

Review of Queensland's development assessment fees

Consultation Regulatory Impact Statement

FACT SHEET

Background

The Queensland Government is reviewing development assessment fees for assessing a state interest triggered under Schedules 6 and 7 of the Sustainable Planning Regulation 2009. The review also considers fees for Brisbane core port land under section 283ZP of the *Transport Infrastructure Act 1994*.

The fee review is the subject of a Consultation Regulatory Impact Statement which has been assessed by the Office of Best Practice Regulation (OBPR). A letter of advice has been issued by OBPR advising that the Regulatory Impact Statement is adequate for the purposes of consultation.

What is the aim of the fee review?

Schedule 7A of the Sustainable Planning Regulation 2009 sets out the fees for development assessment of state triggers contained in Schedules 6 and 7 of the Sustainable Planning Regulation 2009.

Currently, less than half of the triggers in Schedules 6 and 7 where the Chief Executive of

the Department of State Development, Infrastructure and Planning (DSDIP) is the assessment manager or concurrence agency require a development assessment fee to be paid.

As a result, the state government currently receives a very low level of cost recovery for providing development assessment services. Where fee revenue does not meet the cost of providing the service, this shortfall is met by taxpayer funding.

The state government has therefore established a cost recovery objective of \$25.3 million per year for development assessment for the financial year commencing on 1 July 2014.

The aim of the fee review is to introduce a consistent methodology for setting development assessment fees which is based on a 'user pays' approach to meet this cost recovery objective. This will enable the government to more fully recover the cost of providing development assessment services and reduce the burden of taxpayer funding for these services.

What options have been considered in the fee review?

The Consultation Regulatory Impact Statement examines four options for setting development assessment fees. These options have included both 'flat fee' and 'weighted fee' approaches, and have been modelled over both a selection of triggers and all triggers.

The four options are assessed in the Regulatory Impact Statement against a range of criteria to determine which option provides the best outcome for all stakeholders and the government. For comparison, the Regulatory Impact Statement also presents the 'base case', which are the fees currently contained in Schedule 7A of the Sustainable Planning Regulation 2009. However, given the low level of cost recovery of the current fee schedule, retaining these fees was not a viable option.

For more information on the fee options that were considered please refer to chapter 3 in the Consultation Regulatory Impact Statement.

Which is the government's preferred option?

Option 4 has been identified in the Consultation Regulatory Impact Statement as the government's preferred option for apportioning fees to meet the cost recovery objective.

Option 4 is a weighted fee approach apportioned over all triggers. Under Option 4, a range of five fees from \$696 to \$11 133 would apply to the triggers in Schedules 6 and 7 of the Sustainable Planning Regulation 2009. These fees are based on average assessment timeframes for each trigger, so that triggers which require less time to assess would be afforded lower fees than those which have longer assessment timeframes. Under Option 4, some triggers will have only one fee,

while other triggers will be divided by development thresholds and a fee per threshold applied.

For applications on Brisbane core port land under section 283ZP of the *Transport Infrastructure Act 1994*, the fee range is \$8349 to \$22 264.

How will the fees change?

In comparison with the current fee schedule in the Sustainable Planning Regulation 2009, some fees will increase and some will decrease. However, all triggers will have one of five fees allocated which will make it easy for applicants to determine the correct fee to be paid.

Where a single trigger is divided by development thresholds, these thresholds have been reviewed and simplified to provide clarity of fees to applicants.

What are the next steps in the process?

The Consultation Regulatory Impact Statement will be available for public comment from 3 February to 5 March 2014.

Following the closure of public consultation, the department will consider all properly made submissions in response to the Consultation Regulatory Impact Statement. These will be considered in the Decision Regulatory Impact Statement which will set out any changes made to the fee modelling as a result of public consultation. The Decision Regulatory Impact Statement will also specify which fee option will be carried forward to implementation. The Decision Regulatory Impact Statement, together with the submissions, will be provided to Office of Best Practice Regulation (OBPR) for their assessment.

When will the new fees commence?

The preferred fee option will be contained in a new Schedule 7A in the Sustainable Planning Regulation 2009 and will commence on 1 July 2014.

Where can I obtain further information

For more information about the Consultation Regulatory Impact Statement, please visit DSDIP's website at www.dsdiq.qld.gov.au/fee_review

If you have any enquiries or wish to make a written submission during the public consultation stage, please email sarafees@dsdiq.qld.gov.au

Written submissions can also be made by post or fax as follows:

Development Assessment Advisory Team
Review of Queensland's Development
Assessment Fees – Consultation Regulatory
Impact Statement
C/- Department of State Development,
Infrastructure and Planning
PO Box 15009
City East Qld 4002

Facsimile: + 61 7 3452 7652