UDIA NSW | 2020

Infrastructure Funding Performance Monitor

Executive Summary

$2.7 billion is currently held as a restricted asset by Councils for the delivery of infrastructure

- The current total balance of contributions held across the Greater Sydney megaregion is $2.7 billion, with the average amount held by a Council sitting at $56 million.
- Every year new housing contributes almost $900 million to local infrastructure, roads, stormwater, open space and community facilities across the Greater Sydney megaregion through the infrastructure charging framework. It is expected that this infrastructure is built with the funds that are paid.
- However, only 64% of the contributions that are paid for were spent in the last three years.

	Average E/I	Total Expenditure ($'000)	Total Income ($'000)	Balance ($'000)
Total Contributions	0.64	$650,679	$876,767	$2,653,316
Under a s7.11 or s7.12	0.85	$564,670	$711,912	$2,330,289
Under a s7.4	0.62	$41,640	$124,180	$259,501

Executive Summary

The amount of unspent funding has increased over the past three years

- Since FY16 total unspent contributions have increased 33% from $1.98 billion to over $2.65 billion.
- In the last year alone unspent contributions increased by 7.8%, or almost $191 million.
- Local Government must resolve local issues to ensure that infrastructure is actually provided on the ground. If necessary, the State Government should step-in to support Councils get infrastructure on the ground.

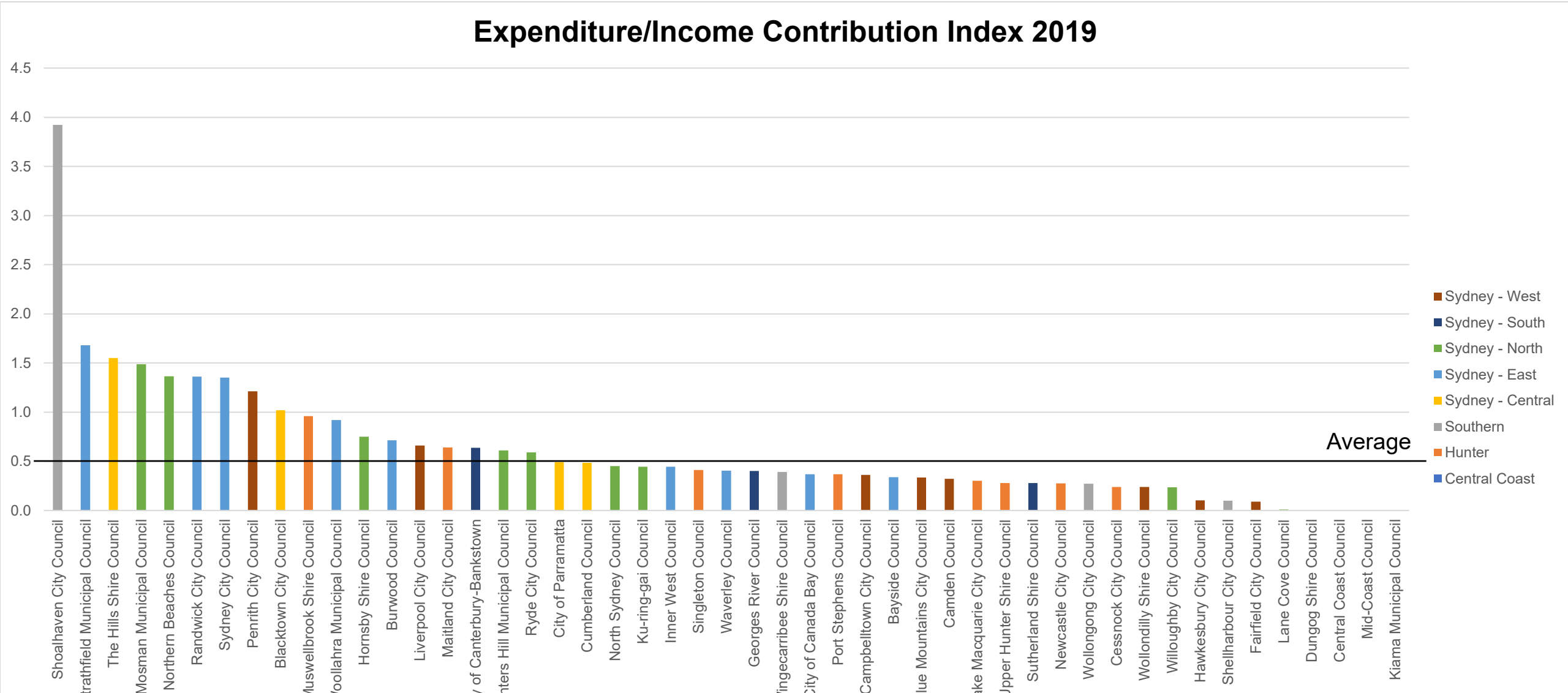
Increased funding does not correlate to increased infrastructure delivery

- The scatter graphs here show an extremely weak relationship between cash held and expenditure ratios. This points to the need for strong systems to inform infrastructure expenditure and delivery.
- There is also no clear relationship between the number of dwellings completed in an LGA and the amount spent on infrastructure delivery. The ability to deliver infrastructure would be better correlated to improved Council processes in the higher performing Council areas.

Methodology

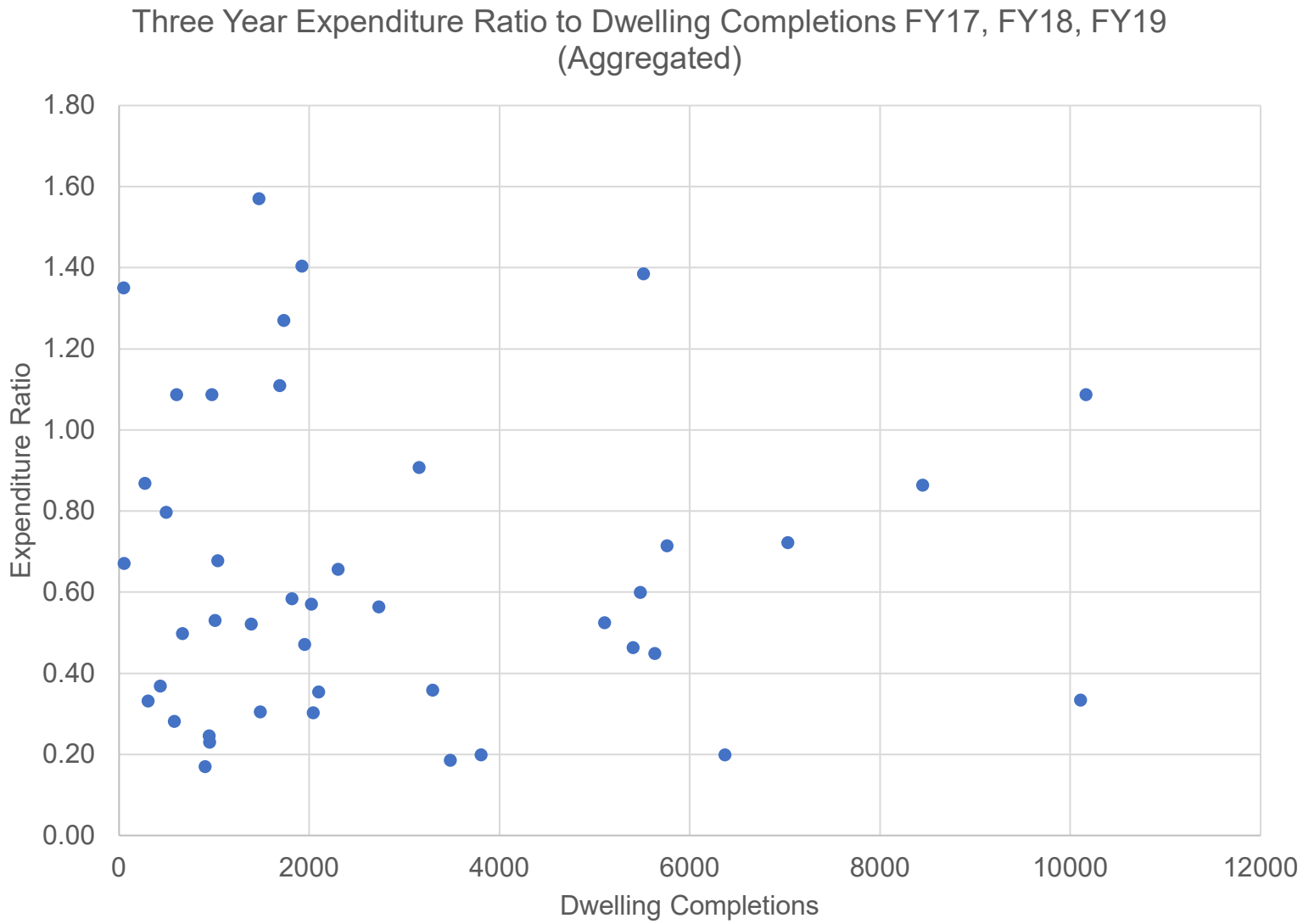
- UDIA NSW reviewed Annual Reports from Local Government Areas across the Sydney Megaregion to determine the level of income and expenditure received from a section 7.11 plan, a section 7.12 plan, or from a planning agreement.
- The Central Coast region was excluded from this analysis as the report deadline was extended and was not available at the time of preparing this report. A list of all Councils included can be found in the
- Over the reporting period (FY16-19, some Councils have been amalgamated and so there is “no data” for their change over time).
- NB: Shoalhaven had an abnormally high expenditure increase in 2019 due to a section 7.11 refund from plan changes.
- UDIA NSW has developed the Infrastructure Funding Performance Index to assess the ratio of expenditure to income each year. A Council spends 100% of its income where the E/I is 1.0.

Total Contributions | FY19



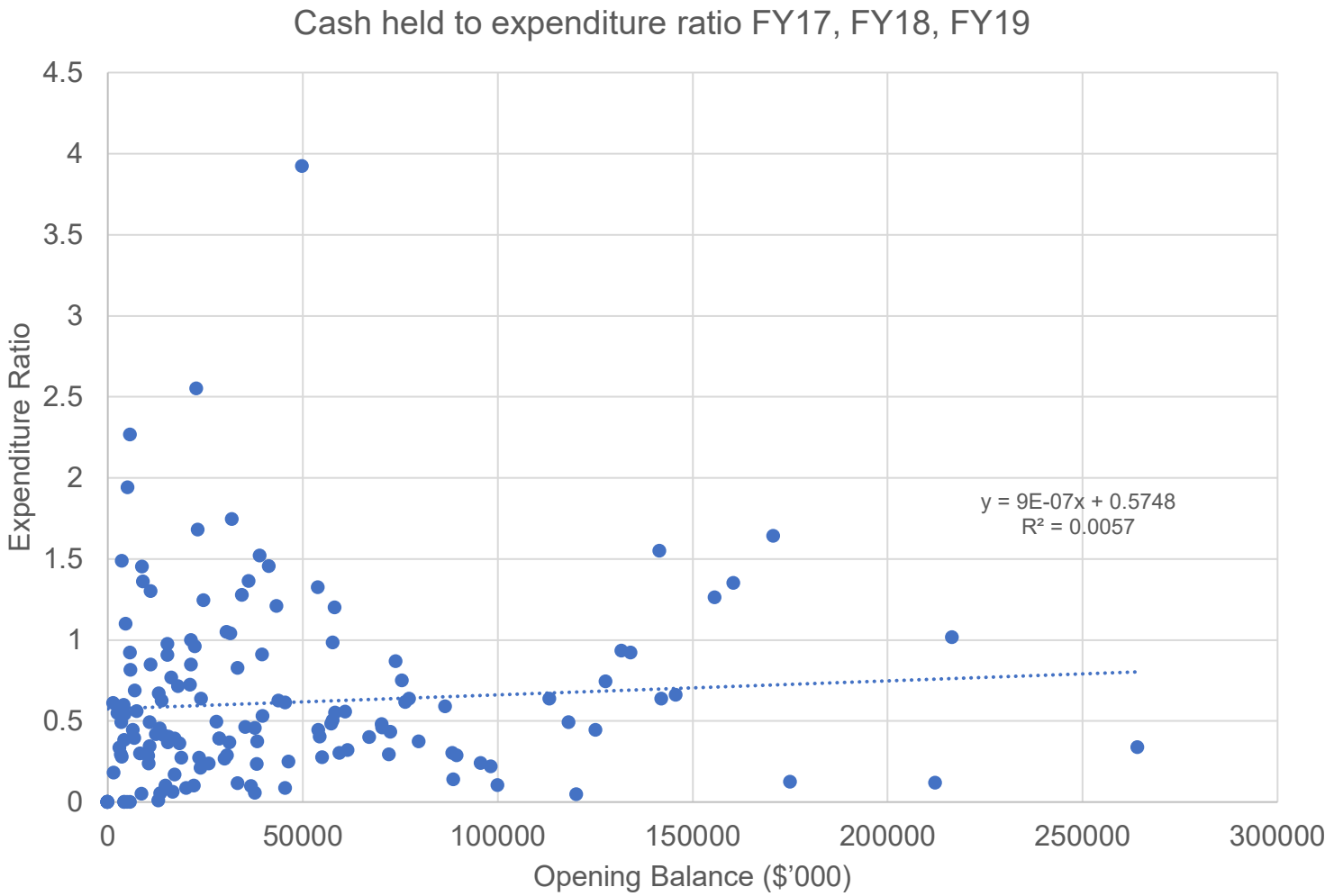
Dwelling Completions and Expenditure

- There is no clear relationship between dwelling completions and infrastructure expenditure over the three year period.
- The R^2 value is 8.5E-5 which is approximately zero.



Cash held and expenditure

- There is a weak positive relationship between cash held and the expenditure ratio.
- Cash held accounts for approximately 0.5% of the expenditure ratio.



2019 Infrastructure Funding Ranking FY19

Urban Development Institute of Australia NEW SOUTH WALES

Council	E/I 2019	Ranking 2019	Change
Shoalhaven City Council	3.92	1	18
Strathfield Municipal Council	1.68	2	2
The Hills Shire Council	1.55	3	7
Mosman Municipal Council	1.49	4	-2
Northern Beaches Council	1.36	5	0
Randwick City Council	1.36	6	21
Sydney City Council	1.35	7	7
Penrith City Council	1.21	8	17
Blacktown City Council	1.02	9	6
Muswellbrook Shire Council	0.96	10	2
Woollahra Municipal Council	0.92	11	11
Hornsby Shire Council	0.75	12	14
Burwood Council	0.71	13	19
Liverpool City Council	0.66	14	21
Maitland City Council	0.64	15	13
City of Canterbury-Bankstown	0.64	16	18
Hunters Hill Municipal Council	0.61	17	No data
Ryde City Council	0.59	18	0
City of Parramatta	0.49	19	17
Cumberland Council	0.48	20	9
North Sydney Council	0.45	21	-20
Ku-ring-gai Council	0.44	22	17
Inner West Council	0.44	23	-16
Singleton Council	0.41	24	20
Waverley Council	0.40	25	-1

Council	E/I 2019	Ranking 2019	Change
Georges River Council	0.40	26	-6
Wingecarribee Shire Council	0.39	27	11
City of Canada Bay Council	0.37	28	-20
Port Stephens Council	0.37	29	-20
Campbelltown City Council	0.36	30	12
Bayside Council	0.34	31	6
Blue Mountains City Council	0.34	32	-11
Camden Council	0.32	33	-16
Lake Macquarie City Council	0.30	34	No data
Upper Hunter Shire Council	0.28	35	-12
Sutherland Shire Council	0.28	36	-3
Newcastle City Council	0.27	37	-31
Wollongong City Council	0.27	38	-25
Cessnock City Council	0.24	39	-9
Wollondilly Shire Council	0.24	40	1
Willoughby City Council	0.23	41	-1
Hawkesbury City Council	0.10	42	3
Shellharbour City Council	0.10	43	-12
Fairfield City Council	0.09	44	-1
Lane Cove Council	0.01	45	-34
Kiama Municipal Council	0.00	46	-43
Dungog Shire Council	0.00	46	1
Mid-Coast Council		No data	No data
Central Coast Council		No data	No data

Average Rankings over FY17-19

Council	E/I Average	Ranking Average
Shoalhaven City Council	1.69	1
Mosman Municipal Council	1.38	2
The Hills Shire Council	1.37	3
North Sydney Council	1.35	4
Strathfield Municipal Council	1.31	5
Northern Beaches Council	1.24	6
Sydney City Council	1.12	7
Randwick City Council	1.09	8
City of Canada Bay Council	0.98	9
Muswellbrook Shire Council	0.94	10
Inner West Council	0.88	11
Blacktown City Council	0.86	12
Woollahra Municipal Council	0.85	13
Kiama Municipal Council	0.85	14
Burwood Council	0.77	15
Camden Council	0.76	16
Ryde City Council	0.69	17
Port Stephens Council	0.66	18
Wollongong City Council	0.65	19
Penrith City Council	0.63	20
Hunters Hill Municipal Council	0.61	21
Hornsby Shire Council	0.59	22
Newcastle City Council	0.56	23
Cumberland Council	0.56	24
Shellharbour City Council	0.55	25

Council	E/I Average	Ranking Average
Lane Cove Council	0.52	26
Maitland City Council	0.51	27
Mid-Coast Council	0.49	28
Waverley Council	0.49	29
Georges River Council	0.48	30
Liverpool City Council	0.44	31
City of Canterbury-Bankstown	0.42	32
Singleton Council	0.38	33
Upper Hunter Shire Council	0.36	34
Blue Mountains City Council	0.35	35
Willoughby City Council	0.35	36
Sutherland Shire Council	0.33	37
Hawkesbury City Council	0.32	38
Cessnock City Council	0.31	39
City of Parramatta	0.31	40
Lake Macquarie City Council	0.30	41
Wingecarribee Shire Council	0.30	42
Ku-ring-gai Council	0.28	43
Campbelltown City Council	0.28	44
Wollondilly Shire Council	0.24	45
Bayside Council	0.19	46
Central Coast Council	0.17	47
Fairfield City Council	0.14	48
Dungog Shire Council	0.00	49

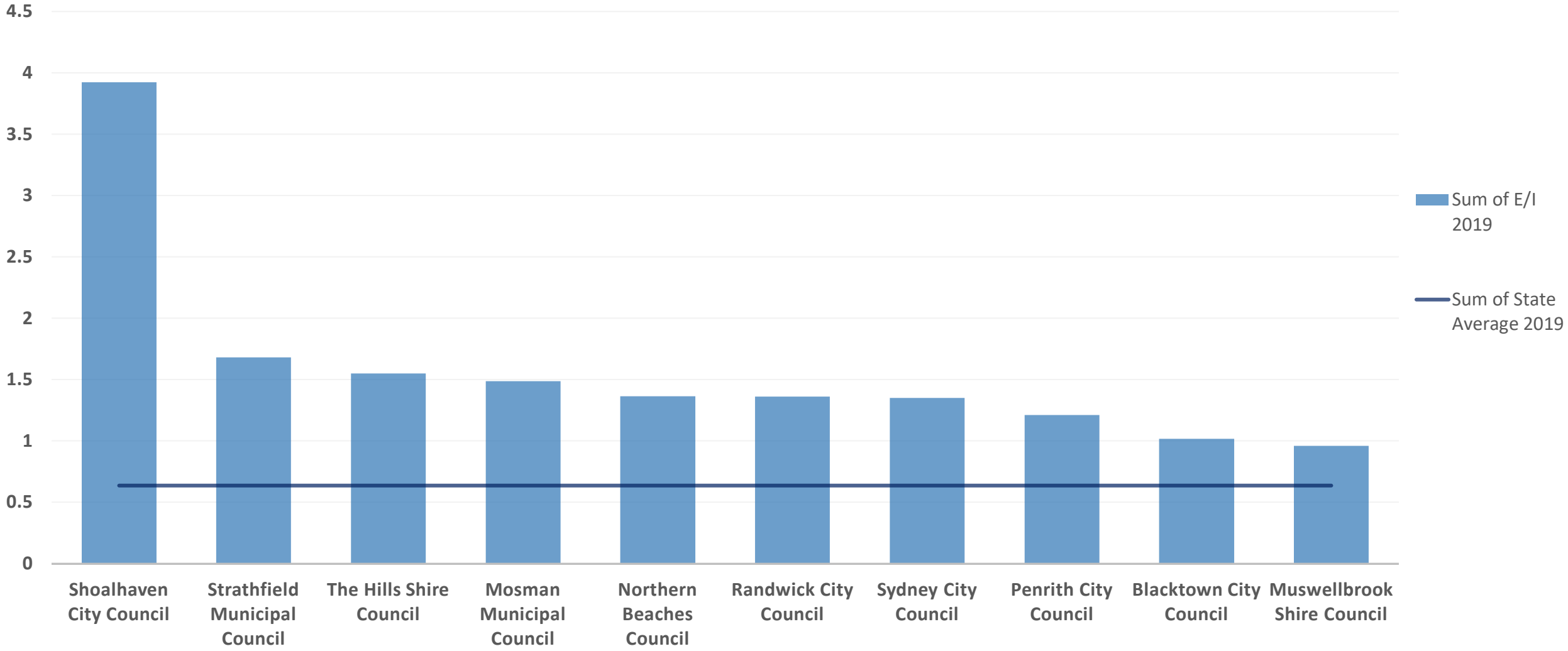
Average Ratio - 0.63

Note: Shoalhaven had an abnormally high expenditure increase in 2019 due to a section 7.11 refund from plan changes.

FY19 by Region

E/I Index

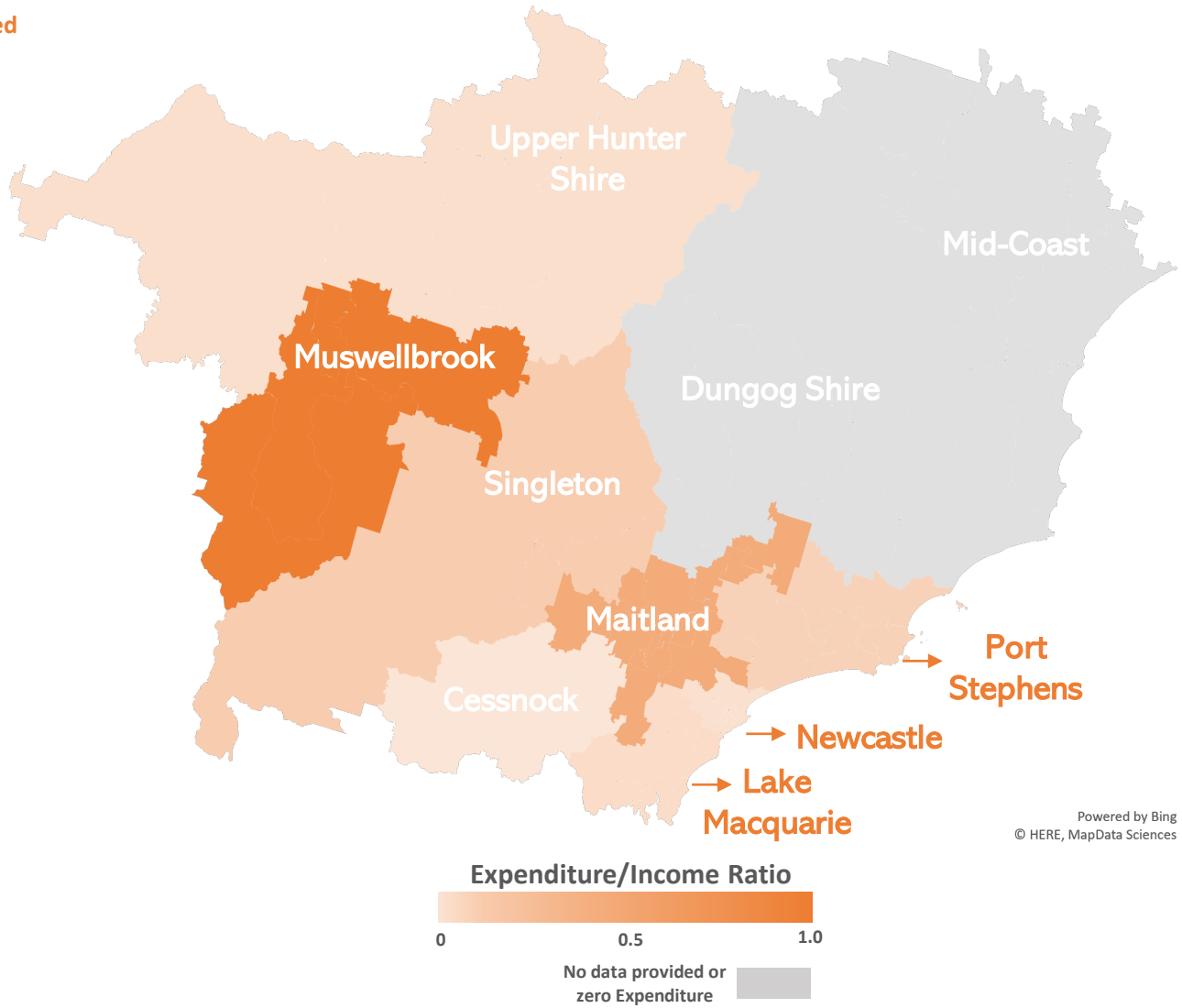
Top 10 Infrastructure Performers FY19



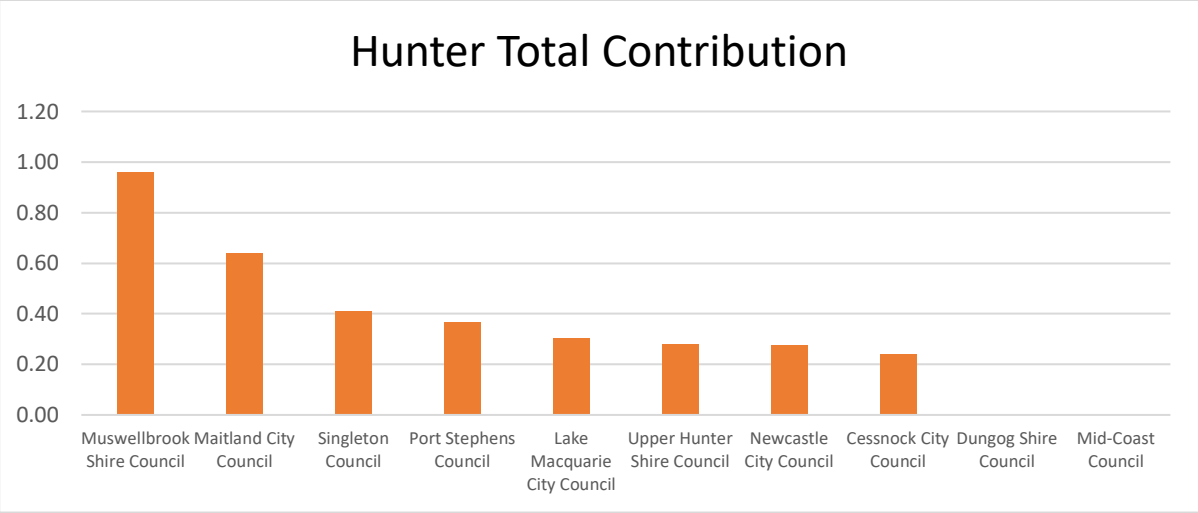
Infrastructure Funding

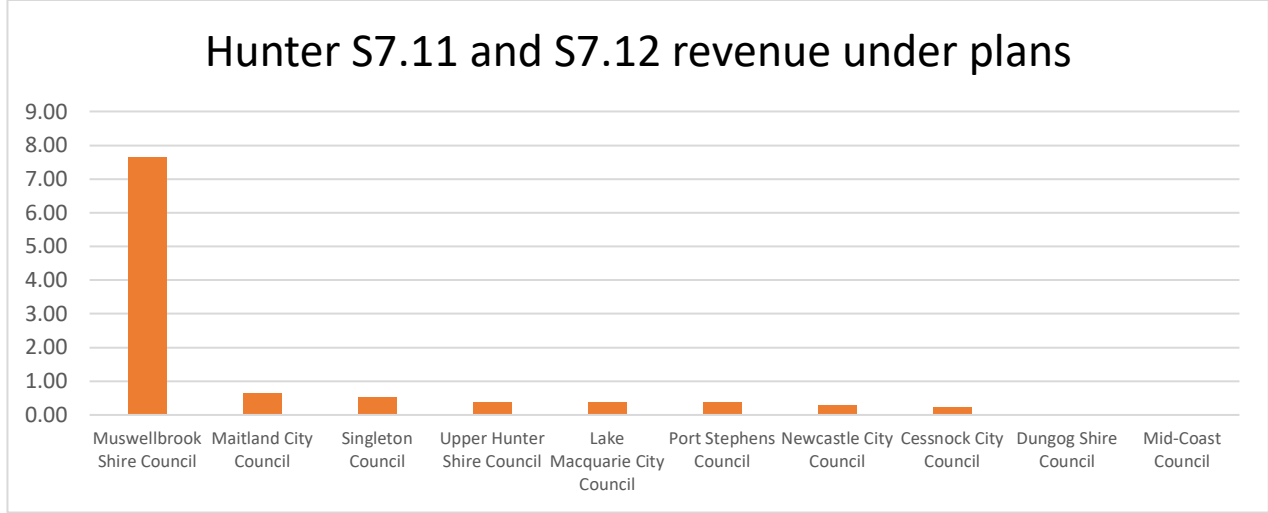
HUNTER

LGA - Council	Expenditure during year $'000	Total Income $'000	Held as restricted asset $'000
Cessnock	$552	$2,313	$12,361
Dungog	No data	$615	$6,331
Lake Macquarie	$5,419	$17,876	$2,653
Maitland	$11,795	$18,467	$83,974
Mid-Coast	No data	No data	No data
Muswellbrook	$5,801	$6,046	$22,622
Newcastle	$1,923	$7,010	$28,626
Port Stephens	$2,532	$6,897	$19,853
Singleton	$1,203	$2,917	$14,421
Upper Hunter Shire	$100	$358	$3,991



Hunter Region | FY19





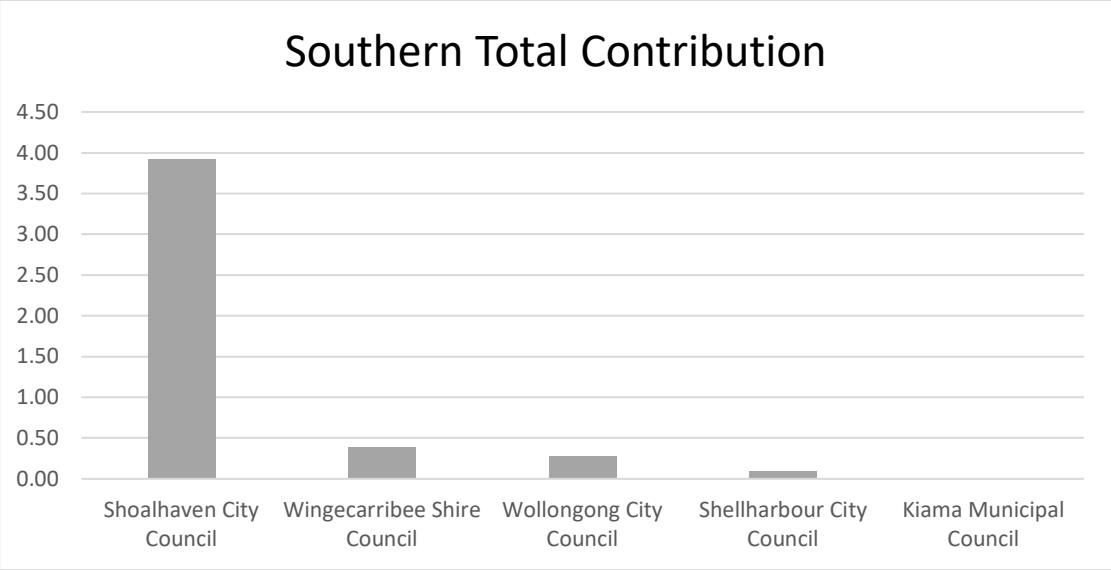
Council	Opening Balance $'000	Expenditure during year $'000	Total Income $'000	Expenditure/Income Index (E/I)	Held as restricted asset $'000	Dwelling Completion	Rank
Cessnock City Council	$10,600	$552	$2,313	0.24	$12,361	311	39
Dungog Shire Council	$5,716	$0	$615	-	$6,331		46
Lake Macquarie City Council	$59,485	$5,419	$17,876	0.30	$71,933	2105	34
Maitland City Council	$77,302	$11,795	$18,467	0.64	$83,974	1824	15
Muswellbrook Shire Council	$22,390	$5,801	$6,046	0.96	$22,622		10
Newcastle City Council	$23,539	$1,923	$7,010	0.27	$28,626	1957	37
Port Stephens Council	$15,487	$2,532	$6,897	0.37	$19,853	1044	29
Singleton Council	$14,418	$1,203	$2,917	0.41	$14,421		24
Upper Hunter Shire Council	$3,733	$100	$358	0.28	$3,991		35

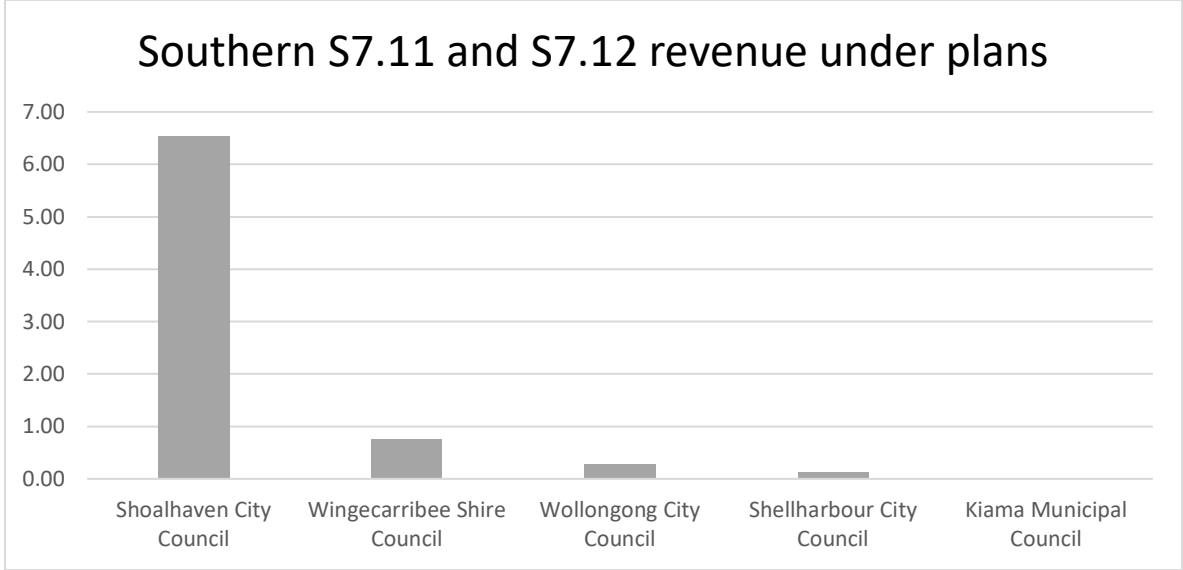
Infrastructure Funding

SOUTH

LGA - Council	Expenditure during year $'000	Total Income $'000	Held as restricted asset $'000
Kiama	$0	$1,113	$5,358
Shellharbour	$1,372	$13,821	$48,986
Shoalhaven	$28,203	$7,191	$28,883
Wingecarribee	$3,040	$7,749	$33,434
Wollongong	$6,690	$24,497	$36,768

Southern Region | FY19



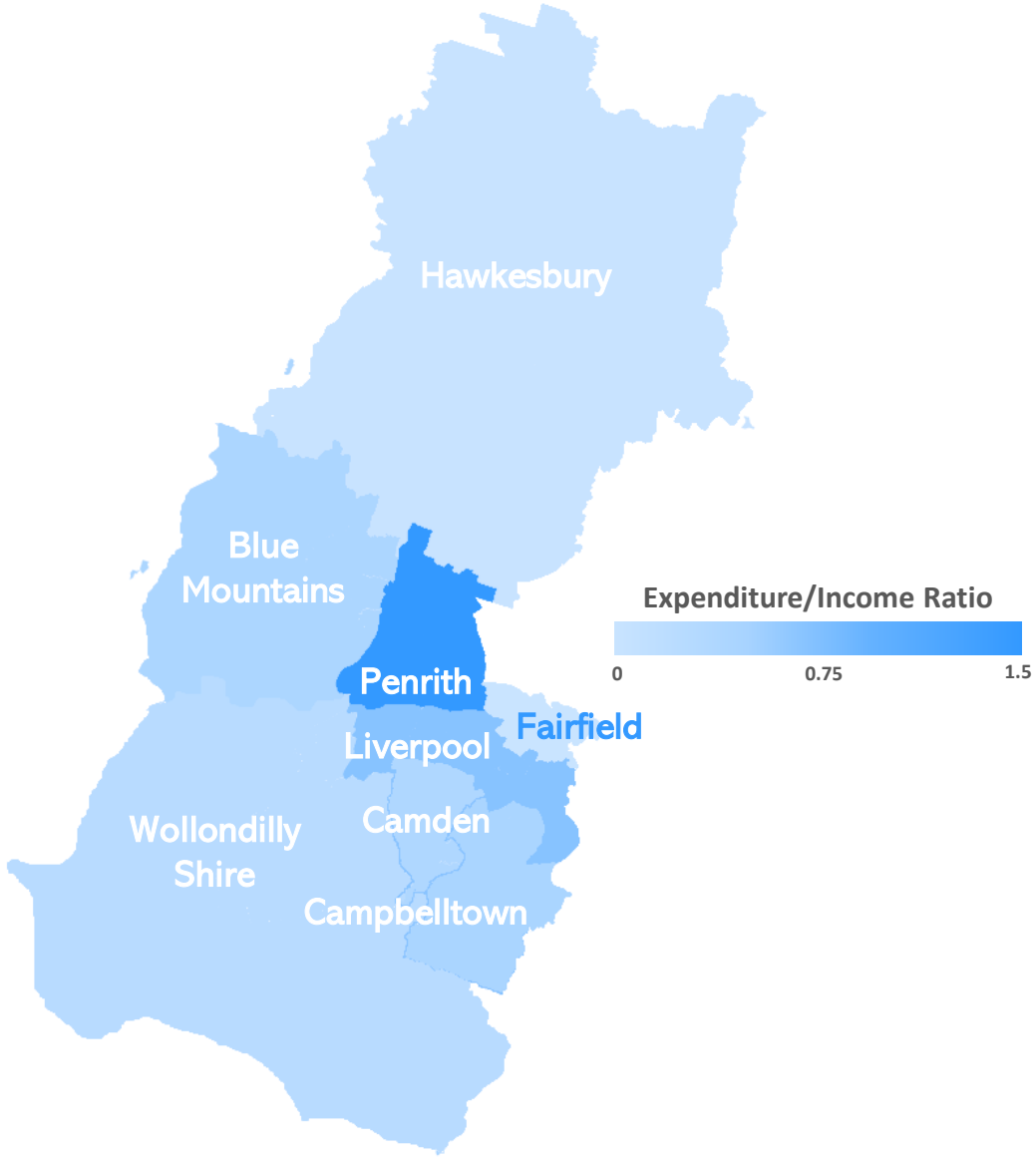


Council	Opening Balance $'000	Expenditure during year $'000	Total Income $'000	Expenditure/Income Index (E/I)	Held as restricted asset $'000	Dwelling Completion	Rank
Kiama Municipal Council	$4,245	$0	$1,113	-	$5,358	500	46
Shellharbour City Council	$36,802	$1,372	$13,821	0.10	$48,986	1396	43
Shoalhaven City Council	$49,895	$28,203	$7,191	3.92	$28,883	1478	1
Wingecarribee Shire Council	$28,725	$3,040	$7,749	0.39	$33,434		27
Wollongong City Council	$18,961	$6,690	$24,497	0.27	$36,768	2739	38

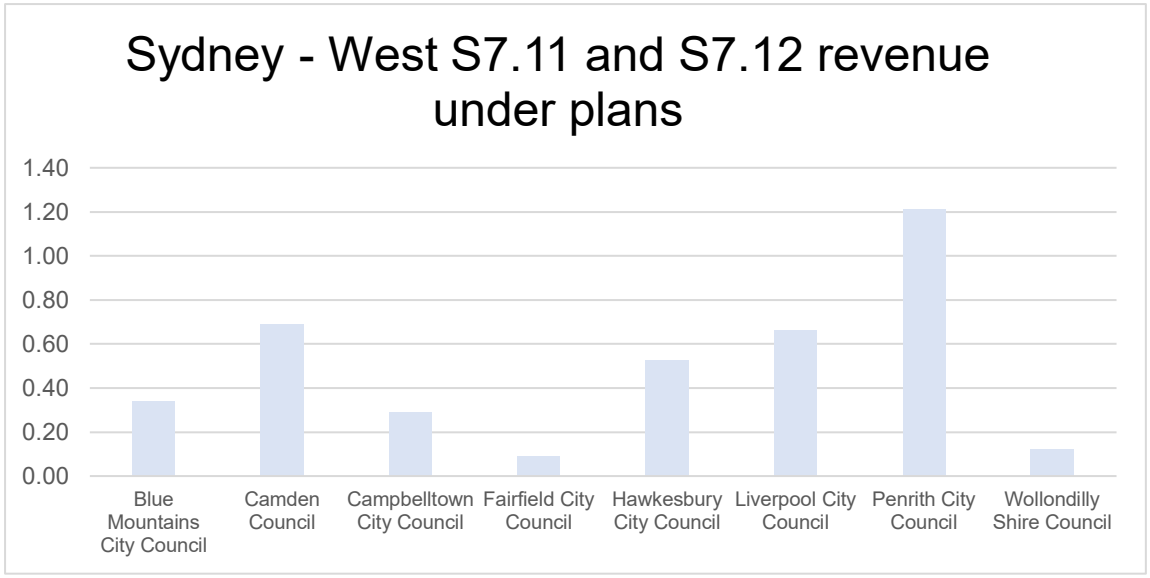
WESTERN

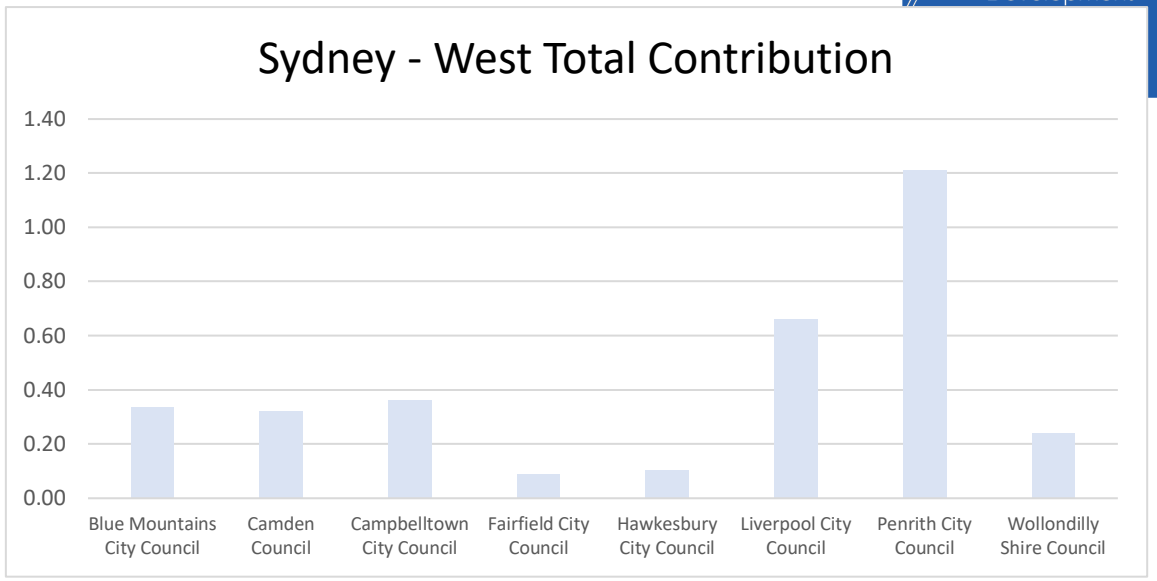
Infrastructure Funding

LGA - Council	Expenditure during year $'000	Total Income $'000	Held as restricted asset $'000
Penrith City Council	$7,506	$6,203	$41,755
Liverpool City Council	$31,712	$47,921	$159,603
Campbelltown City Council	$1,172	$3,236	$20,552
Blue Mountains City Council	$270	$804	$3,593
Camden Council	$14,012	$43,794	$85,581
Wollondilly Shire Council	$2,689	$11,287	$34,554
Hawkesbury City Council	$2,226	$21,802	$16,817
Fairfield City Council	$717	$8,204	$53,106



Sydney – Western City | FY19



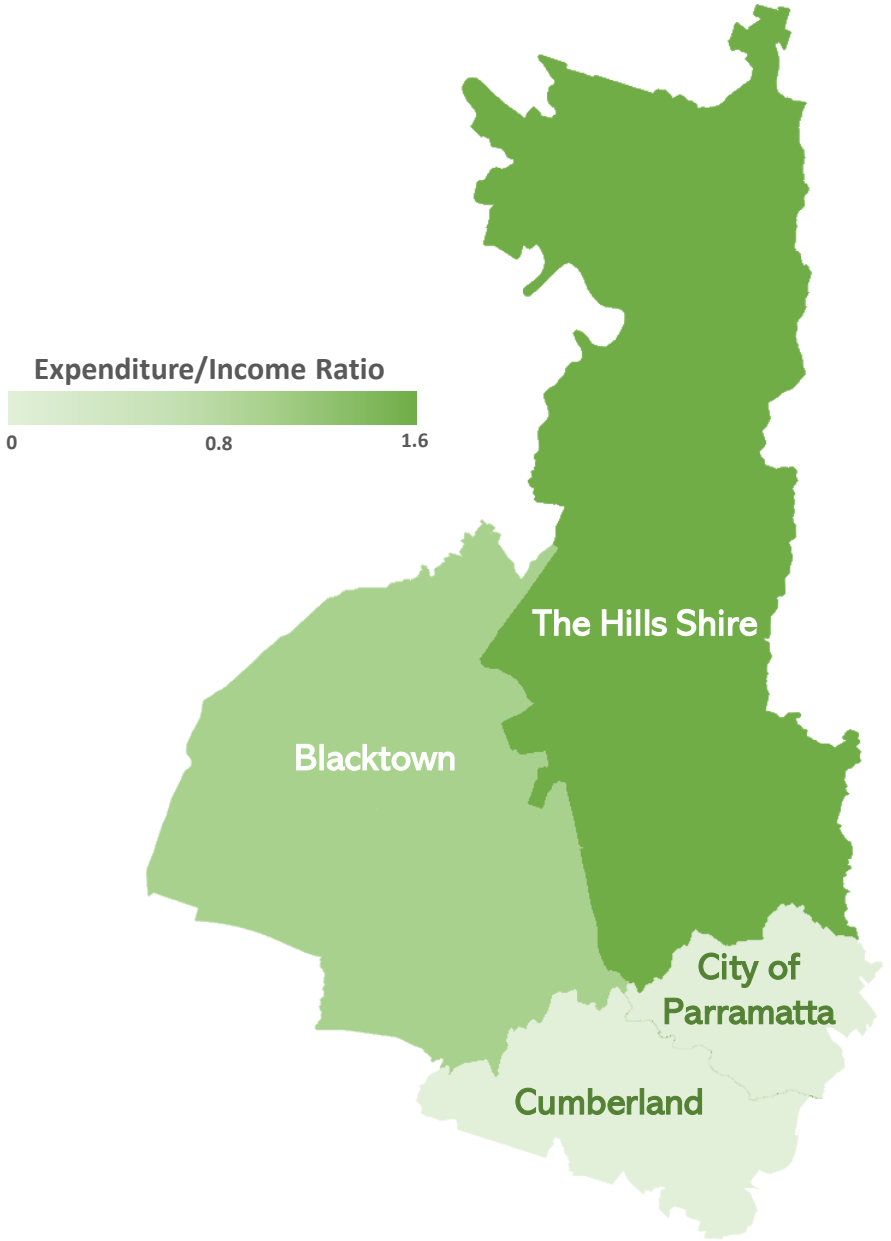


Council	Opening Balance $'000	Expenditure during year $'000	Total Income $'000	Expenditure/Income Index (E/I)	Held as restricted asset $'000	Rank
Blue Mountains City Council	$3,059	$270	$804	0.34	$3,593	32
Camden Council	$61,636	$14,012	$43,794	0.32	$85,581	33
Campbelltown City Council	$18,488	$1,172	$3,236	0.36	$20,552	30
Fairfield City Council	$45,619	$717	$8,204	0.09	$53,106	44
Hawkesbury City Council	$14,877	$2,226	$21,802	0.10	$16,817	42
Liverpool City Council	$145,720	$31,712	$47,921	0.66	$159,603	14
Penrith City Council	$43,358	$7,506	$6,203	1.21	$41,755	8
Wollondilly Shire Council	$25,956	$2,689	$11,287	0.24	$34,554	40

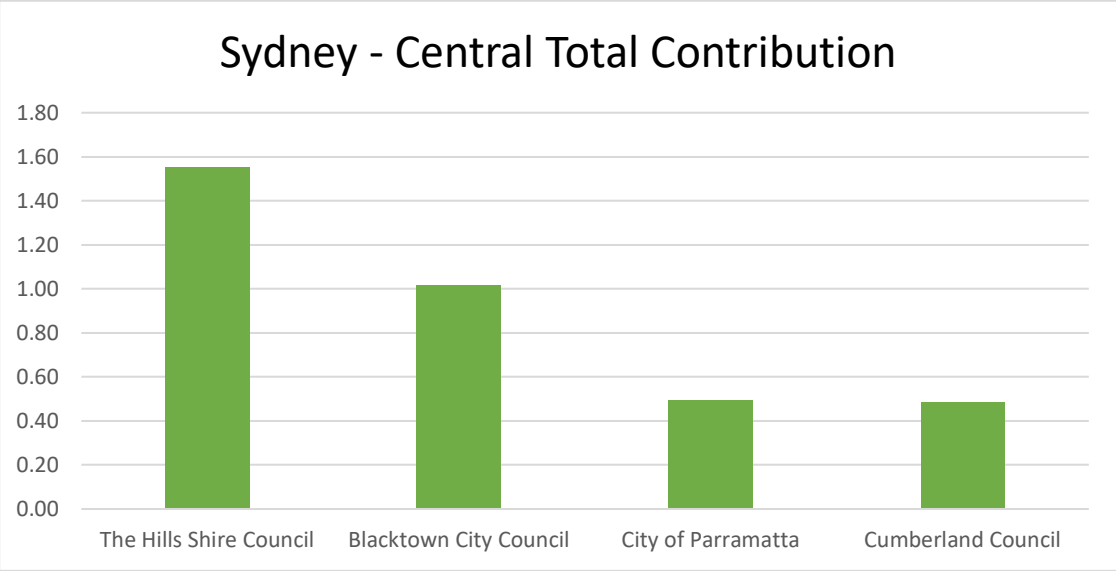
CENTRAL

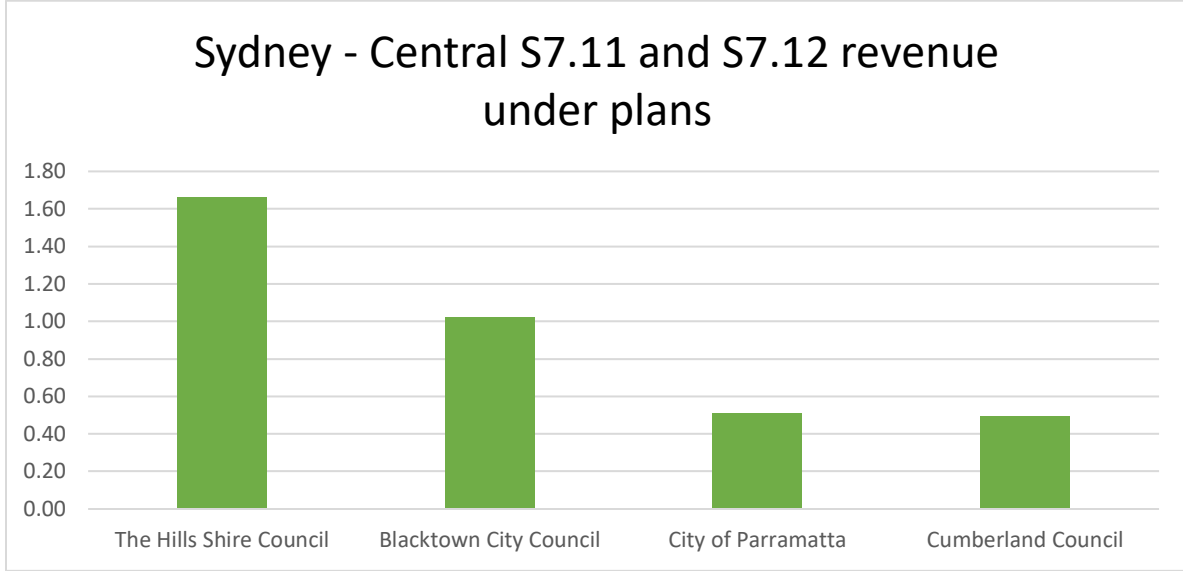
Infrastructure Funding

LGA - Council	Expenditure during year $'000	Total Income $'000	Held as restricted asset $'000
Blacktown	$150,801	$148,124	$213,974
City of Parramatta	$16,480	$33,556	$134,131
Cumberland	$7,853	$16,246	$66,648
The Hills Shire	$140,995	$90,979	$91,601



Sydney – Central City | FY19



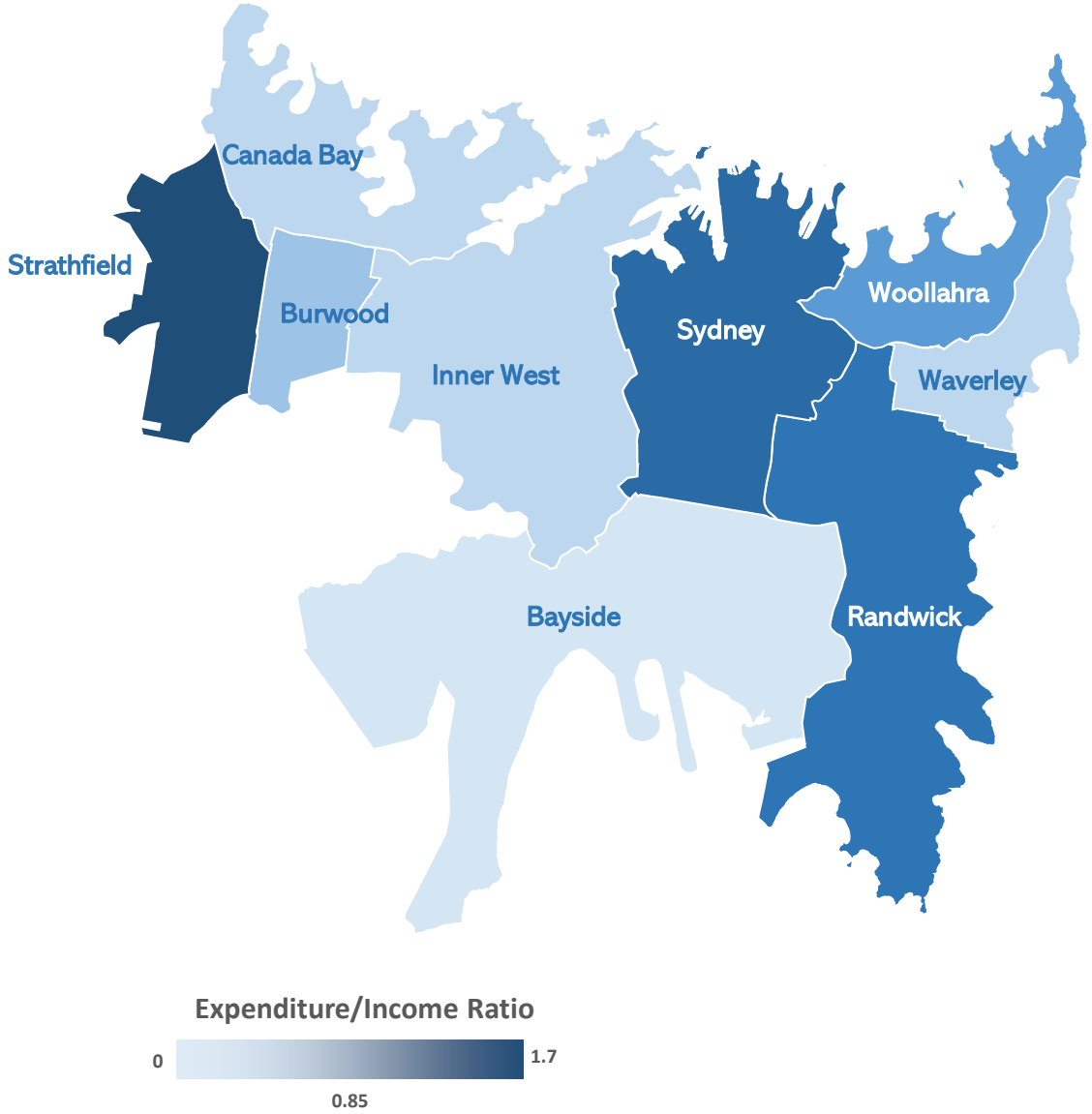


Council	Opening Balance $'000	Expenditure during year $'000	Total Income $'000	Expenditure/Income Index (E/I)	Held as restricted asset $'000	Dwelling Completion	Rank
Blacktown City Council	$216,651	$150,801	$148,124	1.02	$213,974	8455	9
City of Parramatta	$118,285	$16,480	$33,556	0.49	$134,131	10112	19
Cumberland Council	$57,391	$7,853	$16,246	0.48	$66,648	5488	20
The Hills Shire Council	$141,617	$140,995	$90,979	1.55	$91,601	5517	3

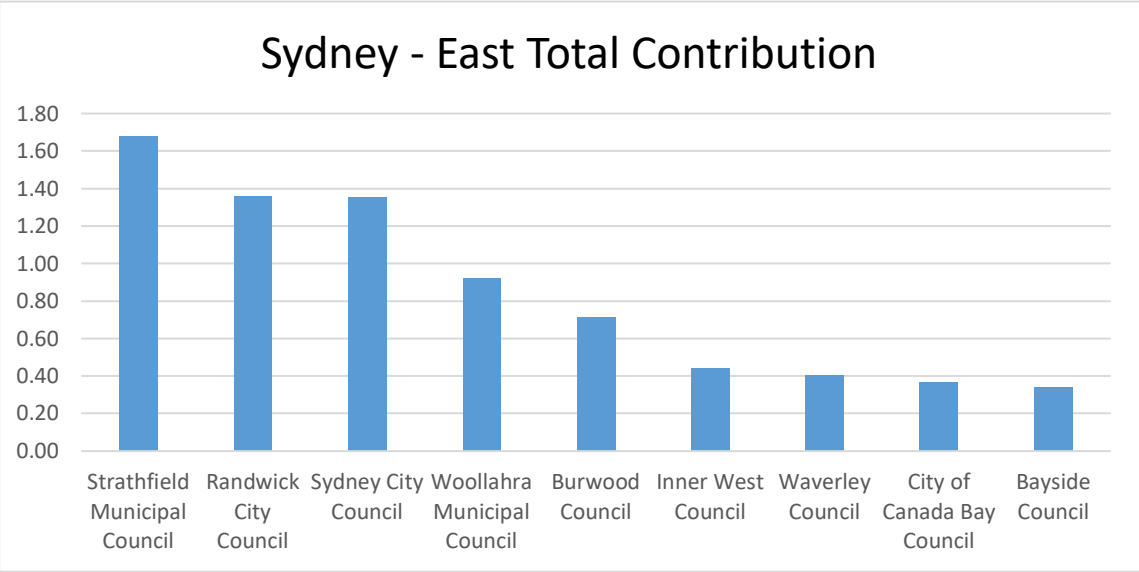
Infrastructure Funding

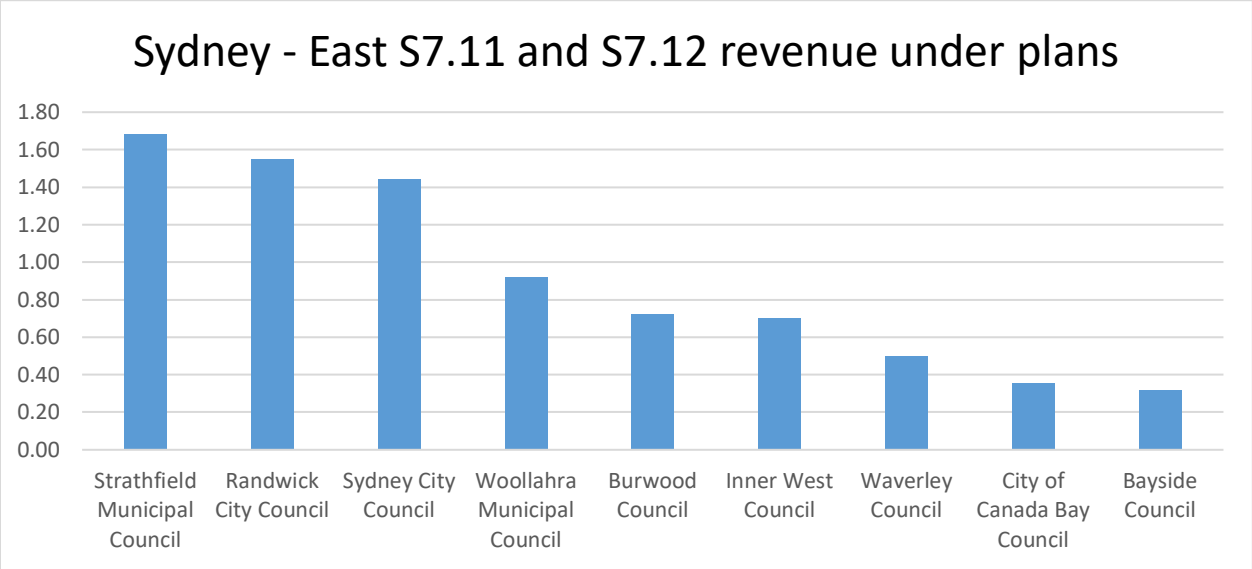
EAST

LGA - Council	Expenditure during year $'000	Total Income $'000	Held as restricted asset $'000
Strathfield Municipal Council	$11,835	$7,038	$18,309
Randwick City Council	$3,631	$2,669	$8,142
Sydney City Council	$73,116	$51,344	$141,468
Woollahra Municipal Council	$2,492	$2,707	$5,995
Burwood Council	$2,913	$4,080	$19,259
Inner West Council	$9,553	$21,496	$63,212
Waverley Council	$2,298	$5,676	$18,995
City of Canada Bay Council	$3,298	$8,974	$36,982
Bayside Council	$11,585	$34,271	$286,804



Sydney – Eastern City | FY19



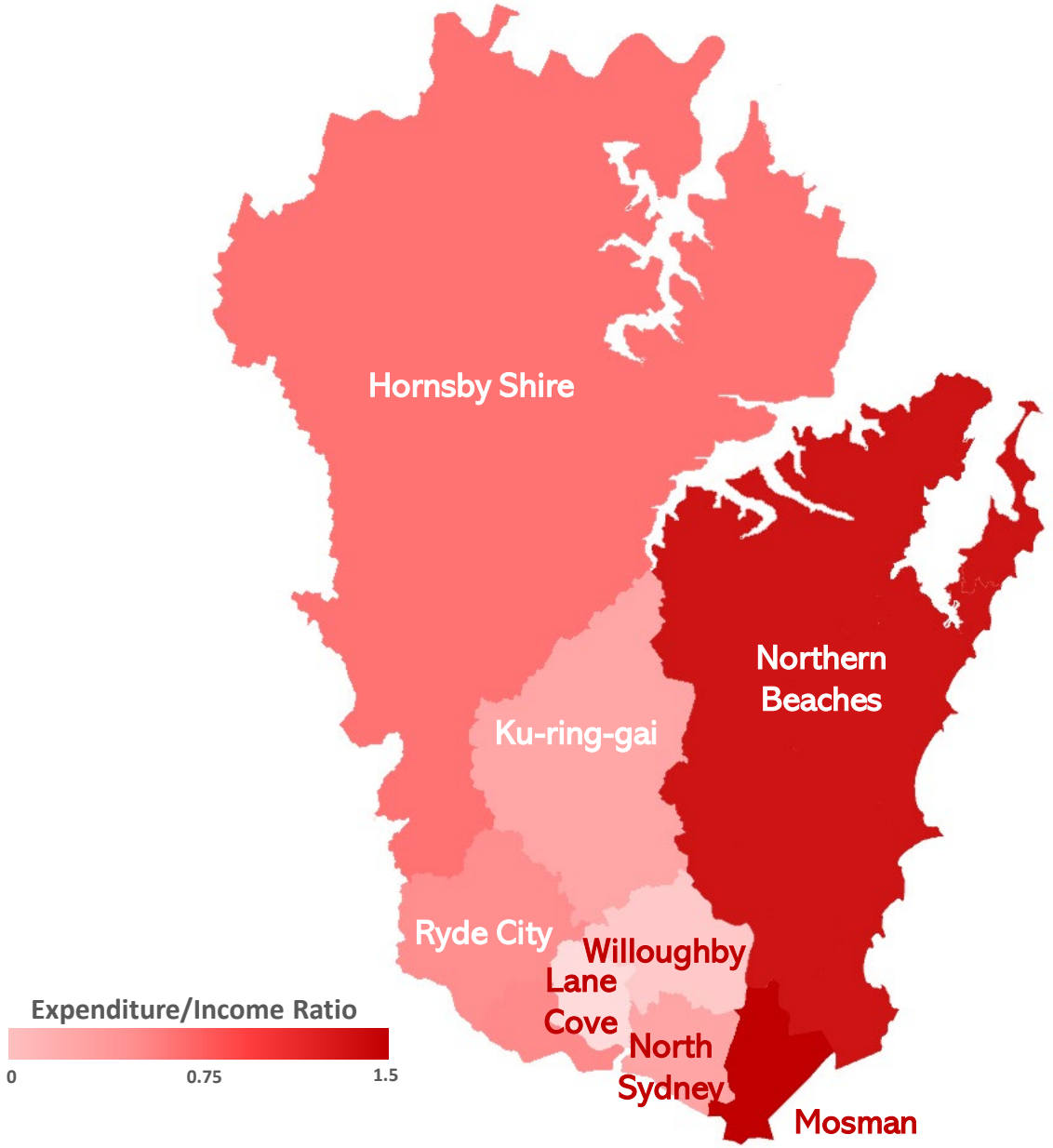


Council	Opening Balance $'000	Expenditure during year $'000	Total Income $'000	Expenditure/Income Index (E/I)	Held as restricted asset $'000	Dwelling Completion	Rank
Bayside Council	$264,118	$11,585	$34,271	0.34	$286,804	6377	31
Burwood Council	$18,092	$2,913	$4,080	0.71	$19,259	1016	13
City of Canada Bay Council	$31,306	$3,298	$8,974	0.37	$36,982	610	28
Inner West Council	$54,109	$9,553	$21,496	0.44	$63,212	3160	23
Randwick City Council	$9,104	$3,631	$2,669	1.36	$8,142	983	6
Strathfield Municipal Council	$23,106	$11,835	$7,038	1.68	$18,309	1930	2
Sydney City Council	$160,480	$73,116	$54,105	1.35	$141,468	10171	7
Waverley Council	$15,617	$2,298	$5,676	0.40	$18,995	674	25
Woollahra Municipal Council	$5,780	$2,492	$2,707	0.92	$5,995	279	11

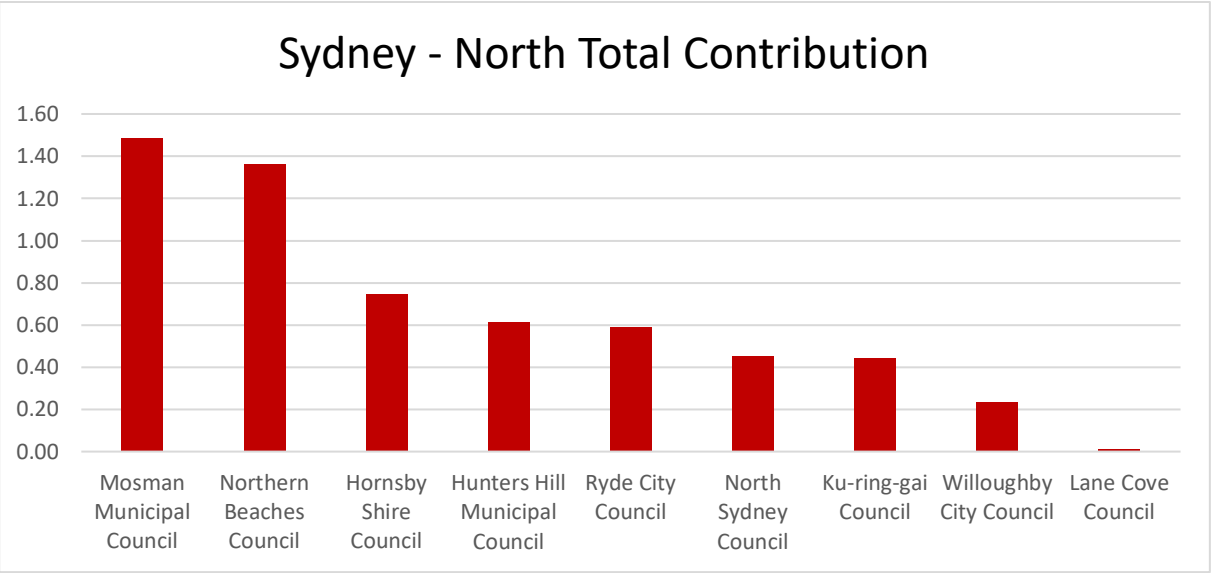
Infrastructure Funding

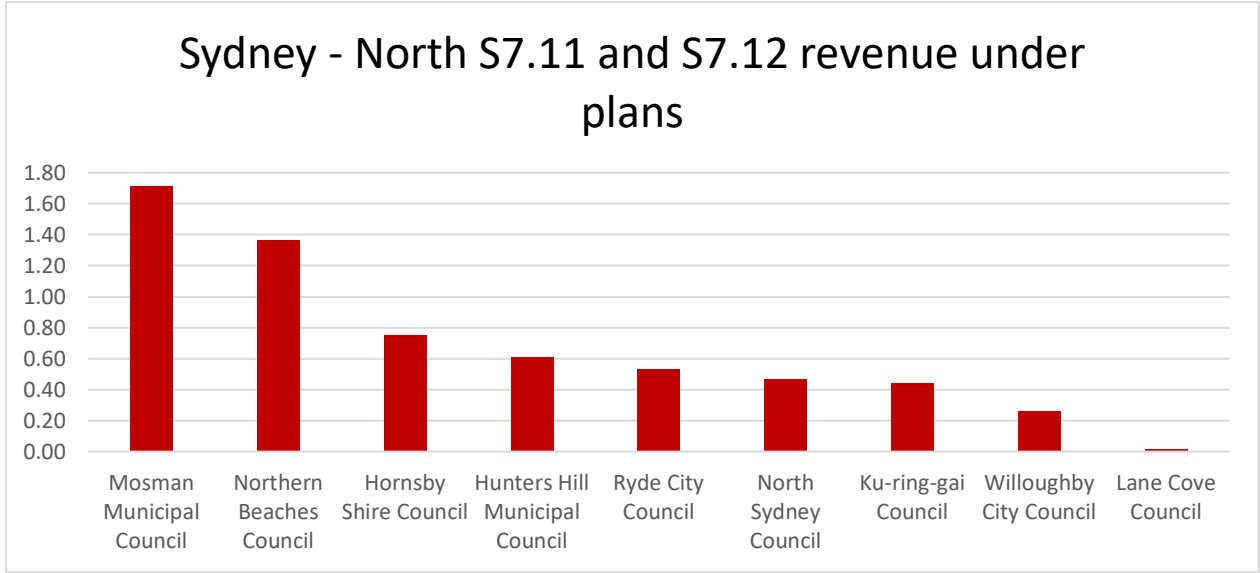
NORTH

LGA - Council	Expenditure during year $'000	Total Income $'000	Held as restricted asset $'000
Hornsby Shire	$10,209	$13,620	$78,865
Hunters Hill	$296	$484	$1,701
Ku-ring-gai	$7,508	$16,881	$134,510
Lane Cove	$440	$41,306	$53,913
Mosman	$3,027	$2,036	$2,663
North Sydney	$5,586	$12,346	$20,147
Northern Beaches	$12,718	$9,328	$32,794
Ryde City	$24,036	$40,778	$103,389
Willoughby City	$1,643	$7,034	$43,667



Sydney – North | FY19



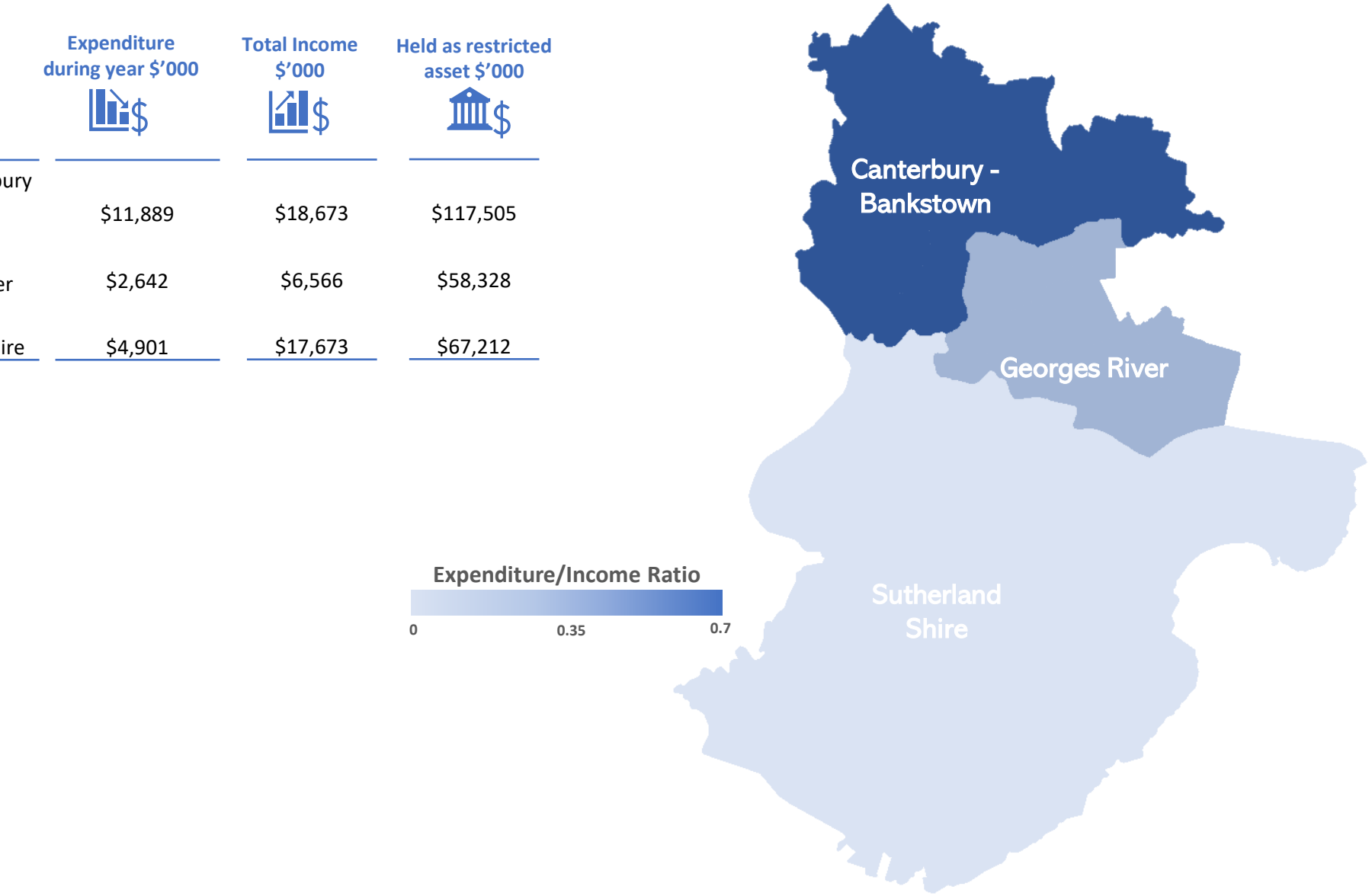


Council	Opening Balance $'000	Expenditure during year $'000	Total Income $'000	Expenditure/Income Index (E/I)	Held as restricted asset $'000	Dwelling Completion	Rank
Hornsby Shire Council	$75,454	$10,209	$13,620	0.75	$78,865	2310	12
Hunters Hill Municipal Council	$1,513	$296	$484	0.61	$1,701	59	17
Ku-ring-gai Council	$125,137	$7,508	$16,881	0.44	$134,510	2048	22
Lane Cove Council	$13,047	$440	$41,306	0.01	$53,913	1491	45
Mosman Municipal Council	$3,654	$3,027	$2,036	1.49	$2,663	53	4
North Sydney Council	$13,449	$5,586	$12,346	0.45	$20,147	1695	21
Northern Beaches Council	$36,184	$12,718	$9,328	1.36	$32,794	1739	5
Ryde City Council	$86,647	$24,036	$40,778	0.59	$103,389	5767	18
Willoughby City Council	$38,276	$1,643	$7,034	0.23	$43,667	960	41

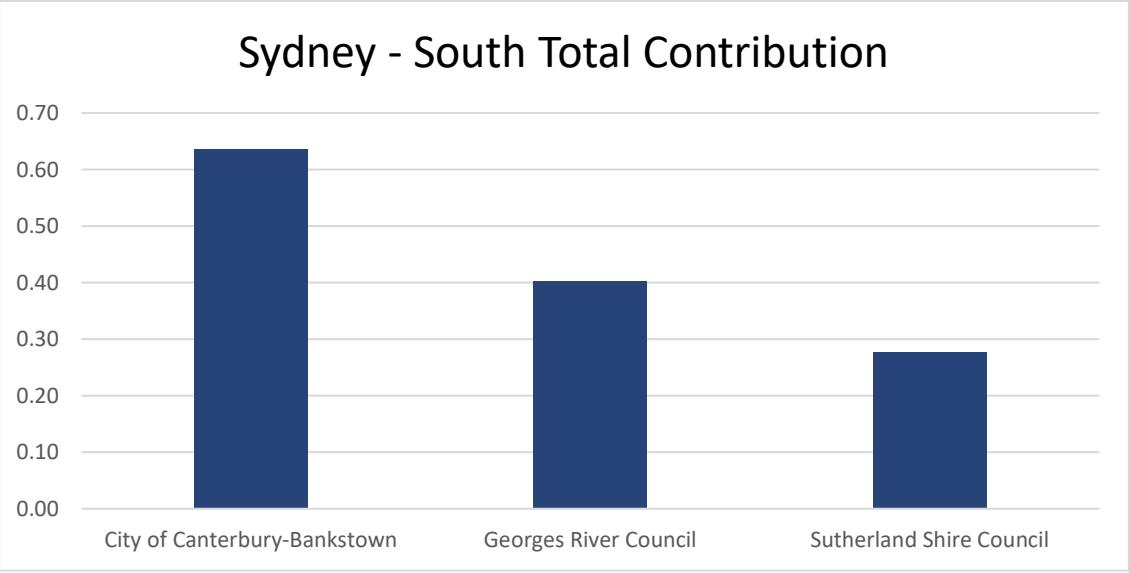
Infrastructure Funding

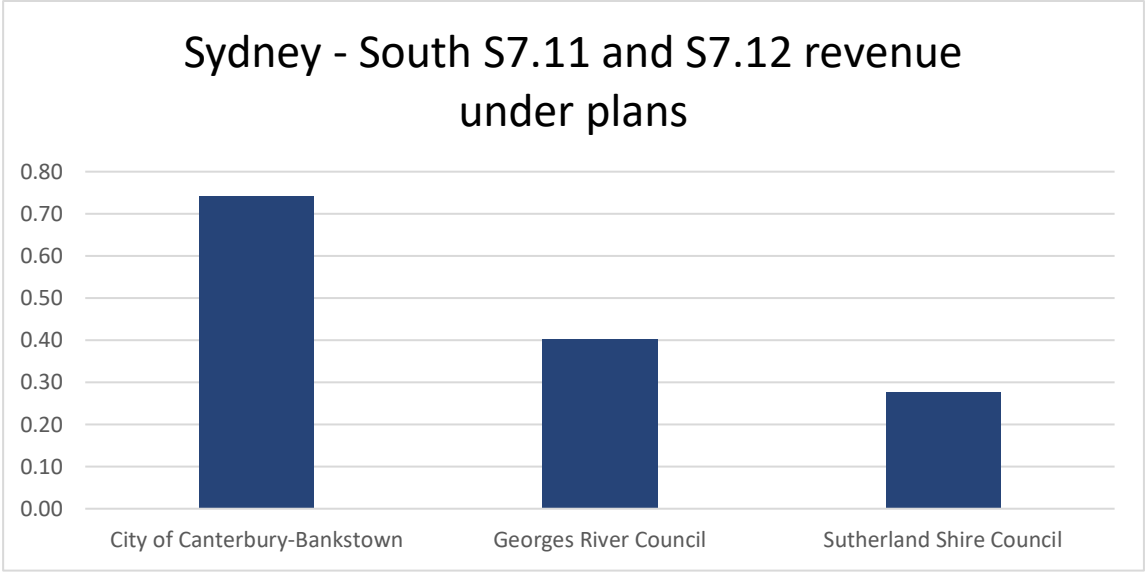
SOUTH

LGA - Council	Expenditure during year $'000	Total Income $'000	Held as restricted asset $'000
City of Canterbury Bankstown	$11,889	$18,673	$117,505
Georges River	$2,642	$6,566	$58,328
Sutherland Shire	$4,901	$17,673	$67,212



Sydney – South | FY19





Council	Opening Balance $'000	Expenditure during year $'000	Total Income $'000	Expenditure/Income Index (E/I)	Held as restricted asset $'000	Dwelling Completions	Rank
City of Canterbury-Bankstown	$113,361	$11,889	$18,673	0.64	$117,505	5412	16
Georges River Council	$54,405	$2,642	$6,566	0.40	$58,328	2029	26
Sutherland Shire Council	$55,045	$4,901	$17,673	0.28	$67,212	3301	36

Established in 1963, the Urban Development Institute of Australia is the leading industry group representing the property development sector. Our 500 member companies in NSW include developers, engineers, consultants, local government, and utilities. Our advocacy is focussed on developing liveable, affordable and connected cities.

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