



Australian Institute of Architects

16 July 2010

Ms Louise Sylvan
Commissioner
Performance Benchmarking of Australian Business Regulation:
Planning, Zoning and Development Assessments
GPO Box 1428
Canberra City ACT 2601

Dear Ms Sylvan

Performance Benchmarking of Australian Business Regulation: Planning, Zoning and Development Assessments

The Australian Institute of Architects (the Institute) welcomes the opportunity to make a submission to the Productivity Commission's inquiry into the performance benchmarking of Australian Business Regulation: Planning, Zoning and Development Assessments.

The Australian Institute of Architects (the Institute) is an independent, national, member organisation with almost 10,000 members across Australia and overseas. The Institute exists to advance the interests of members, their professional standards and contemporary practice and expand and advocate the value of architects and architecture to the sustainable growth of our community, economy and culture. The Institute actively works to maintain and improve the quality of our built environment by promoting better, responsible and environmental design.

As you are aware, the Institute responded earlier this year to the Productivity Commission's Annual Review of Regulatory Burdens on Business – Business and Consumer Services and for the purposes of this submission, I draw on our earlier comments to the Commission.

Australia's Planning System

Australian's want and need cities and communities that are sustainable and liveable. An effective and efficient planning approval system is crucial in avoiding wasted time and costs.

While there are examples of planning processes that work reasonably well, the Institute is concerned that overall, Australia's planning system is not working efficiently, resulting in lengthy delays and additional compliance costs, adding to the cost of development eventually approved.

The problems of an inefficient process are exacerbated by a lack of consistency between states and territories, but also by inconsistency between local government area planning schemes, even when purportedly made under the same state or territory authority.

The trend towards local government use of planning rules to regulate what are essentially building regulation matters, no matter how well intentioned, in itself points to a failure of the system.

Development Assessment Forum's Leading Practice Model

Ten years ago, the Development Assessment Forum (DAF) consisting of representatives from the three levels of government, the development industry and related professional associations, including the Institute, began meetings to collectively consider what needed to be done. In 2005 DAF produced the Leading Practice Model for Development Assessment in Australia (DAF model) designed to promote efficient, effective and nationally harmonised development assessment systems across Australia.

The Institute believes that the Leading Practice Model for Development Assessment in Australia, needs to be adopted by the Local Government and Planning Minister's Council and in turn implemented by State/Territory and Local Governments.

The Institute acknowledges that part of the elements of the DAF model have been implemented in some States and Territories but the imperatives of issues such as housing affordability and sustainability mean that minimising unnecessary costs of planning assessment is critical.

The Institute suggests that for planning regulation, a similar arrangement to the building code should be implemented through an intergovernmental agreement. To facilitate an expedited resolution of this issue, the Institute suggests that the Commonwealth Government needs to take leadership in this area and utilise such models as national Competition policy to provide the necessary incentives for change.

The Institute acknowledges that steps in this direction have been made by the Australian Government through existing funding grants to state and territory governments. Examples such as the Commonwealth's allocation for harmonisation and reduction of red tape (through the electronic development application system) have a part to play in planning system reform.

In July 2009, the Council of Australian Governments (COAG) also committed to various measures in development assessment reform, however the Institute believes the Australian Government needs to take a leadership role and do more to improve our planning and development assessment systems.

National Planning Guidelines

The Institute would like to see national guidelines for planning approvals.

Architects often have to navigate specific planning requirements for different areas of Australia. With over 500 local councils across Australia, the amount of additional compliance cost just to navigate differences in geographic areas is concerning. These variations reduce efficiency and can act as a barrier to architects practising across jurisdictions.

The Institute believes these components are needed for an improved and more efficient development approvals process;

- A sound planning policy framework based on national guidelines
- Clear criteria for submission and assessment of applications (with an appeals process), which includes assessment "tracks" that correspond to the level of assessment appropriate for a decision on the type of project.

The Institute believes that with these elements in place, the result will be certainty and accuracy in decision making, with planning outcomes more in tune with community expectations.

Efficient and Effective Functioning of Australian Cities


The Institute believes we need to ensure our capital cities are favourably positioned to lead the world in design excellence and sustainability.

The Institute welcomes the COAG announcement in December 2009 that States and Territories' capital city strategic plans will need to meet national criteria by 2012, with Commonwealth infrastructure funding linked to the jurisdictions meeting these criteria.

In recognition of the importance that cities play in Australia's productivity, sustainability and liveability, the Built Environment Meets Parliament (BEMP) partners commissioned KPMG to audit current capital city strategic plans against COAG's criteria. The report '*Spotlight on Australia's Capital Cities*' recognised the need to modernise and streamline our planning systems if we are to deliver better economic, social and environmental outcomes for our cities. I enclose a copy of that report with this submission.

I look forward to the Commission's draft report on these issues and would be happy to discuss any of the points raised in this submission should you require more information or seek clarification.

Yours sincerely,



David Parken, LFRAIA
Chief Executive Officer