

National Housing and Homelessness Agreement Review – Issues Paper

Submission to the Productivity Commission

March 2022



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Contents

1.0	Executive Summary	3
1.1	Summary of Recommendations.....	4
2.0	Introduction	6
2.1	LGAQ Policy Statement	7
2.2	LGAQ Advocacy Action Plan	10
2.3	Rural and Remote Councils Compact.....	11
3.0	Issues across the housing spectrum	12
4.0	Local Government Housing Action Plan	14
5.0	Assessing the performance and suitability of the NHHA	14
5.1	Purpose and objectives of the NHHA.....	14
5.2	Outcomes of the NHHA and Performance Monitoring.....	16
6.0	Need for financial certainty and funding	21
7.0	Other recommendations	22

About the Local Government Association of Queensland (LGAQ)

The Local Government Association of Queensland (LGAQ) is the peak body for local government in Queensland. It is a not-for-profit association established solely to serve councils and their needs. The LGAQ has been advising, supporting, and representing local councils since 1896, enabling them to improve their operations and strengthen relationships with their communities. The LGAQ does this by connecting councils to people and places; supporting their drive to innovate and improve service delivery through smart services and sustainable solutions; and providing them with the means to achieve community, professional and political excellence.

National Housing and Homelessness Agreement Review

1.0 Executive Summary

The Local Government Association of Queensland (LGAQ) welcomes the opportunity to provide a submission to the Productivity Commission on the National Housing and Homelessness Agreement (NHHA) Review and the Issues Paper that was released in December 2021.

As the tier of government closest to the community, councils in every corner of Queensland have first-hand experience of the devastating impacts of the lack of available, affordable and adequate housing.

Under the NHHA, the Australian Government provides States and Territories across Australia with approximately \$1.6 billion each year to improve access to secure affordable housing across the housing spectrum. This funding includes \$129 million for homelessness services, which State and Territory Governments must match. Funding is conditional on State and Territory Governments having publicly available housing and homelessness strategies and contributing to improved data collection and reporting, amongst other things.

The LGAQ understands the current NHHA took effect in 2018, and replaced the former National Affordable Housing Agreement and the National Partnership Agreement on Homelessness.

Although the NHHA is an agreement between the Australian Government and the State/Territory Governments, the impacts of the housing challenges are most acutely felt at a local level and many Queensland regions and local communities are continuing to experience an array of housing challenges despite countless government inquiries and reforms over the past decade.

As outlined in the Issues Paper *“the NHHA Review is also one in a series of national agreement reviews established under the Intergovernmental Agreement on Federal Financial Relations (IGA FFR) (COAG 2008a). The IGA FFR was intended to address two features of Australia’s federal system – vertical fiscal imbalance and the overlapping roles and responsibilities of the Australian, and State and Territory Governments in some areas of service delivery”*.

In September 2021, the LGAQ made a submission to the Parliamentary Inquiry into Housing Affordability and Supply in Australia containing 16 recommendations and has drawn on these recommendations in preparing this submission. In addition, four Queensland councils also made individual submissions directly to the Inquiry (Isaac Regional Council, Moreton Bay Regional Council, Mt Isa City Council and Townsville City Council) as well as the Western Queensland Alliance of Councils (WQAC), representing 22 local governments in Queensland. These should all be read in conjunction with this submission.

Most recently in March 2022, the LGAQ also publicly released a *Local Government Housing Advocacy Action Plan* on behalf of Queensland’s 77 local governments, calling on the State and Federal Government to commit to six key actions to begin to conquer the housing crisis. This Plan reflects the key outcomes from the LGAQ Annual Conference in October 2021, reinforces national sector-wide advocacy priorities and recognises the work underway across Queensland councils including the release of the WQAC Housing Solutions Study in late 2021.

These actions are discussed in further detail in this submission and further work is also underway to identify and refine additional policy and funding responses needed by Queensland councils, which will remain an ongoing priority of the LGAQ.

1.1 Summary of Recommendations

The LGAQ has prepared detailed comments relevant to the Productivity Commission's National Housing and Homelessness Agreement Review and has made 11 recommendations, summarised below:

Recommendation 1: The LGAQ recommends the State and Federal Government commit to the **six priority actions identified in the *Local Government Housing Advocacy Action Plan*** recently released by the LGAQ on behalf of Queensland's 77 councils.

Recommendation 2: The LGAQ recommends the Federal Government **restore local government's critical role in national decision-making**, including participation in National Cabinet, to ensure local governments' voice is represented in consideration of national, state, regional and locally significant issues such as housing supply and affordability.

Recommendation 3: The LGAQ recommends the Federal Government convene a **National Housing Summit** involving all levels of government and industry, as the first step towards preparing a National Housing Strategy.

Recommendation 4: The LGAQ recommends the Federal Government develop a strategic, comprehensive, integrated and coordinated **National Housing Strategy**, in collaboration and close consultation with state and local governments, industry and the community. A National Housing Strategy must recognise there is no one-size-fits-all solution by ensuring responses can be tailored to local circumstances that equally meet the needs of regional, rural and remote areas, high growth centres, and First Nations communities.

Recommendation 5: The LGAQ recommends a more **comprehensive, timely and consistent approach to reporting** on the progress of national performance indicators under a revised NHHA, be implemented and led by the Australian Government to assist in assessing the effectiveness of the NHHA.

Recommendation 6: The LGAQ recommends the **scope of the national performance indicators of the NHHA** be reviewed and updated to ensure these are fit-for-purpose, measurable and more directly aligned with the objective and outcomes of the NHHA.

Recommendation 7: The LGAQ recommends that existing infrastructure funding frameworks be reviewed and **improved to introduce a permanent infrastructure funding model that reflects the 'true cost of development', removes cost shifting onto local government and the community and leads to better long-term management of Queensland's growth**. This should be developed in collaboration with Queensland councils and consider the needs of greenfield and infill development and high/low growth areas.

Recommendation 8: The LGAQ recommends **restoration of Commonwealth Financial Assistance Grants to at least 1% of Commonwealth taxation revenue** to provide greater certainty in funding and to strengthen the ongoing financial sustainability of Queensland councils over the long term, thereby supporting councils in the delivery of important/critical services for local communities.

Recommendation 9: The LGAQ recommends that Queensland **councils should retain the autonomy to engage with and proactively plan for local communities** as the most appropriate and best placed level of government for land use planning and development assessment, recognising the diversity of local communities. Local governments oppose a 'one size fits all' approach and land use planning policy or intervention that inhibits local decision making, including the appointment of mandatory, externally appointed development assessment panels.

Recommendation 10: To support Queensland local governments to deliver their planning and development functions effectively and efficiently, the LGAQ seeks the State Government undertake the following:

- develop a **State Population Policy**, in collaboration with local governments and other key stakeholders to provide clear guidance on the future locations of population growth and infrastructure provision.
- commit to delivering a **comprehensive and up to date statutory regional plan framework** in partnership with councils, that provides strategic direction for regional growth/change and ensures integration into and alignment with regional infrastructure plans (currently under development).
- develop improved guidance material on **innovative, sustainable and liveable housing models (including for small lot housing)**, in consultation with councils, and demonstrate best practice design outcomes for example, in state-led development projects.

Recommendation 11: The LGAQ recommends that Federal and State governments ensure national, state and regional infrastructure strategies and plans **articulate a prioritised list of key infrastructure projects** over 5-15 year and 15–25 year timeframes to better inform and align with planning horizons for statutory regional plans, local government planning schemes and local government infrastructure plans, as well as providing for the identification of key aspirational and transformational projects.

Please do not hesitate to contact Crystal Baker, Lead – Planning and Development
phone 1300 542 700, should you wish to discuss any aspect of
this submission.

2.0 Introduction

Housing is the cornerstone of a range of social, economic and environmental outcomes for local communities, and is a significant priority for Queensland councils.

Local governments recognise the housing challenges facing Queensland regions are diverse, multi-faceted and complex, many of which have been exacerbated by the onset of the COVID-19 pandemic in March 2020 as well as recent natural disasters such as the floods of 2022.

Importantly, there is no one-size-fits-all solution to the housing challenges currently being experienced and as such, the autonomy of local government to make decisions (in consultation with their local communities and supported by national and state-wide coordinated and strategic frameworks), is paramount. It is critical that responses can be tailored to local circumstances that equally meet the needs of regional, rural and remote areas, high growth centres, and First Nations communities.

Recognising this, Queensland councils seek to be a key partner and a core part of the housing solution and are committed to working in partnership with other levels of government, industry and the community to identify innovative, sustainable and liveable housing and infrastructure funding solutions and ensure the appropriate policy, legislative and funding frameworks exist to support implementation of improved social, environmental, economic and affordable living outcomes.

Despite being the most financially constrained level of government and not a party to the NHHA, Queensland councils recognise the significant issues facing local communities and improved local housing outcomes are a significant priority of Queensland councils to support the health, safety and wellbeing of local communities.

Many councils are actively responding to the local housing challenges being experienced in their region within their capacity to do so by:

- developing and delivering innovative housing solutions in partnership with other key stakeholders
- addressing immediate community impacts (including providing assistance to those experiencing financial difficulty and homelessness),
- proactively planning for growth and change in local communities, as well as delivering, operating and maintaining public infrastructure that unlocks and facilitates development including housing, and providing a diverse and broad range of important services, in many cases above and beyond their statutory functions
- undertaking studies into housing barriers, needs and opportunities and facilitate medium to long term housing solutions through for example, statutory planning functions, and
- advocating to other tiers of government for housing solutions outside of local government roles and responsibilities for example, the provision of social housing and reforms to infrastructure funding frameworks to support effective and efficient development outcomes.

In many cases, Queensland councils are going above and beyond their roles and responsibilities and directly delivering services, which should be undertaken by other tiers of government or require private sector investment, in order to support and retain people in their local communities.

Although, major statutory, policy and funding levers to address housing issues principally reside with the state and federal governments, restoring local government's critical role in national decision-making, including participation in National Cabinet, is a key part of the solution. As the most financially constrained level of government, there is also need for greater investment and

certainty in long-term federal and state government funding and infrastructure priorities, including for social housing.

No additional funding for social housing was allocated in the Federal Budget in May 2021, however the LGAQ notes and welcomes the Federal Opposition's election commitment to establish a new \$10 billion social housing fund to build 30,000 affordable homes for vulnerable Australians and frontline workers.

As the peak body for Queensland councils, the LGAQ has prepared this submission based on the LGAQ Policy Statement (as the definitive statement of the collective voice of local governments in Queensland), the LGAQ Advocacy Action Plan and the 6-point Local Government Housing Action Plan recently released by the LGAQ, as well as direct council feedback.

This submission should also be read in conjunction with the LGAQ and Queensland councils' previous submissions to the Parliamentary Inquiry into Housing Supply and Affordability.

2.1 LGAQ Policy Statement

The LGAQ Policy Statement¹ is the definitive statement of the collective voice of 77 local governments in Queensland. With reference to the Terms of Reference for the Inquiry, there are a number of agreed local government policy positions contained in the LGAQ Policy Statement that are relevant including:

In relation to taxation and revenue:

- *3.2.1.1 There should be no interference with the autonomy of local governments in the setting of rates and charges.*
- *3.2.1.2 The responsibility for valuation should remain with the state government.*
- *3.2.1.3 Site valuation is the preferred valuation methodology for urban properties.*
- *3.2.1.4 State and federal governments, their departments and instrumentalities should not be exempt from the payment of rates, charges and fees on income producing property owned by them or leased to private sector entities.*
- *3.2.1.5 All government owned land used for residential accommodation should be fully rateable. The government department and not the tenant should be responsible for the payment of rates and charges to the local government.*

In relation to affordable housing:

- *7.1.7.1 Local governments will determine their own role in provision of affordable community housing and comply with federal and state requirements.*
- *7.1.7.2 Local government will actively participate in forums and networks, where appropriate, that seek to establish good practice approaches to sustainable, accessible and affordable housing.*
- *7.1.7.3 Local government will work with the state government to ensure adequate financial assistance and training is made available to those councils that wish to identify the need for and the provision of affordable housing in local communities.*
- *7.1.7.4 Local government seeks fair and reasonable treatment of local government community housing providers under the new National Regulatory System that introduces national standards in housing.*
- *7.1.7.5 Local government seeks provision of appropriate housing for Aboriginal and Torres Strait Islander communities under a continuing National Partnership Agreement on Remote Indigenous Housing (NPARIH) that is environmentally appropriate, encourages home ownership and is cost efficient.*

¹ <https://www.lgaq.asn.au/downloads/file/183/2019-lgaq-policy-statement>

In relation to economic development:

- *8.8.1 Local government should play a key role in the stimulation of regional economic development. Where appropriate, joint local bodies should be formed to assist with attraction of development opportunities to an area.*
- *8.8.2 The federal and state governments should encourage regional development as a means of facilitating regional growth and relieving the pressures of urban growth in major centres.*
- *8.8.3 The federal, state and local governments should work together to make it more attractive for private and public sector investors to supply affordable and appropriate housing and infrastructure in rural and remote areas.*
- *8.8.6 Local government is a legitimate partner with state and federal governments in facilitating sustainable economic and regional development. Local government does this through its role as purchaser, property owner/developer, regional leader, infrastructure provider, economic policy and community advocate, regulator and business development facilitator.*
- *8.8.7 Local government supports the rollout of digital infrastructure, including the National Broadband Network and the provision of equitable access to high speed broadband internet. This includes support from the federal and state governments in developing the digital economy and online service delivery for local government.*

In relation to regional development:

- *8.9.1 Regional Queensland underpins the state's economy through a diverse industry base including agriculture, resources and tourism and seeks to be supported by appropriate levels of service and infrastructure.*
- *8.9.2 All spheres of government must work collaboratively in the early stages of developing and subsequent implementation of policies and plans that impact on the social, environmental and economic growth of regional Queensland, such as the Queensland Plan, the Northern Australia White Paper and the Northern Australia Infrastructure Facility.*
- *8.9.3 The decision-making processes of state and federal governments must be underpinned by the preparation of Regional Impact Assessment statements prepared independent of government, allowing reasonable time for regional consultation and made available for public scrutiny.*
- *8.9.4 Development and investment in regional Queensland will occur through coordinated programs by local, state and federal governments. Private sector investment in facilities and infrastructure in regional Queensland is crucial and should be encouraged by all spheres of government.*
- *8.9.5 Digital infrastructure and technology are recognised as enablers to help overcome the barriers of remoteness, infrastructure shortfalls, attract regional investment and facilitate regional prosperity.*

In relation to planning and development:

- *6.1.1.1 Local government should be recognised as the sphere of government immediately responsible for land use planning and development assessment.*
- *6.1.1.2 Local government supports an effective planning system guided by appropriate legislation and balanced social, environmental, cultural and economic interests.*
- *6.1.1.3 Local government supports the definition of a 'state Interest' being limited to whole of state government endorsed land use planning policy that has undergone rigorous community review.*
- *6.1.1.5 Local government opposes state government land use planning policy or intervention that inhibits local decision making.*
- *6.1.1.7 Local government supports the state government developing a state Population Policy to provide clear guidance on the future locations of population growth and infrastructure provision.*
- *6.1.1.8 Local government supports the introduction of a statutory regional planning framework that;*
 - *Represents a true regional partnership between the state and local governments;*
 - *Addresses matters of state and regional interest; and*

- *Informs local planning instruments*
- *6.1.1.9 Local government supports the ability to clearly identify uses appropriate to a particular area, including the ability to prohibit certain types of development.*

In relation to infrastructure planning and charging:

- *6.1.2.1 Local government supports integrated infrastructure and land use planning measures within local planning instruments.*
- *6.1.2.2 Local government supports the state government developing comprehensive state infrastructure plans that support and inform local planning instruments and statutory regional plans.*
- *6.1.2.3 Local government supports the implementation of a permanent infrastructure funding framework that does not further shift the cost burden onto councils and the community.*
- *6.1.2.4 Local government supports the use of an adopted infrastructure charge option given the simplicity, legal clarity, and certainty provided by such a framework. Local government opposes the use of an adopted infrastructure charge option where a maximum charge is imposed unless supported and offset by state government subsidies for essential development infrastructure.*
- *6.1.2.5 Local government supports the annual indexation of the maximum adopted infrastructure charges by the Queensland road and bridge construction index.*
- *6.1.2.6 Local government supports the application of infrastructure charges for essential development infrastructure where calculated using a fair cost apportionment methodology.*
- *6.1.2.7 Contributions towards the costs of providing local government infrastructure associated with state government projects should be the same as those imposed for similar private sector developments.*
- *6.1.2.8 Local government supports the use of Priority Development Areas (PDAs) by Economic Development Queensland to facilitate development in specific locations only where undertaken in consultation with and with the full agreement by local government, including full agreement regarding infrastructure planning and expenses recovery.*

In relation to development assessment:

- *6.1.3.2 Local government supports an efficient planning and development system that utilises streamlined procedures commensurate to risk and appropriate technology to minimise costs.*
- *6.1.3.3 Local government does not support the mandatory introduction of externally appointed development assessment panels to determine development approvals, nor a state-based private certification system for planning but supports a council-controlled private certification of development applications. Decision making for development applications must remain with local government.*

In relation to short-term letting of residential properties

- *6.1.5.1 Local government should continue to establish and enforce appropriate planning, local law and rating responses for residential properties used for short-term letting, within their local government area.*
- *6.1.5.2 Local government is committed to working in partnership with the State Government and industry to effectively manage the growth of emerging short term accommodation styles and the impact of this on local communities.*
- *6.1.5.3 Local government supports the state government in:*
 - *developing a Code of Conduct, including information regarding fire safety standards, for hosts and guests of residential properties that are advertised for short-term letting,*
 - *obtaining the agreement of online accommodation booking agencies to provide details regarding the location of residential properties that are advertised for short-term letting, to regulatory authorities, and*
 - *establishing a state-wide data sharing system across the short-term accommodation sector, that is accessible by local government.*

2.2 LGAQ Advocacy Action Plan

The LGAQ is committed to member driven advocacy and working with members to build stronger local government and more resilient local communities. The LGAQ Advocacy Action Plan (AAP)² is a roadmap designed to highlight the top policy positions and funding priorities councils believe are critical to ensuring Queensland flourishes and our communities thrive.

The LGAQ 2022 AAP was recently released and contains seven (7) specific advocacy asks of State and Federal Government that directly addressing the housing crisis:

AAP 01 - *Convene a National Housing Summit and prepare a National Housing Strategy, in partnership with all levels of government to ensure a strategic, comprehensive, integrated, coordinated and collaborative approach to identifying and addressing a range of housing issues. (Federal Government)*

AAP 02 - *Invest \$200 million over four years to assist councils to develop and implement innovative housing partnerships. (Federal Government)*

AAP 03 - *Commit to Closing the Gap and reduce overcrowding in remote and discrete Aboriginal and Torres Strait Islander communities by allocating \$100 million per year for five years to increase housing supply. (Federal Government)*

AAP 04 - *Work with the LGAQ and Queensland councils to identify appropriate policy and legislative responses to address the problems creating abandoned, unused, and vacant properties, and boost available housing stock. (State Government)*

AAP 05 - *Modify the First Home Owners' Grant to be available for the purchase of any new dwelling, any existing dwelling and for the renovation and refurbishment of existing housing stock (State and Federal Government)*

AAP 06 - *Increase social housing supply in areas of need by quadrupling the capital investment in social housing in Queensland, allocating a further \$4.8 billion over four years.*

AAP 07 - *Work with the LGAQ and Queensland councils to develop a range of innovative and fit for purpose strategies to effectively address housing supply issues across metropolitan, regional, rural and remote communities, to support growth and investment, improve liveability, and grow stronger and more diverse local communities (State and Federal Government)*

Other AAP priorities relevant to the Review include:

Sustaining local jobs

AAP 08 - *Restore Financial Assistance Grants (FAGs) to one percent of Commonwealth taxation revenue to support direct and indirect local government jobs, in staged increments that reflect Federal Government priorities (Federal Government)*

Strengthening our regions

AAP 24 - *Fast track reliable digital connectivity throughout regional Queensland and ensure non-commercially viable black spots are addressed as a fundamental rights issue (State Government)*

AAP 26 - *Provide \$50 million per year for four years to continue the successful Building Our Regions program which has already created more than 2,760 jobs across 264 projects and generated an additional \$538 million worth of investment in building infrastructure, and developing a pipeline of projects that support and diversify local economies (State Government)*

AAP 27 - *Increase funding for the Transport and Infrastructure Development Scheme (TIDS) to \$100 million by 2024 to build safer road networks in regional communities, support 452 jobs and enhance flexibility to support rural communities (State Government)*

² LGAQ 2022 Advocacy Action Plan – available [here](#).

Supporting rural and remote communities

AAP 83 - *Establish a system of aged care service provision for ageing Australians in rural and remote areas so residents can remain within their community (Federal Government)*

Advancing First Nations Councils

AAP 102 - *Collaborate with the LGAQ and member councils in reviewing current land tenure issues which are detrimental to a council's capacity to deliver vital infrastructure for the wellbeing of their community (State and Federal Government)*

AAP 103 - *Provide funding to ensure remote and discrete First Nations communities have the digital connectivity necessary to provide the same level of services available to other communities across Australia (State and Federal Government)*

An effective, efficient and financially responsible local government sector

AAP 114 - *Restore local government's critical role in national decision-making, including participation in National Cabinet (Federal Government)*

2.3 Rural and Remote Councils Compact

The Rural and Remote Councils Compact³ signed on 25 June 2021, complements the existing Partnership in Government agreement in place between the LGAQ and the Queensland Government to provide a platform to ensure issues of priority for these communities are properly considered by the Government when developing policies, programs, and legislation.

The Rural and Remote Councils Compact, pledges to amplify the voice of and improve outcomes for the state's 45 rural and remote councils and their local communities by enhancing engagement between both levels of government. Key strategic priorities contained in the Rural and Remote Councils Compact are roads, housing and financial sustainability.

³ A copy of the Rural and Remote Councils Compact can be accessed [here](#).

3.0 Issues across the housing spectrum

The LGAQ, in its submission to the Parliamentary Inquiry into Housing Supply and Affordability, illustrated a range of issues across the housing spectrum. Some key highlights are included below which demonstrate the need for policy and funding reforms:

- Analysis by CoreLogic⁴ showed **dwelling values** for Brisbane and Regional Queensland have increased by 15.9% and 19% respectively in the 12 months to August 2021.
- A report published by Propertyology in July 2021, revealed that Hervey Bay has experienced the biggest increase in **rental prices** in Australia over 18 months, with an increase in rent prices of 39% across the properties that were compared.
- **Residential vacancy rates** in many regions have seen a sharp downturn since the onset of COVID-19, with the March 2021 Real Estate Institute of Queensland (REIQ) vacancy report⁵ data revealing 78.9% of Queensland's rental markets remained static or experienced tighter strains on the number of rentals available 70.2% of the state's rental vacancies remain under 1.0%, with the biggest pinch recorded in Brisbane's inner city, with rates dropping 0.5% over the quarter. The tightest vacancies at that time were found to be in Maryborough (0.2%) in the Fraser Coast region, followed by the Southern Downs (0.3%) and Bundaberg regions (0.5%), while a rate of 0.4% has been recorded across Gympie, Rockhampton and Sunshine Coast. According to data from SQM Research⁶, Brisbane's vacancy rate in January 2022 was 1.1%, the lowest rate since December 2006.
- **Market demand for greenfield development in high growth areas**, is leading to pressures on existing urban footprints, green space, financial implications to adequately service development and a lack of housing choice and diversity.
- **Short-term visitor accommodation** that is facilitated by online booking platforms, such as AirBnB and Stayz, has become increasingly prevalent in many local government areas. Accommodation accessed through online booking agencies, can be beneficial in providing greater stock in tourist areas however, it may also adversely impact on full time rental availability, housing affordability and increase amenity issues in some local communities.
- Despite recent record levels of investment by the Queensland Government, the **scale of demand for social housing** far exceeds current levels of investment, with the Queensland Council of Social Services (QCROSS) estimating "*the current level of investment will only address 21% of the housing register and this does not account for the likelihood of continued exponential increases*"⁷.
- As at 30 June 2021, there were 50,301 people on Queensland's social housing register⁸, with 87% of applications identified as 'high' or 'very high' level of housing need. According to the register, average wait times for social housing are in excess of 2 years (at 28.3 months). Based on analysis by QCROSS⁹, these figures represent a 78% **increase in applications for social housing** state-wide since 2017, and approximately an 83% **increase in average wait times** over that same time period.
- **A lack of housing** has been consistently cited as the number one concern for **remote and discrete Aboriginal and Torres Strait Islander communities** by First Nations councils, and the level of concern has escalated since the Australian Government's housing program

⁴ CoreLogic Home Value Index data (August 2021) https://www.corelogic.com.au/sites/default/files/2021-08/210802_CoreLogic_HomeValueIndex_Aug21_FINAL.pdf

⁵ REIQ Vacancy Report (March 2021) <https://www.reiq.com/articles/vacancy-rate-report-mar-21/>

⁶ Residential Vacancy Rates (SMQ Research) https://sqmresearch.com.au/graph_vacancy.php?region=qld-Brisbane&type=c&t=1

⁷ QCROSS (2020) 'Social housing pressure explodes' <https://www.qcross.org.au/social-housing-pressure-explodes/>

⁸ Queensland Social Housing Register (30 June 2021) <https://www.data.qld.gov.au/dataset/social-housing-register/resource/9fd99c88-c117-4e30-8b4b-54ac24170b80>

⁹ QCROSS Social Housing Profile <https://www.qcross.org.au/wp-content/uploads/2021/09/Social-Housing-Register-2021-LGA.pdf>

NPARIH (National Partnership Agreement on Remote Indigenous Housing) came to an end in 2018.

- An estimated 2,000 new builds will be required to address the existing level of **overcrowding** across Queensland's discrete Aboriginal and Torres Strait Islander communities in Queensland. A minimum of 1250 new dwellings are required to bring overcrowding down to a standard equivalent to the rest of Australia.
- Many regions are experiencing **significant labour shortages, a scarcity of trades and product supply chain issues** resulting in shortages for a range of construction materials such as timber, steel products and roofing material, and cost increases in some regions as high as 30-40% above the State's average. Surveys conducted by Master Builders Queensland (in March 2021 and June 2021) found that these problems are continuing to escalate and have reached critical levels.
- **'Land banking'** by developers is undermining land use planning and development assessment outcomes set by state and local governments aimed at increasing housing supply, with over 200,000 housing lots, or 13 years of new supply, being held by the eight largest housing development companies, and eight years of these landbanks are held in housing subdivisions that are approved and already for sale (Murray, 2020)¹⁰.

The **impact of recent weather events and flooding** across the SEQ and Wide Bay Burnett regions in early 2022, has also exacerbated housing pressures and likely timeframes and costs to deal with the severe damage will be significantly extended with a lack of trade people and significant supply issues. The Real Estate Institute of Queensland and Q Shelter have recently identified over 200,000 properties in Queensland that are either vacant or used for **short-term and holiday letting** purposes that if moved into the longer-term rental market, could help to ease the housing and homelessness crisis in Queensland¹¹.

In addition, there are concerns that the cessation of the **National Rental Affordability Scheme**, due to conclude in 2026, will substantially impact the availability of rental accommodation, especially for low to middle income earners. **"Postcode discrimination"** has also been highlighted as a major concern, with banks refusing to loan funds or loaning with substantially high deposit requirements (up to 60%) in some rural and remote areas.

In June 2021, the State Government released the *Queensland Housing and Homelessness Action Plan 2021–2025* and announced additional funding of \$314.9 million over 4 years in its 2021-22 State Budget to support the \$1.908 billion Housing and Homelessness Action Plan. A \$1 billion Housing Investment Fund has also been established which is expected to generate annual returns up to \$40 million per annum towards the supply of new social homes.

Under the *Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023*¹², the Queensland Government will invest \$898 million over four years from, 2019 to 2023, to improve housing outcomes for Aboriginal and Torres Strait Islander Queenslanders, including \$728.3 million in remote communities.

These measures are strongly welcomed by Queensland councils, and it is important that these State Government action plans are fully implemented.

¹⁰ Murray, Cameron (2020), Time Is Money: How Landbanking Constrains Housing Supply. Journal of Housing Economics. <https://www.sciencedirect.com/science/article/abs/pii/S1051137720300449>

¹¹ REIQ and Q Shelter join forces to combat homelessness and plummeting vacancy rates (March 2022) – Courier Mail article available [here](#).

¹² https://www.hpw.qld.gov.au/_data/assets/pdf_file/0012/5214/atsihousingactionplan.pdf

4.0 Local Government Housing Action Plan

In March 2022, the LGAQ released a six-point *Local Government Housing Advocacy Action Plan* calling on State and Federal Governments to commit to the following initial actions, in order to begin to address the housing crisis in Queensland:

1. Convene a **National Housing Summit** and prepare a new **National Housing Strategy** in partnership with all levels of government, as well as industry and community groups.
2. **Quadruple the capital investment in social housing** in Queensland by allocating a further \$4.8 billion over 4 years to increase social housing supply in areas of need.
3. **Extend the First Home Owners' Grant** to be available for the purchase of any new dwelling, any existing dwelling and for the renovation and refurbishment of existing housing stock.
4. **Unlock abandoned, unused and empty properties in Queensland** to increase existing housing supply.
5. **Commit to Closing the Gap and reduce overcrowding** in remote and discrete Aboriginal and Torres Strait Islander communities by allocating \$100 million per year for 5 years to increase housing supply.
6. Invest \$200 million over four years to assist council to develop and implement **innovative housing partnerships** (where a council seeks to do so).

Importantly, the initial six-point Local Government Housing Advocacy Plan is the first step in comprehensively considering and defining sector wide local government priority advocacy asks to address housing supply, diversity and affordability challenges across Queensland's regions.

The Plan includes the immediate, clearly defined housing advocacy priorities identified in the outcomes and strong feedback during the debate on housing resolutions at the LGAQ Annual Conference held in October 2021.

It also recognises the significant work underway across Queensland councils including the release of the WQAC Housing Solutions Study in late 2021 and seeks an ongoing dialogue with State and Federal Governments to develop a range of other housing solutions through for example, a National Housing Summit and National Housing Strategy.

Recommendation 1: The LGAQ recommends the State and Federal Government commit to the six priority actions identified in the *Local Government Housing Advocacy Action Plan* recently released by the LGAQ on behalf of Queensland's 77 councils.

5.0 Assessing the performance and suitability of the NHHA

5.1 Purpose and objectives of the NHHA

The objective of the NHHA is clearly stated as being to:

"contribute to improving access to affordable, safe and sustainable housing across the housing spectrum, including to prevent and address homelessness, and to support social and economic participation."

Whilst this objective is quite broad, the overall intent is supported.

The NHHA recognises the mutual interest between the Commonwealth and the States/Territories in improving housing outcomes across the housing spectrum, including for Australians who are homeless or at risk of homelessness, and the need to work together to achieve those outcomes.

Local governments are not a party to the NHHA, but do have a strong interest and active role in supporting improved housing outcomes for local communities and recognise that issues of housing supply and affordability are complex and multifaceted and will require collaborative efforts across all levels of government, industry and the community to find and implement effective and sustainable solutions.

In addition, it is acknowledged that there is a range of factors outside of the scope of the NHHA that impact the housing market, including Commonwealth and State tax settings, financial sector regulation, immigration, income support and rental subsidies.

Recognising these limitations of the NHHA, it is imperative there is a strategic, comprehensive, integrated and coordinated approach to addressing the breadth of housing challenges currently being experienced.

For this reason, Queensland councils and the LGAQ are strongly advocating and calling for a National Housing Summit to be held by the Australian Government and for a National Housing Strategy to be developed in collaboration with state and local governments, industry and the community, that considers the spectrum of housing challenges, including issues of homelessness.

The NHHA would therefore be one component under an overarching, comprehensive National Housing Strategy, and this aligns with calls from other commentators suggesting that Australia needs a more systematic approach to housing policy through a national housing strategy (Pawson, Milligan and Yates 2020). Community Housing Industry Australia NSW and Aboriginal Community Housing Industry Association NSW (CHIA NSW and ACHIA NSW 2021, pp. 6–7), for example, recently argued that:

The development of a National Housing Strategy is critical for providing the leadership and coordinated framework for governments at all levels and key delivery partners ... to make effective long-term planning and investment decisions and ensure that all jurisdictions can deliver enough social and affordable housing for their current and future populations. ... a National Strategy must also respond to entrenched housing affordability issues, including the often narrow and limited housing options for very low, low, and moderate-income households along the housing continuum.

The importance of the Australian Government's role in providing leadership on housing matters cannot be overstated.

However, the voice and insights of Australia's 537 local governments have been absent from national leadership discussions since COAG was disbanded in May 2020. Restoring the role of local government in national decision making could significantly support housing outcomes and demonstrate the Australian Government's leadership in this regard.

In addition, changes, gaps and inconsistencies in state and federal policy settings, legislative requirements and funding programs, can create confusion and challenges for councils in responding to housing challenges.

A National Housing Summit and National Housing Strategy is critical to achieve greater alignment and coordination across state and federal government policies and delivery of obligations, minimise and avoid piecemeal responses as well as securing bipartisan support for housing solutions at all levels. Critically, a National Housing Strategy must also recognise there is no one-size-fits-all solution by ensuring responses can be tailored to local circumstances that equally meet the needs of regional, rural and remote areas, high growth centres, and First Nations communities.

Recommendation 2: The LGAQ recommends the Federal Government **restore local government's critical role in national decision-making**, including participation in National Cabinet, to ensure local governments' voice is represented in consideration of national, state, regional and locally significant issues such as housing supply and affordability.

Recommendation 3: The LGAQ recommends the Federal Government convene a **National Housing Summit** involving all levels of government and industry, as the first step towards preparing a National Housing Strategy.

Recommendation 4: The LGAQ recommends the Federal Government develop a strategic, comprehensive, integrated and coordinated **National Housing Strategy**, in collaboration and close consultation with state and local governments, industry and the community. A National Housing Strategy must recognise there is no one-size-fits-all solution by ensuring responses can be tailored to local circumstances that equally meet the needs of regional, rural and remote areas, high growth centres, and First Nations communities.

5.2 Outcomes of the NHHA and Performance Monitoring

The outcomes of the NHHA are specified as being a shared responsibility of the Commonwealth and State Governments and include contributing to:

- (a) *a well-functioning social housing system that operates efficiently, sustainably and is effective in assisting low income households and priority homelessness cohorts to manage their needs;*
- (b) *affordable housing options for people on low-to-moderate incomes;*
- (c) *an effective homelessness service system, which responds to and supports people who are homeless or at risk of homelessness to achieve and maintain housing, and addresses the incidence and prevalence of homelessness;*
- (d) *improved housing outcomes for Indigenous Australians;*
- (e) *a well-functioning housing market that responds to local conditions; and*
- (f) *improved transparency and accountability in respect of housing and homelessness strategies, spending and outcomes.*

Whilst these overarching aspirations are supported as critical outcomes, housing challenges continue to be experienced across Queensland and nationwide despite the NHHA.

For example, despite NHHA Outcome (d) '*improved housing outcomes for Indigenous Australians*', a lack of housing (and the flow on consequences from this in relation to overcrowding, health impacts and crime), continues to be the number one concern for First Nations communities and this has escalated since the federal government's housing program NPARIH (National Partnership Agreement on Remote Indigenous Housing) came to an end in 2018.

In preparing this submission, the LGAQ received direct feedback from Torres Shire Council and has prepared the below case study in Table 1, to further emphasise and demonstrate the ongoing and very real housing challenges that continue to be experienced in this region.

Case Study: Torres Shire Council – Housing Challenges

Torres Shire Council is the northernmost Queensland local authority, and the only Australian local government which abuts an international border. The Shire comprises all of the State lying north of latitude 11 degrees south and includes the northernmost part of Cape York Peninsula, together with the islands of Torres Strait.

In the Torres Shire, housing shortages, homelessness, as well as overcrowding leading not only to rheumatic heart disease, but other adverse health and social outcomes, remain ongoing challenges.

According to the 2016 Census of Population and Housing data, 29.0% of households in the Torres Shire, with Aboriginal and/or Torres Strait Islander persons, were overcrowded (far in excess of the national figure of between 4-24% and the Queensland average of 10.5%), and 5.2% of non-Indigenous households were overcrowded (compared to 2.7% of non-indigenous households in Queensland). These statistics reveal that overcrowding in the Torres Shire is thrice that applying to indigenous Queensland households and twice that applying to non-indigenous Queensland households (Torres Shire Council, 10-point Plan, 2018, 2019, 2020).

In addition, there is evidence of social congestion due to the lack of available and affordable housing and cost of living pressures that have given rise to a spike in crime, including family related violence, truancy and youth crime in the region – evidenced in QPS statistics.

The median rent for households with Aboriginal and/or Torres Strait Islander persons in the Torres Shire is \$225 per week. The median rent for non-Indigenous households is \$30 per week due largely to the provision of housing either without rental charge or heavily subsidised as part of either the attraction and retention of expertise or entitlements of government staff. This means indigenous households are 13.33% worse off than their non-indigenous neighbours placing further cost of living pressures on Aboriginal and Torres Strait islanders in the Torres Shire region and with no ownership outcomes against these outlays. In Queensland overall the median rent for households with Aboriginal and/or Torres Strait Islander persons is \$270 per week compared to the median rent of \$340 per week for non-Indigenous households, thus underscoring the current disequilibrium in rental cost in the Torres Shire region.

In addition, Council's revenue base is being put under greater pressure through lack of State or Commonwealth government contribution towards new developments, together with escalating services costs.

The majority (75%) of Commonwealth developments on Thursday Island were for employee housing and the largest developer was the Torres Strait Regional Authority (TSRA).

Existing State/Commonwealth Government properties ownership is 51.1% of all Torres Shire Council's property assessments and most of the infrastructure constructed within the Shire is for the state/federal government administration and residential needs and this has a significant impact on services, including water, sewerage, recreational facilities, etc.

State and Commonwealth Governments do not pay rates on vacant land nor headwork fees and charges for any development applications. Findings from an 8-year study undertaken by Torres Shire Council into State and Federal Government properties in the period 2008-2015, revealed that the total unpaid infrastructure contributions for State and Commonwealth developments on Thursday and Horn Islands equated to approximately \$2.2M. The total unpaid infrastructure contributions for Thursday Island alone equated to \$2.1M. This study also revealed that of all the Queensland Government developments on Thursday Island, approximately 64% were developed for employee housing by:

- Department of Housing and Public Works = 78%
- Queensland Health = 11%
- Ergon Energy = 11%

Employee housing is being developed as public housing/community housing and therefore exempt from development assessment and payment of infrastructure charges which is not financially sustainable for the Torres Shire Council.

Case study based on Information supplied by Torres Shire Council.

A lack of available, affordable and adequate housing options for purchase and rental also remains an ongoing challenge for many other regions across Queensland and has led to a range of consequences. These include:

- placing greater pressure on human services agencies and community housing organisations to respond to the need for accessible and available housing solutions,
- exacerbating the incidence of homelessness, 'sleeping rough' and housing stress across a range of demographics, including low to middle income individuals and families (Note: A household is considered to be in housing stress if more than 30% of gross household income is spent on securing housing (i.e. mortgage repayments or rent),
- impacts on the ability of employers to attract and retain staff – for example, in state and local governments, essential service providers, and private enterprise,
- restricting job opportunities in key areas as new employees are unable to find suitable cost-effective accommodation and so return to capital cities, and
- difficulties in managing and providing sufficient accommodation for extraordinary demand situations such as large road construction projects and seasonal tourism demand.

As such, there appears to be a need to more closely monitor the outcomes of the NHHA.

There are 14 national performance indicators stated in Part 4 of the NHHA, including:

- a) the total number of dwellings relative to the population
- b) the stock of affordable rental housing relative to the population
- c) the stock of social housing dwellings relative to the target population for social housing
- d) an increase in the proportion of social housing occupants that are housed in homes that match their needs
- e) an increase in the number of social housing occupants with greatest need as a proportion of all new allocations
- f) an increase in the proportion of social housing occupants whose needs are met and are satisfied with services provided by their housing organisation
- g) a decrease in the number of people experiencing homelessness
- h) a decrease in the number of people that experience repeat homelessness
- i) an increase in the proportion of people who are at risk of homelessness that receive assistance to avoid homelessness;
- j) an increase in the proportion of people who are homeless that are assisted to achieve housing
- k) an increase in the number of dwellings that are permitted by zoning in cities or urban areas
- l) a reduction in the average time taken to decide the outcome of a development application or residential building permit (as applicable) in cities or urban areas;
- m) a decrease in the proportion of rental households with household income in the bottom two quintiles that spend more than 30 per cent of their income on rent; and
- n) an increase in the proportion of Indigenous Australians purchasing or owning their own home.

In relation to reporting requirements, it is noted that each State will provide to the relevant Commonwealth Minister (or a relevant Commonwealth official) an annual statement of assurance that it has satisfied the requirements set out in clause 17 ('Outputs'), clause 46 ('General Funding') and clause 49 ('Homelessness Funding') of the NHHA, and these are available on the Council of Federal Financial Relations website¹³ here. However, it does not

¹³ The Council of Federal Financial Relations website is available [here](#).

appear as though there is any requirement for States to produce reporting with any reference to the national performance indicators.

Clause 41 of the NHHA states that “*The Commonwealth, in consultation with the States, will produce an independent public report on the outcomes that the Agreement contributes to by, at a minimum, measuring the national performance indicators and benchmarks at least annually.*”

It is noted the Australian Government has established a Performance Reporting Dashboard¹⁴ to “*provides a single, streamlined source of information on progress towards the [then] Council of Australian Government’s key commitments*”.

The dashboard has excellent potential as a resource for clearly and simply visualizing progress of a range of national performance indicators, but it appears as though only **two** national performance indicators under the current NHHA are shown through this dashboard including the following which are also captured in Figure 1 below:

- NHHA performance indicator e) relating to the number of social housing occupants with greatest need as a proportion of new allocations, which shows trends data for 2018-2020 and is noted in the dashboard as ‘improving’ nationally, but ‘mixed results’ in Queensland.
- NHHA performance indicator n) - the proportion of Indigenous Australians purchasing or owning their own home – which shows trend data for 2015-2019 for % of households rather than % of persons but disappointingly shows ‘no significant improvement in this proportion since 2014-15’.

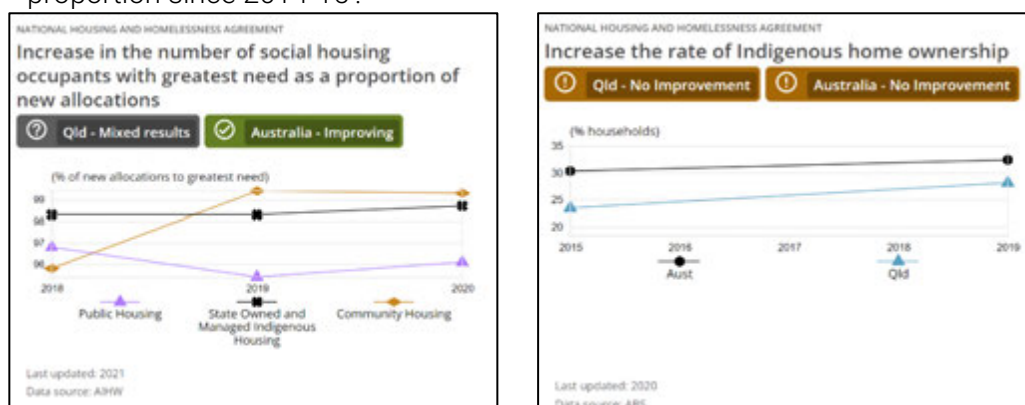


Figure 1: Extracts from Performance Reporting Dashboard - Housing (Productivity Commission)

Two ‘new’ indicators for the NHHA are also shown on the dashboard last updated in 2018 – i.e. in relation to rental stress and homelessness, however there is no trend data shown for these indicators at this stage.

Given the number of the national performance indicators included in Part 4 of the NHHA relative to what is shown in the dashboard, a more comprehensive and timely approach to reporting would assist in assessing the effectiveness of the NHHA.

Recommendation 5: The LGAQ recommends a more **comprehensive, timely and consistent approach to reporting** on the progress of national performance indicators under a revised NHHA, be implemented and led by the Australian Government to assist in assessing the effectiveness of the NHHA.

¹⁴ Performance Reporting Dashboard – Housing, Productivity Commission – available [here](#).

In relation to some of the specific performance indicators, we also include the below comments for consideration:

- NHHA performance indicator k) – *an increase in the number of dwellings that are permitted by zoning in cities or urban areas:*
 - The LGAQ notes that many notable and leading researchers, economists and peak industry bodies including the Planning Institute of Australia, recognise that increased housing supply does not necessarily improve housing affordability outcomes, particularly in the context of private housing.
 - The first *State of the Nation's Housing 2020 Report*¹⁵ released by the National Housing Finance and Investment Corporation (NHFIC) in December 2021, also highlights that there is not necessarily a correlation between supply and affordability.
 - Based on modelling input from SGS Economic & Planning and Macroplan, the NHFIC report finds that longer term trends of declining affordability (particularly for low-income households in the private rental market and prospective first home buyers) are likely to persist, despite lower-than-expected population growth and demand for housing (compared to a pre-COVID outlook) and cumulative new housing supply expected to be higher than new demand by the end of 2025.

- In relation to performance indicator l) – *a reduction in the average time taken to decide the outcome of a development application or residential building permit (as applicable) in cities or urban areas:*
 - A focus on the average time taken to decide the outcome of a development application or residential building permit (as applicable) in cities or urban areas, does not appear to be a useful measure of a well performing housing system and may rather lead to unintended consequences and poor outcomes for example, by continuing to push for shorter assessment timeframes.
 - This indicator fails to recognise the challenges and complexities in planning and development as more and more land is developed, and the area of unconstrained land available for development is reduced, and development applications become more complex and adopt performance-based solutions as a result.
 - In addition, whilst a local government has a key role in development assessment, the ultimate decision for a developer to proceed with an approved development application is a financial decision based on market conditions at the time.
 - In a recent survey undertaken of Queensland councils by the LGAQ, 'land banking' has been cited by over 70% of respondents as a key issue occurring throughout Queensland's regions.
 - A continued focus on driving down assessment timeframes for development applications does not therefore equate to '*improved access to affordable, safe and sustainable housing across the housing spectrum, including to prevent and address homelessness, and to support social and economic participation*' as sought by the objective of the NHHA.

There are also noticeable absences in the scope of the national performance indicators included in the NHHA. For example, given overcrowding housing challenges experience within many First Nations communities (further explores in section 5.2 below), an additional national performance indicator that seeks a reduction in this would closely align with the objective of the NHHA and outcome (d) '*improved housing outcomes for Indigenous Australians*'.

¹⁵ State of the Nation's Housing 2020 Report (NHFIC) - <https://www.nhfc.gov.au/research/thematics/state-of-the-nations-housing/>

Recommendation 6: The LGAQ recommends the **scope of the national performance indicators of the NHHA** be reviewed and updated to ensure these are fit-for-purpose, measurable and more directly aligned with the objective and outcomes of the NHHA.

6.0 Need for financial certainty and funding

A comprehensive nationally led approach to housing provides the opportunity to address local government's long held concerns about cost shifting between the Commonwealth and State jurisdictions that was highlighted some decades ago in the Productivity Commission Study into Local Government's Own-Source Revenue and the final research report released in April 2008 titled 'Assessing Local Government Revenue Raising Capacity'¹⁶.

This followed on from the Report of the House of Representatives Standing Committee on Economics, Finance and Public Administration *Inquiry into Local Government and Cost Shifting* (Hawker Report), which was released in October 2003 and precisely showed the manner in which housing and community amenities are funded.

In April 2021, the Queensland Audit Office (QAO) tabled its *2020 Local Government Financial Audit Report*¹⁷, which identified that nearly two-thirds of Queensland councils had an operating deficit for the 2019-20 financial year.

Whilst COVID-19 can explain some of that deficit, many local governments across Queensland were under financial stress before the pandemic. Concerningly, the combination of higher operating costs and lower revenues has meant that 25 out of Queensland's 77 councils are now considered at 'high risk' of being financially unsustainable. This is an increase of four councils on the previous year and equates to one third of all Queensland councils.

Importantly, one of the key QAO recommendations for the Queensland Government is to provide greater certainty for councils over long-term funding, suggesting that a three to five year funding model would assist councils, especially those heavily reliant on grants, to develop and implement more sustainable medium- to long-term plans.

Despite only receiving 3.3% of total taxation revenue nationally, local governments play a key role both directly, and in supporting other levels of government and the private sector, to deliver, operate and maintain public infrastructure that unlocks and facilitates development including housing.

Previous analysis commissioned by the LGAQ in 2013, estimated the funding gap for trunk infrastructure across Queensland's high growth areas to be over \$480 million annually (expected to be higher in net present value terms) under the capped infrastructure charging regime, and found the maximum charge represents less than 70% cost recovery.

Queensland councils have consistently called for reforms to address inadequate infrastructure funding frameworks and reduce the funding gap for trunk infrastructure that currently exists under Queensland's capped infrastructure charging regime. In addition, federal initiatives such as the National Housing Finance and Investment Corporation (NHFIC) have key limitations that have resulted in limited to no uptake by local governments. The LGAQ made multiple submissions on the NHFIC proposed legislation prior to its introduction.

Recommendation 7: The LGAQ recommends that existing infrastructure funding frameworks be reviewed and improved to **introduce a permanent infrastructure funding model that reflects the 'true cost of development', removes cost shifting onto local**

¹⁶ Assessing Local Government Revenue Raising Capacity (2008), Productivity Commission – available [here](#).

¹⁷ 2020 Local Government Financial Audit Report (2020), Queensland Audit Office – available [here](#).

government and the community and leads to better long-term management of Queensland's growth. This should be developed in collaboration with Queensland councils and consider the needs of greenfield and infill development and high/low growth areas.

The restoration of Commonwealth Financial Assistance Grants to at least 1% of Commonwealth taxation revenue would also provide much needed support and certainty for councils in long-term funding and the flexibility to deliver services and infrastructure for local communities in the face of growth and change.

Recommendation 8: The LGAQ recommends **restoration of Commonwealth Financial Assistance Grants to at least 1% of Commonwealth taxation revenue** to provide greater certainty in funding and to strengthen the ongoing financial sustainability of Queensland councils over the long term, thereby supporting councils in the delivery of important/critical services for local communities.

7.0 Other recommendations

Finally, below are some additional key recommendations contained in the LGAQ Submission to the Parliamentary Inquiry into Housing Supply and Affordability in September 2021, that are relevant in the context of the planning and development considerations in the Issues Paper and the Productivity Commission's current review – see LGAQ's previous submission [here](#) for further context in relation to these recommendations.

Recommendation 9: The LGAQ recommends that Queensland **councils should retain the autonomy to engage with and proactively plan for local communities** as the most appropriate and best placed level of government for land use planning and development assessment, recognising the diversity of local communities. Local governments oppose a 'one size fits all' approach and land use planning policy or intervention that inhibits local decision making, including the appointment of mandatory, externally appointed development assessment panels.

Recommendation 10: To support Queensland local governments to deliver their planning and development functions effectively and efficiently, the LGAQ seeks the State Government undertake the following:

- o develop a **State Population Policy**, in collaboration with local governments and other key stakeholders to provide clear guidance on the future locations of population growth and infrastructure provision.
- o commit to delivering a **comprehensive and up to date statutory regional plan framework** in partnership with councils, that provides strategic direction for regional growth/change and ensures integration into and alignment with regional infrastructure plans (currently under development).
- o develop improved guidance material on **innovative, sustainable and liveable housing models (including for small lot housing)**, in consultation with councils, and demonstrate best practice design outcomes for example, in state-led development projects.

Recommendation 11: The LGAQ recommends that Federal and State governments ensure national, state and regional infrastructure strategies and plans **articulate a prioritised list of key infrastructure projects** over 5-15 year and 15-25 year timeframes to better inform and align with planning horizons for statutory regional plans, local government planning schemes and local government infrastructure plans, as well as providing for the identification of key aspirational and transformational projects.