

Frequently Asked Questions (FAQs)

Extra Payment Condition (for development)

Context

Logan is one of the fastest growing cities in South-East Queensland. Council's planning assumptions show the number of dwellings in Logan will increase from about 120,400 (including the Priority Development Areas) in 2021 to 188,000 by 2036. This represents an average annual growth rate of 2.7%.

The City's Priority Infrastructure Area (PIA) is well served with infrastructure and has sufficient capacity to accommodate the growth anticipated for the next 15 years. By comparison, the area outside the PIA, specifically in the Emerging Community zone, is large in size and requires significant investment in catalyst infrastructure. The revenue collected from the capped charges regime is insufficient to fund the delivery of this infrastructure, which poses a financial risk to Council.

The *Planning Act 2016* (Act) allows a local government to impose an extra payment condition on development that is completely or partly outside the PIA. Section 133 of the Act states the extra payment can include the following cost:

- the establishment cost of trunk infrastructure that is made necessary by the development, as well as the infrastructure necessary to service the rest of the area
- the establishment cost of any temporary infrastructure
- the decommissioning, removal, and rehabilitation cost of the temporary infrastructure
- the maintenance and operating costs for up to 5 years of the infrastructure and temporary infrastructure.

On 11 September 2024, Logan City Council endorsed the policy position to impose where appropriate extra payment conditions on development applications which are outside or partially outside the PIA.

See [Map 1](#) for the extent of the PIA.

Frequently Asked Questions (FAQs)

1. From what date will Council apply this policy?

Monday, 16 September 2024.

2. Which development applications will be affected?

All development applications which are properly made on or after 16 September 2024.

3. What infrastructure may be included in the extra payment?

All trunk infrastructure made necessary by a development, as well as the infrastructure necessary to service the rest of the area (if the development is located in the Emerging Community zone).

Only trunk infrastructure that is not identified in the Local Government Infrastructure Plan (LGIP) will be included in the extra payment condition. Infrastructure identified in the LGIP will where appropriate be conditioned as necessary trunk infrastructure in accordance with section 128 of the Act.

4. Can an applicant choose to deliver the infrastructure (instead of the extra payment)?

Yes

5. Will infrastructure charges be discounted if an applicant chooses to deliver the infrastructure?

Yes, Council will for a 3 year period offer a discount to the infrastructure charges for a development by subtracting the lesser of the following:

- The amount payable by way of an extra payment condition for an infrastructure network; or
- The relevant proportion of the charge calculated by multiplying the charge by the network split for the infrastructure network which is the subject of an extra payment condition.

To receive a discount, an infrastructure agreement will be required. Further information is included in Council's '[Procedure – Temporary Discount to an Extra Payment Condition](#)'.

The network split which will be used by Council to calculate a discount is:

- 12% for the water supply network
- 33% for the sewerage network
- 4% for the stormwater network
- 37% for the movement network
- 12% for the parks network

- 2% for the land for community facilities network

This means that no cross-crediting will be applied when calculating the discount, as it is not an offset as provided for in the Act.

6. What mechanism will be used if an applicant chooses to deliver the infrastructure?

Council and the applicant will enter into an infrastructure agreement that will specify the infrastructure charge payable as well as the trunk infrastructure the subject of the extra payment which is to be delivered by the applicant.

Where the Council and the applicant enter into an infrastructure agreement, Council will not impose an extra payment condition for the infrastructure to be delivered by the applicant.

7. Over what time period will the extra payment condition be implemented?

A staged approach will be followed:

- The time period up to 16 September 2024 - For development applications which are properly made before 16 September 2024, Council will assess and decide the development applications without imposing an extra payment condition.
- 16 September 2024 to 15 September 2027 - For development applications which are properly made from 16 September 2024 to 15 September 2027, Council may impose an extra payment condition. Council will offer a discount to the infrastructure charge as described above.
- 16 September 2027 onwards - For development applications which are properly made from 16 September 2027, Council may impose an extra payment condition.

This staged approach is subject to review by Council.

8. When is the extra payment due?

Refer section 131(2) of the [Planning Act 2016](#).

9. Is the extra payment subject to indexation?

Yes. The amount will be indexed using the 3-year average Producer Price Index (PPI) for the period starting on the day the decision notice is given and ending on the day the amount is paid.

10. Why wasn't the Council report on 11 September publicly available? Can I request a copy of it now?

The [Local Government Regulation 2012](#) provides local government the ability to close all or part of a meeting of the Council to the public if the matter being discussed relates

to specific matters including Council's budget. The extra payment condition relates to Council's budget and it was therefore decided that the report be made confidential.

The report may in future be placed into public records.

11. Why wasn't there a grace period for new applications which are properly made on or after 16 September?

Council has had the ability to impose extra payment conditions (previously known as additional payment conditions) since 2009, but has not to date utilised this conditioning power. Instead, Council relied on the capped charges, necessary infrastructure conditions and infrastructure agreements. Due to the additional cost incurred to date offsetting infrastructure not shown in the LGIP and the consequential financial risk to Council, implementing this position cannot be postponed any longer.

12. Why are applications lodged before 16 September, but not properly made before this date, also subject to the new conditions, when I can't control when Council issues an action notice?

Properly made was nominated as it provides certainty about the status of the application and the timeframes for the assessment of the application.

13. Will extra payment conditions be applied to the following:

a) Any development outside the PIA or just to developments in the Emerging Community zone?

Yes - the extra payment condition may be imposed anywhere outside the PIA, excluding the Priority Development Areas (PDA's).

b) Domestic applications such as houses?

Unlikely - It is not anticipated that a domestic application will require the provision of trunk infrastructure.

c) Operational works applications where a planning approval has already been granted, i.e. operational works applications associated with an approved subdivision?

No - the extra payment condition will not be imposed on operational work applications.

d) Subdivision applications made under an existing variation approval granted before 16 September 2024?

Potentially – in cases where it requires the provision of trunk infrastructure.

Map 1 – The PIA and area outside the PIA

