



Insurance Council
of Australia

26 October 2026

The Hon. Jarrod Bleijie MP
Deputy Premier, Minister for State Development, Infrastructure
and Planning and Minister for Industrial Relations
Queensland Government

Via email: planningforqueensland@dsdip.qld.gov.au

Dear Minister Bleijie

Queensland State Planning Policy Review

The Insurance Council of Australia (ICA) welcomes the opportunity to provide a submission on the Government's review of the Queensland State Planning Policy (SPP) and Natural Hazards Planning Policy discussion paper (NHPP) and appreciates the opportunity to discuss the SPP and other issues at a recent meeting with members of your staff and the Department. Given the online survey questions do not entirely align with the issues the ICA wishes to raise, this written submission is the ICA's comprehensive response on behalf of its membership.

The ICA is the representative body of the general insurance industry in Australia and represents approximately 85-90% of private sector general insurers. As a foundational component of the Australian economy, the general insurance industry employs approximately 46,000 people, writes eighty-six million policies a year, and paid out \$49.9 billion in claims in 2025.¹

Executive Summary

Worsening extreme weather events, coupled with the expansion of populations into high-risk areas, is a key risk driver in Australia. Around 1.36 million properties are at risk of flooding nationally, with the greatest concentration of properties along the nation's east coast in Queensland and New South Wales. With flooding events expected to increase in severity and frequency over coming decades, governments' decisions regarding the location of new housing will be critical in the context of minimising risk to communities, property and cost of recovery.

At the same time, Cotality's Cordell Construction Cost Index (CCI) shows that construction costs have climbed most steeply in Queensland and northern Australia, where a standard home now costs around 45 per cent more to build than it did in 2021.¹ Beyond the inflationary impact, the cycle of rebuilding and repairing homes damaged by extreme weather is diverting the materials, trades, and construction capacity needed to increase housing supply. This has the potential to be stretched further by Queensland's projected record \$127.5 billion in planned engineering construction over the next five years, driven largely by the Brisbane 2032 Olympic Games.²

The ICA and its members support all jurisdictions adopting a stronger, risk-based approach to future development to minimise the number of homes being exposed to natural hazards, including through infill development. Queensland is the most disaster affected state in the country and the high

¹ [21529 ICA CAT-Report 2026 Final-single-pages.pdf](#)

² [2025 QMPP Findings - Queensland Major Contractors Association](#)

concentration of populations adjacent to the coast and along river courses make safe land use planning decision even more critical.

Having reviewed the SPP and NHPP, the ICA and its members recommend the following:

The SPP could be strengthened by:

- Clarifying how the application of Natural Hazards Planning Policy through use of a risk-based approach will achieve consistent and rigorous outcomes;
- Ensuring the protection of people and property is prioritised in new development, including infill, from natural hazard events;
- Clarifying the need for a proper and transparent evidence base to justify decisions in accordance with the principles and objectives of the SPP and NHPP as they relate to minimising the impact of current and future natural hazards; and
- Acknowledge that climate change considerations should include all perils and that future risk projections at a minimum extend to 2075 (to accommodate the average 50 year life of a property) or to 2100 in line with flood guidelines in other jurisdictions such as Victoria.

Clarity is required regarding:

- the definitions for and application of acceptable and tolerable risk;
- how the approach will undergo regular Government review to ensure it is being applied appropriately, including by local governments;
- accountability mechanisms for the consequences of decisions taken.

Supports:

- The inclusion of the SPP state interest guideline for natural hazards risks and resilience, and encourages its expansion to include all climate related perils;
- That the SPP appropriately reinforces the key role land use planning needs to play in reducing natural hazard risk, ensuring new development is informed by risk and appropriately located and designed, while existing communities are better protected through integrated, evidence-based planning that empowers local governments and reduces the human and economic costs of disasters.
- the government's proposal for flood mapping to be consistent and transparent across the State, up to date and that data is shared and accessible.

Strengths of the Proposed Approach

Noting the SPP review has a broader remit, this submission is focused on the natural hazard and land use planning components.

The ICA and its members support the current SPP's inclusion of the '*state interest guideline for natural hazards, risks and resilience*,' which was developed following the 2012 Queensland Flood Commission Inquiry. It is important that the direction contained within this Guideline continue to compel Queensland local governments to use a risk-based approach to land use planning for flood prone areas. This principle should apply to all natural hazards, which is reinforced by the findings of the National Natural

Disaster Arrangements Royal Commission³ and National Cabinet to establish a national standard to account for disaster and climate risk in land-use planning and building reform processes.⁴

ICA notes the discussion paper proposes measures to improve statewide flood mapping consistency, and address inconsistent arrangements that can lead to confusion, impacting the property rights of landholders and insurance premiums. The ICA and its members support this approach, and this could form part of a broader national hazard mapping and hazard baseline to drive consistency across jurisdictions. The importance of a holistic approach to land use planning in the SPP is also acknowledged; *“The State’s interest in natural hazards and safety is to ensure that natural hazards are appropriately considered at all levels of the planning system, and that communities are better prepared to manage and respond to these hazards.”*

The SPP appropriately reinforces the key role land use planning needs to play and the ICA supports the SPP and NHPP principles and objectives identified, including:

- identifying natural hazard areas, including areas suitable for development where an acceptable or tolerable level of risk can be achieved, and areas where risk is intolerable;
- avoiding development in natural hazard areas where current and future risk from natural hazards cannot be mitigated to an acceptable or tolerable level;
- ensuring development mitigates the risk from natural hazards to an acceptable or tolerable level in natural hazard areas suitable for development;
- requiring mitigation strategies, proportionate to the risk from the natural hazard and the extent to which the development is directly or indirectly impacted, while balancing the economic and social needs of the community;
- ensuring development directly, indirectly and cumulatively avoids increasing exposure, and the severity of the natural hazard and the potential for adverse consequences to the development or to other surrounding land;
- avoiding, and where avoidance is not possible, managing exposure to the risks of natural hazards through appropriate location, siting and design;
- where safe, ensuring buildings and infrastructure is designed to support refuge in place for reasonable duration, or enable safe evacuation;
- where practicable, supporting the continued operation of infrastructure during and immediately after a natural hazard, and efficient recovery of this infrastructure after natural hazards, to minimise periods of operational disruption; and
- avoiding development in an erosion prone area within a coastal management district, unless the development cannot feasibly be located elsewhere and development:
 - mitigates the risks to people and property to an acceptable or tolerable level; and is coastal-dependent development, temporary, readily relocatable or able to be abandoned development;
 - is essential community infrastructure where there is no reasonable alternative; or is a minor redevelopment of an existing permanent building or structure that cannot be relocated or abandoned.

³ [Royal Commission into National Natural Disaster Arrangements Report](#)

⁴ [Meeting of National Cabinet | Prime Minister of Australia](#)

The ICA and its members also acknowledge the Queensland Government is attempting to balance demands relating to housing supply and costs of housing, which includes finding ways to streamline development outcomes. This is reflected in the SPP strategic aspirations and the State Interest for Natural Hazards statement: *“The risks associated with natural hazards are avoided or mitigated to protect people and property, enhance the State’s endurance to natural hazards, and support long-term and productive growth.”*

ICA believes the objectives of building in the right location to minimise natural hazard risks and increasing land supply can co-exist. Research commissioned by the ICA identifies that rebuilding homes damaged by disaster is directly contending with new housing supply in Australia.⁵ Between 2022 and 2026, insurers received more than 400,000 claims to repair or rebuild homes damaged in declared events, at an insured cost of \$11.3 billion. In 2025 alone, declared events damaged 145,392 homes, almost as many as the 172,657 new homes completed nationally that year⁶

Areas to Strengthen

In examining the material released for public consultation and as discussed at the recent meeting between the ICA, staff from your office and Department officials, there are a number of matters ICA believes require further attention and/or clarification.

Future risk projections

ICA acknowledges that the current planning arrangements may benefit from rationalisation, clarification and simplification. It is critical, however, that this is not made at the expense of evidence-based planning outcomes. The SPP and Natural Hazards Planning Policy discussion paper (NHPP) incorporates a ‘forward looking’ approach to ensure decisions around future land use and infrastructure take into consideration how natural hazards will change over time, rather than a reliance on historical events. This needs to be reinforced, however, with explicit recognition of the impacts of worsening hazards due to climate change, consistent with Section 3(2) (c) (iv) of the Planning Act.

This should be further clarified and aligned with best practice climate science, including the need to ensure assessments consider the effects of climate change and planning horizons extending to somewhere between the design life of buildings under construction, which is generally accepted as being a minimum of 50-years and 2100, as identified in Victoria’s recent flood guidelines.

Expansion to consider all perils

The SPP identifies policies about matters of state interest relevant to planning and development assessment including natural hazards and safety, where it refers to floods, bushfires and coastal erosion. Clarification is sought, however, as to the apparent non-inclusion of cyclones or storms, which can result in significant property damage and loss, as well as risk to public health and safety.

Evidenced based planning amendments

ICA observes the draft document indicates that when making or amending a planning scheme or making a temporary local planning scheme, local governments must consider the full SPP. The ICA seeks reassurance that in requiring local governments to consider the full SPP, including the State’s aspirations, guiding principles and state interests, this extends beyond a cursory exercise or one in which proper weight and evaluation fails to be given to the potential impacts of current and future

⁵ [21529_ICA_CAT-Report_2026_Final-spreads.pdf](#)

⁶ Ibid

natural hazards. Local government should be required to establish an evidence base to justify any amendments, which should have regard to the content of the NHPP, and in particular, retaining the State's interest in protecting new development, including infill, from natural hazards. This should be prioritised to achieve the stated aims of:

- protecting people and property in new development from natural events;
- improving the resilience of new or upgraded transport, energy, water, digital and community infrastructure;
- protecting new development from erosion, including coastal erosion; and

The ICA and its members acknowledge that local governments are on the frontline of disaster risk and management, as well as pressure to approve land for more housing. Rather than adding an additional burden, state planning frameworks can help support councils in their critical decision making. On this basis, the removal of the policy statement requiring local government to undertake a fit-for-purpose natural hazard risk assessment is logical as it removes duplication, as it is covered under other SPP policies. However, the ICA recommends cross referencing to ensure those involved are still alerted to this essential requirement.

Clarify purpose of principles and objectives

The ICA supports the principles and objectives of the government's approach (outlined above), but seeks confirmation that these principles and objectives will be employed to:

- avoid development in natural hazard areas where current and future risk from natural hazards cannot be mitigated to an acceptable or tolerable level, is prioritised;
- ensure mitigation is not adopted as a means to design a way out of high-risk hazard areas, where for example, the method of fill and slab is not deployed as an enduring form of mitigation for properties exposed to the risk of flood;
- ensure acceptable and tolerable risk is clearly defined, where manageable may be a better substitute for acceptable and where there would be merit in considering the NSW government's proposed definition for tolerable contained within a guideline accompanying its draft Climate Change and Natural Hazards SEPP⁷;
- Ensure there is an obligation for local governments to follow these principles and objectives transparently, with on-going scrutiny applied by Queensland Government in overseeing compliance with these expectations.

The proposal to explore how the Queensland Government can achieve greater consistency, transparency and timeliness across *"future natural hazard mapping for land use planning, particularly flood and bushfire, to provide greater certainty across councils and regions affected by hazards"* has the potential to improve development certainty, efficiency and reduce the cost to apply for new development. This approach could form part of a broader national hazard mapping and hazard database to drive consistency across jurisdictions.

Tolerable Risk

The extent and success of any new approach to land use planning depends on the methodology for determining what is an acceptable level of risk, which in the proposal includes reference to risk-based and tolerable. This is best reflected in what ICA understands to be the key policy change; a shift from

⁷ [Consideration of tolerable risk for natural hazards in land use planning guideline](#)

‘avoid then mitigate’ policies to ‘avoid where the risk cannot be mitigated to an acceptable or tolerable risk. This has parallels with the approach for the draft NSW Climate Change and Natural Hazards SEPP.

There is strong merit in ensuring Queensland’s approach considers future focused tests, classifications, principles and criteria to enable a coherent methodology to be applied to determine what the level of tolerability is for land being considered for development, which we would welcome to brief the government on at the appropriate time.

Conclusion

It is important in reframing the SPP, and in particular the NHPP, that recognition of the critical role of land use planning in reducing natural hazard risk is retained and supported through clear policy principles and methodology for application. The SPP could be strengthened by requiring a consistent, rigorous and risk-based application of the Natural Hazards Planning Policy; prioritising the protection of people and property, including in infill development; and ensuring decisions are supported by a transparent evidence base that considers all relevant natural hazards and future climate risk over the life of development. Greater clarity is also needed around acceptable and tolerable risk, together with regular government review and appropriate accountability mechanisms to ensure the policy is being consistently applied at the local government level.

The ICA welcomes the opportunity to work with the Department, including by sharing insights from leading risk experts across the sector. The ICA is also developing a national Climate Risk Land Use Planning Framework in partnership with the Planning Institute of Australia, which could further strengthen the approach being undertaken in Queensland and promote a greater level of national coherence in the approach to land use planning for climate risk.

ICA would also welcome the opportunity to participate in any roundtables convened by the Government as it advances implementation of the SPP and NHPP.

For further information regarding this submission, please contact Ms Alix Pearce, General Manager Climate, Social Policy and International Engagement, Insurance Council of Australia
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Yours sincerely



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