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Australia's property industry

## Creating for Generations

16 November 2020

Mr Peter Conroy  
General Manager  
Hawkesbury City Council  
PO Box 146  
WINDSOR NSW 2755

Email – [council@hawkesbury.nsw.gov.au](mailto:council@hawkesbury.nsw.gov.au)

Dear Mr Conroy

### Draft Vineyard Precinct Section 7.11 Contributions Plan - Reviewed

The Property Council welcomes the opportunity to provide Council with comments regarding the exhibition of the Vineyard Precinct Section 7.11 Contributions Plan (the Plan).

As Australia's peak representative of the property and construction industry, the Property Council's members include investors, owners, managers and developers of property across all asset classes. We are pleased to provide the following comments for your consideration.

We note that this contributions plan was reviewed by the Independent Pricing and Regulatory Tribunal (IPART) during 2019 and its recommendations were released in November of the same year. The Minister for Planning and Public Spaces issued his advice to Council in August 2020 and that advice required Council to make nineteen (19) amendments to the plan for it to be deemed an "IPART reviewed contributions plan".

Upon the commencement of this plan a typical dwelling house developed within the Vineyard Precinct will be levied for a contribution of approximately \$55,255. This represents about \$25,000 (or 84%) more than the contribution rate that applies today. Combined with the North West Growth Area SIC, the total amount of infrastructure contributions for this precinct are approaching \$70,000 per dwelling.

Currently contribution rates in Blacktown and The Hills are capped at \$50,000 per dwelling until at least 31 December 2020. Accordingly, the contribution rates for the Vineyard Precinct are some of the highest in Sydney. Excessive contribution rates can have a significant impact on housing affordability and at complete odds to policy objectives of enabling affordable rental and for purchase housing supply. The Property Council therefore suggests that Council formally request the Department of Planning, Industry and Environment (DPIE) for State Government funding similar to the Accelerated Infrastructure Fund (AIF) that has been developed to assist with the delivery of local infrastructure within Blacktown and The Hills Councils.

Regarding Section 5 of the Plan and timing of payments, Council will be aware that in response to the COVID-19 pandemic and subsequent induced recession, the Minister issued a direction (*Environmental Planning and Assessment (Local Infrastructure Contributions – Timing of Payments) Direction 2020*) in July 2020. This Direction temporarily requires councils to defer the payment of local contributions and levies until at least the first Occupation Certificate for certain types of development. This approach is strongly supported by the Property Council, particularly given the current economic conditions.

Should you have any questions regarding the content of this submission, please contact Troy Loveday, NSW Policy Manager, on 0414265152 or [tloveday@propertycouncil.com.au](mailto:tloveday@propertycouncil.com.au)

Yours sincerely



**Adina Cirson**  
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