

#### Planning Bulletin 93/2013

Planning and Development Regulations 2009 (Part 7 Local Government Planning Charges)



July 2013

#### 1 Purpose

The purpose of this planning bulletin is to advise of amendments to the maximum prescribed fees for local government planning services.

The fees prescribed in the *Planning* and *Development Regulations 2009* for local government services have been increased 6.25 per cent, being the sum of the Consumer Price Index (CPI) rate for two years as advised by WA Treasury. The new fees will become effective from 1 July 2013. This planning bulletin supersedes *Planning Bulletin 93/2011 Planning* and *Development Regulations 2009* (*Part 7 Local Government Planning Charges*). The change consists of a new schedule of fees, as at Table 1 below.

#### 2 Background

The regulations provide a framework for local government fees and charges for planning services and include details of the fees that may be levied. Regulations for maximum fees were first gazetted in 2000 and have subsequently been reviewed annually since 2007. In 2009, the Planning and Development (Local Government Planning Fees) Regulations 2000 were consolidated into the Planning and Development Regulations 2009.

#### 3 Fee principles

The system of fees is based on the following guiding principles:

- A maximum fee structure that enables local governments to charge less or not at all.
- The capacity for local governments to charge a higher fee than the specified maximum or charge when and where there are exceptional circumstances beyond what is normally undertaken by most local governments; that is, for applications which require:

- specific assessment (e.g. environmental assessment studies);
- extensive consultation procedures (e.g. for exceptionally large, unusual or complicated proposals);
- technical resources and equipment (e.g. computer modelling); and/or
- specialist skills (e.g. heritage conservation).

## 4 Development applications

Fees for development applications are based on a sliding scale. A maximum fee of \$147 applies to development applications where the estimated cost of development is up to \$50,000. Fees are capped at a maximum fee of \$34,196 for developments with an estimated cost of \$21.5 million or more. The fee for determination of a development application for an extractive industry is \$739.

The cost of advertising and specialist reports are separate charges. The applicant must provide an estimate of the cost of development from which fees are to be calculated at the time of lodgement. Where a local government is not satisfied that the estimated cost is a reasonable estimate of the proposed development; it may require the applicant to provide additional information to justify the cost.

# 5 Local planning scheme amendment proposals and structure plans

A separate fee for scheme amendments and structure plans applies. This is to be calculated using the fee calculation table. The calculation is to be based on estimated salary costs, direct costs, specialist report costs and documentation costs. The following provisions also apply to these fees:

- Fees relate only to scheme amendments initiated at the request of an applicant.
- Fees are payable by the applicant at the time of lodgement of the request for the scheme amendment or structure plan.
- Only those activities to be paid for or carried out by the local government specific to the proposal are to be included in the fee calculation.
- The cost of specialist services or reports required by the local government to adequately assess a scheme amendment or structure plan proposal is payable by the applicant, and the local government may permit this work (or part thereof) to be undertaken directly by the applicant.
- Details of the calculation used to derive a fee are to be made available to the applicant on request.
- Fees are not payable for a scheme amendment where the sole purpose of the amendment is to achieve consistency between a region scheme and a local planning scheme.
- Fees may be waived by a local government, at its discretion.
- Any fees not expended are to be refunded where a scheme amendment or structure plan is discontinued.
- If an applicant is not satisfied that the fees calculated by a local government are a reasonable estimate of the service, then the matter may be referred to the Fees Arbitration Panel (comprising representatives from the Western Australian Local Government Association, the Western Australian Planning Commission, the Planning Institute of Australia and industry planning groups) for determination.

## 6 Subdivision clearance fees

A sliding scale of fees applies to applications for subdivision clearances.

#### 7 Other fees

A flat fee applies to an application for approval of a home occupation with a reduced fee for renewal of approvals. A flat fee also applies to an application for a change of use, for issue of a zoning certificate, for a reply to a property settlement questionnaire and for the issue of written planning advice.

#### 8 Fee by way of penalty

Where an application for development approval is lodged after the development has commenced or been carried out, an additional amount, by way of penalty, that is twice the amount of the maximum fee payable for determination of the application is applicable. For example the maximum fee for development of not more than \$50,000 is \$147. If the development had commenced or been carried out at the time of application, a fee by way of penalty of \$294 would be applied to the application in addition to the fee of \$147, making the total fee chargeable \$441.

#### 9 Improvement schemes

Section 122M of the *Planning and Development Act 2005* makes it clear that the WAPC may charge development application fees for development within an improvement scheme area in the same manner that a local government may charge development application fees for development within a local planning scheme area. Therefore, the same fees that are applicable under the *Planning and DevelopmentRegulations 2009* also apply to services provided by the WAPC in relation to an improvement scheme.

#### 10 Development Assessment Panels

In March 2011, the *Planning* and *Development (Development Assessment Panels) Regulations 2011* (DAP regulations) were introduced,

establishing 15 development assessment panels (DAPs), which became fully operational from 1 July 2011.

DAPs are panels comprising a mix of technical experts and local government representatives with the power to determine applications for development approvals in place of the relevant decision-making authority.

A development application upon which the DAP regulations apply attract an additional fee as set out in Schedule 1 of the DAP regulations. The current fee amounts range from \$3,503 to \$6,557, as calculated on the estimated cost of development. It is also important to note the following:

- The DAP fee is in addition to any local government development application fee payable under the Planning and Development Regulations 2009 (r.10(3)).
  Therefore, DAP applications may in effect require two fees be paid.
- The fee for an r.17 minor amendment application is prescribed under item 2 of the DAP regulations (currently only \$150), as distinct from other ordinary DAP applications under item 1.
- A delegated application (r.19) is not technically a DAP application, although in many other respects the application is treated the same way. Thus, an application is not required to pay the DAP fee under schedule 1 of the DAP regulations. The DAP fee will instead be paid by the relevant local government as required (r.22).

The new DAP fees are effective from 1 August 2013.

For further information about the DAPs and the DAP regulations please see *Planning Bulletin 106 – New legislative measures for development assessment panels.* 

#### 11 Goods and services tax

The maximum fees in Table 1, parts 1 and 2 are GST exclusive. For example the estimated cost of development cited in Table 1, part 1, item 1, and is exclusive of GST. Therefore, if the estimated cost of development is \$300,000 excluding GST, the fee chargeable for determination of the development application at time of lodgement is \$960.

GST will be applied as determined in A New Tax System (Goods and Services Tax) (Exempt taxes, fees and charges) Determination 2011 (No.1), Australian taxes, fees and charges, Schedule 1 Part 5 (item 31.31, Town Planning Fees) unless directed under a separate ruling under Division 81 of the GST Act.

#### 12 Adoption of the fees

The new fee schedule will be effective from 1 July 2013.

#### 13 Information

Enquiries on the information contained in this planning bulletin should be directed to Kevin Wilson, Chief Finance Officer, Department of Planning.

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GOVERNMENT OF

### **Table 1: Local Government Planning Charges**

Item	Description of planning service	Maximum fee 2013/14
	Part 1 - Maximum fixed fees	
1	Determining a development application (other than for an extractive industry) where the development has not commenced or been carried out and the estimated cost of the development is-	
	(a) not more than \$50,000	\$147
	(b) more than \$50,000 but not more than \$500,000	0.32% of the estimated cost of development
	(c) more than \$500,000 but not more than \$2.5 million	\$1,700 + 0.257% for every \$1 in excess of \$500,000
	(d) more than \$2.5 million but not more than \$5 million	\$7,161 + 0.206% for every \$1 in excess of \$2.5 million
	(e) more than \$5 million but not more than \$21.5 million	\$12,633 + 0.123% for every \$1 in excess of \$5 million
	(f) more than \$21.5 million	\$34,196
2	Determining a development application (other than for an extractive industry) where the development has commenced or been carried out	The fee in item 1 plus, by way of penalty, twice that fee
3	Determining a development application for an extractive industry where the development has not commenced or been carried out	\$739
4	Determining a development application for an extractive industry where the development has commenced or been carried out	The fee in item 3 plus, by way of penalty, twice that fee
5	Providing a subdivision clearance for:	
	(a) not more than 5 lots	\$73 per lot
	(b) more than 5 lots but not more than 195 lots	\$73 per lot for the first 5 lots and then \$35 per lot
	(c) more than 195 lots	\$7,393
6	Determining an initial application for approval of a home occupation where the home occupation has not commenced	\$222
7	Determining an initial application for approval of a home occupation where the home occupation has commenced	The fee in item 6 plus, by way of penalty, twice that fee
8	Determining an application for the renewal of an approval of a home occupation where the application is made before the approval expires	\$73
9	Determining an application for the renewal of an approval of home occupation where the application is made after the approval has expired	The fee in item 8 plus, by way of penalty, twice that fee
10	Determining an application for a change of use or for an alteration or extension or change of a non-conforming use to which item I does not apply, where the change or the alteration, extension or change has not commenced or been carried out	\$295
11	Determining an application for change of use or for alteration or extension or change of a non-conforming use to which item 2 does not apply, where the change or the alteration, extension or change has commenced or been carried out	The fee in item 10 plus, by way of penalty, twice that fee
12	Providing a zoning certificate	\$73
13	Replying to a property settlement questionnaire	\$73
14	Providing written planning advice	\$73

	Part 2 - Maximum fees: scheme amendments and structure plans	
1	Director/City/Shire Planner	\$88.00
2	Manager/Senior Planner	\$66.00
3	Planning Officer	\$36.86
4	Other staff e.g. environmental health officer	\$36.86
5	Secretary/administrative clerk	\$30.20