

**ITEM                    MAYORAL MINUTE - INFRASTRUCTURE CONTRIBUTIONS  
BILL**

**Department        Executive Services**

**Author Initials: AT**

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**REPORT**

The NSW State Government's proposed Environmental Planning and Assessment Amendment (Infrastructure Contributions) Bill 2021, introduced in June 2021 as part of the budget legislation with no public consultation or detail, will radically change the way local infrastructure is planned, funded and delivered.

This bill as it currently stands represents a direct attack on the amenity and future liveability of the City of Canada Bay and all LGAs in Sydney. The City of Canada Bay must stand alongside other metro Councils who are advocating for the abandonment of the legislation.

Instead of Councils using developer contributions to invest in local infrastructure, the State Government is allowing for Councils to charge higher rates – suggesting our residents foot the bill for local infrastructure instead of developers.

Currently, we have a system where developer contributions are used by Councils to provide community infrastructure in the areas where development occurs. The proposed changes may see developers pay up to half their contributions to the State Government instead of Councils, to spend on vaguely defined “regional” infrastructure.

The changes risk curtailing the City of Canada Bay's ability to deliver the infrastructure essential to supporting our local growth.

Infrastructure contributions from developers should be spent locally. Developer contributions should be spent on infrastructure that relates to the development of the local neighbourhood.

It is critical to delivering parks, open spaces, community facilities, roads and footpaths.

Instead of the City of Canada Bay investing funds into community facilities like the enhanced public domain along Great North Road, the Cabarita Park Conservatory or numerous upgrades to local parks and playgrounds, this bill may divert essential funding away from our area and put it into a slush fund that can be used anywhere with little accountability on where or what it is spent on.

I note that the Minister for Planning and Public Spaces recently attended a meeting with a group of Mayors of metro Councils in which the Minister committed to:

- Release all the information behind the modelling used to inform the NSW Productivity Commission recommendations, so that Councils can fully interrogate the basis for the proposed changes.
- Establish a Working Group of General Managers/CEOs from NSW Councils and staff from the Department of Planning Industry and Environment (DPIE) to provide a genuine opportunity for open and transparent dialogue about the proposed changes.
- Ask IPART to avoid releasing further information relating to the proposed changes during the caretaker period in the lead up to Council elections.

While I do credit the Minister for taking this step, the fact remains that should this bill become law, the City of Canada Bay may be significantly worse off financially and the ultimate cost will be borne by our ratepayers who will either lose the benefits of further investment in local infrastructure or will have to pay for it through rate increases.

This bill as it currently stands represents a tax grab on our local community that has been introduced in the middle of the COVID-19 crisis on the eve of a Local Government election and the City of Canada Bay must join the campaign to have it withdrawn.

## **FINANCIAL IMPACT**

Nil

## **RECOMMENDATIONS**

1. THAT the Mayor write to the Minister for Planning and Public Spaces and the Premier to request that the Environmental Planning and Assessment Amendment (Infrastructure Contributions) Bill 2021 as it is currently written be withdrawn.
2. THAT Council endorse supporting a joint advocacy strategy with LGNSW and other Councils from metropolitan Sydney to defeat the Bill.
3. THAT Council publicise to local residents the potential impacts on the City of Canada Bay's ability to fund future infrastructure if this bill were to proceed.