

Compliance cost notices

This document answers frequently asked questions about the new compliance cost notice framework

The NSW Government has reshaped the compliance funding system as part of reforms to build a faster and simpler planning system. The new compliance cost notice framework came into effect on 27 October 2021.

What is a compliance cost notice?

A compliance cost notice allows an enforcement authority, usually a council, to recover the reasonable cost and expenses associated with compliance activities, such as:

- monitoring action under a development control order
- ensuring a development control order is complied with
- an investigation leading to the issue of a development control order; and
- preparing or serving a notice of intention to issue an order

The notices provide authorities with a compliance tool to ensure that those who are breaking the rules, pay for the costs associated with investigations, instead of ratepayers.

Why were the changes made?

The department received feedback that councils were not using compliance cost notices, because they were too complex and did not sufficiently cover the costs and expenses typically associated with investigations.

The new framework provides councils with the resources needed to ensure builders are following the rules, while minimising the impact on those seeking to do the right thing.

What are the changes?

The compliance cost notices framework has been simplified to make them a more useful enforcement tool for councils and support councils recover compliance costs. This included:

- Simplifying the process for councils to issue notices by eliminating unnecessary administrative requirements.
- Increasing the cap on compliance cost notices related to a notice of intention to give an order from \$500 to \$750, so that councils can recover costs most likely to be incurred at that stage.
- Removing the cap on the amount councils can collect for an investigation. This should ensure ratepayers are not subsidising costly investigations created by those who break the rules.

What safeguards are in place?

Councils are still only able to recover their reasonable costs and expenses associated with compliance investigations. Where builders and developers believe the costs are unreasonable, they can challenge this in the Land and Environment. This must be done within 28 days after the notice is served.

Further Information

For more information please visit [our website](#).