

Infrastructure Charging

WHAT IS INFRASTRUCTURE CHARGING?

Under Queensland's planning legislation, local Councils may require new developments to contribute towards the provision of the essential trunk infrastructure network. Trunk infrastructure is infrastructure that services multiple development sites, can be planned without knowing the details of individual development and serves as a distribution / collection function to service a particular area. Generally, trunk infrastructure is centrally located, closer to the denser population and every ratepayer has the opportunity to use.

Trunk infrastructure is classified into the following networks:

1. Parks and land for community facilities
2. Stormwater
3. Transport



Scenic Rim Regional Council levies infrastructure charges according to the Charges Resolution. Charges are collected as a result of the demand placed on the trunk infrastructure networks by new development. The charges collected are used to fund part of the cost of trunk infrastructure networks, as identified in the Priority Infrastructure Plans or Local Government Infrastructure Plans included in each of Council's Planning Schemes. For latest version of Charges Resolution and Infrastructure Plan, refer to Council's website

<http://www.scenicrim.qld.gov.au/infrastructure-charges> and <http://www.scenicrim.qld.gov.au/infrastructure-planning>.

HOW ARE CHARGES CALCULATED?

Infrastructure charges are calculated for each applicable development during the development assessment process. Charges are set by the planning legislation for different type and size of development. Please refer to Table 2 Adopted Charges Schedule in the Charges Resolution for the charge amount based on type and size of land use.

WHEN ARE CHARGES LEVIED?

An Infrastructure Charges Notice (ICN) is usually issued with the Development Permit listing any applicable infrastructure charges for the proposed development.

WHEN ARE CHARGES PAYABLE?

Infrastructure charges will be due and payable depending on the type of development application. The trigger of payment is defined in State planning legislation as:

- building work - before final inspection certificate for the building work or the certificate of classification is given to the local government;
- material change of use - before the issue of a Compliance Certificate under the *Plumbing and Drainage Act 2002* or before the change of use happens (whichever occurs first);
- reconfiguring a lot - before approval of the survey plan (plan for the reconfiguration); or
- as otherwise stated in the Infrastructure Charges Notice.

WHO IS RESPONSIBLE FOR PAYMENT OF CHARGES?

In accordance with the State planning legislation, charges under an infrastructure charges notice:

- is payable by the applicant; and
- attaches to the premises (land).

Ultimately though, once charges are attached to the land, they are recovered in the same manner as rates from the land owner or future successors in title.

WHERE DOES INFRASTRUCTURE CHARGES APPLY?

Infrastructure charges apply to the entire local government area of Scenic Rim Regional Council. However, the Charges Resolution will not have effect if an infrastructure agreement has been entered into that facilitates infrastructure charging.

There are scenarios where infrastructure charges will not be payable. These include:

- minor uses such as advertising device, home based business, temporary development, etc;
- development which does not create additional demand on trunk infrastructure, where the existing use of the site is lawful; and
- where a prior contribution was made such as a subdivision and a new use does not exceed the paid charge amount.

DOES DEVELOPMENT CONTRIBUTE TO THE DELIVERY OF THE INFRASTRUCTURE?

Yes, Council levies infrastructure charges on development through the development assessment process. However these infrastructure charges are capped by the Queensland Government and fund only a portion of much wider infrastructure projects that Council delivers. Significant additional funds are invested by Council to deliver new and upgraded infrastructure to cater for the growth of the region.



WHICH CHARGING RESOLUTION APPLIES TO THE DEVELOPMENT?

Charging resolutions have evolved since 2011 addressing legislative changes and indexation to the charge rates over a number of years. Depending on when the development application was decided, the version of the charging resolution becomes applicable.

All charging resolutions are available on Council's website at <http://www.scenicrim.qld.gov.au/infrastructure-charges>.

The Fair Value Charges Resolution was in effect between 29 May 2015 & 31 July 2017 which applied a 10% to 15% reduction on adopted infrastructure charges. Fair Value and adopted infrastructure charges are governed by planning legislation.

DOES COUNCIL COLLECT CHARGES FOR QUEENSLAND URBAN UTILITIES?

Council is responsible to collect infrastructure charges for Queensland Urban Utilities (QUU) until 30 June 2014. After that QUU levies and collects water and sewer infrastructure charges. For all enquiries relating to QUU infrastructure charges, please contact <https://www.urbanutilities.com.au>

WHAT IS AN OFFSET AND REFUND FOR TRUNK INFRASTRUCTURE?

An offset is the reduction in the infrastructure charge against the entire charge applied to all Council owned networks. An offset may apply if a development triggers the requirement for the construction of trunk infrastructure.

To be eligible for an infrastructure offset, the trunk infrastructure must be required as a condition of a development approval. When trunk infrastructure provided has a greater value than the levied charge, the local government is required to refund the outstanding amount.

Section 10 of Charges Resolution describes the offset and refund for trunk infrastructure including various types of trunk infrastructure, method of calculating establishment cost, method of calculating offset and refund and timing of offset and refund.

WHAT IS CONVERSION OF NON-TRUNK TO TRUNK INFRASTRUCTURE?

Section 117 of the *Planning Act 2009*, facilitates requests to convert non-trunk infrastructure into trunk infrastructure. The application form to submit such requests for Council consideration is available at <http://www.scenicrim.qld.gov.au/infrastructure-charges>.

FURTHER INFORMATION

Information on Charges, Offset and Refund and Conversion from non-trunk to trunk infrastructure can be found using the below link to the Queensland Government Department of Infrastructure, Local Government and Planning <http://dmdmip.qld.gov.au/infrastructure/local-government-infrastructure-planning-and-charging-framework-review.html>.