

11 September 2012

New Planning System Team,
Department of Planning and Infrastructure
PO Box 39
SYDNEY 2001

Submitted Electronically

NSW Business Chamber
incorporates

- Sydney Business Chamber
- Australian Business Limited Apprenticeships
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Dear Sir/Madam,

The NSW Business Chamber (NSWBC) and Sydney Business Chamber (SBC) welcome the opportunity to comment on the NSW Government's *A New Planning System for NSW Green Paper*. These comments follow our previous submissions to the review of the Planning system as well as our comments in respect of the review of the Government's Metropolitan Strategy.

As both of our Chambers' have consistently advocated, NSW desperately needs a planning system that is predicated on supporting growth and development. The Act, as the central piece of this system, needs to be a facilitating document promoting the principles of economic growth, sustainable development and liveability. Accordingly, strategic planning needs to become a central plank of the revised Act.

It is very pleasing to see that the Green Paper acknowledges the need for a more strategic based approach to land use planning. Focussing consultation at the "front end" of land use planning will allow for better consideration of the relative economic, social and environmental constraints and benefits of development in an area. It will also provide a better platform for considering the infrastructure needs of communities as they grow. As noted by the Productivity Commission, there is a need to reduce the preoccupation of the current planning system on the assessment stage of development towards a more strategic based framework. The framework put forward in the Green paper will help to achieve this.

Community Participation

As identified in the Green Paper, by necessity, community participation will be at the centre of the new planning system. There is a need however, as the Paper recognises, for a fundamental shift in the way in which the public participates in debates about land use. Improving the engagement of the community, stakeholders and industry groups will be vital in ensuring that planning decisions are connected to the aims and aspirations of the community in the widest sense.

It's pleasing that the Green Paper proposes the development of a *Public Participation Charter* to ensure that this participation does happen. Furthermore, the proposal to embed requirements for public, industry and stakeholder participation in the legislation is strongly supported.

While the Chambers' strongly support increased opportunities for the public to participate in the planning process, we do hold reservations about such processes being unfairly manipulated by activists and single interest groups.

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The current planning systems fixation with the assessment stage has helped give rise to many minority interest groups establishing themselves to attack projects blindly without a willingness to engage on the substantive issues surrounding development proposals. Best practice would suggest that a broad section of the community should be engaged in the process. Furthermore, they should be provided with the detail and information required to make a positive and informed contribution to the debate.

The Chambers' note the experience of the New Democracy Foundation in working with Canada Bay Council in developing a "citizen's panel" to review that council's budget for a four year period. Learning's from this process, such as utilising a randomly selected group (as opposed to a self-selected group) and providing the group with a clear level of authority should be considered in terms of ways in which public consultation may be undertaken in the new planning system.

Public participation also needs to be supported by a consistent communication strategy. This will need to happen through various media types (online / public consultations / local newspapers) and be appropriately tailored to ensure that it promotes participation by the largest audience possible. Best practice should be identified within the *Public Participation Charter* and pro forma communications developed to ensure that all relevant information is provided consistently when consultation is being undertaken by local government.

The Chambers' note the proposal to better utilise e-planning as a mechanism to both increase the participation of community groups in the planning process as well as to create a more efficient planning system. This approach is supported. We do however note the critical need to manage online engagement to ensure that it is the *quality* of contributions being evaluated rather than the *quantity*. While technology provides a democratizing opportunity for the community to be more fully engaged in the decisions of government, evaluation methodologies do need to be applied to ensure that this engagement is not overrun by single interest groups.

As noted in our previous submissions, the Chambers' strongly support any change to current practice that leads to an improvement in the accessibility of land use information. Information provided online should be free of charge and able to be legally relied upon. The Chambers' note the work of the Victorian Government in its attempts to develop better information online via its government Resource Centre¹.

While the Chambers' support, wherever possible, the provision of more information online, this information needs to be presented in a standardised way to be useful to businesses and the community. A single, standardised development application process would be strongly welcomed by members as well as a standardised reporting by councils of their development fees and charges so that prospective areas for development can quickly and easily assessed against one another.

The Chambers' support the approach of the Government in developing a 'Google style viewer' and providing users access to zoning and other key land use data sets online. We note that the work of the Department will act as a cornerstone in the delivery of the Government's *ICT Strategy 2012* and believe it can help be the catalyst for not only a more open and transparent planning system, but more broadly a more open and transparent system of Government.

Strategic Planning

As noted earlier in this submission, the Chambers' strongly support the introduction of a more strategic based planning approach to land use. The cascading of NSW Planning Policies, to Metropolitan / Regional Growth Plans, Sub-regional Delivery Plans to finally Local Land Use Plans is appropriate and simplifies greatly the current system. Effective planning at the regional and sub-regional scale has been sorely lacking in the current system and introducing these measures will help to address this shortcoming of the system.

¹ See www.egov.vic.gov.au

As noted in our previous submissions, steps to rationalise State Environmental Planning Policies should be undertaken as soon as possible. The current system of more than 100 SEPP's has outgrown its usefulness. The proposal to reduce these into 10-12 NSW Planning Policies should be adopted to make it easier for the community, practitioners and industry to more clearly understand state level planning priorities.

The proposal to provide greater flexibility within Local Land Use Plans will greatly assist in terms of ensuring that the priorities identified within the Metropolitan Strategy and Regional Growth Plans can be delivered at the local level. The introduction of the new enterprise, future urban release and suburban character zones will help to give both greater flexibility and greater predictability in terms of growth plans for an area. The White Paper will however need to provide more detail in terms of the processes and threshold tests to be applied in circumstances where a planning authority might determine an area of "suburban character" as such a classification will significantly restrict development options in that area and may land lock appropriate growth options.

Further to the points made above, while the Chambers' note that the Government will look to identify and reserve corridors for infrastructure development via strategic regional planning processes and actively work to ensure that inappropriate neighboring development does not encroach on these corridors, there is no clear statement in the Green Paper to do the same in terms of residential encroachment on industrial land. While the Chambers' appreciate that the protection of such land may occur organically as a result of a more robust strategic planning framework, it's important to express clearly that this is in fact intended under the new Act.

Streamlined Approval

The Chambers' welcome the initiatives identified within the Green Paper to de-politicise decision making within the planning system. The Chambers' strongly support the introduction of independent panels and experts to ensure that decisions are made on clear and transparent planning principles.

While the Chambers' believe that the assessment of projects should be left to planning experts, at the local level, councillors should still have a role in leading the community in the development of broad planning policies and principles for a local area. The development of Local Land Use Plans will however need to be over-sighted by the Department to ensure that they are consistent with sub-regional, metropolitan and NSW plans and policies.

A common frustration with the current planning system has been that development that is consistent with priorities under a strategic plan has often been subjected to the same level of scrutiny and assessment as development that is inconsistent with a strategic plan. The proposals to develop a Strategic Compatibility Certificate, supporting development consistent with Sub-regional Delivery Plans and increasing the amount of code assessable development are as such very much welcome.

The proposed steps to subject only those components of a development proposal that are outside the precinct envelope to merit assessment is welcomed and will help to narrow the issues in development assessment.

Provision of Infrastructure

While in recent years a number of attempts have been made to improve the infrastructure contributions system in NSW, these have not addressed the fundamental flaws in the current system. The Chambers' welcome the proposals put forward in the Green Paper to bring about a system that is simpler, fairer and more affordable.

The Chambers' note the proposed principles for the new contributions scheme that include the need for levies to be based on efficient cost recovery, beneficiary pays and contestability. The NSWBC has recently published a paper by Professor Gary Sturgess titled *Diversity and Contestability in the Public Service*

Economy which examined the opportunities for efficiency gains through the introduction of the principle of contestability in the delivery of public services. Accordingly we are pleased to see this principle forming part of the proposed new planning system.

As was raised in our initial submissions to the review, the timing of contributions payments can significantly impact on the success and viability of individual projects. Requiring payment of contributions at the front end of development forces holding costs onto development proponents and can often lead to project failure. It is pleasing to see that this issue has been recognised in the Green Paper and that attempts will be made to allow for payment of levies as late as practicable in the development process.

Delivery Culture

The most pleasing aspect of the Green Paper has been its identification that there needs to be a culture of delivery permeating throughout the entire planning system. As the Metropolitan Strategy has identified, by 2031 Sydney will grow by 1.3 million people. Even with the best laid plans to accommodate this growth, without a commitment to the delivery of new housing, jobs and infrastructure to support that growth, these plans will be essentially meaningless.

While the Chambers' support the continuation of the Chief Executives Group operating within Government, we would suggest that the actions of this group become more visible. Communicating the achievements of collaboration across Government will help in strengthening the system and should occur regularly.

As the Chambers' have consistently argued, there is a definite need for monitoring and reporting to be better utilized to ensure that growth targets are being met at all levels within the planning system (in particular locally). We note the commitment to mandate performance monitoring but would expect that further detail on the form in which this monitoring will take place will be made apparent in the White Paper.

We note the proposal to implement an organizational cultural change program led by the Department of Planning and Infrastructure in partnership with the Planning Institute of Australia and local councils. While these steps are welcomed, cultural change of the planning system will need to also happen from outside the planning fraternity. The Chambers' would be happy to work with the Department in developing a planning education resource to assist NSW businesses in better engaging with the planning system. The Chambers' note that they have previously worked with the Department in developing a business user guide titled "*Making the Planning System Work for you*".

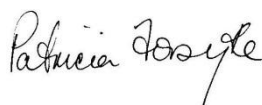
While that document is now very much out of date, the initiative in providing an easy to understand, straightforward guide to the planning system greatly assisted many businesses in navigating the development process and making more informed business decisions. We would be pleased to meet with the Department to discuss this initiative further.

Please feel free to contact Mr Luke Aitken, Policy Advisor, New South Wales Business Chamber on 9458 7582 if you wish to discuss any matters raised in this submission further.

Yours sincerely



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The Hon Patricia Forsythe
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