



Hawkesbury City Council

extraordinary
meeting
supplementary
business
paper

date of meeting: 12 June 2019

location: council chambers

time: 6:30 p.m.

EXTRAORDINARY MEETING

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SUPPLEMENTARY REPORT

Item: 102 MM - Developer Contribution Plans and their relationship with the plans and activities of other Metropolitan Planning Organisations - (79351, 80093)

REPORT:

In recent times the NSW State Government has initiated a number of changes to the manner in which urban areas are planned and developed, for example it has:

- Directed that all Councils to produce a Local Strategic Planning Statement
- Established the Greater Sydney Commission to manage Strategic Planning processes that will guide the future development and evolution of metropolitan Sydney.
- Mandated that all Local Governments within the metropolitan area establish Independent Planning Panels to assess and/or review Development Applications and Planning Proposals.
- Tasked the Independent Pricing and Regulatory Tribunal with the responsibility for reviewing and approving Developer Contribution Plans.

Hawkesbury City Council's Developer Contribution Plan for Vineyard Stage 1 was initially drafted by the NSW Department of Planning before being handed over to Hawkesbury City Council for finalisation, exhibition and approval. It is the first Developer Contributions Plan to pass through this new process, under the scrutiny of the Independent Pricing and Regulatory Tribunal.

The revised plan prepared by the Independent Pricing and Regulatory Tribunal proposes a \$35.5 million reduction in contributions, comprising overall reductions of:

- \$ 10.6 million in land acquisition costs
- \$ 8.1 million in transport works
- \$ 8.6 million in stormwater works
- \$ 7.6 million in open space embellishment
- \$ 0.36 million in the cost of administering the contributions plan.

Based on the process and experience to date, Council is now in a position to identify a number of issues that may need to be addressed to enhance the processes going forward. For example:

- The need to clarify the relationship between the various participants, their plans and objectives for the future. The Greater Sydney Commission are planning for a city of 6 million people by 2036, a city where *growth contributes to a city that is more liveable, sustainable and productive, where additional infrastructure and services will be required at the right place and right time*. The approach taken by the Independent Pricing and Regulatory Tribunal – which reduces the income from developer contributions does not support the Greater Sydney Commission's objectives for a *more liveable, sustainable and productive city*.
- The need to have a consistent and transparent source of data to inform the various plans. In the case of the Vineyard Stage 1 Developer Contributions Plan, the Department of Planning, NSW Treasury and Hawkesbury City Council have all relied on land valuation data provided by the NSW Valuer General. In the case of the developer contributions plan prepared by the Independent Pricing and Regulatory Tribunal, whilst the land valuations are much lower than the valuations informed by the NSW Valuer General, it is unclear what data was utilised to inform them or how they were calculated. Similar questions can be raised about the traffic and transport assumptions that underpin the road hierarchy proposed within the Independent Pricing and Regulatory Tribunal's Draft Contributions Plan.

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- The need to avoid overlaps and gaps between the various bodies and their activities. There are currently a range of infrastructure and developer contribution initiatives under consideration across metropolitan Sydney, initiatives such as:
 - Growth Infrastructure Compacts (G.I.C)
 - Land Use and Infrastructure Implementation Plans (L.U.I.I.P.)
 - Section 7.11 Contribution Plans (Developer Contributions)
 - Voluntary Planning Agreements (V.P.A)
 - Affordable Housing Levy's

The contributions plan prepared by IPART is currently on exhibition. This repeats the community consultation exercise undertaken by Hawkesbury Council in 2018.

A process needs to be developed to co-ordinate these various activities to ensure that funds are collected and expended in an equitable fashion so as to ensure that the city of the future is *more liveable, sustainable and productive city*.

RECOMMENDATION:

That Council conveys to the NSW Government Planning Minister and the Member of Hawkesbury, that it is totally unsatisfied with the manner and content of the Independent Pricing and Regulatory Tribunal's Draft Contribution Plan for Vineyard Stage 1 for the following reasons:-

1. The Contribution Plan was drafted by the NSW Department of Planning and finalised by Council using data supplied by other NSW Government Departments including the NSW Valuer General. IPART has overturned this plan and has substituted a new set of figures that will adversely impact Council by at least \$35M
2. IPART has failed to reveal the source of the data which it used to provide much lower land values and differing transport and traffic assumptions. All such data should be freely available for public access and scrutiny
3. In an apparent attempt to streamline planning, we believe that the NSW Government has now introduced too many complications and competing bodies in to the process. We will work with Local Government NSW and other councils to clarify the relationship between the various participants, to have a consistent and transparent source of data and to avoid overlaps and gaps between various bodies and their activities.

ATTACHMENTS:

There are no supporting documents for this report.

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end of
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