


LAND DEVELOPMENT APPROVAL PROCESS REVIEW

Prepared for Port Macquarie Hastings Council

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Executive Summary

Following feedback from industry stakeholders Port Macquarie Hastings Council (PMHC) committed to undertaking an independent review of its land development approval process (the review). PMHC commissioned the University of Technology Sydney Centre for Local Government (CLG) to undertake the review.

The methodology for the review included:

1. In-depth interviews with internal (n=18) and external stakeholders (n=20) to identify what works well and not so well about PMHC's process, suggested areas for process improvement and test potential initiatives that may respond to the areas identified.
2. An online survey of industry stakeholders (n=46) seeking views on how PMHC's approval process compares to other councils, levels of satisfaction with process and identify areas for process improvement
3. Benchmarking PMHC assessment timeframes and resourcing to councils with similar service delivery responsibilities, and development and growth contexts
4. Audit of randomly selected development application documents, and
5. A stakeholder forum to present draft findings and recommendations and seek feedback on these

The review found:

> AL to insert

1 Introduction

Following feedback from industry stakeholders Port Macquarie Hastings Council (PMHC) committed to undertaking an independent review of its land development approval process (the review). PMHC commissioned the University of Technology Sydney Centre for Local Government (CLG) to undertake the review.

1.1 Focus of the review

The review examined PMHC's development engineering approval processes for works under the Roads Act 1993, subdivision certificates (SC) and construction certificates (CC). The review examined all stages of the approval process from fee quoting through detailed assessment and internal referrals to defects and asset acceptance¹. The aim of the review was to identify areas where the process could be made more efficient, effective and solutions focused.

Alongside this review, PMHC has undertaken a separate review of asset design and construction specifications. Consideration of these specifications is beyond the scope of this review.

1.2 Method

The methodology for the review included:

6. In-depth interviews to identify what works well and not so well about PMHC's process, suggested areas for process improvement and test potential initiatives that may respond to the areas identified. Interviews were undertaken with the following:
 - PMHC elected representatives (n=8)
 - PMHC staff from the planning and development and infrastructure and asset groups (n=10)
 - Industry stakeholders including consultants, proponents and civil contractors (n=20)
7. An online survey of industry stakeholders (n=46) seeking views on a range of issues including:
 - how PMHC's approval process compares to other councils,
 - levels of satisfaction with each stage and different elements of the approval process,
 - what a solutions focused approach looks like and the extent to which PMHC's process demonstrates these characteristics, and
 - three most important areas for process improvement
8. Benchmarking PMHC assessment timeframes and resourcing to similar councils², including those:
 - classified as 'like councils' by the NSW Office of Local Government classification of local governments (OLG Group 5),
 - which are water and wastewater providers and authorities for their area, and

¹ Fee quoting; Bond requirements, administration, and releases; Application Lodgement(s); Post lodgement checking; Initial application review and officer assignment; Internal and external referral processes; Detailed assessment of application; Advice to applicant on required amendments; Lodgement and reassessment of amendments; Issue of approvals and certificates; Commencement of construction work processes; Witness and hold point inspection processes; Completion of work documents including works-as-executed plans; Asset delivery (into-defects) process; and asset acceptance (out-of-defects) process.

² Shoalhaven, Kempsey, Taree, Tweed Heads, Coffs Harbour

- neighbouring councils
- 9. Audit of randomly selected development application documents, and
- 10. A stakeholder forum to present draft findings and recommendations and seek feedback on these

1.3 This report

This report documents findings of the review and provides recommendations on areas for process improvement. It is structured according to the following broad finding areas:

- > Online survey
- > Internal and external contexts
- > Starting the process
- > The assessment and approval process
- > Finishing the process
- > Other considerations
- > Benchmarking
- > Recommendations

2 Online survey

An online survey was undertaken to enable broad industry input into the review. The survey was distributed mid-December 2015 and open for a period of approximately six weeks, closing late January 2016.

The survey was distributed to a list of twenty consultants, proponents and civil contractors provided by PMHC. Respondents were encouraged to forward the survey link to colleagues within their organisation to increase the response rate. A total of fifty responses were received³.

The survey sought information and views on the following:

- > How many Roads Act, CC and SC applications respondents have lodged with PMHC and how their experience of PMHC's processes compares to other councils
- > Overall satisfaction with PMHC's process, with each stage and different elements of the process (i.e. timeliness; availability, responsiveness, skills and expertise of PMHC staff; documentation requirements; internal and external coordination; and consistency of advice received throughout the process etc.)
- > Clarity and understanding of different stages of the process
- > Importance of and degree to which PMHC's process is solutions focused, and what respondents consider are the key characteristics of a solutions focused approach
- > Top three areas for suggested process improvements

2.1 The respondents

- > About half (n=25) of respondents were private sector consultants or civil contractors. The remainder were proponents (n=12) or did not specify their role (n=13).
- > Most respondents (n=38) had lodged a CC with PMHC whilst just under two thirds had lodged a SC (n=29) or Roads Act (n=27) approval
 - About a third (n=17) had lodged a CC application with other councils whilst fewer had lodged a SC (n=11) or Roads Act (n=12) approval with other councils.
 - There were a fairly limited range of councils which respondents had lodged similar applications with (Table 1). A number of respondents indicated the applications lodged with, and the development and growth contexts of, these councils were not of the same as PMHC and not fair comparators

TABLE 1 COMPARISON COUNCILS

CC	SC	Roads Act approval
Armidale Dumaresq	Ballina	Ballina
Ballina	Coffs Harbour	Coffs Harbour
Clarence Valley	Great Lakes	Great Lakes
Coffs Harbour	Greater Taree	Greater Taree
Cowra	Kempsey	Kempsey
Glen Innes Severn		Nambucca
Great Lakes		
Inverell		
Kempsey		

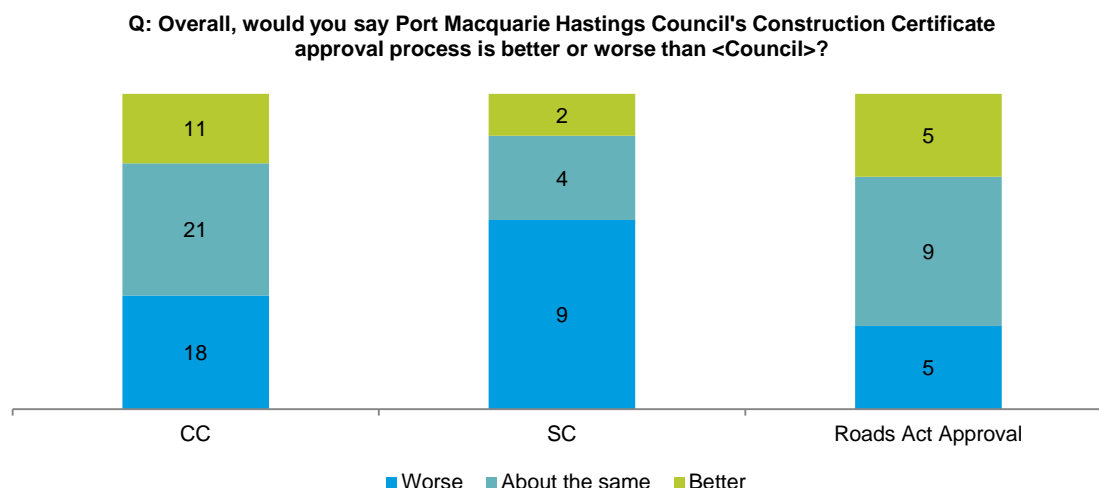
³ Not all question responses presented in this report add to fifty. This is due to the nature of some response options and some non-mandatory questions

Nambucca		
Newcastle		
Port Stephens		
Tamworth		

2.2 Comparing PMHC to other councils

- > When asked to compare PMHC's processes to other councils across different application types:
 - Most find PMHC's are either about the same or worse (Figure 1). Respondents tend to find PMHC's process for SCs is worse than other councils. Respondents were fairly evenly split on whether PMHC's CC approval process is worse or about the same as other councils. About one fifth of respondents indicated PMHC's CC approval process is better than other councils. A small number considered PMHC's SC and Roads Act approval processes to be better than other councils

FIGURE 1 COMPARING PMHC PROCESSES TO OTHER COUNCILS⁴



- > When asked why PMHC's process is better compared to other councils, respondents indicated:
 - Comparatively adequate resourcing levels, faster processing times than other councils, ability to liaise with multiple PMHC officers throughout the process, and better internal coordination. With respect to these issues, some respondents indicated other councils were operating in vastly different growth contexts to PMHC and not fair comparators.
- > When asked why PMHC's process is worse compared to other councils, respondents indicated:
 - Application assessment, approval and certificate issuance timeframes; level of staff experience and expertise in subdivision, civil design and construction works, and economic viability; level of comment detail and assessment rigour for particular asset types; inadequate staff resourcing; organisational culture, staff approachability and communication styles, and perceived unwillingness to reach practical outcome-based solutions; strong compliance and risk management focus in assessment; level of

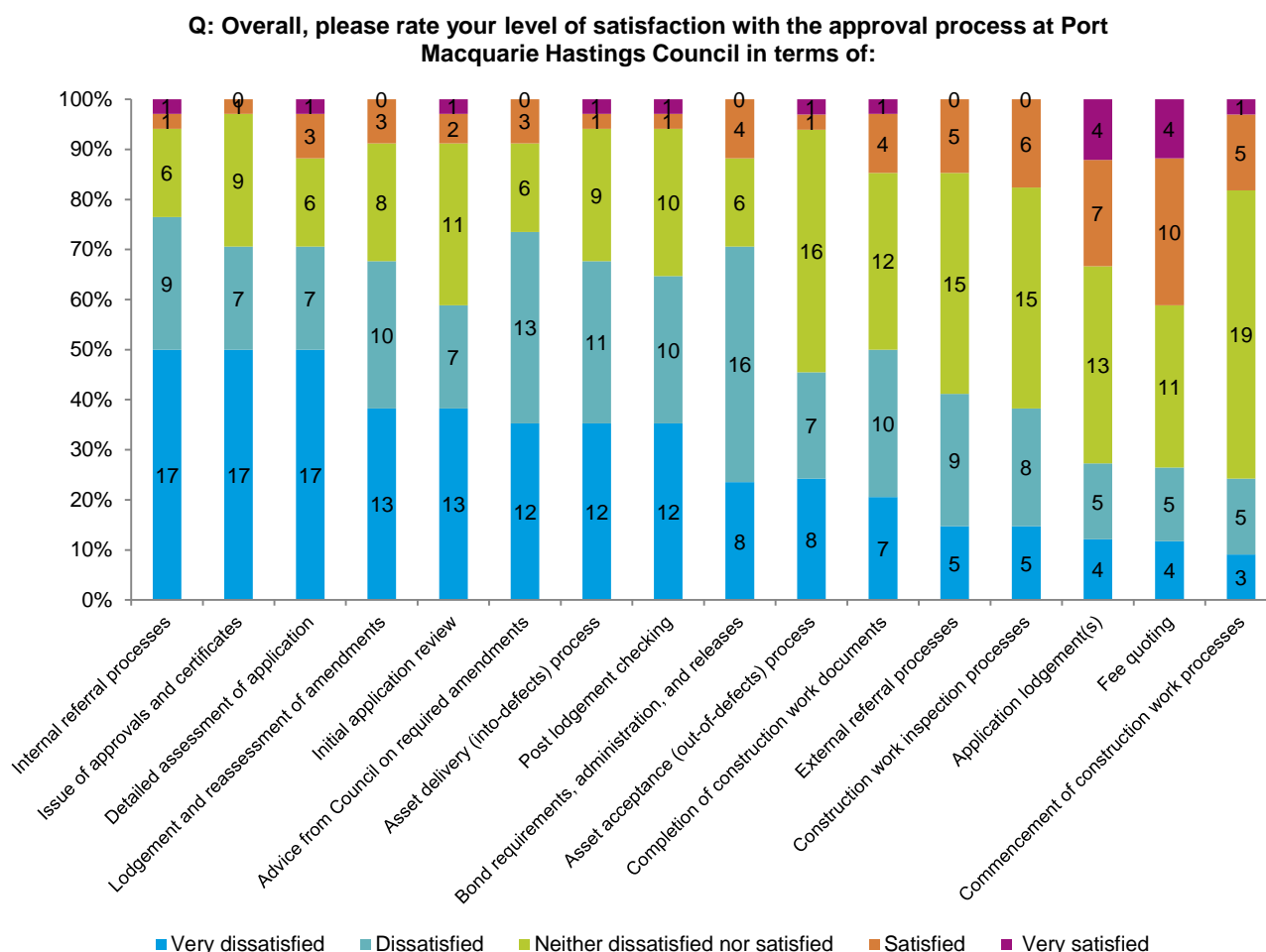
⁴ Some respondents had lodged these types of applications with more than one council. As this question was asked for each council the respondent had lodged an application with, totals are greater than the number of respondents who had lodged an application with another council

application paperwork and documentation required; inconsistency in interpretation of standards and assessment between PMHC officers; limited accountability for internal referrals and decision-making; defect requirements for release of Linen Plans; and loss of application documents

2.3 Satisfaction with PMHC approval processes

- > When asked to indicate their level of satisfaction with each stage of PMHC’s approval process, most respondents reported (Figure 2):
 - Dissatisfaction with internal referrals; issuing approvals and certificates; detailed assessment; lodgement and re-assessment of amendments; initial application review; advice from PMHC on application amendments; asset into-defects processes; post-lodgement checking; and bond requirements, administration and releases
 - No particular dissatisfaction or satisfaction with asset out-of-defects processes; external referrals; construction work inspections; initial application lodgement; and construction work commencement

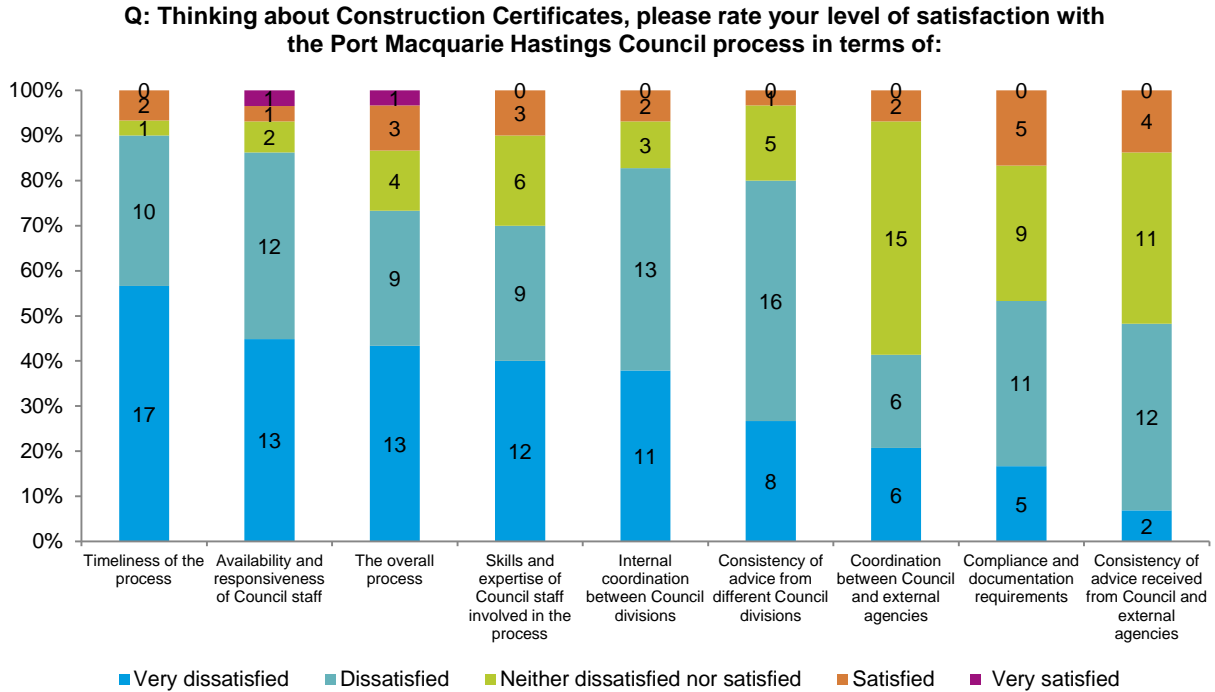
FIGURE 2 LEVELS OF SATISFACTION WITH OVERALL DEVELOPMENT APPROVAL PROCESS



- > When asked to indicate their level of satisfaction with PMHC’s approval process for particular application types more respondents reported:
 - Dissatisfaction with process timeliness, availability, responsiveness and skills and expertise of staff, and coordination between internal divisions for CC approvals (Figure

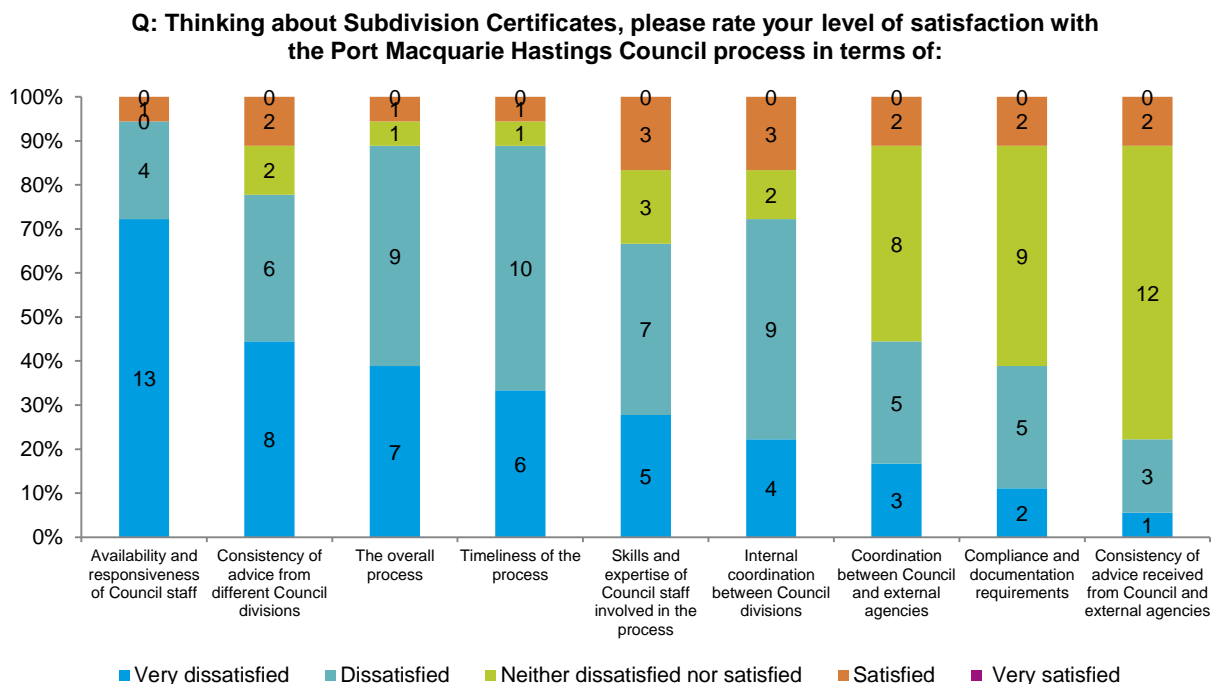
3). Higher levels of satisfaction with PMHC’s coordination and consistency of advice with external referral agencies as well as documentation requirements

FIGURE 3 LEVELS OF SATISFACTION WITH CC APPROVAL PROCESS



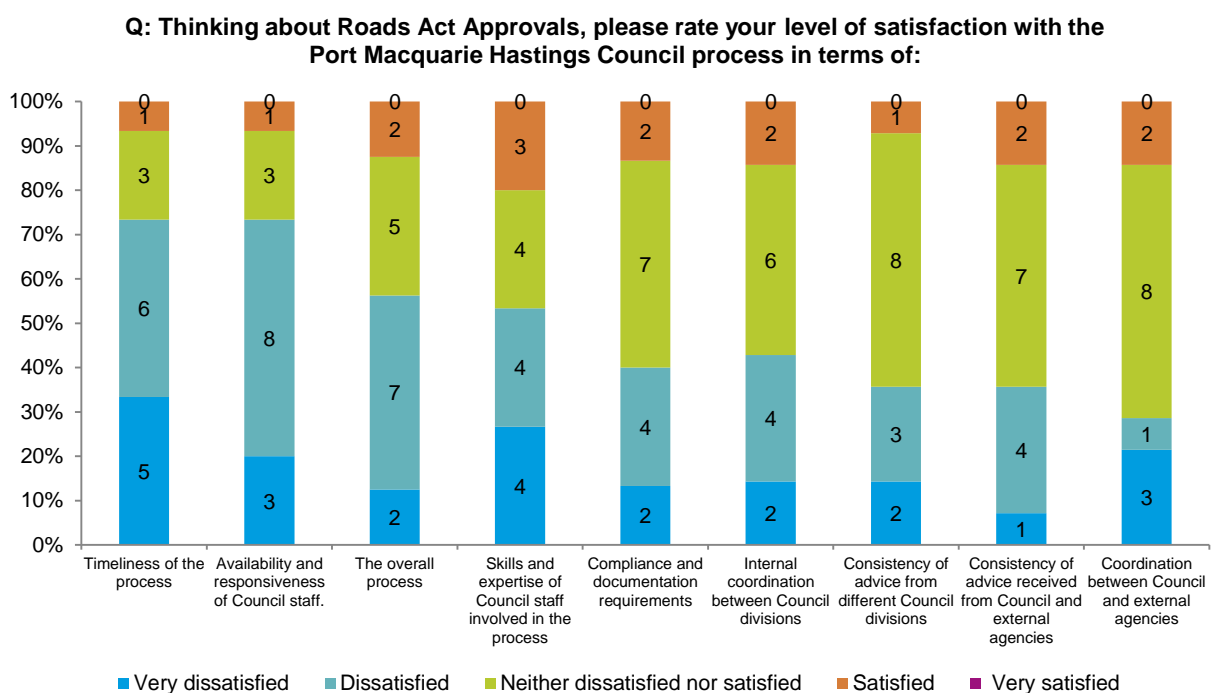
- Dissatisfaction with the availability, responsiveness and skills and expertise of staff; consistency of advice from and coordination between internal divisions; and process timeliness for SC approvals (Figure 4). Generally, respondents were neither dissatisfied nor satisfied with documentation requirements and consistency of advice received from external referral agencies. Respondents were split in their satisfaction with PMHC’s coordination with external referral agencies.

FIGURE 4 LEVELS OF SATISFACTION WITH SC APPROVAL PROCESS



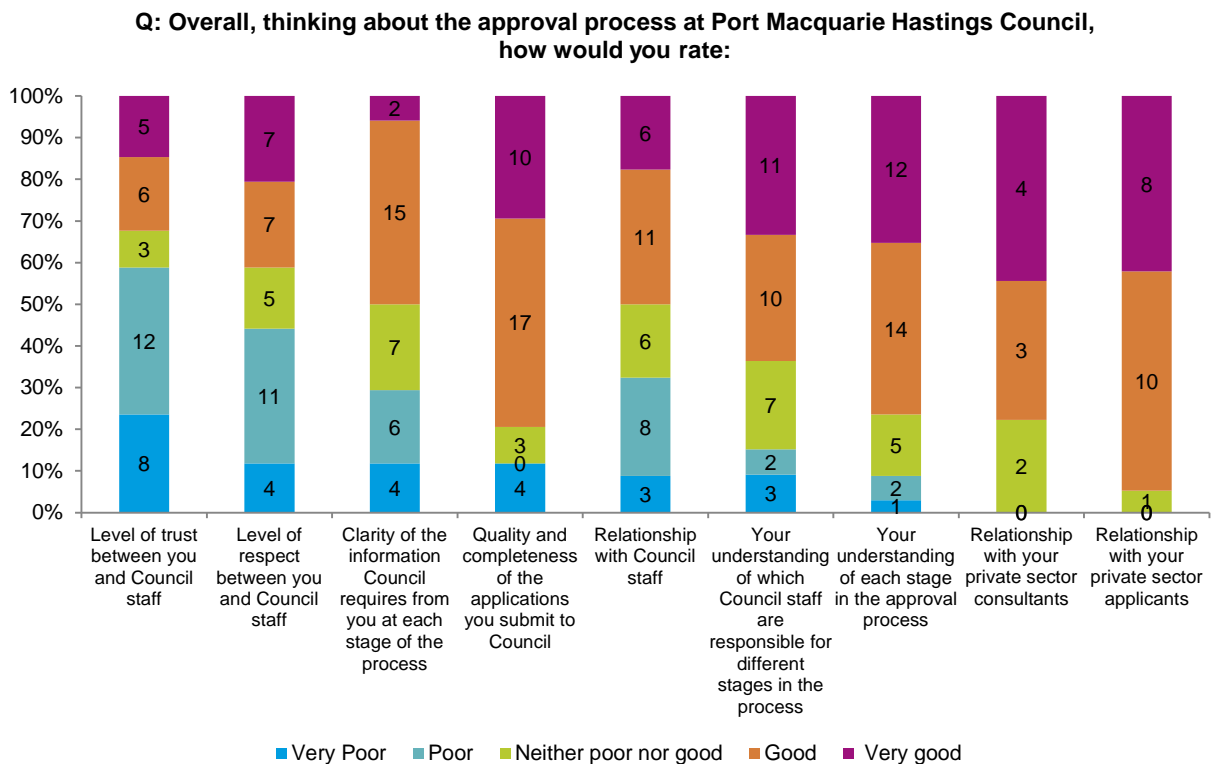
- Dissatisfaction with process timeliness and availability and responsiveness of staff for Roads Act approvals (Figure 5). There were mixed levels of satisfaction with the skills and expertise of staff; documentation requirements; coordination and consistency of advice received from internal divisions; and coordination and consistency of advice received from external referral agencies

FIGURE 5 LEVELS OF SATISFACTION WITH ROADS ACT APPROVAL PROCESS



- > When asked to rate different characteristics and attributes of the approval process, most respondents indicated (Figure 6):
 - Poor relationships and levels of trust and respect between themselves and PMHC staff and lack of clarity in the information required by PMHC at each stage of the process
 - Mixed understandings of how each stage of the process works and which PMHC staff are responsible for each stage
 - High quality and complete applications are submitted to PMHC and there are very good relationships between private sector consultants and proponents

FIGURE 6 RATING CHARACTERISTICS AND ATTRIBUTES OF THE APPROVAL PROCESS



2.4 Solutions-focused process improvement

- > When asked the extent to which PMHC staff are solutions focused, of those respondents that answered, about half find staff are not at all solutions focused (Figure 7). The remainder find staff are either somewhat, moderately or quite solutions focused.

FIGURE 7 EXTENT TO WHICH PMHC STAFF ARE CONSIDERED SOLUTIONS FOCUSED

Q: To what extent do you think Council staff are solutions focused throughout the approval process?



- > Respondents were asked to describe what they find to be the key elements of a solutions focused approach. Figure 8 below presents the responses graphically. The larger the word the more times it was mentioned, the smaller the word the fewer times it was mentioned

FIGURE 8 ATTRIBUTES OF SOLUTIONS-FOCUSED APPROACH



- > Respondents were also asked to nominate the top three areas for process improvement they find would lead to a more efficient, effective and solutions focused approval process. Figure 9 below presents the responses graphically. The larger the word the more times it was mentioned, the smaller the word the fewer times it was mentioned

FIGURE 9 TOP THREE AREAS FOR PROCESS IMPROVEMENT



3 Internal and external context

3.1 Experience of planning approvals

- > For PMHC, planning approvals are experienced as two *separate yet interlinked* processes: *development approval* and *development engineering approval*. On the other hand, industry stakeholders experience planning approval as a holistic, end to end process that requires navigating to obtain approval for all aspects of a development.
 - Most industry stakeholders find the process to obtain *development approval* more flexible with an ability to negotiate site-specific development responses and outcomes. In contrast, they find the process to obtain *development engineering approval* to be more rigid with a greater focus on compliance with technical design standards and limited ability to negotiate site-specific development responses and outcomes
- > Industry stakeholders find there are different cultures embodied in the *development* and *development engineering* approval processes. A number of industry stakeholders suggested the nature of the task for each of these processes causes cultural differences. For example, development approvals tend to be more conceptual and broader when compared to development engineering approvals which are focused on technical aspects and ‘filling in the detail’ of an approved development concept

3.2 Internal context

- > PMHC aims to be solutions-focused across all areas of the organisation. In recent years, it has implemented a number of initiatives to improve the *development approval* process. Generally, most find these initiatives have improved the *development approval* process, which is now much smoother and simpler.
- > In contrast, industry stakeholders find there has been a more limited focus on improving the development engineering approval process. All stakeholders indicated this process is now an important frontier of improvement for PMHC.
 - A number of initiatives to improve the development engineering approval process have recently been implemented by PMHC and selected industry stakeholders. These included building the capability of development engineers to assess a greater range of asset types and application covering reports and compliance tables. Whilst these initiatives have had some success, there has been limited communication between PMHC and industry about them including what is working well and not so well
- > There is a well-defined social network of industry stakeholders and PMHC staff involved in the approval process. Historically, there have been strong social norms of trust and mutual respect, and implicit shared understandings and expectations amongst the network of how the approval process works in practice.
 - Most stakeholders find recent staffing changes have weakened social norms amongst the network. In the absence of clearly documented process guidance, implicit shared understanding and expectations of the approval process have been lost.

Quotes

“There is a much clearer understanding of the framework and requirements of the DA process”

“I used to say to Council: ‘This is what I want to do, you tell me what I need to do and what you expect of me”

“It seemed to be based on judgment in the past”

3.3 External context

- > Port Macquarie Hastings is growing significantly and fast. Most stakeholders indicated this creates challenges for managing the approval process to maintain and deliver positive development outcomes (for example, public health and safety and amenity)
 - There are strong concerns from industry that delays in the approval process are limiting the speed with which new lots and development are brought to market. This is seen as a risk to Port Macquarie Hastings' current growth trajectory due to the impact on housing affordability and development viability as holding costs increase whilst awaiting development approval.
 - A number of industry stakeholders indicated Port Macquarie Hastings is increasingly seen as a 'risky place to do business' and 'buy a home' by lenders, investors and homebuyers. Greater certainty of approval timeframes was considered particularly important as development delivery milestones are often tied to development financing and legal obligations. For example, delays in issuing SCs postpones lodgement with NSW Land and Property Information and obtaining Linen Plans, which are required to create and on-sell lots and meet contract sunset clause obligations.

Quotes

"The fastest growing area outside of Sydney"

"The big Sydney banks want full CC approved before they give a cent"

"Pre-sales have been lost because of sunset clauses"

- > Over the years, the Hastings Construction Industry Action Group (HCIAG) has provided a forum for the PMHC-industry stakeholder network to come together and discuss issues. Until recently, HCIAG focused more on operational issues with the approval process. The HCIAG is now focused more on strategic issues such as how the building and construction industry can support youth employment.
 - Some industry stakeholders indicated this change resulted from the HCIAG having become a 'talking shop' due to limited follow through by PMHC on identified operational issues. Most stakeholders indicated the HCIAG should have an important role in facilitating and coordinating PMHC-industry network responses to findings of this review.

3.4 Process, roles and responsibilities

- > Overall, shared understanding of expectations of the approval process and roles and responsibilities of different stakeholders within it is somewhat limited. For example, there is a high degree of uncertainty and differences in views between industry and PMHC stakeholders about:
 - Responsibilities and liabilities (i.e. whether proponents are responsible for providing assets and infrastructure beyond a development site when not covered by s94 contributions or Voluntary Planning Agreements, and whether liability with the certifying engineer that prepared approved plan or PMHC)
 - Different aspects of the approval process (i.e. timeframes to receive internal referral advice and who within PMHC has ownership of these; under what circumstances development engineers will request internal advice from asset owners; and whether development engineers are responsible for reviewing and amending duplicate or contradictory comments and conditions from asset owners)
 - Alternative solutions (i.e. under what circumstances alternative solutions can be proposed by industry; who within PMHC is authorised to make decisions on these; and review mechanisms for PMHC decisions on alternative solutions)

- Information and documentation requirements (i.e. what information is required by PMHC at different points in the process, and at what point this information becomes available to industry and can feasibly be provided. In particular, s307 Certificates, public lighting installation and connection forms, Notices of Arrangement)
 - Need for external referrals (i.e. PMHC Bushfire Officer and NSW Rural Fire Service), external referral timeframes and who is responsible for following these up (i.e. NSW Roads and Maritime Services), impact of external referral timeframes on PMHC approvals (i.e. Notices of Arrangement), and how application documentation requirements reliant on external referral or other PMHC processes are integrated with the approval process (i.e. s307 Certificates)
- > All stakeholders acknowledge PMHC has multiple roles and responsibilities to fulfil and uphold through the approval process. PMHC is simultaneously guardian of and liable for maintaining public health and safety, future owner and maintainer of assets, and approval authority for most development. Industry stakeholders also emphasised the important role of industry in financing provision and early maintenance of public assets and infrastructure.
- Whilst some industry stakeholders find convenience in their ability to avoid referrals to multiple approval authorities (particularly sewer and water) through PMHC’s role as a ‘one stop shop’ for approvals, they indicated this challenges of coordinating multiple process inputs from different divisions

Quotes

“All I want to know is what do Council need me to do?”

“Why does it need to go to Council’s bushfire officer, it is already going to RFS?”

“They expect you to have a s307 Certificate but it is stuck with another part of Council”

3.5 Shared outcomes

- > Most stakeholders find strong commonality in the outcomes they are working towards (Table 2), and what the approval process should deliver for Port Macquarie Hastings. However, different expectations of roles, responsibilities and how the process should work tend to distract stakeholder ability to focus on these

TABLE 2 DEVELOPMENT OUTCOMES

PMHC	Industry
Guardian of public health and safety	Development that doesn’t compromise public health and safety
Good quality assets that meet effective life	Good quality assets that stand test of time
Positive development outcomes for new and existing communities	Positive development outcomes for buyers and community
Realise growth potential	Realise growth potential
Efficient assessment process (timeliness / resources)	Efficient assessment process (timeliness / resources)

Quotes

“I firmly believe Port Macquarie Hastings could be the best LGA on the Eastern seaboard.”

We want to work with Council to make that a reality”

“I have a young child. I want them to stay here. This place could be electric”

“We want to provide infrastructure that is fit for purpose, has longevity and benefits the community and ratepayer”

“A good asset that stands the test of time”

4 Starting the process

4.1 Fee quoting

- > Whilst fee quoting was identified as an area of relative satisfaction by online survey respondents, industry interviewees suggested efficiencies can be found. Some quotes are prepared by administrative staff whilst others for more complex developments are prepared by development engineers.
 - Consultant applicants find the process for preparing quotes impedes their ability to provide proponents with a timely estimate of professional fees and receive sign off to proceed with preparing plans and development engineering applications. They also indicated development engineer involvement in preparing quotes diverts resources away from the core business of assessment towards administrative tasks.

4.2 Pre-application meetings

- > All stakeholders identified strong interdependency between the development approval and development engineering approval processes. However, limited alignment between these and development approval conditions inconsistent with development engineering approval compliance requirements cause inefficiencies. For example:
 - Most stakeholders indicated pre-application meetings are useful for discussing broad development engineering parameters but of limited use in agreeing on detailed engineering solutions. Industry stakeholders suggested PMHC could better utilise these meetings to provide more guidance and certainty on design parameters
 - Industry stakeholders identified instances where information on existing services provided through pre-application meetings was inaccurate. In these instances, this was discovered during detailed development engineering assessment. They identified a need for more accurate existing service information to be provided through pre-application meetings so these can be accounted for when developing design solutions
 - Development engineering compliance requirements for road geometry can be inconsistent with approved lot layouts. At times, development engineering approval is delayed whilst this is resolved, which sometimes requires retrospective changes to consent conditions or other planning instruments, such as Voluntary Planning Agreements. A number of stakeholders questioned the legality of such changes

Quotes

“The LEP permits certain development but then it can’t be built according to the specifications. It’s difficult to understand...first you’re told development is legal then you’re told it’s illegal”

4.3 Plan information and supporting documents

- > Adequacy of plan information and supporting documentation was identified by PMHC stakeholders and some industry stakeholders as causing significant inefficiencies in the approval process.
 - Some industry stakeholders indicated they face pressure from clients over the cost of preparing accurate plans. Others indicated this is an issue for industry to manage client expectations on the trade-off between the true cost to prepare accurate plans and quicker approval timeframes.

- > Areas where plan information or supporting documentation tends to be deficient or missing includes long sections, dimensions (particularly RLs), footpaths, Notices of Arrangement and s307 Certificates.
 - Most industry stakeholders indicated they have received little communication from PMHC on the overall quality of plan information and supporting documentations, and were unaware of this issue. Similarly, most proponents indicated they have received limited communication from consultant applicants on this issue
 - Some consultant applicants indicated that information or documentation identified as missing is held by PMHC in prior development approvals. They find development engineering resources could be effectively utilised to more thoroughly review existing development approval files and obtain missing information or documents from these
- > When this issue occurs:
 - Plans with missing information or supporting documentation are accepted for lodgement by PMHC, without thorough checking, and the assessment clock commences;
 - After about a week or two, plans are checked more thoroughly and missing information or supporting documents are identified. This is then requested from the applicant via an itemised email;
 - It then takes about a week or two for the applicant to provide the missing information or documents. It is usually provided to PMHC via several emails without clear reference to the itemised list, making it difficult to track what has been actioned. At times, changes resulting from the request for information are not carried through an entire plan set;
 - By this stage, assessment progress remains limited until a complete response is received and about four weeks of ‘assessment time’ has passed before the application is ready to commence assessment.

Quotes

“Sheet numbers change, things move around. It’s not made easy. It’s like looking for a needle in a haystack”

“It’s crazy, some things are picked up by one PMHC staff member, yet another will let the same thing go through”

- > Most stakeholders suggested missing information and supporting documentation indicates consultant applicant internal review processes are insufficient. Some industry stakeholders indicated inconsistency in plan information and supporting documentation preferred by individual PMHC officers creates challenges for reliable internal review processes
- > Some industry stakeholders suggested Australian Standard construction drawings and clearer guidance on supporting documentation should be implemented. This was seen as helping to establish shared understanding of minimum information and documents required to commence and complete assessment. They suggested this would need enforcing through more thorough application checking and refusal by PMHC to accept non-compliant applications.
- > At times, consultant applicants do not communicate requests for further information or documentation to proponents. This can create tension as proponents follow up with PMHC despite being unaware an application is unable to be assessed. Applicants find there is limited communication from PMHC on assessment status once missing information or documentation is provided.

- Suggestions that requests for further information or documentation from PMHC be sent to both applicants and proponents were viewed positively. This was seen as a way of re-establishing expectations of PMHC, applicant and proponent responsibilities.

Quotes

“I’m paying consultants to do a good job. But I get left in the dark. If the drawings aren’t up to scratch – I want to know about it”

5 The assessment and approval process

5.1 Shifting expectations

- > Industry stakeholders indicated the assessment 'goal posts' have shifted in recent years, that the approval process is overly compliance-, rather than outcome-, focussed, and that there are different levels of assessment rigour by individual PMHC staff.
 - Most industry stakeholders indicated turnover of longstanding PMHC staff has weakened implicit expectations regarding the level of assessment rigour. PMHC stakeholders indicated the level of assessment rigour has increased in recent times and this has not been well-communicated to industry.
 - Most industry stakeholders find reactive and increased assessment rigour for asset types which have experienced isolated failures. They indicated this increase is rarely communicated, which makes it difficult to understand when, why and how assessment rigour has changed for some asset types. They identified a need for more systematic and consultative review of asset failures as the basis for increasing assessment rigour and improving standards.

5.2 Workload allocation

- > Development engineer application workload is allocated on a 'first-in, first-out' basis. Under this system, townhouse and 200-lot subdivisions are treated equally. These development types are considered by most industry stakeholders to offer different value to Port Macquarie Hastings, and require different time, resourcing and skills for assessment.
 - Industry stakeholders find a greater quantum of smaller, less complex and lower value applications impact efficiency of the approval process for larger, more complex and higher value developments. Whilst some smaller applications are assessed by PMHC building inspectors, this is not uniform and development engineers also tend to assess these. Industry stakeholders indicated this is an inefficient use of development engineer resources
- > A number of industry stakeholders suggested PMHC should implement a Major Projects Office with responsibility for centralised assessment and end-to-end project management of development approval and development engineering approval for larger developments
 - A suggested alternative, whereby development engineering approvals are streamed according to size, complexity and dollar value within the existing organisational structure was viewed favourably.
- > Industry stakeholders also suggested the process for larger developments would be more efficient if a single development engineer was appointed application manager from the start of the development approval process.
 - This single point of customer service was seen as needing to have clear responsibility for internal development engineering timeframes and ensuring these are met.

Quotes

"A high level engineer does not need to be looking at a driveway crossover"

5.3 Internal referrals

- > Most industry stakeholders expressed uncertainty over which PMHC staff are accountable for internal referrals and making decisions on contradictory comments and conditions. They also expressed uncertainty over how responsibilities for different stages of the approval

process are distributed between development engineers, asset owners and other internal divisions.

- Industry stakeholders suggested clearer guidance is needed on what types of applications are internally referred, timeframes for development engineers to receive comments back from other divisions, and empowering development engineers to assess and make decisions on a greater range and complexity of assets. This was seen as a way of avoiding the need to internally refer applications to other resource-constrained divisions.
- PMHC stakeholders suggested there is a need for enhanced internal systems to track the date applications are internally referred and when these are due to be received back by development engineers. A need for better utilisation of administration staff and weekly workflow meetings to assist with logging and monitoring internal referral timeframes was identified. Some also suggested using weekly workflow meetings to better monitor timeframes for reviewing and consolidating internal referral comments, providing defect lists to applicants, proponents and contractors, and bond releases.

Quotes

“No one takes ownership over the process. No one knows where it is at”

5.4 Communication

- > Industry stakeholders indicated it is difficult to make contact with PMHC staff responsible for different assessment stages. They find it takes about a week to make contact with them and another week for a follow up response. On the other hand, PMHC staff find communication with industry to provide assessment status updates and follow up information requests takes significant time which could otherwise be spent assessing.
 - Suggestion that application status information, including key dates and responsible PMHC staff and application manager, should be shared via an online portal was viewed positively. This was seen as a way of reducing the need for industry to regularly contact PMHC and free up time for assessment
 - Some raised the idea of the portal including upload/download functionality attached electronically to application comments. This could help reduce and streamline email correspondence, notify when all comments have been actioned, and provide more accurate information on stop the clock provisions
- > A number of industry stakeholders indicated they have experienced combative and adversarial communication styles from PMHC staff. Conversely, PMHC staff indicated they have experienced similar communication styles from industry stakeholders. Both find this approach is unhelpful and counter to realising a solutions focused approval process.
 - A number of industry stakeholders indicated opportunities to get to know one another better, outside the approval process environment, are needed for the PMHC-industry network. This was seen as a way of building better social ties amongst the network and enhancing trust and mutual respect.

5.5 Alternative solutions: culture, awareness, evidence, decision-making

- > Alternative solutions that respond to the development context was identified by industry stakeholders as central to a solutions focused approval process. However, alternative solutions are found to be difficult and an area of process inefficiency. Five reasons for this were identified by industry and PMHC stakeholders:
 1. Unwillingness to negotiate alternative solutions due to a strong organisational culture of compliance with AUSPEC. This becomes particularly problematic where development

consent has been granted yet AUSPEC cannot physically be complied with in the development context.

- Industry stakeholders find it difficult for alternative solutions to be given adequate assessment consideration. Site visits have proved successful in building shared understanding of why AUSPEC cannot be complied with, what alternative solution is being proposed, and how it would deliver an outcome comparable to AUSPEC. Field investigations are not always possible for PMHC staff due to resourcing constraints. Some industry stakeholders emphasised the importance of building the skills and experience of PMHC development engineers in the construction process as a way of enhancing capability in understanding which alternative solutions are appropriate to a site or development context.

Quotes

“The kerb radius couldn’t be achieved because of the DA-approved lot layout. This was a low traffic and speed environment yet the standard was insisted”

2. Alternative solution proposals are not clearly identified in application documents. In these instances it is assumed AUSPEC has been deviated from in error, which makes it difficult to investigate why a solution has not complied with the standard.
 - Substantial time is spent on these situations through a series of comments and responses between PMHC and applicants. These tend to focus on establishing that the AUSPEC standard cannot be complied with and an alternative is being proposed, ascertaining what alternative is being proposed and why, and demonstrating it achieves the same, or better, outcome as AUSPEC.

Quotes

“We spent ages trying to negotiate a solution. Then we all went on site and it was clear as day. Everyone could see the standard wouldn’t work and the alternative was a much better outcome”

3. Lack of clarity around what type of evidence is required to demonstrate alternative solutions will achieve the same, or better, outcome as AUSPEC. There are also differences in views around the ‘evidence threshold’ for solutions of different scale and complexity.
 - At times, applicants have sought to justify an alternative solution based on successful implementation by other councils or in other development contexts. In the event of solution failure, both industry and PMHC may be exposed to public liability and would need to rely on evidence to justify their solution design and approval decision. Whilst there are differences in views over whether certifying engineers or PMHC are liable for alternative solution failures which result in public harm, all stakeholders indicated they have an interest in ensuring the approval process is based on evidence.

Quotes

“It is very difficult to say ‘this has worked in other councils’, and use that as the evidence for alternative solutions”

4. It is not clear which PMHC staff have responsibility for making decisions on alternative solutions and review mechanisms for these decisions. A number of industry stakeholders emphasised the importance of having confidence in decision reviewers. Some suggested a Chief Engineer position would provide this.

5. There is a lack of respect amongst some industry stakeholders for PMHC’s decisions and role as approval authority. This is evidence in the suggestions of some that a burden of *disproof* for alternative solutions rests with PMHC.

Quotes

“If it can’t be explained why it has to be done in the AUSPEC way then it shouldn’t be enforced”

5.6 Comments and conditions

- > Industry stakeholders find they receive several rounds of comments from different PMHC divisions on most applications. This tends to result from the flow-on impact of modifying a design solution in response to a prior round of comments or inconsistency in comments from different divisions.
- > At times, industry stakeholders find duplication and contradictions between comments and conditions of consent from different divisions. They indicated a need for comments and conditions to be internally coordinated and reviewed by a single ‘application manager’ with responsibility for identifying and removing duplicates and spotting and resolving internal contradictions.
 - Similarly, industry stakeholders find conditions can be duplicated across development and development engineering approvals. This results in applicants spending significant time cross-checking between approvals to confirm they are duplicates
- > Industry stakeholders find inconsistency of comments and conditions with other planning instruments, such as Voluntary Planning Agreements, and external referral agencies, particularly RFS. At times, retrospective changes are required to these instruments and some questioned the legality of this
- > There are varying levels of comment and condition detail provided by different divisions and staff members. Some industry stakeholders also suggested comments and conditions tend to be verbose, poorly written and difficult to understand.
 - At times, industry stakeholders find comments and conditions extend into defining construction methodologies. This is considered inappropriate, an inefficient use of resources, and potential over-reach of the legal scope for conditions. There are different views amongst stakeholders on how much detail conditions should include when calling up Australian Standard or Building Code of Australia provisions

Quotes

“We had to describe the whole disinfection process, which is a Council responsibility”

“There were copious comments on the sub-grade and survey marks”

- > Industry stakeholders indicated there are no set timeframes in how long it might take for responses to comments to be assessed and find limited communication from PMHC on whether more comments will be received. This tends to be impacted by how well or otherwise an applicant has responded to the prior set of comments.
- > Industry stakeholders have found some conditions irrelevant to the approved development. For example, mains wastewater conditions provided for a development with septic tanks. This creates confusion and tends to be more of a problem for smaller developments. However, some suggested there is benefit providing catch-all conditions for different asset types in case new services are discovered during construction. This was seen as an efficient

way of allowing construction works to continue without the need for full reassessment and approval modification.

Quotes

“Sometimes the conditions don’t make any sense. You wonder if we are talking about the same project”

5.7 Assessment timeframes

- > Industry stakeholders consider assessment timeframes to be unnecessarily long and significantly delayed compared to their own expectations and experiences with other councils. When asked to nominate an ideal timeframe, anywhere from four weeks to three months was suggested depending on the application type and development complexity.
 - For larger developments, some proponents suggested expectations on timeframes need establishing and agreeing through pre-development application meetings based on project staging agreed between proponents, lenders and investors.
- > Most industry stakeholders expressed little confidence in PMHC data on assessment timeframes and that the basis of measurement did not match how the development process occurs or their experience of it. They suggested assessment time frames should be monitored by development size and complexity as well as application type.
 - PMHC staff indicated stop the clock periods and reasons are not always recorded properly, which impacts reported development assessment timeframes and availability to provide applicants with reasons for delayed assessment. Some stakeholders indicated there is a need for greater clarity on stop the clock provisions and that regular reporting of reasons to industry would be helpful in identifying areas for continuous improvement.

6 Finish the process

6.1 Inspections

- > Inspections were identified by stakeholders as an area of significant time and resource commitment. Industry stakeholders find all development engineers and asset owners tend to attend inspections. Whilst this responds to prior concerns regarding timeliness and coordination in getting relevant asset owners on site, the current arrangement is seen by some as inefficient.
 - Some industry stakeholders suggested all development engineers and asset owners need capacity building so that any and only one or two staff members attend inspections and can sign off all works.
- > Some industry stakeholders indicated some of the inspection methods are ineffective and some types of inspections are scheduled at the wrong time in the construction process. Some also indicated acceptable testing and inspection thresholds, such as whether survey engineer or contractor sign off reports are sufficient, are inconsistent across individual PMHC.
- > A number of industry stakeholders find there can be lengthy delays in receiving defect reports following inspection. They indicated this delays their ability to respond to defects, close out construction works, and arrange for bond releases and certificate issuance.

Quotes

“Inspections aren’t difficult. It is about checking plans to what is built. Most engineers can read plans and look at building”

“Trees were dug up to see if they were planted correctly. It is madness”

6.2 Works as Executed

- > Industry stakeholders indicated there is uncertainty over what is classified as minor or major works as executed changes and there tends to be inconsistency in how these are viewed by PMHC building inspectors and development engineers. This was considered particularly problematic as major changes can trigger full re-assessment, resulting in increased holding costs for labour and machinery.
- > Industry stakeholders emphasised the nature of construction as ‘make-do’ and that project management and technical complexities of construction processes require innovative and practical responses which may deviate slightly from consent conditions. In these instances, they suggested building inspectors need to be empowered to sign off on small in-field modifications without needing to seek approval from development engineers.
- > At times, industry stakeholders find inconsistency between the on-site advice provided by building inspectors and approved plans, which causes unnecessary confusion. In these instances, they suggested there should be a mechanism available to have the advice of building inspectors reviewed.

Quotes

“Building is often quite make do in approach”

“Building inspectors are very knowledgeable and know what will work and won’t. They need to be able to make that call”

“The approved plans said [asset type] could go here, and the building inspector

didn't agree"

6.3 Bonds and issuing certificates

- > Most industry stakeholders expressed uncertainty over how the bond release process works. In particular, the circumstances and timeframes for releasing bonds, whether release forms are required for all types of bonds, and what information is needed to support the release form.
- > Similarly, there is uncertainty over the circumstances under which part bonds may be held over and how much will be held. Industry and PMHC stakeholders indicated there is a need to provide better customer service by tracking and communicating scheduled bond release dates through an automated system.
- > Industry stakeholders indicated the time taken to physically issue SCs does not meet their expectation. This was considered a particular issue as it delays certificate lodgement with NSW Land and Property Information and release of the Linen Plan, which goes on to effect on-selling of lots and ability to meet sunset clause contractual obligations. PMHC stakeholders indicated this tends to be a function of delays in finalising defects and missing supporting documentation such as s307 Certificates and Notices of Arrangement.

7 Other considerations

7.1 Communication and service

- > Industry stakeholders find notification of and consultation time periods for recent development engineering technical and policy reviews, such as the flood policy and AUSPEC review, have not been sufficient. They identified a need for closer and more proactive engagement between PMHC and industry on technical and policy reviews.
- > Almost all industry stakeholders indicated substantially improved communication of changes to development engineering compliance requirements, design standards and better guidance on what is needed to commence and complete the approval process is required. Similarly, most indicated better communication of reasons for decisions, particularly alternative solutions, are needed. Without this, it is difficult for industry to understand reasons for PMHC decisions with the presumption they are based on personal preferences.
- > Industry stakeholders also identified a need for much quicker communication response times and for this to be tracked and reported along with assessment timeframes, as practiced by some councils.

Quotes

"Industry is a customer as well and covered under the Customer Service Policy"

7.2 Asset maintenance

- > A number of industry stakeholders expressed concern that approved design specifications go beyond minimum AUSPEC standards and perceived this to be 'gold plating' of assets for which PMHC will be future owner. They indicated a need for mutual agreement between industry and PMHC on appropriate design standards for assets and infrastructure.
- > Some industry stakeholders also suggested the apparent unwillingness to negotiate alternative solutions and instances where provision of infrastructure over and above legislated requirements has been offered by proponents have been refused by PMHC due to concerns about ongoing maintenance costs.

Quotes

"Community benefit must outweigh the ongoing maintenance issues"

"It has nothing to do with liveability and amenity, it comes down to potential maintenance costs"

"Gold plated! It is more like bulletproof!"

8 Benchmarking

PMHC resourcing and approval timeframes have been benchmarked against other NSW councils⁵. These include like councils as classified by the NSW Office of Local Government (OLG Group 5), those that are water and wastewater providers and authorities for their area, neighbouring councils, and those with similar development and growth contexts.

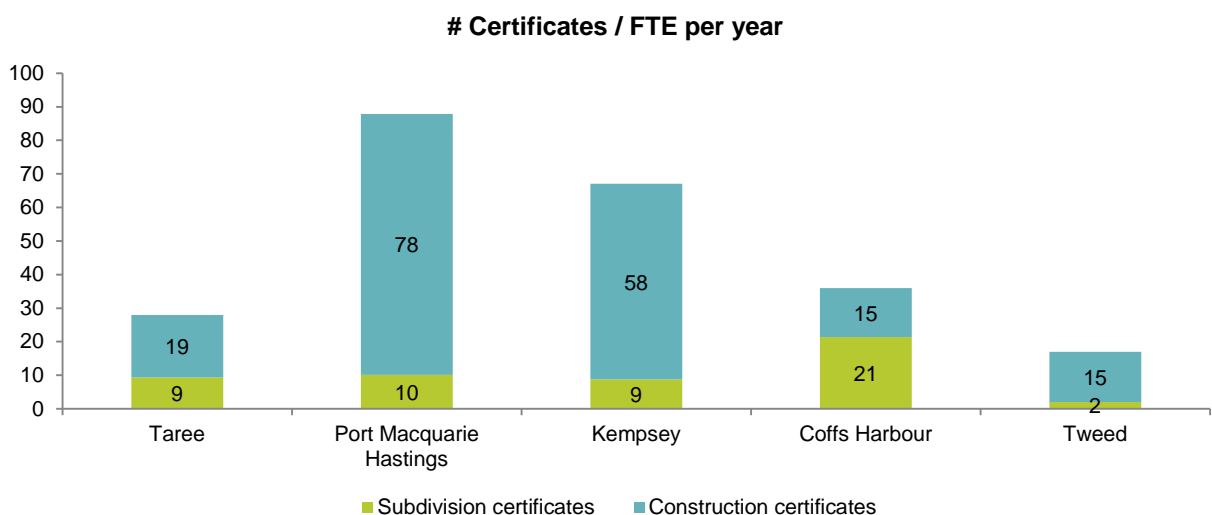
Whilst attention has been paid to benchmarking PMHC against similar councils, every council is different in terms of services and functions, internal processes, development workloads, organisational structure and resourcing. These differences can affect benchmarking significantly and the results should be treated with caution.

Where data was available from comparator councils, PMHC has been benchmarked to similar councils for resourcing (# approvals by certificate type per FTE), net average processing time (# days by certificate type), and gross average processing time (# days by certificate type).

The benchmarking shows:

- > A significantly larger number of construction certificates have been assessed by PMHC when compared to subdivision certificates, and other councils, and (Figure 10).
- > PMHC has assessed a significantly larger number of subdivision certificates when compared to most councils, with the exception of Coffs Harbour
 - When expressed as a ratio, PMHC has a comparable number of subdivision certificate assessments per full time equivalent compared to most councils
 - When expressed as a ratio, PMHC has a significantly larger number of construction certificate assessments per full time equivalent compared to most councils

FIGURE 10 NUMBER OF CERTIFICATES BY TYPE PER FULL TIME EQUIVELANT



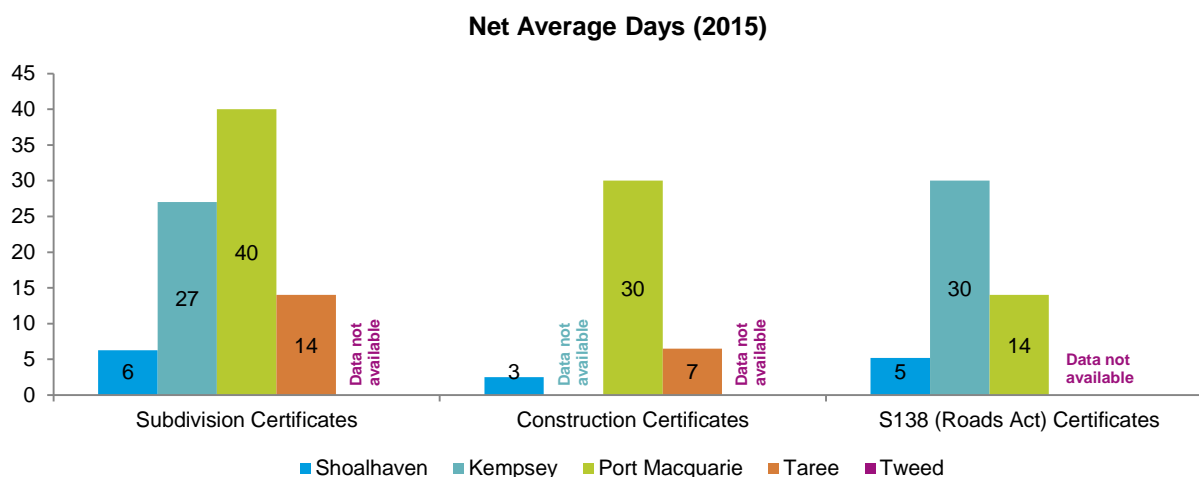
	Taree	Port Macquarie-Hastings	Kempsey	Coffs Harbour	Tweed
FTE	5	8	2.4	4.5	24
# Subdivision certificates (council)	47	81	21	96	48

⁵ Shoalhaven, Kempsey, Taree, Tweed Heads

# Construction certificates (council)	93	622	140	66	359
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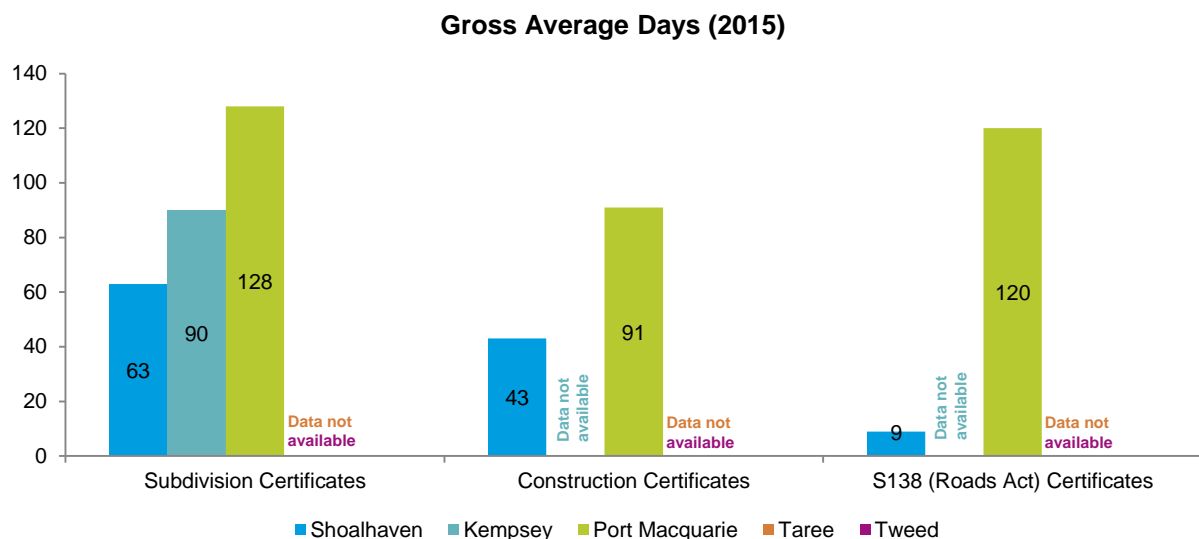
- > Somewhat higher net average days to assess subdivision certificates, and significantly higher net average days to assess construction certificates when compared to other councils (Figure 11). A lower number of net average days to assess Roads Act applications when compared to most other councils.

FIGURE 11 NET AVERAGE PROCESSING TIME BY CERTIFICATE TYPE (#/DAYS)



- > Somewhat higher gross average days to assess subdivision certificates, and significantly higher gross average days to assess construction certificates and Roads Act applications when compared to other councils (Figure 12)

FIGURE 12 GROSS AVERAGE PROCESSING TIME BY CERTIFICATE TYPE (#/DAYS)



9 Recommendations

The following recommendations are provided to enhance the efficiency and effectiveness of PMHC’s development engineering approval process, and engender a more solutions focused approach (Table 3).

Recommendations respond to each key finding area. They identify which stakeholders are primarily responsible for developing the response to these. Prioritising which recommendations are responded to first should be mutually agreed between PMHC and industry stakeholders through the HCIAG.

TABLE 3 RECOMMENDATIONS

Finding	Recommendation	Responsibility
Internal and external context		
<i>Experience of planning system</i>	<ul style="list-style-type: none"> > Map linkages between development approval and development engineering approval compliance requirements to identify and resolve any inconsistencies 	PMHC in consultation with HCIAG
<i>Internal context</i>	<ul style="list-style-type: none"> > Establish learning community where PMHC and industry regularly come together to observe respective internal processes with a view to better aligning these, developing shared understanding of approaches to development engineering design and approval processes, and building positive professional relationships outside the approval process – This could be done in the form of bi-monthly ‘open house’ sessions alternately hosted by PMHC and industry. It is important these include the range of stakeholders’ involved at different points in the design and approval processes, or depending on the topic. For example: <ul style="list-style-type: none"> > One topic could be implications of development engineering design standards for development viability. This topic should include real estate agents, who are often pivotal in early discussions with proponents regarding purchase of development sites and provide broad indications of viability Other topics identified by stakeholders include: <ul style="list-style-type: none"> > Case studies of which alternative solutions have and have not worked using real examples from PMHC and other growth councils, such as Blacktown City Council > Development construction processes and staging, project management, and feasibility 	PMHC in consultation with HCIAG
<i>External context</i>	<ul style="list-style-type: none"> > Investigate use of short term contract workforce to assist with clearing existing backlog of applications. Priority for this workforce should be smaller applications to free up PMHC development engineers to assess larger applications 	PMHC
	<ul style="list-style-type: none"> > Undertake professional development with other high growth councils on how they have maintained outcome-focused development engineering assessment processes in the context of strong growth pressures, for example, Blacktown City Council 	
	<ul style="list-style-type: none"> > Establish operational working group or similar - including PMHC representation - to facilitate mutual agreement and ongoing input on development and implementation of 	HCIAG in consultation with PMHC

	responses to review recommendations	
<i>Process, roles and responsibilities</i>	<ul style="list-style-type: none"> > Develop and publish clear written guidance on how applicants should expect the approval process to operate, and the role and responsibility of PMHC, applicants, consultants and proponents at each stage of the process > This guidance should include the following, some of which will require PMHC to develop new or re-design internal processes and systems: <ul style="list-style-type: none"> – What supporting documentation is required to commence and complete the assessment process. This should account for when this becomes available due to interdependencies with other internal or external approval or administrative processes (for example, s307 Certificates, public lighting and installation connection forms, Notices of Arrangement etc.) – Who within PMHC is responsible for: <ul style="list-style-type: none"> > checking applications and timeframes for confirming properly made application to applicants; and > coordinating and following up internal referral timeframes and reviewing inconsistency between comments and duplication of conditions – The decision-making process for alternative solutions, including whether individual development engineers have delegated authority for this, and first and final decision review mechanism – Circumstances under which applications are internally and externally referred, particularly if PMHC undertakes an internal assessment process similar to external referral agencies (for example, PMHC bushfire and RFS assessment) – How long external referral processes typically take and how this intersects with and impacts PMHC approval timeframes – Under what circumstances proponents are responsible for providing infrastructure beyond the development site – Extent to which certifying engineers and PMHC are liable in the event of asset or infrastructure failure, particularly where alternative solutions are pursued 	PMHC
<i>Shared outcomes</i>	<ul style="list-style-type: none"> > Mutually agree and document community-, asset-, and process-level outcomes to be achieved, and broad operating principles for the approval process – These could be referred to in informing PMHC decision-making on alternative solutions, informing areas for further professional development or continuous improvement, and reviewing implementation of recommendations of this review 	PMHC in consultation with HCIAG
Starting the process		

<i>Fee quoting</i>	<ul style="list-style-type: none"> > Develop an online quoting tool that allows applicants to self-quote (up to a defined capital works\$), under the proviso the application will be requoted by PMHC prior to issuing approval – PMHC would not be responsible for any errors in the quote information inputted by the applicant into the tool, or liable for any differences in quoted amounts 	PMHC
<i>Pre-application meetings</i>	<ul style="list-style-type: none"> > Use pre-application meetings to discuss and clearly document desired development engineering outcome to be achieved for that development > When setting up pre-application meetings, identify development engineering design parameters applicants would value further guidance on and ensure those best placed to provide this are at the meeting. This may require increased attendance of asset owners at pre-application meetings 	PMHC in consultation with applicant
	<ul style="list-style-type: none"> > For larger developments, asset owners attend pre-application meetings to better understand the parameters and complexity of development to better anticipate how it may impact PMHC assets and infrastructure, and enable earlier and more proactive re-design of PMHC assets and infrastructure > Develop a process for ensuring existing services data used during assessment is provided to applicants during pre-application meetings. If inconsistencies are found during assessment, establish a process for ensuring updated data is subsequently provided to applicants 	PMHC
<i>Plan information and supporting documents</i>	<ul style="list-style-type: none"> > Map linkages between development approval and development engineering processes to identify opportunities to cross-reference supporting information and documentation in development engineering assessment process > Ensure development engineering assessment commences with review of initial development application to orient development engineers to the development and supporting information and documentation contained in the development approval 	PMHC
	<p>Mutually agree and develop written guidance (in the form of checklists) on:</p> <ul style="list-style-type: none"> > Minimum standards for crucial drafting information required on plan drawings. This could be based on existing AUSPEC standard or other Australian Standards drawings. > Minimum supporting documentation needed to commence and complete assessment. This needs to account for documentation interdependencies with other internal and external approval and administrative processes (for example, s307 Certificates, public lighting installation and connection forms, and Notices of Arrangement) > Timeframe for PMHC to check whether application is properly made and communicate this to applicants and proponents 	PMHC in consultation with HCIAG

	<p>Once minimum information and supporting documentation standards are agreed:</p> <ul style="list-style-type: none"> > Implement more thorough application checking at lodgment in the form of a 'properly made application' system. Applications that do not comply with minimum information and supporting documentation requirements, or include completed checklists should be refused. Applications should not be refused for differences in design philosophies > Develop a system for tracking refusal to lodge and reasons for this. This information should be publicly reported so it can be used as the basis for continuous improvement (for example, re-designing internal peer review processes, and informing 'open house' session topics or professional development) > When applications are refused, ensure correspondence advising this and requesting additional information and documentation is sent to both the applicant and proponent > Ensure agreed minimum information and supporting documentation standards are used internally for PMHC asset and infrastructure plans so there is consistency across industry and PMHC 	PMHC
	<p>Once minimum information and supporting documentation standards are agreed:</p> <ul style="list-style-type: none"> > Implement more thorough internal review processes that align with minimum standard for plan information and supporting documentation 	Industry
The assessment and approval process		
<i>Shifting expectations</i>	<p>Mutually agree:</p> <ul style="list-style-type: none"> > Criteria-based system for identifying areas where assessment rigor is to be periodically increased. Ideally, these 'hot spots' should be identified through HCIAG and in response to consistent deficiencies, rather than isolated issues. The hot spots could be considered as quarterly or end of year assessment focus areas > Appropriate timeframe for increasing assessment rigor, and process for communicating this to industry. It is envisaged a 3 month window of grace would be allowed following agreement of assessment hot spots. Applications already lodged at time of notification would not be subject to increased assessment rigor. 	PMHC in consultation with HCIAG
<i>Workload allocation</i>	<ul style="list-style-type: none"> > Stream applications by complexity, allocate a development engineer to each stream, and rotate development engineers across streams on a quarterly basis. This will assist with building development engineer capacity to review a greater range and complexity of asset and infrastructure types > Allocate a development engineer as dedicated application manager for larger and more complex applications. The application manager would be allocated from pre-application meeting and be a single customer service point for all development engineering issues (including coordinating and following up internal referrals). The application manager would also be responsible for detailed application assessment > Better utilise administration staff to undertake tasks involved in issuing CCs and SCs, for example, physically issuing Linen 	PMHC

	<p>Plans.</p> <ul style="list-style-type: none"> > Better utilise administration staff and weekly workflow meetings to assist development engineers track and follow up internal referral due dates, and monitor overall assessment timeframes against mutually agreed expectations 	
<i>Internal referrals</i>	<ul style="list-style-type: none"> > Mutually agree timeframes for internal referrals to be sought from asset owners following application lodgment, and for internal referral advice to be received back from asset owners and actioned by development engineers. These timeframes should also be tracked for each application via an online portal 	<i>PMHC in consultation with HCIAG</i>
	<ul style="list-style-type: none"> > Develop and publish written guidance on what type of applications are internally referred to asset owners > Ensure asset owners provide single consolidated list of comments, checked for duplication and contradictions by development engineers, to applicants within mutually agreed timeframes. > Continue to build the capacity of development engineers to assess greater and more complex range of assets and infrastructure to reduce the number of instances where internal referrals are required (in particular water, sewage and stormwater) 	PMHC
<i>Communication</i>	<ul style="list-style-type: none"> > Implement an online application tracking portal. This could build on existing online application functionalities. The portal should be capable of displaying: <ul style="list-style-type: none"> – date when an application is lodged, and expected determination date based on mutually agreed timeframes – when development engineers send requests for internal referrals to asset owners – which internal division currently has the application, and expected release date back to development engineers – dates comments are provided to applicant, and date PMHC received applicant response to comments – contact details for responsible development engineer or application manager 	PMHC
	<ul style="list-style-type: none"> > Once online portal established, commit to using it as first port of call for application status tracking and only contact PMHC when status is overdue by more than one week 	Industry
	<ul style="list-style-type: none"> > Mutually agree, track and publicly report application first response comment timeframes 	<i>PMHC in consultation with HCIAG</i>
<i>Alternative solutions</i>	<ul style="list-style-type: none"> > Clearly document delegated authority for alternative solution decision-making, including Group Manager ‘first and final’ decision review mechanism. In addition to decision-making authority this would outline decision-making process inputs – for example, Group Manager to undertake site visit and consider evidence provided by applicant and advice from development engineer or asset owner etc.) 	PMHC
	<ul style="list-style-type: none"> > Mutually agree and develop written guidance on what type of evidence is needed to witness alternative solutions (i.e. that the design standard is not achievable or feasible in the 	<i>PMHC in consultation with HCIAG</i>

	<p>development context, that the proposed alternative solution will work, and that it will lead to a better outcome than the design standard)</p> <ul style="list-style-type: none"> > Consult with HCIAG to ensure confidence in the alternative solution decision-making process, including decision reviewer technical capability and evidence inputs for alternative solution decision-making process 	
	<ul style="list-style-type: none"> > Implement covering report and compliance table for applications. These would assume all development engineering standards have been complied with, except where indicated, and include evidence to back up non-compliance with the design standard and the proposed alternative solution. > The compliance table should clearly indicate: <ul style="list-style-type: none"> – when an alternative solution has been proposed, – why an alternative solution is being proposed and the design standard cannot be complied with in the development context, – what the proposed alternative solution is and how it will work in the development context, and – how the alternative solution will deliver at least the same or better outcome than the design standard. 	Applicants
<i>Comments and conditions</i>	<ul style="list-style-type: none"> > Mutually agree and document timeframes for providing first response comments, and circumstances under which a second round of comments may be provided. It is expected second round comments would be limited to large or complex developments and the exception rather than rule 	PMHC in consultation with HCIAG
	<ul style="list-style-type: none"> > Mutually agree whether there is any merit in providing a list of 'deemed to comply' / standard conditions for minor assets and infrastructure issues for small developments 	
	<ul style="list-style-type: none"> > Provide single consolidated list of comments to applicants within mutually agreed timeframes. Greater internal communication will be needed to better align assessment findings and reduce inconsistency in comments for interlinked assets and infrastructures (i.e. water / sewage / stormwater, parks and gardens / bushfire) 	PMHC
	<ul style="list-style-type: none"> > Establish application manager responsibility for resolving inconsistency between internal referral comments, and removing duplicate or inconsistent conditions between divisions, development approvals and other planning instruments 	
	<ul style="list-style-type: none"> > Investigate extent to which conditions can specify construction methodologies > Investigate legality of retrospectively changing development approvals and other planning instruments to accommodate development engineering compliance requirements 	
<ul style="list-style-type: none"> > Development engineers and asset owners to undergo training on writing concise, clear and legally valid conditions. Training should also include more effective structuring and formatting of comments and conditions to ensure maximum convenience 		

	for applicant (i.e. specific to development > generic to all development)	
	> Applicant response to first round comments should be returned for final assessment to development engineers, rather than re-assessment by asset owners. This will require capacity building for development engineers to assess a broader and more complex range of asset and infrastructure types and issues	
	> PMHC provides first response comments to applicant with applicants then provided two weeks to review and consider their own response. > Applicant should then be offered a meeting with development engineers and asset owners as relevant to discuss proposed response and collaboratively anticipate flow-on impacts for other asset and infrastructure types	PMHC in consultation with applicants
<i>Assessment timeframes</i>	> Mutually agree desired assessment timeframes for application type (i.e. CC, SC, Roads Act approval etc.), as well as by development size, type and complexity, recognizing that applications for more complex or larger developments may take longer to process	PMHC in consultation with HCIAG
	> For significant developments (i.e. 50+ lot subdivisions etc.), agree assessment timeframes up front with application manager on case by case basis. Applicant or proponent to provide anticipated staging for development (i.e. GAANT chart) to assist with this	PMHC, applicant and proponent
	> Investigate whether assessment timeframes can be tracked and monitored through Authority by development size, type and complexity. Timeframes should be reported on these more nuanced categories (as well as by application type) and alongside stop the clock timeframes and reasons for stop (including application not properly made)	PMHC
Finishing the process		
<i>Inspections</i>	> Build the capacity of development engineers and asset owners to inspect the full range of asset and infrastructure types to limit the number of staff attending inspections	PMHC
	> Develop clear process and written guidance on what is to be inspected (by asset / infrastructure type), when and how, and information or evidence needed from applicant to inform the inspection	
	> Mutually agree timeframes to provide defect lists to applicants following inspection, applicant to confirm defects have been actioned, and PMHC to issue certificates after confirmation that defects have been actioned	PMHC in consultation with HCIAG
<i>Works as Executed</i>	> Mutually agree and document what constitutes a minor and major Works as Executed change, and develop clear guidance on who within PMHC has responsibility for making this decision	PMHC in consultation with HCIAG
	> Develop clear guidance on who within PMHC makes decisions when there is discrepancy between approved drawings and on-site views of PMHC building inspectors	PMHC
<i>Bonds and issuing</i>	> Investigate whether expected bond release dates can be	PMHC

<i>certificates</i>	<p>tracked via Authority and automatically published to an online portal.</p> <ul style="list-style-type: none"> > Better utilise PMHC administration team to follow up bond release dates, including sending relevant forms to applicants / proponents > Report average time for PMHC to issue certificates following receipt of confirmation that defects have been actioned > Develop written guidance on bond release process, including under what circumstances a partial bond is withheld, how and when that is released, and supporting documentation and forms needed to release bond > Clearly document process for release of Subdivision Certificates, including supporting documentation and forms required for this. This needs to reflect interdependency with other internal and external approval and administrative processes (i.e. s307 Certificates, Notices of Arrangement etc.) 	
Communication and Service		
<i>Communication</i>	<ul style="list-style-type: none"> > Ensure reasons for decisions, including alternative solutions, are clearly and succinctly described in approval documentation > Develop clear guidelines on how and when industry will be consulted on future policy changes that impact development engineering > Develop a clear process for mutually agreeing and communicating changes to development engineering design standards, including appropriate transitional period 	<p>PMHC</p> <p>PMHC in consultation with HCIAG</p>
Asset Maintenance		
<i>Asset standards and maintenance</i>	Foster strategic dialogue on priorities for providing and maintaining assets and infrastructure. This would include consideration of the trade-off between asset and infrastructure design and effective life, and initial investment and ongoing maintenance needed to achieve optimal standard	PMHC in consultation with HCIAG

9.1 Implementation and ongoing monitoring

Making the process more efficient, effective and solutions focused will take time and improvements may not be immediately noticeable. This will require strong commitment and perseverance from all stakeholders in implementing recommendations.

The importance of consultation between PMHC and industry stakeholders, facilitated through the HCIAG, in developing mutual agreement on, implementing and monitoring responses to recommendations is crucial. A number of industry stakeholders indicated a need for a follow up and independent assessment twelve months after this review.



UTS:CLG
CENTRE FOR LOCAL GOVERNMENT

PO Box 123
Broadway NSW 2007
Australia

+61 2 9514 1659

Level 8, Building 10
235 Jones Street
Ultimo NSW 2007

clg@uts.edu.au