Dear Alison,

You have requested our responses to 4 specific questions in relation to reducing ‘planning red tape’ for the delivery of housing. Whilst we will have supplied some short ‘dot point’ responses to these questions, PIA would caution against the government considering that planning reform in the area of housing delivery can be resolved via a series of ad hoc ‘quick fixes’ to specific elements of the planning system.

PIA and many others contributed significantly to the planning system reform process over the 2 + years leading to the Planning Bill’s passage through Parliament. Fundamental to PIA’s various submissions was that a piecemeal approach to planning reform will fail. The major failings of the current system are in large part a result of a constant tinkering with individual parts of the system over the 30 years since the introduction of the current Act.

PIA advocated a new Act as something of a ‘circuit breaker’ to this former approach, in order that a systematic and systemic approach to reform occurs, not more ‘band aids’.

Consequently, PIA believes that the only way to achieve sustainable improvements to housing delivery and both industry and community confidence in the system that delivers it, is through systemic reforms, not quick fixes to individual elements.

As PIA has stated throughout, the key to sustainable improvements to all aspects of the planning system including housing delivery, is with evidenced based, integrated strategic planning informed by an engaged community. The ‘problem’ for government and local government is that this is not quick nor easy, and the temptation is therefore to find quicker and easier alternatives.

Therefore, whilst PIA is always pleased to explore incremental improvements to the current system, some of which are described in our ‘short answers’ below, we believe that any such improvements must be undertaken within an overarching framework of systemic reform consistent with the principles set out in our various submissions to the planning reform process.

For completeness, we have attached all of our submissions and draw particular attention to our most recent submission to the Minister for Planning dated 9 July 2014, which identified a number of opportunities to implement planning reform regardless of whether a new Act is introduced.

Included in our answers are some direct quotes from a Life Fellow and former NSW President of the Institute, Tony McNamara in response to some of the questions. We have included them because...
we believe they are both apposite and representative of the views and frustrations of many PIA members.

What is and what isn’t working well in planning?

Working well

- JRPP’s professional, facilitative and depoliticised development and PP determinations
- Progressively improving ePlanning capability – LEP mapping information – still a ‘work-in-progress’
- Standardised definitions and clauses in Standard LEPs - still a ‘work-in-progress’
- Complying development in release areas

Not working well

- Poorly resolved strategic planning framework – metro, regional and subregional strategies
- Poor integration of planning and infrastructure delivery (funding and governance)
- Low confidence in planning system from industry and community
- Overly complex planning controls contained in an array of overlapping SEPPs, LEP, DCPs etc
- Overly legalistic, adversarial system of development assessment
- Fear of challenge to development decisions – must cover every conceivable element of potential development impact equally, regardless of risk profile
- Complying development in infill areas

“When the Institute reviewed the planning system recently to assist the planning review process, the principles of the EP&A Act were found to be sound but a lot of things had occurred over the years to make the system almost non-functional:

- The constant layering of additional controls via SEPPs and their overriding influence on other planning controls made the regulatory system almost incomprehensible
- The powers created by various governments to override local controls such as Part 3A had damaged any confidence in planning processes
- The concept of community consultation as a part of impact assessment has become confused with the notion of participative democracy to the extent that it is difficult to make any decisions other than popular decisions
- In Metro areas, governments have force fed development to facilitate housing numbers and economic development without ensuring commensurate infrastructure provision. Even worse, infrastructure decisions such as Metro rail, North west rail, Parramatta Rd East extension were all promoted/abandoned/restarted (in some cases) as though they were simply “projects” not connected to their service function.
- The “six cities” project undertaken by DEP to upscale the CBDs of Wollongong, Parramatta, Liverpool etc were shown to be unconnected to economic capacity and infrastructure, but did have the outcome of inflating land prices beyond reality.” (Tony McNamara)

How can assessment timeframes be accelerated?

- See above comments on well formulated strategic plans. This allows many aspects of assessment to be resolved ‘up front’ rather than the onus being on each applicant to address unresolved strategic issues on an individual DA basis (which adds time and cost to applications).
- With detailed place based strategic planning comes the capacity to introduce alternative approvals tracks to DA’s, including complying development, non-discretionary development standards etc
- Rationalisation of development controls – SEPPs, LEPs and DCPs
- Further standardisation of LEPs, DCPs and conditions of consent
- Further improvements in ePlanning – electronic information on property information, planning controls and electronic lodgement and tracking
• Reducing DA documentation and assessment requirements
• Development assessment based on risk profiling and commensurate level of documentation and assessment
  - “Forget about cutting red tape, that will only create more distrust and inevitably it will be seen as a win for the development industry against the community’s best interests.
  - Do some real planning, especially for the metro areas where the fear is unrestrained/unmanaged/unsupported growth leading to chaos, gridlock etc etc.
  - Take all the government’s recent infrastructure promises and build them into real projects with budgets, timing, and their connection to city needs.
  - Talk about the governance model that will accompany LG consolidation next year, ie 42 metro Councils going into 18 (?) big councils that will:
    ▪ Each have a sub-regional plan managed by a sub-regional board comprising state and local planners, treasury, transport, and infrastructure bods with appropriate autonomy
    ▪ A sub regional budget based on a composite of land rates and state revenue to support schools, transport infrastructure, health infrastructure, police, public recreation, community infrastructure
    ▪ Prescribe the limits of authority state/sub regional authority to allow the sub regions to develop local character.
    ▪ Develop sustainability targets for sub regions in terms of economic development, social sustainability, ecological indicators.
    ▪ Reestablish the relationship between planning and infrastructure such that development and infrastructure needs are properly understood and plans for their enhancement are integrated.” (Tony McNamara)

What is the key to unlocking housing delivery in infill and greenfield areas?
• As above
• Economic conditions play a significant part in housing delivery. For the last 6 months, anecdotally, we would suggest that there has been no problem with housing approvals. Whilst there may have been incremental changes to planning controls (e.g. land release acceleration protocol on the fringes and UAP’s in infill areas, there has not been the kind of systemic planning reform described above. We suggest that the major cause of the improved approvals rate will have been improved housing market conditions and availability of finance (local and overseas). Thus, improvements to housing delivery rates may occur despite of rather than because of planning reform improvements if economic conditions are positive. This should not be seen as a diminishing the need for reform of the planning system, since it is important to ensure that when economic conditions inevitably ‘turn south’ the planning system acts as a facilitator and not a further drag on housing supply.

How can we secure community support for housing growth in Sydney?
• See above comments on the need for systemic change and improvement to the planning system. This is the only way to attempt to gain community support for planning. The hitherto approach of attempting to address perceived ‘blockages’ through ‘quick fixes’, is often perceived as ‘taking power away from the local community’ (e.g. Part 3A) and breeds contempt and distrust in the system.
• Far better communication of the benefits ‘proper planning’ brings. If the community is made aware that the price that is inevitably paid for lack of planning for housing and jobs growth is less available and affordable housing, worsening congestion, poorer environmental outcomes and higher cost of living for their children and future generations, they might be more willing to accept higher densities in established areas. At present they appear to see greater housing densities in their suburbs as only adding to congestion and quite understandably oppose it.
• The benefits of accommodating unavoidable population growth must be explained, but those benefits must also be delivered – in the form of improved public transport to avoid congestion
and other public facilities and services for the existing and future communities. This involves significant commitments to public infrastructure funding.

“The planning reform process was actually pretty good, but it failed to properly engage with a community who are cynical of “planning reforms”. It will take time to reengage with the broader community, and I would suggest the promise of cutting red tape will not assist the process. There is a need to rethink what planning needs are for the future, set out a program with logical steps that does engage with all the affected people and show some commitment to gain confidence. With the State election coming next year, this is the ideal time to get this process underway. The promise of big infrastructure spending is probably a genuine proposal by the Government, but promises like that have been made and broken before. The promised infrastructure is exactly what is needed to underpin the planning framework for the Metro area, so in my view, the best thing the Secretary could do right now, is start producing some planning strategies that integrate with the transport strategies and demonstrate how this will all work in with the local government reform process.” (Tony McNamara)

We thank you for the opportunity to be involved in the upcoming Round Table and look forward to continuing the dialogue on planning reform in NSW.

Yours

David Ryan
PIA NSW President

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