

Impact Analysis Statement

A Summary Impact Analysis Statement (IAS) must be completed for all regulatory proposals. A Full IAS (see Box 1) must also be completed and attached for proposals that have significant impacts. Once completed, the IAS must be published.

Summary IAS

Details

Lead department	Department of State Development, Infrastructure, Local Government and Planning
Name of the proposal	South East Queensland Regional Plan (ShapingSEQ 2023) South East Queensland Infrastructure Supplement (SEQIS)
Submission type	Summary IAS
Title of related legislative or regulatory instrument	<i>Planning Act 2016</i> (Planning Act)
Date	4 December 2023

For all other proposals

What is the nature, size and scope of the problem? What are the objectives of government action?
<p>Regional plans are a state planning instrument under the <i>Planning Act 2016</i> (Planning Act). The existing South East Queensland (SEQ) Regional Plan 2017 (ShapingSEQ 2017) sets out the integrated regional planning and development assessment policies about matters of State interest for SEQ. ShapingSEQ 2017 includes the 12 local government areas (LGAs) of Brisbane, Gold Coast, Ipswich, Lockyer Valley, Logan, Moreton Bay, Noosa, Redland, Scenic Rim, Somerset, Sunshine Coast and Toowoomba (urban extent).</p> <p>ShapingSEQ 2017 sets a long-term vision for SEQ, as well as the framework to respond to a growing and changing region and to enhance communities in a sustainable way. However, since 2017, the region has experienced unprecedented interstate migration, changes in household composition and significant pressures in the housing market leading to an increased demand for housing.</p> <p>Queensland is the fastest growing and most decentralised state in Australia, with SEQ alone set to grow by 2.2 million people by 2046, taking the region to 6 million people. This will require almost 900,000 new homes, an average of 34,500 new homes each year, as well as increased transport accessibility, employment and essential services. The population growth will require over 900,000 new jobs and our industries will need to be competitive as Queensland moves towards decarbonisation. In 2032, Brisbane will welcome the world as it hosts the Olympic and Paralympic Games. Taken together, these factors mean SEQ will continue to have disproportionate demands for infrastructure and services not only to accommodate growth, but also to reshape the infrastructure that underpins Queensland's new and emerging industries.</p> <p><u>ShapingSEQ 2023</u></p> <p>ShapingSEQ 2023 is an amendment to ShapingSEQ 2017. The review of ShapingSEQ 2017 was announced by the Premier and Minister for the Olympic and Paralympic Games on 20 October 2022, as a key outcome of the 2022 Queensland Housing Summit. The scope of the review has been targeted, largely in response to the urgent housing challenges, with large parts of content in ShapingSEQ 2017 retained in ShapingSEQ 2023. The Deputy Premier and Minister for State Development, Infrastructure, Local Government and Planning and Minister Assisting the Premier on Olympic and Paralympic Games Infrastructure (the Deputy Premier) has committed to a further review of the regional plan in 2025.</p>

On 16 August 2023, National Cabinet agreed to planning and zoning reforms through the National Planning Reform Blueprint which states and territories must report on twice yearly to demonstrate how dwelling targets are being met to access Commonwealth funding. ShapingSEQ 2023 includes new dwelling supply targets for each local government area, supported by sub-targets that aim to achieve more housing choice (diversity) and encourage the consolidation of new housing in areas that can service it (density). Implementation of key policies and targets to increase dwelling supply in ShapingSEQ 2023 are critical to Queensland achieving the outcomes and targets sought by National Cabinet and the 2022 National Housing Accord.

For ShapingSEQ to translate into more homes on the ground faster, a new governance and implementation approach is required. The business-as-usual (BAU) approach to regional plan implementation is through local government planning schemes, where local governments update policies, mapping and assessment provisions to align with the regional plan, as part of amendment packages or drafting new planning schemes. The absence of clear timeframes for councils to appropriately integrate ShapingSEQ 2017 and no requirement or mechanisms to monitor and report on the integration of ShapingSEQ policy into planning schemes was a significant barrier to successful implementation of ShapingSEQ 2017 that saw delayed implementation. ShapingSEQ 2017 also included 36 implementation actions, separate to what was expected to be delivered by planning schemes (above BAU). As of the 2022 report, only five of the 36 actions were identified as completed.

ShapingSEQ 2023 includes the establishment of a new Implementation Assurance Framework to ensure priority actions can be delivered with sufficient transparency, accountability and resources to provide certainty to stakeholders. The Implementation Assurance Framework aims to address the shortcomings of ShapingSEQ 2017 where there were many implementation actions, often unfunded, and therefore not progressed. Feedback from stakeholders during consultation on the draft ShapingSEQ 2023 Update reiterated the importance of ensuring priority actions identified in the plan can be delivered. This new approach will mean there is current, robust, transparent data about housing supply to inform land use planning responses and related infrastructure planning. The Implementation Assurance Framework will provide the evidence the department currently lacks to ensure Queensland receives its share of Commonwealth funding as it grows. The framework will also provide information about development approvals that have not been acted upon to determine why this is happening and what levers to pull to make development happen in places that are underutilised.

South East Queensland Infrastructure Supplement

The 2022 State Infrastructure Strategy supports the introduction of Regional Infrastructure Plans, recognising the significant role infrastructure plays in catalysing regional economic recovery, growth and liveability. The 2022 Queensland Housing Summit also included a key outcome of the development of a new SEQ infrastructure plan (SEQIP) to manage regional growth and service provision in SEQ. The department revised this scope to fast-track the delivery of a targeted SEQIP, known as the SEQ Infrastructure Supplement (SEQIS), that responds directly to ShapingSEQ 2023. The SEQIS is not a statutory instrument and is not made under legislation.

What options were considered?

To appropriately respond to this projected growth, there were two options considered in deciding to commence a targeted review of the regional plan.

Option one considered whether the department maintained a BAU approach to ShapingSEQ 2017 implementation until the standard review period of a regional plan (five to seven years) was completed. However, as a key outcome of the 2022 Queensland Housing Summit, and given the urgency of the current housing challenges, the department could progress a scenario where it waited for a BAU review. Similarly, a scenario where a BAU option for the development of a full SEQIP would not have provided an adequate response to the urgency of the current housing challenges.

The preferred option was reviewing ShapingSEQ 2017 with a narrowed scope, predominantly focusing on housing and jobs with a further review commencing in 2025

ShapingSEQ 2023 sets housing supply targets and sub targets in the regional plan to encourage consolidation of new housing in areas that can be serviced. In setting dwelling supply targets and housing diversity sub-targets, the option chosen was to inform these targets using a nation leading approach of integrated land use and transport modelling, built on the data and information provided by state and local governments. The option was chosen as it was considered to be the best available modelling.

Data has been used to understand where and how people want to live and integrated this with transport planning and environmental data, balanced with preserving environmental and hazard areas. Not all land in South East Queensland is suitable for urban development and ShapingSEQ provides direction on the best available land for the best possible outcome.

The preferred option was developing a SEQIS as a foundational process for engagement and consultation with SEQ councils, state agencies, industry and other stakeholders, with a full SEQIP to be developed in 2025.

What are the impacts?

Benefits

ShapingSEQ 2023

State intervention through ShapingSEQ 2023 provides a range of benefits to local and state governments, landholders, the development industry and the community by:

- providing certainty regarding what land uses and infrastructure are intended to occur, to meet growth and community needs, including through Regional Land Use Categories and the setting of an urban footprint
- setting a combined social and affordable housing target which will be:
 - met through the delivery of any combination of social housing, affordable housing and affordable by design housing
 - supported by EDQ and the Department of Housing as key delivery partners playing a significant role in the ongoing implementation of ShapingSEQ
- setting dwelling supply targets and sub-targets for dwelling diversity to encourage the delivery of more housing and housing that meets the changing needs of our community.
- directing growth to infill areas in locations with jobs and services, and to maximise existing investment and infrastructure networks
- ensuring development occurs in conjunction with an integrated transport system that moves people and goods seamlessly, efficiently and sustainably and is responsive to changing community and economic needs
- limiting urban sprawl to protect regional natural values and to limit development which costs the State more in the planning and establishment of new infrastructure and services
- protecting employment lands and industry from urban encroachment
- encouraging high quality urban design that responds to SEQ's climate, character, that encourage health and well-being through the natural environment

SEQIS

SEQIS provides a range of benefits to state government agencies, industry, local governments, utility providers and the community by:

- facilitating an open data platform to enable better state government infrastructure agency pipeline visibility and collaboration, ensuring Queensland's infrastructure investments are aligned with regional priorities and based on robust evidence
- facilitating improved infrastructure pipeline sequencing and timing, ensuring Queensland's infrastructure investments are aligned across agencies, infrastructure providers and local councils to jointly deliver infrastructure when needed to support sustainable growth
- providing prioritisation guidance to leverage major capital programs, ensuring Queensland's infrastructure investments are prioritised to best support the needs of the region
- encouraging best practices for infrastructure planning, design and delivery that supports regional density, ensuring Queensland's infrastructure investments are integrated with regional land use planning priorities.

ShapingSEQ 2023 - Impacts

The policies and directions of regional plans are mainly given effect through the existing planning framework, in particular local government planning which is the process of local governments making a new planning scheme or amending an existing planning scheme. The majority of ShapingSEQ 2023 will be delivered through local governments using the regional plan to update policies, mapping and assessment provisions in their planning schemes to align with the regional plan.

ShapingSEQ 2023 carries over policy direction from ShapingSEQ 2017 with regard to setting dwelling supply targets for local governments built on data and information provided by local and state government. Meeting these targets has been a requirement of the planning framework for local governments since ShapingSEQ 2017. New dwelling diversity sub-targets for local governments have been introduced in ShapingSEQ 2023.

There are 13 priority actions identified in the plan which may involve local governments, the State, and other entities such as First Nations peoples, industry, community in the delivery of the action. ShapingSEQ 2023 has reduced implementation actions from the 36 actions in ShapingSEQ 2017 to 13 actions in the new plan, to address the shortcomings of implementation.

ShapingSEQ 2023 – Costs

This implementation of new dwelling targets and dwelling diversity sub-targets will be delivered through existing local government resources and processes, as well as existing State resources in reviewing and coordinating approvals for new or amended planning schemes.

Although ShapingSEQ 2023 provides new sub-targets for diversity, Housing supply and diversity has been a state interest in the State Planning Policy (SPP) since 2013, meaning local governments should already be delivering this state interest in plan-drafting, through existing resources. The State will continue to resource the tracking of progress against the dwelling supply targets and the dwelling diversity sub-targets through the Land Supply and Development Monitoring (LSDM) which has also been existing since 2017.

The reduction of implementation actions will assist in better focusing resources and result in more focused outcomes sought from ShapingSEQ 2023, reducing costs for state agencies and local governments. The department has requested additional funding to ensure the implementation of priority actions through the establishment of a central Project Management Office, additional staffing resources and funding to support engagement with key stakeholders.

Costs vs Benefits

The risk of not releasing ShapingSEQ 2023 would result in an ineffective response to the 2022 Queensland Housing Summit and National Housing Accord and the outcomes sought by National Cabinet aligned to the 2023 National Planning Reform Blueprint.

SEQIS

SEQIS will positively influence the Queensland Government infrastructure pipeline by improving infrastructure planning, design and delivery practices in alignment with regional priorities. Improvements are recommended for implementation by Queensland Government infrastructure delivery agencies to gain efficiencies in their BAU work of planning, designing and delivering state infrastructure.

Who was consulted?

Throughout 2023, and prior to statutory consultation, the Department of State Development, Infrastructure, Local Government and Planning engaged extensively with local governments and their peak bodies, industry, the SEQ mayors through the SEQ Regional Planning Committee, SEQ Council of Mayors and the community. This engagement sought to ensure alignment and integration of state and local interests, economic development opportunities and government policy.

As a major stakeholder, since March 2023, there have been over 100 meetings with local governments through a variety of different forums including one-on-one meetings and Mayoral briefings.

Statutory consultation of 30 business days as required under the Planning Act was conducted on the draft ShapingSEQ 2023 Update between 3 August and 20 September 2023. An extended period of 15 business days was given to local governments (total of 45 business days). The SEQIS does not have a legislative head of power but was consulted for the same amount of time as the draft ShapingSEQ 2023 Update. A summary of Planning Regulation amendments to give effect to the policies in ShapingSEQ 2023 was also consulted on at the same time as the SEQIS and draft Update.

A media campaign was used including advertisements run on television, radio, electronic billboards as well as social media platforms, with over 30 million impressions (the number of times content was seen). Public consultation activities were intended to offer different ways to provide feedback on the plan and sought to appeal to a broad audience. Activities included 24 in-person consultation sessions (two per local government area) attended by 522 people and 73 online talk-to-a-planner sessions. A dedicated website was created which contained copies of the plan, maps, fact sheets, the ability to make a comment online and a submission portal. A total of 2519 submissions were received on the three documents.

The department considered all submissions received and included feedback where relevant into ShapingSEQ 2023 and SEQIS, noting a lot of feedback was out of scope for this review and regional planning in general. A consultation report including the feedback raised in submissions and the department's response will be published online when the final regional plan is released.

The SEQIS has been developed in alignment with ShapingSEQ 2023 and through engagement and consultation with SEQ councils, state agencies, government owned corporations and statutory bodies, industry, First Nations peoples and other stakeholders.

What is the recommended option and why?

Queensland faces unique circumstances right now as the fastest growing and most decentralised state in Australia. SEQ is the fastest growing region. ShapingSEQ 2023 focuses on addressing the rapid population growth and providing more housing choice through targets that aim to deliver more homes, and different types of homes to match the changing needs of our population. ShapingSEQ 2023 also progresses better integration between land use, transport and social infrastructure, and an updated approach to economic centres and jobs, while protecting SEQ's natural environment. The targeted review provides new and updated strategies in the context of significant growth to enhance communities now and into the future. The recommended option is the delivery of ShapingSEQ 2023, together with the accompanying non-statutory SEQIS to enable the critical coordination of regional land use planning and infrastructure planning.

Impact assessment

All proposals – complete:

	First full year	First 10 years**
Direct costs – Compliance costs*	Local government costs to ensure planning schemes are up to date with ShapingSEQ 2023 would be met through existing local government resources and budget for land use planning.	Local government costs to ensure planning schemes are up to date with future reviews of ShapingSEQ would be met through existing local government resources and budget for land use planning.
Direct costs – Government costs	State Government costs for BAU planning functions will be met through existing resources. For the priority actions, the department has requested additional funding to ensure their implementation through the establishment of a central Project Management Office, additional staffing resources and funding to support engagement with key stakeholders.	The additional funding requested by the department is time limited. Subsequent reviews of ShapingSEQ would require consideration of any additional funding required for delivery.

* The *direct costs calculator tool* should be used to calculate direct costs of regulatory burden. If the proposal has no costs, report as zero.

**Agency to note where a longer or different timeframe may be more appropriate.

Signed



Director-General
Department of State Development,
Infrastructure, Local Government and Planning
Date: 29 November 2023



Deputy Premier
Minister for State Development, Infrastructure, Local
Government and Planning and
Minister Assisting the Premier on Olympic and
Paralympic Games Infrastructure
Date: 30 November 2023