

12 June 2020

Mr Luke Walton
Executive Director, Planning Policy
Department of Planning, Industry and Environment



via online upload

Dear Mr Walton,

RE: UDIA NSW Response to Proposed amendments to the EP&A Regulation

The Urban Development Institute of Australia (UDIA) NSW is the peak body representing the interests of the urban development industry in New South Wales. We represent over 500 member companies that are directly involved in the industry including developers, strata and community managers, planners and lawyers.

The NSW Department of Planning, Industry and Environment (DPIE) is proposing amendments to the Environmental Planning and Assessment Regulation 2000 (the EP&A Regulation) to increase the transparency and accountability in the infrastructure contributions system.

UDIA supports measures that improve transparency and accountability so everyone can track the need for infrastructure, revenue collected from infrastructure and expenditure on infrastructure.

Improved Reporting on Development Contributions

The current regulatory regime only requires reporting on monetary contributions, and we support extending this reporting to contributions more generally, with the amount of unspent contributions growing 33% to \$1.7 billion in the four years to FY19. The additional information required (in the table below) will add transparency to allow the community to hold councils to account.

Contributions Received	Contribution Expenditure
<ul style="list-style-type: none">Contribution Plan NameDA reference, consent authority, consent date, and mechanismPurpose of contributionsDetails of land and works-in-kind	<ul style="list-style-type: none">Project identification and descriptionAmount expendedUse of or development of the land or works-in-kindInternal borrowingsPercentage of project funded.

With significant concerns in relation to the delivery of infrastructure we recommend the EP&A Regulation is further amended to require councils to publish infrastructure delivery plans. These plans should be reviewed by DPIE. These documents will help to inform an integrated Urban Development Program for all NSW major growth regions and help ensure that councils spend infrastructure contributions in a timely manner. An Urban Development Program coordinates infrastructure delivery to ensure that infrastructure and growth are aligned by monitoring growth and infrastructure delivery.

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We support the requirements for council to publish contributions plans, indexed s7.11 rates, annual statements, and contributions on their websites or the NSW Planning Portal. We believe the Planning Portal should be the single point of truth for planning documents.

Improved Reporting on Contributions Received via Planning Agreements

UDIA NSW supports the proposed additional reporting on contributions received via voluntary planning agreements (VPAs). We recognise that this will help improve the transparency of planning agreements.

We support creating a VPA register and to report in annual financial reports monetary contributions received and expended, works-in-kind delivered, and land dedications.

The amendments will require planning authorities to publish a VPA register on their website or NSW Planning Portal. We recommend there is a requirement to publish on the planning portal, to create a single point of truth for planning documents.

DPIE is proposing to remove the prescriptive requirements for the explanatory notes for proposed planning agreement and address them through the Draft Secretary's Practice Note on VPAs. The current Practice Note on exhibition only applies to local government, non-mining related VPAs. Will there be an additional practice note for those other VPAs?

Process for Making a Contribution Plan following receipt of the Minister's Advice

The proposal includes a recommendation to allow contribution plans to be amended to give effect to the Minister's advice in relation to implementing IPART's recommendation without requiring a further exhibition period following an IPART review.

Once the Minister issues advice to a Council on amendments required following the IPART review prior to levying their proposed contribution, the Council is unable to make any further changes because of any submissions received. Therefore, UDIA NSW supports the intent of this amendment.

We believe consultation is an important part of building trust and integrity in the contributions system, therefore, we recommend the regulations require consultation as part of the IPART review process. The proposed changes to the IPART review process (consulted on separately) suggest removing the requirement to consult beyond the Council that is subject to the review.

Miscellaneous Amendments

The proposal includes specific amendments to:

- Limit the maximum section 7.12 percentage in Gosford City Centre to 3% – UDIA supports this amendment because it achieves consistency with the intended levy specified in the Gosford City Centre SIC.

- Update the outdated reference to the Wollongong City Centre LEP – UDIA does not have any comments on this matter.

Conclusion

The proposed measures in the Draft EP&A Regulation will help ensure transparency and accountability and UDIA supports their progression. There should be additional amendments requiring councils to produce and publish infrastructure delivery plans, which will help ensure that the infrastructure in the plan is delivered and add accountability to the planning system.

UDIA is pleased to discuss this matter further, please contact Mr Sam Stone, Manager, State Policy and Government Relations on 0401 213 899 or sstone@udiansw.com.au to arrange a meeting.

Yours sincerely,



Steve Mann
Chief Executive