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MEDIA RELEASE

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IHAPs TO BE INTRODUCED FOR ALL SYDNEY COUNCILS

Independent Hearing and Assessment Panels (IHAPs) will become mandatory for all councils in Sydney and Wollongong to guard against corruption and lead to better local planning decisions.

Minister for Planning and Housing, Anthony Roberts, and Minister for Local Government, Gabrielle Upton, announced the Government would set clear criteria for which development applications (DAs) are to go to the panels.

Mr Roberts said that mandatory IHAPs would bring expertise, transparency and integrity to the assessment of DAs at the local level.

“It is essential the Government has a transparent and accountable process in place when assessing DAs of significant value, when there is a conflict of interest for the council or developer, or when they are of a sensitive nature,” Mr Roberts said.

“By making IHAPs mandatory, local councils will be able to focus on providing community services, strategic plans and development controls for their local area.”

Mr Roberts pointed out that Wollongong and 15 Sydney metropolitan councils were already successfully using IHAPs on a voluntary basis.

The new Bill will propose a standard model for IHAPs comprising three independent expert members and a community member.

The community member will represent the geographical area within the LGA of the proposed development, to provide local perspective (see ‘overview’ attachment).

“Introducing IHAPs will provide additional safeguards, expertise and transparency into planning decisions,” Ms Upton said.

“We expect these panels to give communities and ratepayers greater certainty about planning decisions.”

IHAP members will have to be expert in one or more of the following fields: planning, architecture, heritage, the environment, urban design, economics, traffic and transport, law, engineering, tourism, or government and public administration.

The chair must also have expertise in law or government and public administration.

The panel members themselves will be subject to statutory rules such as a compulsory code of conduct and operational procedures for the panels.

Further selection criteria will be outlined in the recruitment process.

Councils will be able to share a panel to improve efficiencies and in the regional parts of the state, panels would remain voluntary.

Local councils will still process most applications for individual houses or alterations to existing houses.

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Environmental Planning and Assessment and Electoral Legislation Amendment (Planning Panels and Enforcement) Bill 2017

What are we doing?

Changing the planning law (Environmental Planning and Assessment Act 1979) so that all Greater Sydney and Wollongong councils set up a panel to decide local development applications.

Why are we setting up local planning panels?

Councils decide if new homes and buildings should be built in their area. However, some decisions have not been made fairly or in line with the council's rules because of inappropriate relationships between councils and developers.

The Independent Commission Against Corruption (ICAC) has investigated at least 20 planning decisions which potentially did not meet the rules. Fifteen investigations were into Greater Sydney councils. Wollongong Council has also been investigated.

The risk of corruption can be reduced when planning decisions are made by panels of experts who are independent of the council. The aim is that the panel will make better decisions, that meet council's rules and without being influenced.

Fifteen councils already have a local planning panel, currently called Independent Hearing and Assessment Panels or IHAPs. These councils include Wollongong Council, which set up its panel in response to corruption findings.

Who will have a panel?

All councils in Greater Sydney will have to set up a panel. This is where the greatest development pressure is. Wollongong City Council will also have to retain a panel.

Appendix A shows the councils which will have to have panels.

Other councils can set up a panel if they choose. Councils can also share a panel if this is better or cheaper for them.

What will panels look like?

Local planning panels will have four people. The Department of Planning will set up a pool of experts, for example architects, lawyers or engineers. These experts will be approved by the Minister for Planning, to ensure panel members are qualified and do not have conflicts of interest.

The council will choose two experts to sit on the panel. Another expert will be chosen by the Minister to be the chair of the group and lead the meetings. This person will have also worked in law or government. A fourth person will be a community representative, chosen by the council to speak on behalf of the people who live in the area of the proposed new development.

Councillors and mayors will not be allowed to be on the panels in their local government area, as this conflicts with the aim of having independent experts make the technical decisions about individual applications.

Local planning panels – how members are appointed

Pool of experts

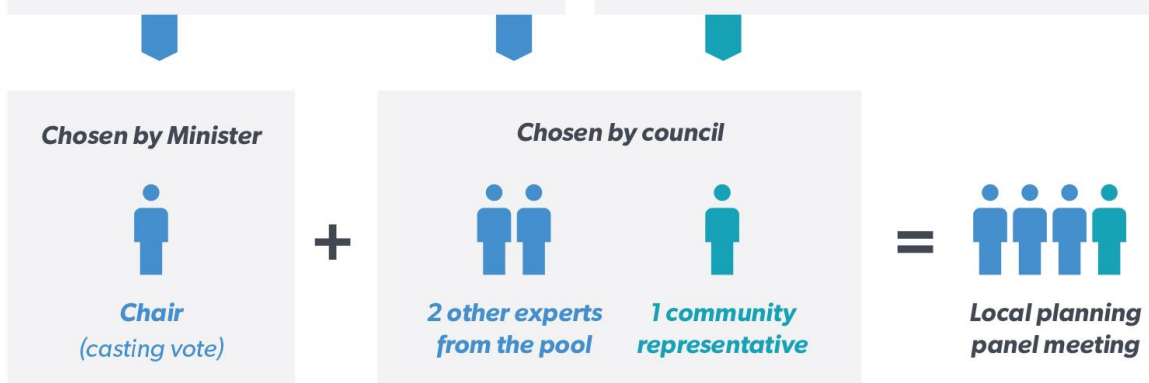
(approved by the Minister for Planning)

Must be expert in one of the following areas: *planning, architecture, heritage, the environment, urban design, economics, traffic and transport, law, engineering, tourism or government and public administration.*

Chair must have expertise in law or government and public administration.

Community representative

Represents the ward in which the proposed development would take place.



Members will be on the panel for three years, and can sit on the same panel for a maximum of six years. Members can sit on more than one panel.

All panels will have the same rules for meetings, a code of conduct for members and making decisions.

What will council and the panels do?

Council will focus on setting the rules for new development in their area.

Most applications (around 95%) for new buildings, such as houses, will still be decided by council planners. Local planning panels will decide the most risky or sensitive applications. These are set out in the following table.

<i>What will local planning panels decide?</i>	
Value	Development applications with a value of between more than \$5 million but less than \$30 million.
Conflict of interest	Development applications for which the applicant or owner is the council, a councillor, a member of a councillor's family, a member of council staff, or a state or federal member of Parliament.
Contentiousness	Development applications that receive 10 or more objections from different households.
Strategic importance	Development applications accompanied by a proposed voluntary planning agreement.
Departure from development standards	Development applications seeking to depart by more than 10% from a development standard.
High-risk development types	Development applications associated with a higher risk of corruption: <ul style="list-style-type: none"> • residential flat buildings assessed under SEPP 65 • demolition of heritage items • licensed places of public entertainment and sex industry premises • designated development, as set out in the <i>Environmental Planning and Assessment Regulation 2000</i>.
Modifications	Modification applications that meet the above criteria.

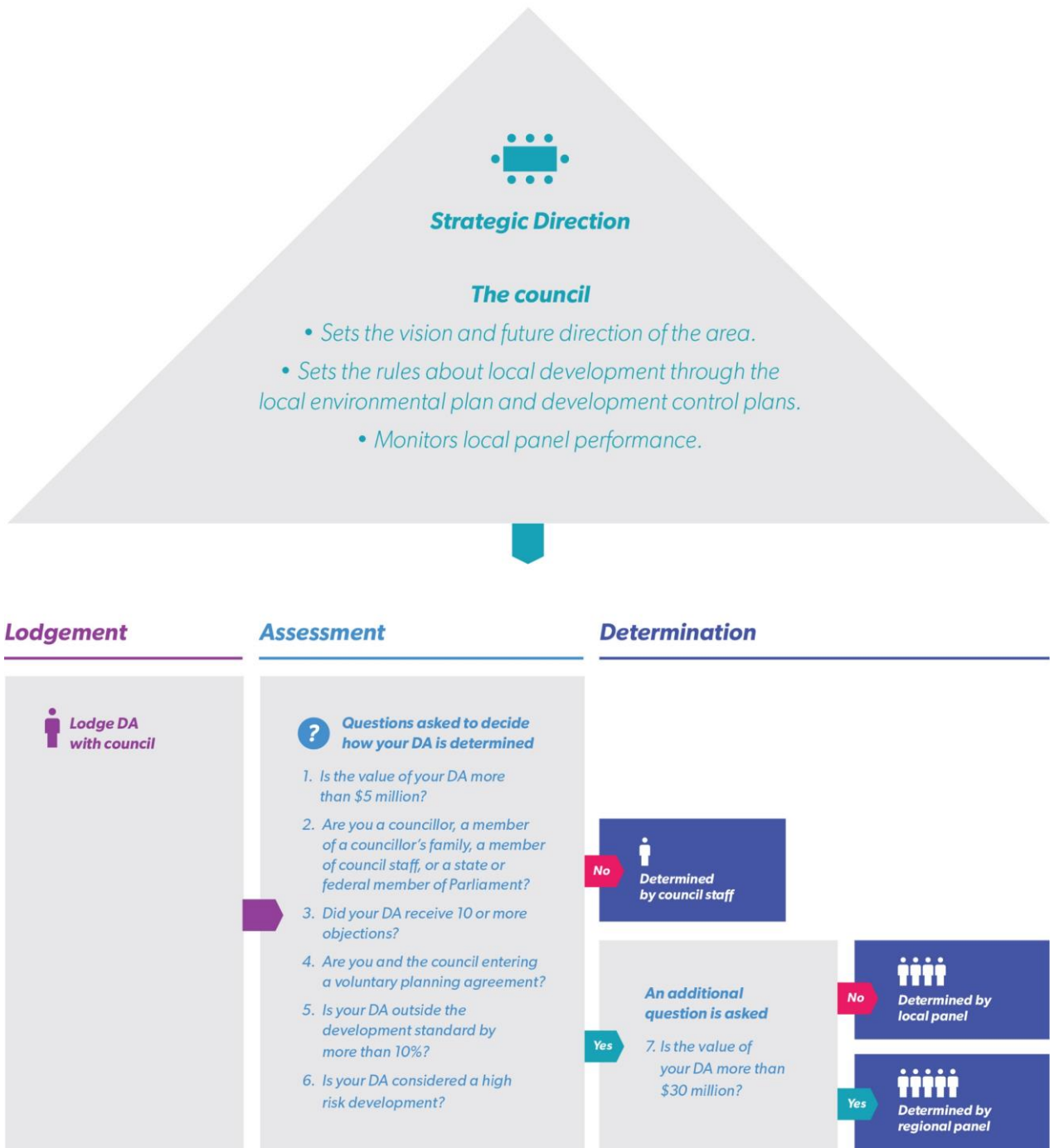
Applications that are of very high value, over \$30 million, will be decided by regional planning panels. **This increases the current \$20 million limit so that more decisions are made by the local planning panel or council staff.**

Some case studies of how these changes will affect development applications are set out at Appendix B.

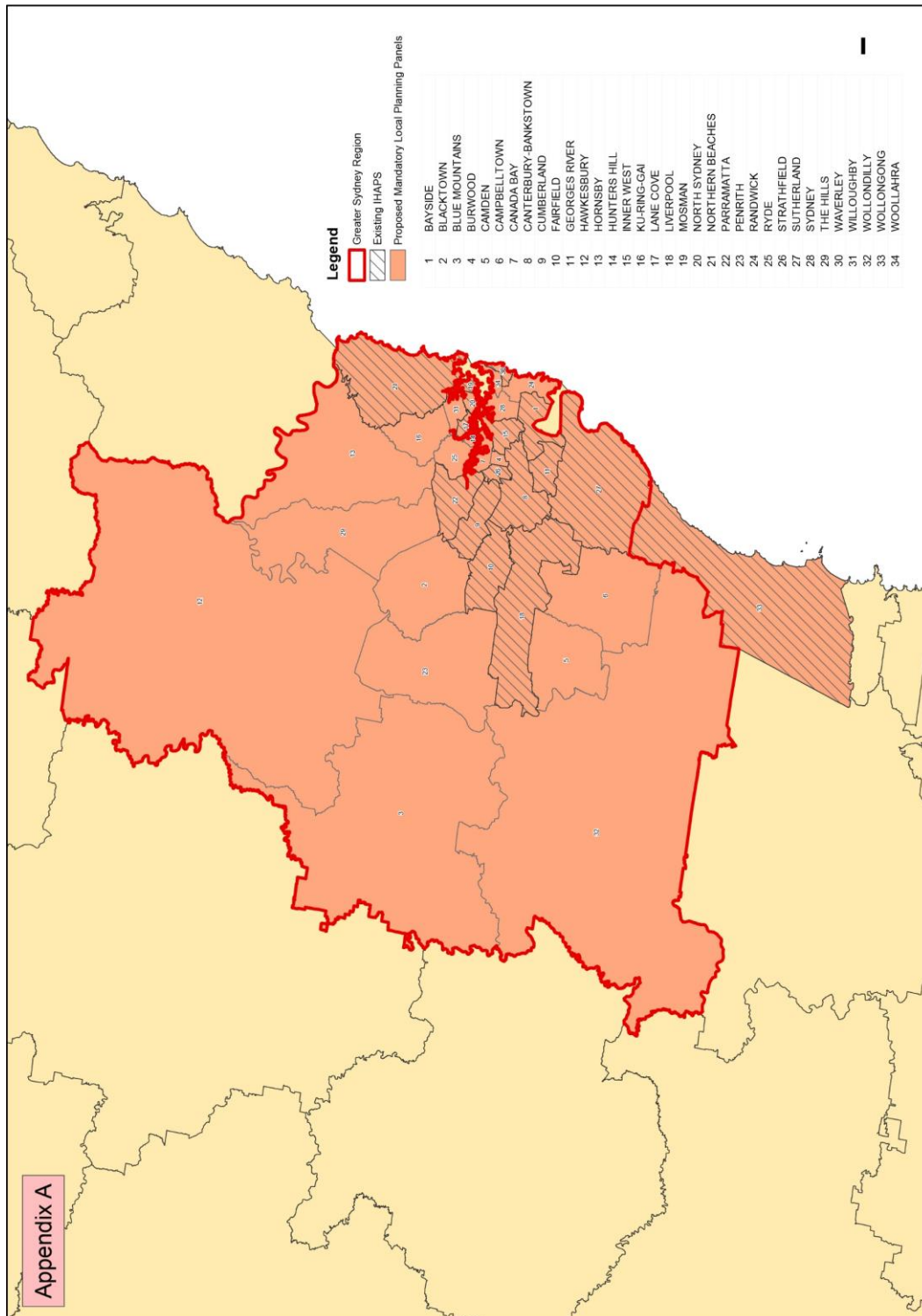
Councils will also have to seek the panel's advice on 'planning proposals', such as whether to change what can be built on certain land, for example changing factories to houses.

The following image shows the strategic role of councils and who would decide a development application, either council staff, the local panel or a regional panel.

How local developments will be determined



Appendix A



Appendix A

Appendix B

Case study 1: *New fence*

- *John is proposing to install a new front fence for his house.*
- *The proposed fence meets the council's local development controls, which are set out in its Development Control Plan.*
- *The construction value of the fence is \$30,000.*
- *One person, the adjoining neighbour, has objected.*
- *Under the proposal this matter would be determined by council staff under delegation as it does not meet any of the proposed thresholds for referral to a local planning panel.*

Case study 2: *Residential Flat Building*

- *Erik is proposing to build a residential flat building of 5 stories, which has 20 units.*
- *The construction value of the development is \$6.5 million.*
- *The proposal breaches the council's Local Environmental Plan controls by more than 10% in relation to its proposed floor space area.*
- *13 objections have been received.*
- *Under this proposal the matter would be determined by the local planning panel as a number of the thresholds for referral to the panel have been triggered (value, contentiousness, varying a development standard by more than 10%).*