

4 April 2013

Major Project Development Assessment Processes
Productivity Commission
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To Whom it May Concern

Major Project Development Assessment Processes

UrbanGrowth NSW welcomes the opportunity to comment on the Productivity Commission Issues Paper in relation to Major Project Development Assessment Processes. UrbanGrowth NSW is a trading name of Landcom.

UrbanGrowth NSW has been established to identify and address blockages to housing supply in NSW. As such the organisation is focused primarily on major housing projects and the associated development assessment processes. The organisation will drive investment in NSW and help underpin the future prosperity of urban and regional centres. As a 'development champion', UrbanGrowth NSW will focus on urban renewal projects that will provide greater housing choice and affordability. It will unlock private land holdings and access surplus Government land to create development opportunities for the private sector as well as assist in the delivery of important infrastructure.

With this general context, UrbanGrowth NSW makes the following general comments in relation to the Issues Paper:

International jurisdictions

UrbanGrowth NSW encourages the Productivity Commission to further examine work undertaken within Canada. In addition to the national approach of the Canadian Government as outlined by the Commission in the Issues Paper, local jurisdictions including Vancouver and Toronto have been successful in overcoming obstacles to development and increasing density.

The zoning instruments used by the British Government are also worth examining in the context of major project development processes. The National Planning Framework came into force in March 2012 in the United Kingdom. Previously, a complex system of Planning Policy Guidance Notes, Planning Policy Statements, Circulars and other guidance applied at the national level. The body of the new National Planning Framework is 47 pages of succinct policy guidance. This replaces over four thousand pages of previous planning policies.

Barriers to development and potential solutions

UrbanGrowth NSW has been established to address the barriers to private sector investment in development projects in NSW and implement solutions in partnership with other government agencies including the NSW Department of Planning and Infrastructure.

The NSW Government has recognised that the complexity of the current Environmental Planning and Assessment Act 1979 has contributed to delays in the assessment and consent processes for major projects. The NSW Department of Planning and Infrastructure is currently undertaking a review of the planning system that will culminate in the introduction of new legislation with the aim of reducing complexities and increasing certainty in the development assessment process.

The requirement for multiple concurrences in the awarding of development consent has been identified as a significant contributor to increasing the time to assess a development application for a major project. The Green Paper "A New Planning System for NSW" proposes the removal of multiple concurrences through the use of strategic planning. Another potential option to reduce delays associated with multiple concurrences is the development of a "one stop shop" model. A one-stop-shop proposal would involve the centralisation of State government input/comment on development proposals in a single unit. This would then allow a single, consolidated reply from the State on development-related matters, avoiding the "state government run-around" experienced by developers and the opaque decision making processes perceived by the community

In addition to multiple concurrences within the state government process, overlapping regulatory objectives across jurisdictions, particularly in relation to environmental legislation has been identified as a factor in delays in development assessment and approvals. Requirements under the Federal Environment Protection and Biodiversity Conservation Act 1999 are similar to requirements under State Environmental legislation. The duplication of compliance results in unnecessary delays without any practical implications. The streamlining of environmental compliance requirements across jurisdictions is necessary to reduce delays whilst maintaining appropriate environmental protection's. Projects may also be delayed by required approvals from infrastructure related agencies.

Additional issues

It should be noted that delays in the development of major projects are not solely the responsibility of planning assessment processes. Major projects can be delayed as a result of issues relating to difficulty in obtaining development finance, failure by proponents to provide requested information to consent authorities and delays in the provision of necessary infrastructure. The role of the Australian Government in the provision of large scale enabling infrastructure could be examined as a solution to reducing delays to major projects.

Role of Local Government

Under Section 4.1 of the Environmental Planning and Assessment Act, the Minister for Planning is the consent authority for developments that are classified as state significant. Developments with a value of more than \$10 million that are not considered state significant are determined by Joint Regional Planning Panels. In NSW Local Government has a limited role in the determination of development applications for major projects.

However, the NSW Government has recognised the important role that local councils play in serving local communities and engages councils and communities in the early stages of planning. UrbanGrowth NSW has worked closely with local councils in relation to the planning and implementation of development contribution plans and local infrastructure needs. Any overhaul of major development processes needs to strike the right balance between community involvement in the process and the economic imperatives which drive major proposals.

If you require any additional information in relation to the work of UrbanGrowth NSW in this important area please contact Ms Alison McLaren, Policy Manager, Urban Strategy on (02) 9841 8795 or amclaren@urbangrowth.nsw.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S O Toole'.

Sean O'Toole
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