
A National
Development Assessment Forum
Study

**Comparative Performance Measurement
and Benchmarking of Planning and
Development Assessment Systems**

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Table of Contents

Summary and Recommendations	i
<hr/>	
1. INTRODUCTION	
1.1 Context	1
1.2 Purpose and Scope	1
1.3 Methodology	2
1.4 Concepts and Definitions	3
2. OBJECTIVES OF PLANNING AND DEVELOPMENT ASSESSMENT SYSTEMS	
2.1 Classifying Objectives	6
2.2 Comparative Analysis	6
3. EXISTING INITIATIVES	
3.1 Introduction	10
3.2 New South Wales	10
3.3 Queensland	12
3.4 South Australia	13
3.5 Tasmania	14
3.6 Victoria	15
3.7 Western Australia	16
3.8 Australian Capital Territory	17
3.9 Northern Territory	17
3.10 Overseas Activities	18
4. ISSUES FOR COOPERATIVE BENCHMARKING	
4.1 Opportunities	23
4.2 Concerns and Constraints	24
4.3 DAF Principles Reviewed	25
4.4 Assembling Leading Practice	27
4.5 Moving Forward	28
5. OPTIONS FOR AN AUSTRALIA-WIDE FRAMEWORK	
5.1 Potential Clients of a Benchmarking System	29
5.2 Engaging the Productivity Commission	30
5.3 State/Territory System Focus	32
5.4 Assessment Authority Focus	37
5.5 Issues-Based Benchmarking	39
5.6 Descriptive Reviews	39
6. IMPLEMENTATION	
6.1 Key Themes	41
6.2 Indicators and Data Collection	42
6.3 Other Issues	44
<hr/>	
ATTACHMENTS	
A Workshop Notes	
B Excerpt from Maximiles Report (1998)	
C Selected References	

Summary and Recommendations

Project Purpose

This project was intended to scope how, in the context of its charter, the Development Assessment Forum (DAF) could best assist in promoting benchmarking at a national level. Elements of the project included:

- Reviewing and documenting the objectives of state/territory planning systems to identify similarities in sought after outcomes
- Documenting current benchmarking and performance measurement initiatives, together with relevant recent research, data collection and publications
- Identifying areas within DAF's *Principles of Leading Practice* in which an Australia-wide focus on benchmarking would add most value in helping to improve systems
- Identifying key issues surrounding benchmarking Australia-wide
- Developing a framework for performance measurement and range of performance indicators (both quantitative and qualitative) focussed on common objectives of state/territory planning systems.

In discussions with the Steering Committee it became evident that there are differing interpretations of the concept of "promoting benchmarking at a national level". Clearly this does not necessarily require a comprehensive or uniform national system, but it was assumed for the purposes of this project that it does imply some regular and organised exchange of information and comparison of processes and outcomes across jurisdictions. This interpretation may not be endorsed by all DAF stakeholders.

Key Findings

Regulation of development is a significant topic in the national consciousness, linking environmental, social and economic agendas. There is a significant unmet demand for an effective framework for comparative benchmarking in development assessment systems. This reflects the growing range and complexity of issues involved in development assessment, as well as pressures for micro-economic reforms generally and reduction of non-value adding red tape in particular.

Comparative performance measurement and benchmarking, with its potential to bring greater levels of accountability and ideas for better ways, can provide one of the most effective drivers for improvement in areas of governance where the forces of competition are difficult to apply¹.

In relation to planning and development assessment, interest in performance comparisons occurs at two broad levels:

- Overall system level – comparisons of the broad framework for planning and development assessment across different jurisdictions
- Assessment authority level – comparisons of both processes for and results of assessing development applications by different local councils and state/territory agencies (whether within one jurisdiction or across several), and how the many common problems are dealt with.

¹ A number of other important areas of government's service and regulatory functions already have a framework for performance comparisons with work under the auspices of the Productivity Commission details of which are outlined in the body of the report.

There have been a range of performance measurement and benchmarking initiatives across Australia at both these levels, some undertaken or required by central governments, others launched voluntarily by local governments and/or other assessment authorities. The DAF has already played a significant role in this regard, as has the Planning Officials Group (POG). However, both the activities themselves and the quality of the results achieved, have been patchy. The potential benefits of a structured, cooperative program with a more national scope that facilitates comparisons of different approaches across several jurisdictions, have yet to be captured.

To a significant extent, this reflects differing perceptions of the benefits and risks for participants in more formal benchmarking programs. Some state planning agencies are strongly focussed at this time on bedding-down recent changes to their own systems, and whilst interested in others' experience would not wish to divert too much energy from what are seen as more pressing tasks. Some local government associations are concerned that data gathered for benchmarking will be used unreasonably to find fault with the processes and actions of member organisations. A similar view was expressed by some state agencies. On the other hand, some state agencies and local councils see great value in comparing processes in order to find solutions to management problems, and are willing to commit substantial resources and accept the possibility that there might be some discomfort involved.

Project Outputs

Subsequent chapters of this report document:

- common themes in the objectives of planning and development assessment in different jurisdictions
- current or recent benchmarking and comparative performance measurement initiatives occurring across Australia, drawn from consultations with state and territory planning agencies, local government authorities, RAPI and NOLG. Interesting initiatives in New Zealand and the United Kingdom are also outlined
- key issues for comparative benchmarking Australia-wide
- options for a 'national' (multi-jurisdiction) benchmarking framework
- a framework for performance measurement and draft performance indicators for development assessment systems, founded on the DAF's *Principles of Leading Practice*
- recommendations for further action by DAF.

In particular, the report includes:

- a suggested elaboration of the existing DAF Principles that could be used as a basis for benchmarking (**Table 4.2** at page 26)
- a template for collaborative benchmarking or self-assessment of state/territory development assessment systems (**Table 5.1** at page 33 *et seq*)
- a possible framework for benchmarking the processes and recognising the achievements of individual assessment authorities - local councils or state/territory agencies (**Table 5.2** at page 38)

- an initial list of key issues that could usefully be the subject of collaborative benchmarking across jurisdictions amongst state/territory planning agencies and/or individual assessment authorities, as well as industry and professional bodies (see **Table 5.3** at page 40 and below)
- a set of draft performance indicators that could be used as a group or selectively in benchmarking processes, or as a basis for data collection to identify further key issues for future benchmarking (**Table 6.1** at page 44 *et seq*)

Options for Implementation

The key challenge now facing this project is how to move on from research and analysis, to the facilitation of a program of practical action whereby the use of benchmarking and comparative performance measurement provides an influential tool for improved practice in development assessment and related areas of planning. Below we examine some of the questions surrounding this challenge. The DAF will need to take a position on these questions as it determines what further action it may take.

Focus

State System v Assessment Authority	<i>As a national forum, there is an obvious interest on the part of the DAF to provide support for the overarching systems of development assessment which operate at state/territory level. However, recognising that development assessment action and resources are concentrated at the assessment authority level, increased exchange of selected performance information among assessment authorities is seen as having great potential to assist in achieving improvements to practice in development assessment. Individual state authorities have the opportunity to generate their own arrangements for benchmarking with individual assessment authorities. However, the advantages of a body such as DAF working to support harmonised national coverage include: the provision of a catalyst for action, opportunity for a wider exchange process for like authorities across jurisdictional boundaries, and economies of scale in start-up costs.</i>
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Conclusion: Significant value can be added by the DAF promoting performance measurement and benchmarking initiatives that not only compare state/territory systems but also involve individual assessment authorities across different jurisdictions.

Scope

Comprehensive v Issue-Based	<i>A comprehensive approach to benchmarking with rigorous comparative data would come at high cost, given the current differences in data collection methodology and technology. Research suggests that interest levels on the part of authorities are very directly related to potential benefits, especially in terms of day-to-day management. There is some significant commonality of practical management issues and problems facing authorities in different parts of the country.</i>
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Conclusion: In the current setting the greatest returns from benchmarking are likely to be gained from a focus on issue-based benchmarking (innovative approaches to addressing a limited number of practical concerns). Widening the scope of performance measurement to achieve a more comprehensive coverage of system elements can come later with 'runs on the board'.

Gaining Interest and Participation

Incentive-Based v “Mandatory”	<i>In some jurisdictions there is already data collected as a statutory requirement, or through another quasi-mandatory vehicle. While this can provide useful information, there are also common complaints from those supplying it (chiefly local governments) about the misuse of often limited data to 'point the finger' at apparently poorly performing assessment authorities. By contrast, an orientation towards identifying and promoting successful practice can put performance comparisons and benchmarking in a more positive light and focus on areas of common interest and concern. This links closely with an issue-based approach.</i>
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Conclusion: An approach which identifies and disseminates useful examples of successful practice, recognises achievement, and offers other incentives to participation, is seen as more likely to generate the necessary interest and commitment to a benchmarking framework aimed at improving development assessment systems.

Supportive Devices

Benchmarking Templates v Dynamic Program	<i>There are benefits in the development of performance measurement templates and sets of indicators to assist in prompting interest and action in a benchmarking program. However, benefits will also derive from seeding more dynamic and flexible programs which promote the <u>process</u> of collaborative benchmarking - organisations coming together to explore common issues by framing their own questions and sharing information as appropriate. Too strong a focus on templates and sets of indicators, especially if associated with efforts to develop a wide range of standard definitions and uniform data, is likely to detract from initiating cooperative processes.</i>
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Conclusion: Emphasis should be on the process of benchmarking. Performance measurement templates and sets of indicators are only two of a number of ways to kick-start the process.

Level of Commitment

Loose v Tight	<i>Different authorities have different levels of interest in this subject area. Some are already fully committed to performance management programs which rely on applied performance indicators and comparisons. Others would need further evidence of direct benefits before participation. Others again have little interest. Any program should have the flexibility to meet the differing perceptions and needs of different authorities, and not rely on continuous strong commitment across a substantial number of participants. At the same time, experience suggests that while issue-based benchmarking partnerships can bring some of the clearest benefits, they also require a full commitment from participating authorities during the project period.</i>
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Conclusion: The program should incorporate a level of flexibility, but with an understanding of the need for a high level of commitment from participants for the duration of specific benchmarking projects.

Management and Resourcing

Decentralised v Centralised	<i>A central 'hub' or point of reference for shared action and learning is an important element of benchmarking programs. Whilst there are benefits in individual states running their own programs, more will be achieved if there is a national consultative and coordinating framework. However, unlike New Zealand and the United Kingdom, which have centralised programs promoting relatively comprehensive benchmarking for assessment authorities, our federal system of government is not of itself well placed to establish a national management framework. The DAF provides a potential mechanism for this to occur, but its resourcing is limited. For a successful program, additional resourcing will be required at the national level from federal and state governments. This should bring a multiplier effect, through local authorities and regional organisations managing and resourcing participation in projects which they see as benefiting their constituencies. There is evidence of this occurring in the past with the Local Approvals Review Program.</i>
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Conclusion: There is a need for a national framework, however the scope of action at this level need not be great. State and regional/local level management and resourcing would also be expected. The DAF will need to determine the extent to which it wishes to play an activist role and pursue the necessary additional resources.

Recommendations

There are clearly differing views on how to proceed with a benchmarking initiative. A central issue is whether the DAF should play an activist, central role in launching and managing a benchmarking framework, or whether that task should be left to state/territory and perhaps Commonwealth agencies working collectively through the POG, or perhaps just individually within their own jurisdictions.

An activist role for either the DAF or the POG will require additional resource allocation to this area. However, it is expected that this would bring a significant multiplier effect, with increased interest, commitment and resourcing from assessment authorities should an improved framework for benchmarking become available - and be seen as offering tangible benefits.

Simply leaving benchmarking to individual jurisdictions without any collaborative framework would appear to run contrary to the DAF's Charter. It is difficult to see how systematic improvement and harmonisation of development assessment systems can be achieved without collaborative benchmarking. Therefore the following steps are recommended:

■ **Implementation task force**

Establish a small (5-7 persons) Implementation Task Force including representatives of state/territory agencies, the Commonwealth, local government, selected industry and professional groups to plan and oversee implementation of a DAF/POG benchmarking initiative.

■ **Ministerial council**

Make representations directly to the federal minister, and through the POG to other ministers, to have this matter discussed at the next meeting of Planning and Local Government Ministers.

■ **Principles of leading practice**

Adopt the revised and expanded Principles of Leading Practice set out in **section 4.3** as a basis for benchmarking.

■ **'Patchwork Quilt'**

Promote understanding that a 'national' approach to benchmarking does not have to mean that everyone participates in every aspect of the initiative, or that methodologies must be identical in every jurisdiction. Because there are differing views and aspirations concerning the value and scope of benchmarking amongst DAF stakeholders, it will be essential to establish the principle of voluntary participation and to avoid the risks of an 'all in' or 'all out' system. Once benefits can be shown increased participation levels would be expected, based on realistic expectations of performance improvement.

■ **State/territory systems**

Encourage state/territory planning agencies to implement benchmarking of development assessment systems using the framework provided at **section 5.3**. This framework could be used for:

- collaborative (comparative) benchmarking of systems across two or more jurisdictions, **or**
- self assessment by individual authorities.

In our view the greatest and most direct benefits would accrue from comparative benchmarking, focussed initially on a limited number of key issues (see below). The Planning Officials Group could act as the forum for a collaborative program and exchange of information, perhaps assisted by an independent party to act as facilitator and driver of the process (see below re Productivity Commission).

■ **Assessment authorities**

Initiate a program of voluntary benchmarking for local councils and other assessment authorities, using the framework proposed in **section 5.4**. This program would incorporate:

- collaborative benchmarking projects focussed on specific issues of common concern and involving self-selected groups of participants across two or more jurisdictions
- a system of recognition of assessment authorities that nominate their efforts for peer/independent review based on the proposed framework, and that are judged to be working at a good practice level for specified components of development assessment.

■ **Issues-based benchmarking**

Invite participation by state/territory and Commonwealth agencies, local councils, industry groups and professional associations in two 'national' benchmarking forums/projects each year, focussed on specific issues of concern. These might be the same issues as those identified by state/territory agencies or assessment authorities for their own comparative benchmarking projects, or they may be other issues needing a broader range of participants. For example, improving the quality of development applications requires involvement by industry and professional bodies.

A key element of such forums or projects would be the identification and sharing of leading practice in the area of concern being targeted, again with the incentive of due recognition for authorities working at this level.

Based on research and consultations carried out for this project, the following issues are put forward for further consideration and possible DAF initiatives.

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| <ul style="list-style-type: none"> • <i>Increasingly complex array of issues to be addressed in development assessment, with inadequate integration of policy and process by the various arms of government which have carriage.</i> • <i>Need for planning instruments and assessment criteria to be aligned in a practical way to the assessment process</i> • <i>Insufficient differentiation and streaming of development proposals according to their complexity/likely impacts, leading to over-regulation.</i> • <i>Poor quality applications and the need for education and training of applicants and their agents to respond to planning objectives and assessment requirements.</i> • <i>Inadequate feedback on the outcomes of development (to aid policy development and effective assessment of similar proposals in future).</i> • <i>Means of effecting practical and useful community consultation.</i> • <i>Customer service levels within individual authorities not meeting industry/applicant/community expectations in some instances.</i> • <i>Shortages of appropriately trained and experienced assessment staff within authorities.</i> • <i>The scope for - and issues involved in - application of advanced IT applications to enhance customer service and processing of applications.</i> • <i>How best to establish a performance-driven culture of continuous improvement and sharing best practice.</i> • <i>Appropriateness and effectiveness of appeals systems and alternative dispute resolution.</i> • <i>Experience with private certification.</i> |
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**Table E.1: Key Issues Confronting the Development Assessment System
– Potential Targets for Issue-Based Benchmarking**

■ **Performance indicators and ongoing data collection**

Work with the POG and local government to promote a more harmonised approach to the collection of comparative performance information across states and territories. This could be achieved by:

- adopting some or all of the proposed performance indicators set out in **section 6.2** as a basis for progressively harmonising data collection and initiating comparisons across jurisdictions (but recognising that the process of harmonisation will take several years and that a start can be made with roughly comparable data as a means of identifying issues of common concern and getting some comparative benchmarking under way)
- involving those states which currently collect some comparative performance information from assessment authorities (eg Queensland, NSW, Victoria) in an initial effort to harmonise their collections (but again recognising the inevitable short-term constraints).

■ ***Productivity Commission***

Approach the Productivity Commission to seek assistance in launching and managing a benchmarking program, and/or with a view to the potential inclusion of development assessment as an area of coverage in the ongoing performance reviews of service delivery undertaken by the Commission under the auspices of the Council of Australian Governments (COAG). This move would bring a major benefit through the participation of the Productivity Commission with its expertise in working with agencies in benchmarking and performance comparisons for complex areas of government services. It would, however, require commitment from central agencies and allocation of additional resources.

1. INTRODUCTION

1.1 Context

The Development Assessment Forum (DAF) is a national body comprising representatives of Commonwealth, state and Local Governments and peak industry and professional bodies from the building and development sectors. Its mission is *to encourage the harmonisation of Australian development assessment systems, through the promotion of leading practice regulatory reform.*

The DAF therefore aims to reach agreement across Australia on ways to improve the processes involved in seeking development approvals, with a view to achieving less red tape but without sacrificing the quality of the decision making. It has been in operation for three years.

In this context, the DAF has initiated a research project to explore how it can best add value in the field of benchmarking and performance measurement of planning and development systems.

Previous activities of the DAF relevant to this project include:

- A *Concepts and Scoping* paper² that provides a framework for the evaluation of development assessment processes
- A *Definitions Paper* proposing a set of standard definitions for elements of development assessment
- The *Principles of Leading Practice in Development Assessment*.
- The *Good Strategic Planning Guide*
- The *State of Play* report, a description of the legislative and administrative structures of state/territory planning and development assessment systems, which was prepared for the National Office of Local Government just prior to the inception of the DAF, is another often referenced resource in this field.

Despite this substantial body of work there remains a view amongst some DAF stakeholders, notably sections of the development industry and professional groups, that much more needs to be done to improve and streamline development assessment, and to *harmonise* the different state/territory and to some extent Commonwealth approaches and frameworks. Critics point to slow uptake of the proposed standard definitions, and limited systematic application of the *Principles of Leading Practice*. They argue that there should be considerably more interchange of experience and comparison of results amongst governments, fostering the dissemination of best practice and over time progressing the concept of harmonisation of planning and assessment systems.

1.2 Purpose and Scope

In 1998 the Planning Officials Group (POG - the heads of state/territory planning agencies plus a Commonwealth representative) commissioned a study by Maximiles Consulting which canvassed a national approach to measuring the performance of planning and development assessment systems. It is our understanding that while there was considerable interest expressed in the study findings,

² Mant, J, *Development Assessment Forum – Concepts and Scoping Paper*, for National Office of Local Government, 1999.

ultimately there was insufficient support at that time to move forward on a national program.

However, in April 2000 DAF adopted a set of priorities for further work - subsequently endorsed by the Planning Ministers Council - that includes both continued implementation of the *Principles of Leading Practice* and development of benchmarks for leading practice in development assessment. Various performance measurement and benchmarking projects are being undertaken across Australia by state/territory agencies and local government, though without any common framework.

This project is intended to scope how, in the context of its charter, DAF could best assist in promoting benchmarking at a national level. Elements of the project include:

- Reviewing and documenting the objectives of state/territory planning systems to identify similarities in proposed outcomes
- Documenting current benchmarking and performance measurement initiatives, together with relevant recent research, data collection and publications
- Identifying areas within the *Principles of Leading Practice* in which an Australia-wide focus on benchmarking would add most value in helping to improve systems
- Identifying key issues surrounding benchmarking Australia-wide (eg definitions, data collection)
- Developing a framework for performance measurement and range of performance indicators (both quantitative and qualitative) focussed on common objectives of state/territory planning systems.

In discussions with the Steering Committee it became evident that there are differing interpretations of the concept of "promoting benchmarking at a national level". Clearly this does not necessarily require a comprehensive or uniform national system, but it was assumed for the purposes of this project that it does imply some regular and organised exchange of information and comparison of processes and outcomes across jurisdictions. This interpretation may not be endorsed by all DAF stakeholders.

1.3 Methodology

The project has involved a considerable amount of data collection and consultation. This has proceeded in four ways:

- Circulation of a questionnaire to all state/territory planning agencies and local government associations, as well as the National Capital Authority
- Review of previous studies on the issue and a number of related reports
- A series of workshops in Sydney and Melbourne (2 each), Brisbane, Adelaide and Perth, to canvass a broad range of stakeholder opinion and the potential role for DAF. Summary notes from the workshop sessions are provided at **Attachment A**.
- Individual discussions with representatives of key stakeholders and experts in the field.

A Discussion Paper was prepared for a workshop session of the Project Steering Committee held in Sydney on 17 June, and a draft report was discussed at length with the full DAF Working Group at its meeting in Melbourne on 31 July.

1.4 Concepts and Definitions

A number of aspects of terminology need to be clarified at the outset of this report.

Planning and Development Systems

The project brief uses the term 'planning and development systems' - presumably an amalgam of planning and development assessment. A 'planning system' can be very broad in scope, encompassing not only the assessment of development proposals and the planning instruments that facilitate and guide such assessment, but also a range of mechanisms for strategic planning, environmental protection and management, coordination of the activities of various government agencies etc.

Given the DAF's charter, the key focus of this project has been taken to be the 'development assessment system' - assessment of development proposals and closely related aspects of the broader planning system. This captures both the regulatory and procedural framework which surrounds the processing of development applications. Land use and environmental planning gives direction to this system, with a core requirement of the development assessment system to do its part in delivering on the outcomes which plans seek to achieve. At the same time broader planning and plan-making needs to be guided by the attributes and limitations of development assessment.

Performance Measurement

The project brief brackets the two quite distinct concepts of 'performance measurement' and 'benchmarking'.

'Performance measurement' means quite clearly what it says. Planning and development assessment agencies need to assess - measure - their performance to determine whether or not they are achieving their objectives, and whether that is being done efficiently and effectively. To do this they require a range of measures - performance indicators - that indicate what is being achieved and point to aspects of performance that may require improvement.

It is important to emphasise that performance indicators are just that: they are pointers to whether or not progress is being achieved as planned. They do not provide conclusive evidence of good or bad results, competence or incompetence, as performance and outcomes will be influenced by a very wide range of factors that usually cannot all be measured simultaneously - or sometimes at all. Performance indicators should therefore be seen as a *starting point* for identifying those aspects of operations and performance which may need further examination and improvement.

Indicators may be peculiar to a particular organisation or shared among a number of organisations. Where indicators are used only within a single organisation, progress can be measured by comparing results over time (eg what was the extent of change/improvement from last year?). Where indicators are shared with other organisations, the results can be used to identify significant differences and ask why these are occurring, or to identify those organisations which appear to be doing best and to highlight areas where they may be applying superior techniques.

Useful indicators may be either quantitative or qualitative. Where reliable numerical data are available (eg from national statistics agencies, well-maintained local government records etc), quantitative indicators can provide a simple method of monitoring progress or drawing comparisons with other organisations. But a danger with quantitative indicators is that too much weight can be placed on factors that can be measured easily rather than the things that really matter. In development assessment, it is relatively easy to measure how speedily applications are processed,

but much harder to determine whether approved developments are advancing the cause of sustainability or a better society.

Thus there is growing acceptance of the need for and value of qualitative performance indicators, such as community attitudes or satisfaction ratings. Primary data for qualitative indicators often needs to be gathered by various survey methods, for example, mail out questionnaires, personal interviews or discussion groups.

The 1998 Maximiles report³ for the POG made a number of important points about selecting appropriate performance measures:

- They should focus on a small number of key matters critical to efficient and effective performance: trying to cover everything will only add to complexity and confusion
- They should be selected deliberately to show both positive aspects and problem areas
- They should relate to the objectives being pursued ie the policy agenda, and reflect a sound understanding of the relationship between *outputs* (eg effective processing of applications) and *desired outcomes* (eg sustainable development) - direct measurement of the latter is often extremely difficult given the timescale and complex issues involved
- Measures of the planning (development assessment) system should be selected from the user's perspective and indicate whether user requirements are being met: whether the system is 'fit for purpose'
- They should be a mix of 'can-openers' - overview measures used to help formulate questions about areas for further investigation - and more specific management measures focussed on particular operational issues
- They should be used to build trust, not as a 'beating stick'
- Poor data is acceptable to make a start - it can be improved over time.

The Maximiles report came up with “proposed measures” intended to provide a description of the performance of the “land use planning system”⁴. An excerpt from this report summarising the proposed measures is provided at **Attachment B**.

Benchmarking

Information collected for the purposes of performance measurement can also be used as a starting point for benchmarking. This a process by which an organisation regularly compares its operations and achievements to those of others, and/or to its own past performance. In so doing the organisation seeks to generate information and ideas necessary to better achieve its objectives and reach the highest possible standards of efficiency and effectiveness.

Collaborative benchmarking involves organisations coming together in groups to systematically exchange information and ideas, based on the collection of comparable data about their operations and achievements. It can be described as 'collective learning' or 'intelligent copying' – looking at what others do and how they do it, and applying the lessons learned.

Benchmarks

The use of performance indicators and the *process* of benchmarking are often confused with setting *benchmarks*.

³ Maximiles Consulting, *Performing for the Future - Measurement Tools for Australian Land Use Planning Systems*, Report for Planning Officials Group, 1998

⁴ *ibid*, p53, *et seq*

Often the same measure may be used for both benchmarks and performance indicators. The crucial difference, however, is that benchmarks are normative – that is, they represent an objective or standard to be met. For example, state governments set a benchmark for the time within which development applications should be processed. At the same time, a group of local governments could be using exactly the same measure as a voluntarily adopted performance indicator for collaborative process benchmarking. But for them it is not a target to be achieved, but simply a way of making comparisons from one local government to another, and a basis for autonomous decisions about whether service quality and costs meet community expectations.

2. OBJECTIVES OF PLANNING AND DEVELOPMENT ASSESSMENT SYSTEMS

The project brief called for a review of the legislated objectives of state/territory and Commonwealth planning systems as a basis for determining potential common areas of interest relevant to performance measurement and benchmarking. This chapter sets out the results of that review.

2.1 Classifying Objectives

Before summarising the objectives set out in the various Acts, it is important to consider which of those objectives are most relevant to the current project. As the Maximiles report⁵ pointed out, there are two very different sorts of objectives:

- those relating to the broad goals of planning as an activity (eg a sustainable future)
- those concerned with the structure and performance of planning systems.

A further distinction can be made within the latter category between objectives dealing with planning systems as a whole (eg ensuring coordinated action); objectives relating specifically to development assessment (eg coordinating approvals), or that are directly relevant (eg adequate public participation); and objectives relating to other aspects of the system (eg effective strategic planning).

Classifying objectives in this way is seen as particularly important for the current project:

- Firstly, because the DAF's charter is clearly focussed on development assessment rather than planning systems in the broad
- Secondly, because performance measurement needs to be focussed on a manageable range of issues to avoid setting up a huge task almost certainly doomed to failure.

2.2 Comparative Analysis

The table below summarises the objectives of the various planning systems, wherever possible using the classification proposed above. Some objectives have been abbreviated.

In general, objectives set out in planning legislation provide relatively little direct guidance to development assessment. That is left to planning schemes and other instruments: the objectives of the Victorian, South Australian and Tasmanian Acts make that quite explicit.

⁵ Maximiles Consulting, 1998, op cit.

Broad Planning Objectives	Planning System Objectives	Development Assessment (or directly related) Objectives
Victoria		
Fair, orderly, economic and sustainable use and development of land	Sound strategic planning and coordinated action at state, regional and municipal levels	Facilitate development which achieves planning objectives
Pleasant, efficient and safe working, living and recreational environment	Establish a system of planning schemes to be the principal way of setting out objectives, policies and controls for the use, protection and development of land	Ensure that the effects on the environment are considered and provide for explicit consideration of social and economic effects when decisions are made
Conserve and enhance buildings and places of special value	Establish a clear procedure for amending planning schemes with appropriate public participation	Provide for a single authority to issue permits for land use and development, and coordinate with related approvals
Protect public utilities and assets and enable orderly provision and coordination of public utilities and facilities	Encourage the achievement of planning objectives through positive actions by responsible authorities	Ensure those affected by proposals receive appropriate notice
Balance the present and future interests of all Victorians	Enable land use and development policy to be integrated with other policies at state, regional and municipal levels	Provide an accessible process for timely review of decisions
	Provide compensation when land is set aside for public purposes	Provide for effective enforcement procedures
South Australia		
Proper, orderly and efficient planning and development	Establish a system of strategic planning and development	Establish and enforce cost-effective technical requirements compatible with the public interest
Provide for the creation of development plans: -to enhance proper conservation, use, development and management of land and buildings - facilitate sustainable development and environment protection - encourage management of the environment in an ecologically sustainable manner - advance the community's social and economic interests and goals	Facilitate uniform accreditation of building products, construction methods, designs, components and systems	Provide for appropriate public participation in planning and development assessment
	Facilitate adoption and efficient application of national uniform building standards	Enhance the amenity of buildings and provide for health and safety of users
Queensland		
To achieve ecological sustainability by:	Coordinating and integrating planning at the local, regional and state levels	Managing the process by which development occurs Managing the effects of development on the environment
Ensure the sustainable use of renewable natural resources and the prudent use of non-renewable natural resources	Ensure decision-making processes: - are accountable, coordinated and efficient - take account of short and long term environmental effects - apply the precautionary principle - seek to provide for intergenerational equity	Avoid or lessen avoidable adverse environmental effects of development. Apply standards of amenity, conservation, energy, health and safety in the built environment that are cost-effective and for the public benefit
Supply infrastructure in a coordinated, efficient and orderly way		Provide opportunities for community involvement in decision-making

Table2.1: Planning System Objectives (continued over)

Broad Planning Objectives	Planning System Objectives	Development Assessment (or directly related) Objectives
Tasmania		
Promote sustainable development and maintenance of ecological processes and genetic diversity	Encourage public involvement in resource management and planning	Ensure that effects on environment are considered and provide for explicit consideration of social and economic effects when decisions are made
Provide for fair, orderly and sustainable use and development of air, land and water	Promote sharing of responsibility for resource management and planning between different spheres of government, community and industry	Provide for consolidation of approvals and coordinate planning approvals with related approvals
Facilitate economic development in accordance with above	Require sound strategic planning and coordinated action by state and local government	
Secure a pleasant, efficient and safe working, living and recreational environment	Establish system of planning instruments to be the principal way of setting objectives, policies and controls for the use, development and protection of land	
Conserve buildings, areas or other places of special value	Require land use planning to be easily integrated with other policies at state, regional and municipal levels	
Protect public infrastructure and assets and enable orderly provision and coordination of public utilities and facilities	Provide a planning framework which fully considers land capability	
New South Wales		
Proper management, development and conservation of natural and artificial resources for the purpose of promoting the social and economic welfare of the community and a better environment	Promote the sharing of the responsibility for environmental planning between the different levels of government in the state	Provide increased opportunity for public involvement and participation in environmental planning and assessment
Promotion and co-ordination of the orderly and economic use and development of land		
Protection, provision and co-ordination of communication and utility services		
Provision of land for public purposes		
Provision and co-ordination of community services and facilities		
Protection of the environment, including native animals and plants, including threatened species, populations and ecological communities, and their habitats		
Ecologically sustainable development		
Provision and maintenance of affordable housing		

Table2.1 (continued): Planning System Objectives (continued over)

Western Australia
No objectives stated for system as a whole, but following inferred for WA Planning Commission: <ul style="list-style-type: none"> <input type="checkbox"/> Prepare a state planning strategy as a basis for coordinating and promoting regional land use planning <input type="checkbox"/> Preparation of schemes for effective planning and coordination of land use and development <input type="checkbox"/> Coordinated provision of infrastructure for land development and transport.
Australian Capital Territory
The legislated object of the Territory Plan is 'to ensure that the planning and development of the Territory provides the people with an ecologically sustainable, healthy, attractive, safe and efficient environment in which to live, work and have their recreation'
Northern Territory
No objectives in Planning Act 1999, but legislation is under review and objectives are to be set out in new NT Planning Scheme.
Commonwealth
Commonwealth legislation with provisions/implications for development assessment relates principally to environment protection and biodiversity conservation, disability discrimination, telecommunications, airports and planning of the National Capital.
The legislated object of the National Capital Plan is 'to ensure that Canberra and the Territory are planned and developed in accordance with their national significance'

Table2.1 (continued): Planning System Objectives

It can be read from the above that the principal objectives relating specifically to development assessment include:

- Minimising adverse environmental effects (including social and economic effects)
- Maintaining/enhancing amenity, health and safety
- Coordinating approvals
- Providing for public consultation.

In South Australia, there is also reference to cost-effectiveness. Only the Victorian objectives refer to enforcement and appeals processes.

Therefore legislated objectives provide a basis for only some of DAF's Principles of Leading Practice - and then only in a few jurisdictions - and their applicability to the *practice* of development assessment is limited and patchy. While any benchmarking initiative clearly needs to be consistent with relevant legislation, legislated planning objectives alone do not provide a sufficiently robust framework for performance measurement and benchmarking in development assessment. The DAF Principles offer a better starting point.

3. EXISTING BENCHMARKING AND PERFORMANCE MEASUREMENT INITIATIVES

3.1 Introduction

This section provides details on existing benchmarking and performance measurement activities throughout Australia. It is primarily based on the feedback from a questionnaire forwarded to all state and territory planning agencies and peak local government authorities in each state. This feedback was supplemented with meetings and personal discussions in New South Wales, Queensland, South Australia, Victoria and Western Australia. In this sense it is seen as providing a sample of benchmarking and performance measurement initiatives rather than a comprehensive profile.

Of course, many individual assessment authorities have management planning and reporting regimes with input-output data relating to DA processing, albeit with great variation in measurement protocols and procedures. The emphasis in this section of the report is more on benchmarking and performance monitoring arrangements with a wider scope and reach, such as state-based systems, or regional partnerships among groups of assessment authorities, but reference is also made to other specific initiatives which bring lessons relevant to the project.

3.2 New South Wales

- The Department of Local Government produces a yearly report titled ‘Comparative Information on New South Wales Local Government Councils’, addressing a wide range of council activities. This report documents performance information provided by individual councils relevant to DA processing, as follows:

- Number of development consent applications determined
- Mean turnaround times
- Median turnaround times
- Legal expenses to total planning and development costs.

There are perceptions of ambiguity about the data, with many councils questioning whether the information provides a useful reflection of their performance. It is suggested that there is a need for more qualification of the data for it to be useful (eg differentiating between those DAs which were subject to public notice and those which were not).

- There are also a number of examples of groups of councils working together on benchmarking of development assessment system performance. For example originally in 1997 and again in 2000, the Western Sydney Regional Organisation of Councils (WSROC) and four of its constituent councils undertook a benchmarking project into development assessment processes, culminating in a comprehensive benchmarking program. A meeting early in 2002 saw an expression of interest from a wider group of councils to participate in the next round of the benchmarking program. The North Shore Regional Organisation of Councils (SHOROC) also undertook a regional benchmarking program in 1997, with Warringah Council from this group, in particular, pursuing some interesting initiatives which sought to introduce quality of outcome benchmarking for a range of categories of development types.
- In 2001, the NSW Audit Office undertook a performance audit report examining the efficiency and effectiveness of PlanningNSW’s predecessor, the Department of Urban Affairs and

Planning in managing the environmental impact assessment of major projects⁶. The report noted that the department assessed projects which represent around \$2 billion of capital investment each year. The Audit Office found that the basis for environmental assessment of major projects was “sound”. At the same time a number of opportunities for improvement were suggested. The Audit Office report and the department’s response to report recommendations can both be accessed on the internet.⁷

- Councils also feed into the State of Environment (SoE) reporting process through statutory responsibilities to prepare annual SoE reports under the Local Government Act 1993. Like in most other states and territories the increasing emphasis on SoE reporting has brought with it increased information gathering and environmental monitoring. Local and regional SoE reports are intended to assist in local council management planning including in relation to environmental planning and DA processing. The work of local and regional groups of councils is used by the Environment Protection Authority in the compilation of the State of the Environment Report for NSW, which in turn feeds into the national report.
- There is also increasing work underway focused on individual environmental issues and concerns, which bring forward performance monitoring initiatives. For example, Water Management Plans for catchments across NSW under the Water Management Act 2000 will set targets and establish monitoring regimes.
- A number of liaison forums are in place which provide input to and feedback on the planning and assessment system. These include a 'Part 4 Reference Group' and the Urban Development Industry Liaison Forum which were set up to air and address concerns arising from legislative change to Part 4 (development assessment) of the Environment Planning and Assessment Act, as well as development issues generally. Individuals who sit on these groups were well represented in the workshop sessions held in NSW. These liaison forums are among the groups which could play a direct role in benchmarking and performance comparison programs in NSW.
- There is an intent to introduce improved monitoring and benchmarking for development assessment in NSW. PlanningNSW has undertaken a scoping study into the development of a state-wide performance monitoring and benchmarking system for development assessment⁸. However, a proposed pilot to test the program is yet to be implemented⁹.
- In a project funded by NSW LandCom, the Faculty of the Built Environment, University of NSW in collaboration with a host of key stakeholders (including PlanningNSW) is aiming to identify to find and disseminate local government best practice in development assessment. The work includes contact with all NSW councils, through a questionnaire, and follow-up meetings. We are advised that the work to date has indicated a widespread interest on the part of NSW councils, and a willingness on the part of many to be further involved in the collection and exchange of best practice ideas¹⁰.
- PlanningNSW also proposes that “precise sustainability indicators and targets” be introduced into local and regional plans and strategies as a component of the current reform of plan-making requirements within NSW, under the PlanFIRST initiative. The intent is that future legislation

⁶ Audit Office of NSW, *Performance audit report: Department of Urban Affairs and Planning: environmental impact assessment of major projects*, 2001.

⁷ See <http://www.audit.nsw.gov.au/perfaud-rep/DUAP-Nov01/DUAP-Contents.html>

⁸ PlanningNSW, *Scoping Study. Towards a performance monitoring and benchmarking program for the NSW development assessment system*, (Report prepared by P&A Walsh Consulting Pty Ltd), 2000.

⁹ PlanningNSW response to project questionnaire.

¹⁰ Personal discussions Peter Williams, Faculty of the Built Environment UNSW, 9 July 2002.

provide for compulsory monitoring and review of policies, strategies and plans including indicators of outcomes “achieved on the ground”. A five yearly reporting cycle is envisaged.

3.3 Queensland

- The Integrated Planning Act 1997 (IPA) brought in statutory provisions of direct relevance to development assessment performance monitoring. The IPA sets time limits for stages of the assessment of applications. The four nominated stages are: “application”, “information and referral” (in particular to state agencies if relevant), “notification”, “decision”. The IPA details what needs to have occurred for one stage of the process to have concluded and the next stage to start. For example, the “assessment manager” must “decide” an application within 20 business days after the day the decision stage of that application starts¹¹. The legislation includes a number of exclusionary provisions from the statutory time frames, including stop-the-clock type provisions which can be initiated by either the assessment manager or the applicant. These procedural deadlines are seen to assist in bringing an increased measure of certainty into the timing of the assessment process¹².
- Also under the IPA there has been important work underway in regard to the introduction of a system for monitoring the effectiveness of plans in achieving desired outcomes. The IPA originally required performance measures (ie mechanisms to monitor the achievement of desired outcomes) to be incorporated in all planning schemes. This is now optional, but measures have been included in some of the completed IPA schemes. Difficulties which are seen to have arisen included:
 - focussing properly on outcomes
 - formulating meaningful indicators
 - recognising that planning schemes are only part of a bigger, highly complex system and therefore cannot be expected to achieve desired outcomes in isolation.

Nevertheless, it has been suggested that there is merit in further work on this issue – “getting the scheme right and incorporating appropriate quantitative and qualitative indicators is seen as the key to achieving planning and assessment objectives”¹³.

- Some monitoring of outcomes is also occurring through State of Environment reporting (every 4 years) and regional planning (for example in the SEQ Region).
- State agencies have relevant reporting requirements to Treasury on performance (eg EPA is investigating costs per permit issued). The EPA is also initiating a 'good practice' collection.
- The Department of Local Government and Planning (DLGP) produces a set of local government performance indicators¹⁴. Councils are required to include indicators in corporate plans - but it has been suggested that this can tend to be focussed on process rather than outcomes. Some operational plans include more specific indicators

¹¹ The Queensland legislative frameworks requires authorities to base processing time monitoring on “business days”. This is at odds with the data requirements of the NSW Department of Local Government which explicitly requests that data be supplied on the basis of calendar days.

¹² It is noteworthy that the IPA refers to business days rather than calendar days in prescribing process time provisions.

¹³ Meeting notes Brisbane workshop 24 April 2002.

¹⁴ Queensland Department of Local Government and Planning, *Queensland Local Government Comparative Information 1999, 2000*. Note that there are no current indicators in the publication in relation to development assessment activities. Our discussions with the department indicated that it was intended to wait until the IPA legislation was in place for some further period before development assessment work would be included in the indicators.

- A group of councils in south east Queensland (Brisbane City, Gold Coast, Redlands, Noosa, Maroochy) recently completed a study on number of applications processed per planner (but in general there is relatively little exchange of information amongst councils on these issues). A number of councils have also reviewed assessment costs as a basis for setting fees - all Queensland councils can set their own fees.
- There is an IPA Sub-Committee of agency CEOs - state agencies involved in any aspect of the act's administration meet to consider actions.
- Many councils have some form of regular liaison with the development industry and related stakeholders

3.4 South Australia

- A number of performance reporting requirements are embedded in the legislative requirements of the SA Development Act, 1993. It is a legislative requirement that the Minister submit annual reports to Parliament on the administration of the Act during the preceding financial year. However, there is a concern that there is insufficient information available to facilitate a wide understanding of the performance of the legislation.
- The Act requires councils to look at policy linkages between their Planning Strategy and Development Plan at least every five years, and to provide a report to the Minister. The Act and regulations also require that a processing timetable be included in every proposal to amend Development Plans. Time limits for the assessment of applications, including for comments by Government Agencies, are also regulated. The Act enables regulations to be made to authorise the Minister to require Councils and agencies to provide performance indicators.
- Planning SA electronically monitors the progress of all proposals to amend Development Plans prepared by the Minister and Councils. The department also electronically monitors all private sector development applications assessed by the Development Assessment Commission (planning and building) as well as all Crown Development applications and applications subject to the Major Development assessment process.
- The System Improvement Program (SIP) promotes ongoing reform in SA. One important initiative under this program is the Customer Survey of the Development Act¹⁵. This large scale research project focused on gathering information on the perceptions of “customers” as one stakeholder group of the development assessment system. The approach included input from market research specialists, and was broadly based on qualitative research findings from a large number of discussion group sessions and other personal and written submissions.
- Planning SA and the LGA have established a joint “SIP Liaison Group” to facilitate discussion and joint action. They have agreed to undertake a Performance Indicator and Benchmarking Program, the details of which continue to be developed.
- Planning SA also has an SIP Industry Forum to discuss emerging issues.
- The Minister has established a Urban and Regional Development Advisory Committee (URDAC) to discuss emerging trends and system problems.

¹⁵ Bronwyn Halliday and Associates and Stuart Main, *Customer Survey of the Development Act 1993*, prepared for the Minister for Transport and Urban Planning (South Australia), February 1999, p2.

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- Consolidated information on DA processing by councils in the state is quite limited. However, the SA Local Government Grants Commission is provided with statistics from Councils on the number of applications assessed each year. Individual councils have in place their own reporting and performance management arrangements which would typically cover development assessment processing activities.
 - The “G6” (six largest metropolitan councils in the state) have been undertaking a joint benchmarking program for several years. However, this work has not been focussing on planning and development assessment matters over recent years.
 - The LGA has produced a series of leaflets on “Best Practices” in order to inform other councils of what is being achieved. For example, Adelaide City Council has recently done some good work in post occupancy review, as an element of a performance monitoring and feedback mechanism for policy criteria.
 - The LGA also has a major benchmarking project underway, but currently emphasising corporate indicators rather than operational areas. There is a high level of willingness on the part of councils at this stage. The fact that the program is run by the association perhaps gives some comfort that data will be used in a sensitive manner.
 - The state government is proposing to establish a Local Government Forum reporting to the Minister. It is intended that the operation of and improvements to the planning and assessment system will be included in the issues raised at the Forum.

3.5 Tasmania

- All councils in Tasmania report annually on a suite of performance measures, covering all key activities of councils. There are specific measures for planning covering days to obtain planning approvals and the number of planning applications lodged.
- In 1996 Tasmania’s SoE Report reviewed the performance of planning schemes in a number of areas including heritage and visual assessment provisions. A further report is due next year and it is understood that it will be more closely aligned to national SoE reporting in terms of its approach and a number of indicators.
- The Tasmanian Government initiative, *Tasmania Together*, has established a social, economic and environmental strategy for the state for the next twenty years. Within this framework there is an indicator or benchmark for an enhanced planning system that seeks to have targets established by 2003. The framework has already established a target for the adoption of best practice in cultural heritage which has been set for achievement by 2005.
- The legislative base for this process is the *Tasmania Together Progress Board Act 2001*. This act requires the preparation of an annual report, and a two-yearly report to Parliament on progress towards the achievement of goals and benchmarks.
- Under the Tasmanian Natural Resource Management (NRM) Framework it is proposed to establish regional NRM committees that will be required to develop strategies and benchmarks for the achievement of NRM outcomes. These will have links to land use planning and will be subject to priorities and broader strategies at the statewide level.

3.6 Victoria

- At the local level, each council is required to produce a Municipal Strategic Statement within the planning scheme. Councils are encouraged to include proposals for monitoring the success of scheme provisions. Every council must review the provisions of its MSS at least every three years
- The Office of Local Government (OLG) collects statistics from local councils relevant to identified key performance indicators. This data is then available for analysis and benchmarking purposes. A familiar view expressed by local council officers in the Department of Infrastructure (DoI)'s 1999 workshops¹⁶ was that:

*... without the provision of qualitative interpretation, the (DoI's comparative local government) data serves a limited use in analysing the intricate workings of the Victorian planning policy framework, and how a planning scheme is actually working.*¹⁷

Since that time there has been a review and reduction of the number of indicators in place. The OLG also provides general benchmarking guidelines for councils. There was a review of planning applications processing costs 2-3 years ago.

- OLG also conducts annual state-wide surveys of community satisfaction with council service delivery generally, which have yielded some useful data. Melbourne City Council conducts its own customer satisfaction surveys ("key is getting the questions right and proper targeting").
- Limited post development audits are conducted by some councils (eg Glen Eira) - but the problem of resourcing adequate regular surveys was identified.
- The Building Commission reports on various matters relating to the type and volume of building activity within municipalities, regions and statewide, including surveys on consumer satisfaction and building quality.
- The Department of Infrastructure and the Municipal Association of Victoria (MAV) run a joint Continuous Improvement Program that promotes best practice in planning. This program includes the PLANET training and professional development program which incorporates promoting best practice and skills enhancement. The information on PLANET on the DoI website suggests a government commitment to education and training:

The effective operation of the planning system relies on the skill base and efficient delivery of planning responsibilities by local government. The Government is keen to ensure that all users of the system have access to additional training and support. Planners need to be able to acquire the necessary skills to make decisions and manage specific planning issues with competence and confidence.

- MAV also runs 'Best Practice Groups' for a range of issues including planning matters.
- DoI convenes a Technical Reference Group as a sounding board for proposed changes to the planning system. Various working groups are routinely established –current issues on which groups are working include decision making and local policy, rural zone provisions,

¹⁶ Planning Systems and Policy Branch, Department of Infrastructure, *Planning for Improvement: Workshop Report*, September 1999.

¹⁷ *ibid*, p9

development contributions metropolitan strategy and telecommunications. A review of subdivision provisions will commence shortly.

3.7 Western Australia

- There are no specific performance monitoring arrangements built into the planning legislation. However the Western Australian Planning Commission (WAPC) has undertaken interesting work related to strategic land use and infrastructure planning, which includes a performance monitoring or audit process to underpin and inform the ongoing review of the State Planning Strategy:

... actions and priorities within the State Planning Strategy ...are audited and stored in an interactive Oracle database to allow monitoring of actions”¹⁸

- WAPC's an annual report to Parliament has contained indicators in recent years. The current report refers to “effectiveness indicators” for the following, some of which are based on customer surveys:
 - usefulness of planning activities - statutory planning
 - usefulness of planning activities - strategic planning
 - success in conversion of structure plans
 - planning cost in relating to population size and economic activity
 - cost per planning decision - statutory planning
 - cost per planning decision - strategic planning
 - regional open space - cost per hectare managed.
- The WAPC Annual Report also includes performance indicators for its own work in development assessment, including:
 - Number of applications
 - Applications processed within time frames
 - Cost per application processed
 - Number of applications per staff member.
- Performance statistics are maintained by the Department for Planning and Infrastructure for subdivision, development and scheme amendments to track time taken to undertake necessary statutory processes.
- Individual local councils have a variety of performance indicators relevant to planning and development assessment matters. WALGA has prepared a series of performance indicators to assist local government work on continuous improvement to processes and services. A series of performance indicators have been prepared for planning and building services. Six local councils currently participate in a benchmarking program focused on planning and building matters under this program. This group comprises a mix of small rural, country urban, small metropolitan and larger metropolitan councils. Councils submit figures for central processing and comparisons. A particular point of attention has been an examination of costs of processing development applications and its linkage to these for the processing of applications.

¹⁸ Ibid, and personal discussions Mr Steve Goldie, Executive Director Statutory Services, Department of Planning and Infrastructure.

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- There are a number of regular meeting and committee structures in place in WA which among other roles act to provide feedback on elements of the planning system. These include the Infrastructure Coordinating Committee and a sub-committee known as the Urban Development Land Liaison Committee, plus regular meetings held between the Western Australian Local Government Association and the Minister and senior officers of DPI and similarly with UDIA and HIA.
 - The legislation framework in WA is currently under review with a particular intent to consolidate planning legislation into one simplified, easy-to-read act. A stakeholder forum was held on 21 April 2002 and a discussion paper has been recently released for comment¹⁹.

3.8 Australian Capital Territory

- There have been a number of recent initiatives undertaken in the ACT of relevance to the scoping study. Early in 2000 an independent review of the territory's planning system was completed and various recommendations developed. Since this work a more detailed *Time/Cost Recording Project* has been undertaken to assist in assessing costs of the development assessment system.
- The ACT Government's Planning and Land Management department (PALM) has also commenced a number of initiatives relating to the promotion of quality assessment. These initiatives include:
 - *Post development audits.* Senior officers of PALM and other experts have begun to undertake inspections of a selection of completed development projects in a programmed manner. The review is across a wide-range of criteria, from detailed amenity and urban design principles, to the larger structure planning decisions which came before the development assessment process. A report is prepared of the review which becomes a public document.
 - *Designing for High Quality & Sustainability Program.* This trial program provides the opportunity for applicants to check their projects against the *draft Canberra Sustainability Index* and the *High Quality Design Guidelines*, which are intended to be implemented formally in 2001. An expert *Design Review Panel* has already been convened as part of the program. The panel meets weekly for pre-lodgement advice for larger projects. The intent is that projects perceived as being "of an excellent nature" would receive "accelerated assessment".
 - *Staff training.* PALM has been undertaking a major staff training program aimed at capacity building in the assessment of development applications.

3.9 Northern Territory

- There are currently no legislated arrangements in place to monitor the performance of the system. Nor are there non-legislated performance monitoring arrangements at this point. Informal systems include weekly internal liaison arrangements within the planning agency.

¹⁹ WA Department for Planning and Infrastructure, *Position Paper - Consolidation and Streamlining of Planning Legislation*, April 2002

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- A review of the NT Planning Act is underway. The establishment of performance objectives for the Act is a matter which has been raised in discussions, and may be taken up in the course of the review.

3.10 Overseas Activities

Some of the most extensive work in the development of performance management frameworks for development assessment systems has occurred in New Zealand and the United Kingdom, with evidence of relatively well resourced central government led initiatives²⁰.

New Zealand

The New Zealand Ministry for the Environment (MfE) has two distinct streams of monitoring for the Resource Management Act, 1991 (RMA). One stream examines the “effect of the Act” as a resource management device. Environmental indicators are being developed, with some already in place.

A second stream examines the “process of the Act”, and the performance monitoring program in place for development assessment processes is impressively comprehensive. An annual survey of local councils is a key element²¹. Information is collected using a compulsory survey instrument, and findings are provided in a publicly accessible report. The types of matters addressed in the annual survey and documented in the report include:

Consent processing statistics

Numbers of consents, types (subdivision, land use etc; an attempt to differentiate on the basis of complexity is provided based on the categorisation system in New Zealand, but not to the detail of building type, or cost of development), % requiring further information, % notified to statutory authorities, % with pre-lodgement “hearing”, % determined under delegation to local officers (90% determined by local officers).

Processing Times

Like Queensland’s IPA, the New Zealand RMA has statutory time limits based on phases of the process. Efforts are being made to improve the survey methodology over time, and to respond to concerns raised with earlier surveys. For example some local authorities were concerned that there was a discrepancy in the comparisons because some authorities started the processing clock faster than others. A new question was then added as to whether the “clock” was started within “one (working) day of the receipt of the application”.

Costs

Local authorities were asked to report on cost recovery of the development assessment (and plan-making process) through application fees and other user charges. For the last two reports, there have been queries raised about the robustness of this information recognising differences in accounting systems and costing assumptions.

²⁰ The discussion on overseas experience in monitoring of development assessment system is based on research originally undertaken for the scoping study into the NSW assessment system (P&A Walsh Consulting, 2000, *op cit*). This research has been supplemented by a limited review of more recent activity in New Zealand, and personal discussions with members of the Planning Officers Society Best Value Committee in the UK.

²¹ Ministry for the Environment, *Resource Management Act: Annual Survey of Local Authorities 1999/2000*, is the most recent publication.

Good Practice in Consent Processing

The survey sought information from local authorities on a range of good practice initiatives (pre-lodgement systems, monitoring processing times, assessment checklists, delegation). Systems for determining “customer satisfaction” were also explored. In the latest report, 59% of local authorities indicated that they were using surveys to determine “customer satisfaction levels”. This was up from 48% in the previous year's report.

Monitoring

The RM Act requires local authorities to undertake nominated monitoring activities, including:

- State of the environment
- Effectiveness of policies and plans
- Resource consent conditions.

The annual survey report provides information on:

- Proportion of local authorities using national environmental indicators in their planning.
- How local authorities were assessing the effectiveness of their plans and policies
- Breaches of consent conditions.

Audit

For the past three surveys, MfE has offered local authorities the opportunity to have responses to certain questions independently audited. This audit program is run through the Office of the Auditor General and includes examination of nominated quantitative data (eg processing times, costs) and qualitative data such as the best practice areas. Some 32% of local authorities took up the offer in the first year of the program. The 1998/99 survey was independently audited at some 50% of councils, with a little less in the most recent survey (45%).

United Kingdom

In the UK the Audit Commission has for many years now implemented performance monitoring systems. More recently, and directly relevant to the continuing Audit Commission work, is the adoption and implementation by the Blair Labour government of the Modernising Agenda and Best Value as management principles for public service. A structured Best Value Performance Management Framework has been set in place with the UK Local Government Act 1999. This requires local authorities to, among other things:

- Set in place local *Best Value Performance Plans*
- Set targets
- Report on achievement of targets
- Address shortcomings/deal with failure.²²

Central government has provided a framework for the setting of performance targets across the functions of local authorities, including for *Environmental Services* within which the planning and development assessment system, as we know it, falls.

The indicators represented at Table 3.1 were among those adopted. Local authorities had an ability set their own targets under this framework²³.

²² UK Department of Environment, Transport and the Regions, Implementing Best Value – a Consultation Paper on Draft Guidance, accessed from the DETR webpage on 1 June 2000 at <http://www.local-regions.detr.gov.uk/bestvalue/review/consult/implement/html/2.htm>.

CATEGORY	INDICATOR
Cost/Efficiency	<ul style="list-style-type: none"> • <i>Planning cost per head of population</i>
Service Delivery outcome	<ul style="list-style-type: none"> • <i>Number of advertised departures from the statutory plan approved by the authority as a percentage of total permissions granted</i> • <i>Percentage of applications determined within 8 weeks</i> • <i>Average time taken to determine all applications</i>
Quality	<ul style="list-style-type: none"> • <i>Percentage of applicants and those commenting on planning applications satisfied with the service received</i> • <i>Score against a checklist of planning best practice²⁴</i>

Table 3.1: Framework for Performance Measurement in Development Assessment by Local Authorities in UK

Beacon Council Scheme

The UK government has established a leading practice identification and promotion scheme for local government. Councils apply to participate, and in turn all councils are enabled to “learn from the best”. Development assessment (or, as termed, “planning”) applications are one of the pilot areas for examination. While performance indicators are focused on local government, the initiatives are driven from central government.

The scheme is not without its critics. The government’s webpage includes articles containing such criticisms. Some concerns include:

- Need to ensure that the system is less an “award ceremony for local councils”, and more a means of disseminating best practice “through various networks”.
- Need to recognise that all authorities contain a mix of good and poor practice, with the suggestion that “connections for mutual learning” are the way to encourage innovation and excellence, not the development of a “class system”.

In personal discussions with the Planning Officials Group Best Value Team members in April this year, it was suggested that in a broad sense the Best Value program had now captured many of the high and mid performing assessment authorities in England. There was also a suggestion that the poorer performing authorities were increasingly becoming engaged with the process and “starting to talk confidentially with the high performers”²⁵. The next step was into a program called *Comprehensive Performance Assessment* (CPA), which was seen to move beyond Best Value’s service focus into improvements in broader corporate governance for public service agencies.²⁶

Sustainable Development

One interesting initiative which has been undertaken in the United Kingdom, involved the national government taking a lead in the signals it gives to other developers in relation to high quality sustainable development. Specifically the UK has adjusted the brief of the Commission for New

²³ It should be noted however that the monitoring system in the UK is quite dynamic at present. For up to date information direct access to the web-based portal is recommended: www.local-regions.detr.gov.uk.

²⁴ UK DETR, *Best Value and Audit Commission Performance Indicators for 2001/2002* - Consultation Paper, October 2000.

²⁵ The consultants attended a meeting of the UK Planning Officers Society Best Value Team held in London on 19 April 2002.

²⁶ Personal discussions Mr Ron Percival, chair UK Planning Officers Society Best Value Team.

Towns, the largest owner of development land in the UK responsible for the development of 500-600ha per annum. The commission is now required to directly consider sustainability benefits along side economic returns on development, in the planning and development of new projects²⁷.

United States

Similarly, in the US the drive for performance management in government appears to have renewed vigour. The US National Center for Public Productivity at Rutgers University is one of many organisations which has produced guidelines for the preparation of performance indicators. Its guidelines suggest that:

Usually, performance management is described as contributing to the following:

- *Better decision-making: it provides managers with information to perform their management control functions;*
- *Performance appraisal: it links both individual and organizational performance to aspects of personnel management and motivates public employees;*
- *Accountability: it fosters responsibility on the part of managers;*
- *Service delivery: Improvements in public service performance;*
- *Public participation: clear reporting of performance measures can stimulate the public to take a greater interest in and provide more encouragement for government employees to provide quality services; and*
- *Improvement of civic discourse: it helps to make public deliberations about service delivery more factual and specific.*²⁸

The US Government Performance and Results Act ('Results Act') has sought to ensure federal programs are much more accountable for outcomes. However, there appears to have been a substantial reaction against a standardised approach to performance management, and the US Results Act, from the US Office of Environmental Management. The Office questions the principle of relying on data intensive benchmarking analysis, which seeks to provide broad generalisations on complex, often locally sensitive, matters. It sees a need to instead examine more (site specific) processes²⁹ (supporting the principles of “fuzzy logic” over “logical positivism”), and suggesting the achievement of results may depend a lot more on responding to local contextual issues rather than adhering to standard models.

In the Office of Environmental Management's experience there was often dispute when agreement was sought on actual results indicators, as program management worked down from the larger visions to the practical and measurable.

*Conflict between perceptions on what is a (useful) results oriented measure inclined to differ as the goal becomes more detailed performance standards*³⁰.

The work on performance management in areas of government regulatory activities, and areas related to environmental management, both have particular relevance to development assessment systems. It is seen by some to be somewhat trite to borrow from the standard benchmarking guide

²⁷ Research Centre for the Built and Human Environment, University of Salford, Bequest Information Sheet 2, Winter 1998
www.scpm.salford.ac.uk/bqestra

²⁸ National Center for Public Productivity, Rutgers University, *A Brief Guide For Performance Measurement In Local Government*, 1997.

²⁹ US Department of Energy Office of Environmental Management, *Environmental Management Benchmarking: Lessons Learnt*, internet download posted 1995 www.em.doe.gov/bch/selmmode.html, p3

³⁰ US General Accounting Office, *Managing for Results – Regulatory Agencies Identified Significant Barriers to Focusing on Results*, GAO/GGD3-97-83, p3

when examining these aspects of government. For example, concepts of customer service and process improvement fail to take account of the distinctive character of regulatory responsibilities, which involve meeting obligations to the broader community rather than just delivering services.

There has also been criticism of reliance on large scale data collection. This was echoed in the previously quoted Maximiles study for the Planning Officials Group:

*Large sets of detailed measures already exist within some jurisdictions, and these do not seem to have focused management and policy attention on the most important system performance issues.*³¹

³¹ Maximiles Consulting, *op cit.*

4. ISSUES FOR COOPERATIVE BENCHMARKING

4.1 Opportunities

Our research suggests there is an unmet demand for an effective framework for comparative benchmarking of planning and development assessment systems.

There is evidence that there would be voluntary participation from a significant number of outward looking, achievement-focused state agencies, councils and industry and professional organisations in a well conceived program, but this could fall well short of a rigorous national framework. It should be noted that Australia's federal system of government makes the a top down national framework, such as that in place in the UK and New Zealand and described in section 3.10, far more complex to introduce, even if there was extensive support.

Any framework would be subject to considerable scrutiny and would need to be highly attuned to the needs of participants. These needs are not necessarily expansive: there is a will to start small and prove-up the detail over a period of time from a significant number of organisations (3-4 years was cited as reasonable).

The interest from organisations works at a number of levels:

1. There is an interest in basics of the different state/territory systems. It is seen that there is not enough normative comparison of the essentials of each state/territory system, with a view to adopting the best features of each. This interest is apparent from all stakeholders, not just the state/territory agencies themselves.
2. There is an interest in the effectiveness and efficiencies of authorities in the practice of development assessment. Individual authorities want to know about leading (successful) practice so they can learn from and apply it.
3. There is strong evidence of a desire on the part of a significant number of (generally larger) councils and some state agencies to assemble rigorous data as a management tool, though not always with the explicit aim of comparative measurement with external bodies.
4. Perhaps most importantly, organisations are seeking practical answers to the day-to-day issues and problems they confront in undertaking development assessment, and they see performance comparisons as a means to achieve this.

On the latter point, there was significant commonality in the areas nominated as key issues or problems, although there were instances of some being seen to be of more significance in one jurisdiction than in other areas. Table 4.1 provides a snapshot of key issues and/or problem areas faced by development assessment authorities identified in project research and consultations.

The issues typically cut across concerns relating to the purpose of the planning and assessment system (ie affecting the development outcome in a positive manner), to procedural areas, to concerns with organisation management.

- *Increasingly complex array of issues to be addressed in development assessment, with inadequate integration of policy and process by the various arms of government which have carriage.*
- *Need for planning instruments and assessment criteria to be aligned in a practical way to the assessment process*
- *Insufficient differentiation and streaming of development proposals according to their complexity/likely impacts, leading to over-regulation*
- *Poor quality applications and the need for education and training of applicants and their agents to respond to planning objectives and assessment requirements*
- *Inadequate feedback on the outcomes of development (to aid policy development and effective assessment of similar proposals in future)*
- *Means of effecting practical and useful community consultation*
- *Customer service levels within individual authorities not meeting industry/applicant/community expectations in some instances*
- *Shortages of appropriately trained and experienced assessment staff within authorities*
- *The scope for - and issues involved in - application of advanced IT applications to enhance customer service and processing of applications*
- *How best to establish a performance-driven culture of continuous improvement and sharing best practice*
- *Appropriateness and effectiveness of appeals systems and alternative dispute resolution*
- *Experience with private certification.*

**Table 4.1: Key Issues Confronting the Development Assessment System
– Potential Targets for Issue-Based Benchmarking**

4.2 Concerns and Constraints

Concerns which have been raised about comparative performance measurement and benchmarking programs for planning and development assessment in general have included:

- Different perspectives and weightings to the goals of the planning and assessment systems - different stakeholders bring different values and perspectives on what benchmarking and performance management should involve, and therefore what may constitute key indicators. One person's perception of good customer service based on a speedy processing time, may equate with another person's perception of negligence.
- Difficulties in evaluating the outcomes of the development assessment process – long time-frames for some measures, and the extent to which assessment processes really change development outcomes.
- Data collection questions – will data be accurate, comparable and will it measure important things, or just the things easiest to measure, and thus present incomplete or misleading information, and how to resource the data collection in times of decreasing budgets for discretionary programs?

On the latter point, there are serious impediments to the collection of consistent data even for processing times, which would need significant commitments of time and resources to overcome - as well as a willingness to make what might be seen as quite fundamental changes to individual state/territory systems. An obvious example is the differences in NSW and Queensland assessment authority monitoring and reporting requirements for DA processing times, with NSW based on 'calendar days', and Queensland on 'working days'.

Smaller scale voluntary benchmarking partnerships in individual states on this topic have also run into problems with practical data collection protocols for even a limited number of data sets (eg G6 Councils in Adelaide, Western Australia's WALGA led benchmarking project, WSROC Approvals Benchmarking partnership)³². Participants have felt that the data comparisons which have eventuated have not, of themselves, been sufficiently robust and comparative to allow precise conclusions from the data itself, nor effective 'yardstick competition'³³. Nevertheless, the process of comparison (benchmarking) was often seen as highly useful as a lead to a better understanding of good practice by individual organisations. In the case of more localised projects, any misleading data was not necessarily seen as a problem given the limited circulation base.

Another key concern is that a heightened focus on what are seen to be questionable performance indicators (eg processing times), will not be supported by some participants, at least at the commencement stages of a national program.

A further concern raised by Planning SA in particular is how to ensure that development on Commonwealth-owned land is included in any evaluation of the development assessment system. The hub of this concern is the suggestion that Commonwealth-owned land is exempt from the state approval processes, even for large scale development.

4.3 DAF Principles Reviewed

As indicated in the brief, an obvious starting point for cooperative benchmarking are the existing DAF Principles of Leading Practice³⁴. However, those principles were formulated nearly three years ago. To provide an effective framework for benchmarking they have been reviewed and refined in light of the research and consultations undertaken as part of this project.

The table in the following pages proposes a modified and extended set of principles. It incorporates all the principles contained in the original DAF document, plus some additional issues raised in more recent work. The extended principles have been grouped under three broad themes to assist in focusing on content. These are:

- Outcomes orientation
- Efficient, effective process
- System management.

³² Personal discussions at workshops in Adelaide, Perth and Sydney, May and June 2002.

³³ The promotion of what is termed "yardstick competition" is cited as one of the goals of the Productivity Commission's Report on Government Services, discussed immediately below.

³⁴ The DAF publication comprises the set of *Leading Practice Elements*, plus more detailed sections on *Agreed Characteristics and Components of Development Assessment Systems* and *Application of Leading Practice Principles in Development Assessment Systems*. These latter sections introduce some concepts and material not covered by the 'Points of Agreement' (eg that linkages between strategic plans and development controls should be made clear).

To facilitate benchmarking or self-assessment of development assessment systems, a number of 'tests' have been proposed against each principle. In section 6.2 some of these tests have been sharpened into performance indicators that could be applied both within and across jurisdictions.

FOCUS	PRINCIPLE	TESTS
Outcomes Orientation	Clear strategic directions	State/regional and local strategies sufficiently detailed to inform and guide development assessment? Development controls derived from those strategies? Desired outcomes stated for all controls? Place-based controls?
	Integrated policy framework	All key assessment/referral/concurrence agencies have articulated and exchanged development control policies? Policies accessible through a central point?
	High quality, sustainable development	Strategies and policies clearly specify key criteria for high quality, sustainable development? Development controls reflect those criteria? Development outcomes regularly surveyed?
	Innovation and variety encouraged	Appropriate strategies and policies in place and sufficient flexibility in development controls? Performance-based assessment routinely available?
Efficient and Effective Assessment	Separation of policy and assessment	Policies articulated and published in advance except for most complex or innovative proposals?
	Standard terminology	Commonly used definitions and assessment terminology across all key aspects of the system?
	Clear information readily available to stakeholders	Relevant strategies, policies and controls are collated and easily accessible? System elements and processes clearly explained? Land and planning policy information available by parcel? Information reliability identified? Electronic/postal access to information, forms etc?
	Integration of rules for each site	Consolidation of all development control instruments applying to local areas? Place Management (precinct) basis for controls?
	Applications provide necessary information	Effective pre-application processes? Incidence of applications rejected due to lack of information or returned for further information?
	Streamlined assessment	Standard categories of applications and scope of assessment tailored to type/scale of development? Electronic/postal lodgement of applications? One-stop-shop assessment? Referral and concurrence minimised? Integrated not sequential assessment? Staged decisions available? Maximum delegation of decision-making?
	Transparent, accountable decision-making	Adequate public consultation guaranteed? Stakeholders can readily monitor status of applications? Documented targets for stages of processing? Decision process open to scrutiny? All decisions made public with written explanations? Separation between assessment and review of decisions? Independent mediation available? Independent appeals process with third party rights for proposals with broad impacts? Government and private developments treated similarly?
	Compliance properly enforced	Robust procedures/penalties to ensure compliance with approval conditions? Private certifiers held fully accountable for ensuring compliance?

Table 4.2: Extending the principles of leading practice and introducing performance tests (continued over).

System Management	Cost effective	Assessment costs (to agencies and applicants) regularly monitored? Cost implications of changes to processes calculated in advance and given due weight? Effective coordination of assessment agencies to avoid unnecessary processes and costs?
	Adequately resourced	Availability of qualified, experienced staff? Workloads acceptable with sufficient staff time to assess applications properly?
	Incorporates performance measurement	Quantitative and/or qualitative indicators applied by assessment agencies? All key elements of assessment process covered? Uniform indicators and/or results systematically collated across jurisdiction? Results published? Regular surveys of applicants and other stakeholders to identify issues and determine level of satisfaction?
	Continuous improvement	Results of applicant/stakeholder surveys translated into revised processes? Results of post-development surveys translated into revised policy and controls? Regular roundtable meetings of stakeholders to discuss potential system improvements? Performance measurement linked to ongoing framework/arrangements for process benchmarking amongst assessment agencies?
	Sharing of best practice	Examples of best (successful) practice routinely identified, collated and made publicly available? Periodic roundtables/seminars/conferences to exchange views on best practice?

Table 4.2 (continued): Extending the principles of leading practice and introducing performance tests

4.4 Assembling Leading Practice

Examples of 'leading' or 'best' practice can provide a valuable frame of reference for benchmarking. They can offer a set of “descriptive” benchmarks with which organisations can compare their processes and performance, as well as a source of documented experience and ideas. They can also suggest issues for collaborative investigation.

A common concern is that the notion of 'leading' (and especially 'best') practice implies that others are falling behind and may convey the wrong impression to stakeholders. There are two issues here:

- Examples of practice must always be contextualised: very often something is held up as 'leading' practice when it really only works in a particular setting and cannot readily be adopted by others.
- There is a need to verify the success of 'leading' practice - often examples are collected and published without any attempt to ensure that an attractively and enthusiastically presented approach is actually delivering the claimed results.

Provided these points are recognised, a national organisation like DAF or the POG could certainly make a useful contribution by assembling a range of examples of 'leading' practice - 'good' or 'successful' may be more appropriate terms.

Research and consultations for this project has identified a number of potential inclusions in such a list. These are noted in the table in section 5.3.

4.5 Moving Forward

The key challenge facing this project is how to move on from research and analysis on the topic, to the facilitation of a program providing for practical action. The intent would be a program which provides a national reach, whereby the use of benchmarking and comparative performance measurement provides an influential tool for improved practice in planning and development assessment.

By definition, a program of comparative performance measurement requires commitment from the various authorities that can collect the comparable data (notwithstanding the potential for involvement from others such as industry groups and professional associations). In turn there is the essential requirement of incentive for participation, be that through the direct involvement of central government interest and investment (see discussion on Productivity Commission work at section 5.2), or through the more direct securing of interest from authorities due to the benefits participation in the program is anticipated to provide.

Whether a 'carrot' or 'stick' approach is adopted it is suggested that any work of DAF in this field needs to be highly focused on:

- securing initial interest from a critical mass of authorities, based on an intended delivery of fundamentally useful information for the authorities themselves
- given the partnership nature of any data comparison program, securing a level of commitment by authorities and in doing so acknowledging the need for drivers to be allocated to ensure the commitment at suitable levels as far as can be practically achieved.

From the research the following set of concepts (“dos” and “don’ts”) can be put forward as base requirements for any program if it is to reach first base in terms of interest and commitment on the part of authorities.

“Dos”

- *Focus directly on responding to identified problems*
- *Identify and promote current leading practice*
- *Facilitate national exchange and dialogue, but only on distinctively appropriate topic areas*
- *Provide for incentives and rewards (eg for such leading practice)*
- *Be flexible – so that authorities can involve themselves in a suite of areas which directly relate to their circumstances and needs*
- *Provide a catalyst for informed comparisons at state system level*
- *Position the program as practical and 'marketable' in an environment of decreasing budgets for discretionary activities*
- *Build on existing frameworks wherever possible.*

“Don’ts”

- *Use data punitively against individual authorities (eg 'league table' of processing times where circumstances vary widely) – such action would only 'put up the barricades'*
- *Waste time in low value adding areas (eg precise definitions for 'strict' comparisons)*
- *Become pre-occupied with generating standardised numerical performance indicators at the expense of initiating worthwhile benchmarking using whatever data (quantitative or qualitative) may be available to compare systems and practices*

Table 4.3: Introducing benchmarking with a national reach – “Dos and Don’ts”

5. OPTIONS FOR AN AUSTRALIA-WIDE FRAMEWORK

5.1 Potential Clients of a Benchmarking System

A core purpose of this project is to consider how comparative performance measurement and benchmarking may be able to assist all spheres of government enhance their development assessment systems. While there is much commonality of purpose, the different spheres of government involved in the development assessment system have significantly different roles and responsibilities and, as such, different areas of focus in any benchmarking initiatives which may be pursued. It is therefore essential to frame any benchmarking framework with a mind to those who would have responsibility for particular actions, and their distinctive needs and perspectives.

Central agencies

At a broad level, central agencies allocate resources for the development assessment system, and are making decisions on competing claims for such resources as they do so. They are also involved in framing and reviewing legislation for development assessment. Comparative performance information can assist in strategic budget planning and policy planning at the centre of government. This underpins the current work of the Productivity Commission in working with line agencies to compile comparative performance information for a number of areas of Commonwealth and state service delivery (see section 5.2).

In addition it is noted that central government as significant landowners, have the potential to play a lead role in the formulation of sustainable development projects and associated outcome monitoring systems on a “project” basis.³⁵

State/territory planning agencies

In practice it is the land-use planning agency in each jurisdiction which has responsibility for the ongoing reform and maintenance of the legal framework for development assessment, along with related elements of the wider planning system (whether statutory or otherwise). The agency will typically have strong links with local councils and other agencies involved in associated policy areas and the detail of assessment, facilitating a well informed perspective on needs for system reform or improvement. In addition, the agency will usually have responsibility for the jurisdiction’s higher order strategic environmental planning and development control policy framework.

Assessment authorities

There is a distinctive role in the detailed assessment of development applications, with which the day-to-day consumer of the development assessment service is most familiar. Local general purpose councils have responsibility for assessing the bulk of applications in most jurisdictions (but not in the Northern Territory and not subdivisions in Western Australia), and in so doing interpreting state and local policy instruments, within the state regulatory framework. Typically, there is also a development assessment function undertaken by the state planning agency in matters which are deemed to be of state significance. Similarly Environment Australia carries out an assessment role relating to some matters deemed to be of national significance. A further dimension is that of ‘specialist’ authorities to which DAs may be referred either through mandatory referral and concurrence provisions, or at the discretion of the local or state authority primarily responsible for assessment.

³⁵ This report cites a significant initiative by the UK Commission for New Towns in this regard (see Section 3.10).

Other stakeholders

While the main focus of benchmarking is likely to be on government agencies of one sort or another, other stakeholders with a fundamental interest in the development assessment system also have a significant role to play. These stakeholders would include industry and professional groups with a direct involvement in formulating, lodging and processing applications, and community organisations with an interest in planning and development assessment. They are usually interested in specific components of the assessment system, or particular issues and problems relating to their areas of concern.

Thus a benchmarking program could operate in a number of streams, responding to different clients. The following options should be considered as possible areas for action, noting that they are not mutually exclusive (see the discussion of implementation issues in chapter 6).

- Nationally-based and government-led (through Productivity Commission)
- State/territory system focus
- Assessment authority focus
- “Issue” focus with activities involving both government agencies and other stakeholders.

Below we expand on the characteristics of each of these options.

5.2 Engaging the Productivity Commission

Various reports have highlighted the potential economic and environmental benefits of improved and more streamlined development assessment - the pursuit of such benefits is the very reason for the DAF's existence. This suggests that governments might consider putting comparative analysis of development assessment systems on the same basis as benchmarking of other key services.

Since the mid 1990s the Productivity Commission has been managing cooperative annual reviews of a number of Commonwealth and state/territory services. The program operates under the auspices of the Council of Australian Governments (COAG) and provides comparative information on the provision of health, education, justice, emergency management, community services and housing services. The program provides evidence that with appropriate resources and 'will' it is possible to reach agreement on the collection of comparative quantitative data for complex areas of government activity. Equally, it is evident that collection of data for this program is a demanding field of work for the participating authorities, with concomitant resource allocation, including from the Productivity Commission itself. The interest and support of COAG and central agencies in the various jurisdictions is important in ensuring an adequate level of commitment from line authorities³⁶.

The Productivity Commission applies a straightforward framework for performance measurement, including on indicators of effectiveness and efficiency derived for individual service areas. Effectiveness measures are based on the following four themes:

- Actual outcomes

³⁶ Personal discussions Dr Robyn Sheen, Assistant Commissioner, Productivity Commission, Melbourne 23 May 2002.

- Access and equity
- Appropriateness
- Quality.

The indicator of efficiency generally used is the level of government inputs per unit of output.

Under these themes detailed indicators are agreed and data collection frameworks set into place, as shown in Figure 5.1.

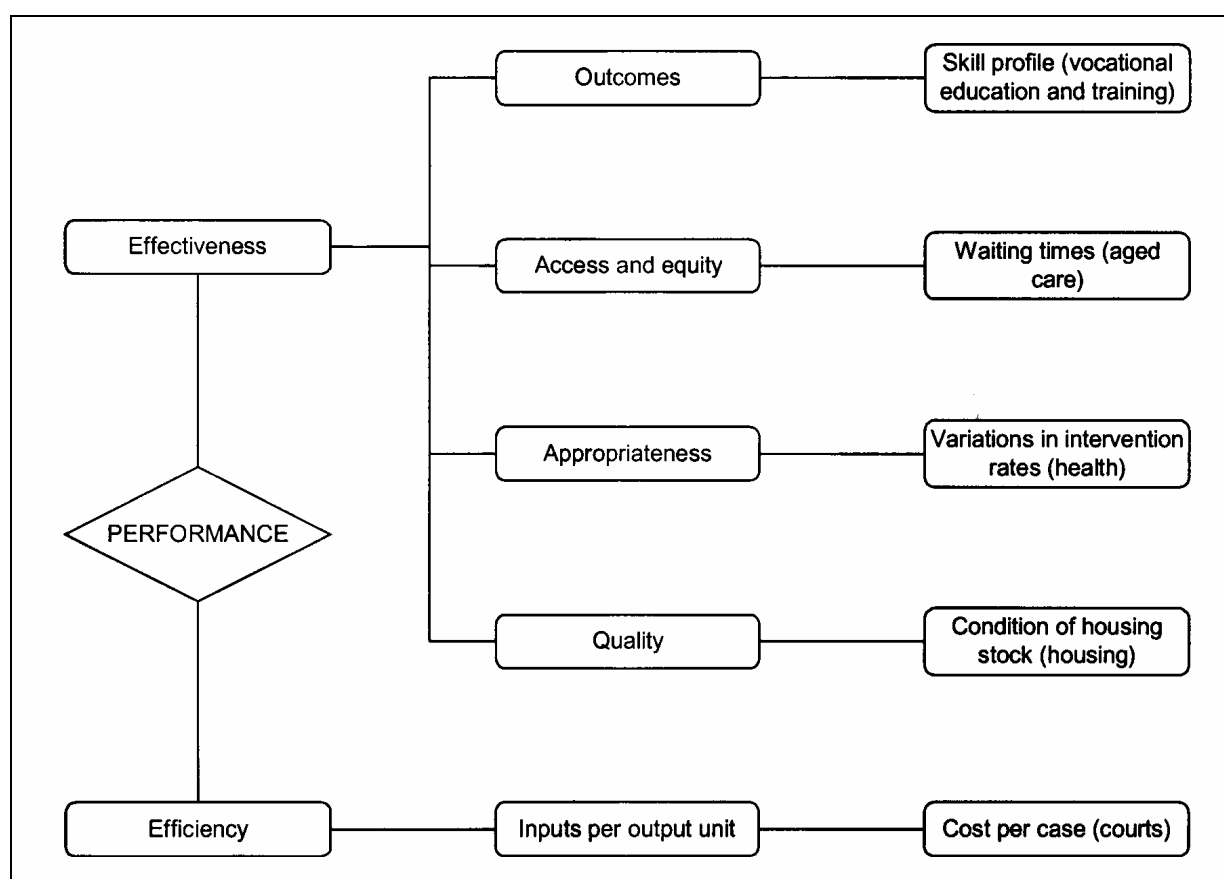


Figure 5.1 - Productivity Commission's general framework and examples of performance indicators³⁷

Recent research by the Productivity Commission suggests that both central and line agencies see the annual Report on Government Services as being useful in assessing possible improvements and how they may be achieved. The publication of the report also helps communities to assess how well the service is meeting their needs and at what costs.

The key advantage of a move to include the development assessment process in the Productivity Commission program, presumably under the auspices of COAG via Planning Ministers, would be the demonstrated experience and expertise of the Commission in working with agencies to establish cooperative performance measurement for complex government services. However, agreement to benchmarking work at this level would require a concomitant resource allocation to produce the required information on a national basis, and this may impact on other discretionary activities, including other performance monitoring initiatives addressing more localised problems and opportunities.

³⁷ Productivity commission, Report on Government Services 2002, p12.

Thus involvement with the Productivity Commission's Annual Report on Government Services as a core element of a national approach to benchmarking development assessment would be a weighty move. Line agencies have not always been the keenest of participants when service areas have come under the Productivity Commission program. There is no evidence of anything being different in this instance. There would need to be a very strong political determination to add development assessment to the mix, and despite the potential economic benefits of better, more streamlined assessment processes, governments may well have higher priorities.

5.3 State/Territory Assessment System Focus

A lower profile approach would be to establish a voluntary program for regular comparison of Commonwealth and state/territory development assessment systems under the auspices of either the DAF or the Planning Officials Group.

The scope of such a program would be determined by planning agencies with input from other DAF stakeholders. It could be 'comprehensive' - involving all jurisdictions and comparisons across all facets of assessment systems - or limited to a small number of key variables with jurisdictions opting in or out depending on their primary areas of interest.

Whatever the range of variables and number of agencies initially involved, a worthwhile program should be built on two fundamental premises:

- that the comparisons be undertaken rigorously, with a commitment over time to produce standardised information for analysis (whether quantitative or qualitative)
- that the results be published, or at least be made freely available to other DAF stakeholders.

In accordance with the project brief, the framework presented below provides for a comprehensive analysis of overall development assessment systems based on the revised DAF Principles proposed in section 4.3. However, sections of the framework could be used selectively to review particular issues or areas of interest.

The framework is linked to the standard set of indicators/data collection proposed in section 6.2. Consideration should be given to each state/territory collecting at least a substantial part of that standard data set. This would add significantly to the rigour and value of benchmarking.

Self Assessment

The framework could also be used as a fairly rigorous tool for self-assessment, if there is insufficient interest in jurisdictions working collaboratively. However, experience gained from the Productivity Commission program and elsewhere points strongly to the greater benefits of a systematic exchange of experience and ideas across jurisdictions - identifying common concerns and tasking the opportunity for different approaches to common problems to be discussed and evaluated.

Self-assessment would represent a continuation and refinement of the recent DAF initiative under which each state/territory completed an agreed pro-forma to assess its performance against the current Principles of Leading Practice. Over time it could provide a basis for some structured exchange of information, and perhaps lead to more collaborative benchmarking.

Key Result Area 1: System Focused on Sustainable Development Outcomes	Performance Target: A. Clear strategic direction on desired future outcomes available from plans and policies.
	Performance Indicators: <ol style="list-style-type: none"> 1. Higher order state/regional policy clearly articulates desired future outcome. 2. Higher order state/regional policy provides a clear relational framework and practical direction to local policy. 3. Framework in place to ensure local policy settings and development controls are consistent with higher order plans for sustainable outcomes. 4. Framework has capability to deliver local solutions to a local setting. 5. Desired (and where practicable measurable) outcomes required to be stated for all policy instruments. 6. Place-based controls supported and encouraged. Selected Measures: % higher order planning policies with clear outcome objectives, targets and milestones % development control instruments incorporating place-based controls independent/peer evaluation Good Practice Examples: WA State Planning Strategy PlanningNSW work with Regional Living Centres projects A possible future initiative would encourage project based outcome monitoring for large government owned land projects.
	Performance Target B. Integrated policy framework
	Performance Indicators: <ol style="list-style-type: none"> 1. Policy instruments effective in integrating economic, environmental, social, cultural considerations 2. State/regional policy instruments articulate "whole-of-government" position rather than individual stand alone policy instruments for line agencies. 3. Policies accessible through a central point 4. "Vertical integration" also in place whereby framework has capability for local initiatives and monitoring systems to inform higher order planning for high quality sustainable outcomes. 5. Evidence of partnership arrangements between government agencies and effective dispute resolution mechanisms in place Selected Measures: <ul style="list-style-type: none"> • % of applied policy instruments with endorsed whole-of-government position • % of key assessment/referral/concurrence authorities with published/widely circulated policies linking directly to strategic framework Good Practice Examples:
	Performance Target C. High quality, sustainable development
	Performance Indicators <ol style="list-style-type: none"> 1. Strategies and policies clearly specify key criteria for high quality, sustainable development 2. Development controls reflect those criteria 3. Incentives for applicants for high quality development 4. Development outcomes regularly surveyed Selected Measures <ul style="list-style-type: none"> • % development control policies with desired environmental outcomes and performance indicators documented • % of assessment authorities regularly using development outcomes surveys. Good Practice Examples: PALM post development monitoring program Adelaide City Council, Blue Mountains City Council.
	Performance Target D. Innovation in approaches to addressing the challenges of planning for sustainable outcomes.
	Performance Indicators <ol style="list-style-type: none"> 1. Extent of openness to new approaches and variety in achieving desired future Selected Measures <ul style="list-style-type: none"> • User surveys • Government resources allocated to facilitate project-based work addressing identified problem areas (eg expert design review panels for higher density infill housing in low density areas, sustainability land management and agricultural productivity) Good Practice Examples: DoI/MAV PLANET training and professional development program addressing staffing shortages and competency problems PlanningNSW urban design review panels

Table 5.1: Benchmarking Framework – State/Territory System Focus (continued over)

Key Result Area 2: System Focused on Delivery of Efficient and Effective Assessment	Performance Target: A. Assessment system operation details clear and communicated effectively to inform user groups.
	Performance Indicators: <ol style="list-style-type: none"> 1. Categories of applications and associated processes well defined and procedural steps clearly documented in plain english. 2. Effective measures in place to keep information bases up to date with system changes (eg use of IT) 3. User-focused systems for direct access to procedural information such as forms and guidelines (eg central internet portals, express mail out systems) 4. Dedicated and ongoing communication strategy for system operational aspects incorporating the above features and pro-active educational programs. Program addresses different target segments (eg state and local assessment authorities, professional applicants, one-off applicants) and may be set up through partnership arrangements Selected Measures: Surveys of key user groups and selected users on level of understanding of system operation and understanding of <u>their</u> roles and responsibilities. Incidence of applications rejected due to lack of information or returned for further information.
	Good Practice Examples: Victoria's consistent and linked policy framework allows updates to be fed directly and immediately into the systems of all local authorities across the state in a seamless manner
	Performance Target: B. Standard terminology.
	Performance Indicators: <ol style="list-style-type: none"> 1. Commonly used definitions and assessment terminology across all key aspects of the system. Selected Measures: Surveys of users working across a range of constituencies.
	Good Practice Examples: Adoption of agreed DAF Common Definitions Victoria's consistent and integrated approach in planning schemes, and recent work on common definitions.
	Performance Target: C. Rules for individual sites clear and communicated effectively to inform DA proponents and other stakeholders
	Performance Indicators: <ol style="list-style-type: none"> 1. Consolidation of all development control instruments applying to local areas 2. Emphasis on Place Management (precinct) basis for controls. 3. Controls well defined and clearly documented in plain english. 4. Details on development controls and other matters impacting on site use organised in electronic format on a parcel basis as a component of a land information system 5. Guidelines for application types supporting "one-stop" principle which address anticipated queries of potential applicants, and encourage complete applications at lodgement 6. Evidence of state/local partnerships in developing integrated site-based controls 7. Minimisation of referrals to individual line agencies (and the Commonwealth government) and interagency-management agreements in place to 8. Periodic review of inter-agency partnership arrangements/agreements to assure system integrity and performance. Selected Measures: <ul style="list-style-type: none"> • Average number of different control instruments applying to various 'standard' forms of development (eg single house, 3-storey apartments, rural subdivision, service station etc) across a selection of 'typical' local authorities (eg inner metro, large outer metro, regional centre, rural, coastal) • Surveys of key user groups and selected users on clarity of rules and perceived "certainty" of policy applying at a DA level in a range of different settings. • Instances of line agencies introducing training and/or controls to be applied directly by the consent authority rather than actual referrals Good Practice Examples: Guidelines for EISs in NSW based on distinct industry types Pre-DA planning focus meeting systems for major projects.

Table 5.1 (continued): Benchmarking Framework – State/Territory System Focus (continued over)

Key Result Area 2: (continued) System Focused on Delivery of Efficient and Effective Assessment	Performance Target: D. Integrated, or wherever practicable, single approval process whereby key decisions on a development proposal are made in an efficient and effective sequence.
	Performance Indicators: <ol style="list-style-type: none"> 1. Minimise number of government approvals for applications (by type) 2. Lead agency approach in place to facilitate approval process for complex matters 3. Where a number of government approvals or licences are required, sequencing of information requirements and staging of approvals occurs in a logical sequence ("minimise surprises") 4. Opportunity for sequential staging of approvals for an individual project responsive to consequential costs to applicants (concept approval followed by operational approvals after detailed investigations in appropriate instances)
	Selected Measures: <ul style="list-style-type: none"> • Average number of "approvals" required for various 'standard' forms of development (as above) • % applications requiring transmittal to referral/concurrence authorities
	Good Practice Examples: Qld IDAS legislation.
	Performance Target: E. Streamlined assessment of applications.
	Performance Indicators: <ol style="list-style-type: none"> 1. System promotes early categorisation of applications in relation to potential environmental impacts with scope of assessment tailored to type/scale of development 2. Categorisation generally provides for: <ol style="list-style-type: none"> 1) <u>exempt and self-assessable</u> - does not require consent 2) <u>code assessment</u> - a proposal complies with documented standards with no exercise of discretion involved and no need for public notification, with opportunity for expert certification by a private sector specialist. 3) <u>impact assessment</u> - may require the exercise of discretion by a government officer. . 4) <u>prohibited category</u> not permitted 3. Within <u>impact assessment</u> - potential for further streamlining is acknowledged and actively pursued to ensure that the level of assessment (and associated costs) reflects characteristics of proposal. 4. Maximisation of decision-making by delegation to lowest competent level 5. Benefit of competitive forces for technical, non-discretionary matters through effective professional private sector certification regime.
	Selected Measures: <ul style="list-style-type: none"> • Types of development exempt from assessment (other than self-assessment) or covered by 'deemed to comply' provisions • Numbers of applications processed by type of development • Median processing time for applications by type of development and type of assessment/referral/concurrence agency • % of applications requiring transmittal to referral/concurrence agencies • % of applications determined under delegation - by officers and by committee or panel • % of applications determined using performance-based controls
	Good Practice Examples: Pre-lodgement Certification of Planning Applications – Glen Eira (Vic) project.
	Performance Target: F. Transparent, accountable decision-making.
	Performance Indicators: <ol style="list-style-type: none"> 1. Adequate public consultation guaranteed 2. Decision process open to scrutiny 3. All decisions made public with written explanations 4. Separation between assessment and review of decisions 5. Independent mediation available 6. Government and private developments treated similarly 7. Use of independent assessment arrangements where potential for conflict of interest between consent authority and applicant 8. Independent appeals process with third party rights for proposals with broad impacts, or where significant legal or probity questions are evident
	Selected Measures: <ul style="list-style-type: none"> • Existence of charter of public transparency and accountability, and review mechanism • Number of complaints • Surveys of stakeholders.
	Good Practice Examples:
	Performance Target: G. Compliance properly enforced.
	Performance Indicators: <ol style="list-style-type: none"> 1. Robust procedures/penalties to ensure compliance with approval conditions. 2. Private certifiers also accountable for ensuring compliance
	Selected Measures: % approved development subject to follow-up inspections.
	Good Practice Examples

Table 5.1 (continued): Benchmarking Framework – State/Territory System Focus (continued over)

Key Result Area 3: System Incorporates Leading Practice Management Principles	Performance Target: A. System is cost effective.
	Performance Indicators: <ol style="list-style-type: none"> 1. Assessment costs (to agencies and applicants) regularly monitored. 2. Cost implications of changes to processes calculated in advance and given due weight. 3. Effective coordination of assessment agencies to avoid unnecessary processes and costs. Selected Measures: <ul style="list-style-type: none"> • Average cost of processing applications by type. • DA fees by type Good Practice Examples
	Performance Target: B. System is adequately resourced.
	Performance Indicators: <ol style="list-style-type: none"> 1. Availability of qualified, experienced staff. 2. Workloads acceptable with sufficient staff time to assess applications properly.. Selected Measures: Number of qualified, experienced (minimum 2 years) staff/1000 applications/year Good Practice Examples Planet program by DoI and MAV in Victoria
	Performance Target: C. System incorporates and encourages electronic data exchange.
	Performance Indicators: <ol style="list-style-type: none"> 1. Comprehensive digital land information systems available to users 2. Electronic lodgement of applications 3. Electronic commerce available for relevant transactions Selected Measures: Good Practice Examples Glen Eira's Web-aided notification arrangements has, according to reports, eliminated thousands of telephone calls to the council.
	Performance Target: D. System incorporates performance measurement and evaluation
	Performance Indicators: <ol style="list-style-type: none"> 1. Quantitative and/or qualitative indicators applied by all assessment agencies. 2. Uniform indicators and/or results systematically collated across jurisdiction. 3. Results published. Selected Measures: <ul style="list-style-type: none"> • All key areas of assessment covered through performance evaluation plan such as that documented here. Good Practice Examples Regular surveys of applicants and other stakeholders to identify issues and determine level of satisfaction Customer Survey of the DA Development Act
	Performance Target: E. System focused on continuous improvement and sharing best practice.
	Performance Indicators: <ol style="list-style-type: none"> 1. Results of applicant/stakeholder surveys translated into revised processes. 2. Results of post-development surveys translated into revised policy and controls. 3. Regular roundtable meetings of stakeholders to discuss potential system improvements. 4. Performance measurement linked to ongoing framework/arrangements for process benchmarking amongst assessment agencies. 5. Examples of best (successful) practice routinely identified, collated and made publicly available. 6. Periodic roundtables/seminars/conferences to exchange views on best practice Selected Measures: Surveys Good Practice Examples

Table 5.1 (continued): Benchmarking Framework – State/Territory System Focus

5.4 Assessment Authority Focus

Clearly, the overall state/territory system within which it is undertaken is critical to effective performance of government in development assessment. However, it is also important that any performance monitoring and benchmarking program gives attention to the actual assessment process as undertaken by individual authorities. Without performance information from councils and other assessment authorities, those responsible for the state/territory system are not appropriately informed on the need for ongoing system reforms. Equally importantly, by far the majority of the public interest in the development assessment process expressed in practice is centred on individuals and organisations lodging or reacting to development applications.

Enhancing Local Assessment

The need for attention to DA assessment at the local level has been acknowledged previously by the federal government. An issue raised during research for this project was the parallels between what the DAF now proposes and the former Local Approvals Review Program (LARP) run by the then Office of Local Government during the late 1980s and early 1990s. Feedback from project workshops suggests LARP was widely regarded as a productive approach to promoting improvements to development assessment. It combined data collection, identification of best practice and national and state-level projects (eg on referral and concurrence requirements), with facilitated reviews of processes within selected individual councils, leading to formulation and implementation of action plans for improvements.

The primary focus of LARP at council-level was to improve day-to-day management: how could the various facets of assessment be handled better and steps taken to implement best practice? This seemed to appeal to local government and many councils contributed matching funds to engage LARP facilitators, as well as very considerable amounts of staff time and in-kind support. A similar bottom-up commitment may be required for any new DAF initiative to succeed, and could build on related continuous improvement initiatives in local government.

More recently, large numbers of councils have committed strongly to another national program - Cities for Climate Protection (CCP). This also combines national project elements with planning and action on the part of individual councils - again largely at their own expense, and again with a strong focus on day-to-day management and practical outcomes. Under CCP, councils must attain certain 'milestones' - independently verified - and are rewarded through public and government recognition of their achievements, plus some limited financial support for further efforts.

Currently, the federal Department of Environment and Heritage is considering a proposal for a similar initiative in the area of Local Agenda 21: preparation and implementation by councils of plans and projects to promote sustainable development. In this case, the concept of 'milestones' would be replaced by an 'Achievement Recognition Matrix' - a tool to help councils manage their activities in the field of sustainable development in accordance with the internationally adopted principles of LA21; to benchmark their activities with those of other councils; and to be receive public recognition for their efforts.

This sort of approach could well be applied as part of a DAF benchmarking initiative, and a possible matrix is shown below.

The DAF principles (suitably modified) could be used as one axis of the matrix, with councils identifying particular issues or elements of their assessment systems for improvement to be inserted as specific local objectives or targets, and then nominating indicators to be used in measuring progress towards those targets. However it would be appropriate to provide the flexibility for

individual authorities to design a modified matrix adapted to their own circumstance and priorities, subject to some form of 'quality control'.

Objectives/targets could be drawn from the 'tests' suggested in the revised DAF Principles at Table 4.2, and performance indicators from Table 6.1. Councils could modify both as required to address their particular concerns and circumstances.

The matrix could be used to monitor achievement across the whole of a council's development assessment processes, or just for selected key issues eg particularly complex and controversial types of development, sensitive locations etc.

Once a council could demonstrate sufficient progress in applying the principles and achieving its specific local objectives, it would receive an Achievement Award, perhaps to be presented by the federal Minister or another prominent figure. Its progress might be assessed by a system of peer review: visits every, say, two years by a panel of practitioners from other councils, plus an independent expert facilitator. Peer review could be organised by state-level organisations (partnerships of local and state government) or through regional organisations of councils. In this way, process benchmarking and regular exchanges of information and ideas between councils would be encouraged.

FOCUS AND PRINCIPLES	SPECIFIC OBJECTIVE/S OR TARGET/S	SELECTED INDICATOR	PROGRESS TO DATE	FURTHER ACTION REQUIRED
Outcomes Orientation				
Clear strategic directions				
Integrated policy framework				
High quality, sustainable development				
Innovation and variety encouraged				
Efficient And Effective Assessment				
Separation of policy and assessment				
Standard terminology				
Clear information readily available to stakeholders				
Integration of rules for each site				
Applications provide necessary information				
Streamlined processing				
Transparent, accountable decision-making				
Compliance properly enforced				
System Management				
Cost effective				
Adequately resourced				
Incorporates performance measurement				
Continuous improvement				
Sharing of best practice				

Table 5.2: Benchmarking Framework – Assessment Authority Focus

Other Assessment Authorities

Exactly the same approach could be used by state and territory agencies that undertake assessments - either in whole or as referral/concurrence agencies. Again, a system of peer/independent review and recognition of achievement may well be appropriate as a spur to continuous improvement.

Self-Assessment

The matrix approach can also be used for self-assessment if councils or state/territory agencies are reluctant to engage in collaborative benchmarking or peer/independent review. Obviously this would preclude public recognition of achievement. A largely standardised matrix would be valuable so that comparisons could be made at some point in the future if collaborative benchmarking were introduced.

5.5 Issues-based Benchmarking

Rather than attempt any sort of systematic comparison of assessment systems, the DAF and/or POG, and/or individual authorities could promote selective benchmarking initiatives focussed on particular issues or aspects of assessment. This could take the form of periodic research projects or workshops, preferably linked to collection of fairly detailed data (quantitative or qualitative) around the issue(s) under consideration.

The benefit of this approach is that it can provide for the prioritisation of resources for data collection to areas where benefits are likely to be greatest. Preferably, ongoing selection of benchmarking issues would be informed by compilation of a national data set covering some key elements of planning and assessment processes. This is discussed further in section 6.2

Benchmarking participants would most probably vary according to the issue under consideration. Some groups might be made up of a cross-section of DAF stakeholders across all or most jurisdictions; others might be limited to just a few states/territories; others might consist solely of local councils drawn from several states/territories; yet others of a mix of some government agencies, a number of councils, and various professional or industry bodies; and so on.

The table below provides a framework for a program of issues-based benchmarking based on the major areas of common interest and concern across jurisdictions raised during this project and identified previously in section 4.1.

A related 'one-off' initiative would be to review the data on approvals processes currently included in sets of performance indicators compiled by some state local government departments (often in cooperation with local government associations). As noted previously, collection and compilation of this data has proceeded for several years (more than a decade in NSW) and appears to have become accepted practice. The shared experience of the states concerned could provide a valuable platform for a wider effort. Comparable data concerning their own approvals processes is already collected by planning agencies in Western Australia, the ACT and the Northern Territory.

5.6 Descriptive Reviews

As a minimum option, it is highly desirable that all state/territory and Commonwealth agencies involved in development assessment contribute information in a common format to an expanded version of the *State of Play* report. This would provide a much more detailed account of the workings of each development assessment system, and lay the foundations for benchmarking in the future.

Target Areas	Benchmarking Elements		
	Defined targets and performance indicators	Specific implementation measures	Monitoring, reporting and review of progress
1. <u>Integrated policy and procedures as new planning issues arise</u> Responds to problem of increasing complexity in assessment system as new issues arise. Assess use of integrated guidelines which set out all the rules that may apply to a site and/or proposal. Evidence of effective and common sense teamwork across the involved arms of government, delivering a sound efficient process.			
2. <u>Plans, policies and assessment criteria give practical direction to the assessment of DAs</u> Need for policy to be interpreted in a practical way to give clear and effective guidance to the assessment of DAs. Examples may include strategies to guide the exercise of discretion across multiple variables for performance-based criteria, or place-based controls which have been proven to be successful. Measures of success may include surveys of assessment staff who see strategic policy as practical and effective.			
3. <u>Effective processes for streaming different types of proposals</u> Systems provision for early categorisation of applications and streaming into appropriate level of assessment is demonstrably effective in avoiding over-regulation of straightforward matters, and ensuring applications with potential for significant environmental impact are appropriately assessed.			
4. <u>Improving the quality of development applications</u> Including industry-based programs, education and training initiatives, incentive programs			
5. <u>Adequate and applied monitoring of development outcomes</u> Measures of success may include innovative systems for enforcement in times of budget constraints, or in another direction, evidence of feedback loops to policy setting.			
6. <u>Practical and useful community consultation</u> Looking for leading edge practice which effectively engages the community, but is does not waste time or resources through excess.			
7. <u>Achievement of high standards of customer service (based on sound feedback systems)</u> Including surveys, meetings, assessment of processing times for different categories of applications.			
8. <u>Staff resources adequate to meet the demands of modern development assessment challenges</u> Includes staff training and retention strategies, and use of innovative human resource and technology methodologies to address shortfalls in technical specialist staff			
9. <u>System incorporates and encourages the use of advanced technological applications to meet service demands and effect procedural reforms</u> Ranging from IT based policy data bases to electronic lodgement of applications, electronic notification elements and electronic commerce.			
10. <u>Internal procedural reforms and continuous improvement</u> Includes evidence of a true performance driven culture and innovative information sharing arrangements			
11. <u>Appeals systems and alternative dispute resolution</u> Incidence and success rates of appeals and ADR, with measures of participant satisfaction			
12. <u>Private certification</u> Assessing the adequacy of arrangements to ensure necessary standards are maintained.			

Table 5.3: Framework – Issue Based Benchmarking

6. IMPLEMENTATION

6.1 Key Themes

Discussions with key stakeholders in most states undertaken as part of this project indicate widespread support for positive moves towards a coherent framework for cooperative benchmarking. At present, there is no satisfactory infrastructure or support network for such benchmarking to occur. This is a significant gap in the devices we have available to us to support and encourage improved planning and development assessment practice.

Chapter 4 pointed to the advantages of a simple and pragmatic model for benchmarking, over one which is concerned with rigour and precision for the purposes of yardstick competition, to the extent that barriers to the development of such a system results in nothing happening. The model needs to be highly responsive to the needs of those we seek to attract in the provision of comparative performance information, and must provide a responsive and easy-to-use framework.

The figure below indicates the essential building blocks for such a framework.

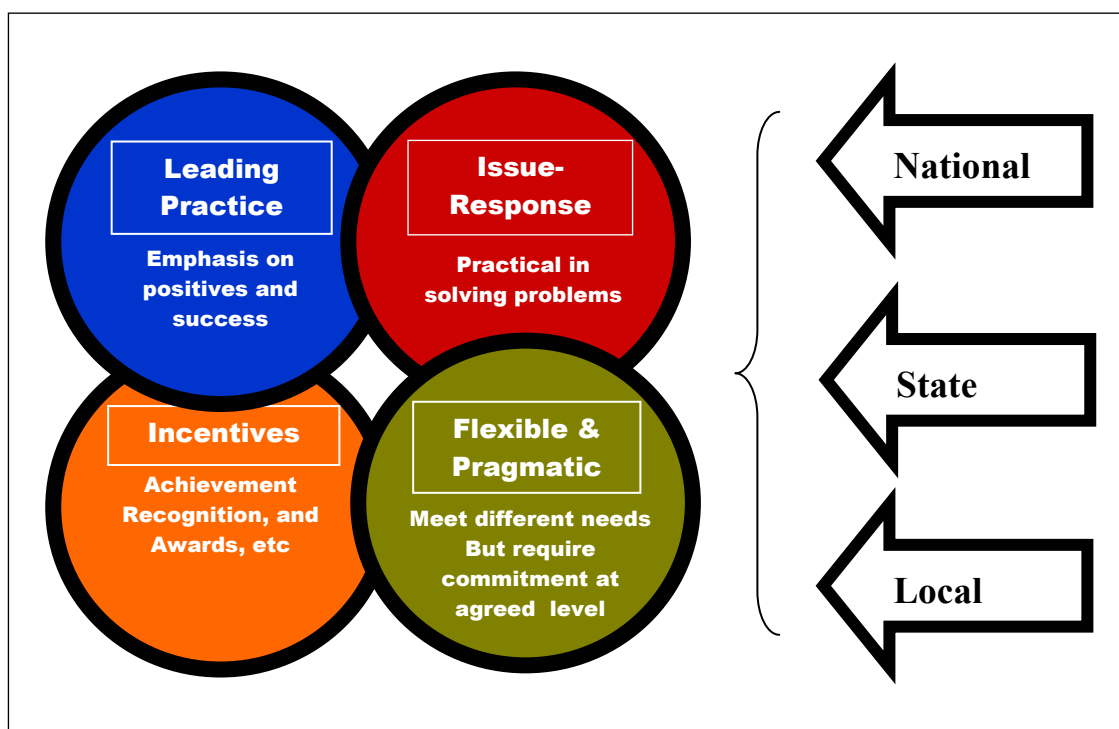


Figure 6.1 - Key themes for a national strategy

It is suggested that the framework incorporate four baseline themes:

- Leading Practice: emphasising achievement and success
- Issue-Response: concerned with practical target areas identified as warranting attention, rather than overly concerned with rigour and comprehensiveness
- Incentives-based: providing an infrastructure for organisations to obtain practical information and ideas that will inform improvements to assessment systems, coupled with recognition of their achievements.
- Flexibility - “horses for courses” rather than a one-size template approach, but with a required commitment to any partnership aspects of the process.

As the graphic suggests, the approach needs to offer the advantages of a 'national' (multi-jurisdictional) frame of reference, but with some of its most deliverable benefits occurring at state, and local levels.

All this points to an implementation strategy incorporating at least those elements set out in sections 5.4 and 5.5 above (focussing on the practices of individual assessment authorities and a number of key issues across jurisdictions). There would also be considerable benefits from including at least partial benchmarking of state/territory systems (Section 5.2).

6.2 Indicators and Data Collection

The project brief calls for identification of possible Australia-wide indicators for planning systems. This has been taken to refer essentially to the development assessment component of those systems, that being the area within DAF's charter.

Possible indicators have also been identified in a number of previous studies, notably the 1998 Maximiles report for POG, and a Scoping Study undertaken by P&A Walsh Consulting in 2000 for the then NSW Department of Urban Affairs and Planning. Also, as noted earlier in this report, comparative performance indicators for aspects of development assessment are already produced by some state/territory local government departments and planning agencies.

The following table contains a selection of specific indicators based on those various sources and consultations carried out during this project. These indicators are linked to the revised DAF principles proposed in section 4.3, and are also incorporated in the framework for benchmarking state/territory systems set out in section 5.2. Assuming that the aim, over time, is to apply indicators nationally - or at least across several jurisdictions - the number proposed is relatively small. Data collection would thus focus on only some aspects of the DAF Principles and only some of the key areas of interest nominated by DAF stakeholders. Hopefully, it could thus be kept within manageable limits: the available evidence suggests that an attempt to establish completely uniform, quantitative national performance measures would generate concerns in several quarters - as well as raising major methodological and resourcing issues.

In the early stages it would not be expected that all jurisdictions would respond to all the indicators, nor that data would be uniform. It should again be emphasised that the purpose of indicators - and the essence of benchmarking - is to ask the right questions and initiate investigation of areas of interest, NOT to construct 'league ladders' of performance and pillory those considered not to 'measure up'.

Thus even if the proposed indicators are not used as such, there would still be merit in assembling as much of the data as might be readily available in order to identify topics for issues-based benchmarking, and support that process. This could include, for example, review and refinement of the existing data sets held by several state/territory planning agencies and local government departments, with participation on a voluntary basis.

Experience such as that of the Productivity Commission also suggests that, over time and as the parties gain confidence, process benchmarking will itself generate a desire for more rigorous comparative data and hence spawn efforts to produce such data - particularly if the participants see real benefits for day-to-day management.

FOCUS	PRINCIPLE	PROPOSED INDICATOR	NOTES
Outcomes Orientation	Clear strategic directions	% of development control instruments incorporating or clearly linked to a documented strategic plan (or equivalent) % of local instruments incorporating place-based controls	General: It will be necessary to prepare various tools to assist in the collection of useful information. A guideline document would need to be circulated with instructions on performance requirements for inclusion and how to complete.
	Integrated policy framework	% of key assessment/referral/concurrence agencies that have published or widely circulated development control policies linked to a strategic framework?	
	High quality, sustainable development	% of development approvals followed up with an outcomes survey	
	Innovation and variety encouraged	% of development control instruments incorporating performance-based controls (compulsory or optional) for the majority of expected applications	
Efficient and Effective Assessment	Separation of policy and assessment	(see Integrated Policy Framework)	
	Standard terminology	% of non-standard definitions/terms used in development control instruments Number of different zoning categories used in local instruments across jurisdiction	DAF definitions provide a useful start for the required guideline for this item.
	Clear information readily available to stakeholders	Satisfaction of key user groups with available information and means of access % of assessment agencies offering electronic lodgement for at least 25% of applications	Regular surveys required
	Integration of rules for each site	Average number of different control instruments applying to various 'standard' forms of development (eg single house, 3-storey apartments, rural subdivision, service station etc) across a selection of 'typical' local authorities (eg inner metro, large outer metro, regional centre, rural, coastal)	
	Applications provide necessary information	% of applications considered by a rigorous pre-application process % of applications returned to applicant or subject to request for additional information	
	Streamlined assessment	Types of development exempt from assessment (other than self-assessment) or covered by 'deemed to comply' provisions Numbers of applications processed by type of development Median processing time for applications by type of development and type of assessment/referral/concurrence agency % of applications requiring transmittal to referral/concurrence agencies % of applications determined under delegation - by officers and by committee or panel % of applications determined using performance-based controls	Agreed categories of applications required Use Australian Classification of Local Governments for councils Local government only
	Transparent, accountable decision-making	% of applications successfully appealed	
	Compliance properly enforced	% of developments requiring follow-up action to enforce conditions of approval	

Table 6.1: Selection of Performance Indicators (continued over)

System Management	Cost effective	Average cost of processing applications Legal costs as a % of total assessment costs	If possible, by type and excluding building applications
	Adequately resourced	Number of qualified, experienced (minimum 2 years) staff per '000 applications	Calculate building applications separately
	Incorporates performance measurement	% of assessment agencies applying/publishing rigorous performance indicators for their processes User satisfaction with assessment processes	Quantitative and/or qualitative indicators applied by assessment agencies? Regular surveys of applicants and other stakeholders required
	Continuous improvement	See above	
	Sharing of best practice		No specific indicators proposed

Table 6.1 (continued): Selection of Performance Indicators

6.3 Other Issues

Establishing Trust

The most basic requirement for any DAF benchmarking and performance measurement initiative to achieve success is that the various parties come together as true partners and with a sense of trust. Development assessment is all too often an activity surrounded by controversy and tension. There has been mistrust and lack of effective working relationships amongst the parties concerned in most states at one time or another. A benchmarking initiative from DAF will be unlikely to gain support at all if there is a sense that data and comparisons will be used in some way to denigrate the performance of one or more parties.

In this context it will be essential to present a strategic package of actions which are deliberately focused on helping planning and assessment authorities reach their own goals. The particular challenge is to ensure that the strategy is also perceived as such by the target audience. If this message is successfully conveyed, there is likely to be interest and participation.

'Hasten slowly'. Timeframes for articulating a national approach must be realistic, and early activities must be chosen carefully to minimise the risk of controversy or alienating one or more parties, whilst making some worthwhile gains.

Consideration should be given to finding a title for the proposed initiative that avoids the adverse connotations of 'performance measurement' and to a lesser extent 'benchmarking'. The latter is perhaps the most appropriate term, but as discussed previously many people confuse the setting of 'benchmarks' (targets, often expressed numerically) with process benchmarking - shared learning through comparisons. A neutral but catchy title might be 'Improving Development Assessment Systems' (IdeAS).

A 'Patchwork Quilt'

A 'national' approach does not have to mean that everyone participates in every aspect of the initiative. It will be important to establish the principle of voluntary participation and to avoid the risks of an 'all in' or 'all out' system.

The logical alternative is to accept that different parties will participate in those activities that interest them, and to facilitate 'patchwork quilt' groupings of federal and state agencies, local government associations, councils, regional organisations of councils, industry and professional organisations as appropriate for the particular task at hand. If, say, 10-15 councils spread across four states are committed to producing a set of indicators and want to come together with a couple of experienced state agencies for that purpose, then a positive outcome is more likely and the results can ripple nationally over time.

A Supportive Framework

For the proposed initiative to succeed, the DAF will need to move from being essentially a discussion forum to providing what has been termed an 'infrastructure for continuous learning' - a framework to foster and support a range of linked activities with shared objectives.

Firstly, the DAF itself is likely to need enhanced secretariat support. This may amount to no more than a single full-time professional officer, with administrative back-up, who can initiate and coordinate activities, identify and mobilise available resources, manage information, and maintain liaison with the parties. However, even on a limited scale, it seems unlikely that DOTRS could provide this support within existing resources unless priorities were adjusted accordingly. The Minister would presumably need to be convinced, and a later stage would need to convince his colleagues that additional resources were warranted.

This raises the issue of broader bureaucratic and political support. The establishment of a combined Planning and Local Government Ministers Council may be significant here. Whilst the Planning Ministers have rarely met, there is a history of substantial cooperation and resource sharing amongst Local Government Ministers, and they also have experience with benchmarking initiatives - albeit with little success - as well as collecting data on development assessment systems. The DAF could perhaps influence the new Ministerial Council to give a high priority to a benchmarking initiative, and to channel support through its senior officials groups. A joint ministerial announcement of DAF's intent to provide a national network for the exchange of leading practice in planning and development assessment may be favourably received.

Resources could also come from program participants. The experience of the former LARP program indicates that councils are willing to contribute substantial funds towards activities that offer immediate benefits for the management of assessment systems. And all state planning agencies have at various times committed very significant resources to this area of activity. The resources required are largely 'in kind' - chiefly staff time - rather than cash.

Another crucial element will be the extent of supportive activity and mechanisms at the state/territory level. Planning remains a state responsibility and national initiatives must to a large extent build on cooperative efforts within states. In some states there are already well established mechanisms for liaison amongst the parties (state 'DAFs'), and there are also some existing programs to facilitate continuous improvement, as well as a range of one-off projects. But as yet no state appears to have put together a fully developed framework for benchmarking and shared learning, and further efforts in this area need to be encouraged. Indeed, the DAF could make a valuable contribution in fostering such efforts.

ATTACHMENT A

NOTES FROM INTERSTATE MEETINGS

Notes from Meeting held in Adelaide on Wednesday 29 May 2002

PRESENT

Victoria Gailit – Local Government Association of South Australia
Garth Heynen – Local Government Association of South Australia
Chris Button – City of Onkaparinga
Adam Mrotek – City of Tea Tree Gully
Bob Teague – Planning SA
Phil Smith – Planning SA
Chris Russell – Local Government Association of South Australia

Peter Walsh – DAF Consultant

Existing Benchmarking in South Australia

Planning SA electronically monitors the progress of all plan amendment reports and all private sector development applications assessment by the Development Assessment Commission (DAC).

SA Local Government Grants Commission is provided with statistics from councils on the number of applications assessed each year.

The Environment Development Court electronically monitors appeals and outcomes.

Planning SA and the LGA have established a joint “System Improvement Program (SIP) liaison group”. Planning SA and the LGA have agreed to undertake a performance indicator and benchmarking program as a component of the SIP.

In 1999 the consultant was engaged to conduct a major independent customer survey at the operation of the planning system in SA.

The “G6” (six largest metropolitan councils in the state) have been undertaking a joint benchmarking program for several years. However, this work has not been focussing on planning and development assessment matters over recent years.

Adelaide City has recently done some good work in post occupancy review.

LGA has a major benchmarking project underway currently emphasising corporate indicators rather than operational areas at this stage. There is a high level of willingness on the part of councils at this stage. The fact that the program is run by SA LGA perhaps gives some comfort that data will be used in a sensitive manner.

The use of development assessment panels to determine development applications is a major new initiative within SA. In this arrangement representative councillors rather than a full council with determine development applications.

Major Planning and Assessment Issues

It was suggested that benchmarking could help in spreading the word on practical responses to key planning issues. The meeting then spent some time briefly identifying key planning and assessment issues in South Australia, identified as including:

-
- development of planning policy that addresses the widening range of issues in this state, across environmental, economic and social dimensions
 - effective community involvement (effective education of the community on development assessment and planning matters to ensure sound participation practices and involvement)
 - education of development proponents and consultants on the processes involved
 - statutory arrangements whereby the Commonwealth Government is not a party to the state's assessment processes. (suggested as creating a situation where a big player in development within a state is not a party to standard assessment regime)
 - integration of emerging issues into a streamlined planning and assessment regime is a matter of considerable challenge at the present time (emerging issues ranging from the River Murray to advertising signs, tree legislation and prostitution)
 - introduction of technology into planning and assessment processes, including benchmarking, presents as a huge area of reform
 - enforcement of development assessment and planning conditions (an area which seems to be gaining fewer resources as time goes by).

Discussion on Benchmarking Generally

It was seen as important that any numbers coming from a benchmarking program not be seen as an end in themselves but instead, a catalyst to allow questions to be put and discussion and debate to occur.

While there was seen to be likely support for state based benchmarking including for processing times and other quantitative data, there may be some resistance to interstate comparisons because of the difficulties with coming up with common definitions.

The use of technology for the collection of data present important emerging areas where national initiatives could assist.

There was interest in the whole of the system not just the development assessment function, e.g. steps in plan making.

Possible DAF Initiatives

It was suggested that the DAF project concentrate on the preparation of a best practice model with benchmarking just one element of that. For example, a document of leading practice could be prepared and authorities could choose to benchmark against such a document. In the next step councils may agree informally with one another to set up a regional based or other cooperative arrangement.

It was important to recognise existing work in benchmarking and build on existing arrangements and frameworks.

Perhaps DAF should drive towards a national agreement on say the top ten issues for planning and assessment. Authorities could then rank themselves on a series of levels against such key issues. For example level 6 may equal moving towards good practice.

Nationally we could do with a much better understanding of the differences in legislation. The State of Play document is now out of date. We could do with a good data base on what's different.

The program should work on how to communicate good ideas with perhaps Planning SA as a central hub for such exchange in this state.

Notes from Meeting held in Melbourne on Tuesday 30 April 2002

PRESENT

David Rae	MAV
Matthew Evans	MAV
Gwen Schwarz	Building Commission
Peter Allen	Department of Infrastructure (Planning)
Peter Brenton	Department of Natural Resources and Environment
Bruce Rush	Melbourne Water
Tim Hellsten	Ballarat City Council
Michael Nelthorpe	Hume City Council
Duncan Turner	Glen Eira City Council
Phil de Losa	Glen Eira City Council
John Noonan	Melbourne City Council
Fiona Nield	HIA
Geoff Underwood	UDIA
Graham Sansom	UTS Centre for Local Government (Project Consultant)

Discussion at the meeting broadly followed the outline of a questionnaire previously circulated to participants. A copy is attached, including responses provided by MAV/DOI.

PRINCIPLES AND OBJECTIVES OF THE VICTORIAN PLANNING AND DEVELOPMENT SYSTEM

These are stated in some detail in the legislation (Planning and Environment Act) for both outcomes and processes - but are they followed through effectively? Scope to 'pick and choose' for local schemes, which are the primary vehicle for interpreting and applying the objectives to assessment: this is the critical policy step.

Municipal Strategic Statements (MSS) should clearly define local objectives and incorporate performance monitoring relative to desired outcomes - but tendency to 'grey' strategies and problem of articulating performance measures that really address outcomes. Skills in formulating MSS need to be improved.

Assessment decisions are meant to be made on the basis of policy and strategy (so that intended outcomes drive the process), but these often lack sufficient clarity (both State and local) and conflicting agendas remain. Also problem of adequately resourcing policy development. (NB Forthcoming review of State Planning Policy Framework.)

DNRE working to draw together policies across its various divisions, and provide a single point of contact with local government.

Melbourne Water also has single channel for liaison, plus electronic data base, but policies not fully integrated.

Attempts at policy integration at regional level eg metropolitan strategy, catchment management strategies to be linked to planning schemes. Need to clarify roles.

Concern that planning schemes are becoming too complex and the assessment system overloaded with policies, objectives etc. Stretches assessment timelines: 'one stop shop' good in theory but may become overcrowded. (NB Victoria retains separate but linked (consistent) approvals for subdivision, development, building - regarded as more workable than formally integrated system.)

LEGISLATED PERFORMANCE MEASUREMENT OR MONITORING

MSS must be reviewed at least every 3 years. Performance measures are 'encouraged' but not compulsory.

Related issues:

- Linking strategic planning and assessment processes within councils
- How to measure success in achieving outcomes when many developments are exempt from development approval
- Defining a manageable number of objectives and measures - so that there can be rigorous review of key issues.

OTHER PERFORMANCE MONITORING/BENCHMARKING PROCESSES

- Office of Local Government (OLG) produces a set of local government performance indicators - used to be 7 specifically on development assessment but recently revised/reduced. Uniform data capture a problem.
- OLG also conducts annual State-wide surveys of community satisfaction with council service delivery generally - has yielded some useful data. Melbourne City Council conducts its own customer satisfaction surveys (key is getting the questions right and proper targeting).
- Limited post development audits conducted by some councils (eg Glen Eira) - but problem of resourcing adequate regular surveys. (Related issue of resourcing enforcement.)
- Some reporting on appeals processes, but no detailed, consistent review.
- DNRE conducts some monitoring of its performance in development assessment, but lacks formal structure.
- Local government corporate planning requirements.
- Extensive performance monitoring by Building Commission - developing Industry Outcomes Measurement System to report on consumer satisfaction, building quality etc. Recognition that building phase is crucial to planning outcomes.
- Review of planning applications processing costs 2-3 years ago.

MECHANISMS FOR IDENTIFYING/PROMOTING BEST PRACTICE AND INFORMATION EXCHANGE

- DOI/MAV work on developing best practice (see Questionnaire)

-
- Many councils have liaison committees, forums etc
 - UDIA Municipal Liaison Group - members monitor different council approaches.
 - DOI Technical Reference Group - deals with broader planning system issues.
 - Ministerial Reference Group on decision-making processes - addressing concerns re application of policy through appeals/enforcement processes.
 - Occasional forums of State agencies - but no longer regular meetings.
 - Municipal Building Surveyors meet regularly, with Building Commission involvement.
 - Building Commission has various advisory boards - all include consumer representatives.

NOMINATED ELEMENTS OF BEST PRACTICE IN VICTORIA

- Separate but linked and consistent subdivision/development/building approvals.
- Consistency of approach in planning schemes - also common cadastre, GIS.
- Building statistics collections.
- 'Third Party' culture: broad agreement on fundamentals and good communication amongst parties (but not necessarily generating sufficient results from an industry perspective?).
- DNRE system for integrating/monitoring referrals workflows within department.

OTHER ISSUES

- Need to take into account implications of federal legislation (EPBC Act).
- Likely tension in terms of time and resources between monitoring (generating data) and actually improving systems
 - Detailed measurement vs 'commonsense' evaluation of performance
 - Tools needed to help people improve systems
 - Defining realistic objectives and amounts of measurement.
- Do we really know what works? Possible scope for 'evidence-based' appraisal of systems eg compare different approval requirements (application vs exempt) to determine whether assessment is really making any difference.
- Importance of customer focus: 'transparent', easy-to-understand system with consistently applied requirements and criteria.
- Importance of outcome monitoring and feedback to policy.

SCOPE FOR DAF INITIATIVES

- General support for exploring further national steps in performance monitoring and benchmarking
- Scope to compare:
 - Level of regulation in different jurisdictions for different development types
 - Extent of delegation
 - Assessment timeframes, costs and customer satisfaction (with strong focus on examining underlying reasons)
 - Clarity and complexity of different systems (number of documents, ease of access, level of understanding of stakeholders)
 - Appeals systems (incidence of appeals, conciliation vs litigation, success rates)
 - Private certification
 - Indicators in use to address outcomes.
- Work on lead indicators ('early warning' of system problems) would be helpful.
- Also scope to examine training and skills issues in assessment systems, including management. How to resource a policy-based assessment system?
- Perhaps consider reviving LARP or a suitable variant?

Notes from Meeting held in Melbourne on Thursday 30 May 2002

PRESENT

David Rae	MAV
Gwen Schwarz	Building Commission
Connie Whytecross	Department of Infrastructure (Planning)
Bruce Rush	Melbourne Water
John Noonan	Melbourne City Council
Fiona Nield	HIA
Geoff Underwood	UDIA
Peter Walsh	DAF Consultant

This meeting was a follow up to a workshop held on the 30th April 2002.

Identifying Problems in the System which may be Assisted by a Benchmarking Program

It was suggested that benchmarking could help in spreading the word on practical responses to key planning issues. The meeting then spent some time briefly identifying key planning and assessment issues in Victoria, identified as including:

- Human resources - there was seem to be a need for more and more competent people to work within the development assessment system, given the increasing complexities which continue to arise. There is a related question about how system improvements can address in a practical way chronic and ongoing staffing shortages.
- Certification - suggested that performance measures would indicate that there have been significant improvements in the planning and assessment system since private certification was introduced.
- Over-Regulation - a major challenge was how to best deal with the increasing complexities arising in planning and assessment. There was a need for streaming systems so that minor or inconsequential matters were not caught up by a widening range of issues.
- Sustainability - a question about how our planning and assessment processes can address this complex topic.
- Categorisation of Applications - how can the assessment system address a situation where there was more interest and hurdles sometimes in minor applications than very major development proposals. How can we set aside irrelevant matters.
- Evaluating the Outcome of the Assessment Process – more work was needed to see the effect of assessment on development outcomes. Three councils in the Gippsland area have prepared a proposal to work on “outcomes” monitoring. A recent north-east Victoria project was inconclusive on the development of “outcomes” indicators for development assessment within a region.

Thoughts on the DAF Initiative

Victoria has recently adopted common definitions across the state for a range of matters associated with data collection for planning and assessment systems.

There is a will at the state level to collect performance information, but it must be kept simple, just a few key things.

A uniform national system would run into problems if it was intended to collect consistent statistical data.

Some leading practice issues could be identified on a national basis. However, there were already sufficient comparisons within the state of Victoria for many of the standard efficiency and effectiveness measures (e.g. Victorian councils could compare staff levels and come to useful conclusions, comparing with NSW numbers raises greater complexities).

A national program could identify the major issues and problems in our planning and assessment systems and follow up on leading practice initiatives which address such matters around the country.

State comparisons could include detailed target areas, e.g. advertising provisions, referrals to state authorities, examples of electronic notification, resolution of platforms and protocols for IT based transactions (eg DA lodgement).

Suggested that DAF use a state based approach but with national targets for attention, eg:

- Leading practice in referrals to state authorities was one important area, e.g. Melbourne Water has recently completed a major program which has resulted in major improvements. Promotion of this initiative could lead to changes in other states.
- Program could assist in addressing the major challenges. Apart from the matters discussed previously, major challenges were seen to include: performance based development assessment, the need for adequate resources to recognise that the planning system has become more complex (it was suggested that there were now no more additional resources from times when things were much simpler).
- Electronic data transfer was seen as a particular target area for national investigation and identification of leading practice. Glen Iris' Web-aided notification arrangements has, according to reports, eliminated thousands of telephone calls to the council.
- The DAF project needs to be highly focused and clear on the potential benefits of participation in the program.
- It was seen as important that the program not just target local councils. State and national authorities needed to be involved as did industry groups. All players in the system needed to be involved.

Notes from Meeting held in Brisbane on Wednesday 24 April 2002

PRESENT

Graeme Ballard	Department of Local Government and Planning
Jesse Chadwick	Department of Local Government and Planning
Simon Banfield	Caboolture Shire Council
Wendy Chadwick	Brisbane City Council
Sandra Gracia	Brisbane City Council
Ian Glew	Gold Coast City Council
Carol Wall	Department of Natural Resources and Mines
Ian Yarroll	Environmental Protection Agency
Chris Schomburgk	UDIA
Gary White	RAPI
Greg Vann	Buckley Vann
Rick Wiley	HIA
Warwick Temby	HIA
Graham Sansom	UTS Centre for Local Government (Project Consultant)

Discussion at the meeting broadly followed the outline of a questionnaire previously circulated to participants. A copy is attached.

PRINCIPLES AND OBJECTIVES OF THE QUEENSLAND PLANNING AND DEVELOPMENT SYSTEM

These are stated in general terms in the legislation (Integrated Planning Act) - but are perhaps not widely known or understood. There is an emphasis on integration, sustainability and community involvement.

An underlying principle is broader policy integration across government - requiring a complementary planning component in a range of other processes and systems.

Also inherent is an iterative, cooperative approach to improving the assessment system. This requires the commitment of a wide range of parties - to be fostered with both 'carrots and sticks'.

Clear operational objectives (desired outcomes) for development assessment have to be established in local planning schemes (of which only 4 have been completed to date under the IPA). This involves extensive interpretation of the intent of the Act, with potential for significant local variations. Planning schemes must also provide the local focus for policy and systems integration.

LEGISLATED PERFORMANCE MEASUREMENT OR MONITORING

Originally, the Act required performance measures - monitoring the achievement of desired outcomes - to be incorporated in planning schemes. This is now optional, but measures have been included in some of the completed IPA schemes.

Difficulties included:

- formulating meaningful indicators
- focussing outcomes
- recognising that planning schemes are only part of a bigger, highly complex system and therefore cannot be expected to achieve desired outcomes in isolation.

This issue perhaps needs to be revisited - getting the scheme right and incorporating appropriate quantitative and qualitative indicators is seen as the key to achieving planning and assessment objectives.

OTHER PERFORMANCE MONITORING/BENCHMARKING PROCESSES

- Department of Local Government and Planning (DLGP) produces a set of local government performance indicators.
- Councils are required to include indicators in corporate plans - but tend to be fairly vague, focussed on process rather than outcomes. Some operational plans include more specific indicators
- Some monitoring of outcomes through State of Environment reporting (every 4 years) and regional planning (SEQ)
- Group of SEQ councils (BCC, Gold Coast, Redlands, Noosa, Maroochy) recently completed a study on number of applications processed per planner (but relatively little exchange of information amongst councils on these issues).
- Recent review of building, plumbing and drainage approvals under NCP
- A number of councils have also reviewed assessment costs as a basis for setting fees - all Queensland councils can set their own fees. Raises the need to define the extent of the 'assessment process': To what extent should related council costs be included? How to treat legal/appeals costs? What does 'full cost recovery' mean in practice?
- State agencies report to Treasury on performance eg EPA investigating costs per permit issued.

MECHANISMS FOR IDENTIFYING BEST PRACTICE AND INFORMATION EXCHANGE

- EPA is initiating a 'good practice' collection
- SEQROC sub-regions planners meet regularly, but no particular focus on assessment issues
- BCC may host SEQ development assessment forum
- IPA Sub-Committee of agency CEOs - State agencies involved in any aspect of the Act's administration
- Many councils have some form of regular liaison with the development industry and related stakeholders

-
- Recent detailed review of IPA included call for submissions and forum, but original IPA liaison group has not met for some time

OTHER ISSUES

- Need to more effectively involve/monitor performance of 'one step removed' implementation agencies
- Are existing communications/feedback channels adequate?
- Problem for DLGP in being both in charge of the system and responsible for specific processes/outcomes - conflict of interest?

SCOPE FOR DAF INITIATIVES

- General support for exploring further national steps in performance monitoring and benchmarking
- Need to follow-up 'Better Living Environments' report
- Scope to compare:
 - Level of regulation in different jurisdictions for different development types
 - Assessment timeframes and costs/affordability (including underlying reasons)
 - Extent of integration of approvals processes/agency roles
 - Achievement of desired outcomes - especially housing, sustainability, regional goals
 - Different plan-making processes (from policy initiation through to implementation via assessment) eg do standardised formats work?
 - Appeals systems (costs, timeframes, incidence of appeals etc)
 - Private certification.

Notes from Meeting held in Sydney on Tuesday 4 June 2002

Present

Juanita Higgs	SSROC	
Chris Brogan	Blue Mountains City Council	
Marlene Jones	Blue Mountains City Council	
Scott Philips	Campbelltown City Council	
Michael Coulter	Hastings Council	
John Murray	Gosford City Council	
Peter Williams	University of NSW	
Greg Hand	Sutherland Council	
Scott Lee	Sutherland Council	
Myra Craig	Department of Local Government	
Alison McCabe	Leichhardt Council	
Ken Morrison (?)	Property Council	
Brett Whitworth	PlanningNSW	
Gary Fielding	PlanningNSW	
Mike Scott	UDIA	
Wayne Gersbach	HIA	
Peter Walsh	P&A Walsh Consulting	Project Consultant
Graham Sansom	UTS Centre for Local Government	Project Consultant

Existing Practice in Benchmarking and Comparative Performance Measurement

After an explanation of the role of the Development Assessment Forum and the purpose of the project, there was an explanation of the research findings of the project to date. Details on existing performance monitoring of development assessment functions in both New Zealand and the United Kingdom were outlined. This was followed by a brief presentation on existing Australian practice interstate, including voluntary programs by individual councils or groups of councils or partnership work between state authorities and councils.

There was also some discussion of the annual national comparison data published by the Productivity Commission on a number of key government service areas.

Existing Practice in NSW

References were made to existing data collection frameworks whereby local councils in NSW completed information requests from the Department of Local Government which cover a broad range of service areas. This culminated in an annual report containing comparative performance data for councils, including groupings of like councils. Data on volume of DAs, mean and median processing times and appeal costs were among the information gathered. There was a suggestion that this data had limited value in that it did not adequately cover the key accountabilities of councils in assessment, focusing on a limited field of inquiry, and not addressing variables like extent of public notification involved. It was noted however that recently a review of the performance indicators for planning and development assessment in the DLG's Comparative Information Report was undertaken, including

participation from representative councils. This process did not bring forward suggestions on significant improvements to the indicators.

There was considerable discussion on the program in place at Blue Mountains City Council. A major overhaul of the management reporting information systems had been undertaken at the council over recent years. It was indicated that the council now had well rounded performance indicators for both efficiency and effectiveness measures relating to planning and development assessment. This council now examined international practice through the internet to help in performance improvement in planning and development assessment. It was also interested in exploring a quality accreditation or certification program for development assessment.

The WSROC “approvals benchmarking partnership” was also discussed. The most recent round of this program was just completed and a number of additional councils had approached WSROC requesting participation in the next round.

Key Issues Relating to a National Benchmarking Program

There was a need to focus on both process improvement and policy improvement. Any “numbers” which were generated should only be seen as providing the opportunity for questions and debate and discussion to occur. A “league table” approach provided little useful information because of the differences between individual authorities.

A major challenge for any project would be dealing with the technology differences.

The key was to provide a program which reaped the benefits of a national reach but which provided flexibility for individual states and individual authorities.

Key Issues for a State System – Major Problems

It was suggested that benchmarking could help in spreading the word on practical responses to key planning issues. The meeting then spent some time briefly identifying key planning and assessment issues in NSW, identified as including:

- The NSW system was seen to be extremely complex and reactive to new issues which arose.
- Policy needs to respond with clarity to the new complex issues arising from environmental planning and assessment. There was seen to be a lack of routine feedback on policy settings.
- The referral of DAs to other authorities was becoming a widening problem, with little evidence of other state authorities using the EPA Act to achieve their planning objectives.
- There was a challenge in dealing with conflicting values and balancing off disparate policy objectives in the setting of local and wider policy.
- A benchmarking program looking to investigate the state system should: focus on the users of the system (perhaps through user surveys).

Benchmarking was seen as having potential to give a level of accountability to both state and local authorities. It was seen as desirable by some that the system provide hard data for interstate comparisons, e.g. volumes of fast track development, etc. The project could also focus on important target areas like how major projects (EIS) are dealt with.

Dollar Cost was seen as a potential indicator with real teeth. Costs and resourcing generally could be a high priority for comparison work, with a mind to the accountability issue.

Other Matters For Consideration

One of the big challenges was seen to be how to encourage a performance management culture. There was a need to develop confidence that any information gathered would not be used unfairly against those providing the data. Equally there was a need for those intending to participate to demonstrate a level of commitment to other partners, who would waste their resources in complying with data collection demands if others pulled out of a program. This reflects the important need for “drivers” for any such program.

- Processing times could be examined, however, what does this indicator actually tell us? It was important to acknowledge different local community expectations with regard to processing times. Processing times was just one practice element and had not greater influence than many others.
- As much as possible should be based on existing data captures (including Councils and ABS). To rely on new off-line data collection systems would not be likely to bring success.
- Levels and effectiveness of community consultation and involvement warrant attention as an important area in the planning system.
- There was a deficiency of indicators of development outcomes.
- Policy differences between individual councils including:
- Use of technology, check lists.

Final Remarks on a Potential Role for the DAF Project

- Approach should allow for comparisons on overall state systems from basic criteria which should be able to be developed relatively easily. This may not need wholesale data collection and confrontation with the challenge of common definitions. Beyond this the program should seek to share information and learning experiences on leading practice for selected topics. A “patchwork” approach could allow individual authorities to select areas of interest.
- The terms “performance comparisons” and “benchmarking” have negative connotations for any promotional strategy. A system based on awards or even an accreditation or certification system does seem to have a greater likelihood of take-up.
- Whichever approach is adopted it was crucial to recognise the need for “drivers” to gain participation. Those wishing to participate would need to give clear commitment and allocate budget for the purpose. The Regional Organisations of Councils (ROC) were suggested as a good organisation base to provide such drivers.

Notes from Meeting held in Perth on Tuesday 28 May 2002

PRESENT

Sam Neale – City of Wanneroo
Mike Ross – City of Cockburn
Richard Kay – Department for Planning & Infrastructure
Jeff Bradbury – Rockingham Council
James Blitz – Consultant to WA Local Government Association
Mark Thornber – WA Local Government Association
Allison Hailes – WA Local Government Association
Sheryl Chaffer – Chaffer Planning
Roger Stubbs – WA Local Government Association
Steven Tan – City of Nedlands
Jenny Smithson – BSD Consultants representing UDIA
Stephen Goldie – Department for Planning & Infrastructure
Keith Weymes – City of Melville

Peter Walsh – P&A Walsh Consulting Project Consultant

Performance Monitoring/Benchmarking in Western Australia

It was indicated that the Western Australian Planning Commission annual report contains the following indicators:

- Perceived “usefulness” of planning activities derived from client surveys.
- Success in conversion of structure plans.
- Planning cost in relation to population size and economic activity.
- Cost per planning decision for both statutory and strategic planning.

Western Australian Planning Commission is the consent authority for subdivisions and certain other matters. It tracks time taken to undertake various statutory processes.

Individual local councils have a variety of performance indicators relevant to planning and development assessment matters.

WALGA has prepared a series of performance indicators to assist local government work on continuous improvement to processes and services. A series of performance indicators have been prepared for planning and building services. Six local councils currently participate in a benchmarking program focuses on planning and building matters under this program. This group comprises a mix of small rural, country urban, small metropolitan and larger metropolitan councils. Councils submit figures for central processing and comparisons. A particular point of attention has been an examination of costs of processing development applications and its linkage to these for the processing of applications.

Discussion on Potential Areas of Benchmarking in WA

It was felt that processing times remain an area of interest. There is a concern about how to develop actual useful comparisons mindful of the differences between individual councils. A concern about the current benchmarking program is that there are only a small number of councils involved, each with very different characteristics.

Performance measurement would be more valuable if you could pick up on the perspective of applicants on client service levels, beyond processing times.

A representative from Rockingham Council indicated that their enterprise bargaining agreement with staff had picked up a number of LARP initiatives. This work had commenced many years ago and was carried through into current practice.

It was suggested that the goal of a useful benchmarking program should be to identify leading practice. There was already in place a submission based best practice awards program in WA.

It was seen that there was a difficulty in coming up with ways to measure development outcomes in any benchmarking program. Nevertheless work should continue in this area. A program would need to differentiate between outcome indicators for redeveloping inner areas and fast growing fringe metropolitan areas.

One indicator of process benchmarking was suggested as the extent of delegation in place within individual authorities.

Scope for DAF initiatives.

A concern was expressed that WA authorities had a decreasing involvement in the DAF project. It was suggested that DAF needed to expand its budget to facilitate the attendance of WA representatives at future meetings if projects such as this current benchmarking work are to develop a sense of ownership within WA.

Nevertheless there was a good degree of interest in expanding the scope of benchmarking in this field within WA. Any program would need to be seen as assisting councils and other authorities, rather than misuse time and resources.

One idea was that DAF promote the expansion of the current six council WALGA project, with any work building on this current initiative.

One suggestion was that the current DAF project could concentrate on coming to agreement on definitions for use across the national boundaries, such that useful comparisons of processing times and other statistics could be made.

It was suggested that DAF should concentrate on the identification of leading practice initiatives and spreading the word on such initiatives around the country. It may be that national awards could be given for elements of leading practice.

It was suggested that any benchmarking program should not only concentrate on government authorities. There were seen to be opportunity for the involvement of industry, and in particular industry groups, with such groups directly working on benchmarking and performance comparisons for applicants and other industry participants.

The project could concentrate on major elements of the different state systems to assist those responsible within individual states to adopt and refine their systems to a leading practice position. Some target areas may include major development projects, arrangements for integrated decision making among state authorities, state wide planning strategies, development contributions for infrastructure provisions.

There was a concern that a national (“template”) approach to benchmarking might hinder current good work.

A preferred program would include a package that WA would “choose” to follow with a lead time of say 3 to 4 years before consistent data outputs can occur.

It was suggested that slowly moving up towards improvements in data comparisons would be necessary.

In WA there is a major problem in securing quality staff for the development assessment process. This issue was seen to be more of a problem than “improving processes or processing time”. There was some work occurring between RAPI and DP&I on bringing forward a technical education program targeting this shortfall.

ATTACHMENT B

AN EXAMPLE OF PERFORMANCE MEASURES FOR LAND USE PLANNING SYSTEMS - EXCERPT FROM:

Maximiles Consulting, *Performing for the Future - Measurement Tools for Australian Land Use Planning Systems*, Report for Planning Officials Group, 1998.

(see Section 1.4 of this report for context information).

Table 4-1 Proposed Measures

Key Result Areas	Expanded Focus for KRAs	Core Measures	Extended Measures
(Umbrella—Conceptual/attitudinal)	<ul style="list-style-type: none"> Think of the planning system as a system to manage expertise and hence to gain leverage 		
K1 Strategic direction	<ul style="list-style-type: none"> Encourage a strategic approach at all levels—State/ Territory, government, Agency, Local Government 	<ul style="list-style-type: none"> Description of the role and extent of documentation of strategy (C1) 	
K2 Understanding user requirements	<ul style="list-style-type: none"> Develop a user focused culture Focus on what users need to perform effectively Investigate and document the needs of users 	<ul style="list-style-type: none"> Planning agency checklist to determine the extent to which: <ul style="list-style-type: none"> needs of users have been documented the documented needs have been endorsed by key user groups (C2) Periodic survey of key user groups to determine the extent to which the documented needs are agreed by the users. (C3) 	
K3 Addressing user needs	<ul style="list-style-type: none"> Ensure user needs are addressed by the system, by legislation if necessary Foster understanding of supplier obligations Control vexatious use Develop performance based assessment in parallel with compliance based assessment Rethink the application of "user pays" concepts to land use planning Separate Policy Formulation from Application Assessment (K4) Decide According to Rules (K5) 	<ul style="list-style-type: none"> Periodic survey of key user groups to determine the extent to which their needs are met (C4) Total time to decide applications (C5) 	<ul style="list-style-type: none"> % applications returned for further information (E1) Can applications be assessed on either a performance or a compliance basis? (E2)
K4 Separate Policy Formulation from Application Assessment	<ul style="list-style-type: none"> Incorporate agency and local government/ community requirements in assessment rules. Delegate assessment so that policy makers are not involved in the assessment of applications against the policy they develop (or have rules that clearly separate the functions when a single body or person does both) Collect environmental data in advance where ever practicable 	<ul style="list-style-type: none"> Total time to decide applications (C5) 	<ul style="list-style-type: none"> % applications where assessment is delegated (E3) % applications referred to consent agencies (E4)
K5 Decide According to Rules	<ul style="list-style-type: none"> Delegate assessments so that policy makers are not involved in the assessment of applications against the policy they develop (see K4) Awareness raising campaigns to emphasise the importance of deciding by the rules 	<ul style="list-style-type: none"> Total time to decide applications (C5) % of applications successfully appealed (C6) 	

ATTACHMENT C

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