

## **Review of infrastructure contributions**

Reporting to Minister for Planning and Public Spaces

### **Terms of reference**

The NSW Productivity Commission should:

- review the infrastructure contributions system to determine whether it meets the objectives of certainty and efficiency while delivering public infrastructure required to support development
- make recommendations for reform aimed at delivering a principles-based system that delivers the infrastructure required to accompany growth and
- identify legislative and regulatory changes necessary to implement the proposed reforms.

Contributions under Part 7 of the *Environmental Planning and Assessment Act 1979* are within the scope of the review. The review should also have consideration of the relationship to and impact of other charges and levies relating to the development process.

In reviewing the contributions system the Commission should, at a minimum, consider the following:

- certainty and transparency for communities, local government and developers
- the extent that contributions rates reflect efficient costs and the principle that beneficiaries should pay
- the major cost drivers in the contributions system and how these factors can be managed
- the relationship with local government funding and service provision and
- implications for the volume and nature of the housing market and the delivery of public open space.

The review should be complementary to broader reforms to the planning system. The review will coincide with system improvements led by the Department of Planning, Industry and Environment.

The Commission should provide a Final Report to the Minister for Planning and Public Spaces by the end of 2020. In undertaking its review, the Commission should:

- consult with NSW Government agencies, external stakeholders, and the community, as appropriate
- assemble and analyse relevant data and
- draw on best practice in other jurisdictions, previous reviews, and published research.