

**Real Estate Institute of New South Wales Limited**

**Submission dated 4 August 2015**

*IPART'S Issues Paper – Review of Reporting and  
Compliance Burdens on Local Government*

**To:**

Review of reporting and compliance burdens on Local Government  
Independent Pricing and Regulatory Tribunal  
PO Box K35  
HAYMARKET POST SHOP NSW 1240

This Submission has been prepared by The Real Estate Institute of New South Wales (**REINSW**) and is in response to the Issues Paper on *Review of reporting and compliance burdens on Local Government*, prepared by Independent Pricing and Regulatory Tribunal (**IPART**) and released to stakeholders on 13 July 2015 (**Issues Paper**).

As the largest professional association of real estate agents and other property professionals in New South Wales, REINSW has members who specialise in one or more practice areas, including property management, strata management, residential sales, commercial/industrial, project marketing/management, project investment, stock and station, holiday and short-term rentals, business agents, buyers' agents, auctioneers and valuers.

REINSW consistently takes part in formulating regulatory policy in New South Wales. By representing its members that way, members have a voice in shaping the legislative and regulatory framework of their industry.

REINSW understands that the Independent Local Government Review Panel has recommended to the NSW Government that it commission IPART to undertake a whole-of-government review of the regulatory, compliance and reporting burdens on councils.

REINSW commends the NSW Government for engaging IPART to undertake such an important review and thanks IPART for its thorough investigation.

REINSW agrees in principle with:

- improving the efficiency of councils;
- enhancing the ability of councils to focus on delivering services to their communities;
- reducing or removing unnecessary or excessive planning, reporting and compliance obligations imposed on councils;
- streamlining planning, reporting and compliance burdens imposed on councils; and
- reducing the data collection and reporting burden imposed by NSW Government agencies on councils.

The NSW planning system has become a long and complex process, causing loss of productivity for tenants and loss of rent for landlords. REINSW would like IPART to recommend a review of the Development Application (DA) process for all types of applications (that is, regardless of whether the DA is for a small shop fit-out or for a large development). Currently, the process is over-regulated and expensive with a need to be more streamlined and certain.

REINSW believes that more certainty in the DA process will encourage investment, particularly if there is more certainty before the applications take place. For instance, if there are areas not available for development or change then it should be made known and so too should those areas that are available for development and change. That way, there will be minimal impediment to developments. REINSW recommends that the NSW Government

should permit the publication of criteria required for developments and changes in order to save valuable time and costs.

In addition, because of the lack of certainty that exists in the DA process, many DAs are ultimately determined by the Land & Environment Court to the extent that on many occasions one might be forgiven in thinking that the relevant consent authority for DAs is the Land & Environment Court.

The current DA process, including with respect to DAs required for usage (and fit out) of commercial properties, is not streamlined and involves a substantial amount of unproductive and unnecessary red tape. Landlords and tenants are out of pocket, foreign investors lose confidence, agents lose contracts, and investors and tenants move their businesses elsewhere. REINSW suggests that one way to improve the DA process is to streamline the number of consultants required before a DA is approved. That approach will assist all interested parties by simplifying and speeding up the DA process. Currently, the process has the potential for 15-36 consultants to be involved, the latter number being likely for a DA lodged with the City of Sydney. That number of consultants is unnecessary and prolongs the process. REINSW recommends that the NSW Government have regard to the DA process implemented in Queensland, which is far more streamlined and practical than that in New South Wales.

On another note, REINSW is of the view that there needs to be a reduction of any duplications in reporting requirements across the NSW Government which will in turn result in substantial savings.

REINSW thanks you for the opportunity to provide this Submission. Should you wish to discuss it further, REINSW is more than happy to do so.

Yours faithfully

Tim McKibbin  
**Chief Executive Officer**  
**The Real Estate Institute of New South Wales**

