

Question on Notice

No. 498

Asked on 5 June 2014

MR KRAUSE asked the Deputy Premier, Minister for State Development, Infrastructure and Planning (MR SEENEY) –

QUESTION:

Will the Deputy Premier advise how the government is facilitating economic growth through providing encouragement and incentives to local government in planning schemes and infrastructure charge arrangements that support development?

ANSWER:

I thank the Honourable Member for Beaudesert for his question.

A \$500 million co-investment fund was announced as part of the Strong Choices Investment Program which outlines a suite of new infrastructure and investment funds during the next six years.

This co-investment program aims to facilitate delivery of priority development infrastructure (PDI).

PDIs are projects that will generate or support significant economic development and can include co-investment in major trunk road works, water supply and treatment plants, and major storm water systems.

Economic Development Queensland is working with local governments to identify projects that could be considered for co-investment by the state.

For a local government to be eligible for co-investment they must adopt the fair value schedule of infrastructure charges.

The Fair Value Charges Schedule is a result of an infrastructure charges review and better reflects the cost of delivering the infrastructure necessary to support development.

Local governments that apply the Fair Value Charges Schedule will be considered for PDI Co-investment.

This review generally resulted in a 10 per cent cost reduction for residential developments and 15 per cent reduction for non-residential developments.

The schedule refers to infrastructure essential for development including water reticulation, sewerage, transport, stormwater and parks.

The new schedule has an expanded and more differentiated list of land use categories and more charge categories to align charges and demand.

The regulated infrastructure charges that local governments can impose have not been adjusted, however, councils will be encouraged to voluntarily apply the Fair Value Charges Schedule.

Amendments to the *Sustainable Planning Act 2009* and the *South East Queensland Water (Distribution and Retail Restructuring) Act 2009* were also passed on 5 June 2014 to ensure the legislation and regulation that governs infrastructure charges and planning provides confidence to the development industry when planning and delivering projects.

Developers will have a better understanding upfront of what they will be expected to contribute for local infrastructure and the steps involved.

Local authorities, that is, local governments and distributor-retailers, continue to have the ability to plan for and manage the delivery of local infrastructure in the most efficient way for their local community.

It also ensures that the local infrastructure processes are consistent across local government and distributor-retailer entities. Therefore, applicants will have one set of rules to become familiar with, instead of two.

The new framework commenced on 4 July this year.