



2012

PARLIAMENT OF TASMANIA

**REPORT OF THE
AUDITOR-GENERAL
No. 8 of 2011–12**

**The assessment of land-use planning
applications**

March 2012

Presented to both Houses of Parliament in accordance with the provisions of Audit Act 2008

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This report is printed on recycled paper.

ISBN 978-0-9756781-5-2



27 March 2012

President
Legislative Council
HOBART

Speaker
House of Assembly
HOBART

Dear Madam President

Dear Mr Speaker

REPORT OF THE AUDITOR-GENERAL

No. 8 of 2011–12

The assessment of land-use planning applications

This report has been prepared consequent to examinations conducted under section 23 of the *Audit Act 2008*. The objective of the audit was to assess the performance of Tasmania's land-use planning application system at the whole-of-state and local levels.

Yours sincerely

H M Blake

AUDITOR-GENERAL

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Foreword

In addition to our objective of assessing the performance of Tasmania's land-use planning application system, this audit also set out to provide a benchmark that could assist the reform process that has been underway since 2008.

Some commentators have called for reform to planning systems in Tasmania citing, for example, a multitude of planning schemes and ages of some schemes. This was not a focus for us. Instead, we audited against requirements in the *Land Use Planning and Approvals Act 1993* assessing the performance of the Tasmanian Planning Commission and selected local government councils.

Overall, I concluded that the performance of the state entities audited was reasonable. However, this audit identified a number of improvements that should be taken into consideration as the reforms currently under way progress and are finalised. These include the need for the development of planning principles, greater automation of information systems, resource sharing between local government councils and better information in annual reports and on websites to the general public and investors.

While not a focus for, or finding from, this audit, I was heartened by observations made at the final meeting of the Auditor-General's Advisory Committee established for this audit. Those observations noted that our audit had highlighted the need to consider:

- introduction of concurrent development application assessment processes
- regional planning arrangements including the provision of information to potential investors and others on a regional basis
- greater partnering.

Further consideration of these aspects, along with the recommendations from this audit, is encouraged.

H M Blake
Auditor-General
27 March 2012

List of acronyms and abbreviations

BODC	Break O’Day Council
CCC	Central Coast Council
DA	Development application
DVC	Derwent Valley Council
LCC	Launceston City Council
LUPAA	<i>Land Use Planning and Approvals Act 1993</i>
MVC	Meander Valley Council
SC	Sorell Council
TPC	Tasmanian Planning Commission

Executive summary

Executive summary

Background

In 1994, the then Government established the Resource Management and Planning System supported by a number of key pieces of legislation. Essentially, the aim was to balance management of resource potential to meet the needs of future generations on the one side, while addressing adverse effects of activity on the environment.

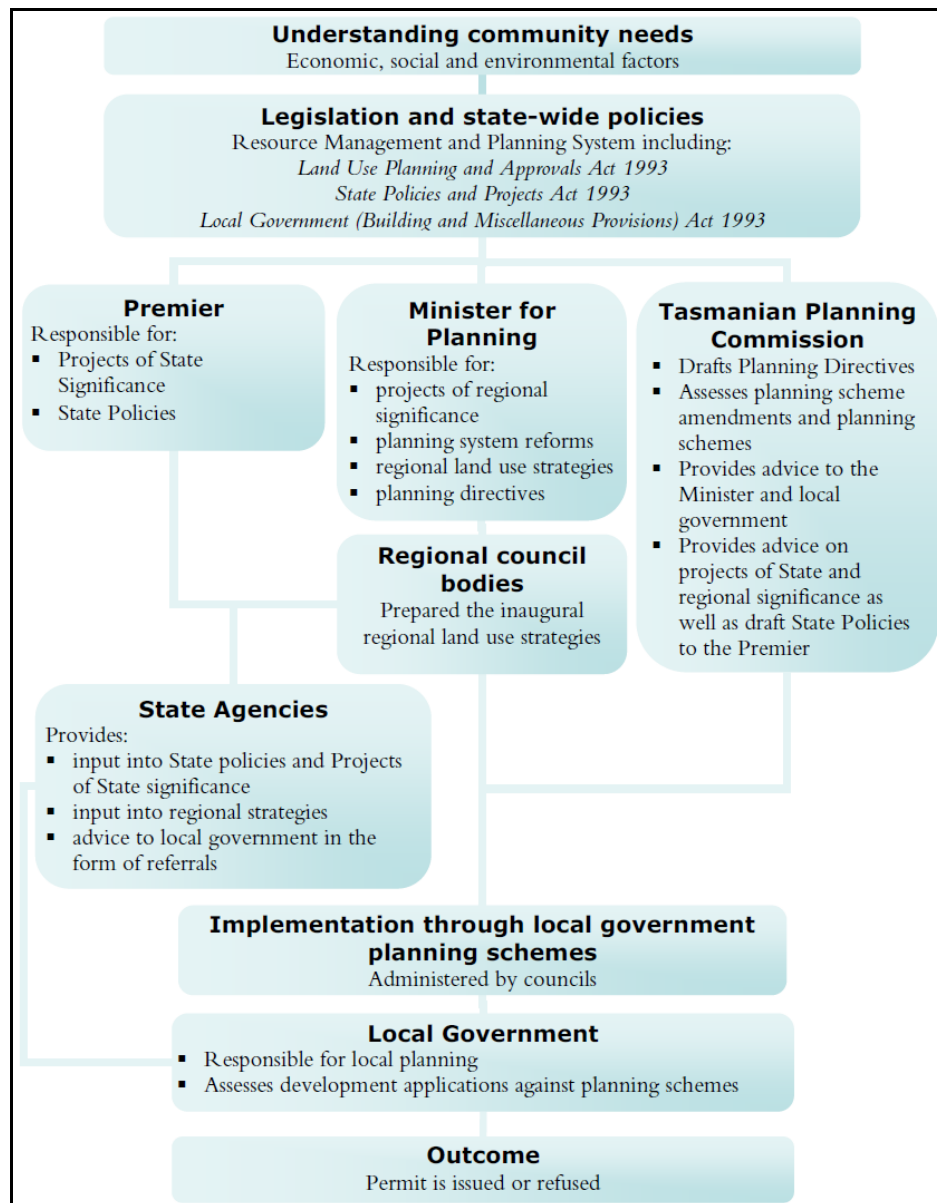
We undertook a performance audit to examine aspects of the land-use planning application system in Tasmania. In so doing, our aim was to provide a benchmark that could assist the reform process that has been underway since 2008.

All local government councils are planning authorities. Legislation enables councils to develop planning schemes that the Tasmanian Planning Commission (TPC) approves. Those planning schemes cover matters such as zoning and permitted uses. In essence, schemes provide rules that applicants should follow and that councils would use in assessing development applications (known as DAs). In some instances, a planning scheme needs to be amended before a council can consider a development application and when that occurs, councils seek approval from TPC.

Generally, a planning permit needs to be issued by a council before an applicant can proceed with any development. Councils assess DAs against the planning scheme. Legislation sets out timeframes to process DAs and provides for appeal processes.

Figure 1 provides a general outline of the state's planning system with emphasis on DAs that are assessed by councils. We have omitted appeals processes as these were outside the scope of the audit. It should be noted the legislation and planning schemes specify when community involvement can occur.

Figure 1: Overview of the planning system and its link to Development Applications



The objective of the audit was to assess the performance of Tasmania's land-use planning application system at the whole-of-state and local levels. We conducted sample testing at the following entities:

- Central Coast Council (CCC)
- Break O'Day Council (BODC)
- Derwent Valley Council (DVC)
- Launceston City Council (LCC)
- Meander Valley Council (MVC)
- Sorell Council (SC)
- Tasmanian Planning Commission (TPC).

The time scope of the audit dealt with:

- DAs received in 2010–11
- planning scheme amendments proposed by councils that were approved in 2010–11
- timeliness and output indicators between 2005 and 2011
- strategic planning documents from 2002–2011.

Detailed audit conclusions

The following audit conclusions are based on sample testing that we conducted at the councils in scope and at TPC.

Did planning officers have adequate training and experience?

All planning officers had adequate training and experience. Due to staff turnover, some planning authorities had more experienced planning officers than others. However, we found that planning authorities were proactive in expanding employees' knowledge through training.

Did planning officers have appropriate access to expertise?

All planning authorities had appropriate access to expertise, whether in-house or from external stakeholders.

Were DA assessment resources and systems adequate?

We considered two aspects of this audit criterion, as noted in the following sub-sections.

Staffing

Staffing resources were adequate but there may be opportunities to share resources in times of high activity.

Assessment systems

There was scope for improvement at the councils in matters such as:

- reducing duplication of effort
- formalising internal assessment processes
- moving towards electronic records management
- using an electronic DA assessment system with in-built system controls
- setting time limits for completion of referred work.

Had legislation and strategic plans been complied with?

We examined two aspects in terms of legislative and strategic compliance, namely:

- timeline requirements (as per *Land Use Planning and Approvals Act 1993*)
- entities' own strategic plans.

Our conclusions are provided in the following sub-sections.

Legislative compliance

At councils, 15 per cent of DAs tested had exceeded the 42-day statutory limit. Also, there were inconsistencies with the way that councils had counted the elapsed days.

At TPC we found one example where a planning scheme amendment had exceeded the 90-day limit by two days.

Strategic plans

While we noted some minor exceptions (at BODC, LCC and TPC), most entities had set and complied with a strategic plan framework.

Were planning schemes clear and current?

With respect to planning schemes, there was considerable variation between the number of zones and the number of use classifications. The year of establishment also varied widely and although all schemes had been recently amended, this was not to say that these amendments had provided comprehensive updating. For the planning schemes that we audited, there was no standard form of presentation or layout. Those differences between planning schemes created inefficiencies, particularly for individuals or businesses (such as supermarket chains, telecommunications providers and construction companies) with state-wide operations.

Was sufficient information provided to the public?

We found that all entities in scope needed to provide more information to the public and made recommendations to that effect across the board.

Is performance adequately reported on?

At a majority of councils, performance reporting about timeliness of processing DAs and the number of DAs handled was not routinely provided.

List of recommendations

The following Table reproduces the recommendations contained in the body of this Report.

Rec	Section	We recommend that ...
1	1.4.2	<p>... TPC:</p> <ul style="list-style-type: none"> ▪ develops a list of key planning principles to share knowledge with new delegates and assist in assessing planning scheme amendments ▪ implements an information system in which Section 43A applications and planning scheme amendments can be assessed and completed electronically ▪ develops a feedback mechanism to inform future decisions made by delegates about planning scheme amendments.
2	1.7	... TPC provides the public with information on the aim and intent of planning system reforms.
3	2.5.1	... all planning authorities improve the accuracy of performance measures by measuring the assessment time when the application fee has been received.
4	2.8.2	<p>... TPC develops guidelines for qualitative measurements to be applied to planning authorities.</p> <p>We further recommend that these qualitative measurements are used as an analysis tool to drive continual improvement.</p>
5	3.4	<p>... BODC:</p> <ul style="list-style-type: none"> ▪ implements an electronic information system in which planning applications can be assessed and reporting automatically ▪ enters into agreements with external entities to ensure the timely return of referred applications.
6	3.5.1	... BODC completes application assessments within the statutory time.
7	3.5.2	... BODC sets specific and measurable goals that are achievable within the timeframe set by its strategic plan.
8	3.6	<p>... BODC provides the following information on its website:</p> <ul style="list-style-type: none"> ▪ a list of recent discretionary application submissions ▪ a list of recent permit approvals ▪ information about the planning scheme review.

9	3.7	<p>... BODC reports the following information as part of its annual reporting cycle:</p> <ul style="list-style-type: none"> ▪ number of applications lodged ▪ timeliness of assessment ▪ performance against its annual plan.
10	4.5.1	... CCC places greater emphasis on completing DA assessments within the statutory time.
11	4.6	... CCC provides information about the planning scheme review on its website.
12	5.4	... DVC considers implementing an automated information system in which DAs can be assessed.
13	5.5.1	... DVC completes DA assessments within the statutory time.
14	5.5.2	... DVC sets specific and measurable goals that are achievable within the timeframe set by the strategic plan.
15	5.6	<p>... DVC provides the following information on its website:</p> <ul style="list-style-type: none"> ▪ zoning boundaries ▪ a list of recent discretionary DA submissions ▪ a list of recent permit approvals ▪ checklists ▪ information about the planning scheme review.
16	5.7	<p>... DVC reports the following information as part of its annual reporting cycle:</p> <ul style="list-style-type: none"> ▪ number of DAs lodged ▪ timeliness of assessment ▪ performance against its annual plan.
17	6.4	<p>... LCC:</p> <ul style="list-style-type: none"> ▪ builds controls into the DA assessment system ▪ develops a method of generating detailed management reports ▪ enters into an agreement with external entities to ensure the timely return of referred DAs.
18	6.5.1	... LCC places greater emphasis on completing DA assessments within the statutory time.

19	6.6	<p>... LCC provides the following information on its website:</p> <ul style="list-style-type: none"> ▪ an introductory guide to the planning process ▪ a list of all recent discretionary DAs ▪ a list of all recent permit approvals ▪ information about the planning scheme review.
20	6.7	<p>... as part of its annual reporting cycle, LCC reports the number of DAs lodged and the timeliness of their assessment.</p>
21	7.4	<p>... MVC places a higher reliance on the electronic information system in which DAs are assessed and transition away from paper-based planning files.</p>
22	7.6	<p>... MVC provides information regarding the zones detailed in its planning scheme on its website.</p>
23	8.4	<p>... SC:</p> <ul style="list-style-type: none"> ▪ builds controls into the DA assessment system ▪ develops a method of generating detailed management reports.
24	8.5.1	<p>... SC places greater emphasis on completing DA assessments within the statutory time.</p>
25	8.5.2	<p>... that SC sets specific and measurable goals that are achievable within the timeframe set by its strategic plan.</p> <p>We further recommend that all annual plans should be finalised prior to or at the start of the relevant period.</p>
26	8.6	<p>... SC provides the following information on its website:</p> <ul style="list-style-type: none"> ▪ zoning boundaries ▪ a list of all recent discretionary DAs ▪ a list of all recent permit approvals ▪ information about the planning scheme review.
27	8.7	<p>... SC reports the following information as part of its annual reporting cycle:</p> <ul style="list-style-type: none"> ▪ number of DAs lodged ▪ timeliness of assessment.

Audit Act 2008 section 30 — Submissions and comments received

Audit Act 2008 section 30 — Submissions and comments received

Introduction

In accordance with section 30(2) of the *Audit Act 2008*, a copy of this Report was provided to the state entities indicated in the Introduction to this Report. A summary of findings was also provided to the Treasurer, the Minister for Planning with a request for comment or submissions.

The comments and submissions provided are not subject to the audit nor the evidentiary standards required in reaching an audit conclusion. Responsibility for the accuracy, fairness and balance of those comments rests solely with those who provided a response or comment.

Submissions and comments received

Break O'Day Council

The content of the report is fine; we have no specific comments to make.

We welcome the external review and look forward to implementing the recommendations in the report.

Des Jennings

General Manager

Central Coast Council

Thank you for this opportunity to provide comments on the draft performance audit report on the assessment of land-use planning applications in Tasmania.

The Central Coast Council agreed to participate in the audit as it presented an excellent opportunity to assess and improve its land use planning services.

I have had an opportunity to review the report and believe that it provides a fair and reasonable reflection of the Council's performance in the assessment of land-use planning applications in 2010/11. Additionally, the report makes a series of recommendations which I believe will assist Councils and the Tasmanian Planning Commission to make future improvements in their respective land use planning services.

However, I would like to raise a couple of points for your consideration:

I note that page 26 of the report has listed the Central Coast Council's staffing levels as 3 FTE planning officers, when it would be more accurately described as 2.50:

- Town Planner - 1.0
- Planning Officer - 1.0
- Land Use Planning Group Leader - 0.5 (This position is a management level position as per Table 3 of the report).

[Now amended in Table 3, see page 31]

Additionally, it should be noted that the Council initiated a new applications management software system during the period (January 2011) which resulted in an overall improvement in the Council's development application assessment process and in the management of applications. Indeed 7 out of the 10 applications which exceeded 42 days in the sample considered for the audit occurred before January 2011.

I would like to congratulate the Tasmanian Audit Office for the manner in which it has formulated and conducted this performance audit and look forward to the outcome of Parliament's consideration of the report.

Sandra Ayton

General Manager

Derwent Valley Council

Thank you for the draft performance audit: *The assessment of land-use planning applications*. I found the report to be a concise and easy to read document that I believe will be beneficial to future improvements in our performance.

Stephen Mackey

General Manager

Launceston City Council

I understand that Council was represented by our Director Development Services at a teleconference last month where the draft report was discussed.

During the teleconference, it was agreed that the issues highlighted in the draft report were accurate and appropriate, and that a number of initiatives have been put in place to address those issues. These initiatives include:

- Establishing on-line processes that help officers, applicants and members of the public to monitor progress on the development application assessment process
- Establishing a Development Reference Group to work with Council in developing acceptable standards of information that should be submitted with development applications, so that delay in assessment is minimised
- Setting target dates for completion of assessment and determination of applications well within the statutory timeframes
- Preparing more comprehensive information that will be available on Council's website, including details of applications received, determined and being considered
- Working collaboratively with our neighbouring Councils in the region to develop a standard application form, standard development guidelines and conditions.

It must be noted that the delay in assessment of applications is due partially to Council:

- Requiring that for any application where a representation is received, mediation is offered prior to finalisation of assessment and determination of the application
- Delegations to Council officers to determine applications is limited compared to other regional centres. This will be addressed as part of the planning reform process culminating in the development of a new planning scheme.

Thank you for the opportunity to provide a formal response to the report.

Robert Dobrzynski
General Manager

Meander Valley Council

We have no issues with the report and do not want to make any further comment.

Greg Preece
General Manager

Sorell Council

Thank you for an extremely valuable assessment of our land use planning and planning applications performance. We will attend to the recommendations as specified.

I would like to point out that, in relation to Section 8.5.1 and Recommendation 24, we do place great emphasis on compliance with all our statutory requirements and timelines. In 2011 we produced a "Compliance Charter to Legislated Acts" which provides Sorell Council Governance the complete non-discretionary list of service level requirements.

We have also brought our information systems to a point of maturity to be able to better manage critical paths in processes such as these. This has been driven by our Community Strategic Plan 2008-13 KRA 4.1.2 "Maintain an integrated assessment process".

Bill Costin

General Manager

Tasmanian Planning Commission

Thank you for the opportunity to comment on the Performance Audit: *The Assessment of Land-Use Planning Applications* prepared by your Office and those sections of the audit relating to the Tasmanian Planning Commission.

In regard to applications, the report specifically addresses the Commission's statutory role in assessing planning scheme amendments and scheme amendments with development applications attached (Section 43A of the *Land Use Planning and Approvals Act 1993*).

The report notes that, on the sample examined, the Commission met its 90-day statutory assessment period with the exception of one application. This is reflective of the average processing time the Commission has generally achieved for such assessments in recent years but it should be noted that there are factors that can and do impact to extend this period.

Your report also identifies that, there is a generally long period of time involved prior to applications being formally submitted to the Commission. In this period, Councils prepare applications and complete statutory processes specified in the *Land Use Planning and Approvals Act 1993*.

When added to the Commission's 90-day statutory assessment period, the amendment process is excessively long and there may be opportunities to improve these processes to achieve an overall reduction in time without compromising participation by the community and the quality of planning decisions.

The report also outlines key findings in regard to the Commission, which are noted, and makes three specific recommendations for consideration by the Commission.

Recommendation 1 in relation to preparation of planning principles and providing a feedback mechanism on decisions taken by the Commission's delegates are in train as part of the

Commission's current Business Plan. However, the component of the recommendation referring to electronic processing of Section 43A applications forms part of a broader 'e-planning' issue for State and local government.

Recommendation 2 is also in train and noted. Recommendation 4 is noted and will require further examination.

Finally, I extend my appreciation to the audit team, Commission staff and Councils involved in the audit.

Greg Alomes

Executive Commissioner

Introduction

Introduction

Background

In the context of land-use planning, development is broadly defined as a change in land use or subdivision of land as well as erection, renovation or demolition of buildings and structures. Development applications (DAs) and their assessment can be controversial. In Tasmania, two recent examples at opposite ends of the scale are the red awnings on the former Savings Bank building in Hobart and the proposed Tamar Valley Pulp Mill. Since the impact of developments can range from the aesthetic through to economic and environmental, it is essential that an objective framework exists to assess development proposals.

In Tasmania, Government established a framework in 1994 called the Resource Management and Planning System. It contains a number of key pieces of legislation that aim to balance the management of resource potential to meet the needs of future generations against potential adverse effects of activity on the environment.

One of the cornerstones of the Resource Management and Planning System is the *Land Use Planning and Approvals Act 1993* (LUPAA). It establishes planning authorities and mandates their powers and responsibilities with regard to land-use planning. All local government councils are planning authorities. Councils produce planning schemes in accordance with the principles of the Resource Management and Planning System and the legislative requirements of LUPAA. Planning schemes have the status of subordinate legislation which set out the planning laws for assessment of DAs.

Contained within planning schemes are matters such as zoning and permitted uses. In essence, schemes provide rules that applicants should follow and that councils would use in assessing development applications. In other words, schemes indicate whether a specific use-type of development is permissible or not. For example, if a person lived in the Central Coast municipality and bought a piece of land that was zoned Residential he or she could use that land to build a dwelling. Furthermore, that person could also expect that an industrial development, such as a factory, would not be constructed on any adjacent Residential blocks as a result of the zoning.

Tasmanian Planning Commission

The Tasmanian Planning Commission (TPC) is the state's peak land-use planning body and operates under the *Tasmanian Planning Commission Act 1997*. TPC replaced the former Resource Planning and Development Commission and came into being on 1 September 2009. The specific statutory responsibilities of TPC include:

- approval of planning schemes and amendments to them submitted by local government
- provision of advice to the Minister for planning
- assessment of projects of State and regional significance.

Large, complex or environmentally sensitive projects, such as the Tamar Valley Pulp Mill and the Lauderdale Quay, can be assessed by different processes. This involves either Parliament designating the project as being of state significance or the Minister for Planning in the case of projects of regional significance. A project of state significance is assessed by a TPC-appointed panel of experts acting under the *State Policies and Projects Act 1993*. Projects of regional significance are assessed by a panel of TPC-appointed regional local government representatives acting under LUPAA but, to date no such project has been nominated.

Local government councils as planning authorities

Within an area of 68 401 square kilometres, Tasmania has a population of 510 200 people and 29 local government councils. For administrative purposes, the State government classifies those councils as large (four), medium (12) and small (13). These 29 councils manage 38 planning schemes some of which are more than 30 years old. With this many schemes — most of which are managed by small- to medium-sized councils — there is a potential for inconsistency between both planning schemes and assessment processes.

Generally, a DA is required, and a planning permit issued by council, before an applicant or investor can proceed with any development. DAs are assessed against the planning schemes of the relevant council.

Assessment process

Once a DA is submitted to a council, LUPAA stipulates a 42-day time limit to complete the assessment and make a decision to approve or refuse. However, there are circumstances that may extend that period, namely:

- If the council requires the applicant to provide it with additional information, the 42-day timeframe is suspended while the request for information has not been answered to the satisfaction of the council.
- A council may request a time extension from an applicant.

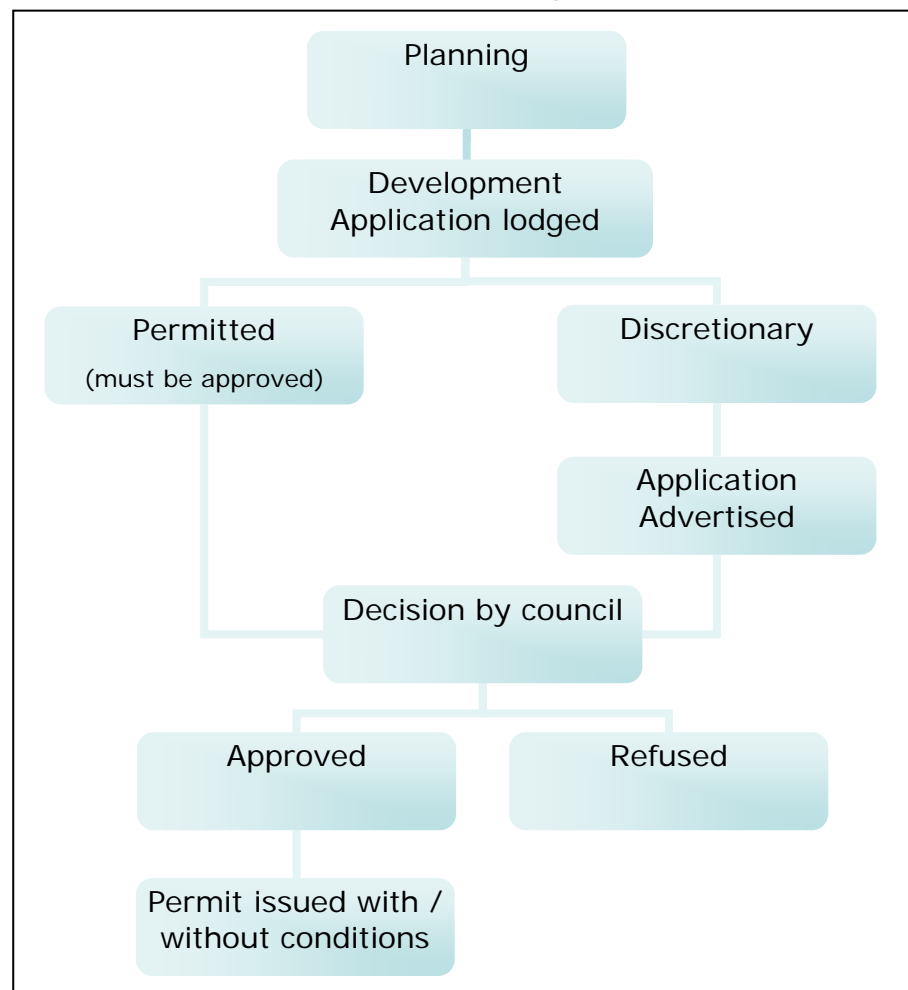
The first stage of the assessment process is to classify the DA according to its nature and LUPAA provides for the categories listed in Table 1.

Table 1: Assessment categories

Category	Definition	Example
Exempt	Does not require a planning permit provided it meets certain requirements.	At Meander Valley a public park is exempt in public recreation zones provided it complies with all relevant standards.
Permitted	Allowable under the planning scheme but council may impose conditions by means of a planning permit.	At Sorell an agricultural operation is permitted in rural zones.
Discretionary	Council may choose to either refuse or permit (with or without conditions) according to its discretion subject to the requirements of its own planning scheme.	At Launceston a transport depot is discretionary in business zones.
Prohibited	Not allowable under the current planning scheme.	At Central Coast an industrial plant is prohibited in residential zones.

The actual assessment process for the DA is determined once it has been classified as per the categories in Table 1. These processes are summarised in Figure 2.

Figure 2: Overview of the assessment process for permitted or discretionary DAs



Depending on the nature of the DA, the second stage of assessment may require input from in-house expertise or from external specialists. Within council, this usually involves the:

- planning officer examining the plans and conducting a site assessment
- development engineer checking details such as vehicular access, parking and traffic impacts
- environmental health officer investigating issues such as site drainage, waste disposal and licensing requirements.

The external specialists that council may also need to seek advice — and approvals as necessary — from include the:

- Tasmanian Heritage Council
- Department of Infrastructure, Energy and Resources
- Department of Primary Industries, Parks, Water and Environment

- regional water companies
- Environmental Protection Agency.

When a DA lacks sufficient detail or may require further explanation, that information is requested from the applicant. In such situations, the council suspends the statutory time clock and the count down of the 42 days only resumes when the information sought is received.

Once all tasks are complete, the planning officer writes a report and a decision is made by the council or by a senior planning officer with delegation from the council. In the event that a DA is successful, a permit with both general and specific conditions is provided to the applicant. If a decision has not been reached within the 42-day statutory time limit, the DA is deemed approved unless an extension of time has been agreed to by the applicant. However, a permit is still required to commence development.

Sometimes DAs will be submitted that have merit, but do not fit within the existing planning scheme. Where councils support such DAs they can draft an amendment to their planning scheme and submit both the amendment and the DA to TPC for approval. These DAs are referred to as Section 43A applications (of LUPAA).

Current planning scheme reforms

This audit is a retrospective review of the planning system, which has been going through a period of reform since late 2008.

One of the primary aims of the reform process is to standardise planning schemes across all councils. To facilitate this, a former Minister for Planning signed separate Memoranda of Understanding with the Northern Tasmanian Development Board, Cradle Coast Authority and Southern Tasmanian Councils Authority to produce:

- regional land-use strategies
- regional planning scheme templates
- new interim planning schemes for all councils.

In the light of those reforms, we intended that this audit would provide two benefits: first, to make recommendations that assist in and add to the reform process and, second, to create a benchmark that would enable qualitative measurement of the current and proposed changes to the planning system.

Audit objective

The objective of the audit was to assess the performance of Tasmania's land-use planning application system at the whole-of-

state and local levels (see below for the audit criteria that we applied in support of the objective).

Audit scope

The audit scope was concerned with:

- DAs received in 2010–11
- Section 43A planning scheme amendments approved in 2010–11
- timeliness and output indicators between 2005 and 2011
- strategic planning documents from 2002–2011.

Appeal rights exist at various stages of the assessment process, but this was outside of the audit scope.

The following State entities were involved in the audit:

- Break O’Day Council (BODC)
- Central Coast Council (CCC)
- Derwent Valley Council (DVC)
- Launceston City Council (LCC)
- Meander Valley Council (MVC)
- Sorell Council (SC)
- Tasmanian Planning Commission (TPC).

The councils were selected to ensure coverage of a variety of small-to large-sized councils. TPC was selected as it is the overarching body that provides the strategic direction for land-use planning in the state and because of its statutory role in approving planning schemes.

Audit criteria

The criteria that we developed to support the audit’s objective in assessing Tasmania’s land-use planning application system were:

1. Did entities cope with the number of development applications?
2. Were legislation and guidelines relevant, clear and objective?
3. Were there measures to determine the performance of the planning system?

Format of the report

To make the report more useful for readers, the chapters cover each of the planning authorities that we audited. Table 2 shows how the audit criteria align with sections of each chapter in this Report.

Table 2: Aligning audit criteria with the relevant sections

Audit criterion	Relevant section
Did entities cope with the number of development applications?	Did planning officers have adequate training and experience?
	Did planning officers have appropriate access to expertise?
	Were DA assessment resources and systems adequate?
Were legislation and guidelines relevant, clear and objective?	Had legislation and strategies been complied with?
	Were planning schemes clear and current? *
	Was sufficient information provided to the public?
Were there measures to determine the performance of the planning system?	Was performance adequately reported? *

* Findings in these sub-criteria are reported in individual entity chapters and/or in the overall summary in Chapter 2.

The audit criteria are answered in each chapter of the report and in the Detailed Audit Conclusions in the Executive Summary.

Audit approach

To conduct the audit, we:

- reviewed planning-related records using a judgement-based sampling technique (see Chapter 2 for further details)
- evaluated performance indicators
- held discussions with staff
- evaluated relevant reports
- analysed performance-related data
- reviewed strategic plans.

Timing

Planning for this audit began in July 2011. Fieldwork was completed in November 2011 and the report was finalised in February 2012.

Resources

The total cost of the audit excluding production costs was \$108 000.

1 Tasmanian Planning Commission

1 Tasmanian Planning Commission

1.1 *Background*

As indicated in the Introduction, TPC is the State's leader in statutory planning and planning reform. It supports and works with councils.

During the audit, we treated TPC similarly to a council in terms of its performance against the audit criteria.

1.2 *Did planning officers have adequate training and experience?*

There were five planning officers that work on planning scheme amendment and application assessments at TPC. Between 2000 and 2011, these planning officers dealt with, on average, 103 planning scheme amendments and 34 Section 43A applications per year.

Most officers possessed tertiary qualifications related to land-use planning. Qualifications held included Bachelor of Town Planning, Masters of Local Government and Environmental Law and Graduate Diploma in Environmental Planning.

In terms of experience, all planning officers had at least five years' experience in statutory planning, with one planning advisor having 40 years experience and the senior planning advisor having 11 years.

TPC planning officers were able to appropriately inform the Executive Commissioner and planning delegates when assessing planning scheme amendments or Section 43A applications. We therefore concluded that TPC planning officers had adequate training and experience.

1.3 *Did planning officers have appropriate access to expertise?*

Most of the work that TPC undertakes is in the statutory functions of planning scheme amendments and Section 43A applications. In these functions, planning officers and delegates acting on behalf of TPC are required to make an assessment based on the information that has been provided by councils. Based on our sample testing, TPC sought expert advice as required.

On those occasions when the Minister for Planning declared a project to be of state significance, TPC engaged consultants with specialist skills and expertise who were leading experts in the relevant field. To assess the environmental, social and community

impacts of projects, TPC also convened an expert panel which included a Commonwealth nominee, as required by legislation¹. As an example, for the Tamar Valley Pulp Mill assessment, the Commonwealth nominee was the Assistant Secretary of the Environment Assessment Branch of Environment Australia. Once the assessment process was completed, TPC provided a report with recommendations to the Minister for Planning, although it is the State government that made the final decision regarding the proposal's success.

In summary, TPC had appropriate access to expertise.

1.4 *Were DA assessment systems adequate?*

In answering this question, we not only sought to establish whether TPC was adequately resourced in terms of employees and information systems but also whether TPC's system had the capacity for ongoing improvement.

1.4.1 *Employees and expertise*

In Section 1.3, we found that TPC had access to expertise. However, there was a shortage of delegates who were able to sit on planning scheme amendment panels. In order to address that problem, TPC was in the process of recruiting delegates for a register.

Once appointed, these new delegates would need training. As a first step to arranging such training, TPC needs to document the key planning principles to be applied when assessing planning scheme amendments. We found that TPC had not documented those fundamental principles (see Recommendation 1).

1.4.2 *Information Systems*

TPC operates a paper-based filing system, but there had been some progress towards an electronic records management system. However, this did not extend to a fully integrated system in which planning scheme amendments and Section 43A applications could be worked through. As a result, detailed management reports had to be compiled manually.

In addition, TPC was unaware of the longer-term consequence of decisions made because of the lack of feedback from past decisions. It would be pertinent to record and understand both the good and

¹ Set out in the bilateral agreement with the Commonwealth (under terms of the *Environment Protection and Biodiversity Conservation Act 1999*).

bad outcomes so that only the good elements of decisions could be replicated in other municipalities. Availability of such information would assist the TPC's capacity for ongoing improvement.

Recommendation 1

We recommend that TPC:

- **develops a list of key planning principles to share knowledge with new delegates and assist in assessing planning scheme amendments**
- **implements an information system in which Section 43A applications and planning scheme amendments can be assessed and completed electronically**
- **develops a feedback mechanism to inform future decisions made by delegates about planning scheme amendments.**

1.5 *Had legislation and strategic plans been complied with?*

We examined two aspects in terms of legislative and strategic compliance, namely the:

- LUPAA timeline requirements
- 2010–12 Business Plan.

1.5.1 LUPAA

When applications for planning scheme amendments and Section 43A applications are received, TPC has 90 days to process them. From our audit sample, we noted one exception that had exceeded that requirement by two days.

1.5.2 Strategic planning

Strategic planning sets the context for land-use planning decisions as it documents the direction that TPC will be taking in the immediate and longer term future. We noted that TPC satisfied eight of the ten audited strategies included in its 2010–12 business plan that were evaluated. The two exceptions were to:

- develop a State settlement strategy in response to national initiatives and incorporating outcomes from the regional planning strategies
- review the role and data requirements of the *State of the Environment* reporting.

Both strategies were carried forward to the new business plan.

In summary, we noted that TPC had complied with legislation and strategic plans with two exceptions.

1.6 Were planning schemes clear and current?

TPC's role is to facilitate planning scheme reforms and approve both interim and final planning schemes once completed. Our findings against this question are made in Chapter 2.

1.7 Was sufficient information provided to the public?

There were no legislative requirements as to the kind of information that TPC should make available to the public. However, from the view point of prospective investors, we believe that best practice would indicate that a set of publicly available information should include:

- a Business Plan or Strategic Plan
- a Ministerial Statement of Expectation
- Planning Directives
- system and process guides.

We noted that TPC provided the above items on its website. The only exception was an overview of the planning scheme reforms that were underway at the time of audit.

Recommendation 2

We recommend that TPC provides the public with information on the aim and intent of planning system reforms.

1.8 Was performance adequately reported?

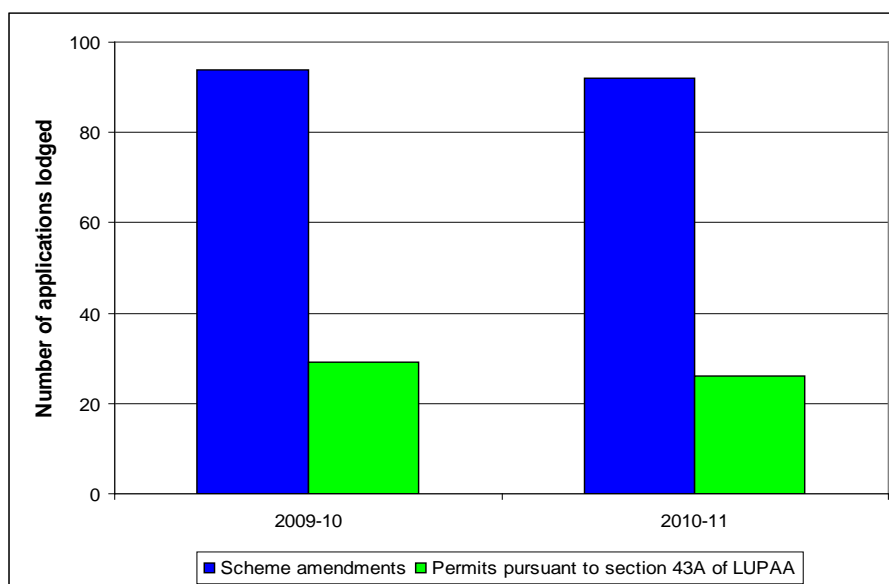
Again, there were no legislative requirements as to performance reporting against the planning assessment process. Here, too, we took a view of best practice and believed that the following measures should be available:

- activity
- timeliness
- performance against annual plan.

With respect to these measures, we found that TPC complied. It provided the number of scheme amendments and Section 43A applications, timeliness of assessment and performance against its annual plan in its 2009–10 and 2010–11 annual reports.

The number of planning scheme amendments and Section 43A applications lodged with TPC over the past two years is shown in Figure 3.

Figure 3: Number of amendments and Section 43A applications lodged with TPC, 2009–10 and 2010–11*



* For the two years reported, TPC advised the following statistics respectively in its annual reports.

	2009–10	2010–11
Scheme amendments rejected	11	13
Section 43A applications refused	11	5

As shown in Figure 3, the number of planning scheme amendments and Section 43A applications had decreased slightly over the two-year period. Over the same period, the average number of days taken to approve both planning scheme amendments and Section 43A applications also decreased from 120 days in 2009–10 to 88 days in 2010–11.

2 Combined findings across local government

2 Combined findings across local government

2.1 *Background*

In this Chapter, we provide a detailed summary of the performance of all councils in scope against the individual audit questions covered in the Introduction. Findings for TPC are reported in Chapter 1 and not included here because TPC's functions differ from those of local government. Questions that could not be answered on an individual council basis are also addressed in this Chapter.

The response from each question was then collated in line with Table 2 in the Introduction to form the basis of the audit conclusion.

2.2 *Did planning officers have adequate training and experience?*

Planning officers need to consider a variety of issues, including economic development and resource management, when assessing DAs. It is therefore necessary that planning officers are suitably qualified in order to make such judgements.

We concluded that all planning officers had adequate training and experience and were thus able to appropriately inform councillors when assessing DAs. Due to staff turnover, some planning authorities had more experienced planning officers than others. However, we found that planning authorities were proactive in expanding employees' knowledge through training.

2.3 *Did planning officers have appropriate access to expertise?*

Although planning officers were adequately experienced, they were also required to seek expertise from both internal experts and external agencies to complete a well informed assessment of DAs.

We noted that all planning authorities held some form of regular development group meetings. In most cases, those meetings involved planning officers, building surveyors, engineers and environmental health officers.

One primary difference existed between councils in terms of the timing and purpose of the development group meeting. The majority of councils had meetings in the initial stages of the assessment to identify where further information needed to be sought and to

highlight any concerns that may exist with the DA. Two councils had different processes:

- MVC held meetings after the planning officers had done an initial analysis to work through the assessment report and approve or refuse the DA.
- CCC held meetings at the start of the DA assessment process to assign applications to planning officers and evaluate past performance.

At both CCC and MVC all internal referrals were conducted within an electronic information system.

We concluded that all planning authorities had appropriate access to expertise, whether in-house or from external stakeholders.

2.4 *Were DA assessment resources and systems adequate?*

The number and variety of DAs received by councils each year is driven by a number of factors including the business investment cycle and movements in population. Planning authorities need to be suitably resourced and have available to them relevant assessment and recording systems to deal with the number of DAs that could be submitted.

2.4.1 *Staffing*

Resourcing in this sense can be managed through the streamlining of operations and through the recruitment, development and retention of suitable staff. An adequate processing system assists planning officers in consistently evaluating DAs. Such a system enforces a standard DA assessment process and ensures that the evaluation of DAs is as efficient as possible.

Resourcing arrangements for each council are shown in Table 3.

Table 3: Summary of resourcing arrangements in councils in 2010–11*

	BODC	CCC	DVC	LCC	MVC	SC
DAs lodged	199	362	186	693	232	360
Number of Planning Officers (FTE)	1.95	2.50	0.98	4.60	2.50	2.50
DAs per Planning Officer	102	145	191	151	93	144

* Planning officers at a Manager level were treated as 50 per cent of a FTE and employees that were completing studies (a Bachelor degree, Diploma, Graduate Diploma or Certificate in Local Government) in the previous financial year were viewed as 75 per cent of a FTE.

Even though Table 3 only reflects a single year, there was considerable variation in the per capita load for planning officers. Although we understand that DAs are not ‘standard units’ and vary in complexity, there may be opportunities for planning authorities to share resources in times of high activity.

2.4.2 Assessment systems

At the councils in scope, we found a mix of manual and automated planning assessment and recording systems. Even where councils had computer-based systems, they sometimes still maintained some form of paper files for processing DAs.

The majority of local government planning authorities could improve their DA assessment system. Such improvements included:

- reducing the duplication of effort (for an example, refer to Section 7.4)
- formalising assessment processes (for an example, refer to Section 3.4)
- moving towards electronic records management (for an example, refer to Section 3.4)
- using an electronic DA assessment system that has in-built system controls (for an example, refer to 8.4).

2.4.3 Access to external expertise

It is not unusual for councils to require access to external expertise in order to properly assess a DA. For example, in smaller councils there may be a need to externally source engineering expertise should there be no council engineer. In these cases, councils refer assessment matters to those external experts.

We noted that there were a number of instances in which external entities took more than 28 days to respond to a referral. In this instance, MVC displayed best practice as the council had a strict policy in terms of time allowed to complete referrals. For most external entities, MVC allowed 28 days. If a response was not received within that time, MVC would follow it up. This policy was based on the premise that if an external entity had not responded within the given timeframe, their response would not impact on the conditions contained in the planning permit that would be issued by council.

We concluded that the processing systems at most planning authorities would benefit from further refinement, by, for example,

sharing resources, implementing automated systems, and setting time limits by when referred work must be completed.

2.5 *Had legislation and strategic plans been complied with?*

We examined two aspects in terms of legislative and strategic compliance, namely:

- LUPAA timeline requirements
- councils' own Strategic Plans.

Findings relating to these aspects are discussed in the following sub-sections.

2.5.1 *Compliance with legislation*

Within LUPAA, the 42-day assessment time is a fundamental component of the assessment process. Failure to assess a DA within that time is deemed to constitute approval. However, permit conditions still need to be determined. In the majority of cases, an applicant would wait for the council to provide the permit conditions.

Councils did, in general, comply with the 42-day statutory limit as shown in Table 4.

Table 4: Summary of compliance with 42-day statutory limit, 2010–11*

	BODC	CCC	DVC	LCC	MVC	SC
Sample tested	30	30	28	45	30	30
DAs assessed after 42 days	10	10	3	16	11	3
Number for which time extension was not sought	2	10	2	14	0	2

* Table 4 is based on judgement sampling conducted to ensure coverage of larger, more complex DAs. Consequently analysis of the whole population at each council would have a different outcome. As an example, while CCC results indicate a 33 per cent rate of non-compliance, the overall rate was approximately ten per cent. Data availability at CCC enabled us to make this comparison but not all councils were able to supply similar information.

In overall terms, fifteen per cent of DAs tested were not approved before either the 42-day statutory limit or the agreed time extension expired. This high rate of non-compliance indicated that council performance could be improved. We believe it relevant to note,

when reading Tables 3 and 4 together, that the council with the higher number for which a time extension was not sought was LCC and its staff were dealing with the second highest number of DAs per Planning Officer. Conversely, MVC had the lowest number for which a time extension was not sought and the lowest number of DAs per planning officer. While this comparison may be simplistic, taking into account for example, varying complexity of DAs, it could reinforce our view of the need for resource sharing between councils.

In each of the following Chapters that deal with the audited councils, we include corresponding recommendations as necessary.

Another common finding across councils was inaccuracy with regard to the way in which they counted the elapsed days within the 42-day limit. In many cases, the number of approval days was overstated because of confusion as to when the count should begin. Assessments were often deemed to have commenced when the DA was first received, rather than when the fees were paid as stipulated in LUPAA. Where this occurred, the council would be disadvantaged because the count started earlier than it should have. Overstating the assessment days would also negatively impact on the timeliness indicators of the council. In turn, that may affect resourcing decisions made based on these indicators.

Recommendation 3

We recommend that all planning authorities improve the accuracy of performance measures by measuring the assessment time when the application fee has been received.

2.5.2 Compliance with councils' own strategies

Strategic planning sets the context for land-use planning decisions, indicating the direction that the municipality will be taking in the immediate and longer term future.

Although varying in detail, each council had set and, in most cases complied with, a Strategic Plan framework that covered the time period in scope. There were two exceptions; BODC had not implemented one strategy and LCC had not completed any strategies by the targeted completion date.

2.6 Were planning schemes clear and current?

If developers are to have confidence to invest in a municipality, they need to be able to understand the development parameters of the relevant planning scheme. As discussed in the Introduction, Tasmania is a small state where 29 councils operate 38 planning

schemes. As a consequence, inconsistent definitions and usage classifications across councils could create problems for investors.

Table 5 compares planning schemes in scope.

Table 5: Comparison of planning schemes

	BODC	CCC	DVC	LCC	MVC	SC
Year of establishment	1996	2005	1993	1996	1995	1993
Date of last amendment	Oct 2011	Nov 2011	Oct 2010	April 2011	May 2011	Oct 2011
Number of zones	5	11	20	22	14	14
Number of use classifications	7	28	71	70	54	64

We found considerable variation between the number of zones and the number of use classifications. The year of establishment also varied widely and although all schemes had been recently amended, this was not to say that these amendments had provided comprehensive updating.

For the planning schemes that we audited, there was no standard form of presentation or layout. Those differences between planning schemes created inefficiencies, particularly for individuals or businesses (such as supermarket chains, telecommunications providers and construction companies) with state-wide operations.

The planning scheme reforms being implemented by TPC aim, amongst other things, to standardise planning schemes across all municipalities. Accordingly, we make no recommendation against this area but note that our findings in this Section support the need for that reform.

2.7 *Was sufficient information provided to the public?*

As we observed with TPC (see Section 1.7), there were no legislative requirements as to the kind of information that councils should make available to the public. However, from the view point of prospective investors and would-be developers, we believe that best practice would indicate that the set of publicly available information should include the information included in Table 6. In Table 6 we provide an analysis of the consistency of information available across all audited councils.

Table 6: Comparison of information provided via local government websites

	BODC	CCC	DVC	LCC	MVC	SC
Planning Scheme	✓	✓	✓	✓	✓	✓
Zoning boundaries	✓	✓	✗	✓	✗	✗
Planning Strategy	✓	✓	✓	✓	✓	✓
Application forms and checklists	✓	✓	✓	✓	✓	✓
Introductory guide to planning	✓	✓	✓	✗	✓	✓
Discretionary DA list	✗	✓	✗	✗	✓	✗
Recent approvals list	P	P	P	P	✓	P
Information about the planning scheme review	✗	✗	✗	✗	✓	✗

Key: ✓ Performance measure was available.
✗ Performance measure was not available.
P Partially available — information was included in council minutes where decision was made at a full council meeting

We noted that all councils could expand on information that was available to the general public. Common areas of improvement included the provision of:

- zoning boundaries
- a list of recent discretionary DA submissions
- information about the planning scheme reforms.

By providing such information, councils would be operating transparently while indicating that they are ‘open for business’. With the planning scheme reforms, it is imperative to have state-wide consistency.

Recommendations regarding publication of this information are contained in the respective chapters for each council in scope.

2.8 *Was performance adequately reported?*

In 2008, the Council of Australian Governments (COAG) identified development assessment as an area of reform for local government. The primary goal of this reform was to improve processes to provide certainty and efficiency for the development and construction

sectors. This would be achieved by reducing regulatory burdens and delays through using methods such as electronic development assessment processing².

Following COAG's recommendation, the Local Government and Planning Ministers' Council agreed to 'draft a set of performance measures that can be used to assess the "health" of development assessment systems across jurisdictions'³. The following measures were agreed upon including the average approval times of all DAs decided and the percentage of:

- DAs decided in the statutory time
- referrals responded to in the statutory time
- DAs decided through a 'low-risk' procedure [not examined in this audit]
- DAs lodged electronically [not examined in this audit]
- DAs subject to review or appeal.

Developers are naturally drawn to municipalities where the time and cost involved in processing DAs are minimal.

2.8.1 Did publicly available data provide an adequate assessment of council performance?

Again, there were no legislative requirements as to performance reporting against the planning assessment process. Here, too, we took a view of best practice and believe that the following measures should be available:

- activity
- timeliness
- performance against annual plan.

When assessing timeliness, there are two predominant measures that must be taken into account: first is the average time taken to obtain permitted use approvals and, secondly, average time taken to obtain discretionary use approvals.

We analysed information included in the 2008–09 and 2009–10 annual reports. In general, there was no consistency in the measures available for each council as shown in Table 7.

² Business Regulation and Competition Working Group Implementation Plan, report to COAG meeting of 26 March 2008, www.coag.gov.au.

³ Project Brief, National Performance Measures Project 2009.

Table 7: Summary of performance reported in local government annual reports

	BODC	CCC	DVC	LCC	MVC	SC
Performance against Annual Plan	x	✓	x	✓	✓	✓
Number of DAs received	✓	✓	x	x	✓	x
Timeliness of assessment	x	✓	x	x	✓	x

Key: ✓ Performance measure was available.
 x Performance measure was not available.

The majority of councils reported on performance against their annual plan; four of the six reported on the number of DAs received and three reported on timeliness of assessment. This demonstrated that there was no consistency in:

- whether performance and activity measures were published in annual reports
- the types of measures used across each council.

Recommendations regarding performance reporting are contained in the respective Chapters for each audited council.

2.8.2 *Were reports available regarding longer-term performance?*

Although Tasmania's Resource Management and Planning System is quite broad, there are a number of ways in which a report that collates performance could be generated. One such example is the *State of the Environment Report* produced by TPC which:

- reports on the Tasmanian environmental condition, trends and changes in a five-year period
- provides recommendations for future environmental management
- assesses Tasmania's progress towards achieving the sustainable development objectives of Resource Management and Planning System⁴.

⁴ *State of the Environment: Tasmania 2009*, Tasmanian Planning Commission, www.planning.tas.gov.au.

Another example is the *Measuring Council Performance in Tasmania* report produced by the Department of Premier and Cabinet which aims to:

- enhance performance measurement by councils
- enable benchmarking and identification of best practice
- improve accountability to the community⁵.

A final example is the *First National Report on Development Assessment Performance 2008–09*. It compared the performance of the Tasmanian planning system with that of other states.

Table 8 provides a summary of selected measures from this report.

Table 8: National Report on Development Assessment measures, 2008–09⁶

	QLD	NSW	VIC	TAS	SA	WA	ACT	NT
Average approval time of DAs (days)	185	71	123	28	N/A	101	36	77
Percentage of DAs subject to review/appeal (%)	2.5	1.3	7	3.7	0.82	2.7	3	0.86
System of process review or audit in place	No	Yes	Yes	Yes	No	Yes	Yes	Yes

Key: Yes System of process review or audit was in place.
No System of process review or audit was not in place.

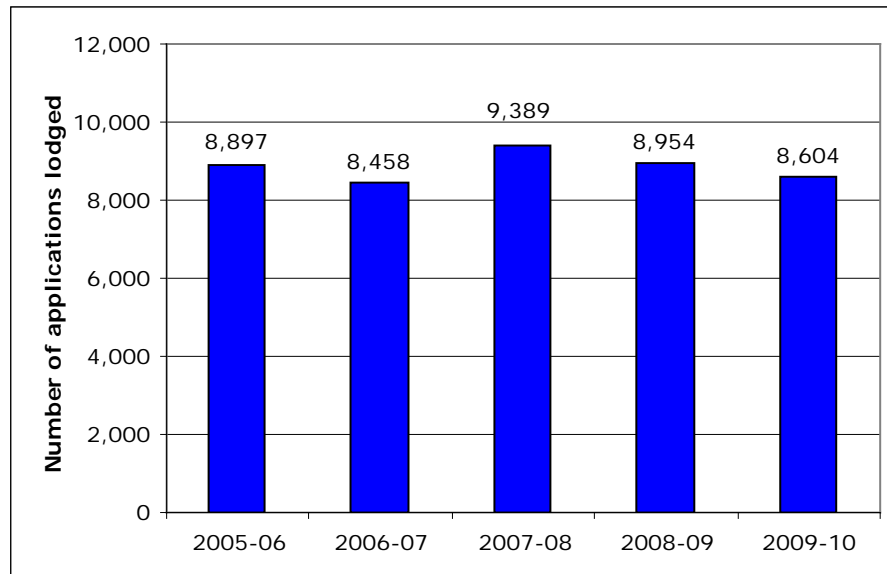
Overall, the *First National Report on Development Assessment Performance 2008–09* showed that the Tasmanian planning system was performing well compared to other jurisdictions. However, there was no up-to-date example that provided information regarding performance over time.

The number of DAs lodged with all Tasmanian councils over the past five years is shown in Figure 4.

⁵ *Measuring Council Performance in Tasmania 2007–08*, Department of Premier and Cabinet, Local Government Division, www.stors.tas.gov.au.

⁶ *First National Report on Development Assessment Process 2008–09*, Local Government and Planning Ministers' Council.

Figure 4: DAs lodged with all Tasmanian councils, 2005–06 to 2009–10



The number of DAs had remained relatively stable over the five-year period, even though growth in the Tasmanian economy slowed⁷. This stability may be due to factors such as:

- Changes to planning schemes required more developments to be assessed by councils.
- Residential development remained stable but business development fell.

One of the objectives of the audit was to appraise the timeliness of DA assessment. For all Tasmanian councils, during the five-year period 2005–06 to 2009–10, the average times to approve DAs were as follows:

- permitted — 20.7 days
- discretionary — 34.4 days.

During that period, there was very little variation of the average times from year to year. With respect to the 42-day time limit imposed by LUPAA, the average times indicate consistently good performance.

The number of DAs lodged and time taken to assess them also remained relatively stable during the 5-year period. Chapters 3 to 8 provide a more detailed analysis of the audited councils.

⁷ Over the period 2005–06 to 2009–10 the annual change in Gross State Product fell from 2.46 per cent in 2005–06 to 0.44 per cent in 2009–10 (www.abs.gov.au)

In summary, basic measures were available within the planning system, but did not provide a picture of council performance as there was no mechanism to account for complexity or variability of DAs.

If complexity were to be reported on, for example, such measures would help to identify problems such as bottlenecks in assessing DAs of a particular size or nature. As a starting point, the dollar value of the development on completion could be used. This information would be readily available to councils through their rating systems and would improve on the currently available information.

A more meaningful picture of planning system performance cannot be generated until qualitative aspects of the system are taken into account.

Recommendation 4

We recommend that TPC develops guidelines for qualitative measurements to be applied to planning authorities.

We further recommend that these qualitative measurements are used as an analysis tool to drive continual improvement.

3 Break O'Day Council

3 Break O’Day Council

3.1 *Background*

Located on Tasmania’s East Coast, Break O’Day municipality includes the communities of St Helens, Scamander, Binalong Bay and St Marys. Covering an area of 3809 square kilometres and with a population of approximately 6500, Break O’Day Council (BODC) has one of the largest local government areas in the state, but is defined by DPAC’s Local Government Division as a small council.

The principal industries in the area are tourism, mining, forestry, agriculture, fishing and aquaculture.

3.2 *Did planning officers have adequate training and experience?*

BODC had six employees in planning services, with three employed as planning officers. Of the planning officers, one was fully qualified, one was undertaking a Diploma in Local Government (Planning) and the other was undertaking a Graduate Diploma in Environment and Planning.

The fully qualified planning officer also attended regional meetings in relation to the *Northern Tasmanian Regional Land Use Strategy* which were facilitated by the Northern Tasmanian Development Board.

In terms of experience, all planning officers had more than four years experience in land-use planning, with the senior planning officer having 11 years experience in land-use planning at both a local government and State level.

BODC planning officers assessed 279 DAs on average per year between 2006 and 2011.

In summary, BODC officers had adequate training and experience and were able to appropriately inform councillors when assessing DAs.

3.3 *Did planning officers have appropriate access to expertise?*

Development Services at BODC holds weekly development group meetings to discuss new and existing planning applications. At these meetings, the compliance officer, environmental health officer, building surveyor and all planning officers are present. In most cases, applications are referred to at least one member of this group

for further comment in relation to specific details of an application. Often, though, advice had to be sought from external entities.

Although BODC did not have an engineer on staff, we believe that the senior planning officer has sufficient experience to identify instances where an engineer must be consulted.

In summary, BODC planning officers had appropriate access to expertise.

3.4 *Were DA assessment resources and systems adequate?*

In answering this question, we not only sought to establish whether BODC was adequately resourced in terms of employees and information systems responsible for processing DAs but also whether BODC's system had the capacity for ongoing improvement.

We noted that BODC was reliant on paper-based files. With an increase in the number of employees, a paper-based system is likely to extend the time to assess application, which may have contributed to the increase in time taken to assess DAs as shown in Figure 6 (see Section 3.7). By moving towards an electronic assessment system, BODC may reduce the time taken to assess DAs by reducing the administrative workload. An electronic assessment system has the added benefit of providing management with accurate reporting that tracks the status of DA assessments.

We also found that referrals to external entities were not always received from them within suggested time lines.

In summary, BODC could improve its application processing system by moving towards an electronic assessment system and building relationships with external entities, particularly in relation to the time taken to obtain their advice.

Recommendation 5

We recommend that BODC:

- **implements an electronic information system in which planning applications can be assessed and reporting automatically**
- **enters into agreements with external entities to ensure the timely return of referred applications.**

3.5 *Had legislation and strategic plans been complied with?*

Three aspects were examined in terms of legislation and strategic plan compliance, namely the:

- LUPAA timeline requirements
- 2002–08 Strategic Plan
- 2010–11 Annual Plan.

Findings relating to these aspects are discussed in the following sub-sections.

3.5.1 *Compliance with legislation*

We noted that a third of assessments in our sample were not completed within the 42-day limit. Within those cases, BODC was mostly successful in its request for a time extension from applicants.

In a small number of cases, no time extension had been sought from the applicant. As a result these DAs were deemed approved once the statutory limit had expired, although, in all cases, applicants waited for the council to issue a permit. An example was a DA submitted by a state owned company for a works depot. In this case, the required extra information was sought informally meaning that the 42-day count down was not interrupted.

Recommendation 6

We recommend that BODC completes application assessments within the statutory time.

3.5.2 *Compliance with council's own strategies*

BODC had achieved ongoing progress against all of the goals listed in its 2002–08 Strategic Plan, as shown in Table 9.

Table 9: Progress against relevant BODC strategies in the 2002–08 Strategic Plan

Strategic Action	Progress
Council to actively participate in State policy development on issues that effect BODC.	Ongoing
Develop and implement land-use planning and policy documents ensuring that documents demonstrably promote economic development, social values and environmental sustainability.	Ongoing
Improve public perception of the development process.	Ongoing

BODC’s 2002–08 Strategic Plan was used as the testing benchmark as the next Strategic Plan covers the period from 2011 to 2015. The reason for this was that when the 2002–08 Strategic Plan was due to expire, BODC was in merger talks with another council.

Accordingly, council sought an extension of time to revise the strategic plan and the Department of Premier and Cabinet advised that, given the ongoing consideration of the merger proposal, it would be appropriate to defer revision of the Council’s strategic plan pending the outcome of the merger proposal.

In the interim, BODC maintained annual plans and the 2010–11 Annual Plan was also used as a benchmark for testing, as shown in Table 10.

Table 10: Progress against relevant BODC strategies in the 2010–11 Annual Plan

Strategic Action	Progress
Ongoing review of Strategic Land Use Planning Goals, Settlement Strategy and Planning Scheme Provisions.	Ongoing
Participation in the Northern Regional Planning Project and the regional planning initiatives.	Completed
Review the online application lodgement system.	Postponed
Develop a compliance program to increase accountability.	Commenced
Act as a Planning Authority.	Ongoing

Based on our testing, BODC was unable to complete most of the strategies listed due to the ongoing nature of the actions set. Furthermore, one of the strategies had be postponed, but not included on the proceeding annual plan. To be more effective, BODC needs to set specific and measurable goals that are achievable within the timeframe set by the Strategic plan.

Recommendation 7

We recommend that BODC sets specific and measurable goals that are achievable within the timeframe set by its strategic plan.

3.6 Was sufficient information provided to the public?

There were no legislative requirements as to the kind of information that councils should make available to the public. However, we believe that best practice would indicate that the set of publicly

available information should include the information listed in Section 2.7.

On its website, BODC provided information about its planning scheme, zoning boundaries and planning strategy as well as an introductory guide to the planning process and application forms and checklists. However, BODC did not provide a list of recent discretionary DA submissions, a list of recent permit approvals or information about the planning scheme review currently underway.

As a result, BODC did not provide sufficient information to the public.

Recommendation 8

We recommend that BODC provides the following information on its website:

- **a list of recent discretionary application submissions**
- **a list of recent permit approvals**
- **information about the planning scheme review.**

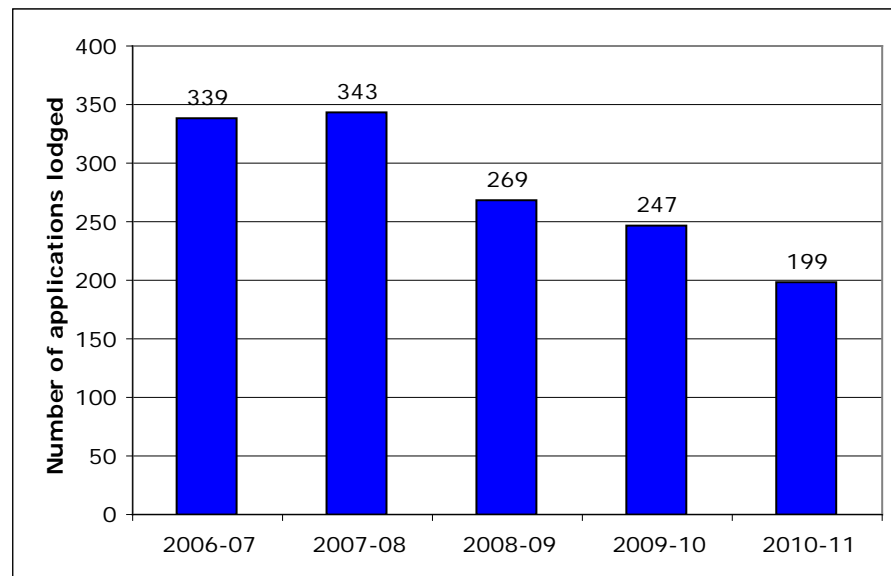
3.7 *Was performance adequately reported?*

Again, there were no legislative requirements as to performance reporting against the planning assessment process. Here, too, we took a view of best practice and believe that the measures discussed in Section 2.8.1 should be publicly available.

BODC provided total development statistics (namely the combined total of planning, building and plumbing applications) in its 2008–09 and 2009–10 annual reports — the most recent available at the time of the audit. Measures such as performance against annual plans, the number of applications lodged and timeliness of assessment were not publicly available.

The number of planning applications lodged with BODC over the past five years is shown in Figure 5.

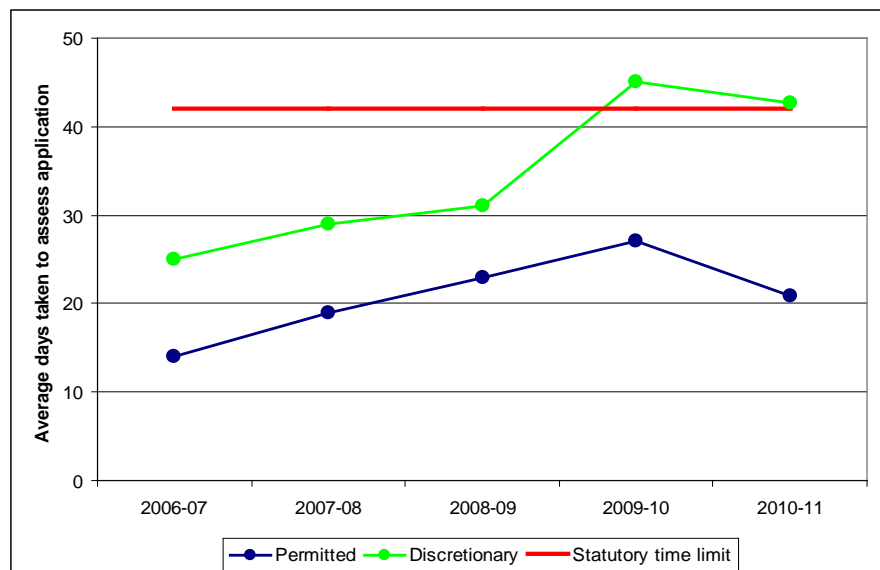
Figure 5: Number of DAs lodged with BODC, 2006–07 to 2010–11



Council indicated that the reduction in DAs was a result of a decline in the development boom in the municipality.

One of the objectives of the audit was to appraise the timeliness of application assessment. Based on information provided to us, Figure 6 contrasts the average number of days taken to approve both permitted and discretionary applications assessed against the statutory time limit.

Figure 6: Time taken by BODC to assess DAs, 2006–07 to 2010–11



As shown in Figure 5, the number of planning applications lodged decreased over the past five-year period, but, as shown in Figure 6, the time taken to assess those applications increased. There are a number of variables that impact on the timeliness of DA assessment

simultaneously. As a result, the reasons for the changes in Figure 6 were not investigated due to scope boundaries of the audit.

In summary, the performance of BODC was not adequately reported to the public.

Recommendation 9

We recommend that BODC reports the following information as part of its annual reporting cycle:

- **number of applications lodged**
- **timeliness of assessment**
- **performance against its annual plan.**

4 Central Coast Council

4 Central Coast Council

4.1 *Background*

Central Coast municipality is located on Tasmania's North West Coast and includes the communities of Penguin and Ulverstone. With a population of approximately 21 750 people and an area of 932 square kilometres, Central Coast Council (CCC) fits DPAC's Local Government Division definition of a medium-sized council.

The principal economic activities in the area are agriculture and related value-adding industries, as well as tourism.

4.2 *Did planning officers have adequate training and experience?*

At CCC there were five employees in Planning Services, with three working as planning officers. All planning officers were fully qualified. One officer obtained a Post Graduate Diploma in Urban Planning, one had a Graduate Certificate in Social Science (Environment and Planning) and the other obtained Certificate IV in Local Government (Planning).

The Land Use Planning Leader regularly attended meetings for the *Cradle Coast Regional Planning Initiative* which were facilitated by the Cradle Coast Authority.

In terms of experience, all planning officers had at least four years experience in land-use planning, with the senior planning officer having 35 years of relevant experience. CCC planning officers assessed 311 DAs on average per year between 2006 and 2011.

In summary, CCC officers had adequate training and experience and were able to appropriately inform councillors when assessing DAs.

4.3 *Did planning officers have appropriate access to expertise?*

Development Services at CCC holds weekly development group meetings where planning officers are assigned to any new applications. It is then the planning officer's role to send internal referrals to CCC's internal Administration, Building, Environmental Health, Engineering, Plumbing and Community Development groups through internal information systems. Advice was also sought from and provided by external agencies as necessary.

In summary, CCC planning officers had appropriate access to expertise.

4.4 *Were DA assessment resources and systems adequate?*

In answering this question, we not only sought to establish whether CCC was adequately resourced in terms of employees and information systems responsible for processing DAs, but also whether CCC's system had the capacity for ongoing improvement.

At the time of the audit, CCC was making the transition from a paper-based system to an electronic system. The way that CCC has utilised its information system in the planning process was commendable. In particular, controls had been set within the information system to prevent a permit from being issued until all referrals have been completed.

In summary, CCC had systems in place to assess DAs.

4.5 *Had legislation and strategic plans been complied with?*

Two aspects were examined in terms of legislation and strategic plan compliance, namely the:

- LUPAA timeline requirements
- 2004–09 Strategic Plan.

Findings relating to these aspects are discussed in the following subsections.

4.5.1 Compliance with legislation

We noted that approximately a third of assessments in our sample had not been completed within the statutory limit of 42 days⁸. In the majority of these cases, either no time extension was sought or the time extension sought had expired. As a result, these DAs were deemed approved once the statutory limit had expired, although, in all cases, applicants waited for the council to issue a permit. One such DA was submitted by council for a subdivision. In this case, the required extra information was sought informally without needing to suspend the 42-day count down.

⁸ The DAs that we examined were selected using judgement sampling that ensured over representation of larger, more complex DAs (including use classifications 'commercial' 'industrial' and 'multi unit residential'). Data availability at CCC enabled us to determine that the overall rate of non-compliance with the 42-day requirement was approximately ten per cent. A similar comparison was not possible at all councils due to limitations of data accessibility.

In a small number of cases, CCC succeeded in its request for a time extension from the applicant and assessed the DA within the adjusted timeframe.

Recommendation 10

We recommend that CCC places greater emphasis on completing DA assessments within the statutory time.

4.5.2 Compliance with council's own strategies

As shown in Table 11, CCC had satisfied all of the goals listed in its 2004–09 Strategic Plan by developing and adopting a new Planning Scheme in 2008.

Table 11: Progress against relevant CCC strategies in the 2004–09 Strategic Plan

Strategic Action	Progress
Plan for a sustainable community.	Completed
Foster an integrated transport and planning system.	Completed

Furthermore, as shown in Table 12, CCC had achieved progress against all relevant strategies listed in its 2009–2014 Strategic Plan.

Table 12: Progress against relevant CCC strategies in the 2009–14 Strategic Plan

Strategic Action	Progress
Incorporate the Cradle Coast Regional Land Use Plan into the Planning Scheme.	Commenced
Identify and promote appropriate land for industrial and commercial use.	Commenced
Develop Urban Design Guidelines for Forth and Turners Beach, for incorporation in the Central Coast Planning Scheme 2005.	Commenced
Implement measures to promote community awareness of the <i>Strategic Framework for Settlement and Investment</i> and involvement in the land-use planning process.	Commenced

In summary, CCC has satisfied or achieved progress against all of the strategies listed in the 2004–09 and 2009–14 strategic plans.

4.6 Was sufficient information provided to the public?

There were no legislative requirements as to the kind of information that councils should make available to the public. However, we believe that best practice would indicate that the set of publicly

available information should include the information listed in Section 2.7.

On the CCC website we found information about the planning scheme, zoning boundaries and the planning strategy as well as an introductory guide to the planning process, a list of recent DA submissions, a list of recent permit approvals and application forms and checklists. However, CCC did not provide information about the current planning scheme review.

In summary, CCC provided sufficient information to the public with a minor exception.

Recommendation 11

We recommend that CCC provides information about the planning scheme review on its website.

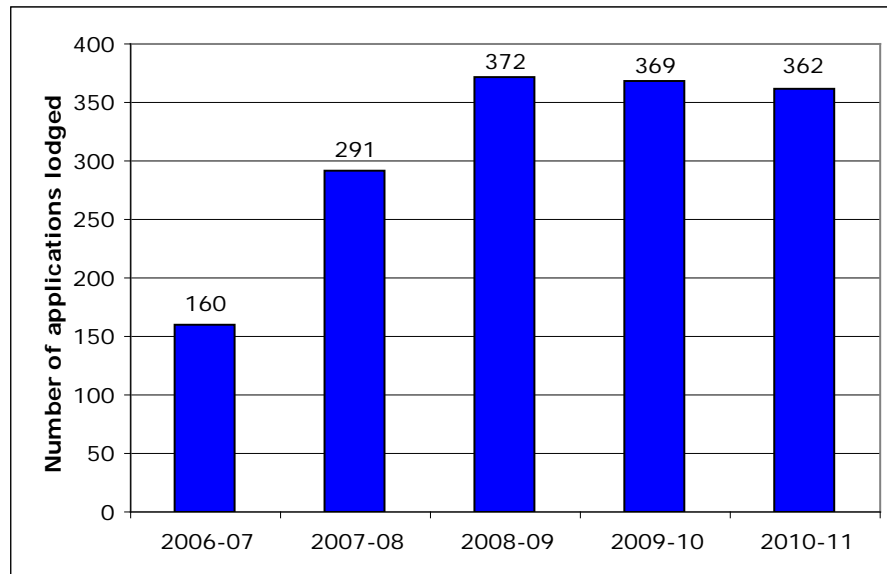
4.7 Was performance adequately reported?

Again, there were no legislative requirements as to performance reporting against the planning assessment process. From the perspective of best practice, we believe that the measures discussed in Section 2.8.1 should be publicly available.

CCC provided the number of DAs lodged, timeliness of DA assessment and performance against its annual plan in its 2008–09 and 2009–10 annual reports, the most recent available at the time of conducting this audit.

The number of planning DAs lodged over the past five years is shown in Figure 7.

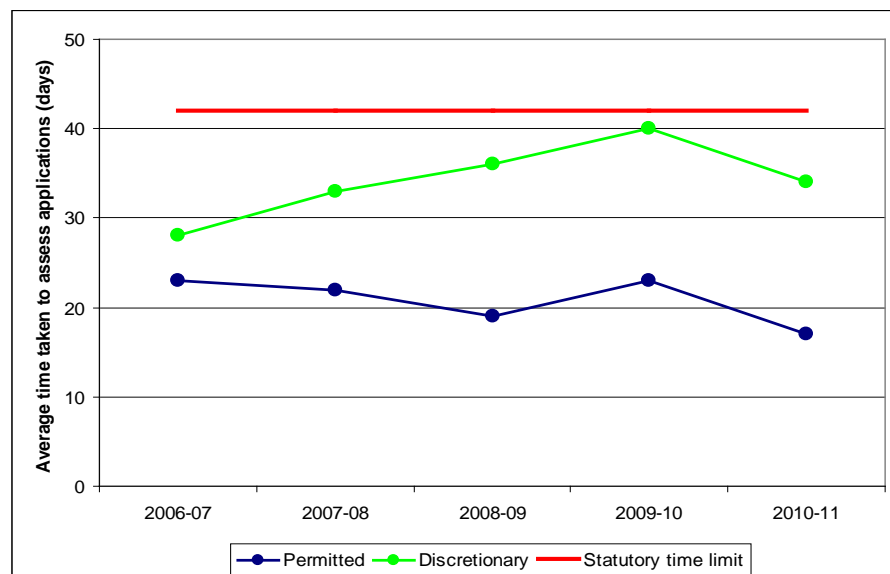
Figure 7: Number of DAs lodged with CCC, 2006–07 to 2010–11



Council indicated that the increase in DAs was a result of the rate of development growing in the municipality as well as the adoption of the new planning scheme, which required more developments to be assessed by council.

One of the objectives of the audit was to appraise the timeliness of DA assessment. Based on information provided to us, Figure 8 contrasts the average number of days taken to approve both permitted and discretionary DAs assessed against the statutory time limit.

Figure 8: Time taken by CCC to assess DAs, 2006–07 to 2010–11



As shown in Figure 7, the number of DAs lodged increased over the past five-year period, and, as shown in Figure 8, the time taken to assess those DAs generally decreased. There are a number of

variables that impact on the timeliness of DA assessment simultaneously. As a result, the reasons for the changes in Figure 8 were not investigated.

In summary, the performance of CCC is adequately reported to the public.

5 Derwent Valley Council

5 Derwent Valley Council

5.1 *Background*

Located in Tasmania's south, the Derwent Valley municipality includes the communities of New Norfolk, Granton, Lachlan, Molesworth, Bushy Park, Glenora, Westerway and Maydena. With a population of approximately 10 100 people and an area of 4111 square kilometres, Derwent Valley Council (DVC) is defined by DPAC's Local Government Division as a medium-sized council.

The principal industries in the area are aquaculture, agriculture, forestry and manufacturing.

5.2 *Did planning officers have adequate training and experience?*

There were two employees in Planning Services at DVC both of whom had obtained qualifications related to land-use planning. One officer had achieved a Masters in Environmental Planning and the other held a Certificate IV in Local Government (Planning).

The Senior Planning Officer regularly attended meetings for the *Southern Tasmanian Regional Planning Project* which were facilitated by the Southern Tasmanian Councils Authority.

In terms of experience, the senior planning officer had four years' experience in land-use planning while the planning assistant had been working in the area for over ten years. DVC planning officers assessed 224 DAs on average per year between 2006 and 2011.

In summary, DVC officers had adequate training and experience and were able to appropriately inform councillors when assessing DAs.

5.3 *Did planning officers have appropriate access to expertise?*

Development Services at DVC holds weekly development group meetings to discuss new and existing DAs. At these meetings, the planning officer, building surveyor and environmental health officer are in attendance along with a technical officer representing infrastructure and engineering services. In most cases, DAs are referred to at least one member of this group for further comment in relation to specific details. We also noted a number of instances in which advice was sought from and provided by external agencies.

In summary, DVC planning officers had appropriate access to expertise.

5.4 *Were DA assessment resources and systems adequate?*

In answering this question, we not only sought to establish whether DVC was adequately resourced in terms of employees and information systems responsible for processing DAs but also whether DVC's system had the capacity for ongoing improvement.

We noted that DVC relied on paper-based files. Although DVC was assessing applications in a timely manner at the time of audit, change such as an increase in the number of DAs lodged per year may result in a negative impact. Should such an event occur, DVC may be able to maintain the time taken to assess DAs by moving towards an electronic assessment system and thereby reducing the administrative workload associated with the paper-based system. An electronic assessment system has the added benefit of providing management with accurate management reporting that tracks the status of DA assessments.

In summary, DVC could improve its DA assessment system by moving towards an electronic assessment system.

Recommendation 12

We recommend that DVC considers implementing an automated information system in which DAs can be assessed.

5.5 *Had legislation and strategic plans been complied with?*

Two aspects were examined in terms of legislation and strategic plan compliance, namely the:

- LUPAA timeline requirements
- 2005–10 Strategic Plan.

Findings relating to these aspects are discussed in the following sub-sections.

5.5.1 Compliance with legislation

We found that a tenth of DAs in our sample had not been assessed within the 42-day statutory time limit. In most cases, no time extension had been sought from applicants. As a result, these DAs were deemed approved once the statutory limit had expired.

However, in all cases, applicants waited for the council to issue a permit. One such DA, for example, related to a new takeaway in New Norfolk. In this case, a number of representations were

received but the application was approved. The permit was issued five days after the statutory time limit had expired.

In another case, DVC succeeded in its request for a time extension from the applicant and assessed the DA within the adjusted timeframe.

Recommendation 13

We recommend that DVC completes DA assessments within the statutory time.

5.5.2 Compliance with council's own strategies

As shown in Table 13, DVC had achieved ongoing progress against planning-related goals listed in its 2005–10 Strategic Plan.

Table 13: Progress against relevant DVC strategies in the 2005–10 Strategic Plan

Strategic Action	Progress
Enhance user friendly information and advice on council's planning processes, requirement and policies through staff training and development as well as information products.	Ongoing
Ensure that detailed and accurate land capability information is available and utilised in the management of all land in the municipality.	Ongoing

Based on audit testing, we concluded that DVC was unable to complete the two strategies listed due to the ongoing nature of the actions set, although it did complete the staff training and development element of the first strategic action listed. To be more effective, DVC needs to set specific and measurable goals that are achievable within the timeframe set by the Strategic plan.

Recommendation 14

We recommend that DVC sets specific and measurable goals that are achievable within the timeframe set by the strategic plan.

5.6 *Was sufficient information provided to the public?*

There were no legislative requirements as to the kind of information that councils should make available to the public. However, we believe that best practice would indicate that the set of publicly available information should include the information listed in Section 2.7.

The DVC website had limited planning-related information available and some items were not easy to find. The website did not provide information regarding zoning boundaries and council's planning strategy. Likewise, the website lacked a list of recent DA submissions, a list of recent permit approvals, checklists and information about the current planning scheme review.

In summary, the DVC did not provide sufficient information to the public.

Recommendation 15

We recommend that DVC provides the following information on its website:

- **zoning boundaries**
- **a list of recent discretionary DA submissions**
- **a list of recent permit approvals**
- **checklists**
- **information about the planning scheme review.**

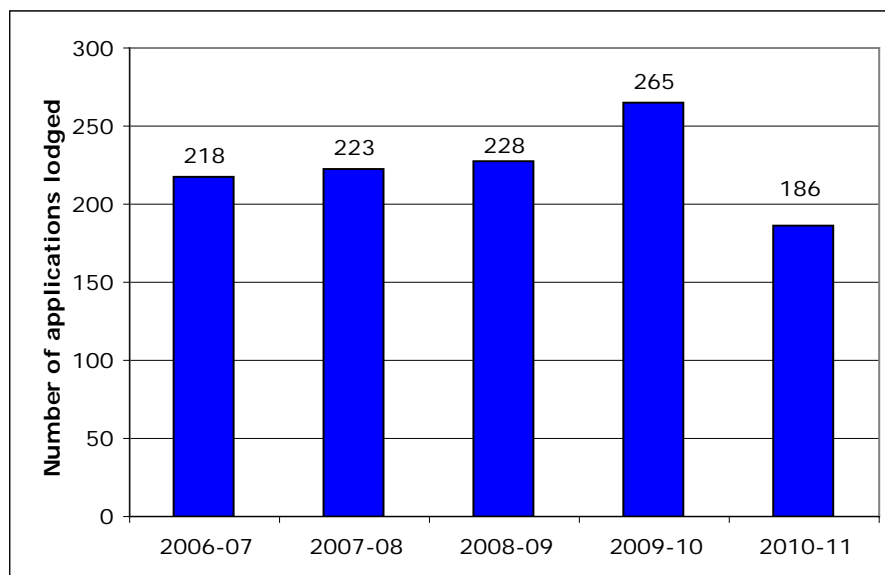
5.7 *Was performance adequately reported?*

Again, there were no legislative requirements regarding performance reporting against the planning assessment process. Having regard to best practice, we believe that the measures discussed in Section 2.8.1 should be publicly available.

Measures such as the number of DAs lodged, timeliness of DA assessment and performance against its annual plan were not reported in the 2008–09 and 2009–10 annual reports, the most recent available at the time of conducting this audit.

The number of DAs lodged over the past five years is shown in Figure 9.

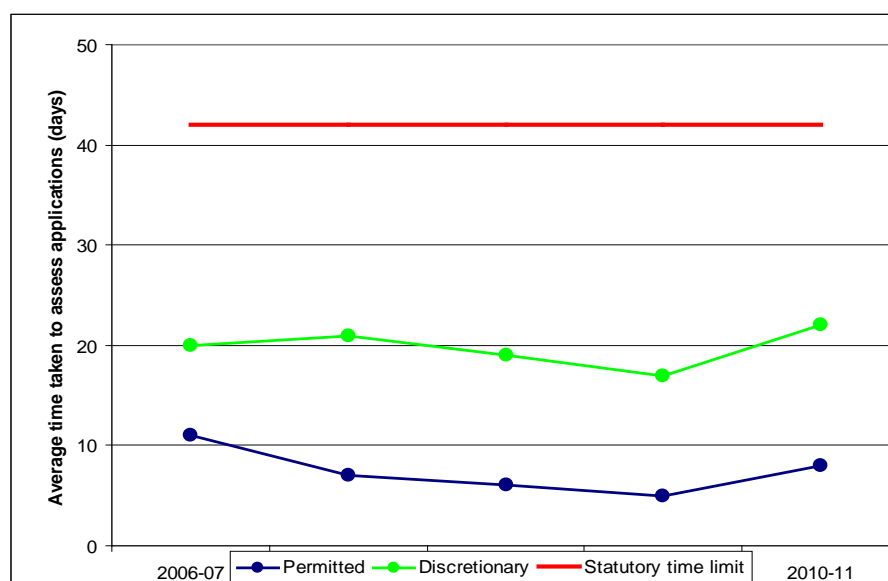
Figure 9: Number of DAs lodged with DVC, 2006–07 to 2010–11



Although the last two years demonstrated a spike in lodgements followed by a decline, the three years prior were relatively stable and the five-year average is steady. As such, the change in this graph may be a natural fluctuation in the number of DA lodgements.

One of the objectives of the audit was to appraise the timeliness of DA assessment. Based on information provided to us, Figure 10 contrasts the average number of days taken to approve both permitted and discretionary DAs assessed against the statutory time limit.

Figure 10: Time taken by DVC to assess DAs, 2006–07 to 2010–11



As shown in Figure 9, the number of DAs lodged had decreased over the five-year period and, as shown in Figure 10, the time taken

to assess those DAs also, on average, decreased. There are a number of variables that could impact on the timeliness of DA assessment simultaneously. As a result, the reasons for the changes in Figure 10 were not investigated.

In summary, the performance of DVC was not adequately reported to the public.

Recommendation 16

We recommend that DVC reports the following information as part of its annual reporting cycle:

- **number of DAs lodged**
- **timeliness of assessment**
- **performance against its annual plan.**

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6 Launceston City Council

6 Launceston City Council

6.1 *Background*

The Launceston municipality includes the communities of Launceston, St Leonards, Prospect, Relbia and Lilydale. With a population of approximately 65 850 people and an area of 1405 square kilometres, Launceston City Council (LCC) is defined by DPAC's Local Government Division as a large council. Based on population, Launceston is the second largest city in Tasmania after Hobart. Located between the Northwest and the South, Launceston is an attractive area for both business and individual investment.

Its principal industries are education and training, manufacturing and tourism.

6.2 *Did planning officers have adequate training and experience?*

Planning Services at LCC had a total of eleven employees, with six being planning officers. All planning officers were fully qualified, with qualifications including Bachelor of Urban and Regional Planning, Graduate Diploma in Urban and Regional Planning, Master in Urban and Regional Planning and Graduate Diploma of Environmental Planning.

The Director of Development services also regularly attended meetings in relation to the *Northern Tasmanian Regional Land Use Strategy* that were facilitated by the Northern Tasmanian Development Board.

In terms of experience, all planning officers had at least four years experience in land-use planning, with the senior planning officer having 19 years at a local government level and the manager having over 35 years as a strategic planner. Furthermore, the LCC planning officers assessed 694 DAs on average per year between 2006 and 2011.

In summary, LCC officers had adequate training and experience and were able to appropriately inform councillors when assessing DAs.

6.3 *Did planning officers have appropriate access to expertise?*

Development Services at LCC holds daily development group meetings to discuss new and existing DAs. At these meetings, the Manager of Planning, Senior Planner, Strategic Planning Officer, Manager of Environmental Services and an engineer from Infrastructure Services are present. In addition, the Planning

Department holds weekly peer review group meetings to discuss the assessment of DAs in terms of any potential and arising issues. The Department follows a consultative approach and offers an opportunity to share views of the concerned planner and other planning staff.

In most cases, DAs were referred to at least one member of this group for further comment in relation to specific details. During audit testing, we also identified a number of instances in which advice was sought from and provided by external agencies.

In summary, LCC planning officers had appropriate access to expertise.

6.4 *Were DA assessment resources and systems adequate?*

In answering this question, we not only sought to establish whether LCC was adequately resourced in terms of employees and information systems responsible for processing DAs, but also whether LCC's system had the capacity for ongoing improvement.

We noted that LCC had an electronic records management system. However, it lacked a control that could have prevented a permit being issued until all referrals were completed.

Also, in terms of information system capability, we found that management was able to generate high-level reports, but not reports that would provide details on specific DAs.

Furthermore, we noted that referrals from external agencies were not always received within a month of the initial referral.

In summary, LCC could improve its DA assessment system.

Recommendation 17

We recommend that LCC:

- **builds controls into the DA assessment system**
- **develops a method of generating detailed management reports**
- **enters into an agreement with external entities to ensure the timely return of referred DAs.**

6.5 *Had legislation and strategic plans been complied with?*

Two aspects were examined in terms of legislation and strategic plan compliance, namely the:

- LUPAA timeline requirements
- 2008–13 Strategic Plan.

Findings relating to these aspects are discussed below.

6.5.1 Compliance with legislation

We found that one third of DAs in our sample had not been assessed within the statutory limit of 42 days. In most of those cases, no time extension was sought or the time extension granted had expired. As a result, these applications were deemed approved once the statutory limit had expired. However, in all cases, applicants waited for the council to issue a permit. One DA, for example, related to a development involving multiple dwellings. In this case, a number of representations were received, mediation was held between the parties and concerns were resolved. The permit was issued one month after the statutory limit had expired.

In a small number of cases, LCC succeeded in its request for a time extension from the applicant and assessed the DA within the adjusted timeframe.

Recommendation 18

We recommend that LCC places greater emphasis on completing DA assessments within the statutory time.

6.5.2 Compliance with council's own strategies

As shown in Table 14, LCC had satisfied all but one goal listed in its 2008–13 Strategic Plan.

Table 14: Progress against relevant LCC strategies in the 2008–13 Strategic Plan

Strategic Action	Progress
Complete the Gorge Planning Scheme Amendment	Completed
Identify key transport access corridors to support expansion of urban growth boundaries or alteration to existing planning zones as supported in the implementation of the new Planning Scheme and Industrial Strategy	Postponed
Complete the land-use strategy documents and place on public exhibition	Completed
Link Council's final Planning Scheme document to the Regional Land Use Strategy document	Completed
Incorporate urban design principles of crime prevention by good design into the Planning Scheme	Completed

Play key leadership role in Regional Planning Process	Completed
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The only exception was the second strategic action listed in Table 14. Although the targeted date for completion was 2009, this strategy had been rescheduled to be undertaken in 2012, in collaboration with the Department of Infrastructure, Energy and Resources and other regional councils.

6.6 *Was sufficient information provided to the public?*

There were no legislative requirements as to the kind of information that councils should make available to the public. However, we believe that best practice would indicate that the set of publicly available information should include the information listed in Section 2.7.

On its website, LCC included information about the planning scheme, planning strategy and zoning boundaries as well as application forms and checklists. However, the LCC website lacked an introductory guide to the planning process, a list of recent DAs, a list of recent permit approvals and information about the current planning scheme review.

We therefore concluded that LCC did not provide sufficient information to the public.

Recommendation 19

We recommend that LCC provides the following information on its website:

- **an introductory guide to the planning process**
- **a list of all recent discretionary DAs**
- **a list of all recent permit approvals**
- **information about the planning scheme review.**

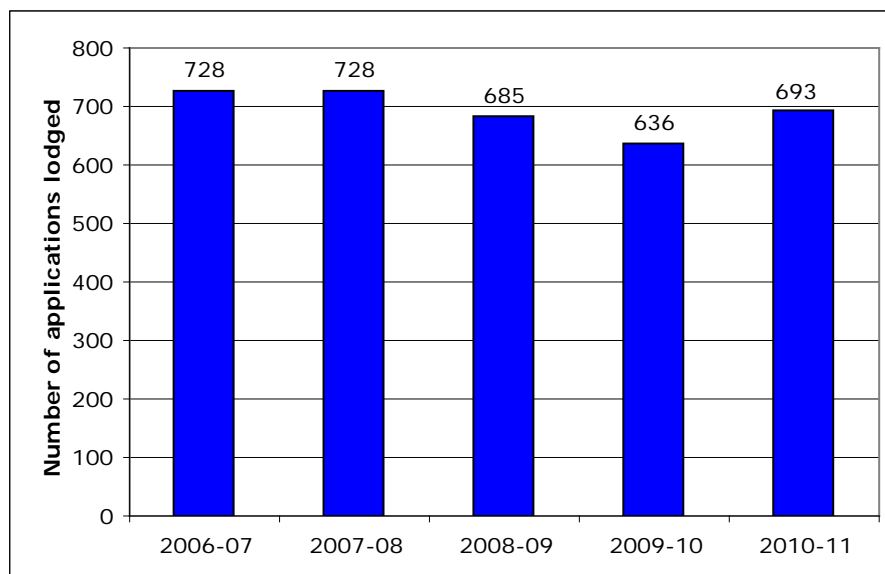
6.7 *Was performance adequately reported?*

Again, there were no legislative requirements as to performance reporting against the planning assessment process. We believe that the measures discussed in Section 2.8.1 represent best practice and should be publicly available.

LCC reported its performance against its annual plan and satisfaction with planning services in its 2008–09 and 2009–10 annual reports, the most recent available at the time of conducting this audit. However, measures of the number of DAs lodged and timeliness of DA assessment were not publicly available.

The number of DAs lodged over the past five years is shown in Figure 11.

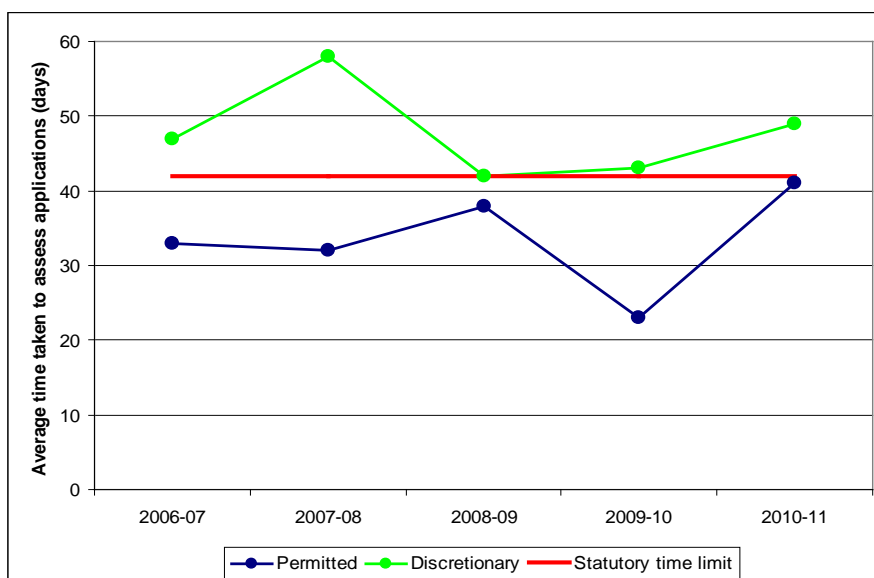
Figure 11: Number of DAs lodged with LCC, 2006–07 to 2010–11



Over the last five-year period, DA lodgements with LCC have remained relatively stable, as shown in Figure 11. The noticeable decline in lodgement during 2008–09 and 2009–10 may be a natural fluctuation in the number of DA lodgements.

One of the objectives of the audit was to appraise the timeliness of DA assessment. Based on the information provided to us, Figure 12 contrasts the average number of days taken to approve both permitted and discretionary DAs against the statutory time limit.

Figure 12: Time taken by LCC to assess DAs, 2006–07 to 2010–11



As shown in Figure 11, the number of DAs lodged decreased over the five-year period, while, as shown in Figure 12, the time taken to assess those DAs increased. There are a number of variables that could impact on the timeliness of DA assessment simultaneously. As a result, the reasons for the changes in Figure 12 were not investigated.

In summary, the performance of LCC was not adequately reported to the public.

Recommendation 20

We recommend that LCC reports the following information as part of its annual reporting cycle:

- **number of DAs lodged**
- **timeliness of assessment.**

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7 Meander Valley Council

7 Meander Valley Council

7.1 *Background*

The Meander Valley municipality is located in Tasmania's North West and includes the communities of Westbury, Deloraine, Elizabeth Town, Mole Creek, Meander, Bracknell, Carrick, Hadspen and Prospect Vale. With a population of approximately 19 700 people and an area of 3821 square kilometres, Meander Valley Council (MVC) is a medium-sized council according to the definition used by DPAC's Local Government Division.

The principal industries in the area are manufacturing, agriculture, aquaculture and forestry.

7.2 *Did planning officers have adequate training and experience?*

There were six employees in Planning Services at MVC including four planning officers. Three were qualified planning officers holding Bachelor of Urban and Regional Planning, while the fourth had partially completed this course.

The Director of Development Services also regularly attended management committee meetings for the *Northern Regional Planning Initiative* which were facilitated by Northern Tasmania Development. The Senior Planning Officer had also spent much of the preceding year working with colleagues from other councils to develop the Northern Model Planning Scheme.

In terms of experience, all planning officers had at least five years in land-use planning, with the senior planning officer working in both local government and private consulting for ten years. MVC planning officers assessed, on average, 310 DAs per year between 2006 and 2011.

In summary, MVC officers had adequate training and experience and were able to appropriately inform councillors when assessing DAs.

7.3 *Did planning officers have appropriate access to expertise?*

Development Services at MVC hold weekly development group meetings to discuss the assessment of DAs in terms of any arising concerns, the appropriateness of conditions and the planner's recommendation. This meeting also provides an opportunity to discuss potential issues with new DAs. At these meetings, the planning officers, environmental health officer, building surveyor

and an engineering representative from Infrastructure Services are present along with two councillors. The councillors are not acting as a planning authority but rather an avenue to reflect any public interest in the discussion. In most cases, DAs are referred to at least one member of this group for further comment in relation to specific details prior to the development group meeting. During audit testing, we also noted a number of instances in which referrals were sought from external agencies.

In summary, MVC planning officers had appropriate access to expertise.

7.4 *Were DA assessment resources and systems adequate?*

In answering this question, we not only sought to establish whether MVC was adequately resourced in terms of employees and the information system responsible for processing DAs, but also whether MVC's system had the capacity for ongoing improvement.

While MVC used an electronic assessment system, it also maintained paper-based files that were a truncated version of the planning file. Consequently, the processing of DAs required more resources than strictly necessary. MVC explained that these files aided planning officers. However, we believe that reducing the administrative workload of maintaining duplicate records could potentially reduce the time taken to assess DAs.

In summary, MVC could improve its DA assessment system by completing their transition towards the electronic assessment system.

Recommendation 21

We recommend that MVC places a higher reliance on the electronic information system in which DAs are assessed and transition away from paper-based planning files.

7.5 *Had legislation and strategic plans been complied with?*

Two aspects were examined in terms of legislation and strategic plan compliance, namely the:

- LUPAA timeline requirements
- 2004–14 Strategic Plan.

Findings relating to these aspects are discussed in the following subsections.

7.5.1 Compliance with legislation

We noted a third of assessments were not completed within the 42-day statutory limit⁹. In all of those cases, MVC succeeded in its request for a time extension from the applicant and went on to assess the DA within the adjusted timeframe.

7.5.2 Compliance with council's own strategies

As shown in Table 15, MVC had satisfied or achieved progress against all of the goals listed in its 2004–14 Strategic Plan, with a number of these goals being satisfied through the development of a new Draft Planning Scheme in 2011.

Table 15: Progress against relevant MVC strategies in the 2004–14 Strategic Plan

Strategic Action	Progress
Establish a new Land-Use Planning Scheme	Commenced
Maintain and build the character of the Council's townships through good urban design	Completed
Maintain and protect important elements of natural, cultural and built heritage through the Meander Valley	Completed
Develop and implement a plan to build on our strengths to make Meander Valley an attractive place to invest.	Completed
Change land use to allow people to take advantage of business opportunities	Completed

In summary, MVC has satisfied or achieved progress against all of the strategies listed in its 2004–14 strategic plans.

7.6 Was sufficient information provided to the public?

There were no legislative requirements as to the kind of information that councils should make available to the public. However, we believe that best practice would indicate that the set of publicly available information should include the information listed in Section 2.7.

⁹ The DAs that we examined were selected using judgement sampling that ensured over representation of larger, more complex DAs (including use classifications 'business' and 'tourist operation'). Data availability at MVC enabled us to determine that the 42-day requirement had been complied with. A similar comparison was not possible at all councils due to limitations of data accessibility.

Council’s website contained information about the planning scheme, planning strategy and zoning boundaries as well as application forms and checklists, an introductory guide to the planning process, a list of recent DA submissions, a list of recent permit approvals and information about the current planning scheme review. However, MVC did not provide information regarding zones.

As a result, MVC did not provide sufficient information to the public.

Recommendation 22

We recommend that MVC provides information regarding the zones detailed in its planning scheme on its website.

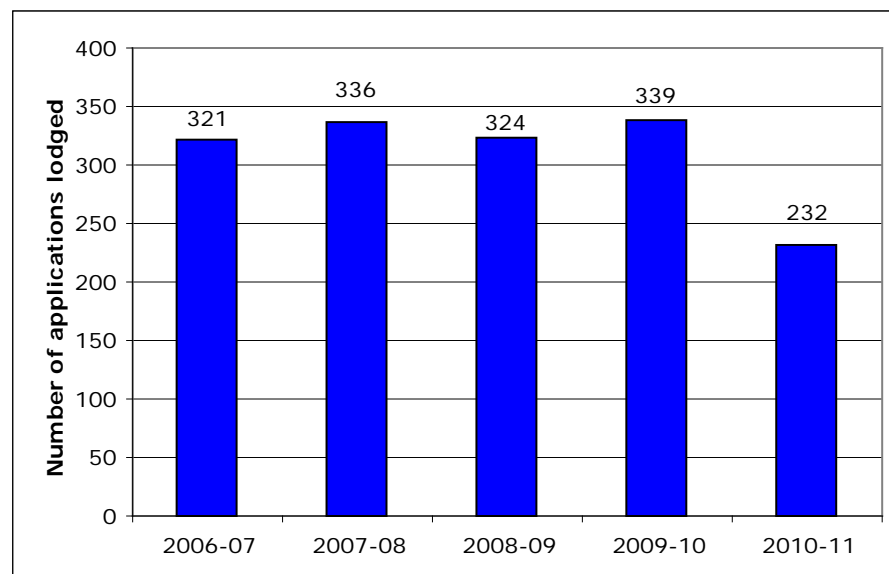
7.7 Was performance adequately reported?

Again, there were no legislative requirements as to performance reporting against the planning assessment process. With a view to best practice, we believe that the measures discussed in Section 2.8.1 should be publicly available.

MVC provided the number of DAs lodged, timeliness of DA assessment and performance against its annual plan in its 2008–09 and 2009–10 annual reports, the most recent available at the time of conducting this audit.

The number of DAs lodged over the past five years is shown in Figure 13.

Figure 13: Number of DAs lodged with MVC, 2006–07 to 2010–11



The number of DAs lodged with MVC was relatively stable between 2006 and 2010, as shown in Figure 13, but the number fell

significantly in 2010–11. There are a number of factors which may have contributed to this decline, including the natural fluctuation in the rate of DA lodgements. We did not investigate the reasons for the variation.

One of the objectives of the audit was to appraise the timeliness of DA assessment. Based on the information provided to us, Figure 14 contrasts the average number of days taken to approve both permitted and discretionary DAs against the statutory time limit.

Figure 14: Time taken by MVC to assess DAs, 2006–07 to 2010–11

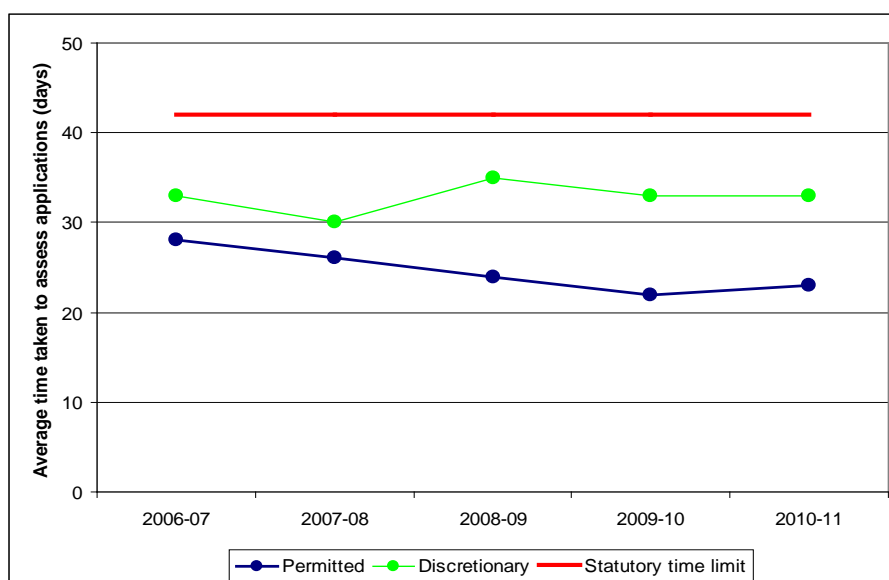


Figure 13 shows the number of DAs lodged decreased over the five-year period and, as shown in Figure 14, the time taken to assess those DAs also decreased on average. There are a number of variables that could impact on the timeliness of DA assessment simultaneously. As a result, the reasons for the changes in Figure 14 were not investigated.

In summary, the performance of MVC was adequately reported to the public.

8 Sorell Council

8 Sorell Council

8.1 *Background*

Sorell municipality is located in Tasmania's south east and includes Sorell, Midway Point, Dodges Ferry and Primrose Sands. With a population of approximately 13 400 people and an area of 583 square kilometres, Sorell Council (SC) is defined as a medium-sized council. As a satellite suburb of Hobart, Sorell has increased in popularity over the last decade due to its relative affordability.

The principal industries in the area are aquaculture, agriculture and manufacturing.

8.2 *Did planning officers have adequate training and experience?*

There were three employees in Planning Services at SC, all of whom were qualified planning officers. One had obtained a Graduate Diploma in Town and Regional Planning and another had a Certificate IV in Local Government (Planning).

The Senior Planner also regularly attended meetings for the *Southern Tasmanian Regional Planning Project* which was facilitated by the Southern Tasmanian Councils Authority.

In terms of experience, all planning officers had at least 13 years experience in land-use planning, with the senior planning officer having more than 20 years in local government. Furthermore, planning officers assessed 426 DAs on average per year between 2006 and 2011.

In summary, SC officers had adequate training and experience and were able to appropriately inform councillors when assessing DAs.

8.3 *Did planning officers have appropriate access to expertise?*

Development Services at SC holds weekly development group meetings to discuss new and existing DAs. At these meetings, the planning officer, environmental health officer, plumbing officer and engineer are present. In most cases, the DA is referred to at least one member of this group for further comment in relation to specific details. We also noted a number of instances in which referrals were sought from external agencies.

In summary, SC planning officers had appropriate access to expertise.

8.4 *Were DA assessment resources and systems adequate?*

In answering this question, we not only sought to establish whether SC was adequately resourced in terms of employees and information systems responsible for processing DAs but also whether its systems had the capacity for ongoing improvement.

Although SC was reliant on an electronic records management system, there were limited controls built into the system. For example, we believed there would be merit in a control to prevent a permit being issued until all referrals have been completed.

As to information system capability, we found that management was unable to generate reports that provided details such as the number of actual approval days per DA.

In summary, SC could improve its DA assessment system.

Recommendation 23

We recommend that SC:

- **builds controls into the DA assessment system**
- **develops a method of generating detailed management reports.**

8.5 *Had legislation and strategic plans been complied with?*

A number of aspects were examined in terms of legislation and strategic plan compliance, namely the:

- LUPAA timeline requirements
- 2008–13 Community Strategic Plan
- 2009–10 Annual Plan
- 2011–12 Annual Plan.

Findings relating to these aspects are discussed in the following subsections.

8.5.1 Compliance with legislation

We noted that one tenth of DAs in our sample had not been assessed within the statutory limit of 42 days. In most of these cases, no time extension had been sought from the applicant. As a result, these applications were deemed approved once the statutory limit had expired, although, in all cases, applicants waited for the council to issue a permit. One such DA related to a residence. In this case, a

representation was received but the DA was still approved and a permit issued six days after the statutory time limit had expired.

In another case, SC succeeded in its request for a time extension from the applicant and assessed the DA within the adjusted timeframe.

Recommendation 24

We recommend that SC places greater emphasis on completing DA assessments within the statutory time.

8.5.2 Compliance with council's own strategies

As shown in Table 16, SC had achieved ongoing progress against the three goals listed in its 2008–13 Strategic Plan.

Table 16: Progress against relevant SC strategies in the 2008–13 Strategic Plan

Strategic Action	Progress
Review Planning Scheme development standards.	Ongoing
Maintain an integrated assessment process.	Ongoing
Develop strategies to maintain the 'feel' of existing settlements.	Ongoing

As the 2008–13 Strategic Plan was still current at the time of audit, progress against all strategies was ongoing. The Council's annual plans were included in audit testing. SC had completed one and achieved ongoing progress against two goals listed in its 2009–10 Annual Plan, as shown in Table 17.

Table 17: Progress against relevant SC strategies in the 2009–10 Annual Plan*

Strategic Action	Progress
Review Planning Scheme development standards.	Ongoing
Develop a long-term 20 year plan for settlements within the Sorell Municipality.	Ongoing

* The 2010–11 Annual Plan was not used as a testing benchmark as the document had not been finalised.

Based on our testing, we concluded that SC was unable to complete most of the strategies listed due to the ongoing nature of the actions set. To be more effective, SC needs to set specific and measurable goals that are achievable within the timeframe set by its Strategic plan.

Recommendation 25

We recommend that SC sets specific and measurable goals that are achievable within the timeframe set by its strategic plan.

We further recommend that all annual plans should be finalised prior to or at the start of the relevant period.

8.6 *Was sufficient information provided to the public?*

There were no legislative requirements as to the kind of information that councils should make available to the public. However, we believe that best practice would indicate that the set of publicly available information should include the information listed in Section 2.7.

On its website, SC included its planning scheme, settlement strategy, application forms and checklists and an introductory guide to the planning process. However, the SC website lacked information about zoning boundaries, a list of recent DA submissions, a list of recent permit approvals or information about the current planning scheme review.

As a result, SC did not provide sufficient information to the public.

Recommendation 26

We recommend that SC provides the following information on its website:

- **zoning boundaries**
- **a list of all recent discretionary DAs**
- **a list of all recent permit approvals**
- **information about the planning scheme review.**

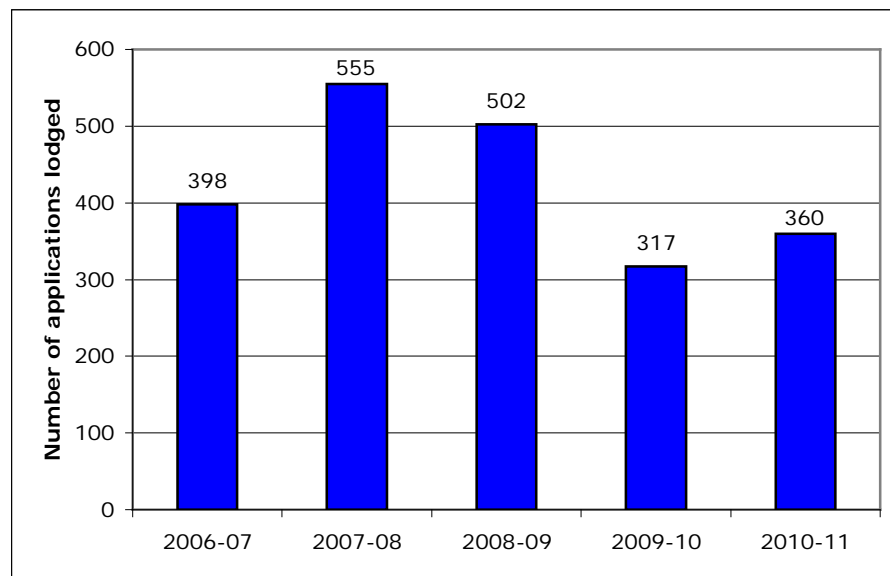
8.7 *Was performance adequately reported?*

Again, there were no legislative requirements as to performance reporting against the planning assessment process. Guided by principles of best practice, it was our belief that the measures discussed in Section 2.8.1 should be publicly available.

SC reported its performance against its annual plan in its 2008–09 and 2009–10 annual reports, the most recent available at the time of conducting this audit. Measures such as the number of DAs lodged and timeliness of DA assessment were not publicly available.

The number of DAs lodged over the past five years is shown in Figure 15.

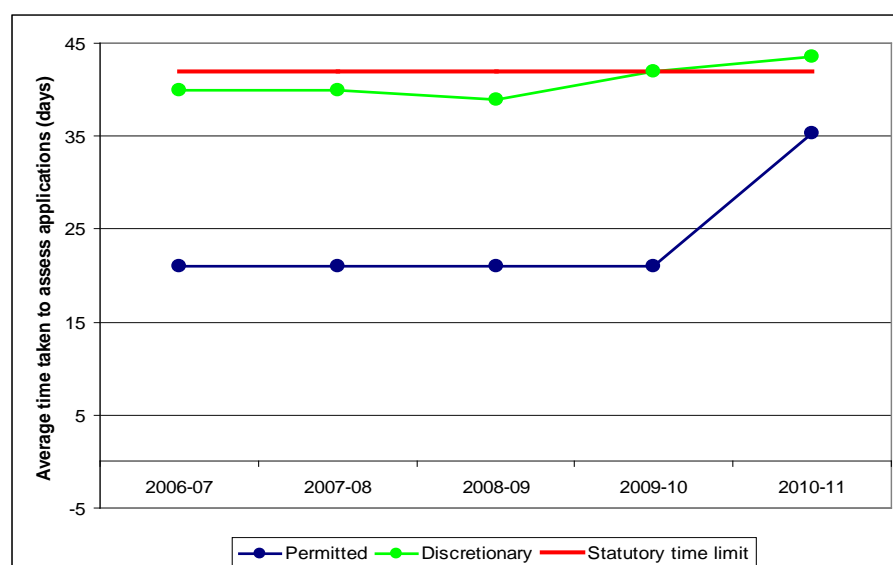
Figure 15: Number of DAs lodged with SC, 2006–07 to 2010–11



Over the five-year period, the lodgement of DAs has fluctuated. Between 2007 and 2009, Sorell went through period of development growth. In the last two years, development slowed and, as a result, the number of DAs lodged annually fell.

One of the objectives of the audit was to appraise the timeliness of DA assessment. Based on the information provided to us, Figure 16 contrasts the average number of days taken to approve both permitted and discretionary DAs against the statutory time limit.

Figure 16: Time taken by SC to assess DAs, 2006–07 to 2010–11



As shown in Figure 15, the number of DAs lodged decreased over the five-year period, while, as shown in Figure 16, the time taken to assess those DAs increased. There are a number of variables that could impact on the timeliness of DA assessment simultaneously.

As a result, the reasons for the changes in Figure 16 were not investigated.

In summary, the performance of SC was not adequately reported to the public.

Recommendation 27

We recommend that SC reports the following information as part of its annual reporting cycle:

- **number of DAs lodged**
- **timeliness of assessment.**

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Independent auditor's conclusion

Independent auditor's conclusion

This independent conclusion is addressed to the President of the Legislative Council and to the Speaker of the House of Assembly, and through them, to every member of the Tasmanian Parliament. It relates to my performance audit assessing the performance of Tasmania's land-use planning application system at the whole of government and local levels.

In developing the scope of this audit and completing my work, the Tasmanian Planning Commission, Break O'Day Council, Central Coast Council, Derwent Valley Council, Launceston City Council, Meander Valley Council and Sorell Council (collectively referred to in this conclusion as the accountable authorities) provided me with all of the information that I requested. There was no effort by any party to the audit to limit the scope of my work. This Report is a public document and its use is not restricted in any way by me or by any other person or party.

Responsibility of the accountable authorities included in this audit

The accountable authorities are responsible for establishing and maintaining effective arrangements for implementing Tasmania's land-use planning application systems as these relate specifically to them. This includes the establishment of systems and processes and allocation of appropriate resources to facilitate effective public reporting, service delivery and legislative compliance.

Auditor-General's responsibility

In the context of this audit, my responsibility was to express an opinion on the performance of the accountable authorities in managing those aspects of the land-use planning application systems applicable to each of them.

I conducted my audit in accordance with Australian Auditing Standard ASAE 3500 *Performance engagements*, which required me to comply with relevant ethical requirements relating to audit engagements. I planned and performed the audit to obtain reasonable assurance whether the accountable authorities applied systems and processes and allocated appropriate resources to facilitate effective public reporting, service delivery and legislative compliance.

My work involved obtaining evidence by reviewing planning-related records using a judgement-based sampling technique, evaluating performance indicators, holding discussions with staff at each accountable authority, evaluating relevant reports, analysing

performance-related data and reviewed strategic plans. My audit scope covered differing periods with details provided under the heading 'Audit scope' in the Introduction to this Report.

The audit criteria I applied in assessing Tasmania's land-use planning application system were:

- Did accountable authorities cope with the number of development applications?
- Were legislation and guidelines relevant, clear and objective?
- Were there measures to determine the performance of the planning system?

I believe that the evidence I have obtained was sufficient and appropriate to provide a basis for my conclusion.

Auditor-General's conclusion

Based on the audit objective and criteria, and for the reasons outlined in this Report, the performance of Tasmania's land-use planning applications system, as implemented by the accountable authorities that were the subject of this audit, is reasonable. Not using a word stronger than 'reasonable' was deliberate because a number of areas for improvement were identified. This resulted in 27 recommendations aimed at improving aspects of land-use planning and reporting.

H M Blake

Auditor-General

27 March 2012

Recent reports

Recent reports

Tabled	Special Report No.	Title
May 2009	80	Hydro hedges
Jun 2009	81	Contract management
Aug 2009	82	Head of Agency contract renewal
Oct 2009	83	Communications by Government and The Tasmanian Brand project
Oct 2009	84	Funding the Tasmanian Education Foundation
Nov 2009	85	Speed-detection devices
Nov 2009	86	Major works procurement: Nation Building projects, Treasurer's Instructions 1299 and 1214
Jun 2010	87	Employment of staff to support MPs
Jun 2010	88	Public Trustee — management of deceased estates
Jun 2010	89	Post-Year 10 enrolments
Jul 2010	90	Science education in public high schools
Sep 2010	91	Follow of special reports: 62–65 and 70
Oct 2010	92	Public sector productivity: a ten-year comparison
Nov 2010	93	Investigations 2004–2010
Nov 2010	94	Election promise: five per cent price cap on electricity prices
Feb 2011	95	Fraud control
Apr 2011	96	Appointment of the Commissioner for Children
May 2011	97	Follow of special reports 69–73
Jun 2011	98	Premier's Sundry Grants Program and Urban Renewal and Heritage Fund
Jun 2011	99	Bushfire management
Jul 2011	100	Financial and economic performance of Forestry Tasmania
Sep	No.1 of 2011–12	Tourism Tasmania: is it effective?
Sep	No.2 of 2011–12	Children in out of home care

Current projects

Current projects

Performance and compliance audits that the Auditor-General is currently conducting:

Title	Subject
TasPorts amalgamation	Assesses whether the promised benefits of amalgamation have been achieved.
Follow up of special reports	Measures the extent to which audit clients implemented recommendations from Special Reports 75–81, tabled between September 2008 and June 2009.
Project to replace the Motor Registry System	Examines the effectiveness of the project management used to implement the state's new Motor Registry System.
Public Trustee	Reviews management of funds held in trust by the Public Trustee related to Victims of Crime compensation and similar funds.
Managing hospital bed demand	Assesses the effectiveness of the Department of Health and Human Services' efforts to manage the demand for hospital beds through alternatives to hospital treatment.
National Partnership Agreement on Homelessness	Examines whether the state is effectively and efficiently meeting its obligations under the National Partnership Agreement on Homelessness. The audit will be done concurrently with other jurisdictions with oversight by the Australian Council of Auditors-General.