

TECHNICAL NOTE

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Subject:	Western Growth Corridor - LGIP and Netserv Plan Review

Background

The Western Growth Corridor comprises approximately 2,500ha of land within the suburbs of Rosewood, Thagoona and Walloon. Land within the corridor is predominately zoned emerging community in both the current *Ipswich Planning Scheme 2006* and the draft *Ipswich Plan 2024* and has potential to accommodate approximately 20,000 additional dwellings and 70,000 residents.

Growth within the Western Growth Corridor is currently constrained by limited water and wastewater infrastructure capacity. This informs and impacts the timing of projected development, with Ipswich City Council's (ICC) current Local Government Infrastructure Plan (current LGIP) not identifying significant growth in most parts of the corridor until at least 2026. For this reason, most of the Western Corridor is currently located outside the Priority Infrastructure Area (PIA) identified in the current LGIP.

Pressure to develop the Western Growth Corridor is mounting, with ICC recognising that there is potential to deliver approximately 5,000 dwellings by 2031, growing to approximately 20,000 dwellings by 2046 as outlined in the Draft ICC LGIP (which forms part of the *Draft Ipswich Plan 2024*).

ICC recognises that development of the corridor would significantly improve the delivery of much needed housing supply. ICC also recognises that the *ShapingSEQ 2023* growth targets for the Ipswich LGA at 2031 are much higher than that anticipated by the current or Draft ICC LGIP. Higher rates of growth in the Western Growth Corridor would help ICC get closer to achieving the citywide housing targets set by the State Government as part of *ShapingSEQ 2023*.

To address the limited water supply and sewage capacity in the corridor, a joint grant application was made by ICC and Urban Utilities (UU) in 2024 to the Australian Government's Housing Support Program – Community Enabling Infrastructure Stream. The application sought \$45 million to fund water and wastewater infrastructure referred to as the Ipswich Western Growth Corridor Catalytic Infrastructure Solution. Additionally, UU had proposed to invest a further \$52 million into the required water and wastewater infrastructure.

Unfortunately, this application was unsuccessful and the timing for the delivery of the necessary water and wastewater infrastructure remains uncertain. This will be subject to further review.

If the water and wastewater capacity issues in the Western Growth Corridor can be resolved, ICC anticipates much faster growth than stated in the current LGIP planning assumptions or the planning assumptions prepared for the Draft ICC LGIP. The expectation that these capacity issues will be resolved has been a key driver for the preparation of a detailed structure plan for the corridor and a review of the timing of other development infrastructure necessary to service development within the corridor.

The delivery of trunk infrastructure to service faster growth will increase the potential costs and risks to ICC. This includes the funding and delivery of major development infrastructure through ICC's capital works program as well as cash flow risks from the offset and refund provisions of the *Planning Act 2016* should the PIA be expanded to include more of the Western Growth Corridor. These costs and risks must be managed to ensure they remain within acceptable bounds.

Purpose

The purpose of this review is to:

- (a) identify potential impacts on existing infrastructure planning instruments [*Draft Ipswich City Council Local Government Infrastructure Plan (Draft ICC LGIP)* and *Urban Utilities Water Netserv Plan 2020 (Part A) (UU Netserv Plan)*] as a consequence of the proposed fast tracking of growth under the proposed Western Growth Corridor Structure Plan (**Structure Plan**);
- (b) identify which inputs to the infrastructure plans may require revision;
- (c) identify any gaps in the current infrastructure plans; and
- (d) Identify potential costs and risks to ICC arising from the delivery of infrastructure to service fast tracked growth under the proposed Structure Plan.

Draft ICC LGIP Review

1.0 PLANNING ASSUMPTIONS

The planning assumptions are located in section 6.2.1 and Schedule 3 of the *Draft Ipswich Plan 2024*.

The planning assumptions outline the projections of residential and non-residential development across the local government area from 2021 to 2046 as well as ultimate development. The projection areas that encompass the Western Growth Corridor are referred to as LAF24 (Walloon, Thagoona, Haigslea) and LAF26 (Rosewood).

The draft projections forecast that the number of dwellings in LAF24 and LAF26 will increase from an existing 2,722 dwellings in 2021 to 5,121 dwellings in 2031 and 20,812 dwellings by 2046. At ultimate development, a capacity of 23,887 dwellings is forecast.

It is noted that the draft projections of dwellings are lower than the stated target of an additional 5,000 dwellings in the western corridor by 2031 and an additional 20,000 dwellings by 2046. The different growth rates in each reflects the ongoing uncertainty about when water and wastewater capacity issues in the corridor will be resolved. The failure of the most recent grant application to the Federal Government has delayed the resolution of this issue.

Despite the failure of the grant application, UU has advised that it is currently undertaking several projects to enhance water and wastewater capacity in the corridor. This includes operational updates at the Rosewood WWTP to enhance its capacity until the Walloon to Wulkuraka diversion project is completed in 2029. It remains unclear whether the current and proposed water and wastewater projects will be sufficient to enable the corridor to develop at a higher rate of growth than that anticipated by the current LGIP.

On this basis, it is recommended that consideration be given to a review of the timing of the Draft ICC LGIP development projections for the catchment, and especially between 2026 and 2036. This review should be undertaken in close collaboration with UU to understand whether there will be sufficient capacity in major water supply and wastewater infrastructure such as transportation mains and treatment facilities to accommodate a higher rate of growth in the required timeframes. The outcome of this review will allow the timing of all trunk infrastructure in the corridor to be revised and aligned, and any changes in the timing of infrastructure to be reflected in the Draft ICC LGIP schedule of works.

The structure plan process will also establish a much clearer vision for future development in the corridor, including the identification of constrained land (see 2.0 below), and a more detailed framework of zones and precincts to guide future land use.

The Western Growth Corridor is predominately zoned emerging community in the current *Ipswich Planning Scheme 2006*. Preparation of the development projections in the Draft ICC LGIP required a number of assumptions to be made about the ultimate use of the land. This included assumptions about the amount of land likely to be used for the following land uses:

- Low density residential – Large lot precinct;
- Low density residential – New suburban precinct;
- Low-medium density residential;
- Medium density residential;
- Local centre;
- Neighbourhood centre; and
- District centre.

Preparation of a Structure Plan will enable the amount of land zoned for these (or other) purposes to be more accurately defined. In doing so, it will also allow the ultimate development projections to be more accurately calculated. It is recommended that the review of zones within the Western Growth Corridor be undertaken having regard to both the preferences of home buyers as well as the LGA wide dwelling-type targets required by *ShapingSEQ 2023*.

2.0 DEVELOPABLE AREA

Developable area refers to land suitable for development, excluding areas which are subject to hard constraints such as biodiversity, flooding, or steep slopes specified as overlays in the planning scheme. The developable area is used to calculate the development yields stated in the LGIP. A Developable Area Map is included in the LGIP and excludes those areas subject to hard constraints.

As part of the Structure Plan process, a review of existing constraints, including flooding, stormwater, and biodiversity considerations is to be undertaken. Depending on the outcomes of this review, the area able to be developed and therefore the development yields able to be achieved in the Western Growth Corridor may also change. It is recommended that the developable area review be undertaken in a manner which allows development yields to be readily calculated as part of a review of the planning assumptions.

The developable area review should also enable a Developable Area map to be produced for inclusion in the LGIP.

3.0 INFRASTRUCTURE DEMAND PROJECTIONS

Infrastructure demand projections for each trunk infrastructure network are stated in schedule 3 of the Draft ICC LGIP. Demand projections are calculated using the projections of development stated in the LGIP and a relevant demand generation rate. As noted previously, if the Structure Plan leads to changes in the amount or timing of development projected for the Western Growth Corridor, the infrastructure demand projections may also need to be reviewed.

4.0 INFRASTRUCTURE PLANNING

Infrastructure planning for the Western Growth Corridor has been undertaken for the transport network, public parks network and the land for community facilities network and is identified in Schedule 3.2 and Schedule 3.3 of the Draft ICC LGIP.

No stormwater network is identified in the current or Draft ICC LGIP and no infrastructure planning has been undertaken for this network. ICC currently conditions developers to deliver stormwater infrastructure to service individual developments as non-trunk infrastructure. There are both advantages and disadvantages associated with this approach. Where stormwater is required to be detained, it can result in a large number of stormwater detention basins being constructed by developers in the absence of regional (shared) detention basins. This can lead to higher ongoing maintenance costs for ICC as well as other adverse impacts on local communities. The absence of identified trunk infrastructure can also make obtaining a legal point of discharge more difficult for developers where land is in fragmented ownership.

Given there is no legal requirement for an LGIP to include a stormwater network, it is recommended that the structure planning process determine the options for stormwater management and infrastructure delivery in the Western Growth Corridor. The analysis should consider the ease by which each option could be implemented. Possible non-LGIP strategies include:

- ICC purchasing land for regional detention facilities, with developers constructing the detention and treatment infrastructure through infrastructure agreements.
- ICC conditioning developments to manage stormwater on-site.
- ICC constructing regional stormwater solutions and offering developers the opportunity to voluntarily purchase detention and treatment capacity in lieu of providing on-site treatment and detention. This would be implemented through the use of infrastructure agreements.

Following input from ICC, a preferred stormwater strategy could then be identified.

As indicated previously, the Structure Plan process is likely to result in changes to the amount and timing of development projected in the Western Growth Corridor. It is recommended that the review of existing infrastructure planning for the transport network, public parks network and land for community facilities network for the Western Growth Corridor have regard to these changes to the planning assumptions, including the timing of growth. Any changes should be recognised in a revision of the schedule of works for the Draft ICC LGIP.

Netserv Plan Review

Unless otherwise agreed by the local government and the Planning Minister, the planning assumptions of the participating local government must be used to prepare a Netserv Plan.

The current Netserv Plan identifies limited future trunk infrastructure items to service development in the Western Growth Corridor. This is partly due to cost and servicing constraints which have resulted in the current LGIP planning assumptions not anticipating significant growth until after 2026. Much of the corridor is also located outside the PIA and the corresponding future water/wastewater connection area, meaning that trunk infrastructure to service the area is not required to be identified in the Netserv Plan.

To support the anticipated growth of the Western Growth Corridor, significant new water and wastewater infrastructure will be necessary. This infrastructure has been identified as the Ipswich Western Growth Corridor Catalytic Infrastructure Solution. A joint application between ICC and UU for \$45 million to fund the necessary water and wastewater infrastructure was submitted to the Australian Government under the Housing Support Program – Community Enabling Infrastructure Stream. UU had also forecast to invest an additional \$52 million to deliver the solution. As stated previously, this application was unsuccessful, meaning the timing for delivery of additional water and wastewater infrastructure remains uncertain and subject to further review.

On 26 February 2025, following the preparation of the initial version of this Technical Note, UU released a minor amendment to its current Netserv Plan for public consultation. This minor amendment proposed a small expansion of the water connection area in the Western Growth Corridor to encompass some existing developments as well as the addition of some trunk infrastructure items necessary to support those approved developments.

UU has also advised that it is undertaking a number of projects to enhance water and wastewater capacity in the catchment. This includes operational updates at the Rosewood WWTP to enhance its capacity until the Walloon to Wulkuraka diversion project is completed in 2029.

The structure planning process will provide key inputs essential to the planning of water and wastewater infrastructure to service the Western Growth Corridor. It will also be informed by information held by UU. This includes the timing of delivery of key water and wastewater trunk infrastructure to parts of the Western Growth Corridor. This is likely to influence the timing of growth across the catchment and should be considered when reviewing the planning assumptions. It should be noted that the advice provided by Urban Utilities to date is high level and strategic in nature. It should not be interpreted as confirmation of servicing availability, infrastructure delivery timing, infrastructure funding commitments or detailed serviceability outcomes.

UU's approach to the funding and delivery of trunk water and wastewater infrastructure in the Western Growth Corridor also needs to be understood. Like ICC, the delivery of trunk infrastructure will expose UU to additional costs and risks. Unless a suitable method for managing these costs and risks for UU is agreed, there is a risk that developers may not deliver water and wastewater infrastructure. This would jeopardise the development of in the Western Growth Corridor.

It is recommended that meetings be held with UU representatives to ensure that relevant information about the timing of key water and wastewater infrastructure is obtained and any changes to the planning assumptions be discussed to ensure consistency of approach. UU

has advised that they are currently updating the Netserv Plan to align with the *Draft Ipswich Plan 2024* and *ShapingSEQ 2023*. UU has stated that this alignment is expected to be completed in approximately 2026.

It is also recommended that the funding and delivery of water and wastewater infrastructure be discussed with UU before making a decision about whether additional areas of the Western Growth Corridor are included inside the PIA.

Infrastructure Funding and Delivery

The fast tracking of growth within the Western Growth Corridor will require trunk development infrastructure to be provided earlier than previously anticipated. Much of the trunk infrastructure is likely to be delivered by developers as development of the area commences following resolution of the water and wastewater constraints. Given the shared nature of trunk infrastructure, developers will naturally seek to ensure that the costs of its delivery are fairly apportioned between those who deliver the infrastructure and those that don't.

The *Planning Act 2016* seeks to achieve this outcome through the application of offset and refund requirements. These requirements apply in their entirety where the infrastructure has been identified in the LGIP and the area is prioritised for the provision of infrastructure by being located inside the PIA boundary. It is reasonable to assume that there will be considerable pressure from developers to include the Western Growth Corridor (or significant portions of it) inside the PIA boundary.

The inclusion of the Western Growth Corridor inside the PIA boundary would however expose ICC to additional costs and risks associated with the delivery of trunk infrastructure. This would arise through ICC's role as both an infrastructure provider and administrator of infrastructure charges. These are explained as follows:

Infrastructure Provider

ICC must fund and deliver trunk infrastructure that is difficult for developers to deliver – e.g. major infrastructure such as arterial roads, district recreation and sporting parks etc or infrastructure which is only required due to increased levels of service and which has no nexus with development.

Administrator of infrastructure charges

ICC must pay refunds to developers that deliver trunk infrastructure inside the PIA and where the cost of the trunk infrastructure exceeds the amount of the infrastructure charges to be levied on the development. In fulfilling these responsibilities, ICC is exposed to the following risks:

- Infrastructure charges revenue is likely to be insufficient to fund the cost of the ICC delivered (major) trunk infrastructure;
- The timing of infrastructure charges revenue may not align with the timeframe for paying refunds for developer delivered trunk infrastructure. This can create a cash-flow problem for ICC given that refunds are to be paid from infrastructure charges revenue.

The extent of these costs and risks will not be known until the extent and timing of the trunk infrastructure required to service the corridor are fully understood. Prior to ICC making a decision on whether to include the corridor inside the PIA, it is recommended that the options for managing these costs and risks be determined and considered.

Department of Transport and Main Roads

Changes to planning assumptions may affect the Department of Transport and Main Roads (DTMR) planned upgrades to state-controlled roads and public transport infrastructure in the Western Growth Corridor. Given the potential for accelerated growth and sequencing, it is essential that DTMR receives regular updates and relevant information throughout the Structure Plan process. This will ensure alignment between transport infrastructure planning and the updated development needs of the Western Growth Corridor.

Key Insights

1. Water and wastewater capacity issues have historically hindered growth in the Western Growth Corridor. Resolution of these issues remains uncertain following an unsuccessful funding application to the Federal Government. The impact of this issue on the projections of growth need to be determined in conjunction with UU.
2. ICC is supportive of accelerated growth in the corridor, subject to the adequate resolution of constraints (e.g. water and wastewater servicing issues), as this will better enable ICC to meet the citywide housing targets set by the State Government as part of *ShapingSEQ 2023*.
3. The Structure Plan process is likely to change the assumed type, amount and timing of development currently projected to occur in the corridor. This will arise through refinements to the developable land designation and refinements to the zoning framework and corresponding density provisions.
4. The timeframes for delivering major water and wastewater infrastructure will influence the timing of development in the corridor.
5. The structure planning process provides opportunity to consider options for the management of stormwater and the delivery of stormwater infrastructure.
6. Changes to the planning assumptions may change the type, size and timing of trunk infrastructure planned to service the Western Growth Corridor.
7. The successful implementation of the Structure Plan will be dependent on the costs and risks associated with the delivery of trunk infrastructure being fairly apportioned between developers as well as between developers and ICC / UU.
8. The decision to include / exclude the Western Growth Corridor from the PIA / future water connection area may have significant financial implications for ICC / UU and developers.
9. Engagement with UU will be necessary to obtain information relevant to the timing of future development. Engagement will also be necessary to understand the financial and other implications on UU if the corridor were to be included / excluded from the PIA.

Recommendations

1. Consideration be given to a review of the timing of the Draft ICC LGIP development projections for the Western Growth Corridor and especially between 2026 and 2036, having regard to the timing of delivery of major trunk infrastructure that will increase the capacity of the water and wastewater networks in the corridor.
2. Consideration be given to recalculating the amount of development able to be achieved in the Western Growth Corridor once the constraints have been determined and the zoning framework for the Structure Plan sufficiently settled. It is recommended that the review of zones within the Western Growth Corridor catchment be undertaken

having regard to both the housing preferences of consumers as well as dwelling-type targets for the LGA required by *ShapingSEQ 2023*.

3. The developable area review be undertaken in a manner which allows development yields to be readily calculated as an input to the planning assumptions. The developable area review should also enable a Developable Area map to be produced for inclusion in the LGIP.
4. Following a review of the network planning for the roads, public parks and land for community facilities networks using the revised development projections, make any necessary changes to the timing of future trunk infrastructure in the Draft ICC LGIP schedule of works.
5. The structure planning process should determine the potential options for managing stormwater and the delivery of stormwater infrastructure in the Western Growth Corridor. The analysis should consider the ease or difficulty by which each option could be implemented. A preferred option should be developed following input from ICC.
6. Engagement with UU be undertaken to determine whether the current and proposed water and wastewater projects will be sufficient to enable the catchment to develop at a higher rate of growth than that anticipated by the current LGIP. Engagement will also be necessary to understand the financial and other implications on UU if the corridor were to be included / excluded from the PIA.
7. Determine the options for allocating the costs and risks of delivering the trunk infrastructure identified to service the Western Growth Corridor amongst developers and between developers and ICC / UU.
8. Engage with DTMR to ensure alignment of network planning with State infrastructure planning.