

South Burnett Regional Council Charges Resolution (No. 3) 2019

1.0 Introduction

- 1.1 This is a charges resolution (“Resolution”) made pursuant to the *Planning Act 2016* (“PA”).
- 1.2 This Resolution may be cited as the South Burnett Regional Council Charges Resolution (No. 3) 2019.
- 1.3 This Resolution is attached to, but does not form part, of the South Burnett Regional Council Planning Scheme 2017 (“Planning Scheme”).
- 1.4 This Resolution is structured as follows:

Section / Attachment #	Name	Function
1.0	Introduction	Background, legal authorisation and timing, applicable areas and types of development that trigger charges calculation, definitions of relevant terms.
2.0	Adopted Charges	Refers to types of development that attract charges, and identifies the adopted charges.
3.0	Discounts	Identifies the discounts that will be taken into account in the calculation of a levied charge.
4.0	Calculation of the Levied Charge	Identifies the method by which the levied charge will be calculated.
5.0	Payment Triggers	Identifies when a levied charge is to be paid.
6.0	Automatic Increase Provision for Levied Charges	Identifies how a levied charge is to be increased to the date it is paid.
7.0	Conversion Applications	Identifies Council’s requirements for making a conversion application and the process of assessing and deciding the conversion application.
8.0	Offsets and Refunds for Trunk Infrastructure	Identifies method for determining the establishment cost of trunk infrastructure, the process for reconciling an offset or refund, and the timing of refunds.
9.0	Plans for Trunk Infrastructure	Refers to the plans for trunk infrastructure contained in the Planning Scheme.
10.0	Desired Standard of Service	Refers to the desired standard of service to which trunk infrastructure shall be constructed.
11.0	Schedule of Unit Rates	Refers to known establishment costs for trunk infrastructure networks.
Tables	Tables 1.1, 2.1, 2.2 and 3.1	For reference purposes when making charge calculations
Attachment 1	Methodology for Determining the Final Contract Value for Trunk Infrastructure Works	Outlines the default methodology for determining the establishment cost of trunk infrastructure works costs and the value of offsets and refunds.
Attachment 2	Methodology for Determining the Final Contract Value for Trunk Infrastructure Land	Outlines the default methodology for determining the establishment cost of trunk infrastructure land costs and the value of offsets and refunds.

Section / Attachment #	Name	Function
Attachment 3	Indicative Trunk Infrastructure	Identifies definitions for trunk infrastructure networks used to assess conversion applications.

- 1.5 This Resolution applies to the South Burnett Regional Council local government area.
- 1.6 This Resolution seeks to implement the requirements of the PA, the *Planning Regulation 2017* and the *Minister's Guidelines and Rules*, and has effect on and from 1 July 2019.

This Resolution:

- (a) does not retrospectively apply to previous approvals, even if they have not yet paid adopted charges. It only applies to decisions made after this charges Resolution comes into effect;
 - (b) will be applied to development applications that have not been decided (prior to this Resolution 3 coming into effect), irrespective of when the application was lodged;
 - (c) can be applied to a “change application” made under section 78 of PA; and
 - (d) can be applied to an “extension application” made under section 86 of PA .
- 1.7 This Resolution adopts a charge for providing trunk infrastructure for particular development that is equal to or less than the maximum adopted charge specified within the *Planning Regulation 2017*.
- 1.8 The local government trunk infrastructure networks are specified in the Local Government Infrastructure Plan (“LGIP”) for South Burnett Regional Council.
- 1.9 The applicable uses under the South Burnett Regional Council Planning Scheme to which the adopted charges apply are stated in **Table 1.1**. **Table 1.1** identifies the relationship between existing South Burnett Regional Council Planning Scheme use types and the classes of development to which the adopted charges apply. This table is required in order to align the different land-use charge categories applied under the *Planning Regulation 2017* with those of the South Burnett Regional Council Planning Scheme.
- 1.10 The LGIP Priority Infrastructure Area (PIA) for South Burnett Regional Council identifies the areas which are prioritised to accommodate urban growth for the next 10 to 15 years to ensure the efficient delivery of infrastructure. Areas outside of the PIA contain development use rights but the provision of trunk infrastructure by the local government to support urban growth outside the PIA is generally not supported by immediate or medium term funding within capital works programs. Trunk infrastructure may be planned outside of the PIA to demonstrate the preferred servicing arrangements. However, Council may impose a condition requiring extra payments for trunk infrastructure for premises completely or partly outside the PIA – refer to section 133 of PA.
- 1.11 The issuing of an infrastructure charges notice may be triggered by assessable development. The types of development that may trigger the issuing of an infrastructure charges notice are:

- (a) reconfiguring of a lot;
- (b) making a material change of use; and
- (c) carrying out building work.

1.12 Interpretation

In this Resolution:

adopted charge means the charge set by this Resolution to be applied for the purpose of calculating a levied charge as stated in section 2.0

bedroom means an area of a building or structure which:

- (a) is used, designed or intended for use for sleeping but excludes a lounge room, dining room, living room, kitchen, water closet, bathroom, laundry, garage or plant room; or
- (b) a space that can be readily closed off for sleeping such as a den, study, loft, media or home entertainment room, library, family or rumpus room or other similar space.

discount means the monetary amount that is to be excluded when working out additional demand determined in accordance with in section 3.0 (Discounts).

dwelling means a residential use of premises for one household that contains a single dwelling.

gross floor area (GFA), for a building, means the total floor area of all storeys of the building, including any mezzanines, (measured from the outside of the external walls and the centre of any common walls of the building), other than areas used for—

- (a) building services; or
- (b) a ground floor public lobby; or
- (c) a public mall in a shopping complex; or
- (d) parking, loading or manoeuvring of vehicles; or
- (e) balconies, whether roofed or not.

impervious area means the area of the premises that is impervious to rainfall or overland flow that results in the discharge of stormwater from the premises.

lawful use see schedule 2 (Dictionary) of the PA.

maximum adopted charge see section 112 of the PA.

planning scheme means the South Burnett Regional Council Planning Scheme 2017.

producer price index (PPI) see schedule 2 (Dictionary) of the PA.

3-yearly PPI average see section 114 of the PA.

A term defined in the PA which is used in the Resolution has the meaning given in the PA.

If a term is not defined in the Resolution or the PA the term is to, subject to section 14A (Interpretation best achieving Act's purpose) of the *Acts Interpretation Act 1954* and section 14 (Applicable provisions) of the *Statutory Instruments Act 1992*, have the meaning assigned to it by the Macquarie Dictionary.¹

¹ Section 14A(1) (Interpretation best achieving Act's purpose) of the *Acts Interpretation Act 1954* which provides that in the interpretation of a provision of the Act the interpretation that will best achieve the purpose of the Act is to be preferred to any other interpretation, applies to a statutory instrument under section 14 (Applicable provisions) of the *Statutory Instruments Act 1992*.

Table 1.1 – Planning Scheme Use Types to which the *adopted charges* apply

Column 1 Adopted charge category	Column 2 Planning Scheme Uses
Residential uses	Caretaker's accommodation Dual occupancy Dwelling house Dwelling unit Multiple dwelling
Accommodation (short-term)	Short-term accommodation Tourist park
Accommodation (long-term)	Community residence Relocatable home park Retirement facility Rooming accommodation
Places of assembly	Club Community use Function facility Funeral parlour Place of Worship
Commercial (bulk goods)	Agricultural supplies store Bulk landscape supplies Garden centre Outdoor sales Hardware and trade supplies Showroom
Commercial (retail)	Food and drink outlet Service industry Service station Shop Shopping centre
Commercial (office)	Office Sales office
Educational facility	Child care centre Community care centre Educational establishment
Entertainment	Hotel Nightclub entertainment facility Theatre
Indoor sport and recreation	Indoor sport and recreation
High impact industry or special industry	High impact industry Special industry
Other industry	Low impact industry Medium impact industry Rural industry Warehouse
High impact rural	Intensive animal industry Intensive horticulture Wholesale nursery Winery
Low impact rural	Animal husbandry Cropping Permanent plantation
Essential services	Emergency services Health care service Hospital Residential care facility Veterinary service
Minor uses	Cemetery

Column 1 Adopted charge category	Column 2 Planning Scheme Uses
	Home based business Market Park Roadside stall Telecommunications facility
Specialised Uses	Air service Animal keeping Aquaculture Car Wash Crematorium Environment facility Extractive industry Major electricity infrastructure Motor sport facility Nature-based tourism Non-resident workforce accommodation Outdoor sport and recreation Rural workers' accommodation Substation Transport depot Utility installation Any other undefined use

2.0 Adopted Charge

2.1 The adopted charge for a *material change of use* or *building work* for:

- (a) Residential development, is stated in **Table 2.1**;
- (b) Non-residential development (other than a specialised use), is stated in **Table 2.2** which comprises the following:
 - (i) the total adopted charge as stated in the column '*Local government adopted charges, excluding stormwater*'; and
 - (ii) the adopted charge for stormwater as stated in the column '*Local government adopted charges, stormwater network*'.

2.2 The adopted charge for *reconfiguring a lot* for residential and non-residential development, is the adopted charge per Allotment as stated in **Table 2.3**.

2.3 *Specialised Uses*: Upon receiving a development application for a Specialised Use, including an undefined use, Council will determinethe the adopted charge in accordance with **Tables 2.1 to 2.2** based on the charge for another similar use listed in **Table 1.1** that Council decides to apply to the use.

2.4 If the subject site is located in an area that is not currently serviced, or planned to be serviced, by Council trunk infrastructure networks then such separate network components of the charge shall be deducted from the total adopted charge payable. The proportional split of adopted charge per network is to be deducted as identified within the relevant adopted charges table (refer to **Tables 2.1 to 2.3**).

Table 2.1 – Adopted Charges – Adopted charge for a Material Change of Use or Building Work for Residential development

Development for which an adopted charge may apply		Prescribed amount (Maximum adopted charges)	Local Government adopted charges	Adopted charges (\$)				
				Proportional split of adopted charge per trunk infrastructure network				
				Water supply	Sewerage	Transport	Parks and land for community facilities	Stormwater
				49%	27%	12%	10%	2%
Residential Uses	1 or 2 bedroom dwelling	\$20,494.45 per dwelling	\$14,346 per dwelling	\$7,030	\$3,873	\$1,722	\$1,435	\$286
	3 or more bedroom dwelling	\$28,692.25 per dwelling	\$20,085 per dwelling	\$9,842	\$5,423	\$2,410	\$2,009	\$401
Accommodation (short-term)	1 or 2 bedroom suite	\$10,247.20 per suite	\$7,173 per suite	\$3,515	\$1,937	\$861	\$717	\$143
	3 or more bedroom suite	\$14,346.10 per suite	\$10,042 per suite	\$4,921	\$2,711	\$1,205	\$1,004	\$201
	bedroom that is not part of a suite	\$10,247.20 per bedroom	\$7,173 per bedroom	\$3,515	\$1,937	\$861	\$717	\$143
Accommodation (short-term): Tourist Park	group of 1 or 2 sites	\$10,247.20 per suite	\$7,173 per group	\$3,515	\$1,937	\$861	\$717	\$143
	group of 3 sites	\$14,346.10 per suite	\$10,042 per group	\$4,921	\$2,711	\$1,205	\$1,004	\$201
	1 or 2 bedroom cabin	\$10,247.20 per suite	\$7,173 per cabin	\$3,515	\$1,937	\$861	\$717	\$143
	3 or more bedroom cabin	\$14,346.10 per suite	\$10,042 per cabin	\$4,921	\$2,711	\$1,205	\$1,004	\$201
Accommodation (long-term)	1 or 2 bedroom suite	\$20,494.45 per suite	\$14,346 per suite	\$7,030	\$3,873	\$1,722	\$1,435	\$286
	3 or more bedroom suite	\$28,692.25 per suite	\$20,085 per suite	\$9,842	\$5,423	\$2,410	\$2,009	\$401
	bedroom that is not part of a suite	\$20,494.45 per bedroom	\$14,346 per bedroom	\$7,030	\$3,873	\$1,722	\$1,435	\$286
Accommodation (long-term): Relocatable home park	1 or 2 bedroom relocatable dwelling sites	\$20,494.45 per site	\$14,346 per group	\$7,030	\$3,873	\$1,722	\$1,435	\$286
	3 or more bedroom relocatable dwelling sites	\$28,692.25 per site	\$20,085 per group	\$9,842	\$5,423	\$2,410	\$2,009	\$401

Table 2.2 – Adopted Charges – Adopted charge for a Material Change of Use or Building Work for Non-residential development

Development for which an adopted charge may apply	Prescribed Amount (Maximum adopted charges)		Adopted charges					Local government adopted charges, stormwater network (\$ per impervious m ²)
	Maximum adopted charges (\$ per m ² GFA)	Maximum adopted charges for stormwater network (\$ per impervious m ²)	Local government adopted charges, excluding stormwater (\$ per m ² GFA)	Proportional split of adopted charge per trunk infrastructure network (excluding stormwater)				
				Water Supply	Sewerage	Transport	Parks and land for community facilities	
				49%	27%	24%	0%	
Places of assembly	\$71.75	\$10.25	\$50	\$25	\$14	\$11	\$0	\$2
Commercial (bulk goods)	\$143.45	\$10.25	\$100	\$49	\$27	\$24	\$0	\$2
Commercial (retail)	\$184.45	\$10.25	\$129	\$63	\$35	\$31	\$0	\$2
Commercial (office)	\$143.45	\$10.25	\$100	\$49	\$27	\$24	\$0	\$2
Education facility	\$143.45	\$10.25	\$100	\$49	\$27	\$24	\$0	\$2
Education Facility: Establishment for the Flying Start for Queensland Children program	Nil	Nil	\$0	\$0	\$0	\$0	\$0	\$0
Entertainment	\$204.95 <i>excl. accommodation area</i>	\$10.25	\$143	\$70	\$39	\$34	\$0	\$2
Indoor sport and recreation	\$204.95 <i>excl. court area</i>	\$10.25	\$143	\$70	\$39	\$34	\$0	\$2
	\$20.45 <i>court area</i>		\$14	\$7	\$4	\$3	\$0	
High impact industry or special industry	\$71.75	\$10.25	\$50	\$25	\$14	\$11	\$0	\$2
Other industry	\$51.25	\$10.25	\$36	\$18	\$10	\$8	\$0	\$2
High impact rural	\$20.45	Nil	\$14	\$7	\$4	\$3	\$0	\$0
Low impact rural	Nil	Nil	\$0	\$0	\$0	\$0	\$0	\$0
Essential services	\$143.45	\$10.25	\$100	\$49	\$27	\$24	\$0	\$2
Minor uses	Nil	Nil	\$0	\$0	\$0	\$0	\$0	\$0
Specialised uses	The adopted charge is the charge for another similar use listed in this table that Council decides to apply to the use.							

Table 2.3 – Adopted Charges – Adopted charge for Reconfiguring a Lot

Development for which an adopted charge may apply	Adopted charges (\$ per Allotment)					
	Local government adopted charges	Proportional split of adopted charge per trunk infrastructure network				
		Water Supply	Sewerage	Transport	Parks and land for community facilities	Stormwater
Residential	\$20,085	\$9,842	\$5,423	\$2,410	\$2,009	\$401
Non residential	\$20,085	\$9,842	\$5,423	\$4,419	\$0	\$401

3.0 Discount

3.1 In accordance with section 120 of the PA, a levied charge may be only for extra demand placed upon trunk infrastructure that will be generated by the development. When working out extra demand, Council will apply the following discounts in the calculation of the levied charge on the premises over which the application is made, based on the highest value of the following:

Where the premises is subject to an existing lawful use that places demand upon the trunk infrastructure networks for which evidence can be provided, the adopted charge for the existing lawful use of the premises; or

- (a) Where the premises contained a previous lawful use that is no longer taking place which placed demand upon the trunk infrastructure networks, and where evidence can be provided of the previous lawful use, the adopted charge for the previous lawful use of the premises; or
- (b) Where evidence can be provided that the premises is subject to other development that places demand upon trunk infrastructure networks that may lawfully be carried out without the need for a further development permit, the adopted charge for the development not requiring a further development permit.

3.2 The discounts in section 3.1(a)-(b) will not be applied if:

- (a) an infrastructure requirement that applies, or applied, to the existing or previous lawful use or development, has not been complied with; or
- (b) the adopted charge for the development not requiring a further development permit would be imposed on the basis of development of a lower scale or intensity being carried out on the premises.

3.3 Where a discount in Section 3.1(a) – (b) applies it will be calculated in the same manner in which the adopted charge is calculated under Section 4.0.

3.4 Discounts will not be provided for trunk infrastructure networks that do not currently service the site.

3.5 Any discount calculated in accordance with this section is to be allocated to the trunk infrastructure network to which the discount was accrued, unless otherwise determined under a separate infrastructure agreement between Council and the applicant.

4.0 Calculation of the levied charge

4.1 The following steps identify the process to calculate the levied charge for a development application:

Step 1 If the development is a material change of use or building work, determine the relevant adopted infrastructure charges category based on the translation of the planning scheme use type in Table 1.1 that is applicable to the proposed development.

Step 2 Determine the development demand unit (e.g. m² GFA) and associated charge rate (i.e. \$/demand unit) that may be levied for the proposed development as stated in Section 2.0:

- for *Material Change of Use or Building Work* - refer to **Tables 2.1 and 2.2**.
- for *Reconfiguring a Lot* - refer to **Table 2.3**

Should the area within which the site is located not currently be serviced, or planned to be serviced, by all Council trunk infrastructure networks, then such separate components of the charge shall be deducted from the total adopted charge payable.

Step 3 Determine any discount amount for each trunk infrastructure network currently servicing the premises as stated in Section 3.0.

Step 4 Calculate the levied charge by subtracting the applicable discount amount from the adopted charge amount for each trunk infrastructure network (in monetary values).

4.2 A development application that includes more than one use (mixed use development) may involve uses or development with different assessable demands under **Tables 2.1 to 2.2**. The following rules will apply to the calculation of the demand and associated charge for a mixed use development:

- (a) if more than one use is proposed to occur in any given area the subject of the approval, the levied charge will be based on the use/development with the highest charge amount calculated in accordance with **Section 4.1**;
- (b) if an approved development includes an area which is common to two or more uses identified in **Tables 2.1 and 2.2**, the assessable demand for the common area will be based on the use or development with the highest charge amount calculated in accordance with **Section 4.1**.

4.3 If an adopted charge is intended to be levied pursuant to a building work approval and the building may be used for more than one use under **Tables 2.1 and 2.2**, the levied charge will be based on the use or development with the highest charge amount calculated in accordance with **Section 4.1**.

5.0 Payment Triggers

- 5.1 This section states when a levied infrastructure charge is to be paid.
- 5.2 A levied charge is payable at the following time:
- (a) if the charge applies to reconfiguring a lot – when the local government approves the plan of subdivision for the reconfiguration;
 - (b) if the charge applies to a material change of use – when the change of use happens;
 - (c) if the charge applies to carrying out building work– when the final inspection certificate (for a single detached class 1a building or a class 10 building or structure) or certificate of classification (for a building or structure of another class) for the building work is given;
 - (d) if paragraphs (a), (b) and (c) do not apply, on the day stated in the infrastructure charges notice or negotiated infrastructure charges notice under which the charge was levied; or
 - (e) As otherwise specified in a written agreement between Council and the applicant, including whether it may be paid by instalments.

6.0 Automatic increase provision for levied charges

- 6.1 This section provides for automatic increases in levied charges from when they are levied to when they are paid and states how increases are to be worked out.
- 6.2 An infrastructure charge levied by Council is to be increased by the difference between the Producer Price Index (PPI) applicable at the time the infrastructure charge was levied, and the PPI applicable at the time of payment of the levied charge³, adjusted by reference to the 3-yearly PPI average⁴.
- 6.3 If the levied charge is increased using the method described above, the charge payable is the amount equal to the sum of the charge as levied and the amount of the increase.
- 6.4 The sum of the charge as levied and the amount of the increase is not to exceed the maximum adopted charge the Council could have levied for the development at the time the charge is paid.

³ To be clear, the charge to be paid is the greater of the charge as levied by Council and the levied charge indexed using the Producer Price Index (adjusted by reference to the 3-yearly PPI Average) for the period starting on the day the charge is levied and ending on the day the charge is paid.

⁴ 3-yearly PPI average is defined in section 114 of the *Planning Act 2016* and means the PPI adjusted according to the 3-year moving average quarterly percentage change between financial quarters. PPI is the producer price index for construction 6427.0 (ABS PPI) index number 3101 – Road and Bridge construction index for Queensland published by the Australian Bureau of Statistics.

7.0 Conversion applications

7.1 Purpose

7.1.1 This section applies where:

- (a) A condition of a development approval under section 145 of PA requires non-trunk infrastructure to be provided; and
- (b) The construction of the non-trunk infrastructure has not started; and
- (c) The applicant for the development approval is seeking to apply to Council to convert the non-trunk infrastructure to trunk infrastructure (a conversion application).

7.1.2 Council's requirements for making an application and the process of assessing and deciding the conversion application is identified below.

7.2 Process for making a conversion application

7.2.1 A conversion application must:

- (a) be in writing;
- (b) be accompanied by the completed Council prescribed form for conversion applications (if applicable);
- (c) relate to non-trunk infrastructure conditioned under section 145 of PA;
- (d) be lodged;
- (e) be accompanied by supporting information including:
 - (i) Details of the relevant development approval including application number, property address and real property description;
 - (ii) The applicant's contact details;
 - (iii) The relevant condition(s) for non-trunk infrastructure imposed under section 145 of PA to which the conversion application relates;
 - (iv) A written statement that construction of the infrastructure had not commenced prior to the making of the conversion application;
 - (v) A description of the circumstances giving rise to the conversion application including supporting commentary and rationale that addresses Council's trunk infrastructure criteria;
 - (vi) Other relevant supporting information where available including:
 - Engineering estimates of works;
 - Preliminary design plans;
 - Network servicing analysis;
 - Details of special considerations (e.g. geographical context).
- (f) be made within 1 year after the development approval starts to have effect.

7.3 Assessing and deciding a conversion application

7.3.1 The process of assessing and deciding a conversion application is as follows:

- (a) Council will assess the application having regard to its trunk infrastructure criteria (outlined below);
- (b) Council must consider and decide the application within the required period being 30 business days after:
 - (i) Generally – the making of the application; or
 - (ii) If an information request is made – the applicant complies with the request.
- (c) At any time, before making its decision, Council may give notice to the applicant

- requiring additional information for making the decision.
- (d) The notice must state:
 - (i) The information required;
 - (ii) A period of at least 10 business days for giving the information;
 - (iii) That the application will lapse if the applicant does not comply with the notice within the specified period, or any later period as agreed between Council and the applicant within the specified period.
- (e) Council must, as soon as practicable after deciding the conversion application, give the applicant a decision notice about the decision.
- (f) If the decision is to convert the non-trunk infrastructure to trunk infrastructure, the decision notice must state whether an offset or refund applies and if so, information about the offset or refund.
- (g) If the decision is to not convert the non-trunk infrastructure to trunk infrastructure, the decision notice must be decision notice that states:
 - (i) The decision and the reasons for it;
 - (ii) The day on which the decision was made;
 - (iii) That its recipient may appeal against the decision; and
 - (iv) How the recipient may appeal.

7.4 Effect of conversion

7.4.1 If Council's decision is to convert the non-trunk infrastructure to trunk infrastructure:

- (a) the condition of the relevant development approval requiring non-trunk infrastructure to be provided no longer has effect;
- (b) Council may, within 20 business days after making the decision, amend the development approval by imposing a necessary infrastructure condition for the trunk infrastructure under section 128 of PA; and
- (c) if the necessary infrastructure condition is imposed, Council will, within 10 business days after imposing the condition, give an infrastructure charges notice or amend, by notice to the applicant, any existing infrastructure charges notice for the development approval for the purposes of determining offset or refund requirements.

7.5 Trunk infrastructure criteria

7.5.1 The identified trunk infrastructure criteria for deciding whether or not to convert non-trunk infrastructure to trunk infrastructure are the following:

1. The infrastructure is consistent with Council's Desired Standards of Service (DSS) stated within the Local Government Infrastructure Plan; and
2. The infrastructure is identified in Council's plans for trunk infrastructure identified within the Local Government Infrastructure Plan, but is required in a different geographical location; or
3. The infrastructure is consistent with Council's identified trunk infrastructure identified in the Local Government Infrastructure Plan and the ***Indicative trunk infrastructure*** identified in ***Attachment 3***; or
4. For infrastructure that is not consistent with Council's identified trunk infrastructure, the infrastructure is consistent with all of the following ***trunk infrastructure principles***:

- (a) Facilitates development of other premises by enabling increased development or overcoming deficiencies in service through its provision; and
- (b) Reduces or eliminates unnecessary and interim staged infrastructure; and
- (c) Is shared between multiple development sites or provides a critical shared link between multiple development sites and the defined and mapped trunk infrastructure network; and
- (d) Would have been identified as 'trunk' infrastructure had the ultimate demand and development pattern been known in more detail at the time of developing the Local Government Infrastructure Plan; and
- (e) The infrastructure is not consistent with non-trunk infrastructure for which conditions may be imposed in accordance with section 145 of the Planning Act or section 99BRDJ of the SEQ Water Act; and
- (f) The type, size and location of the infrastructure is the *most cost effective option* for servicing multiple users in the area. The most effective option means the least cost option based upon the life cycle cost of the infrastructure required to service existing and future development in the area at the desired standards of service.

8.0 Offsets and Refunds for Trunk Infrastructure

8.1 Application of an offset and refund

8.1.1 Where trunk infrastructure the subject of a necessary infrastructure condition services, or is planned to service, premises other than the premises the subject of the development approval, an offset or refund will apply to the adopted charge under section 129 of the PA as follows:

(a) An **offset** applies where the establishment cost for the trunk infrastructure is equal to or less than the levied charge for the development;

(b) A **refund** applies where the establishment cost for the trunk infrastructure is more than the levied charge for the development.

8.1.2 The PA contains the following two additional provisions which impose a requirement to provide a refund for trunk infrastructure:

(a) Section 134 of the PA (refund if development in PIA) applies where an extra payment contribution is imposed for development completely inside the PIA and requires the payer to be refunded the proportion of the establishment cost of the infrastructure that may be apportioned reasonably to other users of the infrastructure and has been, or is to be the subject of a levied charge by the local government;

(b) Section 135 of the PA (refund if development approval stops).

8.1.3 The value, timing and reconciliation of payments may also be managed by an infrastructure agreement which may further specify or alter the provisions in this resolution including for staged development.

8.2 Methodology for determining the establishment cost of trunk infrastructure the subject of an offset or refund

8.2.1 The Infrastructure Charges Notice for a development approval may specify an establishment cost for trunk infrastructure that is the subject of a necessary trunk infrastructure condition as follows:

(a) For infrastructure identified in the LGIP, the establishment cost for trunk infrastructure that is works will be the Baseline Valuation, plus Project Owners Costs for the asset, as identified within the LGIP Schedule of Works model. Establishment cost for trunk infrastructure that is land will be the Land Value identified within the LGIP Schedule of Works model.

(b) For infrastructure not identified in the LGIP, the establishment cost for trunk infrastructure that is land and works will be determined based on valuation methodologies identified in the Extrinsic Material to the LGIP.

8.2.2 The establishment cost in the Infrastructure Charges Notice is an indicative preliminary establishment cost only based on Council's best estimate at the time of issuing the Infrastructure Charges Notice based on the plans for trunk infrastructure, Council's unit rates, or other known project cost estimates.

8.2.3 If the applicant disagrees with the establishment cost, a request for recalculation may be submitted in accordance with section 137 of the PA before the levied charge under

the ICN becomes payable. The establishment cost for trunk infrastructure will be recalculated in accordance with the methods identified in **Attachments 1 for trunk infrastructure that is works and Attachment 2 for trunk infrastructure that is land.**

8.2.4 Following the completion of the recalculation of the estimated cost, Council must issue an amended Infrastructure Charges Notice. The amended Infrastructure Charges Notice must adopt the method in **Attachment 1** or **Attachment 2** to work out the establishment cost of the trunk infrastructure.

8.3 Reconciliation of an offset or refund for purposes of section 129 of the PA

8.3.1 An applicant entitled to an offset or refund for providing trunk infrastructure is to give to Council a notice in the prescribed form which states:

- (a) for trunk infrastructure that is works, the date the fully completed trunk infrastructure:
 - (i) was accepted 'On Maintenance'; or
 - (ii) the date Council accepted the trunk infrastructure under an Uncompleted Works Deed for uncompleted works;
- (b) for trunk infrastructure that is land, the date that the provision of the trunk infrastructure is lawfully completed.

8.3.2 Council will as soon as reasonably practicable after receiving a notice under section 8.3.1 confirm if the establishment cost results in:

- (a) an offset which will apply where the establishment cost for the trunk infrastructure is equal to or less than the levied charge for the development; or
- (b) a refund which will apply where the establishment cost for the trunk infrastructure is greater than the levied charge;

8.3.3 For the purposes of determining if an offset or refund applies, the levied charge is to be indexed from the date it was levied to the date that the establishment cost was determined by Council, using the 3-yearly PPI average.

8.3.4 If an offset applies, Council is to set off the establishment cost against the levied charge when the levied charge stated in the infrastructure charges notice is payable.

8.3.5 If a refund applies, Council is to:

- (a) determine the value of the refund by subtracting the levied charge⁵ from the establishment cost; and
- (b) give the refund to the applicant.

8.3.6 Council has adopted a policy position in relation to the form of the refund to be given to the applicant. Council's policy position is that the refund will be provided as either an:

- (a) Infrastructure demand credit, in the first instance and where agreed to with the applicant; or

⁵ Indexed from the date it was levied to date that the establishment cost of the trunk infrastructure was confirmed by Council using the 3-yearly PPI average.

- (b) Cash payment refund.

8.4 Infrastructure demand credits

8.4.1 In the first instance, Council will seek to provide a refund in the form of an infrastructure demand credit through written agreement with the applicant. The following methods for assigning the infrastructure demand credits will be applied in order of preference:

- (a) Where future stages are to be developed under the approval and the future stages will be subject to a levied charge, the refund is to be held as a infrastructure demand credit on the land that is the subject of the future stages of development;
- (b) Where a) does not apply, and the applicant or related entities of the applicant hold development approvals over other land in the local government area that will be subject to a levied charge, the refund is to be held as an infrastructure demand credit against the parcels of land the subject of the development approval(s);
- (c) Where (a) or (b) do not apply and the applicant or related entities of the applicant:
 - (i) have development applications currently being assessed by Council in the local government area that, if approved, would be subject to a levied charge; and
 - (ii) is the current owner of the land;

the refund is to be held as a infrastructure demand credit against the land that is the subject of the development applications upon the application(s) being approved.

8.4.2 Infrastructure demand credits are determined by dividing the monetary value of the refund by the total adopted charge rate for a 3-bedroom dwelling (for applicable networks only) in the charge area in which the demand credits are to be assigned. The value of one infrastructure demand credit is the total adopted charge (for applicable networks) for a 3-bedroom dwelling in the charge area in which the infrastructure demand credit is assigned.

Example:

- *A refund of \$170,722 has been calculated for an approved development in South Burnett.*
- *The refund is to be held on the land to be used in future stages of the same development.*
- *The adopted charge for a 3-bedroom dwelling is \$20,085 (for all networks).*
- *The infrastructure demand credit is eight and a half (8.5) 3-bedroom dwellings (\$170,722 / \$20,085).*

8.4.3 Claiming Infrastructure demand credit – The infrastructure demand credits calculated under section 8.4.2 are to be multiplied by the current adopted charge rate for a 3-bedroom dwelling in the charge area in which the infrastructure demand credit was assigned. This amount can be used to reduce the amount of the levied charge that is payable for other development that is subject to the agreement.

8.5 Timing of refund

8.5.1 Where infrastructure demand credits do not apply, a cash payment refund will be paid in accordance with the following payment triggers:

- (a) for a refund which is an amount that is \$150,000 or less – the refund may be given by 30 June in the financial year following the date the trunk infrastructure was provided;
- (b) for a refund which is an amount that is more than \$150,000 but not more than \$300,000 – the refund may be given in instalments by 30 June of each financial year for up to 3 years following the date the trunk infrastructure contribution was provided;
- (c) for a refund which is more than \$300,000 – the refund may be given in instalments by 30 June of each financial year for up to 5 years following the date the trunk infrastructure was provided.

8.5.2 Where the refund or part of the refund is not given in the same financial year that it was calculated, the refund or part of the refund provided in the subsequent financial year(s) is to be indexed to the time that it is refunded in accordance with the 3-yearly PPI average.

8.6 Infrastructure Agreements

8.6.1 Council, at its absolute discretion, may enter into an Infrastructure Agreement where alternatives to the above processes are being sought by an applicant or to address other matters including (but not limited to):

- (a) the method for determining the establishment cost of trunk infrastructure;
- (b) the required charges or trunk infrastructure to be contributed for each component or hierarchy of the network;
- (c) the timing of payment of levied charges;
- (d) the nature and timing of offsets and refunds;
- (e) the nature of any security to be lodged and the details of the use and release of such security;
- (f) details of the trunk infrastructure to be provided and the provision program;
- (g) details of the responsible entity for the funding, design and construction of the trunk infrastructure including land acquisition (if applicable);
- (h) Limited novation, assignment and rescission provisions to allow an alternate party to construct the same trunk infrastructure detailed in the agreement;
- (i) Provisions for unforeseen delays and redundancy provisions where a development approval and trunk infrastructure construction activities are held in abeyance;
- (j) Any other details considered appropriate by the Council.

(a) All infrastructure agreements are to be prepared at no cost to Council.

9.0 Plans for Trunk Infrastructure

9.1 Refer to the applicable section of the Local Government Infrastructure Plan.

10.0 Desired Standard of Service

10.1 Refer to the applicable section of the Local Government Infrastructure Plan

11.0 Schedule of infrastructure unit rates

11.1 Refer to the applicable section of the Local Government Infrastructure Plan

Attachment 1 – Method for recalculating the establishment cost for trunk infrastructure works – Determining Final Contract Value

1. Preliminary Engineering Assessment

- a) Following the preliminary design for the trunk infrastructure works, the Applicant must provide to Council a **Notice of Preliminary Design** using the relevant Council forms, including a plan which clearly depicts the trunk infrastructure items that are the subject of the necessary trunk infrastructure condition;
- b) The **Notice of Preliminary Design** must include preliminary bill of quantities for the trunk infrastructure items, and an opinion of cost, on which the initial recalculation will be based;

Note: The intent of the Notice of Preliminary Design process is to attain early agreement as to the scope and nature of the trunk works generally described in the Development Approval.

- c) Council will assess the **Notice of Preliminary Design** in conjunction with the Development Approval and will advise the applicant if Council:
 - (i) Agrees; or
 - (ii) Agrees with amendments; or
 - (iii) Disagrees with the Applicant's **Notice of Preliminary Design**
- d) Once a **Notice of Preliminary Design** is agreed, Council will issue a notice to the Applicant, acknowledging the commencement of the recalculation process, confirming the *Opinion of Cost Value*, and noting that the establishment cost in the ICN will be amended following compliance with the finalisation of the recalculation process.
- e) Council, at the request of the Applicant and at its absolute discretion, may agree to issue an amended ICN prior to the completion of the works recalculation method, accepting the *Opinion of Cost Value* identified under **Notice of Preliminary Design** as the Establishment Cost for the trunk infrastructure.

2. Notice of Design with Operational Works

- a) Upon lodgement of the development application for Operational Works, the Applicant is to provide to Council a **Notice of Design**, which includes a plan which clearly depicts each trunk infrastructure item that is the subject of a necessary trunk infrastructure condition. The plan may be in the same format as the operational works plan; however, it must clearly distinguish the trunk infrastructure from any non-trunk infrastructure.

Note: The intent of the Notice of Design process is to ensure agreement as to the scope and nature of the trunk works generally described in the Development Approval, including any changes that have occurred through the preliminary design process.

- b) Council will assess the **Notice of Design** in conjunction with the Operational Works application and will advise the applicant if Council:
 - (i) agrees; or
 - (ii) agrees with conditions, or
 - (iii) disagrees with the Applicant's **Notice of Design**.

- c) Once a Design Approval is given which forms part of the Operational Works Approval and Permit, the applicant may then seek to tender the construction of the trunk works.

3. Call for Tender Notification

- a) At the time that the applicant calls for public tenders for the trunk infrastructure works, a notice (a **Notice to Tender**) containing the following information is to be submitted to Council:
 - (i) Final detailed design documents;
 - (ii) A Bill of Quantities* for the Trunk Works (no costs required) that matches the Trunk Works identified in the Operational Works Approval including the **Notice of Design**;
 - (iii) Notification of any prospective tenderers that the tender documents have been sent to specifically as part of the open public tender; and
 - (iv) The criteria and process for tender assessment that the Applicant and the RPEQ will undergo.

Note: *The bill of quantities should be presented as a 'separable portion' from the rest of the non-trunk (internal) development works, and in the same format it would be presented to tenderers as part of a tender process. Providing the information in this manner will ensure Council's assessment of the trunk infrastructure design, bill of quantities and costs is seamless and expedited.*

4. Tender Assessment of Trunk Works

- a) In procuring the Trunk Works, the following costs can be included in the offset/refund value:
 - (i) the cost of planning and designing the work;
 - (ii) the cost of survey and site investigation for the work;
 - (iii) the cost of relocation of services which are considered necessary to deliver the works in accordance with Council standards;
 - (iv) a cost (fixed or provisional) under a construction contract for the work;
 - (v) contract administration;
 - (vi) construction/engineering supervision;
 - (vii) a portable long service leave payment for a construction contract;
 - (viii) an insurance premium for the work;
 - (ix) Council's inspection fee for the commencement and end of the maintenance period for the work;
 - (x) the cost of an approval for the work; and
 - (xi) any variations agreed to by Council as a result of agreed site directions including the superintendent of works and the Council officer.

- b) The following is to be excluded from the offset/refund value of the trunk works:
 - (i) the cost of carrying out temporary infrastructure;
 - (ii) the cost of carrying out non-trunk infrastructure;
 - (iii) the cost of the decommissioning, removal and rehabilitation of infrastructure identified in (i) and (ii) above;
 - (iv) the part of the trunk infrastructure provided by Council or a person other than the person seeking the infrastructure offset;
 - (v) a cost to the extent that GST is payable and an input tax credit can be claimed for the work;
 - (vi) the cost of carrying out relocation or rehabilitation works for existing infrastructure not directly associated with the supply of trunk works.

- c) In procuring the trunk works, the applicant is to provide to Council a Notice (**Notice of Tender Assessment**) which identifies:
 - (i) the tender process conducted;
 - (ii) the tenders received including separable portions and contract values for trunk works within the bill of quantities;
 - (iii) the applicant's preferred tenderer;
 - (iv) the applicant's reason(s) for the preferred tenderer in a tender evaluation report;
 - (v) the terms of the proposed work contract; and
 - (vi) a plan for each infrastructure network clearly showing the extent of the works or land for which the infrastructure offset is sought.
- d) Within 10 business days of receiving a **Notice of Tender Assessment**, Council is to provide a Notice confirming the *Initial Contract Value*, having regard to matters outlined in this section only.

5. Reconciliation of Contract Value (Interim)

- a) A Reconciliation of the Contract Value is to occur following lodgement of the earlier of:
 - (i) an application for 'On Maintenance' with Council for the Trunk Works; or
 - (ii) Lodgement of an Uncompleted Works Bond.
- b) If the Applicant is approaching completion of the Trunk Works and is seeking an '**On Maintenance**' certificate from Council for the Trunk Works, the Applicant is to provide to Council a **Notice of Interim Contract Value**. The Notice is to include the following:
 - (i) Copy of RPEQ Certificate(s) of Payment for each Progress Claim for the Trunk Works and any agreed variations to date;
 - (ii) A reasonable amount of evidence to support any claimed and agreed variations (e.g. consultant reports, weigh bills, meeting minutes with Council officers, design details etc.); and
 - (iii) A consolidated Final Bill of Quantities in the same general format as was included in the Notice to Tender, but having regard for (i) and (ii) above.
- c) Within five (5) business days of Council's satisfaction that:
 - (i) b) (i) and (ii) above are consistent with the Design Approval and **Notice of Tender Assessment**, and
 - (ii) 'On Maintenance' being given by Council for the Trunk Works,

the Council is to confirm the *Interim Contract Value*.
- d) In certain circumstances, and at Council's full discretion, Council may accept a bond or security for Uncompleted Works prior to the Trunk Works being accepted as 'On Maintenance'. In this circumstance, the following will apply:
 - (i) If the Applicant has **not fully** completed the Trunk Works and is seeking early Plan Sealing or compliance with Conditions from Council through the signing of an Uncompleted Works Deed, the Applicant is to provide a **Notice of Interim Contract Value**. The Notice is to include the following:
 - A. Copy of an RPEQ Certificate of Payment for each Progress Claim for the Trunk Works and any agreed variations to the date of the calculation of remaining works for the purpose of the Uncompleted Works Bond;

- B. A reasonable amount of evidence to support any claimed and agreed variations (e.g. consultant reports, weigh bills, meeting minutes with Council officers, design details etc.);
- C. An RPEQ certified assessment in line with the quantities and costs of remaining works specified for the Trunk Works component in the Uncompleted Works Deed submitted to Council; and
- D. A consolidated final bill of quantities in the same general format as was included in the Notice to Tender, but having regard for A and B above, and including the estimated amount in line with C above.

(ii) Within 10 business days of Council's satisfaction that:

- A. (i) and (ii) above are consistent with the Design Approval and **Notice of Tender Assessment**; and
- B. The acceptance of an Uncompleted Works Deed by Council for the Trunk Works,

the Council is to confirm the *Interim Contract Value*.

- f) Council, at the request of the Applicant and at its absolute discretion, may agree to issue an amended ICN prior to the completion of the works recalculation method, accepting the *Interim Contract Value* identified under **Notice of Interim Contract Value** as the Establishment Cost for the trunk infrastructure.

6. Reconciliation of Final Contract Value

- a) A reconciliation of the *Final Contract Value* is to occur following the finalisation of the contract for the infrastructure works. If the Applicant has **fully** completed the Trunk Works and is seeking an 'On Maintenance' certificate from Council for the Trunk Works, the Applicant is to provide to Council a **Notice of Final Contract Value**.

(i) The Notice is to include the following:

- A. Copy of RPEQ Certificate(s) of Payment for each Progress Claim for the Trunk Works and any agreed variations;
- B. A reasonable amount of evidence to support any claimed and agreed variations (e.g. consultant reports, weigh bills, meeting minutes with Council officers, design details etc.); and
- C. A consolidated final bill of quantities in the same general format as was included in the Notice to Tender, but having regard for A and B above.

(iii) Within 10 business days of Council's satisfaction that:

- A. (i) and (ii) above are consistent with the Design Approval and **Notice of Tender Assessment**; and
- B. The acceptance of an Uncompleted Works Deed by Council for the Trunk Works,

the Council is to confirm the *Final Contract Value*.

- b) Council must issue an amended ICN, accepting the *Final Contract Value* identified under **Notice of Final Contract Value** as the Establishment Cost for the trunk infrastructure.

Attachment 2 – Method for recalculating the establishment cost for trunk infrastructure land

In accordance with the requirements of the Planning Act 2016 and the Ministers Guidelines and Rules, the recalculation process for the establishment cost of trunk infrastructure that is land, determines the market value using the before and after method of valuation.

For land infrastructure that has been identified in the LGIP, the valuation must be undertaken to determine the market value that would have applied on the day the development application, which is the subject of the trunk infrastructure condition, first became properly made.

For land infrastructure that has not been identified in the LGIP, the valuation must be undertaken to determine the market value that would have applied on the day the development application, which is the subject of the trunk infrastructure condition, was approved.

The following outlines the process identified within the Ministers Guidelines and Rules for determining the cost of infrastructure that is land.

1. Land Valuation Report

Submit a notice and land valuation report to Council, undertaken by a certified practicing valuer who must act professionally as a neutral and independent expert, using the before and after method of valuation by:

- a) determining the value of the original land before any land is transferred to Council;
- b) determining the value of the remaining land that will not be transferred to Council;
- c) subtracting the value determined for the remaining land that will not be transferred to Council from the value determined for the original land.

The valuation report must:

- a) Include supporting information regarding the highest and best use of the land which the valuer has relied on to form an opinion about the value;
- b) Identify the area of land that is above the Q100 flood level and the area that is below the Q100 flood level;
- c) Identify and consider all other real and relevant constraints including
 - (i) Vegetation protection
 - (ii) Ecological values including riparian buffers and corridors
 - (iii) Stormwater or drainage corridors
 - (iv) Slope
 - (v) Bushfire and landslide hazards
 - (vi) Heritage
 - (vii) Airport environs
 - (viii) Extractive resources
 - (ix) Flooding
 - (x) Land use buffer requirements
 - (xi) Tenure related constraints
 - (xii) Restrictions such as easements, leases, licences and other dealings whether or not registered on title.
- d) Contain relevant sales evidence and clear analysis of how those sales and any other information was relied upon in forming the valuation assessment.

2. Council Determination

Within 20 business days after the notice and accompanying land valuation report, Council is to:

- a) Accept the Applicant's valuation; or

- b) Refer the Applicant's valuation to an independent valuation expert nominated by Council to assess the following:
 - (i) Whether the Applicant's valuation is consistent with the current market value;
 - (ii) Whether the Applicant's valuation is correctly determined using the before and after method identified above

And give written notice to the applicant stating that it has referred the Applicant's valuation to an independent valuation expert.

Within 20 business days after the independent valuation expert has been given the Applicant's valuation, the independent valuation expert is to:

- a) Provide the independent valuation expert's determination in relation to the matters outlined in section 2(b); and
- b) If the independent valuation expert's determination is that the Applicant's valuation is not consistent with the current market value or is not correctly determined using the before and after method identified above:
 - (i) Provide the reasons for the independent valuation expert's determination; and
 - (ii) Provide a valuation using the before and after method of valuation identified above

Following receipt of the independent valuation expert's valuation, Council is to decide whether to accept or reject the Applicant's valuation within 10 business days.

- a) If Council accepts the Applicant's valuation, it must give written notice to the Applicant stating that it has agreed to the Applicant's valuation.
- b) If Council rejects the Applicant's valuation, it must give written notice to the Applicant stating that it has rejected the Applicant's valuation, its reasons for rejecting the Applicant's valuation, and that the independent valuation expert's valuation will be adopted as the establishment cost for land.

Attachment 3 – Indicative Trunk Infrastructure

The following table defines the indicative trunk infrastructure networks, systems and items.

Trunk Infrastructure Item	Systems	Elements
Water Supply	Bulk Supply Treatment Distribution	Water sources (dams, groundwater) Bulk supply mains Reservoirs Telemetry and instrumentation systems Water Treatment Plants Pump stations Re-chlorination facilities Distribution mains generally ≥ 200 mm diameter
Sewerage	Collection Treatment Disposal/Reuse	Gravity sewers generally ≥ 225 mm diameter Manholes located on trunk gravity sewers Pump stations Rising mains generally ≥ 150 mm diameter Odour and corrosion control systems Telemetry and instrumentation systems Sewerage treatment plants Storage facilities Effluent disposal and reuse systems
Transport	Local government and State controlled roads	Arterial and major collector roads including associated intersections, local road drainage, kerb and channel, swales, culverts, bridges, and pathways within the road reserve.
	Off-road pathways	Cycleways and pedestrian pathways not within the road reserve.
Stormwater	Stormwater Quantity	Natural waterways Overland flow paths/channels (natural and constructed) Piped drainage (including pipes, culverts, manholes, inlets and outlets) excluding items that have been included in the road network. Detention and retention facilities Trunk infrastructure excludes development infrastructure internal to a development or to connect a development to the external infrastructure network.
	Stormwater Quality	Stormwater Quality Infrastructure Devices (SQIDs) Gross Pollutant Traps (GPTs) Wetlands Riparian corridors Bio-retention facilities Bank stabilisation, erosion protection and revegetation Trunk infrastructure excludes development infrastructure internal to a development or to connect a development to the external infrastructure network.
Public Parks and Community Land	Public Parks	Land, works and embellishments for local, district and citywide parks.
	Land for community facilities	Land and basic works associated with the clearing of land and connections to service only.