

# Impact Analysis Statement

## Summary IAS

### Details

<b>Lead department</b>	Department of State Development, Infrastructure and Planning (the department)
<b>Name of the proposal</b>	Planning Amendment Regulation (No.2) 2024 (Amendment Regulation)
<b>Submission type</b> ( <i>Summary IAS / Consultation IAS / Decision IAS</i> )	Summary IAS
<b>Title of related legislative or regulatory instrument</b>	Planning Regulation 2017
<b>Date of issue</b>	12 December 2024

### What is the nature, size and scope of the problem? What are the objectives of government action?

Queensland is the fastest growing and most decentralised state in Australia, with South East Queensland alone set to grow by 2.2 million people by 2046, taking us to a region of six million. 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 Federal Government's National Housing Accord also includes a target of 1.2 million new, well-located homes to be delivered across Australia over five years from mid-2024.

The 'Yes in Faith's Backyard' (YIFBY) movement has been advocating for changes to the planning framework to facilitate the development of underutilised church or charity owned land for social and affordable housing, with key stakeholders and landowners voicing their support for the capacity and intent to build at scale. To achieve the objectives of the YIFBY movement, the planning framework must provide a clear pathway by removing planning barriers to provide certainty with an efficient process for affordable housing development.

The Queensland Government is aware of the increasing support and advocacy for the YIFBY movement and has identified a key deliverable being driving opportunities to activate increased supply of housing options across Queensland, including social and affordable housing to meet our growing population and targets to deliver more housing for those who need it most.

#### Government Commitment:

The Queensland Government has committed to unlocking church and charity-owned land for the community housing sector by the end of 2024, with another commitment to build 10,000 new community houses on church and charity-owned land, in partnership with the community housing sector, with 500 homes built within two years.

#### Proposed changes:

The department has considered how to clear a path in the planning framework to deliver on this commitment. To facilitate the delivery of this amendment, the following amendments to the Planning Regulation are proposed:

1. Introduce a new provision under Schedule 6 to make to make repurposing existing dwellings associated with a place of worship (e.g. a caretaker cottage or presbytery) and located in a Community facilities zone accepted development for a dwelling house, subject to the site not being in a 'relevant overlay'.

2. Amend Schedule 5, Part 2, Item 16 to make it clear that a registered not-for-profit or religious organisations registered with the Australian Charities and Not-for-profits Commission (in addition to registered providers) is eligible for the Ministerial Infrastructure Designation (MID) pathway where developing social or affordable housing.
3. Amend the purpose of the community facilities zone in Schedule 2 of the Planning Regulation to identify that residential development where it is to be 100% housing component is anticipated in this zone where associated with a particular community activity.

The intent of these amendments is to:

- make it clear that repurposing an existing dwelling on site (such as caretaker residences or presbyteries) to a dwelling house will not require a development application (accepted development).
- make it clear that church and not for profit organisations delivering social and affordable housing with a community housing provider can use the MID process.
- revise the Community Facilities Zone purpose statement (which is part of all local government planning schemes) to include an affordable housing component. This will signal State policy intent and allow development applications lodged to local government to consider that housing is an appropriate use of this land.

#### Objectives of Government Action:

The objectives of government action are to:

- Deliver the Queensland Government's election commitment of:
  - unlock church and charity-owned land for the community housing sector, and
  - support the community housing sector to deliver 10,000 new community homes on church and charity owned land.
- Streamline the development assessment process for the community housing sector.

#### **What options were considered?**

##### **Option 1: Maintain the status quo and no government actions is pursued.**

This option involves no amendments to the Planning Regulation and maintains the status quo. The effect of this option will mean that community housing sector developments must go through the existing assessment process under the current planning framework.

This option is not recommended as it does not align with the intention of the election commitment to unlock church and charity-owned land for the community housing sector by the end of 2024.

While under the current planning framework community housing providers can currently access a MID or State facilitated development pathway to deliver and build on charity owned and church owned land, the current planning framework is not optimal to facilitate development to unlock a significant amount of church and charity land for smaller scale proposals in a timely and cost effective assessment process. It is also not optimal for church and charity owned land located in community facility zone, as residential development is currently not consistent with its purpose of the zone and generally requires impact assessment, with associated costs and time delays and the risk of submitter appeal rights.

##### **Option 2 (recommended): Proposed amendments to the Planning Regulation to support the election commitment to unlock church and charity-owned land for the community housing sector**

To facilitate the delivery of the election commitment, the department identified amendments to the Planning Regulation to unlock church and charity-owned land for the community housing sector by the end of 2024. The proposed amendments will unlock church and charity-owned land for the community housing sector by:

- Introduce a new provision under Schedule 6 to make to make repurposing existing dwellings associated with a place of worship (e.g. a caretake cottage or presbytery) and located in a Community facilities zone accepted development for a dwelling house, subject to the site not being in a 'relevant overlay'.
- Amend Schedule 5, Part 2, Item 16 to make it clear that a registered not-for-profit or religious organisations registered with the Australian Charities and Not-for-profits Commission (in addition

to registered providers) is eligible for the MID pathway where developing social or affordable housing.

- Amend the purpose of the community facilities zone in Schedule 2 of the Planning Regulation to identify that residential development where it is to be 100% housing component is anticipated in this zone where associated with a particular community activity

Option 2 is the recommended option and considered a comprehensive response to facilitate the election commitment of unlocking church and charity-owned land for the community housing sector. Other non-statutory measures will further contribute to the election commitment.

### **What are the impacts?**

The department has assessed the possible adverse impacts as a result of this regulation amendment, and the department is of the view that the regulation amendment will not have significant adverse impacts because the changes in process still support a similar assessment process only expedited.

The amendments to the Planning Regulation will likely involve the following impacts:

#### **New provisions to allow for existing dwellings (i.e. caretaker's accommodation) on Community facilities zoned land to be used as a dwelling house without the need for a development application**

##### Benefits

This new provision applies to the community facilities zone only and will allow existing houses such as a caretakers cottages on site to be used as a dwelling house for residential purposes without the requirement for a development application (accepted development).

Currently, to use this existing housing stock as anything other than a caretaker cottage requires a development application including public notification (impact assessment). This provision will allow existing housing associated with a church to be used as a dwelling house for residential purposes without the need of a development application making extra housing supply available to the market.

##### Impacts on industry

This new provision is not anticipated to have a significant impact on industry as it is about enabling the use of existing housing stock by reducing application requirements. This lowers the time and cost associated with providing a dwelling house for residential purposes.

##### Impacts on local government and state government

This new provision will remove the ability for state or local government to assess the development as assessment manager. However, this impact is considered unlikely to be adverse as the new provision is intended to allow existing houses on site to be repurposed for housing without requiring a development application. Further, this impact is balanced by the benefit of facilitating the delivery of housing on church and charity owned land, allowing for minor/low risk development to occur, without the need to amend all the planning schemes across Queensland.

This new provision ensures developments reflect local government's place based knowledge of their area as premises cannot be within certain local government planning scheme overlays. These place based overlays limit the location of development to avoid the safety risks (hazard overlays such as flooding or bushfire) or protection of local heritage. Development located on sites containing hazard and heritage overlays will not be eligible to utilise this provision and must go through the normal development assessment process where the dwelling house would ordinarily have triggered assessable development. As such, the provision will not introduce any adverse impacts for local governments as developments in hazards and heritage areas would still require assessment by local government.

##### Impact to residents/third parties

Any development under this new provision is unlikely to cause significant impacts to nearby residents and/or any relevant third parties, as this provision is limited to repurposing existing dwellings on site (such as presbytery or caretaker's accommodation) to a dwelling house. It does not enable the construction of new dwellings. This does not facilitate a significant increase of residents on site.

Further, any new development utilising this provision can only include minor building works, as such it is not expected that the scale and intensity of the development will create adverse changes to nearby residents.

**Amend Schedule 5, Part 2, Item 16 to make it clear that a registered not-for-profit or religious organisations registered with the Australian Charities and Not-for-profits Commission (in addition to registered providers) is eligible for the MID pathway**

Benefits

This amendment will address the confusion about the nature of entities that can apply for the MID pathway and the funding arrangements required, by providing clarification that 'a registered entity' under the *Australian Charities and Not-for-profits Commission Act 2012 (Cwlth)* can also pursue the MID pathway for social or affordable housing. As a result, the amendments confirm that the MID pathway is not limited to registered housing providers.

Impacts on industry

This amendment will provide clarification that a registered entity (including not-for-profit or a religious organisations) are also eligible to pursue the MID pathway for social or affordable, which will allow more entities to utilise the MID pathway.

Impacts on local government and state government

This amendment will provide clarification that a registered entity (including not-for-profit or a religious organisations) are also eligible to pursue the MID pathway for social or affordable housing, which may increase the number of applications made through the MID pathway. As such this amendment might have resource implications for the state government.

Impacts on residents/third parties

This amendment is unlikely to create any adverse impact as social and affordable housing is already prescribed under this provision.

The aim of this amendment is to provide clarification that a 'registered entity' under the *Australian Charities and Not-for-profits Commission Act 2012 (Cwlth)*, such as charities and/or not-for-profits organisations, are also eligible to pursue the MID pathway for social or affordable housing.

There is a statutory public consultation process under the MID pathway that nearby residents would be able to make submissions on.

**Amend the purpose of community facilities zone in Schedule 2 of the Planning Regulation to identify that residential development where it is to be 100 per cent housing component is anticipated in this zone where associated with a particular community activity**

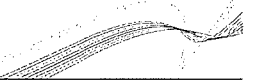
Benefits

This amendment will expand the purpose statement of the community facilities zone to allow residential uses that are an affordable housing component in community facility zone on land associated with a place of worship, residential care facility or community care centre, or on land owned, controlled or managed by an entity for the above community activities. Under the existing purpose statement, residential development, unless ancillary to a community related use is not envisaged.

This would activate the community facilities zone, to facilitate delivery of affordable housing, where it is a complementary use to other community uses.

Impacts on industry

This amendment would benefit the industry by allowing development providing an affordable housing component to occur in the Community facilities zone, if the development is on land associated with a place of worship, residential care facility or community care centre, or on land owned, controlled or managed by an entity for the above community activities. This increases the amount of land available for housing development for an affordable housing component.



#### *Impacts on local government and state government*

This amendment will expand the purpose statement of community facilities zone to allow social or affordable housing in community facility zone, which could result in development for affordable housing being proposed in the community facility zone. Local governments will likely experience an increase in the number of development applications received.

Local governments might also need to update their respective planning scheme to reflect the amendment made to the purpose statement, which might have a resources implication to local government, although this is not mandatory. A local government may also choose to consider what level of assessment or assessment provisions apply to development in the community facilities zone.

However, it is considered that these impacts are balanced by the benefits of facilitating development providing affordable housing component, which is critical in response to housing challenges affecting both the State of Queensland and Australia.

A minor increase in compliance impacts has been identified for the local government, as this amendment will open up the community facilities zone to allow residential uses that are an affordable housing component. This is likely lead to increased numbers of development in the Community Facilities Zone, thus increasing the need of compliance from local governments.

#### *Impacts on residents/third parties*

It is acknowledged that the amendments could lead to increased development in the community facilities zone. However, this amendment will not change the local planning scheme or existing development assessment process in place. As a result applications lodged for land in a community facilities zone will continue to be subject to existing processes that residents and third parties are familiar with.

Further, it is considered that the potential benefits from this amendment will outweigh the potential adverse impacts from the amendment, as this amendment will activate community facilities zoned land for development providing an affordable housing component and meeting relevant criteria set under this provision. This will likely increase the supply for affordable housing, meet the housing needs, including housing affordability needs, of Queenslanders.

#### **Who was consulted?**

On 4 December 2024, the Ministerial Housing Taskforce (the Taskforce) has met with key stakeholders including Archdiocese of Brisbane, Local Government Association of Queensland (LGAQ), Planning Institute of Australia, Q Shelter, the 'Yes in Faith's Backyard' (YIFBY) movement, Urban Development Institute of Australia, Council of Mayors (South East Queensland) (COMSEQ), St Vincent de Paul Society Queensland, Mission Australia, Churches of Christ, Anglicare Southern Queensland and Uniting Care Queensland about the election commitment of unlocking church and charity-owned land for the community housing sector.

The department also undertook targeted consultation with key stakeholders mentioned above on options to address the government's commitment. The key stakeholders consulted generally supported the nature of the proposed amendments. Some of the feedback provided, which has been considered in the proposed amendments include:

- recommendations to reduce the level of assessment particularly for Community facilities zoned land for social and affordable housing
- Identifying that MID's are seen as too onerous in terms of the technical reports and steps in the assessment for small scale proposals
- it is important to incentivise community housing providers to access church and charity owned land to build social and/or affordable housing.

Following consultation, the department has incorporated feedback from stakeholders and further refined the policy intent and proposed provisions.



**What is the recommended option and why?**

Option 2 is the recommended option and considered a comprehensive response to facilitate the election commitment of unlocking church and charity-owned land for the community housing sector.

The proposed amendments to the Planning Regulation will support unlocking church and charity-owned land for the community housing sector to deliver social and affordable housing by:

- making it clear that repurposing an existing dwelling on site (such as caretaker residences or presbyteries) to a dwelling house will not require a development application (accepted development)
- making it clear that church and not for profit organisations delivering social and affordable housing with a community housing provider can use the MID process
- changing the Community Facilities zone purpose statement (which is part of all local government planning schemes) to include social and affordable housing. This will signal State policy intent and allow development applications lodged to local government to consider that housing is an appropriate use of this land.

**Impact assessment**

	First full year	First 10 years**
<b>Direct costs – Compliance costs*</b>	There are no significant compliance costs to business or community as a result of the proposed amendments to the Planning Regulation.	There are no compliance costs to business or community as a result of the proposed amendment to the Planning Regulation
<b>Direct costs – Government costs</b>	There are no significant government costs as a result of the proposed amendments to the Planning Regulation	There are no government costs as a result of the proposed amendments to the Planning Regulation

\* The *direct costs calculator tool* (available at [www.treasury.qld.gov.au/betterregulation](http://www.treasury.qld.gov.au/betterregulation) ) 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**

John Sosso  
 Director-General, Department of State  
 Development, Infrastructure and Planning  
 Date: 16.12.2024

Jarrod Bleijie MP  
 Deputy Premier, Minister for State  
 Development, Infrastructure and Planning and  
 Minister for Industrial Relations  
 Date: 16/12/24.