

Manly Council and Section 94 Levies

The Environmental Planning and Assessment Act, 1979, grants councils the power to levy contributions for public amenities required as a consequence of development.

The official position (not unanimous) of Manly Council is that new people building in the area should pay for amenities which already exist. This is a distortion of the intent of the Act.

This is a youthful page which will mature. Your contribution is welcome to michael@michaeldarby.net

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How your property levies are wasted

By KELVIN BISSETT
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NEW homebuyers are being forced to pay levies of up to \$50,000 to councils who then fritter it away on artworks, museums, public toilets, car parks and consultants' fees.

An investigation by *The Saturday Daily Telegraph* into developer charges on new houses and units reveals they are now routinely funding projects other than essential roads and parks in new estates.

The levies, permitted under Section 94 of the NSW Environmental Planning and Assessment Act, are paid upfront by developers and then passed on to buyers, adding up to \$50,000 to the purchase price.

Among the big-ticket items, Liverpool Council wants to spend \$3.29 million of these Section 94 funds upgrading its local museum.

The budget includes \$314,000 for "consultant and project management fees" and art and sculpture worth \$102,421.

The museum, apparently on hold due for community consultation, will supersede a modern facility built for the bicentenary with public funds.

A Housing Industry Association survey shows Sydney councils held \$652.9 million of Section 94 contributions at June 30, 2005, much of it held unspent for years.

Councils are already under fire for hoarding this cash – but there is now also growing concern about how they will spend the money.

Other questionable projects funded by home buyers include:

\$22,000 on two lots of "public art" for community centres at the new suburb of Milton Grange in Liverpool Council's area;

\$581,995 to upgrade Arncliffe town centre shops by Rockdale Council, including paving for a "cafe sitting area", shrubs, planter boxes and upgraded public toilets;

\$2.5 million for a multi-deck car park in the Fairfield business district many kilometres from any new estates;

\$56,000 in Waverley to fund other peoples' affordable housing;

\$102,000 collected by Rockdale Council through the levy for library books last year; and

\$51,000 for "administration charges" in the Blacktown Council area.

Planning Minister Frank Sartor expressed concern last night that councils were wasting these developer contributions on "fanciful wishlists". "I have been concerned for some time by the Section 94 system," he said.

HIA executive director Wayne Gersbach said councils appeared to see Section 94 levies as a way of getting around the discipline imposed by rate pegging.

This was now forcing councils "to place the cost impost for all local infrastructure on a small section of the community who are buying homes each year," he said.

Section 94 funds at June 30, 2005:

Auburn: \$9,942,000	Hornsby: \$21,731,000	Pittwater: \$4,734,000
Bankstown: \$9,527,000	Hunters Hill: \$848,000	Randwick: \$9,370,000
Baulkham Hills: \$47,556,000	Hurstville: \$5,332,000	Rockdale: \$22,475,000
Blacktown: \$49,240,000	Kogarah: \$10,582,000	Ryde: \$13,220,000
Botany: \$5,270,000	Ku-ring-gai: \$328,000	Strathfield: \$7,563,000
Burwood: \$1,090,000	Lane Cove: \$7,672,000	Sutherland: \$54,515,000
Camden: \$23,667,218	Liverpool: \$62,277,000	Sydney: \$28,003,000
Campbelltown: \$5,802,000	Manly: \$1,281,000	Warringah: \$30,850,000
Canada Bay: \$12,054,000	Marrickville: \$10,345,000	Waverley: \$1,955,000
Canterbury: \$18,812,000	Mosman: \$310,000	Willoughby: \$14,579,000
Fairfield: \$21,931,000	North Sydney: \$16,326,000	Woollahra: \$3,569,000
Hawkesbury: \$4,267,000	Parramatta: \$21,734,000	Wyong: \$49,177,000
Holroyd: \$9,415,000	Penrith: \$13,469,000	