

23 June 2017

**Victoria**  
Level 3, 124 Exhibition Street  
Melbourne VIC 3000

A.B.N. 34 151 601 937

*Leading effective planning  
for people and places*

Dear Sir or Madam

### **Small Business Regulation Review (Retail Sector)**

The Planning Institute of Australia is the national body representing over 5,300 urban and regional planners across Australia and overseas. This submission has been prepared on behalf of our Victorian members by the Victorian Committee (PIA Victoria).

Thank you for providing the opportunity to comment on the *Draft Action Statement: Making It Easier to Do Business in Victoria*. PIA Victoria has considered the proposals outlined in the Statement and wishes to offer feedback for consideration in the development of the final Action Statement. It is recognised that the proposals in the draft Statement cover a range of opportunities, however PIA Victoria wishes to focus on those proposed reforms with relevance to the Victoria's planning system and which will affect the planning profession.

### **Context**

At the outset, it is important to emphasise the role of the planning system in relation to setting the broad land use and development context within which small businesses establish and operate. This role is based around two principle aspects:

1. Planning is an enabler in facilitating economic development and improving the choices available for where and how people live and work.
2. The planning system facilitates decision making and helps balance private, government and community interests for future net community benefit.

To the extent that the planning system can sometimes be viewed as a 'blocker' of economic development or source of 'red tape', this is often a function of poorly conceived or out-of-date regulatory instruments, including poor integration with other regulatory systems. PIA Victoria and the planning profession support reform measures which will ensure the planning system can operate effectively and efficiently to deliver policy objectives such as sustainable economic development and vibrant activity centres.

### **Reform Area 1: Make it easier to discover what is needed to start and grow a business**

Improvements to information available about regulatory processes are supported by PIA Victoria, including the concept of a regulatory journey map. However, it is noted that the extent to which the information available is easy to understand depends on the clarity and simplicity of the regulatory system it is describing. There are considerable opportunities available to simplify planning scheme requirements, as discussed below.

It will also be important to work closely with local government as to the quality and consistency of information available, given councils are generally the responsible authority for most planning matters affecting small business. A simplified, easy to use and consistent online process is required across all Councils where an application for a Permit is still required. Many members of the public and non-planners get confused by the different versions of forms, check lists and information required by each Council.

## **Reform Area 2: Reduce the time taken for approvals**

### Section 2.3 - Move from sequential to concurrent approvals processes

The concept of moving to more concurrent approvals processes is an attractive one in terms of reducing delays for small businesses and providing greater certainty. However, PIA Victoria submits further consideration is required of the following matters:

- Whilst a case management approach is worthy of exploration, PIA Victoria is concerned that planning departments have been identified as the likely lead area for many applications. Council planners are already subject to considerable pressure to deliver an increasingly complex planning system, as demonstrated by the fact that less than two thirds of (non VicSmart) planning applications are determined within statutory timeframes. The recent expansion of VicSmart has put further pressure on council planning departments to deliver expeditious approvals within their available resource envelope. It is not the role of council planners to case manage business applications across a range of other council departments and the potential detrimental effect on planning department resources may in fact be contrary to the overall aim of reducing approval times for small business proposals.
- The proposal to increase the alignment of processing of planning and liquor licence applications should be reviewed, as this is essentially dealing with the symptom and not the cause of this regulatory burden. The opportunity should be taken to consider completely or partially removing planning permit requirements for liquor licenses from the Victoria Planning Provisions. The current approach represents a significant regulatory overlap between the planning and liquor licensing systems, with limited benefits in many cases. Most planning issues around licensed premises could be managed through normal land use controls. It may be that the system of liquor licensing regulation in Victoria needs to be reviewed and enhanced to ensure it provides the type of robust framework and decision-making model for which the planning system currently acts as a surrogate.
- PIA Victoria would support greater delegation of decision making to officers and technical experts in relation to a range of planning issues.

### Section 2.4 - Remove low-risk approvals

PIA Victoria strongly supports proposals to expand the scope of existing permit exemptions to remove low-risk matters that clutter the planning system for limited community benefit. Removing the need for a permit for car parking waivers in established shopping centres would have significant benefit for small business. Advertising signage requirements should also be reviewed, as could planning permit requirements that relate solely to referrals to other agencies such as VicRoads or water authorities.

In addition to removing low-risk approvals, a consistent approach is required when considering buildings and works exemptions that are applied to the Activity Centre Zone and Commercial 1 Zone. Despite these two zones having a similar purpose and application there are different exemptions.

We consider that there should not be a further expansion of VicSmart until the recent changes can be evaluated. A more productive approach would be, through the Smart Planning Program, to identify opportunities for removal of low-risk permit triggers or other planning system improvements. It is recommended that the Department work with the Department of Environment, Land, Water and Planning to identify priorities to be addressed through Smart Planning which will help reduce permit requirements or simplify planning provisions.

Ultimately these measures could have significant benefits as they reduce the resource demand on the planning system which will help small business, as well as other stakeholders.

If you wish to discuss any aspect of this submission, please do not hesitate to contact the Victorian Executive Officer, Carmel McCormack or myself on 03 9654 3777.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L Murray'.

Laura Murray RPIA  
**President PIA Victoria**