

## Finance, fees and charges

## Lodgement fees

### Q – At what stage of the assessment process is the lodgement fee charged?

**A** – The lodgement fee is only charged once for each application, and it is paid within the PlanSA portal. For most applications, the lodgement fee will be charged when applying for planning consent; however, where an application is for an Accepted type of development (not requiring planning consent) the lodgement fee will be charged by the Relevant Authority when applying for building rules consent.

## Q – Is the lodgement fee applicable to transitional applications?

**A** – The lodgement fee is payable for transitional applications that have planning consent under the *Development Act 1993* and are lodged for building rules consent under the *Planning, Development and Infrastructure Act 2016* (PDI Act). This fee covers the cost of lodging an application electronically via the PlanSA portal.

## Q – Is the lodgement fee required to be paid again if there is a variation to the application?

**A** – For the purposes of a variation to an application that is either in progress or approved, the lodgement fee is not required to be paid again. However, a lodgement fee will need to be paid where a new application is required.

#### Q – How is the lodgement fee applied for paper-based applications?

**A** – Councils may charge the processing fee for paper-based lodgements at any time it is received and required to be uploaded to the PlanSA portal via the ePlanning system.

# Q – What impact will the new planning system have on fees collected by council in light of no longer receiving the lodgement fee?

**A** – While lodgement fees will no longer be assigned to councils, they will receive an additional compliance fee for some development applications. The overall costs involved in administering the new planning and development system is a matter that individual councils will need to determine and may vary significantly from council to council.



## Q – Why is the lodgement fee going to the State Government?

**A** – The lodgement fee is payable to the state government as the state is responsible for both the development and ongoing operation and maintenance of the ePlanning system. All other fees are aligned to the Relevant Authority involved in the particular assessment process.

The distribution of fees has been determined by the Chief Executive (of the Department for Housing and Urban Development) as required under Regulation 18 of the *Planning, Development and Infrastructure (Fees, Charges and Contributions) Regulations 2019* - see: Chief Executive Scheme as to the Payment and Distribution of Fees under the Planning, Development and Infrastructure (Fees, Charges and Contributions) Regulations 2019

## Q – In what circumstances can council apply a hard copy lodgement fee for development applications received?

**A** – The \$92.50 'hard copy lodgement fee' applies if the application is lodged at the principal office of the Relevant Authority. If the applicant emails the application to council, and there is a requirement to go through the submission process on behalf of the applicant and enter the application into the PlanSA portal, then a charge of \$92.50 can be applied. (*Refer to the PDI Act (General) Regulation 29(1)(a)*).

#### Land division fees

#### Q – What fees apply to a land division application of one allotment into two?

**A** – The following fees are applicable for land division applications:

Land Division

Fee type	PDI Act Fee
Lodgement	\$95.50
Planning Assessment (Performance Assessed)	\$289
Land Division	\$203 + \$18.50 per additional allotment*
Statement of Requirements	\$232
Other – Land Division Registration	\$1190
Total	\$2009.50

Note: Additional allotment fee applies for 5 or more lots and/or a public road.

#### Q - What needs to be included in the development costs for the application?

A – Development cost is defined in the <u>Planning, Development and Infrastructure (Fees) Notice</u> as not to include any fit-out costs. The definition is not limited and should include any other costs associated and in connection with the division of land, which may include infrastructure costs. For example in the case of a 1 into 2 land division, this may be minimal in comparison to a development with large civil works. Consideration should be given to costs including but not limited to the following:

- civil works, earthworks, retaining walls
- proposed road construction costs
- installation of any infrastructure including drainage and stormwater.



## **Building fees**

## Q - How is the building assessment fee calculated?

**A** – The regulations prescribe a building assessment fee for the total development cost for each building class.

For example, if a development includes a house (a Class 1a building) <u>and</u> a shed (a class 10c structure) which both require assessment, then the assessment fee levied should be levied against the total development cost for the house (at \$521 or 0.25% of the total development costs, whichever is greater) and the total development cost of the shed (at \$149 or 0.25% of the total development cost, whichever is the greater). These figures should then be added together to generate the total building assessment fee.

Please note these are statutory fees that will be applied if the council is undertaking the building assessment. Where a development is being assessed by a building certifier then the certifier will charge these fees as part of a commercial agreement.

## Compliance fees

#### Q - When should the compliance fee be charged?

**A** – The compliance fee must be charged for all applications for building rules consent (except for class 10 if total development value \$10 000 and under). The fee advice is raised by the Relevant Authority during verification. Councils are encouraged to check that the compliance fees have been paid prior to issuing development approval. It is important that compliance fees are paid to ensure that councils receive the necessary revenue to undertake compliance activities.

## Q – Is a compliance fee applicable even if the building is not inspected?

**A** – Yes, compliance fees are payable for all developments that attract these fees, irrespective of whether an inspection is undertaken for a specific building. This fee is designed to generate a pool of revenue for councils to draw upon for compliance activities.

## Q – If one application is lodged with multiple elements i.e. for a dwelling, garage and swimming pool, can more than one compliance fee be charged?

**A** – Compliance fees are payable for each building class as per the PDI Act Fees Regulations Part 2 – item 10. In the example provided, a compliance fee would be charged for the dwelling (Class 1a), another compliance fee for the pool (Class 10b) and there may be (depending on its value) a compliance fee for the garage if this is a separate structure (Class 10a).

## Q – What if council has to attend a property on multiple occasions? Can multiple compliance fees be charged?

**A** – No, the compliance fee is only charged once to cover all relevant inspections that may take place for that building class, e.g. the \$278 fee for a house is only paid once even if two or more inspections are required. The fees are set based on council's obligations to carry out inspections of certain developments in their respective areas (as per Practice Directions 8 and 9).



## Q – When is it expected compliance fees are charged to the applicant?

**A** – If the applicant has requested council as the Relevant Authority to undertake both planning and building assessments, then the compliance fee can be charged at the planning verification, building verification or at the development approval stage. It should not be charged more than once.

In the event that a private certifier is assessing Building Consent, a private certifier should be charging the compliance fee at building verification in accordance with the <u>Planning, Development</u> and <u>Infrastructure</u> (Fees) Notice.

#### Referral fee

#### Q - What changes have been made to referral fees for state government agencies?

**A** – The referral fees are still payable by the applicant; however, they have now been set to partially offset the total cost of assessing applications referred to them though a better alignment with the work effort involved in the assessment process.

### Q - What costs apply to development applications that involve State Heritage items?

**A** – Development applications involving State Heritage items attract a State Heritage referral fee of \$461 that is payable by the applicant. If a person undertakes work that is development without seeking approval, then this becomes a compliance / enforcement matter. Enforcement is a matter for councils to consider on a case-by-case basis.

## Other finance, fees and charges

## Q – What can be done in the event that the authority suspects the development cost of an application is understated?

**A** – The applicant has the responsibility to provide an accurate development cost. If an authority has reason to believe the figure provided is not accurate, then the authority can ask the applicant to provide evidence.

As per in PDI Act Fees Regulation 5(2): "If an authority acting under sub-regulation (1), or a relevant authority in any event, believes that any information provided by an applicant is incomplete or inaccurate, the authority (or relevant authority) may calculate any fee on the basis of estimates made by it."

## Q – Can councils waive the 'hard copy' processing fee?

**A** – In accordance with the Section 119(9)(c) of the PDI Act, councils may select to waiver the 'hard copy' processing fee.

#### Q – What will the process involve if a council wishes to waive any of the fees it receives?

**A** – A decision to waiver any fees in relation to a development application is a matter for individual authorities to determine, as per any fee waiving policy, under Section 119(9)(c) of the PDI Act.



### Q – What is the approach to the tree fund fee?

**A** – The fee for a replacement tree (prescribed through Section 127(6) and (7) of the PDI Act) is set in the fees regulations (see Part 5 – item 27) as \$516 for each replacement tree not planted.

## Q – When should the Certificate of Occupancy fee be charged?

**A** – The Certificate of Occupancy (COO) fee should be charged when an applicant applies for a COO. It is not appropriate for this fee to be charged earlier at the development approval stage given the outcome or timing of construction may not be known at that stage.

If **council issues the COO** then the associated fee (\$57.50) should be charged, where the payment is made by the applicant at the time when the application for this certificate is made.

If a **building certifier issues** the building consent, then that certifier may also – if engaged to do so by the applicant – issue the COO instead of the council. When the building certifier is engaged to issue the certificate, then the statutory fee (\$57.50) <u>should not be charged</u> as this should form part of the commercial agreement between the applicant and the certifier.

## Q – How are fees on development applications paid?

**A** – The Development Application Processing (DAP) system accepts development application payments using an online payment gateway accepting various forms of payment cards (both credit and debit).

For those who choose not to pay online, or do not have the capability to pay online, development application fees can be paid at the front counter of the council for the development location. Accepting payments at the front counter will be at the discretion of each council.

### Q – How often will councils receive payments?

**A** – While the Net Disbursement calculation occurs daily, the outgoing payments to stakeholders will occur on Mondays, Wednesdays and Fridays in accordance with the department's Accounts Payable cycle. Thus, for applications where the Net Disbursement calculation is positive, stakeholders can expect an EFT payment into their account three times per week.

#### Q - What if councils owe the department monies?

**A** – In the case where councils owe the department money, the department will carry this balance over for several periods awaiting future activity to eliminate the balance. If the balance doesn't return to zero or positive after several months, the department will send council an invoice for the balance outstanding.

#### Q – Will councils be required to send monies to the department or Referral Agencies?

**A** – All monies collected by councils, including any development application (the department fees) or Referral Agency Fees will be retained by councils, with any adjustments for payments due to the department/Referral Agencies to be managed through the Net Disbursement process.

#### Q – How is the Net Disbursement calculated?

**A –** The simple calculation for the Net Disbursement is as follows:

- council fees collected by the department via online Development Applications
- less the department and Referral Agency fees collected by councils over the counter

Refer to the Net Disbursement Fact Sheet for further information.



## Q – Does GST apply to fees?

**A** – Some fees are subject to GST. Paragraph 81-10.01(1)(h) of the GST Regulations ensures that supplies made by government in competition with the private sector are subject to GST.

## Q - Who pays the GST?

**A** – The department (as an intermediary) will enter into an arrangement under which it is treated as a separate supplier, i.e. it will be treated as a principal in its own right.

To enter this arrangement, the department and councils will be required to enter into an agreement under Subdivision 153B of the GST Act.

Councils will be required to pay the ATO the GST that has been collected on ALL fees they have received as a Relevant Authority from Development Applications. This excludes the department fees or Referral Agency Fees as these will be paid by the department and the Referral Agencies.

Refer to the GST Fact Sheet for further information.

## Q – Will the relevant fees and charges (and applicable GST) be pre-set within the DAP system or will the verifying agent have to manually enter the fee/charge?

**A** – There is a pre-set list of fees (GST treatment already assigned) with all fees covered off in the Fee Schedule. There are a small number of fees that are assigned as "to be set by the Relevant Authority". A Relevant Authority is empowered to alter the value applied for each of its fee types as deemed fit (except for the department and Referral Agency Fees).

## Q – How and when should refunds be processed?

**A** – If an applicant withdraws their application after paying the appropriate fees, they may be due a refund. A refund is at the discretion of the Relevant Authority. Refer to the Refund Fact Sheet for further information.

#### Q – What documentation will be provided?

A – The department will provide three documents related to financial matters:

- 1. Recipient Created Tax Invoice required for council/the department to comply with GST Laws
- 2. Remittance Advice provides a breakdown of components of the disbursement received
- 3. Transaction Detail Report details of all transactions that have had a financial impact.

#### Q - Where can I access further information on fees and charges in the planning system?

**A** – The PlanSA portal has a range of factsheets available to further explain the fees and charges of the new planning system. Please visit <u>plan.sa.gov.au</u>.

Fee and charges at a glance (PDF)

Fact Sheet - Financial Management - Payments (PDF)

Fact Sheet - Financial Management - Refund (PDF)

Fact Sheet – Financial Management - GST (PDF)

Fact Sheet - Financial Management - Net Disbursements (PDF)

