



14 August 2008
In reply please quote: Item 16

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The Hon. Paul Lucas
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Dear Minister

Re: Infrastructure Charges under an Infrastructure Charges Schedule or Planning Scheme Policy for Infrastructure

At the annual conference of the Urban Local Government Association of Queensland held recently in Gympie members resolved that representations be made to the State Government to amend the *Integrated Planning Act 1997* to remove any doubt that at the date of payment the rate of infrastructure charges under an Infrastructure Charges Schedule apply equally to development approved before or after the adoption of the relevant infrastructure charges schedule.

From 1 July 2009 the charges contained in planning scheme policies for infrastructure will not be able to be increased beyond CPI. It is also understood that these policies will not be able to be amended (via IPA Schedule 3) to vary the charge or unit rate. In other words, from 1 July 2009 charges will be fixed except for CPI adjustments.

It is understood the Government has chosen this course of action to 'encourage' local authorities to finalise their Priority Infrastructure Plan (PIP) and Infrastructure Charges Schedule (ICS). It has been suggested that this course of action has been chosen because upon adoption of the PIP and ICS the relevant ICS charges will apply to all development notwithstanding that some development would have been approved at the time the planning scheme policies for infrastructure were the only infrastructure charging mechanism in place.

On the other hand some practitioners are of the opinion that development approvals issued before adoption of a PIP and ICS are subject only to the planning scheme policies applying at the date of approval (or date of the commencement of the decision making stage) with the charge being the rate as outlined in the planning scheme policy at the date of payment.

If this interpretation is correct, then fixing planning scheme policy charges as at 1 July 2009 will create two (2) unequal charging regimes – an infrastructure charge (under a PIP) and a developer contribution (under a Planning Scheme Policy).

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If it is the Government's intention to have one (1) charging regime, then the legislation should be amended to remove any doubt about this intention.

Your consideration of the matter and advice in due course would be appreciated.

Yours sincerely

**P PISASLE
PRESIDENT**