HopgoodGanim
LAWYERS

EDITION EIGHT

SPRING 2017

envisage

Editorial

Welcome to the Spring edition of Envisage.

With the Melbourne Cup behind us, it's now a race towards Christmas and all the frantic deadlines (and hopefully some festive fun) that comes with the final months of the year. From now until the end of December, it can seem like a constant roundabout of work and parties, with weekends and evenings taken up as well.

In all the chaos, it's easy to lose sight of the end game. Our first article, which focuses on keeping things simple, is a timely reminder to take a step back and see through the commotion. Thomas' article on the infrastructure charging regime brings things back to basics and sheds some light on what is a notoriously difficult area to understand.

The end of the year is also a time to reflect. Olivia's article provides a snapshot of DEHP's Annual Report from 2016-17 with a round-up of issues from the environmental regulator – including statistics on compliance and enforcement, new advanced offset packages, heritage, ERAs and new amendment legislation.

One of the most significant Planning and Environment Court decisions of the year was handed down at the beginning of Spring. The ISPT case has sent waves through the jurisdiction, with the decision confirming a building approval cannot be issued unless consent is first obtained from the registered owner of an easement. Thomas, David and Kim provide their insights into the landmark case.

James and Gemma revisit the world of resumptions, providing some comments on valuing a potential use and the importance of selecting an appropriate valuation methodology. They have also included a note on the recent contaminated land amendments.

Finally, David provides some reflections on the Singapore planning system – and perhaps some inspiration for your next holiday!

We hope you enjoy this edition of Envisage, and find some time over the next few months to rest and relax with your family, friends and colleagues.

As always, we welcome your feedback and suggested topics for future editions, and look forward to sharing our thoughts and reflections with you again in the new year.

SARAH MACOUN, PARTNER

Contents

Infrastructure charges – Keeping it simple

THOMAS BUCKLEY, SENIOR ASSOCIATE

Infrastructure charges are undoubtedly the least favoured topic in town planning. The regime is considered difficult to navigate due to the number of documents which need to be consulted. However, once you know where everything is located, and understand the particular terms used and how the system operates, it is actually quite simple and straightforward.

INFRASTRUCTURE CHARGES FUNDING HIGHER-ORDER (TRUNK) INFRASTRUCTURE

Infrastructure charges are used to fund the supply of local government trunk infrastructure networks – sewerage, water supply, transport, community purposes and stormwater.[1] Trunk infrastructure services multiple developments or an entire catchment as opposed to non-trunk infrastructure which may only service a particular property, or that is internal to a development.

THE ADOPTED INFRASTRUCTURE CHARGES REGIME

Infrastructure charges are triggered when development occurs on land that creates extra demand on the trunk infrastructure networks. Infrastructure charges are regulated under the *Planning Act 2016* (**the Act**) and through local government resolutions. The Act permits local governments to adopt infrastructure charges by making a resolution (called a charges resolution)[2] and levy those charges by issuing an infrastructure charges notice (**ICN**) when development approvals are issued.[3]

CHARGES ARE CAPPED BY THE STATE

The charges' dollar value is capped by the State government. A local government is permitted to adopt a charge for a particular use of land up to the maximum set by the State. The maximum charges are prescribed in the *Planning Regulation 2017*.[4] By way of example, the maximum adopted charge for a development involving: [5]

- a dwelling house (involving 3 or more bedrooms) is $28,335.90; and
- an office is $141.65/m² of gross floor area (**GFA**) and $10.10/m² impervious to stormwater.

USE	DEMAND UNIT	SEWERAGE NETWORK CHARGE	WATER SUPPLY NETWORK CHARGE	TRANSPORT, COMMUNITY PURPOSES AND STORMWATER NETWORKS TOTAL CHARGE	TOTAL ADOPTED CHARGE (PER DEMAND UNIT)
Residential	1 or 2 bedroom dwelling	$6,774.47	$3,336.68	$10,111.15	$20,222.30
	3 or more bedroom dwelling	$9,484.25	$4,671.35	$14,155.60	$28,311.20
Accommodation (short-term)	Suite with 1 or 2 bedrooms	$3,387.24	$1,668.34	$4,044.46	$9,100.04
	Suite with 3 or more bedrooms	$4,742.13	$2,335.68	$6,066.69	$13,144.50

CHARGES RESOLUTION

The charges resolution outlines which charges have been adopted by the local government for uses of land and reconfiguring a lot. The resolution will also detail how an infrastructure charge is 'calculated', including how credits, offsets and refunds are recognised and applied. The charges apply when development involves reconfiguring a lot, material change of use of premises, or building work.

Above is an extract of the adopted charges for material change of use or building work for residential development under the Brisbane Infrastructure Charges Resolution (No. 6) 2017.[6] The figure in the far right column identifies the total adopted charge (made up of the charge attributable to each of the infrastructure networks) for the specified uses of land.

1 In some local government areas, the sewerage and water supply infrastructure networks are managed by distributor-retailers

2 Act, s113

3 Act, s119

4 Schedule 16

5 Current as at 27 October 2017

6 Which applies to development applications decided from 3 July 2017

INFRASTRUCTURE CREDITS

Infrastructure charges are only payable for the extra demand that development places upon trunk infrastructure.[7] Existing and previous lawful uses of land do not create 'extra demand' and are credited against the total charge. A simple example is an application to subdivide one lot into four lots where there is an existing three bedroom house on the original lot. The infrastructure charges for the four new lots (to be used for three bedroom houses) is $28,311.20[8] x 4 = $113,244.80. However, because there is an existing three bedroom house, a credit of $28,311.20 is applied for that existing use. The total infrastructure charges payable is ($28,311.20 x 4) – $28,311.20 = $84,933.60.

The situation is different when crediting money or financial contributions that may have been paid under historical development approvals or rezoning approvals. The Act does not require local governments to recognise these payments against charges triggered for new development (over the same land). It is at the local government's discretion to recognise these payments or not, and it will be dealt with in the charges resolution. Some local governments for example, will only recognise certain charges and contributions that have been paid under historical planning schemes and planning scheme policies.[9]

INFRASTRUCTURE OFFSETS AND REFUNDS

Infrastructure offsets and refunds apply when developers are required to provide trunk infrastructure. These may be physical works (such as a sewer main) or land to accommodate infrastructure (for a future road upgrade). The infrastructure (or land) requirement will be conditioned as part of a development approval. In those circumstances, the cost of that trunk infrastructure will be offset against any infrastructure charges payable under the development approval (as an ICN will still be issued where adopted infrastructures apply).[10] Where the cost of providing the trunk infrastructure is greater than the infrastructure charges, a refund will be paid to the developer.

LEVYING CHARGES – INFRASTRUCTURE CHARGES NOTICES

Infrastructure charges are 'levied' on development by issuing ICNs. The Act states that in circumstances where a development approval has been issued, and an adopted charge applies for providing trunk infrastructure to service the development (i.e. the charge identified in the charges resolution for the particular use of land), then the local government must issue an ICN for the development.[11] The ICN will detail the total charge payable (including details of any credit) offset or refund which might be applicable.

WHEN CHARGES ARE PAYABLE

The charges stated in an ICN will become payable in each of the following circumstances:[12]

- **reconfiguring a lot:** the charge becomes payable when the plan of subdivision for the reconfiguration is approved by the local government;
- **building work:** the charge becomes payable when the final inspection certificate for the building work, or the certificate of classification for the building, is given; or
- **material change of use:** the charge becomes payable when the change in use happens.

CALCULATING THE TOTAL CHARGE PAYABLE FOR A DEVELOPMENT

The table below outlines an example of the infrastructure charges that would be payable under the Brisbane Infrastructure Charges Resolution (No. 6) 2017 for a redevelopment of two lots (with one lot containing an existing three bedroom dwelling) into a service station which has a GFA of 600m² and a total area impervious to stormwater of 700m².[13]

CATEGORY	SUB-CATEGORY	DEMAND UNIT	DEVELOPMENT DEMAND	DEMAND CREDIT	EXTRA DEMAND	LEVIED CHARGE
Material change of use (non-residential transport & community purposes)						
Non-residential commercial (retail)	Service station	m² GFA x $145.60	600	0	600	$87,360.00
Material change of use (non-residential stormwater)						
Non-residential stormwater	Stormwater impervious area	Impervious area in m² x $10.10	700	0	700	$7,070.00
Material change of use (residential transport, community purposes & stormwater)						
Residential	Dwelling house - 3 bedroom dwelling	Number of 3 bedroom dwellings x $14,155.60	0	1	-1	-$14,155.60
Total charge						**$80,274.40**

In this scenario, the charges for the service station are triggered by reference to both the GFA of the service station (for transport and community purposes infrastructure) and by reference to the total area of the service station which is impervious to stormwater (for stormwater infrastructure). The area of each (600m² and 700m² respectively) represents the 'extra demand' that is placed upon the trunk infrastructure networks as a result of the development. This is multiplied by the demand unit specified in the charges resolution to get the resultant levied charge. As there is an existing three bedroom dwelling on one of the lots (to be replaced by the service station), a credit for that existing use is applied which reduces charges payable by $14,155.60. In the above table, this is recognised as a 'demand credit'.

If there was an existing non-residential use on the land (such as an old shop), in addition to the existing residential use, the GFA and area impervious to stormwater of that non-residential use would be shown as a demand credit against the non-residential charge, further reducing the total levied charge payable.

CONCLUSION

The infrastructure charging system can seem overwhelming, but the complexities resolve once the key documents are identified and the key terms understood. It is then possible, in many cases, to obtain a positive outcome. A lot of the focus tends to be on infrastructure offsets and refunds, which are associated with delivery of large items of trunk infrastructure. However, it is also important to ensure credits for existing uses must be recognised (including existing impervious area) and to remember the overall control – there can be no infrastructure charge if there is no extra demand on the network.

7 Act, s120

8 The amount prescribed in the Brisbane Infrastructure Charges Resolution (No. 6) 2017

9 Council of City of Gold Coast Charges Resolution (No. 2 of 2016)

10 Act, s129

11 The same applies under the South-East Queensland Water (Distribution and Retail Restructuring) Act 2009 where a distributor-retailer issues a water approval and an adopted charge applies for providing trunk infrastructure

12 Act, s122

13 Note that an ICN would also be issued by Queensland Urban Utilities for water supply and sewerage infrastructure charges

A snapshot of EHP Annual Report 2016-17

OLIVIA WILLIAMSON

In September 2017, the Department of Environment and Heritage Protection (**DEHP**) released its Annual Report 2016-2017. The following is a snapshot extracted from the annual report of particular interest to the EHP's role as Queensland's environmental regulator.

- Two Environmental Impact Statement (**EIS**) assessments were completed in 2016-17 and six are still in progress as at 30 June 2017.
- Over 70,000 searches of the environmental management and contaminated land registers were undertaken in 2016-17. As at 30 June 2017, 22,669 sites are recorded in the environmental management register (**EMR**) and nine sites are recorded on the contaminated land register (**CLR**).
- In 2016-17, DEHP received 12,325 notifications that ranged from minor incident notifications and reporting under environmental authority (**EA**) requirements, to notifications for significant incidents such as major spills and fires.
- A proposed framework for improved mine rehabilitation was released for public consultation as part of the proposed reform to the State's financial assurance framework for the resources sector. Further information and comments on this reform can be found here.
- The *Waste Reduction and Recycling Amendment Bill 2017* was introduced, and proposed legislative amendments to enable the implementation of a container refund scheme and a plastic shopping bag ban by 1 July 2018.
- In January 2017, a statutory guideline was released with respect to the powers contained in the *Environmental Protection (Chain of Responsibility) Amendment Act 2016*. This guideline was considered by HopgoodGanim earlier in the year.

OFFSETS

- Two additional advanced offsets were registered in 2016-17 – the first was for marine plants (mangroves) at the Port of Brisbane (in Brisbane City Council) and the second for marine plants (saltmarsh, casuarina and mangroves) at North East Business Park, Morayfield (in Moreton Bay Regional Council).
- As at 30 June 2017, there were a total of four advanced offsets registered.
- During the reporting period, $2,788,824 was received into the EHP's Offsets Account for 34 separate offsets payments. Since it was established in 2014, EHP's Offsets Account has received $5,064,087 from proponents for 58 separate offset payments.

HERITAGE

- 16 new State Heritage Places were added to the Queensland Heritage Register in 2016-17. This makes a total of 1,741 places listed on the Register as at 30 June 2017.
- The Queensland Heritage Council decided against entering six nominated places in the Register in 2016-17.
- The Queensland Heritage Council was successful in an appeal against the entry of St Patricks Convent, Townsville in the Heritage Register in 2012. A consideration of the issues in that case can be found here.
- In 2016-17, the EHP assessed 668 development applications (compared with 534 applications in 2015-16) in relation to development which may have an impact on heritage significance.

COMPLIANCE AND ENFORCEMENT

- 615 warnings issued
- 2,411 penalty infringement notices (**PINs**) issued (with the majority for vehicle and vessel related littering incidents). Of the 132 PINs issued for non-littering related offences, 102 were issued to corporations in relation to contravention of a condition of an EA
- Three transitional environmental programs were approved
- There are two current temporary emission licences (**TELs**) (out of 14 applications received) with 27 TELs expiring in the 2016-17 period
- 25 environmental evaluations issued
- 45 environmental protection orders issued
- 12 direction notices issued
- Two emergency directions issued
- Eight clean-up notices issued
- 11 requests for relevant information
- 33 formal investigations
- In September 2016, the final phase of the criminal proceedings against Linc Energy commenced when an indictment was presented to the District Court, alleging five counts of wilfully causing serious environmental harm. Five individual defendants formerly associated with the company are also facing a total of 11 charges. The Annual Report indicates that the criminal proceedings against the company are the largest of its kind undertaken by the DEHP's litigation branch.
- 29 prosecutions were commenced and 15 prosecutions were finalised, with fines totalling $1,176,500 (and legal and investigative costs of $125,589 awarded).
- The largest fine imposed in 2016-17 was a fine of $400,000, which included a $150,000 public benefit order for one count of unlawfully causing serious environmental harm.
- No restraint orders were made by the Planning and Environment Court in the reporting period.
- Two search warrants were executed under the Nature Conservation Act and two search warrants were executed under the Environmental Protection Act.

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ENVIRONMENTAL RELEVANT ACTIVITIES

- Approximately 7,000 EAs are now publicly available on the DEHP's online EA Register.
- 359 new EAs for resource environmental relevant activities (**ERAs**) were approved in 2016-17. Of the 359 new EAs for resource ERAs, 148 are not yet effective for various reasons. These include if a necessary development permit has not taken effect yet or if the relevant tenure has not been granted.
- The total number of EAs issued for resource activities as at 30 June 2017 is 2,970.
- 316 EAs for prescribed ERAs (other than resource or agricultural ERAs) were issued by the EHP in the reporting period and 21 were issued by the Department of Agriculture and Fisheries (**DAF**).
- The total number of EAs for prescribed ERAs current as at 30 June 2017 is 3017 for DEHP and 615 for the DAF.
- 572 applications to be registered as a suitable operator were approved, taking the total number of suitable operators registered as at 30 June 2017 to 8,707. The statistics reveal that no applications for registration as a suitable operator were refused in the reporting period.

THE NEXT 12 MONTHS

The Annual Report also reveals the DEHP's focus in 2017-18 will include:

- The continued prosecution of allegations of serious environmental harm.
- Commencing the rehabilitation of land affected by underground coal gasification contamination.
- Identifying sites and providing advice in relation to land impacted by fire-fighting foam contamination.
- Delivery of a redesigned financial assurance framework.

COMPLIANCE AND ENFORCEMENT

Building approvals – Are you aware that you need consent from the registered holder of an easement?

THOMAS BUCKLEY, DAVID NICHOLLS, KIMBERLEY COTTERILL

A recent decision of the Planning and Environment Court (**P&E Court**) has confirmed that local governments and private certifiers are prohibited from approving building work applications unless consent has been obtained from each registered holder of an easement over the property. The decision in *ISPT Pty Ltd v Brisbane City Council & Conias Corporation Pty Ltd* [2017] QPEC 52 is significant for any person who owns or wishes to develop land burdened by an easement.

HopgoodGanim Lawyers acted for the successful appellant, ISPT Pty Ltd (ISPT), in the proceedings.

THE CASE IN QUESTION

Conias Corporation Pty Ltd was the owner of the Embassy Hotel on the corner of Edward and Elizabeth Streets in Brisbane City. They applied for, and obtained, an approval from the Brisbane City Council (**Council**) to carry out building works, which included partial demolition and restoration works to the hotel. The development application was impact assessable and ISPT made a submission about the application.

The land was burdened by a number of easements, one of which benefited ISPT (for access purposes). ISPT appealed to the P&E Court against the Council's decision to approve the building work application. One of the grounds of appeal was that Conias did not obtain the consent of ISPT under s65 of the *Building Act 1975* (**Building Act**), as well as other registered easement holders, to the proposed building works.

THE BUILDING ACT

The relevant parts of s65 of the Building Act are expressed in the following terms:

> *"**Land subject to registered easement or statutory covenant***
>
> (1) *This section applies if a building development application is for land subject to:*
>
> *(a) a registered easement;*
>
> *...*
>
> (2) *The assessment manager must not approve the application unless each registered holder of the easement or covenant has consented to the building work.*
>
> *..."*

Pursuant to this provision, if a building development application is for land subject to a registered easement, the assessment manager must not approve the application unless each registered holder of the easement has consented to the building work. A "building development application" is defined as an application for development approval under the *Planning Act 2016* (i.e. the former *Sustainable Planning Act 2009*) to the extent it is for building work. An "assessment manager" can mean a local government, or a private certifier.

THE DECISION

The P&E Court allowed ISPT's appeal and refused the building work application because consent had not been obtained under s65 of the Building Act from each of the registered easement holders.

It was held that the legislative intention of s65 was to prohibit an assessment manager from approving a building development application without the consent of the registered easement holders. It is a prohibition on the power to approve such an application, and reflects a collateral or incidental benefit of an easement (namely, the right to decide whether to consent to the building work) which exists alongside other rights afforded by the grant of an easement, such as an unimpeded right of way.

The excusatory power of the P&E Court was not available to overcome the failure to obtain consent under the Building Act. That excusatory power is used to overcome non-compliance with provisions of the planning legislation. However, it could not be used in these circumstances because s65 did not concern a non-compliance, but rather was a strict statutory prohibition on the power to approve the development application.

The failure to obtain consent under s65 led to a mandatory refusal of the building work application.

IMPLICATIONS

The decision in respect of s65 of the Building Act is significant. Where a development involves building work, there is an absolute limitation on approval of the application if a registered easement holder has not given consent to the building work. If the grantee of an easement refuses to provide consent, the assessment manager must not approve the building work application. That is the end of the matter, insofar as the Building Act is concerned. An affected applicant will need to consider whether it ought to separately apply to the Supreme Court to modify or extinguish the easement over the property.

Valuing a potential use

JAMES IRELAND, GEMMA CHADWICK

When land is resumed, and interests in the land are converted into a right to claim compensation, the central question is always - what is the highest and best use of the land? Often, there is no development approval in place at the date of a resumption (or, a development approval is outdated and no longer reflects current planning intentions) which means the highest and best use of resumed land is a hypothetical development. In such cases, there can be disputes over not only the development potential of the land, but also the appropriate valuation methodology to apply.

There is a number of valuation methodologies that can be used, each with their own particular advantages and disadvantages depending on the circumstances of the case. The *direct comparison approach* is typically preferred but there can be different bases for comparison – a *rate per square metre of developable site area*, or a *rate per square metre of potential Gross Floor Area* (**GFA**). When dealing with a potential use (a hypothetical development scenario), the Courts have tended to prefer a valuation methodology based on a rate per square metre of land.

This issue was considered in *Mio Art Pty Ltd & Ors v Brisbane City Council* [2009] QLC 177. The only development approval in place was outdated and all the parties agreed some other development scheme represented the highest and best use of the land. However, each party took a different position when considering the intensity of the development. The Council's development concept involved four separate buildings, with a maximum height of 10 storeys, scaling down to six storeys, and a resultant GFA of 34,175m^2. Mio Art's development scheme showed three buildings, with a total height of 12 storeys and a resultant GFA of 66,579m^2.

The Council's valuer used a rate per square metre of land to value the land. The other valuer preferred a rate per square metre of GFA. The Court concluded that, due to the uncertainty that can attach to a development approval process and, therefore, the development potential of the site, it would be *"reasonable for the prudent purchaser to adopt a valuation methodology based on a rate per square metre of land because it provides a more reliable guide to the value of the subject land."*

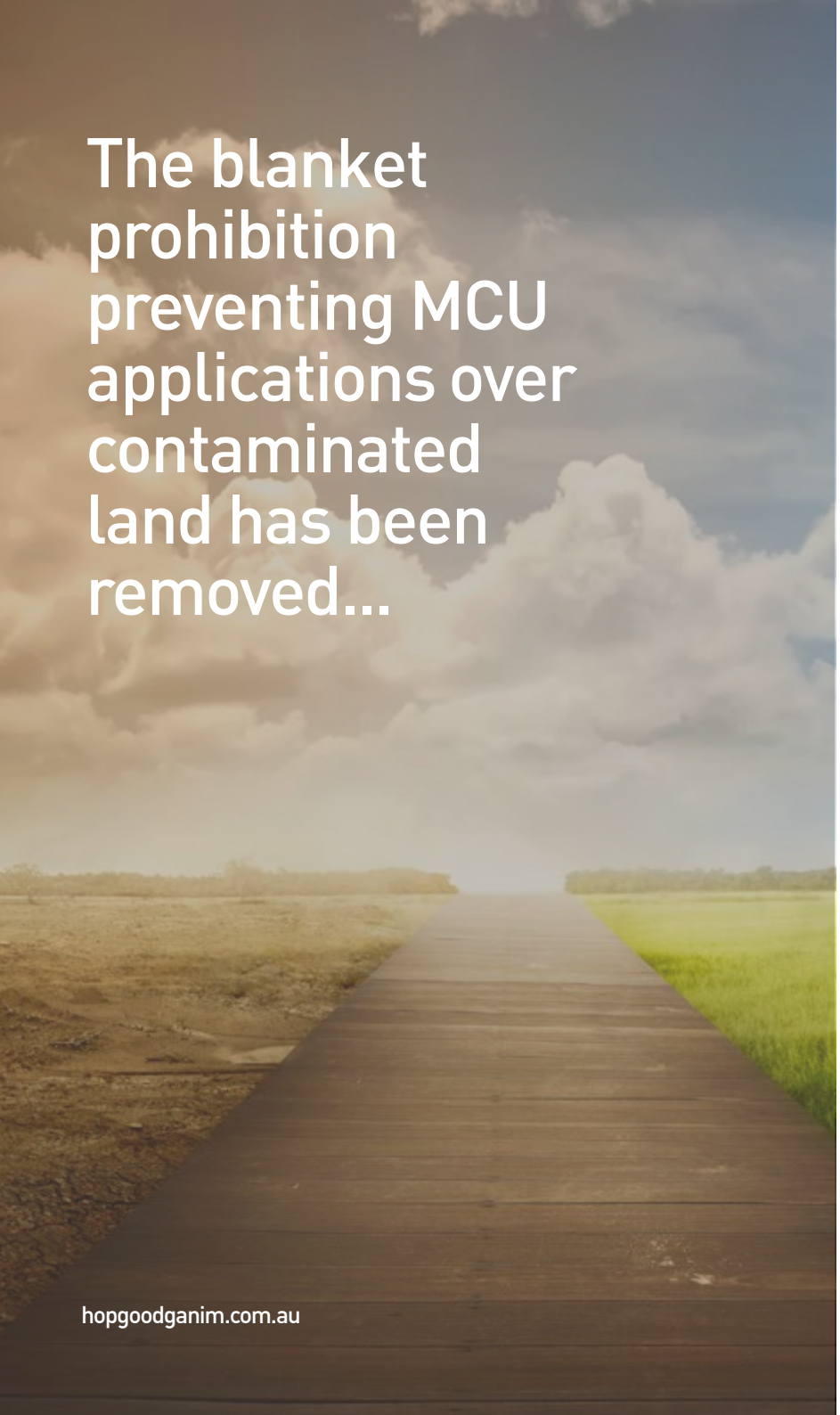
The Land Court's findings were upheld on appeal in *Mio Art Pty Ltd v Brisbane City Council & Ors* [2010] QLAC 7. The Land Appeal Court held that, *"while it may be accepted that the GFA of a development which is achievable on a parcel of land is an important factor in determining its value, related to returns resulting from the development, its utility will be affected by the level of certainty attaching to an approval of such development."* Because there was no certainty about the development potential of the land, it was appropriate to value the land by reference to a rate per square metre of land area, rather than by reference to GFA.

More recently, the decision in *Cupo v DTMR* [2014] QLC 19 reinforced that a rate per square metre of land is to be preferred where a dispute over the development potential of the land occurs. The Land Court considered that a valuation approach based on a rate per square metre of GFA increased the possibility for error as it depended on an accurate assessment of the development potential - an issue that was very much in dispute.

The Land Court has also shown it prefers the rate per square metre of land area approach in a case concerning appeals against annual valuations under the *Valuation of Land Act 1944*. In *Surfers Paradise Beach Resort Pty Ltd v DNRMW* [2006] QLC 72, the Land Court concluded that a rate per square metre provided a more consistent basis for comparison.

These cases confirm that, when selecting a valuation methodology, it is essential to consider risk. With a development approval in place, GFA is known and quantified. Without a development approval in place, a potential purchaser does not have the same degree of certainty about the GFA. This reflects the core issue concerning uncertainty about the development potential of the land. If there is uncertainty about yield, then that uncertainty will also affect a valuation based on a rate per square metre of GFA. Care must therefore be taken in making and assessing a claim for compensation in order to select a valuation methodology that is appropriate in the particular circumstances of the case.

These cases confirm that, when selecting a valuation methodology, it is essential to consider risk.



Contaminated land amendments

JAMES IRELAND, GEMMA CHADWICK

On 6 October 2017, the *Planning Regulation 2017* (**Planning Regulation**) was amended to address an issue that had arisen regarding contaminated land.

Previously, a prohibition in the Planning Regulation was in place so that a development application for a material change of use (**MCU**) could not be made unless the contamination had been remediated, and the contaminated land register updated to include a site suitability statement for the premises. The unintended consequence was that developers were faced with the prospect of carrying out expensive remediation work without any indication as to whether or not the site would ultimately be approved for development.

The Planning Regulation has now been amended so that an application can be made for a MCU on contaminated land (i.e. it has become "assessable development" rather than "prohibited development").

However, the mechanism is still quite cumbersome as it will require two different applications for the development, both of which are needed before the use can commence:

- an application to the Council as assessment manager, assessed against the planning scheme; and
- an application to the Chief Executive, Department of Infrastructure, Local Government and Planning as assessment manager, assessed against a new assessment benchmark which is simply, *"whether the contaminated land register (**CLR**) or the environmental management register (**EMR**) states that the premises are suitable for the proposed use in accordance with a site suitability statement for the premises."*

To avoid the second application to the Chief Executive, an applicant would first have to successfully apply to amend the CLR or the EMR to reflect the suitability of the premises for the proposed site. Once the CLR or EMR has been amended (or the land is removed from the register), the use becomes accepted development and a separate application to the Chief Executive is no longer required.

The upshot of the amendments is that although a site suitability statement will still have to be prepared, the process can now track along with a development application. The blanket prohibition preventing MCU applications over contaminated land has been removed and, importantly, expensive remediation work can occur after an application has been approved.

Singapore reflections

DAVID NICHOLLS

I recently returned from a development industry study tour in Singapore and found it interesting to take a look at their planning and development system.

Let's start with some basic statistics for Singapore –

- Dimensions: 23kms from north to south and 43kms from east to west
- Land area: 719 km^2
- Population: 5.61 million (3.9 million permanent residents)
- Population density: 7,796 persons/km^2
- Population growth rate: 0.8%
- Average household size: 3.35 persons
- Unemployment rate: 2.2%
- Home ownership rate: 90.9%
- Maximum income taxation rate: 20%
- Diverse cultural mix, predominantly Chinese (mainly Buddhist), Indian (mainly Hindu) and Malay (mainly Muslim)

To me, Singapore did not feel over populated or congested despite the population density evident from the numerous high-rise apartment buildings. There seems to be plenty of green space, including parks, gardens and street landscaping. There was no traffic congestion due to the excellent underground railway system covering the island (which is constantly being upgraded) and because of the significant disincentives to owning motor vehicles. In simple terms, the average Singaporean doesn't need a car.

The Urban Re-Development Authority (**URA**) is the Government entity responsible for planning and development control. Its functions include:

- land use planning;
- urban design;
- Government land sales;
- development control;
- conservation of built heritage; and
- place management of key areas.

Development controls are straight forward and relatively inflexible, but the URA applies discretion. There are no objection or appeal rights. The time from making an application through to commencing construction is roughly 15 months.

Long term planning through the medium of concept plans and master plans (which are progressively refined and implemented, leading to land sales to the public and private sectors) are the key features and strengths of the system.

The URA has effectively conserved important colonial era buildings, historical sites and the old Chinese and Indian quarters in their original form while allowing effective ongoing use. All these buildings and precincts contribute to Singapore's tourism and business economies.

The Housing and Development Board (**HDB**) acquires land from the State via the URA, develops apartments then administers the sale of the stock to eligible buyers. Applicants must be Singapore citizens, at least 21 years of age and part of a family nucleus (i.e. married). A single person cannot acquire a unit from HDB until they reach the age of 35. HDB developed apartments cannot be disposed of until a minimum of five years has elapsed. There is a vibrant re-sale market controlled and managed by HDB. Generous subsidies and grants are provided by the Government through HDB to maintain affordability. HDB also offers loans at concessional interest rates to eligible buyers. As a consequence of these measures, the levels of home ownership in Singapore is very high.

Ethnic diversity and social cohesion within HDB developments is controlled and promoted by the government. Environmental sustainability features prominently in the design of recent projects such as Punggol (which I visited).

Statistics for dwelling units constructed by HDB over the past 50 years are:

YEAR	NUMBER OF DWELLINGS
1960 – 1970	117,225
1971 – 1980	241,343
1981 – 1990	309,007
1991 – 2000	256,913
2001 – 2010	85,584
2011 – 2015	97,235
TOTAL	**1,107,307**

The older units are progressively being upgraded and refurbished.

There is a strong private sector in Singapore which develops land released to the market by the URA. Because of the scarcity of land, the prices at which land is sold to the private sector is very high, meaning the cost of a privately developed unit is unaffordable to the average Singaporean. This is countered by the intensive development of affordable public sector housing by the HDB. There is also some historical freehold land available in Singapore, some of which is currently under development but again, the prices are very high. The Singapore government generates several billion dollars each year in revenue from the sale of land to the private sector.

HDB is deficit funded by the Government. The HDB's operating and capital expenditure for the 2016/2017 year was $14.523 billion which represented 3.9% of the Government's total budget.

The standard of design and construction of dwelling units by both the HDB and the private sector is very high, certainly equivalent to Australian standards. I saw new apartments developed by the HDB for sale to eligible buyers for between $400,000 and $700,000, with privately developed units ranging in price from $3 - $4 million up to $24 million for premium penthouses. Some private developers are holding rather than selling finished stock, and placing it on the corporate rental market. One premium building was achieving minimum rentals of $25,000 per month for a large 4/5 bedroom apartment.

For a small island country with no natural resources, Singapore is truly a remarkable success story in terms of civic progress, social cohesion and economic growth. As well as being a global business and transportation hub, its tourism facilities and experiences are exceptional.

It's less than eight hours from Brisbane – why not take a look?

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