

Media release

28.09.2016

Efficiency and productivity essential to justify planning fee hikes

The Urban Development Institute of Australia (Victoria) has urged the government to ensure that tangible productivity and efficiency gains accompany the recent significant hike to planning fees.

The increase of planning application fees means that for some developments, the cost of successfully lodging an application will increase by more than 1,200 per cent compared to fees two years ago.

The Urban Development Institute of Australia (UDIA) supports the need for state and local government authorities to recover the cost of assessing planning applications, on the condition that the fees imposed lead to productivity improvements.

“We have concerns that these fees are not based on efficient use of resources. Councils must increase productivity and improve assessment timeframes to justify fees of this magnitude,” said Danni Addison, Victorian chief executive of UDIA.

“As planning authorities have the monopoly on assessment processes, there is no incentive for councils to improve functions and streamline processes, especially when fees are updated to cover the cost of inefficiencies.

“Victorians deserve a planning framework that does more to ease housing affordability. Instead of increasing fees and levies, more focus is needed on making councils and the planning framework operate more effectively,” said Ms Addison.

“UDIA urges the Victorian Government to implement an assessment framework to address the current lack of council accountability in the planning scheme amendment process.

“Full fees should not be applied where a council fails to meet specified efficiency dividends,” said Ms Addison.

Victoria’s planning system used to lead the way nationally, but it has stalled.

The Queensland Government’s Development Assessment Performance Report 2011-12 shows the average assessment time for an impact assessable development is 152 days – just over half the time it takes in Metropolitan Melbourne (based on planning permit data for the three financial years to June 2015).

Additionally, it takes approximately six to 24 months to obtain a subdivision planning permit in Victoria compared to approximately three months in Queensland and Western Australia.

“If Victoria does not lift its game, we will fall behind all the other states in the country and we will lose business and investment,” said Ms Addison.

-ENDS-



ABOUT: URBAN DEVELOPMENT INSTITUTE OF AUSTRALIA

The Urban Development Institute of Australia (UDIA) is a nationally recognised body that advocates for Australia's urban development industry. In Victoria, UDIA informs and engages government and industry members, **enabling better policy and better business decisions.**

With a primary focus on the residential property sector, UDIA protects and promotes over 350 member companies across Victoria including developers and a range of other professionals involved in producing, financing and marketing residential property.

MEDIA CONTACT

Hyatt Nidam

Marketing and Communications Manager
Urban Development Institute of Australia (Victoria)

E: hyatt@udiavic.com.au

T: 03 9832 9600

M: 0478 415 105