Dear Madam

INQUIRY INTO ADMINISTRATIVE PROCESSES USED FOR STRATEGIC PROJECTS IN THE TERRITORY.

The ACT Division of the Planning Institute of Australia (PIA ACT) appreciates the opportunity to make a submission to this Inquiry into the Auditor-General’s Report No. 7 of 2008: Proposal for a gas fired power station and data centre site selection process.

The Planning Institute of Australia (PIA) is the only National association representing professional town planners throughout Australia. The Institute has a total membership of approximately 4,700. The ACT Division of PIA represents the profession at the local level and to this end the Consultant Planners Group (CPG) is a subcommittee of the ACT Division, representing practising consultant planners.

The following submission was prepared by the CPG at the request of the ACT Division Committee.

Preamble

We understand the Terms of Reference for the Inquiry are: the administrative processes used for the consideration and facilitation of strategic projects in the Australian Capital Territory. This PIA submission takes the view that the term should be addressed on the basis of how to move forward in the next 30 years of strategic planning in the ACT.

Previous Inquiries into the Strategic planning of the ACT

The planning of Canberra and the governance arrangements for the ACT planning system are an issue of National importance to PIA. The Federal Government inquired into these processes in its review of the National Capital Authority (NCA) in 2007. In response to that Inquiry PIA submitted that:

- The ACT Planning and Land Authority should maintain a role as the manager of development assessment on Territory Land under the Territory Plan.
• The National Capital Authority should manage the strategic overview of planning the Nation’s capital.

• The Territory Plan and the National Capital Plan should be integrated to form one plan with the National Capital Plan providing strategy and the Territory Plan providing development control.

To date the Federal Government is yet to act on any of its responses to last year’s Senate Inquiry into the role of the National Capital Authority and PIA understands that funding of the NCA remains static along with infrastructure investment in the Griffin Legacy projects that form part of the strategic planning for Canberra.

PIA ACT acknowledges the Commonwealth Government role in establishing and maintaining the National Capital Plan and the Metropolitan Plan for Canberra’s urban and non urban areas and its role in Strategic Planning policy. This strategic plan for Canberra and the Territory has remained largely unaltered since the ACT was granted Self Government in 1989.

PIA ACT also acknowledges the ACT Government Canberra Spatial Plan 2004\(^1\) goes some way towards setting out a strategic direction for the future growth of Canberra however it is an incomplete work and is disaggregated from the Sustainable Transport Plan 2004 or infrastructure planning.

PIA ACT notes that the Territory Plan 2008 is not a strategic plan and that chapter 6 of the Planning and Development Act 2007 specifically provides for a Planning Strategy to be prepared.

PIA National Policy Statements
PIA has a national policy statement position with regard to urban growth management that sets out the underpinnings of what is considered as good practice for strategic planning and this policy paper is appended for your information.

**Strategic planning**

The strategic allocation of a spatial framework for the future development and long term planning for Canberra involves multiple and cross agency planning. A key component to managing the sustainability of Canberra is through Urban Growth Management (UGM) to facilitate an attractive, affordable, sustainable, well-serviced community with access to employment opportunities.

In the absence of Federal Government action it falls to the ACT Government to be clear about the full range of planning tools and how they operate and interact to manage growth of urban areas and the interrelationship of the urban and non-urban areas of the ACT. There also needs to be articulation of how these tools will be used in the future. The tools should be used in conjunction with a vision or clear picture of the desired outcomes, with a publicly available set of guiding principles.\(^2\)

The elements of a good strategic planning system include:

Transparency of process as well as access to the information used in determining the outcomes;

A consultative approach in preparation and review of strategies;

Appropriate timeframes around short, medium and long term outcomes;

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1. The plan was updated in 2008.
Sound governance with clarity of roles for all players involved especially the Government agencies and Ministers (a whole of government approach is central to achieving this);

Cross border integration into the local strategies to ensure consistency between government (Local, State and Federal);

Implementation strategy to convert policies to action and incorporation into statutory documents (the Territory plan), and linked to budgets (infrastructure and asset management plans) etc;

Integration of key strategic elements: transport, development, social housing, infrastructure plan etc;

Regular review and ongoing monitoring of outcomes linked to performance indicators.

**Inquiry Response**

This submission from the PIA ACT Division Consultant Planners Group (CPG) seeks to encourage the ACT Government, through this inquiry process, to take up the role of strategic planning for the ACT and combine the disparate service line and departmental functions to form an integrated strategic planning unit to streamline the administration of the planning system through connected decision making between the strategic planning units of Territory and Municipal Services, Chief Ministers Department, the ACT Planning and Land Authority and The Land Development Agency.

It is the view of the CPG that without a Planning Strategy to guide the future sustainable growth of the ACT, the Government and development industry are likely to revisit the difficulties experienced with recent major development proposals. Once a strategy is in place only then will issues of administration and facilitation be able to be managed effectively.

CPG also supports the exercise of Ministerial call in powers, for example with the Tuggeranong Data Centre proposal. We encourage the Minister to utilise this power where an ACT Government project for the Territory and on unleased Territory land has a defined public good outcome.

To this end our submission moves from the macro (of the strategy) to also encompass micro management issues that we suggest may facilitate positive effects and the Government may wish to investigate further.

**Governance**

With the above in mind and in the wake of successive functional reviews, it is the view of PIA CPG that the ACT Government must now consider how best to manage strategic planning in the ACT.

With regard to the Auditor General report, a consistent theme is the cross jurisdictional interest of various Government departments and their involvement, and potential to confuse policy positions that relate to a single strategic project.

The ACT governance structures are periodically reviewed for functional efficiencies in service delivery however these arrangements seldom stay settled for more than two years. This constant churn of functions and staff in turn engenders a culture of short term objective decision making and difficulty in commitment to long term objectives. This culture erodes confidence in the strategic planning capacity of government agencies and in particular the ACT Planning and Land Authority (ACTPLA).
The Planning and Development Act 2007 (the Planning Act) exacerbates this situation by requirement for the ACTPLA to focus on the short term framework of the Ministerial Statement of Planning intent.3

The CPG has reviewed governance arrangements4 and it is apparent that much of the strategic planning function is external to ACTPLA. It is mostly located within the Chief Ministers Department (CMD) which in addition to its overview and role of government land sales within the Land Development Agency suggests that strategic planning may best be carried out by the one agency not actually tasked with the job.

The CPG makes the following observations on current governance arrangements with regard to capacity to carry out strategic planning and facilitating projects of territory significance.

1.1 - CMD managing Strategic Planning

The role of the Chief Ministers Department in major project facilitation, economic development, land supply and infrastructure strategy appears to override ACTPLA’s strategic planning capacity.

It is noted that currently the Planning Act tasks ACTPLA with only the preparation of the Territory Plan however the requirement to prepare a Planning Strategy rests with the government5. The Planning Act also envisages that the planning strategy is a high level strategic planning tool from which the Territory plan derives its policy direction.

The CMD also has responsibility for high level intergovernmental relations and can provide a conduit between the interests of the Commonwealth agencies and NSW departments and the Territory government strategic planning. In recognising the utility of bringing together the intergovernmental relations role with the strategic planning role and existing functions of the CMD, CPG recommends that the Planning Strategy be a role and function of the CMD.

Recommendation 1.
That the Government directs the preparation of the ACT Planning Strategy and tasks the Chief Ministers Department with this function and responsibility for managing the interdepartmental and intergovernmental negotiations to achieve the outcome.

1.2 - ACTPLA managing Development

ACTPLA is at its most effective as a development assessment agency where it focuses primarily on ensuring that the strategic vision is realised through the adherence to the Territory Plan and utilisation of the Code Assessable development framework set out in the Planning Act and through building and construction compliance. It has further input through the preparation of leases and interpreting compliance with the Territory Plan and in managing the Environmental Impact Statement (EIS) process. All of these functions impact on decision making for proponents of strategic development.

Recommendation 2
ACTPLA retain management of the Territory Plan and development approval processes.

3 Planning and Development Act 2008, Section 16
4 Based on the Ministerial responsibilities – seventh Assembly Administrative Arrangements 2008 (No 2) dated 10 November 2008.
5 Planning and Development Act 2008, Section 105
1.3 - Territory and Municipal Services managing infrastructure delivery

The multiple roles of the Department of Territory and Municipal Services (TAMS) in sustainable transport planning and management of public infrastructure, along with facilitation of heritage and environmental protection and parks management, ensures that the Department has a significant role in determining any strategic planning outcome. This agency needs to be better equipped and resourced to provide the necessary inputs to preparing a planning strategy along with the infrastructure to support it.

Recommendation 3:

The Planning Strategy must be the basis for prioritisation of infrastructure investment and underpin budget allocations from a Whole of Government perspective.

Conclusions and Recommendations

The ACT Government has an opportunity to undertake preparation of the Planning Strategy for the ACT, consistent with the Planning and Development Act 2007 that can address the ACT region’s strategic needs. The Planning strategy provides the base line from which major projects can be directed and budgetary provision can be aligned with infrastructure provision.

The role of the Chief Ministers Department in overseeing whole of government and cross jurisdictional (the Commonwealth and NSW governments) relations provides an opportunity to better integrate strategic planning initiatives with the objectives of these other tiers of government.

The current fragmentation of urban planning and development responsibilities brings to mind the situation in the 1950's which led to the formation of the National Capital Development Commission, to provide the vision and leadership to create a great capital city. While the Commonwealth decides how to participate in the planning and development of Canberra, the same level of commitment is now required from the ACT Government to allow Canberra to respond to the great challenges of climate change and to produce a truly sustainable city.

Specific CPG recommendations:

Recommendation 1

That the Government direct the preparation of the ACT Planning Strategy and task the Chief Ministers Department with this function and responsibility for managing the interdepartmental and intergovernmental negotiations to achieve the outcome.

Recommendation 2

ACTPLA retain management of the Territory Plan and development approval processes.

Recommendation 3

The Planning Strategy must be the basis for prioritisation of infrastructure investment and underpin budget allocations from a Whole of Government perspective.
Matters for further Investigation

- Remove the separation of EIS and DA processes and consider an EIS and Development Approval as one application and approval process.

- That a major project of public good carried out by the ACT Government, for the ACT Government on unleased Territory Land be identified as Exempt Development only if and subject to the requirement that it has completed the EIS process.

- That where a scoping exercise is underway and a resultant change in the project is required or identified that the scoping exercise not be required to restart from the beginning but be administered as a variation of the scope.

- That a timeframe be established within which the ACTPLA must respond to a request for scoping.

- That the Territory Plan Zone Development Table lists of Prohibited Development be assessed for risk and that the lists be reduced so that discretionary uses, that are either considered as able to or have potential to occur within the zone, be moved to the impact track.

- That facilitation and administration of the consultation processes for the EIS and subsequent DA be aligned as one.

Yours faithfully

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