



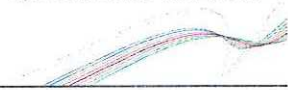
Impact Analysis Statement template

Summary IAS

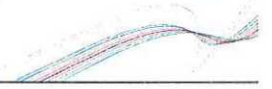
Details

Lead department	Department of Housing, Local Government, Planning and Public Works
Name of the proposal	<i>Planning and Other Legislation Amendment Regulation 2024 (Amendment Regulation)</i>
Submission type (<i>Summary IAS / Consultation IAS / Decision IAS</i>)	Summary IAS
Title of related legislative or regulatory instrument	<i>Planning Regulation 2017</i>
Date of issue	July 2024

Proposal type	Details
Urban Encroachment	<p>The Amendment Regulation amends the Planning Regulation 2017 (Planning Regulation) provide requirements to operationalise the amendments in the <i>Housing Availability and Affordability (Planning and Other Legislation Amendment) Act 2024</i> (HAAPOLA Act), such as what materials should be supplied for an application to be a registered premises, requirements for public consultation and requirements for applications to amend a registration including, in circumstances in which additional land is being included in the affected areas.</p> <p>These changes are consequential changes as a result of the passing of the HAAPOLA Act in April 2024, which amends the urban encroachment provisions to streamline processes and provide businesses with greater business certainty. These proposed amendments are necessary to operationalise the changes in the HAAPOLA Act, and do not result in a substantive change to regulatory policy or new impacts on business, government or the community.</p>
Temporary Use Licences and Applicable Events	<p>The Amendment Regulation amends the Planning Regulation and the Economic Development Regulation 2023 (ED Regulation) to require registration of temporary use licences to reflect those that are amended, cancelled or suspended. The Amendment Regulation also includes new requirements for applications to amend or extend a temporary use licence.</p> <p>These changes are consequential changes as a result of the passing of the HAAPOLA Act in April 2024, which amends the temporary use licence and applicable event provisions to improve their functionality. The proposed amendments to the Planning Regulation and ED Regulation are minor and do not introduce substantive regulatory or policy changes. These changes are considered to have negligible impacts on businesses, community or government.</p>



<p>Updates to dates for Minister’s Guidelines and Rules (MGR)</p>	<p>To support the operation of the HAAPOLA Act, consequential changes are necessary to the MGR. Under the <i>Planning Act 2016</i>, amendments to the MGR start to have effect on the day prescribed by regulation. This means that amendments are necessary to the Planning Regulation to update the date of the document.</p> <p>This proposed change is minor and machinery in nature, and do not introduce substantive regulatory or policy changes. These changes are considered to have nil impacts on businesses, community or government.</p>
<p>Updates to dates for Development Assessment Rules (DA Rules)</p>	<p>To support the operation of the HAAPOLA Act, consequential changes are necessary to the DA Rule. Under the <i>Planning Act 2016</i>, amendments to the DA Rules start to have effect on the day prescribed by regulation. This means that amendments are necessary to the Planning Regulation to update the date of the document.</p> <p>This proposed change is minor and machinery in nature, and do not introduce substantive regulatory or policy changes. These changes are considered to have nil impacts on businesses, community or government.</p>
<p>Build to rent definition</p>	<p>In response to stakeholder feedback, particularly from industry and local government groups, the Amendment Regulation introduces an administrative definition for 'build to rent' development. As this definition is an administrative definition, local governments will be able to implement this definition in a way that is suitable for their local context and their local planning scheme.</p> <p>This proposed change is minor and machinery in nature, and do not introduce substantive regulatory or policy changes. These changes are considered to have negligible impacts on businesses, community or government.</p>
<p>State facilitated development</p>	<p>To support the provisions in the HAAPOLA Act, the Amendment Regulation amends the Planning Regulation to provide supporting processes to operationalise the State facilitated development (SFD) pathway including,</p> <ul style="list-style-type: none"> • provide provisions about the effect of particular notices (such as the proposed declaration notice) on the assessment processes under the standard development assessment pathway, and • remove the fees for change applications for consistency with the broader SFD pathway, • prescribe the materials that the Chief Executive needs to make publicly available for purchase or inspection. <p>To ensure that the environmental offset framework applies to the SFD pathway, the Amendment Regulation amends the EO Regulation to create a new prescribed activity.</p> <p>These proposed amendments do not introduce substantive regulatory or policy changes. These changes are considered to have negligible impacts on businesses, community or government. These changes are considered to be consequential to support the operation of the provisions under the HAAPOLA Act.</p>



For all other proposals

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 SEQ 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.

All Queenslanders should have access to safe, secure and affordable homes that meet their needs. Despite record government investment in social and affordable housing, there are still Queenslanders who need housing.

Government Commitments:

In 2021, the Queensland Government made a commitment to address housing supply and affordability, by driving a pipeline of social and affordable housing for low to moderate income Queenslanders.

At the Queensland Housing Summit in 2022, the Queensland government committed to introducing legislative changes to planning framework to address barriers to the development of new housing. Some of the barriers that the Bill aims to tackle include:

- delivering and coordinating infrastructure where fragmented land holdings occur
- ensuring more efficient delivery of key infrastructure such as roads and schools to support growth, and
- supporting the delivery of diverse housing types and affordable housing opportunities in infill areas.

As a direct response to this, on 12 October 2023, the Honourable Steven Miles, former Deputy Premier and Minister for State Development, Infrastructure, Local Government and Planning (former Deputy Premier) introduced the *Housing Availability and Affordability (Planning and Other Legislation Amendment) Bill 2023* (the Bill).

This Bill forms part of Queensland's response to the National Housing Accord and the National Planning Blueprint. The Accord includes an aspirational target agreed by all States and Territories (including, Queensland) to deliver one million new, well-located homes.

On 3 February 2024, the Honourable Steven Miles, Premier, and Honourable Meaghan Scanlon, Minister for Housing, Local Government, Planning and Minister for Public Works, released the *Homes for Queenslanders* plan which creates the SFD team to streamline planning and development processes and quickly resolve planning and infrastructure issues that delay new homes, using the new SFD pathway proposed by the Bill.

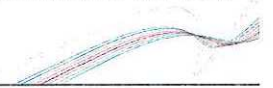
On 16 April 2024, the Queensland Parliament passed the Bill, with many of the changes commencing on 26 April 2024, and some of the other changes including, SFD and the affordable housing component conditioning powers commencing alongside the amendments in the Planning Regulation.

These new tools are about getting more homes on the ground faster.

Proposed Changes:

State Facilitated Development criteria:

The Bill includes a range of new tools including, a new alternate development assessment pathway called SFD, to deliver development that is a priority to the State.



The new assessment pathway enables the Planning Minister to declare a development application to be SFD, allowing the chief executive to assess the application, using a holistic assessment process, to facilitate the delivery of priority development. However, the Planning Minister may only declare an SFD where the development application complies with criteria in the Planning Regulation.

Therefore, to give effect to the amendments in the Bill relating to the SFD, consequential amendments are required to the Planning Regulation to prescribe criteria and include a new definition for affordable housing. The proposed criteria to be included in the Planning Regulation is as follows:

For section 106D(2)(b) of the Act, for the Minister to be able to declare a relevant application an SFD:

- the development the subject of the relevant application must –
- be for predominantly residential development; and
- include an affordable housing component that equates to at least 15 per cent of all dwellings resulting from the development, and
- the affordable housing component must provide –
- a diverse mix of dwelling types; or
- diversity in the number of bedrooms contained in the dwellings,
- the application must comply with either of the following –
- the premises the subject of the application are completely within a zone supporting residential development,
- the premises the subject of the application are not within an environmental zone or a limited development zone and the Planning Minister is satisfied the premises are or can be readily serviced by infrastructure for the development.

Affordable housing component for the planning framework:

The Queensland housing system is experiencing significant pressures, with sustained, net increased interstate migration, materials and skills shortages in the construction industry, changes in the property market as a result of pandemic era economic policies, significant increases in home values and impacts of weather events including the 2022 Queensland flood events. The combined effect of these and other facts is that the overall housing supply has not kept up with increased demand.

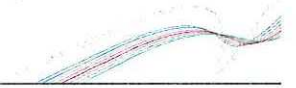
This has also had the effect of limiting the ability for first home buyers and people on low to moderate incomes from accessing opportunities associated with home ownership. In the private rental market, people are having to pay increasing amounts and may have challenges securing housing which meet their various needs. In turn, these private market conditions are putting pressure on social and affordable housing as those faced with challenges securing a home, may seek additional support from the State and community housing providers.

The current affordable housing definition is defined in the Planning Regulation and refers to, “*housing that is appropriate for the needs of a range of very low to moderate income households, if the members of the households will spend no more than 30% of gross income on housing costs.*”

During state agency consultation in July and August 2023, State agencies raised issues and questioned whether the current definition for affordable housing is workable, particularly in a development assessment context. Submitters and state agencies also raised the need to impose a condition about the provision of affordable housing.

Submissions during the process with the State Development and Regional Industries Committee for the Bill also provided for support for developing a formal definition for affordable housing to support the delivery of affordable housing product through the planning framework.

In light of the feedback received on the Bill during State agency consultation and submissions through the Committee process, DHLGPPW undertook targeted consultation with key stakeholders such as, Local Government Association of Queensland (LGAQ), Housing Supply Expert Panel (HSEP), Urban Development Institute of Australia (UDIA), Planning Institute of Australia (PIA) and Property Council of Australia (PCA), on revising the definition for affordable housing. Through consultation, the stakeholders provided strong support for revising the approach to affordable housing and sought greater flexibility in



the approach to affordable housing, noting that there are various types of affordable housing (such as market affordable housing and cross-subsidised or government subsidised affordable housing models).

Ongoing discussions are also occurring at a National level about delivering reforms to support the rapid delivery of social and affordable housing. While this work continues, DHLGGPW in collaboration with industry and state agencies has developed a revised affordable housing definition to support the implementation of SFD. Part of this definition was introduced as an amendment during the Amendments During Consideration in Detail stage of the debate for the Act. The other part of the definition is proposed to be introduced through the Amendment Regulation. For context, the definition under the HAAPOLA Act for an 'affordable housing component' includes, housing that is affordable to particular types of households and that meets the criteria prescribed by the Planning Regulation.

This definition also supports another tool within the Act to create the ability for the regulation to allow for a development condition to be imposed on two types of development approvals including:

- a development approval where a development application specifically proposes an affordable housing component, and
- a development approval for State facilitated development.

The consequential amendments to the Planning Regulation:

- introduce the ability for an assessment manager to impose a development condition for the provision of an affordable housing component where the condition include a period for which the component must be maintained (for example, 15 years or over the life of the development) and a description of the component (i.e., stamped approved plans),
- minimum requirements for a development application which proposes an affordable housing component,
- prescribe that local governments and the Chief Executive keep a register of all development applications including a condition for an affordable housing component,
- criteria for what constitutes an affordable housing component. For example, the housing is provided by a registered provider to an individual for residential use, or housing that is appropriate to the needs of households with low to moderate incomes, if the members of households will spend no more than 30% of gross income on housing costs,
- omit the definition for 'affordable housing' under Schedule 4 of the Planning Regulation, and
- insert transitional provisions to support local governments to opt into transitioning their local government planning schemes to the new approach for affordable housing.

These amendments build on the provisions in the HAAPOLA Act and are critical to the delivery of an increased supply of affordable housing across Queensland and supports the implementation of the new State facilitated development pathway. These amendments address a long-standing gap in the planning framework, which limited assessment managers from securing the delivery of affordable housing. This is particularly challenging, especially where a local government seeks to incentivise the delivery of an affordable housing product, in return for density bonuses or reduced car-parking rates. In these situations, local governments have difficulty in securing and enforcing the provision of this affordable housing product, as prior to the HAAPOLA Act, there is no ability for the local government to impose a development condition as a reasonable and relevant condition.

Under the new provisions, assessment managers (such as local governments) will be able to impose a development condition for development approvals stated above and where the development condition meets the requirements under the Planning Act and under the Amendment Regulation. These conditions will be binding and enforceable on anyone who undertakes the development and any subsequent owners that acquire a benefit from the development.

These amendments continue to support the planning framework's position on maintaining a performance – based system which does not seek to mandate affordable housing, but rather incentivise its delivery and secure its delivery through voluntary mechanisms.

Objectives of Government Action:

The objectives of government action are to:



- increase supply of affordable housing to ensure all Queenslanders have access to safe, secure and affordable homes that meet their needs,
- support the Queensland Government's commitment to deliver 1 million new homes by 2046,
- optimise the planning framework in response to Queensland's current housing challenges,
- deliver the Queensland Government's commitments from the 2022 National Housing Accord and the Homes for Queenslanders plan in providing additional affordable housing and operationalising the legislative amendments to the planning framework.

What options were considered?

State Facilitated Development criteria:

Three options have been considered in the development of the State Facilitated Development criteria. These options include:

- maintaining the status quo and pursuing no further government action,
- amending the Planning Regulation to provide for a broad and flexible criteria, and
- amending the Planning Regulation to provide for a prescriptive criteria.

Option 1: Maintain the status quo and no government action is pursued

This effect of this option will mean that the amendments relating to State Facilitated Development are not operationalised. This option would also maintain existing barriers contributing to the existing housing crisis, including limited access to affordable housing and the inability for developers to overcome outdated barriers in planning instruments. This would also contribute to Queensland not meeting its State obligations under the National Planning Accord.

Option 2: Broad and flexible criteria for State Facilitated Development

This option proposes to amend the Planning Regulation to provide for broad and flexible criteria for State facilitated development. During the targeted consultation with key stakeholders, stakeholders sought for the criteria to be broad and flexible to ensure that it is able to be applied across Queensland. For example, requirements for particular development outcomes (such as design, location and size) vary from region to region as what is expected in a densely populated region like the South East Queensland is distinct to what is required in Far North Queensland. By providing broad criteria, the State will be able to negotiate development outcomes through the development assessment process. Further, imposing prescriptive criteria may decrease the feasibility of a development and may reduce the attractiveness of the pathway.

Option 3: Prescriptive criteria for State Facilitated Development

This option proposes to amend the Planning Regulation to provide for prescriptive criteria for State Facilitated Development, with specific thresholds for affordable housing, with requirements for particular numbers of bedroom sizes. During targeted stakeholder consultation, stakeholders raised concerns about prescription in the criteria and impacts on developer feasibility. Concerns were also raised that this particular option also may also mean that the criteria cannot be applied flexibly across Queensland. As this option was considered to be not feasible, no impact analysis has been undertaken.

For the State Facilitated Development criteria, Option 2 is the preferred option and is considered to provide a comprehensive response from the planning framework to Queensland's housing challenges.

Affordable housing component:

Two options have been considered in the development of the approach to an affordable housing component. These options include:

- maintaining the status quo and pursuing no further government action,

- create a head of power to support to imposing a development condition for an affordable housing component

Option 1: Maintain the status quo and no government action is pursued

The effect of this option will mean that the amendments relating to State Facilitated Development are not operationalised and assessment managers will not have the ability to secure the provision of affordable housing in a way that is enforceable. The current definition will continue to be used and development assessment process will not have any regard to the housing spectrum and the various types of affordable housing. This may also mean that the amendments in the HAAPOLA Act to support imposing a condition for an affordable housing component are not operationalised.

Option 2: Create a head of power to support to imposing a development condition for an affordable housing component

This option proposes to create a head of power for an affordable housing component, with criteria to support the new definition for an affordable housing component. This new definition will replace the existing definition for affordable housing. This option responds to a long-standing gap in the planning framework, which limited assessment managers from securing the delivery of affordable housing. Through this process, assessment manager will be limited to imposing a development condition, only where the application proposes an affordable housing product. This ensures that the planning framework does not mandate the delivery of affordable housing, but rather removes barriers to it being delivered on a voluntary basis. Through the development assessment framework, applicants will also have the ability to negotiate the conditions imposed on the development approval and have various options for recourse, should the condition need to be varied or removed. For example, applicants have a period after the approval of the application to change the application known as change representations. Alternatively, applicants may also apply for a separate application to change the approval that was already granted, if past the change representation period.

This option also provides for a more flexible approach to affordable housing, allowing assessment managers to secure the delivery of various types of affordable housing on the housing spectrum (for example, some affordable housing may include subsidised housing and other affordable housing may include, housing that is affordable based on its design or composition). To minimise impacts on local governments, particularly as many planning to form part schemes are calibrated to deliver affordable housing, in accordance with the existing definition, the existing definition has been revised to form part of the criteria. Transitional provisions have also been inserted to limit applications to local governments from using the other criteria to apply for development involving affordable housing unless the local government has opted in to the affordable housing component definition in full through their local planning instrument. This will enable the State Government to trial the new criteria under the State facilitated development pathway, without local governments changing their approach. Further, if changes are required as a result of the work being undertaken by the National Planning Ministers, this option allows for government to include additional options should they need to in the future, without having to re-develop the definition.

What are the impacts?

State Facilitated Development criteria:

The proposed change to the Planning Regulation will be given effect through the State Facilitated Development pathway as it is a requirement for the Planning Minister to consider if the application meets the criteria in the Planning Regulation.

Benefits:

State intervention to create criteria for the declaration of an application to be State facilitated development has the following benefits:

- limits the types of applications that may be accepted through the State facilitated development pathway to areas in which any impacts can be mitigated or managed through the assessment process,



- requires for the provision of affordable housing to allow for a community benefit, in return for the State intervention in streamlining the approval process,
- allows for Queensland to meet its national obligations under the National Housing Accord, and
- provides guidance on what may constitute as a 'State priority' under the planning framework.

Impacts on Industry:

The proposed criteria has the potential to limit particular applications from using the State Facilitated Development pathway where the application does not meet identified requirements. However, it is considered that this adverse impact is unlikely to be significant given the number of existing pathways available for development assessment (for example, the standard development approval pathway, the Ministerial Infrastructure Designation pathway, Ministerial call in pathway). Further, as this pathway is intended to be a discretionary pathway for the Planning Minister, the criteria is intended to provide applicants with further certainty about the types of development intended to be facilitated.

The criteria also provides that 15 per cent of the housing included in the development be for an affordable housing component. This could have impacts on developers by requiring that a portion of housing be provided at a reduced rate. However, these impacts are balanced by the need to provide housing at an affordable rate, in response to housing challenges affecting both, the State and nation. This affordable housing product is also essential to Queensland meeting its obligations under the National Planning blueprint, ShapingSEQ and the Homes for Queenslanders plan.

Impacts on local governments and State government:

Outcomes from consultation highlighted that the criteria may have potential impacts on local governments and state agencies as it may allow for development in areas that have not been identified as appropriate for development (for example, areas affected by environmental hazards or areas in which there is insufficient infrastructure to support growth). However, it should be noted that the SFD criteria is only the gateway into the SFD pathway and is not intended to be an assessment benchmark. State agencies also noted that the criteria and the State facilitated development pathway may have an affect on state interests (for example, key resource areas, koala habitat) however, it should be noted that all applications declared as SFD will also be subject to a holistic assessment by the Chief Executive, that may be subject to public notification and consultation with local government and state agencies. State agencies will have the ability to provide input on how an application may affect a relevant state interest.

No compliance or cost impacts have been identified for the community.

Affordable housing component:

Benefits:

State intervention through the amendment of the Planning Regulation to provide for the ability to impose conditions for the provision of affordable housing provides a range of benefits to both, local governments, the State government and the community:

- provides certainty to community and local governments about the affordable housing product that that is anticipated to be provided through the development approval, under which the condition is imposed,
- provides flexibility in the type of affordable housing product that can be conditioned,
- provides benefits back to the community for additional benefits (such as density, car parking, reduced infrastructure charges) provided to developers,
- allows for Queensland to meet its national obligations under the National Housing Accord.

Impacts on developers:

The proposed change to the HAAPOLA Bill is primarily given effect through the State Facilitated Development pathway and local government development assessment. This process is business as usual



(BAU) and will be delivered through existing local and state government resources and processes. Further in both instances, the application will need to propose the affordable housing component.

Further, the provision of affordable housing has the potential to have financial impacts on developers or applicants given then potential requirement to provide housing which is not able to be sold or rented at market rate and is required to be provided at a reduced rate. For State Facilitated Development, this potential loss is offset by the benefits afforded by the new pathway (for example, no development assessment fees, no appeal rights afforded to third parties, a holistic assessment). The combined effect of development assessment fees, risk of appeal and extended assessment timeframes, may impact the delivery and viability of these types of developments. Stakeholder during the targeted consultation stage and during the consultation stage, welcomed these amendments to expedite the delivery of priority development.

For the implementation and compliance associated with this new ability to impose a condition for an affordable housing component, these are anticipated to be met within existing budget and resources. However, the imposition of the condition is applicant driven, meaning that an assessment manager (such as a local government or the State government) may only impose a condition where the application already include an affordable housing component. The intent of this amendment is to drive a greater supply of affordable housing and that any affordable housing required through a development condition may be maintained in the long term. More broadly, greater numbers of affordable housing within the housing market may improve public perception of affordable housing, ensuring that it becomes a norm in the development industry.

Impacts on State Government:

DHLGPPW is the primary entity for assessing State Facilitated Development and the costs associated with introducing an ability to condition an affordable housing component is intended to be met within existing budget and resources. Conditions generally form part of a development approval and are seen as BAU in development assessment. In relation to the criteria, the State government will need to provide guidance to local governments in applying the new definition however, this is seen as BAU as part of government processes and can be met using existing budget and resources.

No additional compliance responsibilities have been identified for the State government.

Impacts on local government:

Local governments generally assess development in their local government area and the costs associated with the new ability to condition an affordable housing component can be met with existing budget and resources. As noted above, conditions are BAU in development assessment and compliance on these conditions already forms part of the planning and development system. Therefore, no new costs are associated with this change.

During consultation, local governments and peak bodies raised concerns about the removal of the existing definition for affordable housing, as some local government planning schemes are using the definition for affordable housing. Some of these submitters sought for the existing definition to be retained. In response to this, the criteria for an affordable housing component has been amended to include the existing definition for affordable housing. This will enable local governments to continue to use the existing definition but also have the ability to include a development condition for an affordable housing component.

Impacts on community:

No impacts or compliance responsibilities have been identified for the community.

Who was consulted?



DHLGPPW has undertaken consultation with key stakeholders through an Industry Working Group, which consists of standing members the Urban Development Institute of Australia, Property Council of Australia, Housing Supply Expert Panel representative, the Planning Institute of Australia and the Local Government Association of Queensland. During the development of the State Facilitated Development criteria and the requirements for an affordable housing component, DHLGPPW has engaged with the Industry Working Group on three separate occasions and has provided out-of-session materials for further consideration and feedback.

The Department of Housing, Local Government, Planning and Public Works (the department) has held workshops with relevant state agencies including the Department of Premier and Cabinet, Queensland Treasury, Department of Transport and Main Roads, Department of Education, Department of Environment, Science and Innovation, Department of Resources, Department of Energy and Climate, Department of Treaty, Aboriginal and Torres Strait Islander Partnerships, Communities and Arts, Department of Agriculture and Fisheries, Department of Fire and Emergency Services and colleagues from Economic Development Queensland and the Office of the Coordinator-General within the Department of State Development and Infrastructure.

The department has also held internal meetings within the department, particularly with colleagues in Housing, Local Government and Public works.

Between 19 April 2024 and 21 May 2024, the department also undertook public consultation on the proposed amendments in the Amendment Regulation, the Development Assessment Rules and the Minister's Guidelines Rules.

To support the public consultation on the proposed amendments, virtual information sessions were also provided to members of LGAQ (30 May 2024) and PIA (2 May 2024).

Results of Consultation:

Broad support was received about the intent for the Amendment Regulation to optimise the planning framework's response to current housing challenges and to remove barriers to increased housing supply. For the SFD criteria, the following concerns were raised:

- Concerns were raised during the consultation process about the areas in which SFD may be declared, specifically in relation to the Limited Development. In response to this, the proposed criteria for State facilitated development was amended to exclude applications from be declared in a Limited Development Zone. Operational guidance will also send signals about the areas in which SFD may be declared.
- Stakeholder also sought further clarity of the role of the criteria and if any other requirements should be included for consistency with local planning schemes or other government policy (for example, regional plans and the State Planning Policy. In response to this, operational guidance will be prepared to support the implementation of this pathway and to provide guidance that the criteria is only the gateway into the pathway and a more detailed, merits based assessment will be applied during the Chief Executive's assessment of the application.
- Stakeholder feedback particularly from local governments and peak bodies sought for the existing definition for affordable housing to be retained and the criteria for an affordable housing component which was subject to public consultation, to only apply for SFD.
- State agencies also sought that the SFD criteria is amended to exclude development in Key Resource Areas (KRAs). However, it should be noted that any applications in KRA will still be subject to the merits based assessment and state agency consultation, to ensure that state interests are not adversely impacted.
- Similarly, some state agencies also raised concerns about koala habitats being impacted due to existing exemptions for public housing from restrictions on clearing land with koala habitat. No changes were made as the State facilitated development pathway does not affect prohibitions and these will continue to apply as per normal.



Broad support also was received about the Amendment Regulation's approach to affordable housing, with the following concerns raised:

- Submitters also sought further information was sought about the criteria for an affordable housing component, particularly with regard to what is considered to be 'affordable' as there is a lack of incomes stated. To support the implementation of the new approach to an affordable housing component, detailed guidance materials will be prepared which outlines that affordable is intended to mean no more than 30 per cent of gross median income of a low to moderate income household is dedicated to the market rent or market value of an affordable housing component.
- Submitters also sought clarification on the third criteria for affordable housing component, requesting further information on what is meant by 'below typical market value'. In response to this operational guidance will be prepared to support the interpretation of this term; however, this is intended to be guided by the local context as below typical market value may vary across Queensland. Further, the criteria has been amended to reference households with low to moderate incomes to provide further guidance about what is considered to be affordable.

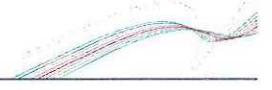
What is the recommended option and why?

State facilitated development criteria:

Option 2 is the preferred option and is considered to provide a comprehensive response from the planning framework to Queensland's housing challenges. This option is considered to provide the greatest net benefit to Queensland. The SFD criteria and the affordable housing definition are critical to operationalising the HAAPOLA Bill and therefore, are necessary regulatory changes. These changes will enable the State Government to streamline planning and development processes to get housing supply on-the-ground, faster. While the proposal has some impacts on stakeholders with the potential to limit particular types of housing and development applications which do not satisfy the requirements outlined in the criteria for SFD, these are unlikely to result in significant adverse impacts on stakeholders.

Affordable housing component:

Option 2 is the preferred option and is considered to provide a comprehensive response to concerns raised about the existing affordable housing definition and in response to Queensland's current housing challenges. This option is considered to provide the greatest net benefit to Queensland. The head of power and the criteria for an affordable housing component is critical in enabling both the State Government and the local governments to secure the delivery of affordable housing product and provide community with greater certainty about affordable housing that may be available in neighbourhoods. This option also has the potential to increase the overall supply of affordable housing, with the broader potential to improve public perception. These amendments ensure that the planning framework is recognising that there is a spectrum of housing, which caters for communities' various needs. It also ensures that assessment managers are able to maintain the affordability of housing, in the long-term using appropriate enforcement and compliance measures. The amendments are unlikely to result in significant adverse impacts on stakeholders.



Impact assessment

All proposals – complete [do not delete]:

	First full year	First 10 years**
Direct costs – Compliance costs*	N/A – It is anticipated that the compliance costs for can be met through BAU resources.	N/A – It is anticipated that the compliance costs for can be met through BAU resources.
Direct costs – Government costs	N/A – It is anticipated that the costs for the implementation of the Amendment Regulation can be met through BAU resources.	N/A – It is anticipated that the costs for the implementation of the Amendment Regulation can be met through BAU resources.

* The *direct costs calculator tool* (available at 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

Mark Cridland

Director-General
Department of Housing, Local Government,
Planning and Public Works

Date: 12/7/24

Meaghan Scanlon MP

Minister for Housing, Local Government and
Planning and Minister for Public Works

Date: 15/07/24