



Public Sector
Commission

Agency Capability

Department of Planning, Lands and Heritage

Executive summary



March 2023

Introduction

A review of the Department of Planning, Lands and Heritage under the trial of the [Agency Capability Review Program](#) was carried out from July 2022 to January 2023.

The agency has a key role in planning and managing land and heritage for all Western Australians, ensuring that state land is used in ways that deliver optimal outcomes for the state.

At its best, the agency can enhance the liveability and sustainability of the state for future generations by appropriately protecting and facilitating the development of finite state resources.

The findings of this review around leadership and coordination, workforce services and planning, and customer focused service delivery aim to help ensure that Western Australia continues to grow and diversify while protecting the built and cultural heritage.

The review comes at an opportune time for the agency with leadership engaged and keen for improvements as they navigate a comprehensive reform agenda. The agency's remit is shifting and its place and importance as a leader is strong and can be strengthened further.

About the Agency Capability Review Program

The Agency Capability Review Program takes a comprehensive, whole of sector approach to improvement. It sets standards based on a clear understanding of what constitutes a high performing public sector agency in Western Australia.

The program is being trialled over 2 years (2021-22 and 2022-23) in 8 government agencies. This review is one of 3 undertaken at the same time.

Reviews provide valuable insight into how agencies can improve and deliver the quality of services expected of them. They also contribute to the development and improvement of the sector as a whole.

Reviews are conducted by independent lead reviewers with public administration expertise and experience. They are supported by senior executives from the government sector who are co-opted for each review as well as the Agency Capability Review team at the Public Sector Commission.

Each review is conducted against a standardised [Agency Capability Framework](#) of the 5 most significant areas of public sector management and administration. The framework is relevant and applicable to all agencies regardless of their remit, purpose, functions and services.

The framework supports agencies to ask 4 key questions:

- What are we meant to achieve?
- How well are we currently doing it?
- How do we know?
- Where can we do better?

Agency background

The agency was formed on 1 July 2017 through the amalgamation of the Department of Planning, Department of Lands and the State Heritage Office as well as parts of the former Department of Aboriginal Affairs. It is responsible for state level land use planning and management, and oversight of Aboriginal cultural heritage and built heritage matters.

The agency's vision is "to respect our past, to create opportunities today, and to plan for our future."¹ Towards this vision, the agency's purpose is to "plan and manage land and heritage" and "respond to, and balance demands on the land as well as proactively planning to ensure our communities can continue to prosper in future generations."²

The agency provides advice and assistance on land use planning, development and review of state planning policies, recommendations on regional and local planning strategies and schemes, and it makes decisions on structure plans, subdivisions and development applications. It supports the Western Australian Planning Commission to enable the acquisition and management of properties reserved by the state's 3 regional schemes.

The agency administers and manages Western Australia's Crown land estate and all coastal and other waters. It also supports the Heritage Council of Western Australia that manages Aboriginal heritage on behalf of the Minister for Aboriginal Affairs.

The agency is delivering on several government priorities including 3 streams of legislative reform across its remit. It employs approximately 935 full time equivalent staff, with around 6.1% based in regional areas. Its annual budget is in the order of \$220 million.

The agency delivers expert advice and corporate support to the following statutory and external bodies:

- Western Australian Planning Commission (including its sub-committees and the State Design Review Panel)
- Heritage Council of Western Australia
- Aboriginal Lands Trust
- Aboriginal Cultural Heritage Committee
- Pastoral Lands Board

The agency also provides a secretariat service for the state's Development Assessment Panels, an independent decision-making system to determine certain development applications.

Future operating environment

The Western Australian population is forecast to grow from 2.7 million in 2021 to 4.3 million by 2042, highlighting the need to plan for this growth in a sustainable and environmentally conscious way. Climate change will continue to impact the state and the agency will have to remain responsive and adaptive.

¹ WA Government, DPLH (2021) [Annual Report 2020-21](#), page 9, accessed 11 April 2022.

² WA Government, DPLH (2019) [Strategic Plan 2019-2024](#), accessed 7 April 2022.

While the agency seeks to protect, conserve and manage land and heritage, enabling industry and development is also a core element of its remit. Into the future, external factors will continue to influence peaks and dips in levels of development. The agency needs the agility to manage this effectively.

This tension as the enabler and regulator of development will only continue to become more complex going forward, particularly in the planning context of increasing development intensity and infill.³ Proponents are calling for greater transparency, certainty, and accountability to give them the confidence to invest in Western Australia.⁴ As demands on the agency increase, so does the risk of planning and development delays which are both costly and frustrating for proponents.⁵

The agency's stakeholders are, and will continue to be, key contributors to the planning, land and environmental solutions of the future. Building and strengthening relationships as a state leader are required to achieve the best outcomes.

Protecting Aboriginal cultural heritage is a growing area of community interest, particularly post Juukan Gorge. The future for Aboriginal land rights and cultural heritage is currently undergoing significant change. As responsibility and land rights are repatriated back to Aboriginal owners, the agency has a vested interest in ensuring that Aboriginal people and Traditional Owner groups have the capability and capacity to effectively negotiate and make agreements with proponents regarding their land.

The agency needs significant capability in setting and implementing a strong purpose, vision and strategy to ensure it effectively negotiates in an increasingly complex operating environment to manage competing demands for finite, irreplaceable land and heritage assets.

³ Property Council of Australia, WA (2021) [Planning to Deliver – Ideas to transform the Western Australian Planning System](#), page 3, accessed 11 October 2022.

⁴ Property Council of Australia, WA (2021) [Planning to Deliver – Ideas to transform the Western Australian Planning System](#), page 2, accessed 11 October 2022.

⁵ Australian Government, Productivity Commission (2020) [Overview – Resources Sector Regulation Productivity Commission Study Report](#), page 11, accessed 11 October 2022.

The review process

The review was undertaken by Colin Murphy PSM as the independent lead reviewer with support from Morgan Marsh as senior reviewer co-opted from the Department of Biodiversity, Conservation and Attractions, and the Commission's Agency Capability Review team.

Mr Murphy had over 12 years' experience as Auditor General of Western Australia. Most recently he was Commissioner for the Perth Casino Royal Commission. He is the independent chair of the audit and risk committees for several public sector agencies.

The review looked at all 21 capabilities and identified 3 lines of inquiry for in-depth investigation. This involved further engagement and investigation with the agency, and research into how practices might be improved or capability gaps addressed.

The review also identified strengths that the agency and sector can build on and share.

The review involved 6 months of investigation and research, collecting information from the following:

- a comprehensive review of a large number of published and unpublished documents
- over 90 external stakeholder meetings and workshops and submissions from groups
- 30 staff interviews including groups of staff from various business areas and regions
- a self assessment by corporate executive against the Agency Capability Framework
- a half day corporate executive workshop and several briefings and meetings with the Director General and executive team
- individual interviews with each corporate executive member
- a comprehensive capability questionnaire gauging staff perceptions of the agency's capabilities
- a 'Have Your Say' challenge inviting staff to share what the agency does well, what can be improved and ideas for improvement.

What the review found

- The agency is performing and delivering under considerable pressure with significant legislative reform underway alongside usual core business. It is also responsible for the delivery of a number of major government priorities. Examples include the supply of land for social housing, ongoing conservation works at Fremantle Prison, and the establishment of the Market-Led Proposals policy and secretariat function.

- Given the agency's important remit, it needs to drive a stronger future focused agenda and also take the lead in planning, lands and heritage on behalf of the state. The competing interests in the planning and land use space, with multiple organisations involved, must be managed well.
- The agency has to prioritise work in the financial management of state land and ensure appropriate asset controls and reporting are in place.
- The agency needs to focus more strategically on its workforce to ensure it has the right skills to deliver good outcomes. New skills and knowledge are needed in areas such as environmental management in land use and commercial development. Alternative methods of recruiting, managing and organising the workforce should be considered, particularly in regional offices to provide local representation, perspectives and services that add value to regional communities.
- There are a number of strengths in the agency and these can help it change and improve its approach to leadership, workforce planning and customer service. Its track record of successful change management can be built on to engage staff in future change. Using or adapting its approach to engaging and valuing expertise in the design industry could benefit other customer and stakeholder groups as well as improve policy making and outcomes. Staff acknowledge the strong and supportive workplace culture.
- Prioritising customer service including the timely provision of accurate information, measuring service quality and using customer feedback to support improvement will be important for the agency.
- Technology systems need to be better integrated and accessible, supporting staff, stakeholders, and customers to access and use planning, land and heritage information. While positive developments are underway, the agency should do more to leverage technology in line with government digital principles.

Lines of inquiry

The 3 lines of inquiry summarise where the agency could focus improvement. By addressing these key areas, the agency can build capability to meet its legislative mandate, current and emerging priorities, and community expectations.

Line of inquiry 1: Leadership and coordination – improving planning and land use management

Unless there is a more integrated approach to planning and land use management, there is a risk of continued lack of transparency and delays in planning approvals. There are competing interests in the planning and land use space and multiple organisations involved. Customers have the difficult task of navigating complex regulatory and approvals processes on their own.

The legislative framework for planning and land use is complex, with the agency just one of many authorities that can influence planning and land use decisions. Strong leadership is required to balance the different tensions and sometimes competing interests in the planning, land use and heritage spaces. Leadership in this context is not necessarily about having the final call on every decision. Rather, stakeholders would like to see the agency play a facilitating and coordinating role with the different parties so there is a clear direction forward and reliable information.

The agency needs to be more proactive in taking on a lead role beyond its statutory obligations consistent with its future focus to deliver liveable communities and economic opportunities across the state – and protect built and cultural heritage in the process. The agency is described as process driven and focused on what is in front of it and needs to enhance its capacity to consider what is on the horizon. The agency needs to be less reactive.

The agency is well positioned to balance the government's agenda against long term state interests and the agency needs to be more confident to step into this role. As the custodian of planning, land and heritage data, information, and statutory powers, it has an obligation to determine how the state can get the most value out of the land.

At a more local level, there is a growing momentum to embrace, respect and facilitate Aboriginal voices and perspectives in planning and land use. Stakeholders see the recent Aboriginal cultural heritage reforms as an opportunity for greater agency leadership and coordination. Industry stakeholders are also looking for more guidance and certainty about the operation and capability of new local Aboriginal cultural heritage services to meet seemingly ambitious legislated demands. There is an opportunity for the agency to create a hub for Aboriginal services to support improved engagement and better management of processes.

The Western Australian planning system is largely sound and effective, with current planning reform comprising tweaks and nudges of an already working system. However, as a key aspect of the agency's expected leadership role is to ensure a whole of government approach to planning and development, better coordination of referrals, infrastructure and utilities for development applications is needed.

Early engagement in the assessment process and a more proactive approach to cross agency collaboration is needed to resolve issues and achieve better alignment. This will create a more streamlined development assessment process, help get

people into homes, enable industry to flourish, and deliver positive economic and social outcomes.

Streamline WA is a significant initiative to streamline regulatory approvals across government. The agency needs to move more quickly to embed Streamline WA principles into its business practices and relationships. There is also opportunity for the agency to lean into other whole of government, centrally driven initiatives such as the Office of Digital Government from a systems perspective.

Line of inquiry 2: Workforce strategy – ensuring a future focus

The agency is being asked to step beyond its traditional regulatory remit to deliver services and this requires new skills. While recognising that the agency has good staff doing good work, stakeholders see emerging capability gaps in areas such as:

- environmental management in land use planning
- commercial acumen to mitigate costly delays and inconsistent advice
- efficiency of services to deliver a pipeline of land for future residential and industrial needs.

Many stakeholders believe that skill development is needed for the agency to deliver on the robust reform agenda it has been tasked with. A key example of this is the new framework introduced by the *Aboriginal Cultural Heritage Act 2021* (ACH Act) which places Traditional Owners at the heart of decision making and the protection and management of their cultural heritage. The ACH Act requires industry and proponents to work with Traditional Owners to form agreement to proceed with any works.

The agency would benefit from a consolidated regional structure that supports regional relationship building with Traditional Owners. Regional offices are important to regional customers as they provide local representation, perspectives and services that add value to communities. Legacy structures may have been appropriate at a point in time but the agency needs to consider how it could align the regional structure to its strategic plan, and deliver a holistic customer service strategy for regional communities to access the full suite of services in a timely fashion.

As well as the ACH Act reform, the agency is responsible for Indigenous Land Use Agreements including negotiations between native title holders or claimants and other parties who want to use the land. These are complex negotiations and require a high level of skill and experience. The agency needs staff with this skill set as there are around 130 native title determinations approved or in train across the state likely requiring agreement negotiations in the future.

Strong skills in project management and coordination are also required to deliver on the agency's new remit across major government projects including the Perth City Deal.

A strong human resources function needs to support future focused workforce strategies. The human resources function has been the subject of successive reviews and restructures since 2017. High staff turnover and changing service models have affected capability and service quality over time. There are existing tools such as skills audits that could be leveraged more effectively across the agency to support workforce design and planning.

Work is underway to strengthen links between strategic and division planning, workforce planning and employee skills data by introducing a consistent cycle of strategic business planning. This will encourage more regular focus, improved oversight and deliver opportunities for more proactive workforce planning.

Line of inquiry 3: Customer focused services – providing for transparency and efficiency

While actively engaging with customers when it needs their input in service design and planning activities, the agency is much less effective when customers need something from the agency.

Customers find it difficult to get the information they need across a range of areas and cite inconsistent advice and timeliness as issues. The exception to this is in the agency's regional offices where customer counters and local representation have contributed to better customer service experiences.

Externally facing customer information is limited and there is no formalised approach to triaging incoming enquiries. The agency has recognised issues with its customer service and has begun to make improvements.

The agency needs to provide more clear channels for feedback on services and other aspects of its work. The Customer Service Charter outlines basic commitments to service standards but does not set out a clear approach to achieve these standards. Key performance indicators and/or measurements associated with the standards are needed.

Technology systems need to be better integrated and accessible. This supports staff, stakeholders and customers to access and use information more effectively. While positive developments are underway (such as creating an online portal), the agency must do more to leverage technology in line with government digital principles. Digital improvements will deliver efficiencies, help the agency monitor its effectiveness and enhance collaboration with stakeholders.

Other opportunities for the agency to improve the experiences of its customers exist. Customers could be better recognised and welcomed with tailored corporate messaging, service design and standards. The introduction of a formalised triage approach for customer service would route enquiries to the best avenue of support. Feedback mechanisms would help the agency understand what its customers are experiencing. Importantly, the agency's workforce needs better information systems so staff can find the information they need to deliver excellent customer service.

Areas of strength

Area of Strength 1: Internal change management

The agency has a track record of successful internal change management that ensures staff are engaged at all critical milestones and their experiences with the change are measured.

By way of example, there were high levels of satisfaction from staff about the transition to Activity Based Working (ABW). ABW is embedded and used effectively in the agency, noting the complexity of such a change from digital, physical infrastructure and culture viewpoints.

The agency's successful change management strategies included:

- a staff centric approach to engagement in change design, promoting understanding of ABW and building buy-in
- opportunities for staff to visit an existing ABW site, an ABW Expo and peer change champions
- measuring the readiness for change through team workshops and surveys to identify concerns early
- providing training including managing dispersed teams, ABW etiquette, collaboration, maintaining confidentiality and reducing paper documents
- establishing strong governance with corporate executive oversight, an ABW steering committee, a project team and working groups
- surveying staff after the change to assess effectiveness.

This comprehensive approach demonstrates what can be done to implement successful change management. This model of working supports the increasing dynamism of the agency's remit.

Area of Strength 2: Design through industry expertise

A strength of the agency is how it embeds good design into the planning process through working with industry and leveraging industry expertise. Its organised approach to engaging and valuing expertise in the design industry could be adapted to other customers and stakeholder groups.

In line with established good design practice in other jurisdictions, the agency supports the role of the Government Architect and a State Design Review Panel. The panel allows the agency to leverage industry expertise to inform and advise on design decisions that guide significant state projects and development while instilling good design measures into processes with a consistent approach.

Design review is a well tested and internationally used mechanism for improving the design quality of the built environment. The panel is a merit selected pool of industry professionals who provide independent, expert advice to government agencies, decision makers and proponents on the design quality of important projects.

Regular relationship building touchpoints are built into the process to support proactive communication and improved understanding. This allows for early mitigation of issues and reduces the occurrence of cumulative complexities and their

associated costs. In addition, flexibility in the process is provided through a scaled back option to address minor design issues which do not warrant a full panel process.

While the panel itself brings unique benefits that would be difficult for other agencies to replicate with industries relevant to their remits, the panel does demonstrate a strong partnership model. This model could be adapted for use with other expert stakeholders, or include customer groups, to ensure their input is valued and incorporated into decision making in a meaningful way and within defined and agreed parameters.



We are proud to deliver our services from Whadjuk Noongar boodja. We acknowledge and pay respect to Elders, Traditional Owners and Custodians from the many land and language groups of Western Australia.

Copies are available in different formats on request.

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March 2023 | PSC23001788