



DIRECTOR SUSTAINABLE DEVELOPMENT SERVICES REPORT

July 12 2005

**DSDS10 CHANGES TO SECTION 94 OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979
FILE: 556 APB**

SUMMARY:

Reporting on Changes to Section 94 (Developer Contributions) of the Environmental Planning and Assessment Act 1979.



Background

In May 2005, the Environmental Planning and Assessment Amendment (Development Contributions) Bill 2004 was passed by both Houses of Parliament. The Bill proposes changes to the manner in which a consent authority may use contributions and it extends the way they may be levied while keeping in place the existing method of obtaining s94 contributions. New methods of collection include planning agreements and flat levies. These new methods add greater flexibility to the planning system.

The changes will allow for pooling of s94 funds, cross-council boundary contributions, and for consent authorities to obtain contributions that can be used for ongoing costs such as maintenance/management/monitoring or augmentation works.

The Department Infrastructure Planning and Natural Resources is finalising the development of the Regulations and Guidelines to accompany the changes to the Act.

The amendment to the Act will commence on 8 July 2005.

Policy Implications

Council's Existing Contributions Plans are unaffected by the changes. However, there is opportunity to review the plans to provide:

- increased recovery of Council's costs resulting from development.
- contributions towards public benefits that previously were difficult to demonstrate a demand from development eg. growth offsets and bush rehabilitation
- simpler calculation of contribution rates eg. the Rural Roads Contributions Plan by way of flat rate levies on a catchment basis.

However, the review or preparation of Contributions Plans will take some time and is subject to other strategic planning priorities.

REPORT IMPLICATIONS:

• *Environmental*

There is opportunity for improved environmental outcomes through planning agreements for "green" offsets.

• *Social*

There is opportunity for improved social outcomes through broader provision of community facilities funded by developers.

• *Economic (Financial)*

There is opportunity to recover more fully the costs of community facilities, services and infrastructure under the new provisions.

RECOMMENDATION:

That the report be noted.

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K J Ward

ACTING DIRECTOR SUSTAINABLE DEVELOPMENT SERVICES