

1 June 2015

Cr Allan Sutherland
Mayor
Moreton Bay Regional Council
PO Box 159
Caboolture QLD 4510

Dear Mayor

Draft Infrastructure Charges Resolution & Implementation Policy

The Property Council appreciates the opportunity to provide feedback on Moreton Bay Regional Council's draft new *Infrastructure Charges Resolution (the Resolution)*, and the associated *Implementation Policy (the Policy)*.

The property industry is the largest private sector employer in Queensland. A steady pipeline of both government and private sector investment in infrastructure, property and construction is vital for these jobs to continue, and for Moreton Bay Regional Council (Council) to accommodate its anticipated population growth.

Therefore it is critical that the Resolution enables the development industry to deliver affordable housing, while creating jobs, prosperity and stronger communities.

Over a period of 12 months, the Property Council worked closely with the Queensland Government and other local government and industry stakeholders to refine Queensland's infrastructure charging framework to create a more workable and fair system for all users.

As a result, we are keen to ensure that the positive initiatives developed through this consultation process are appropriately reflected in local government infrastructure charges resolutions.

Development incentives

The Property Council notes that Council is proposing to adopt the maximum infrastructure charges allowable under the *State Planning Regulatory Provision (adopted charges) 2012*. Rather than charging the maximum, we encourage Council to consider the positive impact reduced charges would have on investment, job creation, and economic growth in the region.

Many councils, such as Brisbane, Townsville, Gold Coast and Toowoomba, have acknowledged the benefits of infrastructure charges discounts or incentives.

The Property Council commends Council for reaffirming its commitment to allowing the flexibility to attain refunds on offsets, or allowing these to be transferred to other sites within the region.

It would be a further positive move for Council to carry out a policy change, from the current approach of charging the maximum, irrespective of how many networks service a particular development, to one where the charges reflect the available services. For example, if a development is not serviced by water, then the maximum charge should be reduced to reflect this. Similarly, Council should provide reductions where development places no additional demand on Council's infrastructure network because of mitigation actions taken on site.

Inclusion of new development areas

To continue providing adequate housing stock within the region, along with the orderly and timely approval of developments, Council needs to include key emerging areas in the Priority Infrastructure Area (PIA). This will provide confidence and a level of certainty for the property industry to invest in land that has been identified for urban growth under Council's planning scheme.

The *Sustainable Planning Act 2009* and the Statutory Guideline 3/14 – Local government infrastructure plans, states that a PIA means an area-;

- a) *used, or approved for use, for non-rural purposes; and*
- b) *serviced, or intended to be serviced, with development infrastructure networks; and*
- c) *that will accommodate at least 10 (but no more than 15) years of growth for non-rural purposes.*

The proposed PIA extent is substantially less than what was nominated by Council in its Draft Planning Scheme. The PIA- as outlined in the Resolution- appears to be inconsistent with the definition under the SPA.

At the very least, Council should include developments that have been approved within the PIA.

Identified infrastructure outside the PIA

In comparing the Adopted (current) Infrastructure Charges Resolution to that being proposed, it is clear to see that infrastructure previously identified has been withdrawn. The provision of clear and upfront infrastructure planning is necessary for all stakeholders to ensure there is good planning, certainty of financial and physical outcomes and avoidance of unreasonable and irrelevant conditioning.

This is supported in *Statutory Guideline 03/14* that specifically states that the priority infrastructure area does not prevent a local government from planning beyond the time horizon of the PIA, and identifying infrastructure outside the PIA.

As previously stated, to ensure the industry can continue to provide housing stock, infrastructure is needed to support emerging areas.

Without infrastructure being identified in the mapping, Council could end up with out of sequence development. This will ultimately result in lengthy delays at a development assessment level, leading to increased costs and less affordable housing.

Inconsistency of trunk infrastructure definitions

Without the opportunity to balance the costs of significant installations of open space, roads and stormwater infrastructure, there is no incentive for a development to provide services to benefit the wider community.

Table 3 Definition of trunk infrastructure

Parks	All areas	<p>(1) Sporting facilities:</p> <ul style="list-style-type: none"> • Regional level; • District level; • Embellishments including sports fields, shade structures, car parking (refer Schedule 5). <p>(2) Recreational Park:</p> <ul style="list-style-type: none"> • Regional level including Civic Park and Regional Foreshore Park; • District level, including Civic Park and District Foreshore Park; • Local Parks, serving more than 350 dwellings, meeting the DSS, and where not located within 800 metres of another local or higher order park. • Embellishments including shade structures, playgrounds (refer Schedule 5).
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[illegible]

Park Type	Place Type													Provision Target	Minimum Land Area
	AC	UN	NGS	SN	RR	RT	CT	RA	MFW	KER	CR	EEA	SA		
Local Recreation Park														1ha/1000 persons	0.5ha
														0.5ha/1000 persons	
														Where required	

Trunk conversion criteria

Under section 4.2.1 of Statutory Guideline 03/14 – Local government infrastructure plans, the conversion criteria to be included in an infrastructure charges resolution must be consistent with the underlying principles of the 'default conversion criteria' contained in the Guideline. While the majority of criteria in the draft resolution are consistent with the Guideline, there are two we argue that are inconsistent and should be removed.

Criteria (b)- *services development which is consistent with the Planning Scheme* infers that offsets will not be given for any works servicing a development that is itself inconsistent with the scheme. However, where a development has been approved by Council, it could be argued that it must be consistent.

The second inconsistent criteria is (c)- *the infrastructure services development completely inside the priority infrastructure area*. Council will also be in conflict with the draft resolution when a condition for trunk infrastructure is imposed on a development that sits outside of the priority development area.

Whilst Council's approach is inconsistent with the statutory guidelines, the bigger concern is the potential need to later duplicate infrastructure to service future developments in emerging areas. The assessment should be based on the design and function of the infrastructure, and its ability to service a wider catchment.

Conclusion

Thank you for the opportunity to provide feedback on the draft new Infrastructure Charges Resolution and the associated draft Implementation Policy.

If you have any further questions about the Property Council or the detail included in this submission, please contact Nathan Percy on 07 3225 3000, or npercy@propertycouncil.com.au.

Yours Sincerely



Chris Mountford
Queensland Executive Director
Property Council of Australia