

FAQ – Finance, Fees and Charges

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

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. This will be dependent on the number of development applications that are assessed by independent accredited professionals.

Why is the lodgement fee going to the state government?

The Lodgement fee is payable to state government as the State is responsible for both the development and ongoing operation and maintenance of the e-planning platform. 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 Attorney-General's Department) as required under Regulation 18 of the Planning, Development and Infrastructure (Fees, Charges and Contributions) Regulations 2019 - see: plan.sa.gov.au/_data/assets/pdf_file/0005/699728/Chief_Executive_Schemes_and_Requirements_as_to_the_Payment_and_Distribution_of_Fees.pdf

What changes have been made to Referral fees for state government agencies?

The Referral fees are still payable by the applicant, however 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.

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

Development applications involving State Heritage items attract a State Heritage referral fee of \$398 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.

Will councils receive a verification fee for development applications lodged to council where SCAP is the determined as the appropriate Relevant Authority for consent?

Councils having to verify applications that should be going to the State Commission Assessment Panel (SCAP) will not receive a verification fee.

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

The \$80 '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 \$80 can be applied. (Refer PDI Act (General) Regulation 29(1)(a).

Can councils waive the 'hard copy' processing fee?

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

If an application is lodged for multiple elements i.e. for a dwelling, garage and swimming pool, can more than one compliance fee be charged? What happens if they are on the one application?

Compliance fees are payable for each element as per the PDI Act Fees Regulations Part 2 – item 10. In the example provided, a compliance fee would be charged for the dwelling, another compliance fee for the pool and there may be (depending on the cost) a compliance fee for the garage.

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

A compliance fee is still applicable unless the council decides to waive the fee as per Section 119(9)(c) of the PDI Act.

Can multiple compliance fees be charged if councils have to attend a property on multiple occasions?

The compliance fee is only charged once during the application stage. The fee is set based on council's obligations to carry out inspections of certain developments in their respective areas (as per Practice Direction 9). The compliance fee can be charged per element of an application (i.e. dwelling, pool etc), however inspections are not required for each development but must follow the building inspections policy.

What can be done in the event that council suspects the development cost of an application is understated?

The applicant has the responsibility to provide an accurate development cost. If a council has reason to believe the figure provided is not accurate, then the council can ask the applicant to provide evidence, as is the case under the *Development Act 1993*.

As per in PDI Act Fees Regulation 5(2): "If an authority acting under subregulation (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."

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

A decision to waive any fees in relation to a development application is a matter for individual councils to determine, as per the council's fee waiving policy.

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

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, not twice.

In the event that a private certifier is assessing Building Consent, a private certifier is not able to charge the compliance fee so that would be charged by the Council prior to the issuing of development approval.

What is the approach to the tree fund fee?

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 \$150 for each replacement tree not planted.

How are fees on development applications paid?

The Development Application Processing (DAP) system accepts development application payments using the Commonwealth Bank's online BPoint payment gateway by various forms of payment cards (both credit and debit) essentially twenty four hours a day.

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.

How often will councils receive payments?

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.

What if councils owe the Department monies?

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.

Will councils be required to send monies to the Department or Referral Agencies?

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.

How is the Net Disbursement Calculated?

The simple calculation for the Net Disbursement is as follows:

- Councils fees collected by the Department via online Development Applications
- Less the Department and Referral Agency Fees collected by councils over the counter

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?

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).

How and when should Refunds be processed?

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 Refunds Fact Sheet for further information.

Does GST apply to fees?

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.

Who pays the GST?

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.

What documentation will be provided?

AGD 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.

Other relevant and available resources

plan.sa.gov.au

New Fee and Charges at a Glance (PDF)

Fees and Charges Overview (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)