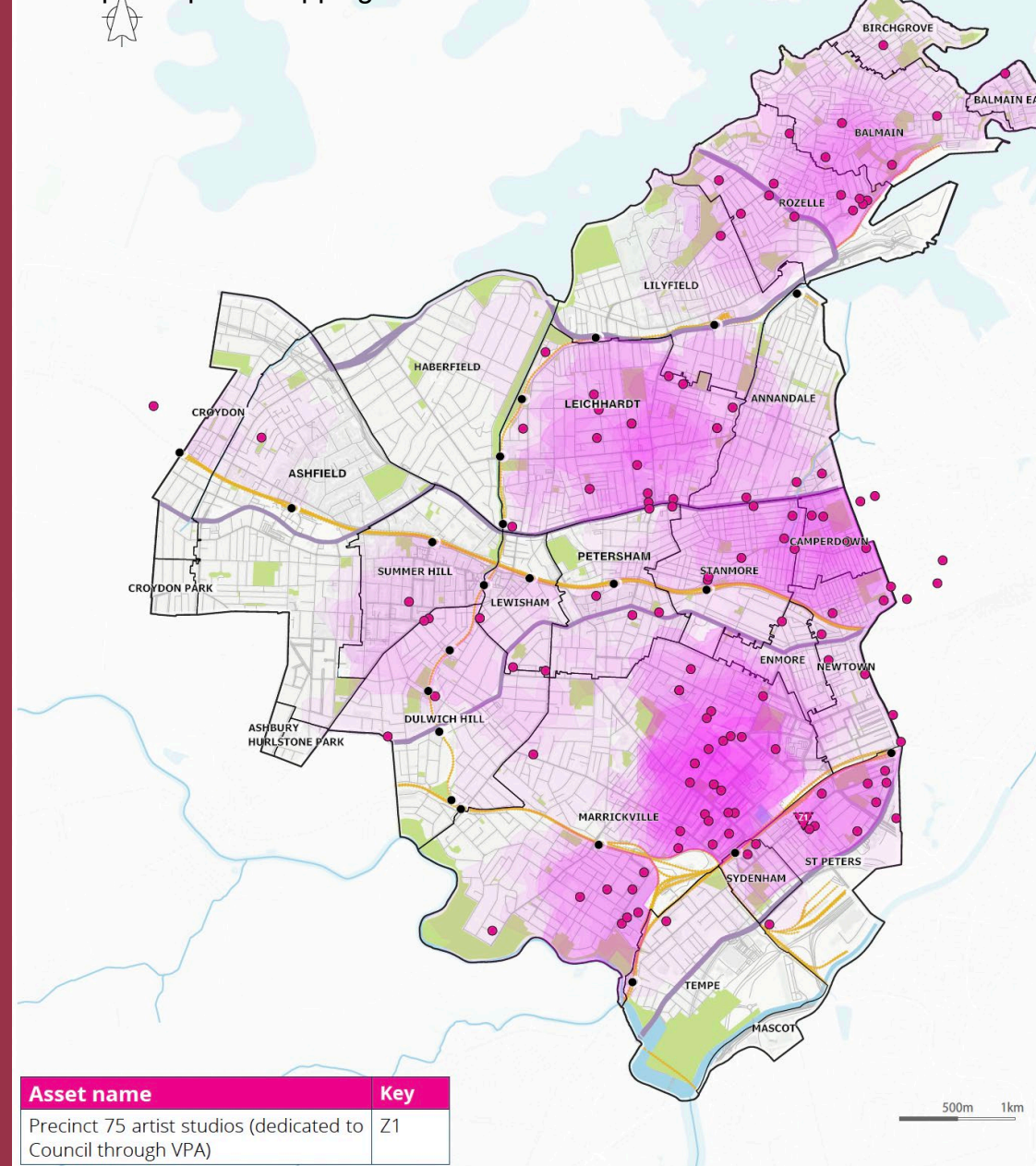
- Assumes a steady rate of growth
- In accordance with LSPS & LHS
- Includes investigation areas
- Emphasis is placed on plan monitoring!
- We need to shift assumptions if the context changes.



# Audit and Mapping

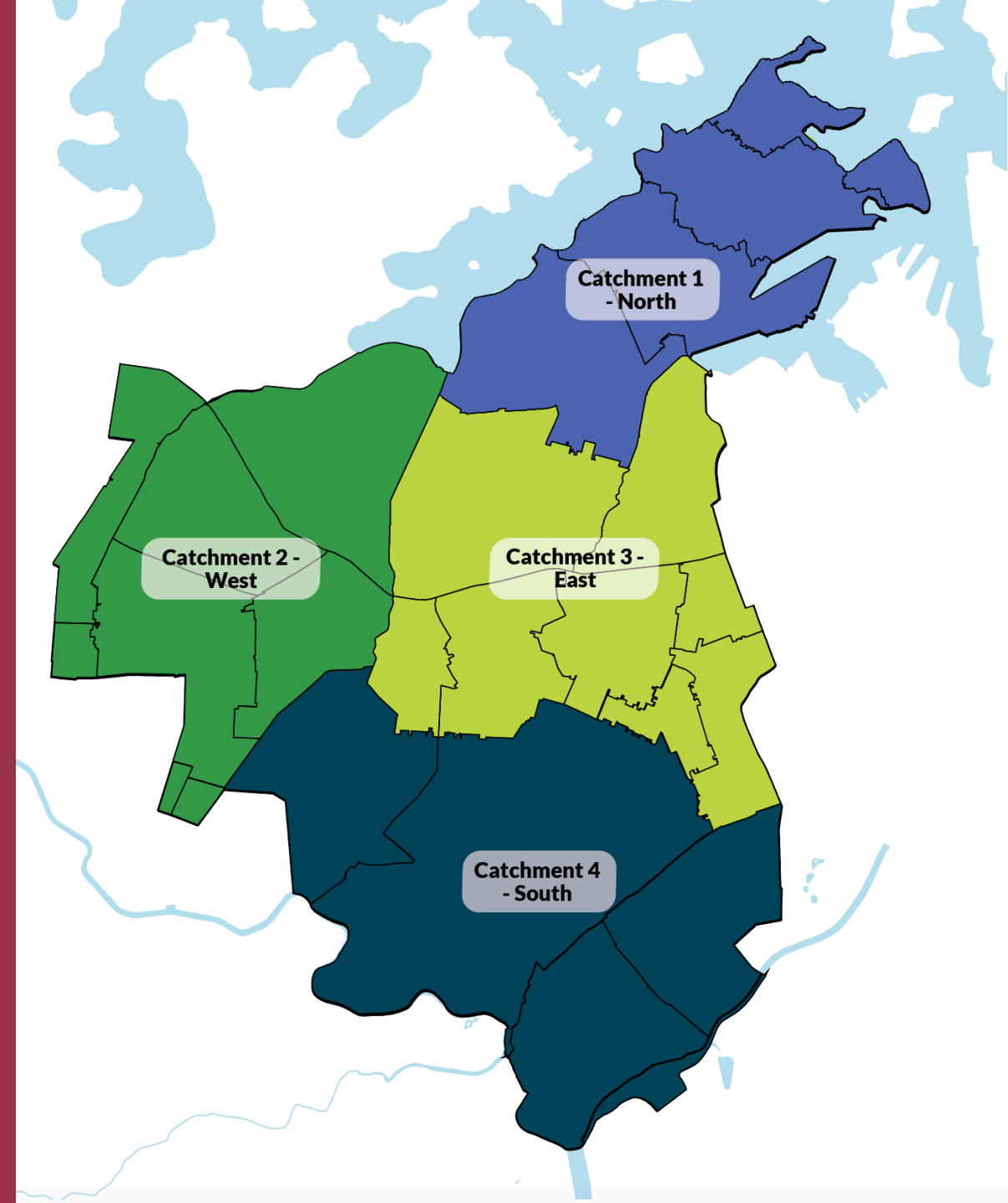
- Audits and maps provide baseline understanding of provision.
- **Tip:** Include infrastructure in neighbouring LGAs
- Is based on hierarchy
- Include non-Council assets
- Where do the gaps exist and is the new population expected to be accommodated there?

## Community Assets Needs Strategy Commercial and enterprise space mapping



# Planning Catchments

- Understand the distribution of existing local, district and regional social infrastructure
- Overlay with future pop growth assumptions
- It's a tool that helps to pin-point infrastructure gaps – current and future.



E.g. Open Space

Table 17 - Open space provision rates by Planning Catchment

		Catchment 1 (m <sup>2</sup> per person)	Catchment 2 (m <sup>2</sup> per person)	Catchment 3 (m <sup>2</sup> per person)	Catchment 4 (m <sup>2</sup> per person)	LGA (m <sup>2</sup> per person)
Open space (m <sup>2</sup> )	2016	34.4	10.1	7.6	20.7	16.4
	2026	36.3	9.3	6.9	17.9	15.4
	2036	32.5	8.7	6.4	16.9	14.3

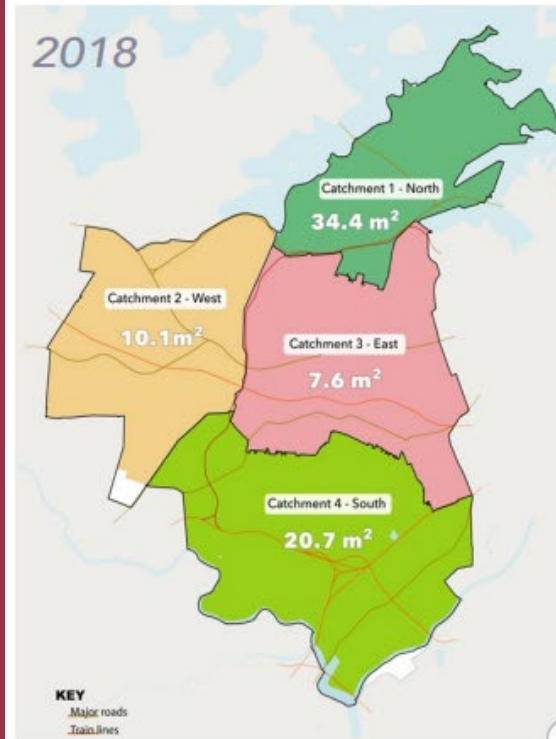


Figure 28 - Current provision per person 2018

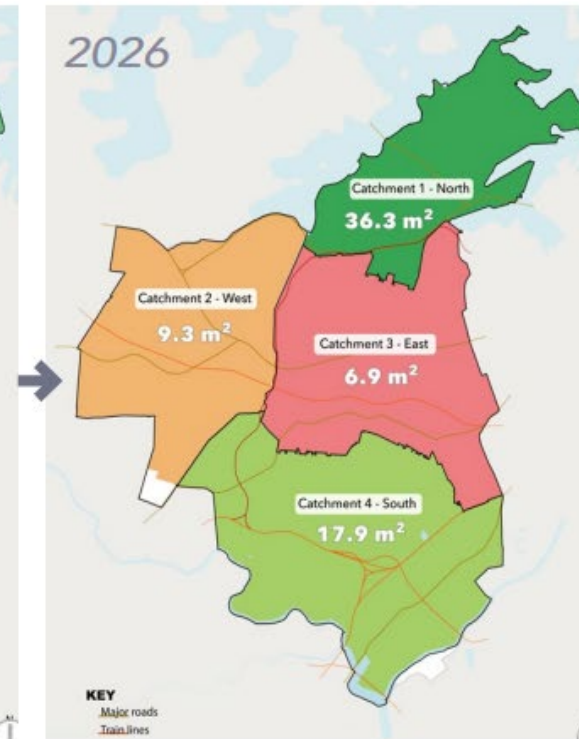


Figure 29 - Forecast provision per person 2026

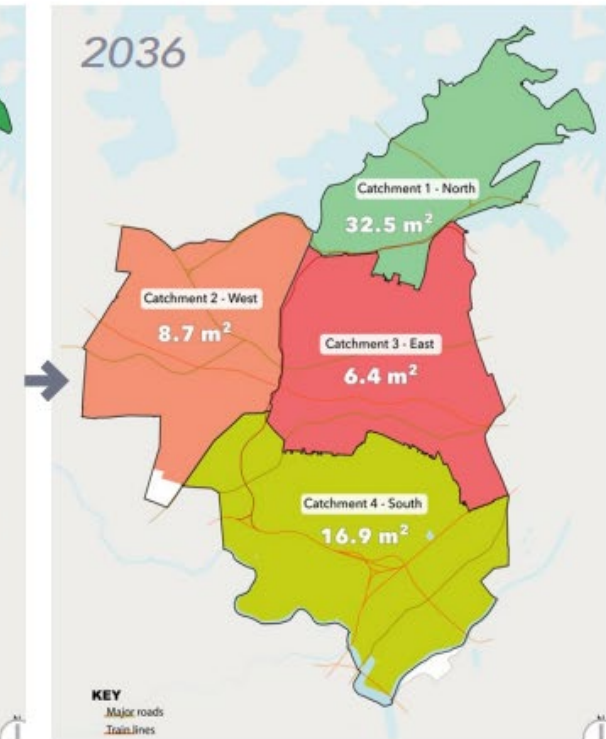
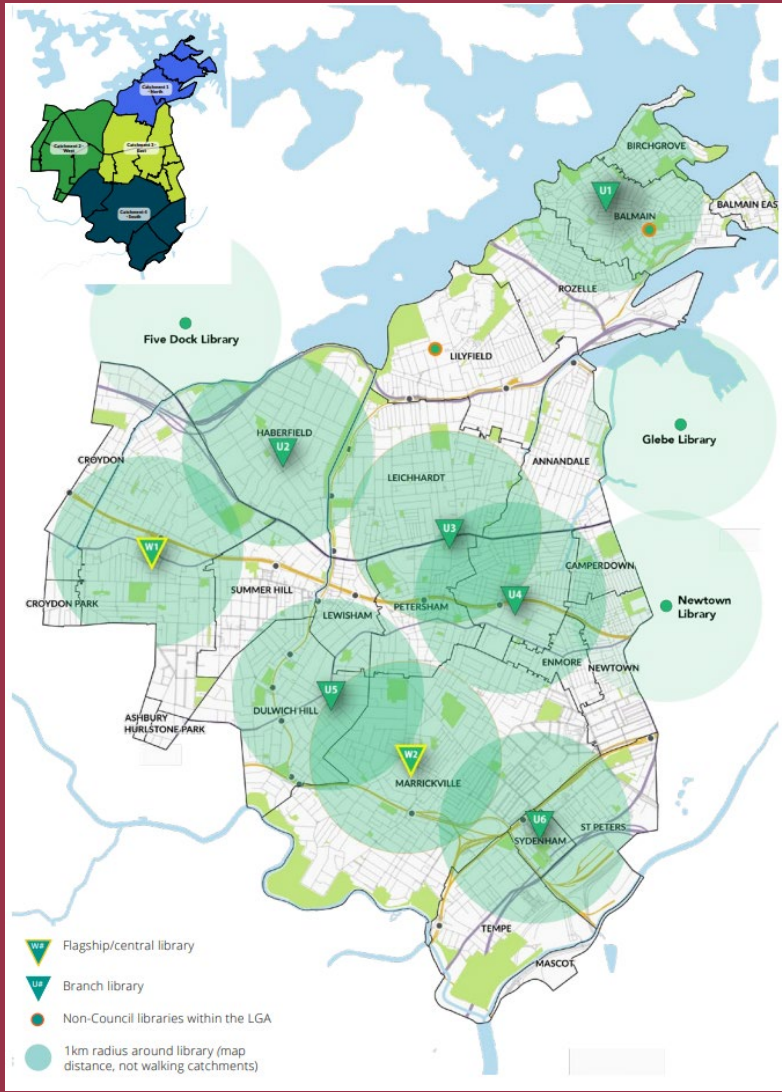
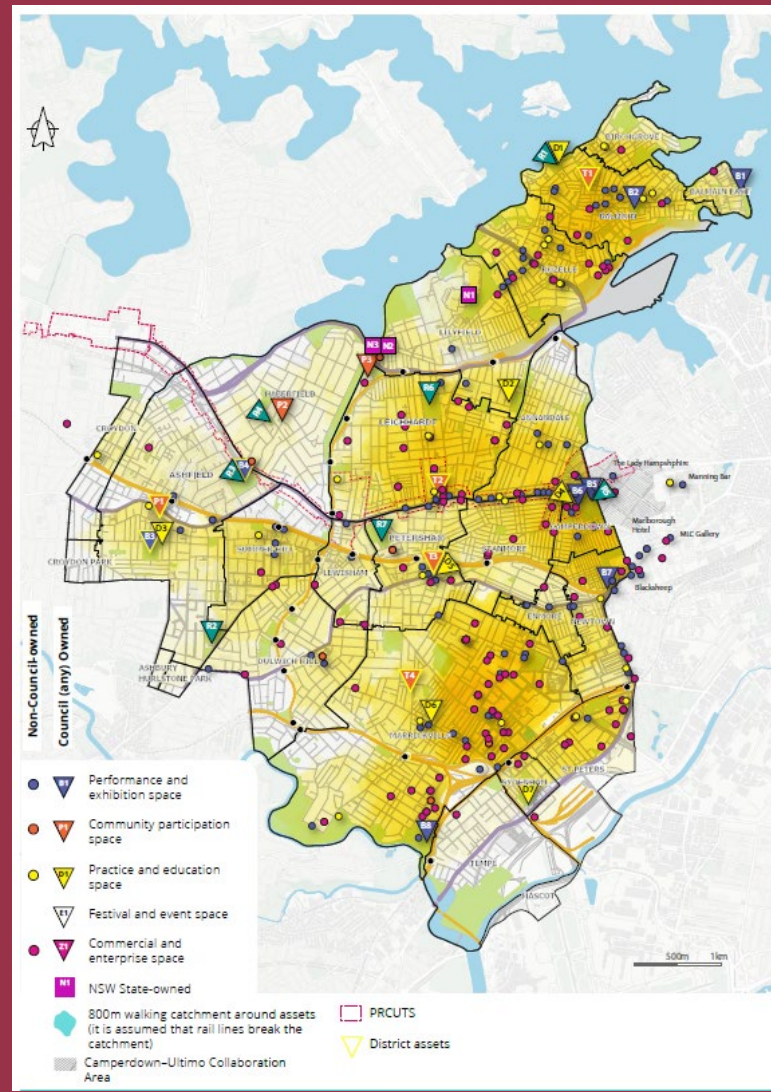


Figure 30 - Forecast provision per person 2036

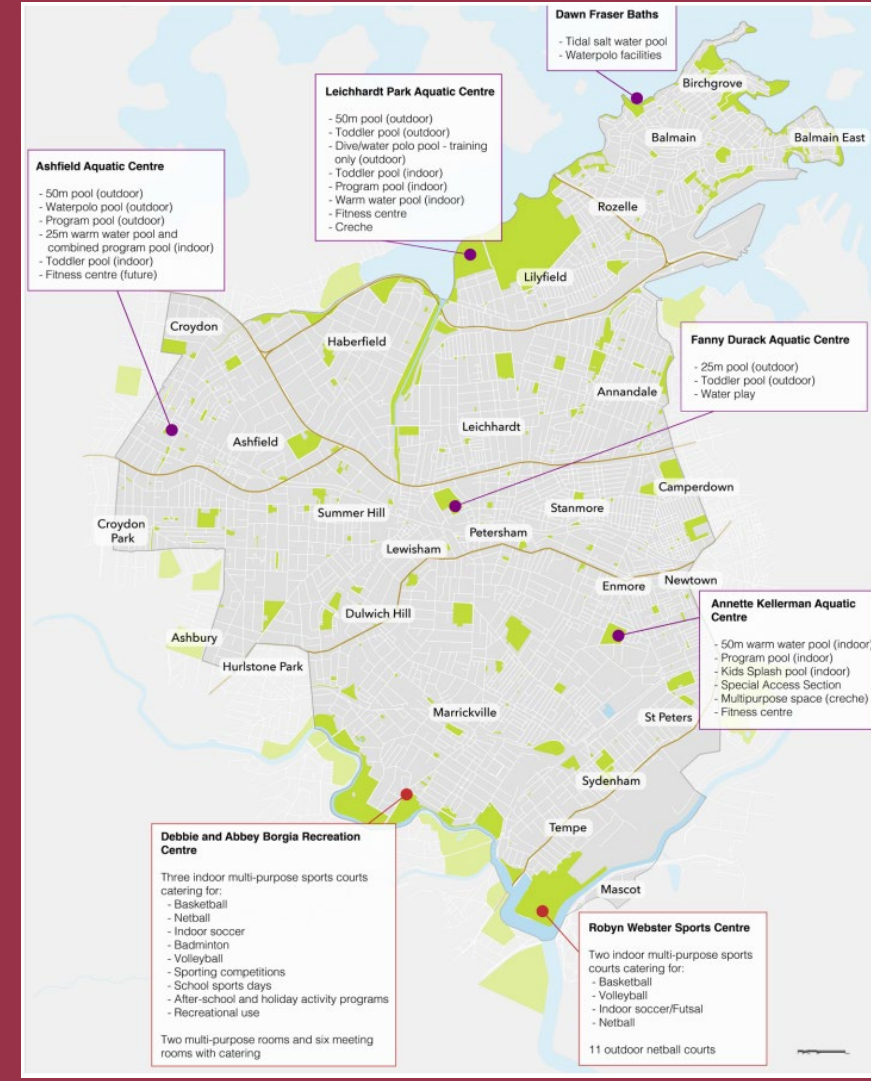
# Libraries



# Community & Cultural Assets



# Aquatic Facilities & Indoor Rec Centres



How do you deliver on the identified needs?



# Infrastructure funding process

- Needs studies
- Initial 'long' works list
- Estimate costs
- Apportion costs to development
- Calculate contribution rates
- Quantify un-apportioned costs ('gap')
- Prepare gap funding plan
- Does your CP works list need to change to reflect a 'tolerable' gap ?
- If so, maintain internal long list
- Consider a future infrastructure advocacy program



# Funding Gaps

## The importance of contribution plans

- **Long term financial plan** – integration
- **Asset management plans**- upgrades, new or re-use.
- **Masterplans**– cost the complete works desired
- **Various Strategies** – cost the options to achieve





# Engagement activities: 6 June – 17 July (42 days)



**LGA wide notification letters to every resident/rate payer**



**Notification emails sent to industry stakeholders**

Public Authorities  
Planning Industry Experts  
Political Interests  
Neighbouring Councils



**Notification sent to all local democracy groups**



**Online Public Meeting – 15 June 2022 6-7.30pm**



**[Have your say](#)  
Interactive Map  
Surveys**

**Submissions  
Webinar**

95 Surveys  
28 Submissions



**Drop-in Sessions (40 attendees)**

**Friday 17 June from 9am – 4pm:** Ashfield Service Centre, Activity Room 2, 260 Liverpool Road, Ashfield

**Friday 24 June from 9am – 4pm:** Leichhardt Reception Room, Ground Floor, Leichhardt Town Hall, corner of Marion and Norton St, Leichhardt

**Saturday 9 July from 10am – 4pm:** Marrickville Library, Francis Charteris Room - Learning Room 1.1, 313 Marrickville Road, Marrickville



**Hard Copies:**

Ashfield Service Centre, 260 Liverpool Road, Ashfield

Leichhardt Service Centre, 7-15 Wetherill Street, Leichhardt

Petersham Service Centre, 2-14 Fisher Street, Petersham

Balmain Library, 370 Darling Street, Balmain

# Key Updates

## Harmonised

- Various plans into a single plan

## Type of Plan

- Hybrid, both s7.11 and 7.12 as determined by development type

## Growth to 2036

- Updates population and worker assumptions to align with LSPS

## Works Program

- Updated to reflect needs and costs

## Contribution Rates

- No major changes, at 20k/dwelling threshold

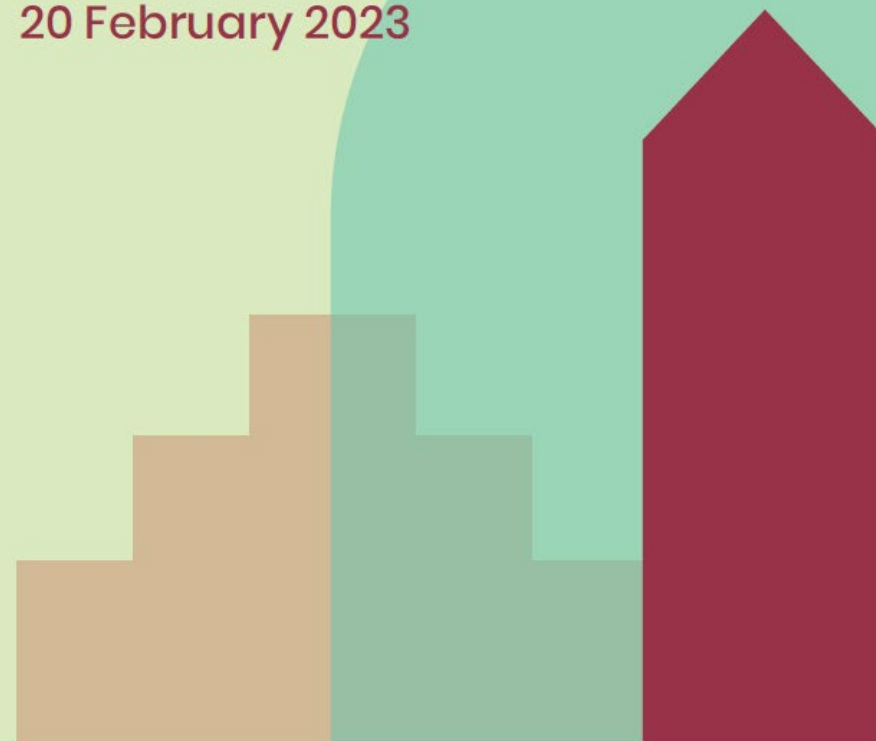
## Income

- No major changes, as similar rates to previous plans



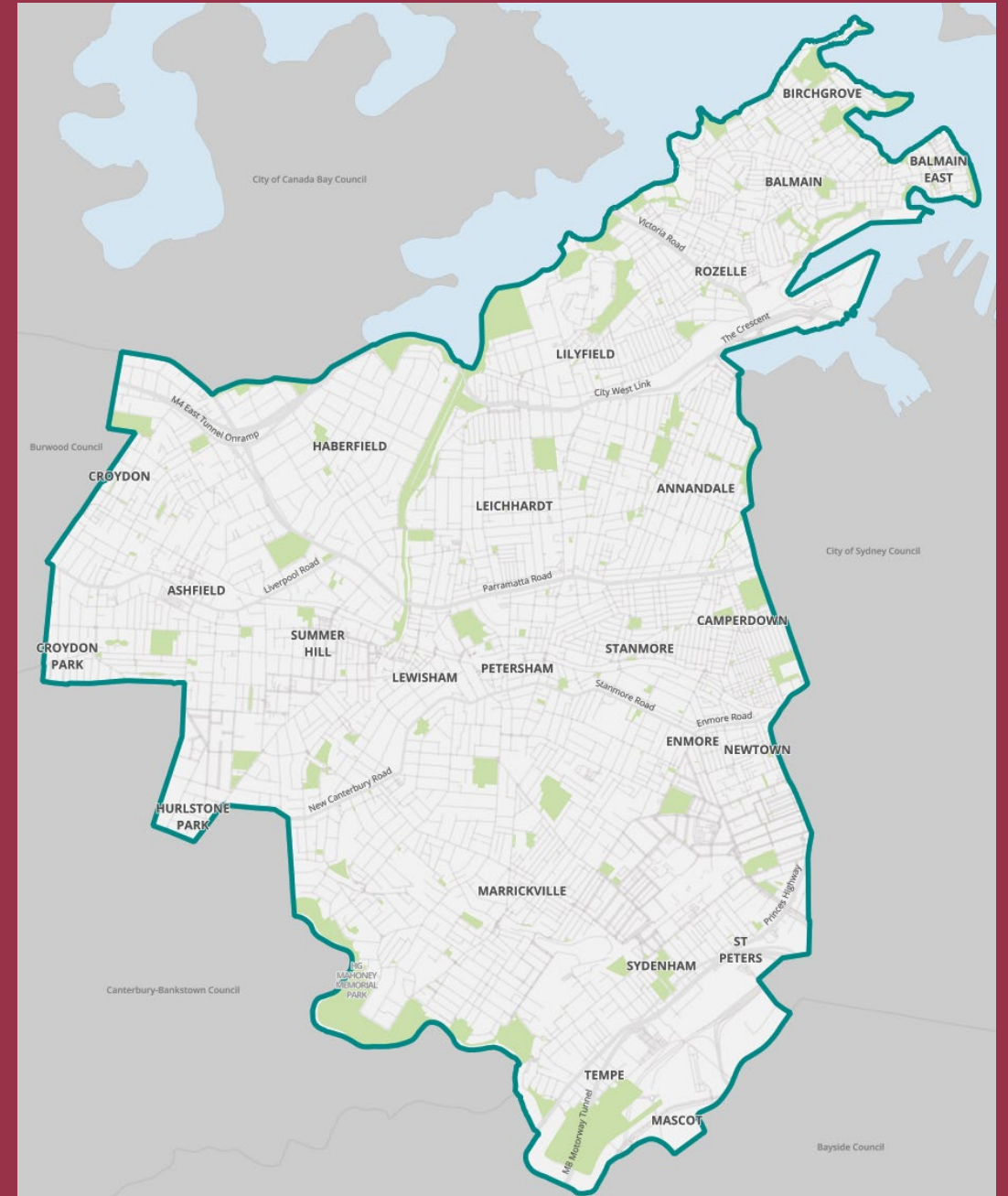
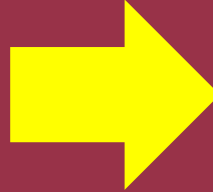
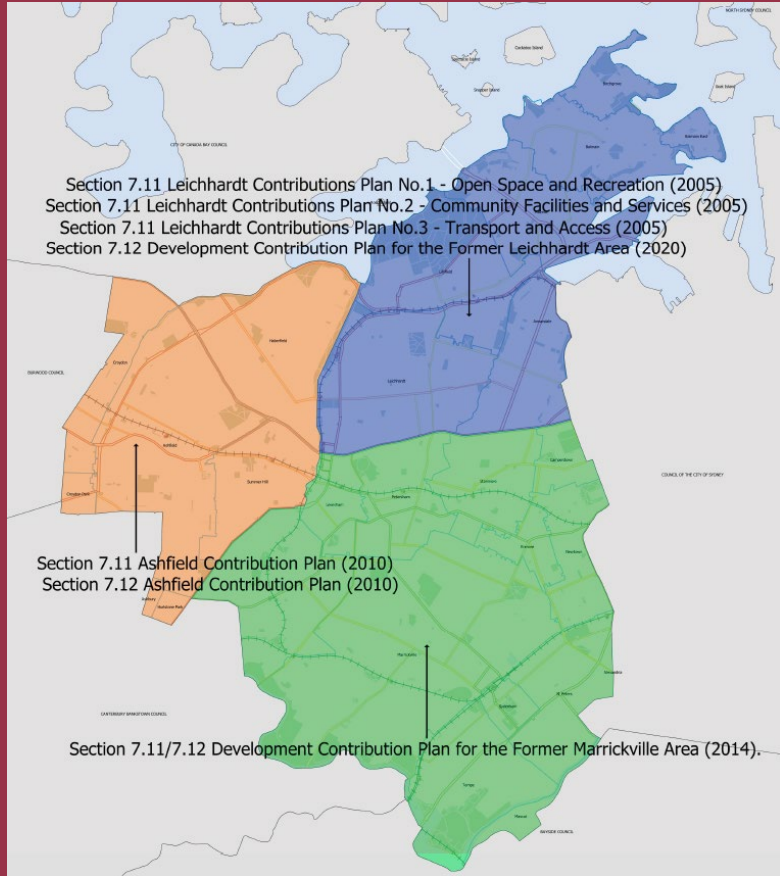
# Local Infrastructure Contributions Plan 2023

20 February 2023

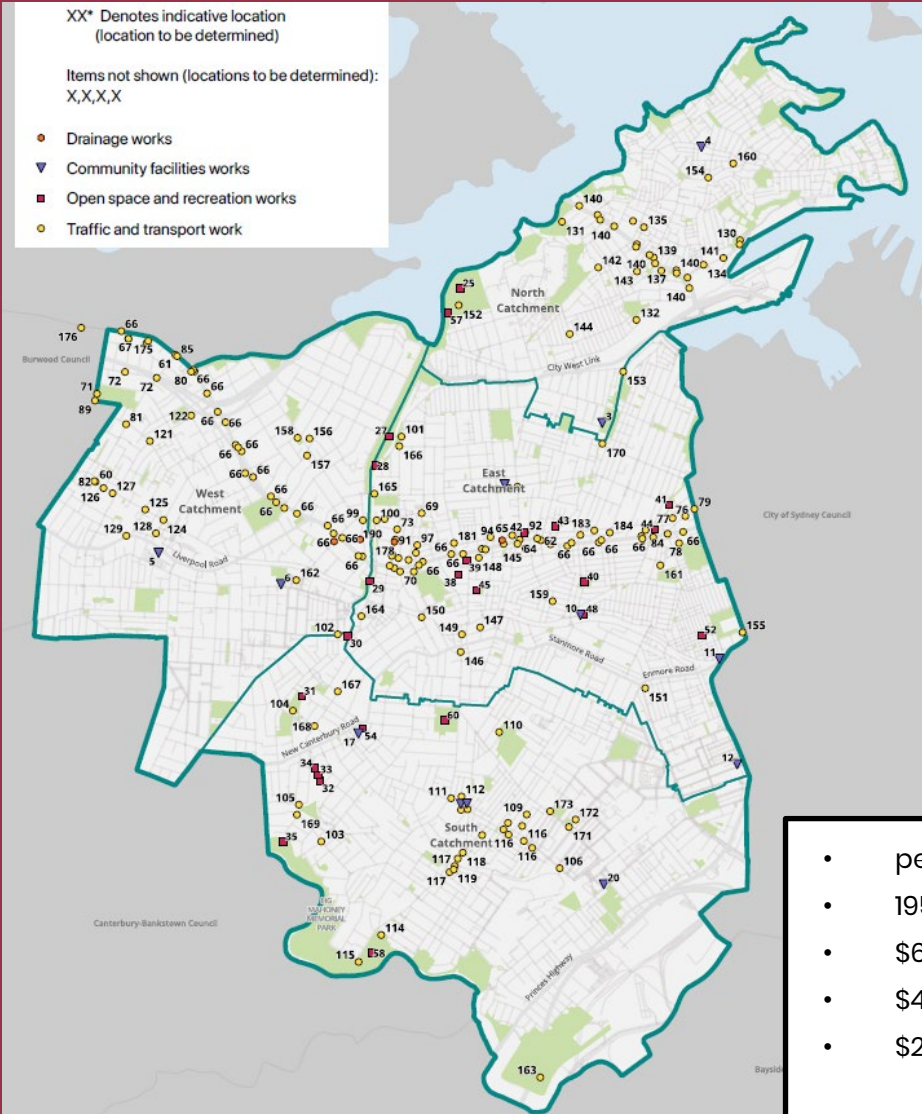


# Contribution Plan

## Key Points – 1 Precinct



# IWC Contribution Plan



- per Needs Studies
- 195 works items
- \$601m over 13 years (\$46m/yr)
- \$401m from contributions
- \$200m from other sources

## Inner West Local Infrastructure Contributions Plan 2022

The Inner West will grow significantly to 2036



**32,601**  
new residents



**16,856**  
new dwellings



**14,362**  
new workers

To meet this growth, Council has developed an infrastructure plan valued at **\$597m**



Developers will contribute about **\$401m**

**\$323m**



From residential development

**\$79m**



From retail, commercial and other development

### Projected minimum allocations of development contributions



**\$43m**  
Community facilities



**\$80m**  
Aquatic facilities



**\$186m**  
Open space & recreation



**\$65m**  
Transport improvements



**\$26m**  
Drainage works

### Development contribution rates (to be indexed)



**\$17,065**  
per 1-bed dwelling



**\$20,000**  
per 2-bed dwelling



**\$20,000**  
per 3-bed dwelling



**\$10,038**  
per resident in a boarding house



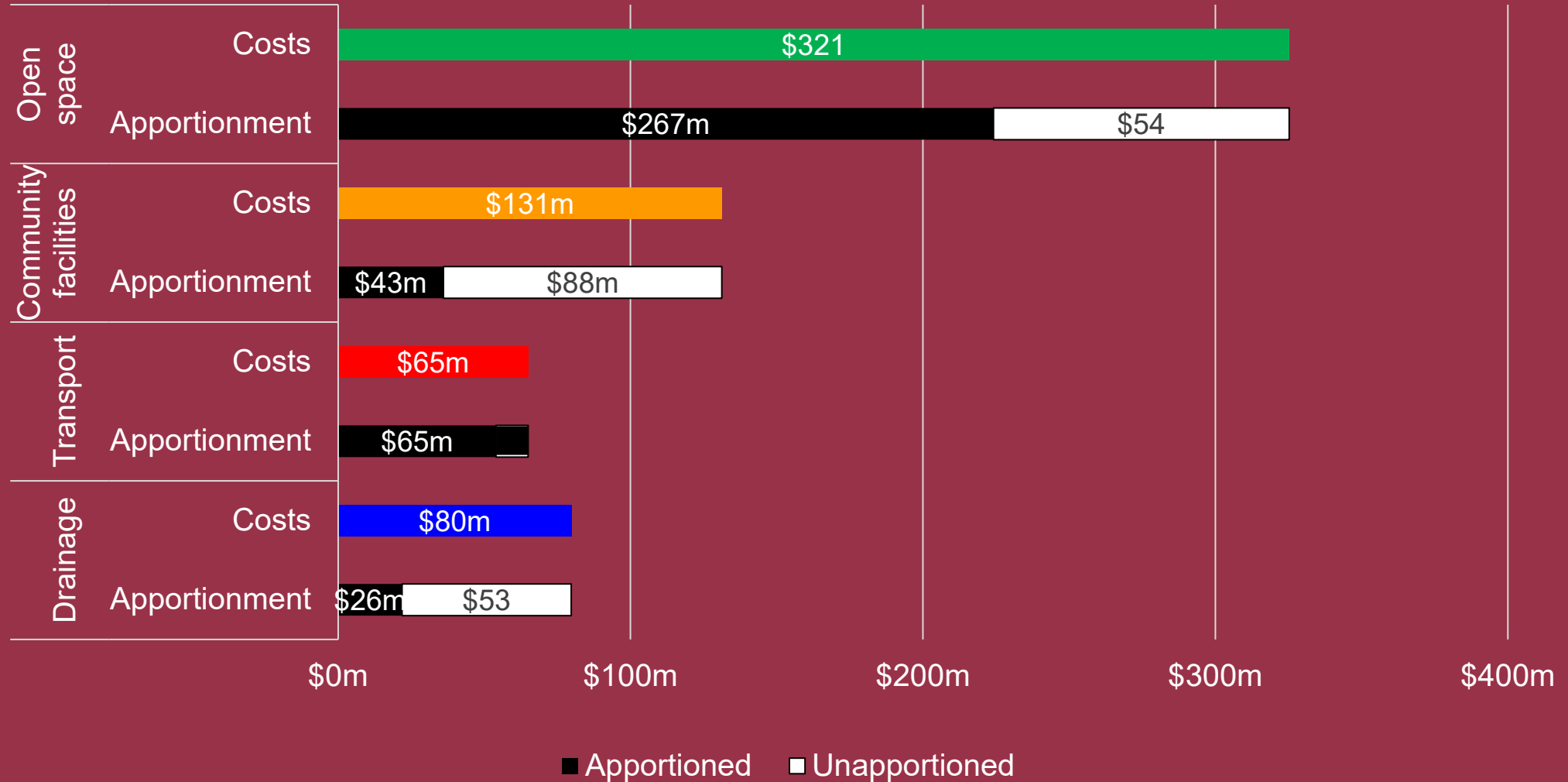
**\$3,204**  
per additional worker



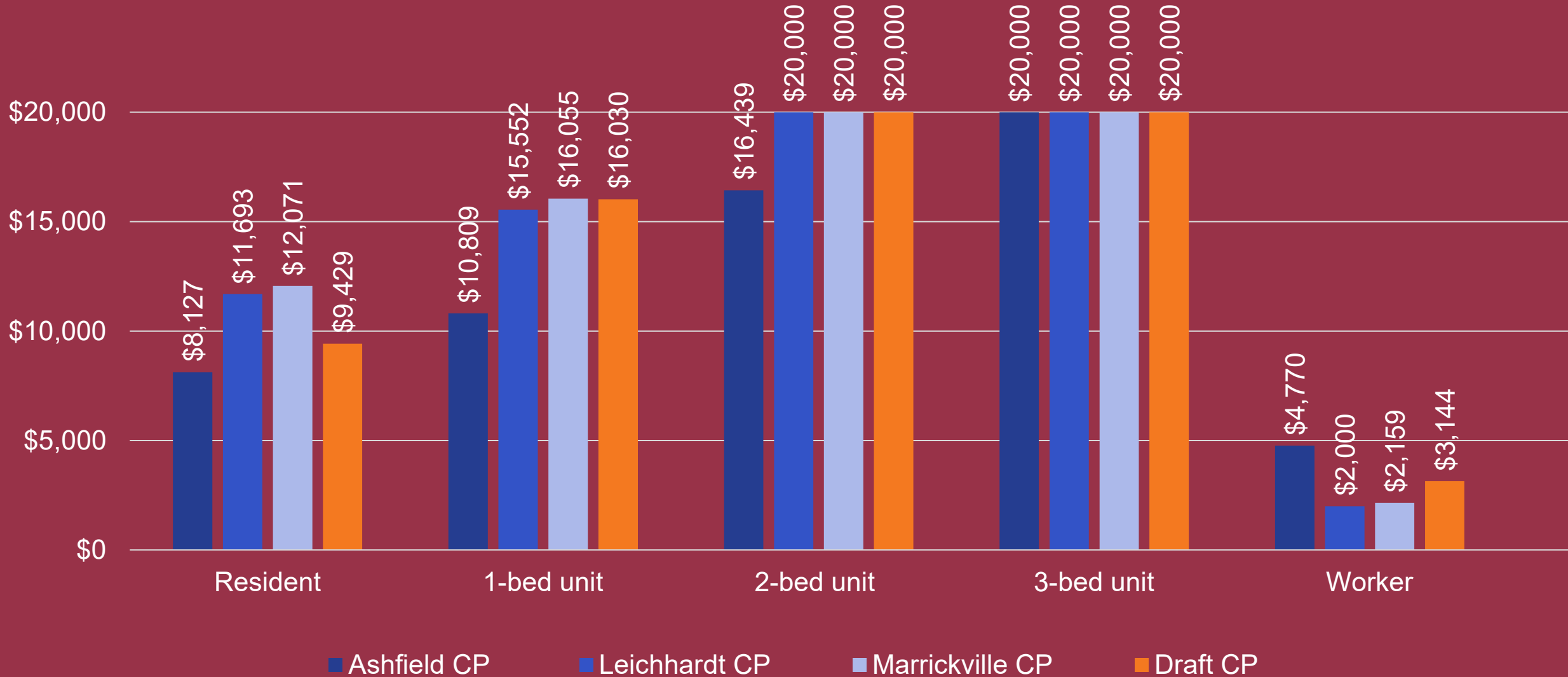
**1%**  
of development cost for other development

# Works program

## Costs apportioned to development

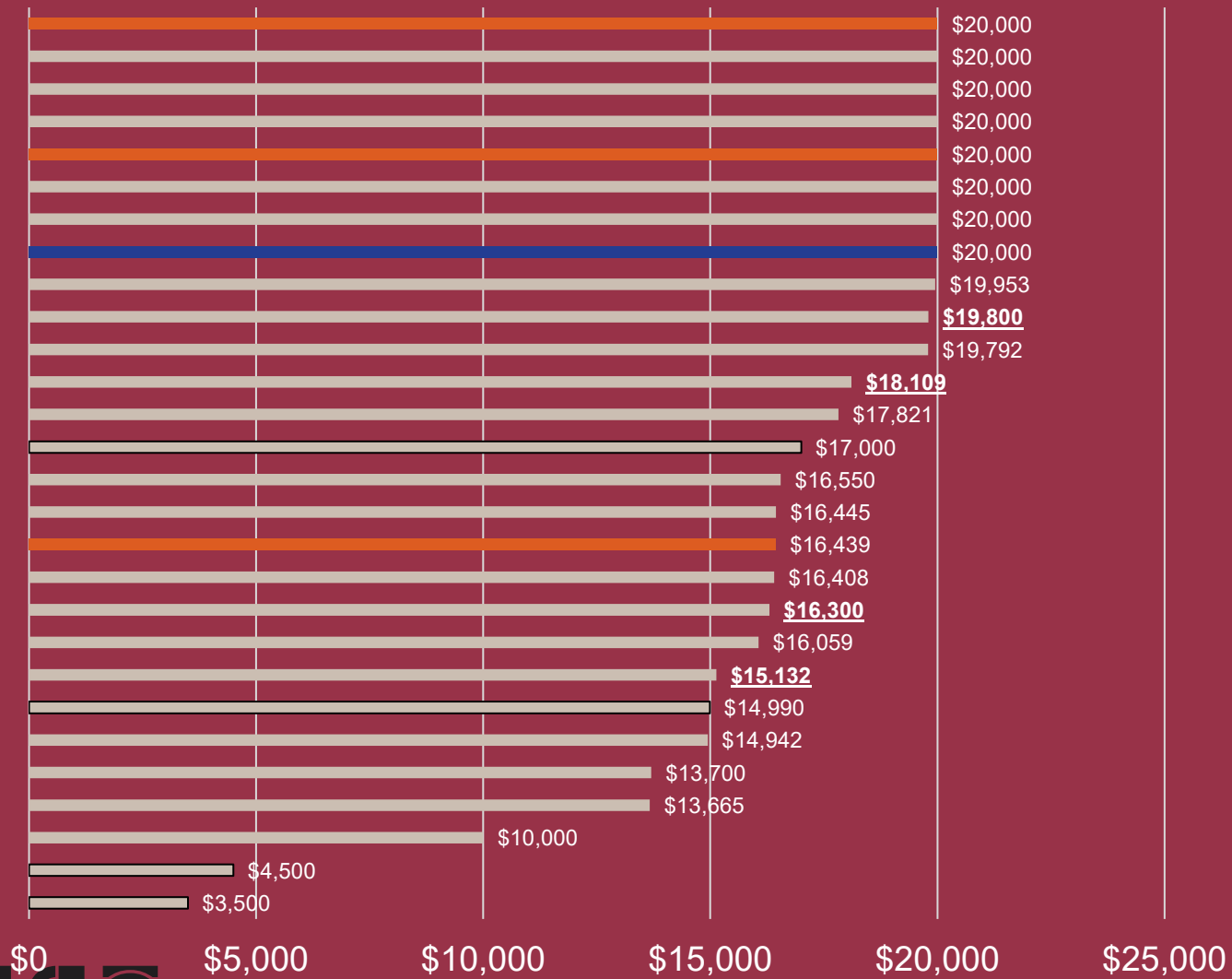


# Old vs New



# Comparison with other council areas

## Rates for 2-bed dwelling



What's Next?



INDEPENDENT WEST



# Infrastructure funding process

- Needs studies ✓
- Initial 'long' works list ✓
- Estimate costs ✓
- Apportion costs to development ✓
- Calculate contribution rates ✓
- Quantify un-apportioned costs ('gap') ✓
- Prepare gap funding plan ✓
- Reduce CP works list to reflect 'tolerable' gap ✓
- Maintain internal long list ← We are here
- \*consider a future infrastructure advocacy program



No.	Actions	2020	2021	2022	2023	2024
1.	Infrastructure needs studies	●	●			
2.	Draft works schedule		●	●		
3.	Contributions income / options testing			●		
4.	Gap funding plan			●		
5.	Staff consultation	●	●	●		
6.	Executive briefing		●	●		
7.	Council briefing			●		
8.	Draft CP + Needs Studies public exhibition			●		
9.	Post-exhibition (Workshops, briefings and reports)			●		
10.	Staff training & NSW Planning Portal				●	
11.	CP commencement – 20 February				●	
12.	Policies, Procedures, Governance Review				●	
13.	Technology Solutions for Contributions Management				●	●

Thank you- Questions?

