

Fact Sheet #3

Requirements for changed approach

What has been achieved to date?

The arrival of the Public Land Contributions Act 2018 on 2 July has involved the implementation of a new system for ICPs. To date the new system is operative only in relation to Greenfields Melbourne.

The new system has required existing ICPs for the Donnybrook/ Woodstock and Mt Atkinson/ Tarneit Plains PSPs to be reformatted. These ICPs along with the Plumpton/ Kororoit ICP have now been incorporated into the relevant schemes enabling permits to be issued under voluntary agreements.

Three standard ICPs have been prepared for the Cardinia Creek South, Lindum Vale and Pakenham East PSPs.

Three interim ICPs have been prepared for the Beveridge Central, Minta Farm, Sunbury South and Lancefield Road PSPs which will be in place at the same time that the respective supplementary ICPs that have been drafted undergo the full exhibition process.

Methodology for calculating the land component of infrastructure contributions

Prior to the arrival of the Public Land Contributions Act 2018, accepted planning practice has been to exclude public purpose land from contribution land i.e. using Net Developable Hectare (NDH).¹

The Victorian Planning Authority (VPA) and the Department of Environment, Land, Water and Planning (DELWP) are now undertaking a review of this practice.

This review will cause a small delay to the finalisation of interim, standard and supplementary ICPs for Cardinia Creek South, Lindum Vale, Pakenham East, Beveridge Central, Minta Farm, Sunbury South and Lancefield Road PSPs.

The three existing interim ICPs for Donnybrook/ Woodstock, Mt Atkinson/ Tarneit Plains and Plumpton/ Kororoit PSPs will continue as they are and will be replaced with a final ICP in due course.

What is being looked at?

The review will be looking at the methodology for calculating the land component of infrastructure contributions.

What will not change?

The area of land required for infrastructure will remain the same.

The construction levy (standard or supplementary) for transport and community and recreation will not be affected by the review.

What are the next steps?

The VPA and DELWP have prioritised the ICP work program to ensure as little delay as possible. It is expected that ICPs for Cardinia Creek South, Lindum Vale, Pakenham East, Beveridge Central, Minta Farm, Sunbury South and Lancefield Road PSPs will be submitted for Ministerial approval in early 2019.

When will the associated PSPs be approved?

The associated PSPs for Beveridge Central, Minta Farm and Cardinia Creek South have been approved in December 2018 without ICPs in recognition of the government's commitment to the 100,000 lots and in response to industry's development needs. The Sunbury South, Lancefield Road, Pakenham East and Lindum Vale PSPs will be approved at a later date.

How will associated s96A permit applications be finalised?

As part of the anticipated approval of PSPs without ICPs, a special control will be put in place to allow the developments the subject of the s96A permit applications in Sunbury South, Lancefield Road and Minta Farm to be progressed when the associated ICPs are approved in early 2019.

Can I get a permit when the PSP is approved without an ICP?

No permits can be issued until the ICP is approved. However, with the PSP approved, developers can begin the pre-application process with councils so that when the ICP is approved, subdivision applications can be submitted quickly. Approval of the PSPs will also enable service providers to advance their planning for the precincts.

New ICP system general review

A stakeholder reference group will be established in January 2019 chaired by VPA CEO Stuart Moseley and Acting Deputy Secretary DELWP Julian Lyngcoln. Membership will be invited from peak industry bodies and representatives from the outer growth councils. The stakeholder reference group will be consulted on the application of the new methodology to existing ICPs in the system; reviewing how the implementation of the new system has operated for greenfields Melbourne; and how the system will be implemented for regional and strategic development area ICPs.

The VPA and DELWP will provide a technical industry briefing in early 2019.

Contacts

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