



17 April 2020

George Theo
Chief Executive Officer
Unitywater
PO Box 953
Caboolture QLD 4510

BY POST/EMAIL – customer.service@unitywater.com

Dear Mr Theo,

RE Stimulating development employment during coronavirus outbreak

The Urban Development Institute of Australia Queensland (the Institute) writes in relation to the outbreak of the coronavirus (COVID-19). The Institute holds significant concerns about the impact of COVID-19 on employment in the property industry noting that one in ten Queenslanders are employed by our industry.¹ Further to our letter of 19 March 2020 we propose additional measures to keep the property development industry working.

We understand agencies are challenged with adapting to government requirements around social distancing, preparedness, and remote working. However, encourage you to keep sight of the critical need to service customers. We seek your assistance in protecting jobs by maintaining stability in the development industry as a crucial part of your COVID-19 strategy.

In our previous letter we asked that you consider:

- putting in place consultants to outsource water and sewer applications to alleviate potential resource deficiencies
- emphasis on bonding approval to ensure project delivery
- expanding the matters that can be included for on and off maintenance bonding to spread the assessment load.

Following the immediate release of the Institute's Project Bounce Back, A COVID-19 Industry Action Plan (attached) we seek the below in relation to your organisation.

¹ Report prepared by Urbis for the UDIA Queensland, March 2018

Halving all development related fees

This reduction in costs would allow the industry to keep applications rolling, thereby creating a pipeline of project work ready for economic recovery and jobs creation. It would also reduce the financial burden for projects at a critical time and assist directly with retaining their workforce.

Stay open for business

Put in place appropriate and safe arrangements to ensure adequate resourcing for development applications as well as water and sewer applications.

Process plan sealing and bonding applications faster

Many projects across the State are currently at this critical stage, with the project at 'peak' debt and awaiting final processing of plan sealing and release of bonds. Delays to this process will be catastrophic for industry cash flow and our ability to sustain employment. We encourage utilities to speed up their processes ahead of statutory timeframes during this period so as to save jobs.

Expand the matters that can be included for on and off maintenance bonding to spread the assessment load

By expanding the range of items that can be included for on and off maintenance bonding, utilities can free up resources and make them available for other critical roles such as assessing development applications which will support projects and industry jobs.

Focus on refunds for trunk infrastructure

Cash flow has never been more important to saving jobs. Utilities should quickly work through any backlog of refunds owing to developers, and process payments urgently. If resourcing is constrained, utilities should outsource the verification of claims to consultants to ensure urgent resolution and payment.

Ensure all inspections continue

Utilities need to commit to all inspections continuing whilst ensuring appropriate arrangements are put in place to achieve social distancing.

Delay payment of Infrastructure Charges until the sale and settlement of land

Once the initial phase of COVID-19 is resolved, delaying the payment of Infrastructure Charges until the sale and settlement of land would give development businesses better cash flow management. The option to delay payment in specific circumstances already exists in some local government areas including Toowoomba and the Fraser Coast. This approach can prove to be a very effective means of maintaining jobs and stimulating local economic activity.

Halving the time taken to process applications

The Institute would also like to seek a halving in the time taken to process applications. The number of applications you receive will likely reduce shortly, creating the opportunity for staff to move through workload more quickly. This represents an opportunity to use the reduction of incoming applications to halve the time taken in processing of applications.

Conclusion

We reiterate the importance of taking action to keep the property development industry moving to safeguard jobs, enable a bounce back of activity, and minimise damage to the state's economy as much as possible. We earnestly seek your engagement on these matters to achieve these ends.

Thank you for taking the time to consider our letter. The Institute offers its assistance where we can to ensure the property industry continues to operate in the current circumstances. If you have any questions, please contact Manager of Policy, Martin Zaltron (mzaltron@udiaqld.com.au) on (07) 3229 1589.

Yours sincerely,

Urban Development Institute of Australia Queensland

A handwritten signature in black ink, appearing to read 'Kirsty Chessher-Brown', with a long horizontal flourish extending to the right.

Kirsty Chessher-Brown
Chief Executive Officer