

POSITION STATEMENT

SUSTAINABILITY ASSESSMENT



Context

Sustainable urban development is the stated universal objective of government agencies across the country however the current approvals system does not provide the framework for sustainable outcomes and reform is essential. The sustainability credentials of development should be measured by a triple bottom line approvals process that requires that economic, social and environmental factors be integrated by simultaneous application of these principles, seeking mutually supportive benefits with minimal trade offs.

The development industry demonstrates its support of a sustainable approach to urban development with many companies developing their own sustainability strategies and criteria or through the promotion of a sustainability accreditation program such as EnviroDevelopment.

Sustainability seeks to resolve the tension between environmental, economic and social improvement and true sustainability assessment relies on consideration being given to each of the elements on merit. In practice, environmental considerations often take precedence over all others factors even in cases where the environment is already well protected and enhanced economic or social outcomes have greater significance for a project.

A whole of government approach is required for triple a bottom line approvals process to provide a balanced outcome to decision-making and to effectively manage the development of Western Australia.

The delivery of triple bottom line assessment

Theoretically, triple bottom line assessment gives equal consideration to the social, economic and environmental features of a project however the primacy of the *Environmental Protection Act 1986* over the social and economic features of a proposal is an ongoing frustration for industry. The planning reform agenda acknowledges the *EP Act* is more powerful than the *Planning and Development Act 2005* and as a result environmental considerations predominate in determining planning outcomes. This must be addressed by government through the establishment of a balanced sustainability review process that examines the impact of decisions and policies on sustainability outcomes with legislative reform to support this objective.

Triple bottom line assessment must be integrated into all planning decisions. The primacy of the Western Australian Planning Commission must be acknowledged through amendments to the *Planning and Development Act* with the Environmental Protection Authority offering advice in line with other referral agencies within a whole of government framework. The officers of the Department of Planning must then be empowered to make decisions which balance a triple bottom line outcome.

A rigorous and effective policy framework is essential however the policy framework for development has become extremely complex and the process of compliance is a now a major issue for the industry. Policies appear to have been introduced across government agencies with little regard to their overall impact including delays and costs, or indeed, existing requirements. It is essential that government policies are assessed for their overall benefit to sustainability outcomes and consistency between agencies. A Regulatory Impact Statement should be developed for consideration prior to the introduction of significant policy or regulatory changes that will impact on the development industry.

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Government policy framework

The Western Australian State Sustainability Strategy (2003) was a landmark document that proposed a number of reforms to facilitate the application of sustainability principles across government including the development of a Sustainability Act and the creation of a Sustainability Directorate in the Department of Planning. The framework is now out of date and sustainability is no longer a separate consideration but more fully integrated into government decision-making.

The sustainable city is a key theme of *Directions 2031 and Beyond* (August 2010), the planning framework for Perth and Peel, with a strong emphasis on protection of the environment and little discussion of economic and social factors. The State Planning Framework (SPP 1) brings together all existing state and regional policies, strategies and guidelines and should ensure integrated decision-making however the primacy of the *Environmental Protection Act 1986* prevails and decisions made under the EP Act override all other decision making.

Sustainability assessment is hampered by policy complexity, duplication and conflict. The assessment process must be simplified and will require legislative reform so that planning can make informed decisions based on all elements of sustainability.

Leadership on the part of both the government and industry is required to develop a culture of excellence in sustainability in Western Australia. From the industry perspective this can be achieved through innovation in design, demonstration projects and consumer education. The development industry is adept at innovation and is able to respond relatively quickly to changing conditions. The critical undertaking for the government is to not over regulate sustainability assessment but to develop a supportive policy environment to encourage innovation that achieves a balance between all contributing elements.

UDIA policy position

It is the policy of UDIA to:

- Promote the benefits of triple bottom line assessment that requires that social, economic and environmental factors be integrated and the basis of government decision making;
- Support development of a Regulatory Impact Statement for consideration prior to the introduction of significant changes impacting on the urban development industry. This includes changes to policy and regulations;
- Advocate for legislative reform to remove the primacy of the *Environmental Protection Act 1986* over planning decisions;
- Advocate for the primacy of WAPC in planning decisions;
- Promote the need for clarity and efficiency in the sustainability assessment process;
- Support the planning reform agenda to reduce policy complexity and conflicts;
- Support taxation and other incentives for industry until the market value of sustainability measures are realised.

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

Committee Review	Endorsed by Council	Policy Review
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