



Portfolio Committee 7

Via email: PortfolioCommittee7@parliament.nsw.gov.au

7 June 2024

Dear Committee,

RE: Inquiry into the planning system and the impacts of climate change on the environment and communities - Post-hearing responses

Answer to question on notice: Number of Land and Environment Court challenges

Thank you again for the opportunity to provide evidence on this matter of significant interest to our community.

At time of writing, Willoughby Council has 23 active cases in the Land and Environment Court and a further 6 have been completed.

Yours sincerely

Dyala Govender
Acting Head of Planning
Willoughby Council



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Dear Committee,

RE: Inquiry into the planning system and the impacts of climate change on the environment and communities - Post-hearing responses

Answer to question on notice: Issues with the current Developer Contributions System

Thank you again for the opportunity to provide evidence on this matter of significant interest to our community.

It is Council's view that further review of the development contributions system should be undertaken.

Given growth relies on public investment in supporting infrastructure, it is reasonable for communities to expect that a portion of the revenue generated from development should be reinvested in improving the public infrastructure that facilitates the development, such as the schools, transport, water, electricity, open spaces, and community services that the new residents will require. It is also a funding mechanism for the infrastructure and investment in upgrades growing communities will need to undertake to mitigate the environmental impacts of growth. However, the current system is not effective nor efficient in meeting this expectation.

The current capping and the antiquated Essential Works list used by the Independent Pricing and Regulatory Tribunal (IPART) is such that 7.11 and 7.12 rates in in-fill areas are ineffective at funding the supporting local infrastructure required. In addition, the Housing and Productivity Contribution (HPC) arrangements siphon funding away from the areas in which it is collected to fund infrastructure elsewhere. This will make it difficult to mitigate local environmental impacts of growth in some locations and potentially result in a lag between the growth and the delivery of the supporting infrastructure required.

The significant uplift proposed under the Low and Mid Rise Housing reforms represent a rare opportunity to rectify this problem while simultaneously ensuring development is more profitable without worsening affordability.

A Future Infrastructure Fund should be set up, capturing funding from a portion of the increased land values. A portion of the profits from developments approved under the reforms should be required to contribute to the fund, which should then be allocated to projects in the Local Government Area where the development occurred.

Further, an overhaul of the current Infrastructure Contributions Framework should be undertaken concurrently with an overhaul of the wider planning system, to increase simplicity and efficacy. In particular, a published works and projects list should underpin the HPC, confirming works to be delivered across the state, listed by locality, from the fund.

Councils already provide a works list for local contributions, the State Government should have a similar works list for its HPC to ensure transparency in how infrastructure is prioritised and funded to support growth.

Thank you again for the Committee's time and consideration.

Yours sincerely

Dyalan Govender
Acting Head of Planning
Willoughby Council