

10.5. Development Applications Approved - Quarterly Report Q1 & Q2 FY2024/25

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| ATTACHMENTS | Nil |
| CSP LINK | 5. Our Civic Leadership 5.1 Lead North Sydney’s strategic direction 5.2 Strong civic leadership and customer focussed services |

PURPOSE:

This report provides an overview of Development Applications approved by Council in the first two quarters (1 July 2024 to 31 December 2024) of the current financial year, and Council’s performance against the NSW Government’s League Table.

EXECUTIVE SUMMARY:

- The Planning Minister’s July 2024 Direction, issued to all Councils in NSW, requires that North Sydney Council determine development applications (DAs) within an average of 115 days after lodgement.
- The number of DAs determined within quarters 1 and 2 of 2024/25 was 112, with a development value of \$620,653,233.
- The average determination times derived from the NSW League Table was 147 days at the end of Quarter 2, a significant improvement on the two previous years, (207 and 196 days respectively), but remains above the Ministerial Direction of 115 days.
- The extent and quality of scrutiny in relation to Council’s “clearing house” and Development Review Panel (DRP) process is assisting in reducing assessment times.
- It is anticipated that further reductions in determination times will occur in the future, with the continued implementation of refined and improved assessment processes.
- A process-mapping and improvement review (with an anticipated completion date of April 2025) is underway to identify process improvements to further reduce assessment times whilst ensuring a robust application process. The results and recommendations of this review will be developed into tangible actions to improve determination times.
- Council’s Development Control Plan is also being streamlined to reduce assessment complexity.

RECOMMENDATION:

- 1. THAT** the report be received by Council.

Background

The purpose of this report is to provide an analysis of development applications (DAs) determined, and their processing by Council. This report covers both Quarters 1 and 2 of the current financial year 2024/25.

All data is obtained from the Department of Planning's "Council League Table" which is an interactive performance-monitoring dashboard for determination of DAs. This followed the Planning Minister's July 2024 Direction, issued to all Councils in NSW, requiring that North Sydney Council determine development applications (DAs) within an average of 115 days after lodgement. Data is available to the public and can be viewed by Council, geographic region, development type, and over different time periods.

The Council League Table and associated data was introduced to track compliance with Ministerial Directions which set down an average assessment determination time of 115 days. The 115-day target will be reduced to:

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

It is noted that the data obtained does not include assessment times for modification or review applications which account for about a third of Council's Development Services assessment workload. The League Table data also does not factor in 'Stop the Clock' (STC) measures nor recognises a deemed refusal appeal as a determined application, which increases nominal processing times.

Previous reports have been prepared using Council's in-house database and the resultant data is not directly comparable. The League Table statistics will be used as the primary measure of performance going forward.

Applications Determined

A summary of applications determined during Qs 1 and 2 is provided in table 1 below.

| Determined | Avg Days to Determine | Median Days to Determine | Approved | Cost of Development Approved | Applications Under Assessment |
|------------|-----------------------|--------------------------|----------|------------------------------|-------------------------------|
| 112 | 147 | 111 | 104 | \$620,653,233 | 123 |
| | | | 93% | | |

Table 1 – Development application statistics for North Sydney between July and December 2024

Average time to determine Development Applications was 147 days for Q1 and Q2 of 2024/25, representing a development cost of approximately \$621M. The average DA processing time of 147 days (see Diagram 1 below) represents a significant improvement compared to the 2022/23 and 2023/24 averages of 196 and 207 days respectively, which

reflect ongoing efforts to streamline processes and address the backlog of applications. Whilst the 115-day target set by the Minister has not yet been achieved, Council staff remain focused on meeting this expectation by implementing systemic improvements.

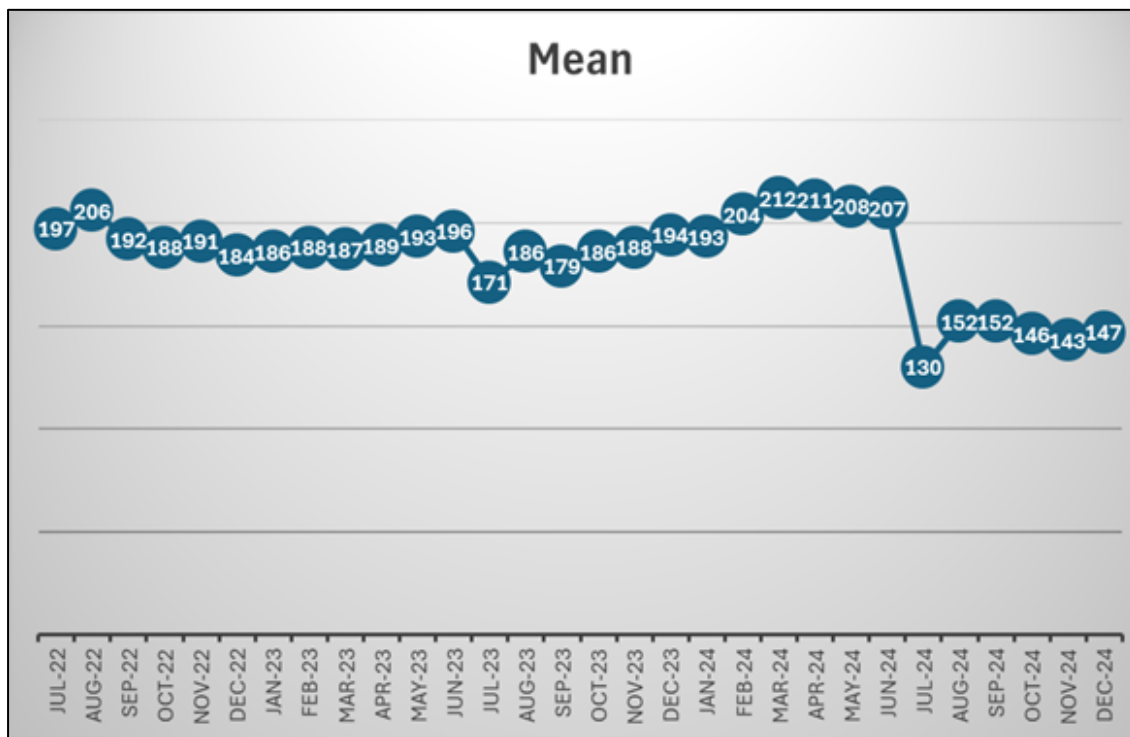


Diagram 1 – Historical Average DA Determination Times (days) for North Sydney Council

The above graph reflects a 25% improvement over previous years. The extent and quality of scrutiny in relation to the clearing house and Development Review Panel (DRP) process is reducing processing times, as less time is spent on requesting additional information, and by only sending one request for additional information during the DA assessment process.

The DRP process is conducted by Council staff to triage pre-lodgement assessment, ensure a high standard of submissions, and allocation to officers having regard to skills and workload, with the intent of minimising processing times and eliminating unnecessary delays or impediments to reduce overall DA assessment times.

Long Term Trends

Table 2 on the next page provides the number of DAs (excluding modification applications) and their value over the last several years.

| | 2022-23 | 2023-24 | 2024-2025 (July-Dec) |
|------------------------------|----------|----------|-------------------------|
| Total DAs (excl mods) | 268 | 241 | 112 |
| Cost (approx.) | \$496M | \$315M | \$621M |
| Average Time | 196 days | 207 days | 147 days |

Table 2 – Historical DA Data for North Sydney 2022/23 – 2024/25 (to Dec.)

Application numbers determined for the first two quarters of this financial year have remained consistent with earlier years though development have increased significantly. There is a strong correlation between development costs and the complexity of applications.

Total costs have varied between the financial years. It is noted, however, that the total cost of development for the current year would be the highest thus far, already surpassing the previous financial year, and it is anticipated that it could be over a billion dollars’ worth of development by the end of the 2024/25 year. It should be noted that this is one of the highest in NSW. The table below highlights that of all Councils in NSW, North Sydney (at the end of January 2025) had the 5th highest value of DAs lodged in the state. If averaged per DA lodged, this value is the highest value per DA of these top 10 Councils in NSW. This highlights the bigger scale development that is generally considered in North Sydney.

| | Council | DAs | Total Value | Ave Value/DA |
|----------|---------------------|------------|------------------------|---------------------|
| 1 | Sydney | 673 | \$4,292,502,009 | \$6,378,160 |
| 2 | The Hills | 899 | \$2,081,607,020 | \$2,315,469 |
| 3 | Penrith | 327 | \$1,720,477,336 | \$5,261,399 |
| 4 | Queanbeyan-Palerang | 269 | \$1,357,404,523 | \$5,046,113 |
| 5 | North Sydney | 148 | \$1,303,828,670 | \$8,809,653 |
| 6 | Camden | 445 | \$1,251,731,668 | \$2,812,880 |
| 7 | Lake Macquarie | 911 | \$1,067,393,891 | \$1,171,673 |
| 8 | Bayside | 235 | \$1,019,858,983 | \$4,339,825 |
| 9 | Woollahra | 308 | \$877,742,424 | \$2,849,813 |
| 10 | Wollongong | 492 | \$822,594,169 | \$1,671,939 |

Table 3 – Ten highest DA value Councils in NSW (July 2024-Jan. 2025)

Recent and Future Improvements

- *Process Mapping Accelerated Project*
Further process improvements are required to achieve compliance with the Ministerial Direction. A ‘process mapping’ and improvement review is underway to help assist in reducing both lodgement and assessment times. Council staff are working with an external consultant to map current processes and to identify improvement opportunities. It is anticipated that the process-mapping review will be completed and fully implemented by the end of 2025. Funding for this project comes from a Commonwealth Government grant.
- *Improved Integration with the NSW Planning Portal*
Progress has been made, in collaboration with our Information Technology colleagues, which has improved integration with the NSW Planning Portal. Council is still effectively running three systems (property management system, our document management

system, and the Planning Portal, being the State mandated application management system) which is obviously not efficient.

Council has accepted an offer to participate in a pilot program, its intent being to achieve an integrated dashboard which connects all three systems, thus eliminating the triplicity in dealing with the three IT touch points. Delivery is anticipated in Quarter 2 of the 2025/26 financial year. If successfully rolled out, it is anticipated that it will provide considerable time savings in assessing and determining development applications, as well as increasing levels of consistency.

- *DCP Review*

Council has appointed a consultant to assist in a review of the North Sydney Development Control Plan 2013. The objective of this review is to simplify and update the existing DCP by reducing inconsistencies, redundancies, and duplication.

Delivery of this project is anticipated in Q4 of the 2024/25 financial year and will be subject to community consultation (following initial adoption by Council). Funding for this project comes from a Commonwealth Government grant. It should be noted that the delivery timeframe for this project (associated with the strict time limits of the grant), will mean that this project can only realistically deliver a first stage of a more comprehensive streamlining exercise.

- *Approach to Requests for Information (RFI) and Use of Stop the Clock (STC)*

Council has introduced a limit of one Request for Information (RFI) letter being issued to applicants, to reduce delays in processing of applications. This arises from an adherence to times given to submit the information within the RFI, typically 14 or 21 days depending on the complexity of the application. The use of the STC is useful (even though the portal does not factor in 'stop the clock' times) for reviewing internal performance. Steps are currently being undertaken to ensure a more consistent approach for STC use, which will assist in workload and performance management.

Other Initiatives

- Over the last 12 months, great attention has been paid to the reduction of the number of older applications, and this focus will continue.
- Council's standard conditions of development consent were reviewed in November 2024 to ensure that they are contemporary and consistent.
- The current clearing house and DRP process, which has proven to be successful in reducing times, will continue to be refined. This involves rejecting applications which are poor or deficient in content and thus not suitable for processing. Applications which are "rejected" do not contribute to the determination times for accepted application.
- Identifying further opportunities to optimise interaction with the Planning Portal.

Monitoring and Review

Regular review of Council's performance against the League Table will continue, with regular check points. This includes monitoring older applications and their case management, troubleshooting where required, moving resources where the needs are greatest, and supporting staff in meeting our organisational goals.

It is noted that the Minister's Statement of Expectations Order regarding the determination of DAs requires that, whilst determination times at present are expected to be completed within 115 days, this will decrease to 105 days from July 2025.

Consultation requirements

Community engagement is not required.

Financial/Resource Implications

There are no financial or resource implications associated with this report at this time. It should be noted that localised improvement to Council's development assessment and associated systems as described in this report are identified in Council's Governance Strategy as an area of investment in 2025/26.