



16 July 2021

The Hon Dominic Perrottet MP
Treasurer
GPO Box 5341
SYDNEY NSW 2001

Email: office@treasurer.nsw.gov.au

Dear Treasurer

Environmental Planning & Assessment Amendment (Infrastructure Contributions) Bill

I write to advise that Southern Sydney Regional Organisation of Councils (SSROC) opposes the passage of the Environmental Planning & Assessment Amendment (Infrastructure Contributions) Bill 2021 (the Bill) at this point in time. As a member of Local Government NSW, SSROC supports LGNSW advocacy to have the Bill withdrawn while the local government sector is consulted.

The Bill introduces a major overhaul of the infrastructure contributions system in NSW and has wide and far-ranging implications for our councils and the communities they serve.

SSROC is concerned about the lack of broad consultation on the Bill and the attempt to expedite its passage by making it a cognate Bill of the NSW Budget Appropriation Bills, therefore avoiding the level of scrutiny that it deserves.

SSROC appreciates the Bill mainly seeks to introduce enabling legislation to allow the implementation of many of the reforms proposed by the Productivity Commission following its review of the infrastructure contributions system, however, we are concerned that the legislative amendments may open the gates to regulations and subordinate legislation that will be deleterious to councils and communities.

Along with LGNSW, SSROC also opposes certain provisions contained in the Bill, specifically:

Schedule 1[24] enabling the Minister for Planning and Public Spaces (the Minister) to extend a direction relating to the time at which monetary contributions or levies must be paid to existing development consents in certain circumstances.

The Bill enables Directions setting the timing of contributions payments to be extended beyond the COVID-19 pandemic period. This is a significant overreach of powers and is opposed by SSROC and the local government sector.

Schedule 1[25] makes provision for the preparation and approval of contributions plans by councils and for the making, amendment or repeal of contributions plans by the Minister.

This is again an overreach of powers; the Minister should not have the discretionary power to overrule council contributions plans by Direction.

SSROC support for many other provisions of the Bill is contingent on our views on the regulatory changes that will follow the Bill, which are currently unknown. As you will be aware from previous LGNSW correspondence, while LGNSW supported many of the recommendations of the Productivity Commission, it also opposed many of the recommendations and offered highly qualified support for a number of the others.

LGNSW specifically opposed recommendations in relation to further restricting the essential services list to development contingent costs, permanent deferment of payments of infrastructure contributions, the removal of value capture and value sharing Voluntary Planning Agreements and restricting planning agreements for mining and energy projects to contingent infrastructure.

Important reforms like linking rate growth to population growth were supported in principle, however this is contingent on development of a workable and broadly agreed methodology. This is yet to be seen.

Like LGNSW, SSROC cannot support the Bill until we are assured that our councils and communities will not be worse off under the legislation. We need to be assured that the Bill will not result in further cost shifting from developers onto local government and ratepayers. More detail is required about regulations and subordinate legislation that will follow. It is premature to push forward with this legislation while so much of the infrastructure reform agenda remains unknown.

Will you withdraw the Bill and consult with stakeholders including the local government sector?

For further information please have your staff contact Helen Sloan, Acting General Manager, SSROC, at helen.sloan@ssroc.nsw.gov.au or 8396 3800.

Yours sincerely



Cr John Faker
President, Southern Sydney Regional Organisation of Councils

cc:

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