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Research Director

Infrastructure, Planning and Natural Resources Committee
Parliament House
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Dear Sir / Madam

**SUBJECT>> TOWNSVILLE CITY COUNCIL SUBMISSION – PLANNING BILL
2015 – PROVISION OF FURTHER INFORMATION**

Townsville City Council would like to thank the Infrastructure, Planning and Natural Resources Committee for the opportunity to appear before the committee at the public hearing on the Planning Bills, held in Townsville on 28 January 2016.

At the hearing there were three matters in relation to which council undertook to provide further information. Council is pleased to provide further information towards the Planning Bill 2015 as follows:

1. Committee question:

In its submission (no.72), the Crime and Corruption Commission has raised concerns that “Local governments are vulnerable to corrupt conduct due to the diverse functions they undertake, the substantial amounts of money involved in their functions, and the considerable authority and decision-making powers their employees possess” (Sub 72 Pg.1). Do you believe that planning related corruption is an issue for Council and what steps are taken to reduce potential risks? In particular with regards to the following:

- What constitutes “minor or inconsequential” effects of a development when determining whether an exemption certificate applies (section 46(3)(b)(i) PB; s41(3)(b)(i) PDB).
- Removing an appropriately qualified person from an alternative assessment managers list (Section 48 PB; s.43 PDB).

- Whether the creation of an alternative assessment managers list is limited to code/standard assessments (Both sets of Explanatory Notes (PB, p.59; PDB, p.50) state “impact” [merit] assessment... is more appropriately undertaken by a directly accountable body such as a local government”).
- Negotiating the required fee with an applicant (For a chosen assessment manager. See ‘required fee” in Schedule 2 PB & PDB).

Council response:

While council does not believe that planning-related corruption is currently an issue for Townsville City Council, council recognises the potential for corruption in regard to local government generally.

In order to address this ever present risk, council has instituted a comprehensive, council-wide Fraud Management Framework (Framework) to minimise its exposure to the risk of fraud and corruption, and promptly and comprehensively address any reports of fraudulent or corrupt conduct. The Framework outlines council's approach to the prevention, detection and reduction of fraud and corruption in both its internal and external dealings. It has been developed in line with Australian Standard AS8001-2008 Fraud and Corruption Control and the Crime and Corruption Commission's "Fraud and Corruption Control Guidelines for Best Practice". The Framework comprises a number of documents including a Fraud and Corruption Policy, Fraud Management Guidelines and a Corporate Fraud Management Response Plan. The Framework applies to all council activities and must be followed by all people acting for or on behalf of council, including all planning and development officers. Council has zero tolerance for corrupt conduct and fraudulent activities.

In relation to council's planning and development processes in particular, council is aware of the potential for risk and engages in continual improvement. In terms of council's Risk Management Framework, the Planning and Development Directorate identifies matters on an ongoing basis in order to manage such risk. For example, as a result of previous improvements, there is a separation of key functions to ensure that no single officer manages a development matter throughout the entire assessment process (customer services and fees management is separate to development assessment; compliance inspection is separate to complaints; and policy writing is separate from development assessment). Further, there is ongoing monitoring and quality assurance of the development approval process.

In line with the Fraud Management Framework, council will continue to work to improve controls associated with planning and development processes to further minimise risk. Council is always vigilant in order to reduce the risk of corruption to the best of council's ability.

2. **Committee question:**

The Committee identified that another council had raised an issue in their submission on the Planning Bill 2015 in relation to the definition of delegated powers to assessment managers. Did Townsville City Council have a view in this regard?

Council response:

Townsville City Council had not previously identified this matter as an issue of concern. Upon review, our understanding is that, in terms of s.48, the assessment of an application by an appropriately qualified person remains at the discretion of local government (the entity) in terms of whether or not the local government determines it should have a list of such persons, and for what purpose. As such, a local government will be able to conduct its own risk assessment in relation to the establishment of such a list. As such, Townsville City Council does not have any issues with this section.

3. **Committee question:**

What is the proportion of compliance assessable applications received by council that are not meeting compliance?

Council response:

At the hearing on 28 January 2016, council highlighted to the Committee the important function that compliance assessment plays within the current suite of assessment categories and made the point that it should not be readily cast aside as a category of assessment. In support of this statement, council offers the following evidence.

In the 2013-2015 period, council issued a total of 2,217 compliance permits, split across Material Change of Use, Reconfiguration of a Lot and Operational Works applications. Within this same period, 437 action notices were issued, meaning that further compliance work was required on approximately 20% of permits. Council has a customer service focus in the execution of its duties. Action notices are only issued where collaborative resolution fails or where the issue is substantial. As such, the rate of non-compliance would be significantly higher than the 20% reported herein.

The following table provides a breakdown of these statistics:

Applications lodged for compliance assessment 2013 - 2015							
Year	Total – Compliance Cert.	Total – Action Notices issued	MCU- code	MCU- impact	Reconfig (other than survey plans)	Reconfig (survey plans)	OP Works
2013	644	104	94	31	17	166	336
2014	844	178	81	49	13	176	525
2015	729	155	95	35	15	160	424

The risk management implications to council are therefore apparent and may not provide the appropriate assurances for downgrading the level of assessment for many of the existing compliance functions to self-assessable. As highlighted in our submission on the Planning Bill 2015, without other options to manage what is currently compliance assessment, council may be forced to consider raising the assessment levels to facilitate an equivalent process. Such an outcome would come at a cost to not only council, but both industry and the community and is contrary to the risk-tolerant approach adopted in the current planning scheme (Townsville City Plan).

Should you require assistance regarding any of the matters raised in this letter, or would like to discuss any matters further, please contact the undersigned on telephone number (07) 4727 9497 or email Graeme.Bolton@townsville.qld.gov.au.

Yours sincerely



Graeme Bolton

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