

13.2 INFRASTRUCTURE AND PLANNING DIRECTORATE CONT.

13.2.5 Statutory Planning Services Review

File Number: E6358
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Disclosure of Conflicts of Interest

The author of this report and officers providing advice in relation to this report do not have a direct or indirect interest in this matter, as provided in accordance with the *Local Government Act 1989*.

Introduction

The purpose of this report is to present Council with the outcomes of the Statutory Planning Services Review.

Background

The nature of local government service delivery has changed over recent decades, moving towards a broader range of objectives and responsibilities contributing to the social, economic, environmental, and cultural wellbeing of communities. The widening responsibility of local government has coincided with a period of increasing community expectation and devolution of various government functions from state and federal government to the local level. The overall effect is that councils must provide a greater range of services while endeavouring to meet higher standards.

In addition to these challenges, local governments in Victoria have a statutory obligation to comply with the Local Government (Best Value Principles) Act 1999 to ensure service provision meets quality and cost standards, is responsive to community needs, and achieves continuous improvement.

Held annually, the Local Government Community Satisfaction Survey surveys 400 households from the Shire of Mansfield to determine Councils' overall performance with:

- Benchmarking against state-wide and council group results
- Community consultation and engagement
- Advocacy and lobbying on behalf of the community
- Customer service, local infrastructure, facilities; and
- Overall Council direction

In the most recent survey Mansfield Shire Council's overall performance declined from the previous year. This scoring places the services performance at its lowest point since 2012 and below the state-wide measured performance within the Small Rural group of councils (as defined by the Department of Environment, Land, Water and Planning).

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Given increasing service delivery and funding pressures, overarching statutory obligations, and decline in community satisfaction with Council performance, Mansfield Shire has embarked on a formal, organisation-wide review to ensure Council is delivering services that are relevant to the community and are financially sustainable in the long term. This process involves a systematic review of every service administered by Council, including statutory and non-statutory services, and internally and externally focused services.

The 2019 Community Satisfaction Survey result revealed that service area for planning and building permits experienced significant declines in community satisfaction from 2018. A ten-point drop on planning and building permits (index score of 36) makes it Council's lowest rated service area. Council's performance on this measure is significantly lower than the average ratings for councils state-wide and for the Small Rural group of councils (index scores of 52 and 48 respectively).

Council is committed to delivering services to the quality expected by the community, while adhering to its organisational and statutory obligations, therefore Grosvenor Performance Group were engaged in February 2020 to undertake a review of the processes and procedures of the Statutory Planning Unit (SPU) to identify where improvements could be made to address the decline in community satisfaction.

Statutory Requirements

The Planning Unit is responsible for undertaking the role and duty of the Responsible Authority under the rules and regulations of the *Planning and Environment Act 1987*, the *Subdivision Act 1988* and associated legislation.

The Planning and Environment Regulations 2015 set out requirements of the Responsible Authority in carrying out its duty including:

- processing of permits
- certificates of compliance
- compensation
- enforcement and legal proceedings

The report highlighted that the unit had fallen short of legislative requirements in prior years, with respect to the time taken to arrive at planning application outcomes; these should be within 60 statutory days.

Although observations were made in the report with respect to the use of Requests for Information (RFIs), it should be noted that the unit is however compliant with these legislative requirements, and also that the median number of processing days has improved in the last two financial years from 83 days in 2017/18, to 63 days in 2018/19 and 52 days in 2019/20.

Council Plan

The purpose of the Council Plan is to: *Provide a forward-looking plan detailing Council's strategic directions and objectives for the current term of the Council.*

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This project is consistent with the Council Plan 2017-2021 and sits under Strategic Objective 2.1: *Council has a strategic, long term financial plan to secure its ongoing financial sustainability.*

Specifically actioned through: *“Complete service reviews across all departments in response to the findings of the Long Term Financial Plan”.*

Financial

It is highlighted within the review that the planning unit has lower resources than benchmarked councils, which may impact the unit’s ability to process planning permit applications. These impacts may include limited capacity to process applications on time, internal pressure and/or limited capacity to identify and implement processing improvements.

To help better resource the unit, additional resources through the State Government funded Working for Victoria (WFV) program are currently being sought with the aim to add an additional statutory planner and administration assistant in the short term to help with the current volume of planning applications and assist the team with implementation of the actions recommended in the report. These resources will not have a budgetary impact, and will allow the recommended changes to be implemented and then assessed.

Social

There is no social impact associated with this proposal, however the social, economic, environmental, and cultural wellbeing of communities can be impacted by planning outcomes.

Environmental

There is no environmental impact associated with this report.

Economic

There is no economic impact associated with this report.

Risk Management

The review has identified areas of risk, particularly with respect to reputational risk, and provided recommendations to mitigate these risks.

Community Engagement

As part of the review process both internal and external stakeholder consultations were undertaken. Internally, one-on-one consultations were held with members of the statutory planning services team. Externally one-on-one consultations were held with four consultants, a community survey with 32 individual responses was completed, and an independently facilitated public forum held with members of the Mansfield Shire community. The stakeholder consultation and public forum formed an important and integral part of the findings and guided the recommendations contained in the review.

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Officer's Comments

The Statutory Planning Services Review has provided some valuable insights from the stakeholder consultations and benchmarking undertaken relative to similar sized councils; relative to other municipalities the unit has:

- A low level of resources per application given the moderate statutory planning budget and a high number of applications.
- A high rate of refusals and withdrawals (with the inclusion of Section 55 refusals).
- A moderately high rate of applications with further information or referrals required.
- Significantly higher gross days to determination time.
- Achieved an improvement over time in the median processing time and percentage of applications completed within 60 processing days.
- A high number of approved dwellings and subdivision lots for its population.
- A high proportion of similar applications including change of land use.
- Average or below average information regarding planning permit applications on Council's website.

Relative to similar councils, it should be noted that the unit is processing a high number of planning applications. In addition, the median processing time and percentage of applications completed within 60 processing days continues to improve. On the other hand, a significantly higher gross days to determination time, which includes referrals and RFIs, was identified as a key contributor to low community satisfaction within the Mansfield Shire.

The following findings were made regarding the efficiency and effectiveness of the unit:

1. The SPU does not have an agreed and shared purpose and is currently lacking a focus on strategic planning.
2. The previous structure of SPU (Unit has been restructured in June 2020) did not support operational requirements due to the span of control expected of the Development Services Manager and lack of clear role accountability within the SPU team.
3. Issues with the capacity of the Development Services Manager (see comment previously about Unit structure) had downstream impacts on the SPU team including ability to adequately delegate tasks, develop the team, performance manage and perform both statutory planning and strategic planning responsibilities.
4. The current team culture within the SPU features silos, poor behaviours, lack of respect and support.
5. Planning application and communication processes are not clearly defined, nor do they meet operational requirements regarding stakeholder satisfaction, quality and timeliness.

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6. Systems are largely manual, and one person is responsible for managing the database for applications. The VicSmart system enables streamlined applications, particularly for sub-divisions with the SPEAR system.
7. Stakeholder engagement is haphazard, communication is infrequent, and customer service is inconsistent.

Overall the review of the processes and procedures found that there were areas of opportunity for the efficient and effective delivery of statutory planning services. Key areas of opportunity include the level of customer service, the lack of a clearly defined and agreed application process and the time taken to arrive at planning application outcomes.

Other areas for improvement included the need for a clear purpose within the unit, a healthy team culture and consistent communication with applicants regarding the requirements for and progress of their planning applications. The review found that the recent restructure was a positive change and would enable improvements to both the capacity and capability of staff within the SPU.

The report provided 27 recommendations that it suggested would help to improve the effectiveness and efficiency of the delivery of statutory planning services in Mansfield Shire. To further assist with the implementation of the recommendations a roadmap has been developed to provide a proposed timeline and priority for the proposed actions to support the practical and successful implementation of improvements.

The report and the recommendations have been accepted by the team. To monitor and track the implementation of the recommendations it is proposed that an annual report will be provided to Council to provide an update on the performance of the unit against the recommendations of the review.

Attachments

- 1 Statutory Planning Services Review Final report

Recommendation:

THAT Council receive and note the Statutory Planning Services Review and associated road map of recommendations.

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Councillors Volkering/Sladdin:

THAT Council receive and note the Statutory Planning Services Review and associated road map of recommendations.

Carried