



#### *Context*

The imperative of the development industry is to maintain a steady supply of serviced lots to the market to satisfy demand. Urban development is moving into more environmentally challenging areas and is subject to an increasingly complex approvals process with policy requirements at Federal, State and Local government level. The layered approvals process creates uncertainty for the development industry and impacts on approval timeframes and industry's capacity to provide the market with housing which is affordable and at the same time meets community expectations for sustainable outcomes.

The planning reform agenda recognises the need for improved efficiencies in the approvals process and for integration of state planning and environmental approvals and approvals processes. The reform agenda acknowledges that the overlay of Federal policy through the Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act) requires an integrated assessment process for land release areas agreed between the State and Federal governments.

While some progress has been made there remain key issues relating to the environmental approvals process that are yet to be resolved and that continue to make development timelines uncertain and subject to change. These include the contaminated sites auditing process, the EPBC Act and the assessment of pre-1996 zoned land. Resolution of these issues together with improved training of assessment officers to understand the financial implications for the community of delayed decision making would make a positive impact on approval timeframes and provide greater certainty to the industry.

#### *Conditions impacting on the environmental approvals process*

The overlap and duplication of the planning and environmental legislation, and also between Commonwealth and State environmental legislation, has resulted in a complex approvals process where environmental considerations predominate over planning considerations and where State priorities can be overridden by Federal policy.

In 1996, the formal assessment of schemes and amendments under S48 of the *Environmental Protection Act 1986* was introduced with the intention that land use changes underwent both planning and environmental evaluation at an early stage of the development process. These have not succeeded in integrating approvals or in providing greater certainty and environmental considerations continue to predominate in determining planning outcomes.

Until recently, there were significant areas of land zoned Urban or Urban Deferred prior to 1996 that had not been formally assessed and may have been subject to environmental referral and assessment. The Environmental Protection Authority (EPA) and the Department of Planning (DoP) have applied a risk assessment evaluation to the pre-1996 land and identified areas where no environmental assessment will be required and those which may require assessment. While the project is still under way it should facilitate the release of some areas that were previously under question. However, greater benefits would be derived if formal assessment were to occur early in the development process at the structure planning stage rather than at subdivision stage. The increased costs incurred as a result of delays and mitigation measures required to meet the conditions of approval have a devastating impact on housing affordability.

The EPBC Act creates great uncertainty for the industry as it may be invoked late in the planning process after varying levels of State planning and environmental approvals have already been obtained and results in delays and higher development costs without necessarily achieving the best environmental outcome. Of particular issue are obligations for species preservation for Carnaby's black cockatoo and the graceful sun moth and contradictions between Local, State and Federal requirements. The federal Department of Sustainability, Environment, Water, Population and



Communitues recently released (July 2011) *draft Referral Guidelines for the Three Threatened Black Cockatoo Species*:

- *Carnaby's cockatoo (endangered)*  
*Calyptorhynchus latirostris*
- *Baudin's cockatoo (vulnerable)*  
*Calyptorhynchus baudinii*
- *Forest red-tailed black cockatoo (vulnerable)*  
*Calyptorhynchus banksii naso*

The guidelines should enable a more consistent approach to assessment of referred projects however the lack of clear definitions and scientific rigour applied to the development of the draft guidelines results in uncertainty and a lack of clarity for both proponents and assessors. It is industry's view that improved conservation and environmental protection outcomes will be achieved where there is integration of Commonwealth and State assessment/approval processes. A priority for industry is the development of a State/Federal strategic assessment strategy, informed by industry, to deliver both improved environmental outcomes and improved housing affordability. The current system of separate, and at times conflicting, environmental approvals processes between the three levels of government and the imposition of the EPBC Act late in the planning process has to be reconfigured if housing affordability is to improve.

Duplication of process has also been a feature of the contaminated sites auditor process as DEC reviews the Mandatory Audit Report provided by the auditor and may initiate further extensive interrogation of the information provided. A 'stop the clock' approach on the part of DEC while the investigations are made adds significantly to the time taken for approvals and impacts on housing affordability through increased holding costs arising from project delays.

Recent indications are that DEC has responded to industry's request to clear contamination investigations that are accompanied by an MAR more efficiently and this request has been supported by the Minister. DEC is endeavouring to ensure that contamination investigations provided with an MAR will be cleared within 20 days of receipt and not 45 days as previously advised and industry welcomes this development. Approval timelines will also be improved by the accreditation of more auditors to facilitate timely assessment of sites and industry supports DEC in this undertaking.

A key priority for government and industry is the approval of the East Rockingham Waste Water Treatment Plant where the approval delay is holding up the rezoning of 3 000 lots in one of Perth's major growth corridors. The Infrastructure Coordinating Committee must resolve the pipeline placement issue so that the land can be rezoned and developed.

The coordination of agencies is critical to the strategic planning of sites for essential infrastructure which must be identified and environmental assessments of these sites prepared well in advance of rezoning applications. In this way, the sites are secured and support the strategic urban planning process by being fully integrated with the provision of other essential infrastructure that underpins sustainable urban development.

#### *Training and development*

The capability of approval officers has a direct impact on industry's capacity to deliver land to the market efficiently. Inexperienced officers may be risk averse and apply unnecessary conditions of subdivision which results in clearances taking too long and costs increasing because of time delays. DEC must ensure its officers have an awareness of land economics and understand the impact that delayed decision making has on housing affordability. The lack of understanding is leading to an under-realisation of potential in built form which is in conflict with the strategic priorities of the planning



framework. Industry is a willing contributor to the professional development of agency staff and recommends the DEC/UDIA Working Group be re-formed so that senior officers and industry professionals can collectively address key issues impacting on the land development process.

A related proposal is the implementation of project management techniques to the approvals process. The current process utilised by DEC where different officers consider each iteration of an application is inefficient for both the government and industry. Greater efficiencies and professional development would be achieved where major projects be assigned, as far as practicable, to a specific officer who would have responsibility for carriage of the project.

*UDIA policy position*

It is the policy of UDIA to:

- Support the integration of State planning and environmental approvals processes to remove duplication and to streamline the approvals process;
- Advocate for amendment of the *Environmental Protection Act 1986* to allow assessment of structure plans;
- Advocate for an integrated assessment process for Federal, State and Local Government environmental approvals to remove duplication and to provide certainty to proponents;
- Advocate for strategic assessment of areas impacted by the EPBC Act;
- Advocate for a species preservation program to be finalised for Carnaby's black cockatoo to facilitate a consistent approach to assessment;
- Advocate for a species preservation program to be published for the Graceful Sun Moth to facilitate a consistent approach to assessment;
- Advocate for the approval timeframe of Mandatory Audit Reports of contaminated sites auditors be reduced to 10 days;
- Advocate for the number of contaminated sites auditors in Western Australia to be increased;
- Advocate for the reinstatement of the DEC/UDIA Working Group to allow senior DEC officers and industry professionals to collectively resolve issues impacting on the land development process;
- Advocate for senior DEC officers to project manage major projects.

This Position Statement articulates UDIA's current policy position and supersedes any other UDIA policy statement.

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