

10.5. Development Assessment Performance 2024/25

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ATTACHMENTS	1. Letter from Minister for Planning [10.5.1 - 2 pages]
CSP LINK	2. Our Built Infrastructure 2.1 Infrastructure and assets meet diverse community needs

PURPOSE:

This report provides an overview and analysis of Council's development assessment performance for the 2024/25 year as measured by the NSW Government's Planning League Table.

EXECUTIVE SUMMARY:

- The Minister for Planning and Public Spaces issued a Ministerial *Order of Expectations* in July 2024 requiring that all NSW Councils meet certain development assessment targets. For North Sydney Council, this included an expectation that development applications be determined, on average, within 115 days.
- Council subsequently received a letter from the Minister for Planning and Public Spaces on 6 March 2025, stating that North Sydney Council was not currently meeting set targets, and that a Council-endorsed "action plan along with an associated program to swiftly improve performance" was to be prepared and submitted within 28 days of that letter. The action plan was reported to and endorsed by Council on 21 March 2025.
- The Minister subsequently responded on 14 May 2025, acknowledging Council's commitment to process improvements, and advised that our progress will be further reviewed in three months (mid-August 2025).
- This report provides a summary of Council's development assessment performance for the 2024/25 financial year against the NSW Planning League Table and the Minister's expectations.
- Whilst the League Table identified a year low of 159 days average for Council's DA determination time (in January 2025), Council has been able to achieve continuous and sustained improvement in the monthly determination data since that time, and finished the year with an average of 126 days. This is a good result and reflects the various initiatives and changes implemented and moreover, the ongoing commitment to improvement by Council staff. These improvements will continue to be driven into 2025/26.

RECOMMENDATION:

- 1. THAT** this report be noted.

1. Background

In July 2024, the Minister for Planning and Public Spaces issued a Statement of Expectations Order requiring that all NSW Councils meet certain development assessment targets. For North Sydney Council, this included an expectation that Development Applications (DAs) would be determined, on average, within 115 days after lodgement. This is tracked via the NSW Planning League Table and updated on a monthly basis. The Order sequentially reduces this target as follows:

- 105 days from 1 July 2025;
- 95 days from 1 July 2026; and
- 85 days from 1 July 2027.

As previously reported, Council staff have actively embarked on various initiatives to reduce DA processing times. Whilst more needs to be done, Council has achieved significant improvement in DA determination times over the last three years as illustrated in Diagram 1 on the next page) and more particularly, over the last five months.

This report details Council's League Table performance for the 2024/25 year just completed.

1.1 Ministerial Letter

Council considered a report at its meeting of 10 March 2025, which outlined both Council's performance for the first two quarters of 2024/25 as well as proactive initiatives to improve this performance.

Following this, a letter was received on 6 March 2025 from the Minister, outlining that North Sydney Council was not meeting these targets and that a Council-endorsed "action plan along with an associated program to swiftly improve performance" was to be prepared and submitted within 28 days of that letter.

An "action plan", which was being developed and rolled out before the Minister's letter, was reported and formally endorsed by Council on 21 March 2025.

A response dated 14 May 2025 was received from the Minister, acknowledging and thanking Council for the preparation of the action plan and indicating a further review of performance would occur in three months.

North Sydney was one of six metropolitan Councils to receive a performance improvement letter, with four of those being unable to satisfy the Minister's requirements. Those four are now being "managed" by the Department of Planning.

Pleasingly, Council's performance over the last five months has continued to improve as measured by the League Table (see Diagram 1). Whilst there is much to be done, this is a good basis on which to continue our improvement trajectory. The historic improvement since 2022/23, which is significant, is also highlighted in the diagram.

It is noted that a significant peak (representing a worsening of performance) emerged in January 2025 which in part, brought Council's determination time performance to the attention of the Minister for Planning. This peak was strongly influenced by three deemed refusal applications that were the subject of Land and Environment Court appeals. All three were refused by the Court during the January 2025 reporting period and represented an average determination time of 520 days. This is because they remained undetermined (being deemed refusals) until the Court made a decision.

Council staff have learned from this and deemed refusal appeals lodged with the Court, will in future, be promptly determined as soon as the appeal is lodged. This will allow the appeal to continue but the determination time (according to the League Table) will not be allowed to drag on unnecessarily.

Matters which are settled prior to hearing can still be concluded with a minimum of expense.

Council's increased understanding of how the planning portal and the League Table works has also been key in improving these reporting outcomes.

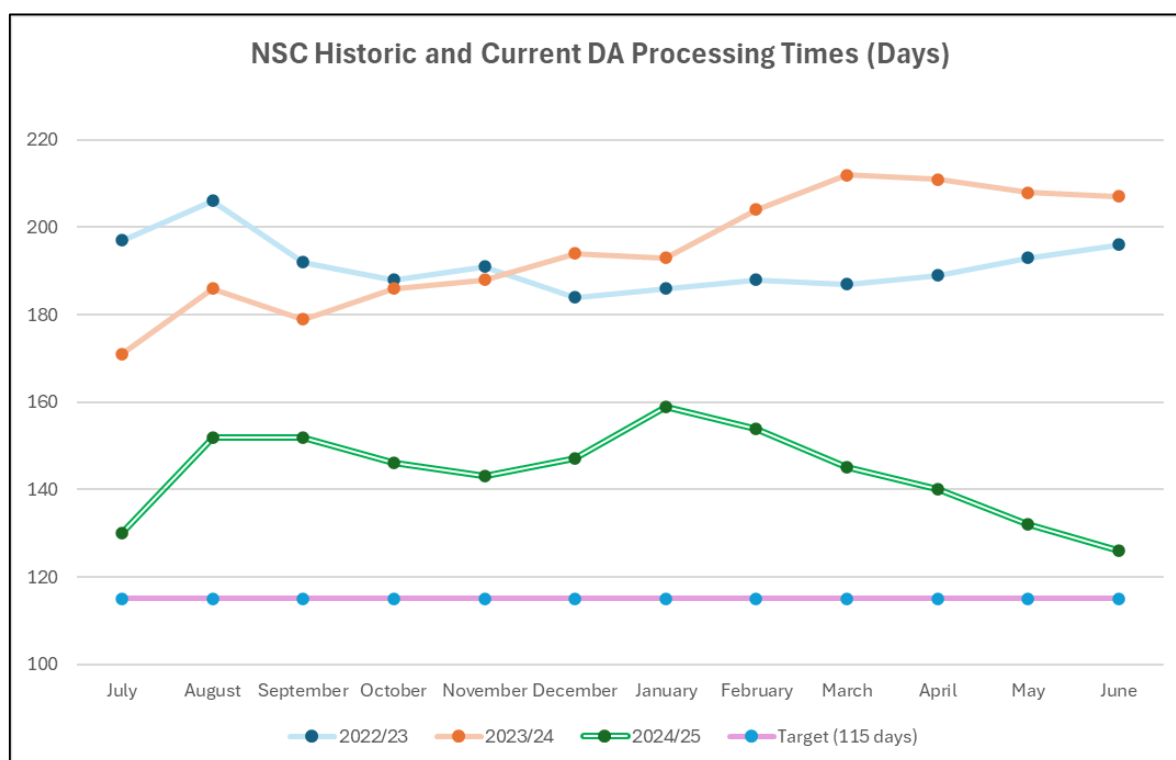


Diagram 1 - DA Determination Times NSC – Jul. 2022 – April. 2025 (Source: DPHI League Table)

It is noted that Council's average determination days for the months of March, April, May, and June were 89, 90, 91, and 76 days respectively (see Diagram 2 below). These were well under the 115-day Ministerial target for the 2024/25 year and indeed below the 105-day reduced target for the current financial year. This represents a 70–80-day improvement on the past 2 years.

This trend augers well for the 2025/26 League Table reporting period.

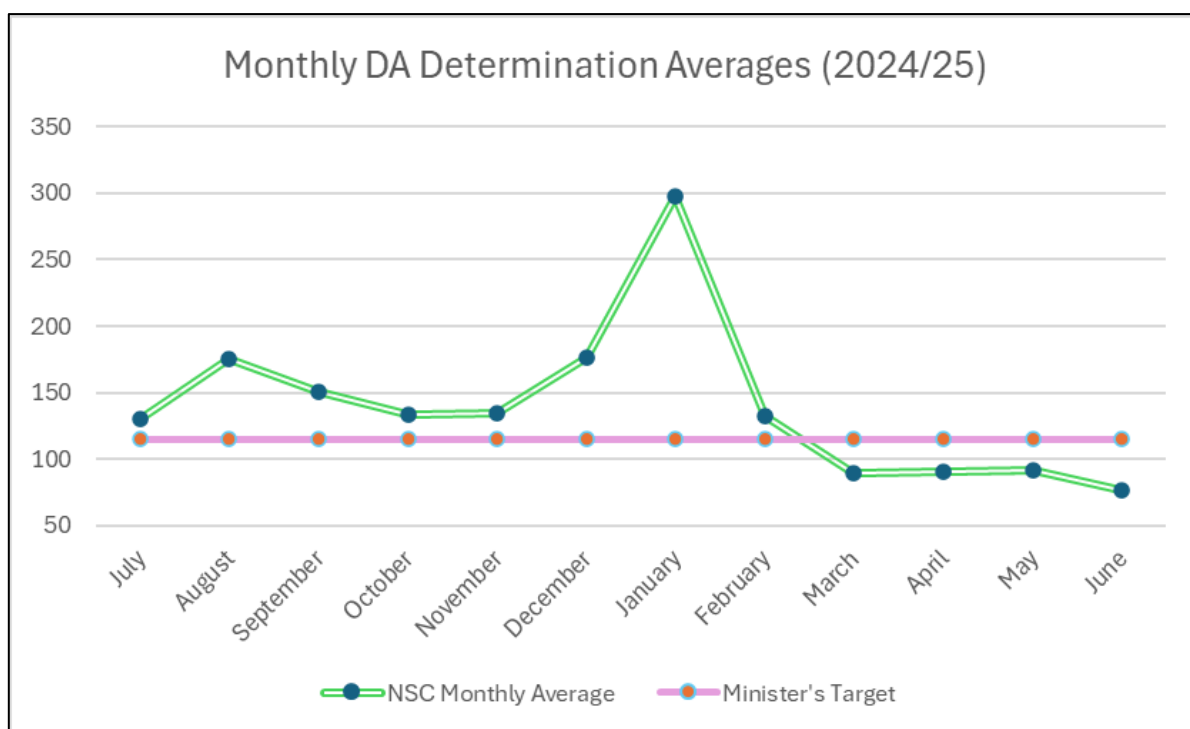


Diagram 2 – Monthly DA Determination Averages (2024/25)

2. Action Plan

Significant process improvements are required to achieve compliance with the Ministerial Direction. A 'process mapping' and improvement review, to help assist in reducing assessment times, commenced in late 2024, has been documented, and serves as a basis for continued improvement actions. This work was funded by a Commonwealth grant.

Council staff worked with consultants to map current processes, identify areas of improvement, and prepare a roadmap for sustainable process improvements. The objective of the review was to build an improved assessment process that focuses not just on process, but also on policy, people, and technology. This remains ongoing and good progress is being made. The short-term initiatives that have assisted in this pursuit have included:

- a concerted push to get older DAs within Council's control, determined;
- identifying minor or simple DAs into a Rapid Assessment Pathway, typically involving DAs which require only standard conditions or involving minor impacts;
- continuing to uphold a "once only" Request for Information (RFI) process;
- streamlining and prioritising internal referrals and reducing timeframes associated with this consultation process;
- DAs that are very non-compliant being rapidly refused, especially if the subject of a pre-DA process and where the advice given has been ignored;
- closer consideration of the need to notify of applications or amended plans if they represent minimal change, which is now supported by the recent adoption of a revised community consultation protocol.
- DA notification periods not being extended;
- determining "deemed refusal" applications when an appeal is lodged (as discussed above);

- encouraging the North Sydney Local Planning Panel (NSLPP) to determine applications rather than defer matters;
- reviewing reporting standards to ensure that relevant matters are addressed comprehensively but as briefly as the circumstances allow;
- employment of a short-term contractor to assist in clearing the backlog;
- a team “blitz” which occurred over three weekends in 2024/25;
- empowering and supporting staff to make difficult decisions; and
- investing in a specialist planning lawyer to assist with more efficient management of planning appeals.

Medium term strategies are also underway and continue to be implemented in an effort to be embedded in Council’s “business as usual” operations. The impact of these will be reported in future updates on Council’s development assessment performance.

2.1 Improved Internal Systems and Integration with the NSW Planning Portal

As previously discussed, Council’s internal systems have suffered from significant levels of historical underinvestment. Until this can be rectified more sustainably and permanently, our software support continues to be well below par and detracts from Council’s capacity to reach excellent standards of development assessment practice. Notwithstanding this, staff have extracted as much of the utility from our existing systems as possible in an effort to assist in the assessment and determination of DAs.

It should be stressed that this is something of a workaround and as expectations of faster determination times increase, it will be absolutely necessary to invest in this area of Council’s operation. It is noted that arising from Council’s *10 Year Governance Strategy*, an investment has been budgeted to achieve DA-specific software which will assist in this endeavour. It should be noted, however, that this will not resolve the wider technological issues and processes faced by the organisation, which the planning function obviously interacts with.

2.2 Appeals

The staff time and money that is spent on appeals is disproportionate. Appeal workload is prioritised over other assessment tasks, as Council is answerable to the Court with its very demanding timeframes.

Some members of the team had been managing up to three appeals, concurrent with their normal assessment responsibilities. In addition, and importantly, the inevitable delays associated with appeals adds to the League Table determination statistics, if the appeal is in response to a deemed refusal. Due to the complex nature of some applications which are appealed, determination times of up to 800 days can accumulate in the planning portal.

Pleasingly, the number of appeals has reduced, and is currently down to seven, around half of which are reaching an imminent conclusion. It is noted that this number has been as high as 16 in recent times. As a result, appeals are now better able to be managed within existing workloads. Council has also invested in an in-house Legal Counsel who will run many of the appeals that are lodged against refused and deemed refused DAs. This will benefit not only

the efficiency in which Council can deal with appeals but also represent a significant cost-saving over time whilst lessening the burden on Council's planning team.

3. Summary

Council staff have been on a process improvement journey to reduce determination times and enhance the customer experience, in what can sometimes be a challenging process for applicants. The threatening letter from the Minister was able to be addressed within this context and as a result, significant and tangible progress has been demonstrated.

The significant improvements that have been achieved since January 2025 are expected to continue into 2025/26. It is anticipated that Council will start the new financial year on a much better footing and manage the League Table results much more proactively. This will need to continue going forward, given the ongoing reductions in the expected average determination timeframes which will culminate in a target of 85 days in July 2027.

Consultation requirements

Community engagement is not required.

Financial/Resource Implications

The investment in software solutions to assist with the assessment, organising, and monitoring of Das, as well as their interface with the Planning Portal, was identified in the Governance Strategy and has been retained in the 2025/26 budget given the current focus on DA determination times.

Legislation

The requirements of the Environmental Planning and Assessment Act govern the assessment and determination processes for DAs.

The Hon Paul Scully MP
Minister for Planning and Public Spaces



Ref: IRF25/745

Cr Zoe Baker
Mayor
North Sydney Council
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Dear Mayor *Zoe*

I write further to my letter of 6 March 2025 about North Sydney Council's performance against the new Ministerial Statement of Expectations Order.

I thank Council for working collaboratively with the Department of Planning, Housing and Infrastructure in developing the action plan to enable a sustained reduction in end-to-end development assessment timeframes and having this endorsed by the elected Council on 24 March 2025.

Implementing this action plan is a key step to achieving long-term sustained improvements to Council's overall end-to-end development assessment timeframes and provides certainty for the community. As part of this action plan, I encourage you to identify an approach to conditions of consent that enable a streamlined post consent process.

I acknowledge and appreciate the effort Council has made in clearing the backlog of 'legacy' development applications (DAs) and accept this may temporarily impact your ability to significantly reduce your overall end-to-end timeframes.

Nevertheless, I do expect to see continued improvement in performance, with monthly applications received versus determined by Council meeting or bettering the 115-day end-to-end assessment expectation.

I also note that Council has received a grant from the Federal Government to assist in accelerating its planning functions. I understand that part of this funding will be used to employ an independent expert to review existing planning processes, recommend improvements and assist in the implementation of these improvements.

The Department will report back to me in three months, from the date of this letter, to identify the measures taken by Council and the degree of success achieved. This report will

include comments on the degree of success achieved, actions taken and associated program to deliver ongoing improved performance.

I have asked that Jazmin Van Veen, Director, North, East and Central Coast, contact Council to discuss this further.

I look forward to seeing Council make these improvements to its assessment processes to deliver more homes for the community.

Yours sincerely



Paul Scully MP
Minister for Planning and Public Spaces

14/5/25