

## Fact Sheet #1

# what is the act

### What is the purpose of the Public Land Act?

The purpose of the Public Land Act 2018 is to change how land for infrastructure is acquired to a system that is similar to clause 52.01 open space contributions.

### When does it come into effect?

It is intended to come into effect on 2 July 2018.

### Why was this Act introduced?

It was identified that collecting levies to fund the purchase of land under the current model presented challenges for all parties due to escalation of land values in growth areas of Melbourne.

In response, the government took steps to address the concerns raised by the development industry and councils through regulatory reform.

The Act addresses these concerns by allowing landowners to transfer land directly as part of their infrastructure contribution.

### What is the benefit of the new system?

The new system provides more certainty to landowners and councils about the provision of land for basic and essential infrastructure.

Importantly, this new approach will ensure the provision of public land is equalised over the entire ICP, resulting in a more certain and equitable outcome for all parties.

### What has changed in the new system? What is staying the same?

The key change is how land will now be acquired. Land is now acquired through a process that is similar to clause 52.01 instead of a monetary based system as it was previously. Land and construction are now two separate processes. Other aspects of the ICP system (construction standard levies, allowable items, approval processes etc) remain the same.

Under the new system, DELWP will continue to own the ICP policy and broader regulatory environment, while VPA will lead implementation through preparation of PSPs and ICPs.

Under the new legislation, 'inner public purpose land' is to be included as part of 'contribution land' therefore the parcel contribution percentage and ICP land contribution percentage are calculated on that basis.

### How will ICPs transition into the new system?

All infrastructure contributions plans (ICPs) from now will be prepared in line with the new system.

In order to not cause any delays, the first group will have an interim ICP approved shortly after the Act comes into effect.

Following a formal planning scheme amendment process (including Panel), the interim ICP will be replaced by a final ICP.

### What happens to existing ICPs?

Existing ICPs will be replaced with a new ICP in line with the new system.

### What happens to existing DCPs?

Existing DCPs continue as they are.

### When can permits be issued?

Subject to normal approval processes, permits can be issued once there is an ICP.

### What is the current levy and what is it changing to?

The current levy is \$86,627 per hectare for community and recreation construction and \$114,062 per hectare for transport construction. It is currently not intended that the levies will change apart from when indexed annually to reflect changes in construction costs and land values. The former land levy of \$158,800 per hectare in the south east and \$138,800 per hectare in the North West will be removed from the standard levy rate.

