



Council of Mayors
South East Queensland

28 April 2014

Inquiry into Infrastructure Planning and Procurement
House of Representatives
Standing Committee on Infrastructure and Communications
PO Box 6021
Parliament House
Canberra ACT 2600

By email: ic.reps@aph.gov.au

To whom it may concern

The Council of Mayors (SEQ) is Australia's largest regional Local Government advocacy organisation, representing the South East Queensland (SEQ) region which is home to one in seven Australians, generates one fifth of the nation's economic growth and is a powerhouse of Australia's economic future.

Five of Australia's six largest Councils are located in SEQ, and the membership of the Council of Mayors (SEQ) includes eleven Councils of SEQ: Brisbane, Ipswich, Logan and Redland City Councils and Lockyer Valley, Moreton Bay, Scenic Rim, Somerset, Sunshine Coast and Toowoomba Regional Councils and Noosa Shire Council .

With a projected population growth of 4.4 million by 2031, SEQ faces the challenge of planning for, and delivering, the infrastructure and services needed to improve productivity and reduce cost of living pressures, whilst maintaining and improving the liveability of the region.

With this in mind, the Council of Mayors (SEQ) speaks with one united voice, aiming to:

- **Advocate** for a better planned and resourced region;
- **Influence** other levels of government to support a growing and sustainable region; and
- **Collaborate** for leading practice in service delivery for the region.

Planning Process Improvement

The Council of Mayors (SEQ) has a long history of driving improvement and change in Council and State planning processes, dating back to 2006 with the delivery of a suite of online tools for improving the Development Assessment process to the rollout of a number of process improvements over subsequent years including 'RiskSmart', 'Target 5 Days', 'Development Partnerships Process', 'Third Party Assessment of Operational Works' and 'Streamlined Plan Sealing'.

The results of these initiatives have involved significant reductions in timeframes for approvals. A brief overview of these improvements is provided here.

RiskSmart – RiskSmart was created and implemented in Brisbane City Council in 2005 and has since been implemented in a number of other Queensland Councils in one form or another. The approach recognises the professional expertise of consultants preparing Development Applications for submission for approval to Council and through an Accreditation model, enables Council officers to approve an application that has been certified by the Accredited Consultant as meeting all the requirements of Council for an approval. The applications are of a low risk nature and the requirements are developed through a risk assessment approach. The timeframe for these applications being approved are range between two and five days. This is down from an average of 90 days.

Target 5 Days – Target 5 Days was an initiative implemented across a number of SEQ councils in 2009-10 and involved the identification of low risk applications and the use of Application Kits and streamlined approval processes to enable Council officers to assess and approve compliant applications in five business days. This was down from an average of 90 business days. In the same vein as RiskSmart, the requirements are determined from a risk assessment, but unlike RiskSmart, there is no need for an Accredited Consultant, and a Council officer still undertakes an assessment of the application.

Development Partnerships Process – This process is used for complex Development Applications, typically Residential Subdivisions, but could also include large unit developments, other types of subdivisions, etc. The basic premise behind the approach is a partnership between the Applicant and Council in cases where the Development is desirable in some form to the Council. The partnership sets out a Memorandum of Understanding that identifies the responsibilities of each party through a thorough pre-application process. Through this process the Applicant and Council officers work without prejudice to determine requirements and design of the development prior to the lodgement of the application. Unlike pre-lodgement meetings, these workshops are targeted at specific design and requirements issues and decisions are documented and adhered to by all parties. The result is a complete application upon lodgement that simply requires checking against the agreements to approve.

Third Party Assessment of Operational Works – Leading on from RiskSmart, this approach uses Accredited Consultants (engineers typically) to design, document and lodge a certified design for operational works involving public non-trunk infrastructure. Given the certification, Council is then able to check and approve the application in under five days by relying on the certification of the Accredited Consultant. The construction phase of these assets is then also managed by the Accredited Consultant who undertakes the required inspections in place of a Council inspector.

Streamlined Plan Sealing – This process follows the same approach as RiskSmart and Operational Works by having the applicant lodge a certified application for plan sealing certifying that all required documentation and information is provided. The

Council does its normal checking of the application and then seals the plans within five days and in some cases within 48 hours.

While these improvements have been focussed on Development Applications lodged with Councils for approval, the principles, improvements and outcomes are equally applicable and beneficial to the approvals processes for infrastructure projects. At the heart of the improvements has been:

- A Risk Based approach
- Partnerships with Industry and Assessing Authorities
- Clarity around upfront requirements for assessing authorities
- Cultural change driven by real results

The tools and improvements have been well documented and are now provided to our Councils and Industry bodies via an online collaborative portal www.qdap.com (Queensland Development and Planning). Given discussions and engagements with other jurisdictions in Australia, it is our belief that these approaches are equally applicable and useable at a broader level, including federally. The outcomes have been significant and have resulted in time and financial savings for both Industry and Councils, and therefore for the community.

Infrastructure Funding and Prioritisation

Early in 2013, the Queensland State Government commenced a review of the State's Infrastructure Charges Framework relating to urban infrastructure and developer charges. The Council of Mayors (SEQ) in partnership with the Property Council of Australia (Qld) and the Queensland State Government, (Department of State Development Infrastructure and Planning), engaged KPMG to undertake a review of the UK Cities Deal and its applicability and adaptability in a Queensland context. The review produced a report which is attached for the Inquiry's consideration and which identifies a model currently termed an "*Economic Growth Partnership Model*" revolving around value uplift and capture.

The report provides an outline of a possible infrastructure funding solution for Queensland with a pilot in South East Queensland. The report also outlines a staged implementation approach allowing for multiple decision points. The next phase of the project will aim to undertake broader stakeholder consultation and the financial and economic analysis and modelling required to test the proposed adaption for its suitability and likelihood of success.

The proposed model is initially based on a partnership between State and Local Government, but provides a future path to include the Federal Government in the partnership. The Mayors of South East Queensland have provided in-principle support for the next phase of the project and we are currently awaiting a commitment for the Queensland State Government in order to proceed to this next phase.

While the recent Productivity Commission Inquiry identified a model with a strong focus around a user pays approach, it is our belief that a more effective and politically acceptable approach via a value capture structure such as the Economic Growth Partnership Model warrants serious consideration. This approach drives real economic

growth and uses this growth to direct investment and prioritisation decisions by Government, which is rewarded through improved funding for achieving the identified growth.

Should you have any questions regarding this submission or wish to discuss any aspect of our position in this important policy area, please contact me or Scott Smith of my office on (07) 3040 3479 or scott.smith@seqmayors.qld.gov.au.

Yours sincerely

Peter Olah
Executive Director

Attachment: An Economic Growth Partnership Model for Queensland – Scoping Study Report – Final Report – 4th February 2014.