



Dedicated to a better Brisbane

25 June 2013

Productivity Commission
Major Project Study
LB2 Collins Street East
MELBOURNE VIC 8003

Dear Commissioner

Brisbane City Council (BCC) wishes to provide comment on the Major Project Development Assessment Processes Issues Paper. The city of Brisbane is a metropolitan centre of regional economic significance and as such BCC takes great interest in the work of the commission in regards to major project development assessment and approvals. BCC is both a regulator of, and investor in, major projects. Within the broad definition of "major projects" for the purpose of the commission, BCC's interest is primarily in dealing with large scale private and public sector initiated projects, covering both infrastructure and large commercial developments.

Any major project carries internal risks such as drivers, feasibility, mandate and funding, and external risks including the regulatory environment, market conditions and location. The most important contribution any regulatory environment can make to a major project is early certainty on the "if", thereafter investment energy can focus on the "how". This is the fundamental priority for BCC both as regulator of, and investor in, major projects. The next priority is then to ensure that the most efficient assessment and approvals path is available.

In a Brisbane context, major projects would typically include examples such as the TradeCoast Industrial Precinct, Kingsford Smith Drive upgrade, Legacy Way Tunnel, Cross River Rail Project, Cruise Ship Terminal Project, Brisbane Airport parallel runway, several busway projects, various CBD high rise towers and the Royal National Association (RNA) Showground redevelopment, to name a few.

In reference to the issues paper dated February 2013, BCC observes as follows:

Strategic Planning

BCC has invested in strategic land use plans at metropolitan and local scale and these plans provide clear direction on land use, infrastructure and development sequence. BCC has spared no effort in consulting with the people of Brisbane and other stakeholders, as well as technically validating the achievability of the content of these plans. Major projects (infrastructure or commercially driven) consistent with these plans would fit with broad expectation, therefore their assessment should only need to cover "how", sequence and timing. BCC believes that a good strategic planning platform such as Brisbane's can

facilitate a limited scope assessment which should only deal with delivery matters, and not "in principle" assessment. In such circumstances there should be no need for a full environmental impact statement.

Predictability

In addition to the above strategic planning, BCC has drafted development controls to a great level of detail, based on industry best practice. These controls complement the strategic plans by providing certainty in design, cost and trunk contributions, and therefore in feasibility also. A high degree of certainty of detail provides for a predictable outcome, covering the "how". Adherence to such well-articulated development controls and design standards should avoid costly delays associated with information requests. In practice however this is often frustrated by competing or contradictory controls from other agencies. BCC believes that some state agencies continually insist on applying unnecessary and overly onerous controls on matters already dealt with under BCC controls, and this contributes to ambiguity and unpredictability.

Overlapping jurisdictions and duplication

Many examples can be cited of matters regulated at more than one level of government, some with virtually identical calibration of controls and some with quite different controls on the same subject matter. BCC recognises the need for clear delineation of jurisdictions, accountability, levels of control and most importantly, the role performed by a lead agent in resolving contradictory priorities and development controls. Some examples include vegetation management, airspace, contaminated land management, coastal management, heritage and conservation.

Competing priorities

Major projects benefit from clear guidelines on how a lead agent should manage competing or contradictory priorities and, in particular, at the early "if" stage of a project. Multiple assessment layers often leave the investor in the dark if economic, social and environmental priorities compete. Ideally good strategic planning should provide the platform for this, but the lead agent should also have a clear mandate and supportive process rigour to execute major projects accordingly.

Delegated powers

When considering the pitfalls of jurisdictional overlaps and duplication or conflicting priorities, the need for a clear framework on cooperative governance is apparent. BCC believes that first and foremost the same subject matter should not require assessment at more than one level. Secondly, the level of assessment should correspond with the level of risk, that is, a matter should be assessed at the lowest level of governance commensurate with its level of risk.

In Brisbane, the delegation of some low risk assessment to accredited third parties has proven successful. The same principle should apply to major projects in context with their fit within a strategic plan.

Benchmarking

With regard to international benchmarking BCC believes that comparison should be tempered along economic and social similarities, but also jurisdictional composition. Brisbane is unique in Australia, but quite similar to some other international capitals (national or regional). It seems from cursory review that major projects generally have the

benefit of non-routine assessment paths, where the "if" is determined strategically and the assessment only deals with the "how".

Thank you for the opportunity to provide comment on the Major Project Development Assessment Processes Issues Paper. BCC would welcome further consultation on the above with the commission.

Yours sincerely


Scott Stewart
Divisional Manager
BRISBANE INFRASTRUCTURE