

# INFRASTRUCTURE CHARGES

## What are infrastructure charges?

Infrastructure charges are an essential part of the development process and are levied on approved developments to cover additional demand on trunk infrastructure that arises because of the development. Infrastructure charges assist Council to pay for the establishment of trunk infrastructure, but are not used for maintenance or operational purposes.

## What is considered trunk infrastructure?

Trunk infrastructure refers to essential infrastructure items that cater to the needs of multiple users and the public. The main categories of trunk infrastructure include:

- water supply;
- sewerage;
- roads;
- footpaths and cycleways; and
- parks and land for community facilities.

For detailed information on trunk infrastructure, [refer to Part 4 of the Townsville City Plan](#).

## Development types that incur infrastructure charges

Infrastructure charges can be levied on any type of development that results in an increase in demand on essential infrastructure items. Infrastructure charges are often applied to the following types of development applications:

- Material change of use (including for accepted development);
- Reconfiguring a lot;
- Building works.



## How infrastructure charges are calculated

Council's infrastructure charge rates are reviewed on an annual basis and a new Charges Resolution is adopted each year. The Infrastructure Charges Resolution provides a base charge rate for most development types based on the anticipated cost to service the increased demand. The State Government sets statutory caps which are factored into the charge rates.

Infrastructure charges are calculated considering several factors such as:

- the base rate charge or charges;
- location of the site;
- infrastructure networks the development is currently serviced by, or is conditioned to be serviced by pursuant to a development approval;
- existing lawful land uses; and
- scale of the development.

The charge for each development varies depending on its specific circumstances. It is recommended to contact Council for a fee-free infrastructure charge estimate before engaging in any development activity.

For more information on how infrastructure charges are levied, you can view [Council's Charges Resolution](#).



### Infrastructure credits

The *Planning Act 2016* mandates that a charge credit is applicable if there is existing lawful development on the subject site. The credit is applied to the charge calculation so only additional demand generated by new development incurs Infrastructure Charges. The calculation of credits is based on the Charges Resolution and, in certain cases, Council may ask the developer to provide evidence of historic approval information to accurately calculate the applicable credits. If the existing lawful development has a higher charge than the proposed new development, no charge will be issued. Council will not refund if there is a difference between credit and demand, however, the credit remains over the premises for future use.

### When infrastructure charges are due for payment

A infrastructure charge notice outlines the timing for the payment of infrastructure charges. The *Planning Act* provides the timing for payment of each development type, as follows:

- Material change of use – prior to commencing use;
- Reconfiguring a lot – prior to Council endorsing a plan of survey; and
- Building Works – prior to final inspection or issue of building classification certificate.

### Who pays infrastructure charges?

When a development or building approval is obtained, infrastructure charges are attached to the land and payable by the landowner. If the property is sold while infrastructure charges are outstanding, the new landowner will be responsible for paying the charges.

As part of the due diligence process when purchasing land, Council strongly recommends confirming there are no outstanding infrastructure charges associated with the land. You can confirm this by requesting a planning certificate from Council.

### Indexation of infrastructure charges

Infrastructure charges are subject to indexation inflation for any delay in payment. This means that if charges are paid after development approval is initially provided, an added cost will be incorporated into the Infrastructure Charge Invoice to account for inflation.

## Frequently asked questions

### Developments that do not require Council Planning approval

Some developments may not require a development approval from council Services (Accepted Development), however, may still be subject to infrastructure charges triggered by the development permit for Building works. Any development that increases the demand on trunk infrastructure will incur a charge. An Infrastructure Charges Notice will be issued by Council when a copy of the Building Approval is received.

### Need further information?

For further information regarding infrastructure charges please contact council for discussion.