

Officer South Employment precinct

FREQUENTLY ASKED QUESTIONS

Infrastructure and Development Staging

While precinct structure plans set out the high-level intentions for a precinct, and provide detailed information setting out the required transport, drainage and community infrastructure required to serve a precinct, there is often a time-lag or disconnect between the delivery of land for housing or employment and the delivery of necessary infrastructure needed to service the new community.

This can lead to new residents and workers experiencing traffic congestion, lack of community infrastructure and a lack of public transport which in turn increases car dependency. These are not optimal outcomes and the VPA is hoping to change that.

It is critical that infrastructure to support development of growth areas is delivered in a timely and coordinated manner.

What is infrastructure and development staging?

Development staging refers to the order (or sequence) in which development occurs throughout a precinct. Staging is a way of achieving an orderly and economic progression of development within a precinct structure plan (PSP).

Staging seeks to ensure demand for zoned land can be met while aligning the provision of future infrastructure capacity.

The aim of development staging is to align the subdivision and development within a PSP area with the required infrastructure delivery. This ensures new communities are appropriately serviced and supported by transport, community, and drainage infrastructure. This includes the consideration and capacity of existing and future infrastructure.

A preferred outcome is that each stage of a precinct will enable a sufficient number of development fronts and individual estates to be developed concurrently so that there can be a competitive land market with choice for consumers.

Staging is not a means of creating a commercial advantage for some landowners over others. It is not intended to create a “queue” where those at the “head of the queue” can control the pace of land development.

Why has the VPA drafted an Infrastructure and Development Staging Plan?

As a planning authority, the VPA is responsible for PSPs that are consistent with both the planning guidelines set out in the *Precinct Structure Planning Guidelines: New Communities in Victoria* (2021) and relevant state policy.

The 2021 PSP Guidelines detail how the VPA must draft our precinct plans. The PSP Guidelines require new PSPs to account for the location and timing of development, and to identify trigger points for the provision of required infrastructure. This information is contained in the Infrastructure and Development Staging Plan.

As set out in *Victoria's Housing Statement: The Decade Ahead 2024-34* (September 2023), planning for growth areas remains important – but it is important to support that growth in our suburbs by ensuring

that this is delivered in line with building transport and infrastructure to connect people to jobs and services.

What is an Infrastructure and Development Staging Plan?

An Infrastructure and Development Staging Plan (IDSP) identifies the preferred pathway for infrastructure and development in a precinct structure plan (PSP). The plan facilitates infrastructure and development in preferred locations. It outlines which infrastructure is required at what point based on development demands.

The plan will spatially identify the location of each development stage, together with the infrastructure needed to support each stage and enable progression to subsequent stages.

The purpose of the plan is to mitigate poor outcomes for those living and working in a new precinct that might arise through a misalignment in the delivery of infrastructure to support a new community and staging of development.

How does the VPA decide which part of the precinct is built first and which areas should follow?

The first stage of the precinct to be built will usually be the area *not reliant* on the delivery of critical state infrastructure. For example, upgraded arterial road intersections, bridge crossings or freeway interchanges.

Usually this will be land where existing infrastructure already has capacity to accommodate growth, or where there are plans or commitments in place that give the necessary level of confidence that it can and will be provided.

Considerations for identifying the first stage include:

- Logical road gateways for early road infrastructure delivery
- Appropriate locations for early drainage infrastructure delivery
- Access to existing public transport infrastructure
- Access to utilities infrastructure
- Proximity to existing town centres and community infrastructure

The remaining new infrastructure can be funded through developer contributions and provided as development proceeds within the stage.

How does the VPA decide on the sequencing of land?

The VPA undertakes a detailed analysis to determine staging within a precinct. The analysis considers the local context, known state funding commitments, locations and likely rates of development, local infrastructure provision and background technical studies for traffic, transport, and drainage. The VPA also completes a detailed financial analysis. This analysis considers projected cash flow over time and compares this against expenditure on the infrastructure items within the Precinct Infrastructure Plan (PIP).

The aim is to avoid an imbalance between revenue and expenditure regarding infrastructure provision. Where infrastructure is required to 'unlock' and provide for orderly development prior to infrastructure contributions being available, consideration is given to the mechanisms needed to align development staging and infrastructure provision.

This is particularly critical when considering the first stage, as that needs to include the essential infrastructure for those who are the first residents living, and employees working, in a new community.

Does staging aim to prevent subdivision, use and development until infrastructure is delivered?

All future PSPs will include some level of provision applied to use and development (including subdivision) to implement the staging plan. In exceptional cases, use and development (including subdivision) may be prohibited until the required infrastructure is delivered. This may be required due to insufficient capacity of existing infrastructure and the need to build new infrastructure before new development can proceed.

Existing residents and businesses will usually be allowed to make minor changes and alterations to their properties under the provisions of the Urban Growth Zone – Part A (UGZA), the intent is that material or substantial development will not occur outside of the staging guidance in the PSP.

Note: 'Development' is defined by the *Planning and Environment Act* 1987. This definition includes subdivision.

Why do we have to wait for infrastructure to be built before a permit can be issued?

In some cases, the capacity of existing infrastructure is already exceeded due to existing development in the surrounding area. This means there is no capacity to accommodate any new development.

Therefore, additional measures are required to control – and possibly prohibit – development within the PSP area until there is certainty of delivery of new infrastructure. For example, opening a new freeway interchange.

It is not acceptable to create new allotments if they cannot be provided with safe and sufficient movement and access to their new community.

Timing new development appropriately with delivering essential infrastructure results in better planning and community outcomes.

What influence do I have to change the staging approach?

Anyone can make a formal written submission and provide feedback on the staging approach during the public consultation process. The VPA will review all submissions to address concerns wherever possible. As part of the consultation process, the VPA will contact submitters if further clarification is required.

While the VPA is committed to providing strong staging guidance, we invite comment and input on ways the VPA can achieve the intent and approach in our precincts.

What can a developer or landowner do to facilitate the early provision of local infrastructure?

For local infrastructure projects funded by an Infrastructure Contributions Plan (ICP), a developer or landowner can propose a work-in-kind (WIK) agreement with the relevant collecting agency (usually the local council). There is no right of review if a collecting agency refuses to accept a WIK proposal.

What can a developer or landowner do to facilitate early provision of essential state infrastructure?

A developer or landowner can propose a Growth Areas Infrastructure Contribution (GAIC) Work-in-Kind (WIK) Agreement for state-level infrastructure identified within the staging parameters set by the Infrastructure and Development Staging Plan.

The VPA will work with the relevant infrastructure owner on their application, which will need the support from the Minister for Planning, the receiving government agency and the Treasurer for projects over \$2 million.

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