

**Whitehorse Planning Scheme Amendment C241whse
Municipal wide Development Contributions Plan**

Panel Report

Planning and Environment Act 1987

22 May 2023

How will this report be used?

This is a brief description of how this report will be used for the benefit of people unfamiliar with the planning system. If you have concerns about a specific issue you should seek independent advice.

The planning authority must consider this report before deciding whether or not to adopt the Amendment.

[section 27(1) of the *Planning and Environment Act 1987* (the PE Act)]

For the Amendment to proceed, it must be adopted by the planning authority and then sent to the Minister for Planning for approval.

The planning authority is not obliged to follow the recommendations of the Panel, but it must give its reasons if it does not follow the recommendations. [section 31 (1) of the PE Act, and section 9 of the *Planning and Environment Regulations 2015*]

If approved by the Minister for Planning a formal change will be made to the planning scheme. Notice of approval of the Amendment will be published in the Government Gazette. [section 37 of the PE Act]

Planning Panels Victoria acknowledges the Wurundjeri Woi Wurrung People as the traditional custodians of the land on which our office is located. We pay our respects to their Elders past and present.

Planning and Environment Act 1987

Panel Report pursuant to section 25 of the PE Act

Whitehorse Planning Scheme Amendment C241whse

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22 May 2023



Sarah Carlisle, Chair

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Glossary and abbreviations

Council	Whitehorse City Council
DCP	<i>Whitehorse Development Contributions Plan 2022</i>
DCP Ministerial Direction	<i>Ministerial Direction on the Preparation and Content of Development Contributions Plans and Ministerial Reporting Requirements for Development Contributions Plans, 2016</i>
DCP Guidelines	<i>Development Contributions Plan Guidelines, State of Victoria 2003 (amended 2007)</i>
DCPO	Development Contributions Plan Overlay
PE Act	<i>Planning and Environment Act 1987</i>
Planning Scheme	Whitehorse Planning Scheme

Overview

Amendment summary

The Amendment	Whitehorse Planning Scheme Amendment C241whse
Common name	Municipal wide Development Contributions Plan
Brief description	An amendment to introduce a municipal wide development contributions plan into the Whitehorse Planning Scheme
Subject land	All land in the municipality
Planning Authority	Whitehorse City Council
Authorisation	14 October 2022, with conditions
Exhibition	10 November to 12 December 2022
Submissions	Number of Submissions: 14 Opposed/requesting changes: 12

Panel process

The Panel	Sarah Carlisle
Directions Hearing	29 March 2023 online
Panel Hearing	The matter was considered on the papers
Site inspections	Not required
Citation	Whitehorse PSA C241whse [2023] PPV
Date of this Report	22 May 2023

Executive summary

Whitehorse Planning Scheme Amendment C241whse (the Amendment) seeks to implement the *Whitehorse Development Contributions Plan 2022* (the DCP) into the Whitehorse Planning Scheme (the Planning Scheme), by:

- introducing and applying a new Development Contributions Plan Overlay Schedule 1 to all land within the municipality
- making the DCP an Incorporated Document in the Planning Scheme
- making consequential changes including minor updates to local policy and mapping changes.

The DCP:

- includes 133 infrastructure projects with a total estimated cost of \$211,555,000
- is expected to generate around \$31,264,586 from levies (around 15 per cent of the estimated cost of the DCP projects)
- has a lifespan of 20 years.

The levies for dwellings are calculated per dwelling. Levies for other development types are calculated per square metre of non-residential floorspace. Different levies are payable by different types of development (residential and non-residential), and in the different charge areas.

Key issues raised in submissions included:

- issues around how the DCP projects were selected, and whether other projects (including State infrastructure projects) should be included
- the appropriateness of charge areas based on suburb boundaries
- the amount of the levies
- the increase in development costs, which will have knock-on effects including:
 - costs being passed on to purchasers
 - impacts on the attractiveness of development sites
 - impacts on housing affordability
- inaccuracies in the calculation of non-residential floor space, which could result in an underestimation of infrastructure needs and funding shortfalls
- whether affordable housing should be exempt from contributions
- whether works in kind can be considered in lieu of a cash payment
- whether the Amendment appropriately considers existing planning approvals, especially those that provide necessary infrastructure
- when and how the DCP should be reviewed, including adjustments to the list of funded projects
- whether the DCP will encourage bribery.

Collection of developer contributions to fund shared infrastructure that will be used by multiple developments across an area is a well established and strategically justified way for councils to fund the provision of local community infrastructure. The proportion of infrastructure costs to be funded by the DCP (15 per cent) is low in comparison to other recent municipal wide development contributions plans, but the Panel has no material before it to suggest this is inappropriate.

The DCP has been prepared consistently with the requirements of the relevant Ministerial Directions and Guidelines, in accordance with relatively standard methodology including a peer review.

The Amendment is supported by, and implements, the relevant sections of the Planning Policy Framework (particularly Clause 19). It is well founded and strategically justified, and should proceed subject to some minor adjustments, edits and corrections.

In response to specific key issues raised in submissions, the Panel finds:

- The Panel has no reason to doubt the appropriateness of the list of DCP projects. It is not appropriate for the DCP to include State infrastructure projects.
- The general approach of basing charge area boundaries on suburb boundaries is appropriate, but may require future amendments if a particular area (such as an activity centre) is found to merit its own development contributions plan or charge.
- The levies are relatively modest and commensurate with those that apply under other established area development contribution plans. While the DCP will increase the development costs, the increases are marginal and will not substantially impact housing affordability or the attractiveness of sites within Whitehorse compared to other municipalities within established areas of Melbourne.
- No material was put before the Panel to suggest the non-residential floorspace projections are inappropriately low. Mr Hrelja specifically considered proposed floorspace at Box Hill Activity Centre and found that the projections in the DCP are sufficiently robust to account for this future development. If the projections turn out to be low, Council may need to adjust them and the levies in future regular reviews of the DCP.
- The Panel was not persuaded that an exemption for affordable housing (other than social housing, which is already exempt) is strategically justified.
- Both the DCP and the DCPO Schedule 1 allow for contributions to be made as works in lieu of cash payments.
- Large development sites that deliver site specific infrastructure (that is required to enable the site to be developed) should not be exempt from contributing to the costs of community infrastructure that will be used by that development.
- The DCP should be reviewed every three years, but reviews should not be mandatory.
- There is no basis for the assertion that the DCP will lead to bribery or corruption.

Recommendations

Based on the reasons set out in this Report, the Panel recommends that Whitehorse Planning Scheme Amendment C241whse be adopted as exhibited subject to the following:

1. **Change Section 7.8 of the Development Contributions Plan by:**
 - a) **Amending the first sentence to read:**

“The DCP should be reviewed on a regular basis (such as every ~~four~~ three years) ...”.
2. **Change the Development Contributions Plan by:**
 - a) **inserting the following text on page 30 immediately after Table 6:**

While, for non-residential development in any charge area, the levy per square metre is 5 cents or less after indexation, the levy payable for non-residential development in that charge area is deemed to be zero.

- b) removing 'before cap' from the second last dot point on page 74 and removing the final dot point on page 74 (which is a duplicate)
- c) removing 'before cap' from the titles of the final two columns in Table 19 on page 75
- d) italicising the document title *Whitehorse Development Contributions Plan* throughout
- e) italicising the title of legislation throughout
- f) updating the date of the document (and making consequential changes to the Schedule to Clause 72.04 Documents Incorporated in this Planning Scheme).

3. Change Clause 3.0 Summary of Contributions in the Development Contributions Plan Overlay Schedule 1 by:

- a) correcting the amount of the levy for retail in Area 02 to \$1.44 (from \$1.14) in the second table 'Levies payable by non-residential development'
- b) inserting the following as a new fourth paragraph in the 'Notes' section below the tables:

The *Whitehorse Development Contributions Plan* (Whitehorse City Council, 2022) provides that while, for non-residential development in any charge area, the levy per square metre is 5 cents or less after indexation, the levy payable for non-residential development in that charge area is deemed to be zero.

- c) reversing the order of bullet points 2 and 3 in the 'Notes' section below the tables.

1 Introduction

1.1 The Amendment

(i) Amendment description

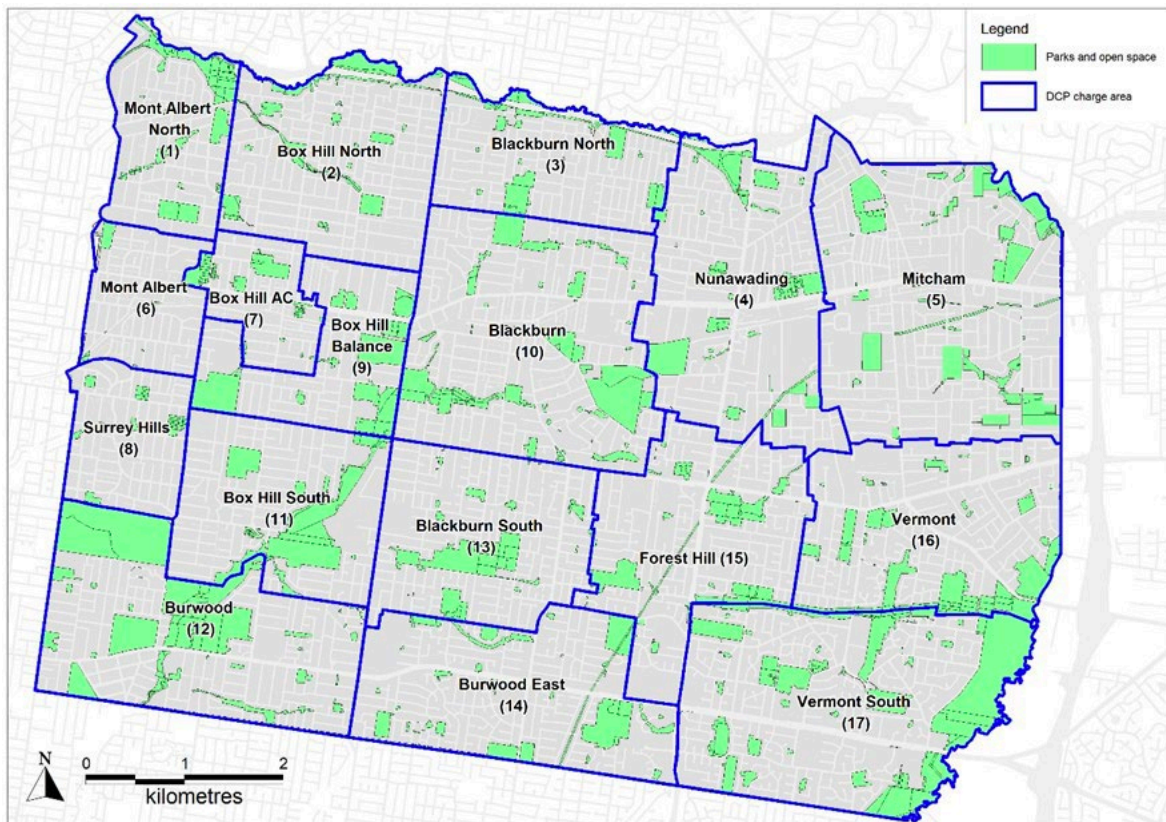
The Amendment proposes to implement the *Whitehorse Development Contributions Plan 2022* (the DCP) into the Whitehorse Planning Scheme (the Planning Scheme). The Amendment proposes to:

- introduce a new Clause 45.06 Development Contributions Plan Overlay (DCPO) and a new Schedule 1 to the DCPO
- update Clauses 21.07 Economic Development and 21.08 Infrastructure to reference the DCP
- amend the Schedule to Clause 72.04 to incorporate the DCP into the Planning Scheme
- make associated mapping and administrative changes to the Planning Scheme.

(ii) The subject land

The Amendment applies to all land within the municipality and affects new residential, retail, commercial and industrial development within the municipality.

Figure 1 DCP charge areas



Source: Council's submission

1.2 Background

(i) The Framework

Whitehorse City Council (Council) commissioned a review of infrastructure funding options by property economics and strategic planning advisory consultants HillPDA, which resulted in the preparation of the *Whitehorse Infrastructure and Development Contributions Framework*, HillPDA, July 2021. The framework document:

- reviewed the various sources of funding available to Council
- reviewed the various studies and reports Council had prepared in relation to various categories of infrastructure over time
- reported that Council had a sound basis to proceed with the preparation of a development contributions plan.

Subsequently, the Draft *Whitehorse Development Contributions Plan*, HillPDA, October 2022 was prepared which eventually led to the preparation of the DCP as exhibited.

(ii) The Development Contributions Plan

The DCP:

- includes 133 infrastructure projects with a total estimated cost of \$211,555,000
- is expected to generate around \$31,264,586 from levies (around 15 per cent of the estimated cost of the DCP projects)
- has a lifespan of 20 years.

The levies for dwellings are calculated per dwelling. The levies for other development types are calculated per square metre of non-residential floorspace. Different levies are payable by different types of development (residential and non-residential), and in the different charge areas.

(iii) Exemptions

Section 46K(2)(a) of the *Planning and Environment Act 1987* (PE Act) states that certain types of land and development can be exempt from the requirement to make contributions. The DCP includes exemptions at Part 7.5 (page 33). They include:

- infrastructure delivered by Council
- a dependent person's unit
- alterations and additions to an existing dwelling
- replacement of a dwelling (including where a dwelling had been demolished and the land is vacant for up to two years prior to the Amendment taking effect)
- land which is subject to an agreement under section 173 of the PE Act that requires payment of infrastructure contributions and which expressly excludes further contributions under an approved development contributions plan.

1.3 Key issues

Submissions raised the following issues:

- issues around how the DCP projects were selected, and whether other projects (including State infrastructure projects) should be included
- the appropriateness of charge areas based on suburb boundaries
- the amount of the levies

- the increase in development costs, which will have knock-on effects including:
 - costs being passed on to purchasers
 - impacts on the attractiveness of development sites
 - impacts on housing affordability
- inaccuracies in the calculation of non-residential floor space, which could result in an underestimation of infrastructure needs and funding shortfalls
- whether affordable housing should be exempt from contributions
- whether works in kind can be considered in lieu of a cash payment
- whether the Amendment appropriately considers existing planning approvals, especially those that provide necessary infrastructure
- when and how the DCP should be reviewed, including adjustments to the list of funded projects
- whether the DCP will encourage bribery.

1.4 Procedural issues

The Panel wrote to all 14 submitters advising that it had been appointed, and that any submitter who wished to be heard in relation to their submission should complete a Request to be Heard Form. The Panel did not receive any requests to be heard from submitters. With Council's agreement, the Panel determined that the matter would be considered on the papers.

1.5 Limitations

Some of the issues raised in submissions are not directly related to the Amendment or the DCP, including:

- the provision of more safety barriers along the strip centres to prevent vehicle accidents
- the provision of more netball courts in Whitehorse
- concerns about higher density development in Whitehorse
- whether a particular site in the Tally Ho Activity Centre should be recognised in local policy as a Strategic Development Site.

The Panel has not considered these submissions further.

1.6 The Panel's approach

The Panel has assessed the Amendment against the principles of net community benefit and sustainable development, as set out in Clause 71.02-3 (Integrated decision making) of the Planning Scheme.

The Panel considered the exhibited Amendment documents, all written submissions made in response to the exhibition of the Amendment, Council's submission and the evidence of Mr Hrelja of HillPDA (for Council). It has been selective in referring to the more relevant or determinative material in the Report. All submissions and materials have been considered by the Panel in reaching its conclusions, regardless of whether they are specifically mentioned in the Report.

2 Strategic issues

2.1 Planning context

This chapter identifies planning context relevant to the Amendment. Appendix C highlights key imperatives of relevant provisions and policies.

Table 1 Planning context

	Relevant references
Victorian planning objectives	- section 4 of the PE Act
Planning Policy Framework	- Clause 19.03-1S (Development and infrastructure contributions plan) - Clause 21.07-6 (Economic Development – Further Strategic Work) - Clause 21.08-2 (Infrastructure – Key Issues) - Clause 21.08-6 (Infrastructure – Further Strategic Work)
Planning scheme provisions	- Development Contributions Plan Overlay
Planning scheme amendments	- Amendments C220whse, C230whse and C245whse
Ministerial directions	- <i>Ministerial Direction on the Preparation and Content of Development Contributions Plans and Ministerial Reporting Requirements for Development Contributions Plans, 2016</i> (the DCP Ministerial Direction) - <i>Ministerial Direction on the Form and Content of Planning Schemes</i> - <i>Ministerial Direction 11: Strategic Assessment of Amendments</i>
Planning practice notes	- <i>Planning Practice Note 46: Strategic Assessment Guidelines, August 2018</i>
Relevant guidelines	- <i>Development Contributions Plan Guidelines, State of Victoria 2003</i> (amended 2007) (the DCP Guidelines)

2.2 Strategic justification

(i) Evidence and submissions

Council submitted that the foundation for the Amendment is the Planning Policy Framework and specifically the objectives of Clause 19, which encourage planning authorities to consider the use of development contribution plans to fund infrastructure. It submitted the Amendment equitably shares the cost of infrastructure across a physically defined area of development, consistent with the policy objectives of Clause 19.

Council submitted that the municipality is experiencing population growth through significant development and intensification in activity centres, and a steady pace of incremental development across the established residential neighbourhoods. The predicted growth is expected to generate demand for additional infrastructure and put pressure on the existing infrastructure for upgrades, expansion or even replacement.

Council submitted that the Framework prepared by HillPDA in 2021 provided a sound information base that considered the demand for infrastructure across the municipality and how Council might

use various infrastructure funding and delivery mechanisms to meet needs over time. It acknowledged that infrastructure costs will need to be funded from multiple sources, including the DCP.

Council submitted that the DCP was consistent with the DCP Guidelines in terms of the way it:

- described the projects to be funded
- allocated charges to different charge areas and different types of development
- described charge areas and the different levies that applied within the charge areas based on the catchment to be served by the particular infrastructure projects.

Mr Hrelja of HillPDA gave evidence for Council. He explained the main steps in the process of preparing the DCP:

- reviewing policies and strategies
- reviewing land use and development conditions and trends
- reviewing Council population and dwelling projections by small area (suburb) and preparation of non-residential development projections
- reviewing infrastructure planning information, primarily from Council's capital works planning process and draft capital works plans
- filtering capital works to identify those infrastructure projects that:
 - deliver a new asset or upgrade or replace an existing asset (that is by removing maintenance or operational items and expenditure)
 - are used by a broad cross-section of the community (by excluding works that are not accessible to the community such as Council depots)
 - are Council funded and not funded by another contribution mechanism or organisation (by excluding expenditure that will be funded by State or Commonwealth grants, or the open space levy fund, or any other developer contribution).

This resulted in a draft list of potential DCP projects that was subject to further internal review to confirm Council's commitment to deliver the projects, and external review including consultation with the Department of Transport and Planning (DTP). It was then reviewed by Council's lawyers and peer reviewed by Mesh Planners, a consultancy with significant experience in preparing development and infrastructure contributions plans.

Some submitters suggested that infrastructure should be funded from general rate revenue, borrowings or alternative funding mechanisms, rather than developer contributions. Some submitted that up-front charges and levies against new development are the least efficient way to recover infrastructure costs.

Council responded that a development contributions plan is a legitimate tool to cover some of the costs of providing new infrastructure, and meets the requirements of section 62(5) and (6) of the PE Act. Mr Hrelja also addressed this in his evidence, stating:

... it is my opinion that where development places demands on and uses infrastructure that is detached from its title boundary, it is reasonable for development proponents to contribute a fair share towards the cost of delivering off-site infrastructure when justified. The DCP system provides a method to apportion costs for infrastructure in that situation.

(ii) Discussion

The DCP is based on population forecasts for the municipality prepared by forecast.id from 2021 to 2041. These forecasts and projections appear sound, and in the absence of submissions or evidence disputing them, the Panel has no reason to question them. That said, projections are just

that – they are not (and cannot be) highly accurate estimates or predictions of what will happen in future.

The forecast growth for the municipality will generate additional demands on existing infrastructure, and for new infrastructure. DCPs are the preferred method for councils to collect contributions toward shared infrastructure, consistent with the DCP Ministerial Direction, the DCP Guidelines and section 62 of the PE Act.

The methodology for the preparation of the DCP explained by Mr Hrelja is robust and consistent with standard industry practice. The Panel considers that it was an appropriate methodology to apply in preparing and finalising the DCP.

Consistent with the DCP Guidelines and the DCP Ministerial Direction, the DCP appropriately records the list of projects to be funded, the estimated costs of the projects and whether each project is funded by the Community Infrastructure Levy or the Development Infrastructure Levy (see Table 4 of the DCP).

The DCP incorporates a relatively standard list of exempt land and development, consistent with the DCP Ministerial Direction and other recent municipal wide development contributions plans.

The DCP applies different levies to different charge areas depending on whether the charge area is within the catchment of the funded projects. This approach is sound, and consistent with the principles of the DCP Guidelines that call for infrastructure costs to be apportioned on the basis of usage, as well as accountability and transparency.

In response to submissions that infrastructure should be funded from other sources such as general rate revenue, development contributions plans are a legitimate statutory tool for councils to use towards funding the required infrastructure projects.

The Panel notes that the DCP will only fund around 15 per cent of the total costs of the projects listed in the DCP. The balance will need to be funded from alternative sources. This is discussed in more detail in Chapter 3.3.

2.3 Major developments

(i) Evidence and submissions

Council advised that the growth anticipated in several current or recent amendments (Amendment C220whse, C230whse and C245whse) has been factored into population forecasts and the projections for the DCP.

Council instructed Mr Hrelja to review the figures in the DCP having regard to development proposals for Box Hill Activity Centre by Vicinity Centres. This includes around 1,750 new apartments and substantial commercial office floorspace and retail space (as well as new open space, a plaza and street improvements).

Mr Hrelja considered the Box Hill Activity Centre development proposals raised two key questions:

- Should the developments be liable for levies under the DCP?
- Do the development projections in the DCP need to be adjusted?

In relation to the first question, Mr Hrelja's view was that the Box Hill Activity Centre development should deliver both development specific works, and contribute cash levies under the DCP.

In relation to the second question, Mr Hrelja explained that the DCP provides for development growth in the Box Hill Activity Centre charge area (Charge Area 7) of:

- 6,350 dwellings
- 17,626 square metres retail floorspace
- 57,637 square metres commercial floorspace.

He concluded:

The DCP's development projections are sufficiently robust to include the Vicinity masterplan's proposed development for residential and retail floorspace and proposed commercial floorspace in the planning applications submitted to date, but not the proposed ultimate commercial floorspace of approximately 83,203 sqm.

He considered that Vicinity's plan for 83,203 square metres of commercial floorspace is "*an aspirational concept*", and the DCP's allowance for 57,637 square metres of commercial development in the Box Hill Activity Centre is a reasonable allocation of likely actual commercial floorspace development to the year 2042 based on existing floorspace, development trends, the state of the commercial office market, and the 20 year outlook. He therefore considered that the DCP development projections as exhibited are sound, and do not need to be adjusted in light of the Box Hill Activity Centre development proposals.

(ii) Discussion

In the absence of any submissions or evidence to the contrary, including from Vicinity Centres, the Panel accepts Mr Hrelja's evidence that the exhibited DCP development projections are sufficiently robust to account for the Box Hill Activity Centre development proposals.

2.4 Conclusions and recommendation

For the reasons set out in this Report, the Panel concludes that the Amendment:

- is supported by, and implements, the relevant sections of the Planning Policy Framework
- is consistent with the relevant Ministerial Directions and Practice Notes
- is well founded and strategically justified
- should proceed subject to some minor edits and corrections as discussed in the following chapters.

Based on the evidence, the Panel concludes that the DCP development projections do not need to be adjusted in light of the Box Hill Activity Centre development proposals.

The Panel recommends:

Whitehorse Planning Scheme Amendment C241whse be adopted as exhibited, subject to the specific recommendations in this Report.

3 The issues

3.1 Project selection

(i) The issues

The issues are:

- how the projects were selected for inclusion in the DCP
- whether State delivered projects should be included.

(ii) Evidence and submissions

Some submissions expressed concern in relation to how the projects were selected for inclusion in the DCP. One submission noted gaps in the DCP project list (such as traffic management upgrades), and noted that not all projects identified in Council approved strategies are included in the DCP projects list.

Other submitters expressed concern that the DCP project list did not include more kindergartens, or community infrastructure, or infrastructure to address declining tree canopy and mitigation of climate change impacts. Submitter 10 noted that the DCP project list did not include any infrastructure for the Tally Ho Activity Centre, which is a rapidly expanding centre in Vermont South. The Whitehorse Active Transport Action Group submitted that the DCP did not contain enough pedestrian crossings, pedestrian and cycling connections and passive (non-sporting) recreational infrastructure.

Council responded:

There needs to be some judgement made about what projects are funded by the DCP. It is not necessary, nor desirable that every conceivable infrastructure project is included in the DCP.

Council explained that projects identified for the DCP project list had been identified in various Council strategies and policies, and appropriate projects were included in the DCP. It explained that the listed projects are not all the works that will be undertaken by the Council as part of its capital works program. It acknowledged that road projects, for instance, are under-represented in the project list because insufficient detail was available in the capital works program at the time the DCP was prepared. Council will have an opportunity to validate the development projections and adjust the project list and the DCP if required when the DCP is reviewed.

Mr Hrelja's evidence was, the DCP is not a policy or strategy document per se, but rather an implementation tool of Council's policy and strategy work. He explained that the DCP shows the outcome of a process that reviewed projects that have come out of Council's policy and strategy work and have been filtered as described in Chapter 2.2, summarised by two questions:

- are the projects eligible for a DCP?
- is Council committed to deliver the projects?

Submitter 8 said the DCP should include projects that will be delivered by the State, noting that this is permissible under the PE Act provided the development contributions plan applies in an area where the Growth Area Infrastructure Contribution does not apply (which is the case here). Council responded that the DCP is a Council plan and all of the projects identify Council as the

development agency, consistent with section 46IA(b) of the PE Act. Council submitted it would not be appropriate to include State projects.

(iii) Discussion

The DCP Guidelines state that the infrastructure projects included in a development contributions plan must be justified. The Panel notes Council's submission that the DCP project list includes projects that have been the subject of previous strategic assessments, and that the projects are all identified in various Council strategies and policies. In the absence of any evidence to the contrary, the Panel has no reason to question the strategic justification for any of the projects listed in the DCP.

The Panel notes the concerns expressed by several submitters that the DCP project list does not include a range of important community infrastructure. The Panel is not in a position to question Council's decisions as to which projects should be included in the DCP list, and which will be funded from other sources. Just because a project is not included in the DCP project list does not make it less likely that the project will be delivered. As Council pointed out, Council has a large capital works program that includes many projects that are not in the DCP.

The Panel accepts that there is no statutory prohibition on development contributions plans outside designated growth areas including State infrastructure. However, it agrees with Council that it is not appropriate for the DCP to include State infrastructure. The DCP is geared towards the funding of local (Council provided) infrastructure that serves the local community. It would be inappropriate for Council to include State funded infrastructure in a local DCP, or to include any State delivered infrastructure projects without consultation with the State.

(iv) Conclusions

The Panel concludes:

- The Panel accepts Council's submission that the projects included in the DCP have been the subject of strategic assessment, and are appropriate.
- It is not appropriate for the DCP to include State infrastructure projects.

3.2 Charge area boundaries

(i) The issue

The issue is:

- whether the charge area boundaries (which are based on suburb boundaries and the Box Hill Activity Centre) are appropriate.

(ii) Evidence and submissions

Some submitters queried the rationale for basing charge area boundaries on suburb boundaries. Submitter 8 considered that activity centres and designated commercial development areas would likely attract more than their share of new development, whereas retail would likely continue to decline in primarily residential areas. He submitted:

... the greater concentration of especially retail and commercial development may require additional infrastructure due to the sheer scale involved, while small changes in existing low-activity areas is unlikely to demonstrate a need or nexus for investment.

Council explained that the DCP charge areas are suburb based, consistent with Council's forecast.id population data. It submitted:

These areas are small enough to represent a community of interest and avoid the prospect of any serious cross-subsidisation within the context of cost apportionment undertaken in the construct of this DCP.

Submitter 10 made particular reference to the Tally Ho Major Activity Centre, which crosses suburb boundaries and is consequently located in Charge Areas 14 (Burwood East), 15 (Forest Hill) and 17 (Vermont South). Submitter 10 (owner of a site within the Tally Ho Activity Centre) submitted that charge area boundaries should be based on logical planning and redevelopment boundaries or activity centre boundaries rather than suburb boundaries.

Mr Hrelja considered there was no need to define the Tally Ho Major Activity Centre as a separate charge area, because the infrastructure identified for investment in the DCP does not specifically relate to the Activity Centre. If it did, he considered there would be a need to define the area as separate charge area. He noted this could be a possibility in the future, in which case the DCP could be modified and a charge area added to the DCP. However, there is no need to do this now.

(iii) Discussion

The Panel accepts that setting charge area boundaries based on suburb boundaries is a convenient approach to identifying charge areas and aligning the expected population growth within each charge area with the forecast.id projections. It will result in consistent levies being applied to development within the different suburbs. If, in future, a particular geographic area (such as an activity centre) merited its own development contributions plan or charge, a specific charge could be developed for that area and applied either by way of a section 173 agreement or a site- or area-specific development contributions plan, with consideration given to 'switching off' the municipal wide DCP for that area. Alternatively, the DCP could be amended as Mr Hrelja suggested to define a specific charge area and specific levies for that area.

(iv) Conclusions

The Panel concludes:

- The general approach of basing charge area boundaries on suburb boundaries is appropriate.
- If, in future, a particular geographic area (such as an activity centre) merited its own development contributions plan or charge, the DCP should be modified or 'switched off' accordingly.

3.3 The levies

(i) The issues

The issues are:

- whether the levy amounts in the DCP are appropriate
- how levies should be indexed
- whether the DCP will fund an appropriate portion of the cost of the projects in the DCP project list.

(ii) Evidence and submissions

Mr Hrelja explained that the DCP specifies different levies for the different types of development (residential, retail, commercial and industrial) which vary from charge area to charge area. He summarised the range of levies in his evidence:

Figure 2 Range of levies payable under the DCP

Development Type	Unit	Highest	Lowest	Average
Residential	per dwelling	\$2,100	\$811	\$1,587
Retail	per square metre of gross floorspace	\$7.53	\$0.09	\$1.78
Commercial	per square metre of gross floorspace	\$5.73	\$0.13	\$1.19
Industrial	per square metre of gross floorspace	\$2.02	\$0.01	\$0.41

Source: Mr Hrelja's evidence

He explained that the DCP uses a mix of index tools to keep pace with the value of money:

- Development Infrastructure Levies are indexed to the Consumer Price Index
- the Community Infrastructure Levy is indexed in accordance with section 46L(3) of the PE Act.

Mr Hrelja explained that the DCP is estimated to recover 15 around per cent of the total cost of the projects in the DCP project list. The other 85 per cent will need to be funded by Council from other sources. Council submitted that 15 per cent compared favourably with other recent municipal wide development contributions plans.

Council submitted that the use of the Consumer Price Index to index Development Infrastructure Levies will generally result in lesser adjustments than the Producer Price Index (being the adjustment index more commonly used in development contribution plans), but the Consumer Price Index is simpler to apply year on year given the range of infrastructure projects involved.

(iii) Discussion

Based on Mr Hrelja's evidence that the levies specified in the DCP are relatively modest (discussed in more detail in Chapter 3.4), and in the absence of any evidence to the contrary, the Panel is not in a position to question the appropriateness of the amount of the levies.

The DCP will fund only around 15 per cent of the costs of the infrastructure projects listed in the DCP. This is:

- comparable to Banyule's municipal wide development contributions plan, which is expected to fund 15.6 per cent of the total cost of infrastructure projects listed in the development contributions plan
- less than other recent municipal wide development contributions plans, for example Yarra (31.50 per cent), Darebin (24.3 per cent) and Maribyrnong (31.6 per cent).

The recovery of only 15 per cent of the total cost of the DCP listed projects is low compared to other recent municipal wide plans. Council (as the delivery agency) will need to make up the shortfall.

The indexing of the levies appears appropriate, and consistent with the DCP Guidelines which state that a DCP is most effective if it *“includes an annual adjustment for inflation based on the General Consumer Index for Capital Cities”*. Mr Hrelja expressed no concerns with the proposed indexing arrangements.

(iv) Conclusions

The Panel concludes:

- The levy amounts in the DCP are appropriate.
- The proposed indexing of the levies is appropriate.
- The proportion of infrastructure costs to be funded by the DCP (15 per cent) is low in comparison to other recent municipal wide development contributions plans, but the Panel has no material before it to suggest this is inappropriate.

3.4 Increased development costs

(i) The issue

The issue is:

- the increase in development costs, which may:
 - be passed on to purchasers
 - impact the attractiveness of development sites
 - impact housing affordability.

(ii) Evidence and submissions

Some submissions, including that of the Housing Industry Association, asserted that developer contributions increase the cost of development, and the costs would be passed on to new owners, impacting housing affordability.

Council responded that this is debatable, and is *“a theme which has arisen in many if not all other panel hearings dealing with contribution plans being an issue generally raised by the Housing Industry Association”*. Council’s position was that a development contributions plan is a formalised process of seeking a contribution to the provision of infrastructure where the need is generated by multiple developments. The Planning Policy Framework recommends the use of a development contributions plan in these circumstances. Council submitted:

There is no hard evidence to support the claim that levies and charges applied to development to cover physical and social infrastructure affect new housing affordability. Further, in terms of the overall cost of development of a dwelling, the development levy will be a minor component.

Mr Hrelja’s view was that the levy on residential development proposed under the DCP (which ranges from \$811 per dwelling to \$2,100 per dwelling depending on the Charge Area) is *“consistent with other established area DCPs I am aware of”*. He considered that levies of this scale are *“relatively modest in the overall cost structure of housing development”*. His evidence was:

For example, the typical new house and new apartment construction cost is approximately \$500,000 and \$225,000 respectively (construction only, excluding land and other development costs). The typical DCP levy would be in the order of 0.3% to 0.7% of construction cost, and likely less than half this percentage when land and other development costs are taken into account.

In terms of feasibility of development, I do not believe the proposed levy would render a development project unviable. Many cost and revenue factors are relevant for development and a proposed DCP contribution as proposed is within normal and acceptable practice ...

(iii) Discussion

The Panel accepts Mr Hrelja's evidence that the levies proposed under the DCP are in line with other established area development contributions plans. Further, according to Mr Hrelja's evidence, the levies are a relatively small proportion of the total development costs. The Panel therefore does not consider that the DCP is likely to impact the attractiveness of development sites in the municipality when compared to other municipalities.

While the levies may be passed onto consumers, the Panel does not anticipate that they will have a significant impact on housing affordability given the relatively modest amounts involved, and the small proportion of overall development costs.

(iv) Conclusions

The Panel concludes:

- While the DCP will increase the costs of developing housing, the increases are marginal and will not substantially impact housing affordability.
- The Panel does not expect the DCP will impact on the attractiveness of sites within Whitehorse compared to other municipalities within established areas of Melbourne. The levies are relatively modest and commensurate with those that apply under other established area development contribution plans.

3.5 Floorspace projections

(i) The issue

The issue is:

- whether the non-residential floorspace projections are too low.

(ii) Evidence and submissions

One submitter suggested that the pro-rata charge calculation in the DCP of non-residential floorspace is not correct (presumably too low), and underestimation of the infrastructure needs will result in underfunding.

Council responded that a provision for non-residential development has been made in the DCP based on forecast growth as advised by HillPDA and population growth as forecast by forecast.id. The growth has been determined at a municipal level and then distributed across activity centres and employment areas based on existing conditions and assessed trends in development. Council submitted this provides a reasonable basis for estimating future development.

Mr Hrelja's evidence was that the development data in the DCP provides a reasonable estimate of likely future development outcomes based on actual development conditions and trends as reported in property rates records for each property in the municipality. He stated:

This provides the single most accurate basis for estimating existing conditions and trends for development. The residential projections are primarily based on an independent population and dwelling forecasting firm, *id Consulting*. The non-residential forecasts use these data sets to generate a reasonable estimate of likely future development outcomes.

Mr Hrelja acknowledged that forecasting is not an exact science and Council will be required to report on the DCP each year, and review and adjust DCP data in the future if necessary.

(iii) Discussion

No material was presented to the Panel which demonstrated that the projections in the DCP for future non-residential floorspace are inappropriately low. The basis on which the projections have been made are reasonable. As Mr Hrelja pointed out, projections and forecasts are not an exact science, and it may be necessary to adjust the floorspace projections in future as the DCP is regularly reviewed. The Panel notes that Mr Hrelja specifically considered the floorspace projections in the current Box Hill Activity Centre development proposal, and concluded that the development projections in the DCP are sufficiently robust to account for this development proposal (refer to Chapter 2.3).

(iv) Conclusions

The Panel concludes:

- No material was put before the Panel to suggest the non-residential floorspace projections are inappropriately low.
- If the projections turn out to be low, Council may need to adjust the projections and the levies in future regular reviews of the DCP.

3.6 Exemption of affordable housing

(i) Evidence and submissions

Submitter 10 submitted that there is a shortfall in affordable housing in the municipality, and applying development contributions to affordable housing “*would likely serve as a disincentive to the provision of this important infrastructure*”. It submitted that affordable housing is an alternative form of contribution which benefits the community and should be exempt from levies under the DCP. It suggested the exemption could be for affordable housing above any mandatory minimum provisions in the Planning Scheme.

Council and Mr Hrelja pointed out that the DCP Ministerial Direction provides that social housing is exempt from developer contributions, but does not exempt all types of affordable housing. Council submitted that the provision of affordable housing is generally subject to a section 173 agreement, and there is room for a negotiated agreement between Council and the developer, normally prior to rezoning land. It submitted:

There is no basis to provide for an across the board exemption for all types of affordable housing.

Mr Hrelja noted that Council could add other categories of affordable housing to the exemptions in the DCP, but had elected not to do so. He stated:

Given DCP levies in established areas are relatively modest in the overall cost structure of housing development, and the anticipated cost recovery rate from the DCP is modest (15 per cent anticipated), it is reasonable for Council to collect levies from broader definitions of affordable housing.

(ii) Discussion

The Panel was not persuaded that it would be strategically justified to exempt all forms of affordable housing from levies under the DCP. Occupants of affordable housing will generate a demand for new infrastructure, and it is appropriate that developers of affordable housing pay the relatively modest contribution to that infrastructure, just as a developer of other types of housing (other than social housing).

(iii) Conclusion

The Panel concludes:

- It was not persuaded that an exemption for affordable housing (other than social housing) is strategically justified.

3.7 Works in kind**(i) Evidence and submissions**

Submitter 10 sought clarification as to whether works in kind that offered public benefit, for instance public realm improvements, could be accepted as offsetting development contributions, or in lieu of cash payments under the DCP.

Council submitted that whether the levies on any particular development will be high enough to justify the delivery of a project by works in kind remains to be seen, but *“in theory there is no objection to works in kind arrangements where appropriate and where agreed with the collecting agency”*.

Mr Hrelja’s evidence was that the default provision for works in kind is that a developer could deliver DCP items (in full or part) in lieu of a DCP levy payment if Council agreed.

(ii) Discussion

The DCPO Schedule 1 contains the following provision (or similar) which allows Council to consider works in kind:

Payment of development contributions are to be made in cash except as otherwise provided for in the *Whitehorse Development Contributions Plan*.

Section 7.3 of the DCP states:

Method of Payment

Payment of development contributions is to be made in cash except as otherwise provided for in this DCP.

The Collecting Agency may accept, at its discretion, the provision of land, works, services or facilities as set out in this DCP in part or full satisfaction of the amount of levy payable.

(iii) Conclusion

The Panel concludes:

- Both the DCP and the DCPO Schedule 1 allow for contributions to be made as works in lieu of cash payments.

3.8 Existing planning approvals

(i) Evidence and submissions

Submitter 14, owner of the Daniel Robertson Brickworks site, submitted that the Amendment does not consider important strategic sites or land subject to existing planning approvals that already include the delivery of necessary infrastructure.

Mr Hrelja's evidence was that the infrastructure referred to in Submission 14 is development specific infrastructure, which is separate from DCP infrastructure. His evidence was that it was appropriate for the developer to be required to provide site specific infrastructure to enable its development. DCP infrastructure is community-wide infrastructure, the cost of which is appropriately apportioned to all relevant development across one or more suburbs, including the development site.

Council responded that development under existing permits that were issued before the DCP takes effect cannot be levied, although a levy could be imposed if a building is proposed to be subdivided and a subdivision permit is issued after the DCP takes effect. It noted that the Supreme Court had recently upheld the validity of a development contributions plan that proposed to impose a levy when a planning permit for subdivision was sought (*Warde Street Pty Ltd v Minister for Planning* [2021] VSC 238). Council also noted that depending on whether a building permit has been issued, a developer may also be required to pay the Community Infrastructure Levy component of the DCP.

(ii) Discussion

The Panel agrees with Mr Hrelja that it is appropriate for developments to provide site specific infrastructure required to enable the development as developer works. The provision of site specific infrastructure does not obviate the need for the development to contribute to a proportion of the community infrastructure that will be used by that development. If a developer has already entered into a section 173 agreement to provide or contribute to community infrastructure, it will be exempt from further contributions under the DCP provided the agreement states so.

(iii) Conclusion

The Panel concludes:

- Large development sites that deliver site specific infrastructure (that is required to enable the site to be developed) should not be exempt from contributing to the costs of community infrastructure that will be used by that development.

3.9 Review mechanisms

(i) Evidence and submissions

Some submitters considered that it was unclear when and how the DCP project list would be reviewed and adjusted to take changing community priorities into account. Submitter 12 submitted that the DCP should be reviewed more regularly than every four years as proposed, and that reviews should be mandatory. It submitted that changes in cost base for infrastructure replacement, changes in community priorities for infrastructure and updated population growth statistics need to be assessed at regular intervals, more frequently than every four years.

Council responded that the DCP recommends a review every four years (in Part 7.7). Council submitted that the project list (among other things) could be amended as necessary as part of a review. It submitted that reviews should not be mandatory, and the text should allow Council to determine whether a review is warranted.

Mr Hrelja was comfortable with a four yearly review, but did not object to reviews being mandated.

(ii) Discussion

A four yearly review is comparable to other municipal wide development contributions plans. For example:

- the Panel considering the Yarra municipal wide development contributions plan supported a regular review at no more than four yearly intervals¹
- the Stonnington municipal wide development contributions plan provides for a five yearly reviews
- the Brimbank municipal wide development contributions plan provides for a review every three years in line with the review of the Brimbank Planning Scheme.

The DCP Guidelines state that it is good practice to review a development contributions plan at the time the Municipal Strategic Statement (now a Municipal Planning Strategy) is reviewed. These are generally undertaken every three years. The Panel considers that a three yearly review is appropriate. Reviews should be undertaken when required, so should not be mandated.

(iii) Conclusion and recommendation

The Panel concludes:

- The DCP should be reviewed every three years, but reviews should not be mandatory.

The Panel recommends:

1. **Make the following changes to Section 7.8 of the exhibited Development Contributions Plan:**
 - a) **Amend the first sentence to read:**

“The DCP should be reviewed on a regular basis (such as every ~~four~~ three years) ...”.

3.10 Bribery

(i) Evidence and submissions

Submitter 3 submitted:

Unless it is clearly stated in the Amendment C241whse how these funds will be spent now and into the future, then use of the fund will be open to manipulation and rorting into the future and will not be fit for purpose.

¹ See Yarra C238 PPV [2019] at Chapter 5.5

(ii) Discussion

Annual reporting of the DCP will include details of DCP levies collected and the projects delivered. The PE Act contains detailed provisions requiring Council to keep proper accounts of levies paid to it both as a collecting agency and as a development agency (see sections 46Q and 46QA). It also contains strict reporting requirements (section 46QD). This should ensure the risk of bribery and corruption is appropriately managed.

(iii) Conclusion

The Panel concludes:

- There is no basis for the assertion that the DCP will lead to bribery or corruption.

3.11 Minor improvements and corrections**(i) Low charges**

The levy for industrial development in five of the 17 charge areas is very low (less than one cent per square metre of floorspace). Mr Hrelja considered that the administrative effort of collecting and reporting on small sums of money may be a burden on Council, and supported a provision in the DCP stating that Council will not collect levies under a certain threshold.

In response, Council proposed a change to the DCP to add the following text:

While, for non-residential development in any charge area, the levy per square metre is 5 cents or less after indexation, the levy payable for non-residential development in that charge area is deemed to be zero.

A similar provision would need to be added to the DCPO Schedule 1.

Council explained that if, through indexation, the 1 cent levy rises to 6 cents, the levy would be imposed.

The Panel supports this approach.

(ii) References to a cap on income estimates in Appendix 5

There are references in Appendix 5 of the DCP to the income estimate by project 'before cap'. Only the Community Infrastructure Levy is subject to the cap, not the Development Infrastructure Levies. Not all DCP projects will be funded from the Community Infrastructure Levy, so this reference potentially causes confusion.

Council and Mr Hrelja suggested the following changes to clarify:

- on page 74, remove 'before cap' from the second last dot point and remove the final dot point (which is a duplicate)
- on page 75, in Table 19, remove 'before cap' from the titles of the final from columns.

The Panel supports these changes.

(iii) Other minor edits

Council and Mr Hrelja proposed other minor edits and corrections to the DCP:

- italicise the document title *Whitehorse Development Contributions Plan* throughout
- italicise the title of legislation throughout

- update the date of the document from October 2022 to February 2023 (this should now be May 2023).

Council proposed minor edits and corrections in Clause 3.0 Summary of contributions of the DCPO Schedule 1:

- in the second table 'Levies payable by non-residential development', the levy for retail in Area 02 should be \$1.44, not \$1.14
- in the 'Notes' section below the tables, bullet points 2 and 3 need to be reversed in order, because:
 - if left as exhibited, placement of the word 'or' at the end of bullet point 3 creates ambiguity with the next paragraph (relating to the Community Infrastructure Levy)
 - the change provides clearer sequencing of when a levy must be paid.

The Panel supports these changes.

(iv) Recommendations

The Panel recommends:

Change the Development Contributions Plan by:

- inserting the following text on page 30 immediately after Table 6:**

“While, for non-residential development in any charge area, the levy per square metre is 5 cents or less after indexation, the levy payable for non-residential development in that charge area is deemed to be zero.”
- removing 'before cap' from the second last dot point on page 74, and removing the final dot point on page 74 (which is a duplicate)**
- removing 'before cap' from the titles of the final two columns in Table 19 on page 75**
- italicising the document title *Whitehorse Development Contributions Plan* throughout**
- italicising the title of legislation throughout**
- updating the date of the document (and making consequential changes to the Schedule to Clause 72.04 Documents Incorporated in this Planning Scheme).**

Change Clause 3.0 Summary of Contributions in the Development Contributions Plan Overlay Schedule 1 by:

- correcting the amount of the levy for retail in Area 02 to \$1.44 (from \$1.14) in the second table 'Levies payable by non-residential development'**
- inserting the following as a new fourth paragraph in the 'Notes' section below the tables:**

The *Whitehorse Development Contributions Plan* (Whitehorse City Council, 2022) provides that while, for non-residential development in any charge area, the levy per square metre is 5 cents or less after indexation, the levy payable for non-residential development in that charge area is deemed to be zero”
- reversing the order of bullet points 2 and 3 in the 'Notes' section below the tables.**

Appendix A Submitters to the Amendment

No	Submitter
1	Robyn Foot
2	Anthea Hancocks
3	Neville Young
4	Robyn Abrahams
5	Linda Morris
6	Peter Darby
7	Damian Arsenisis
8	Mark Knusden
9	Ray Dougherty
10	Tract Consultants on behalf of Charter Hall, land managers of 385-395 Burwood Highway, Vermont South
11	Housing Industry Association
12	Blackburn & District Tree Preservation Society & Blackburn Villages Residents Group, & Combined Residents of Whitehorse Action Group
13	Whitehorse Active Transport Action Group
14	Planning and Property Partners on behalf of Madison Quay Pty Ltd, owner of 56-74 Station Street, Nunawading

Appendix B Documents considered

The Panel considered the following documents:

- the exhibited Amendment documents and Development Contributions Plan
- the letter authorising Council to prepare and exhibit the Amendment
- Council reports dated:
 - 22 August 2022 resolving to exhibit the Amendment
 - 27 February 2023 resolving to consider submissions and request a Panel
- the 14 submissions made to Council in response to the exhibition of the Amendment
- Council's submission to the Panel dated 17 April 2023 including the attached updated versions of the Development Contributions Plan and the Development Contributions Plan Overlay Schedule 1
- Mr Hrelja's evidence statement dated 14 April 2023.

Appendix C Planning context

C:1 Planning policy framework

Council submitted that the Amendment is supported by various clauses in the Planning Policy Framework, which the Panel has summarised below.

Clause 19.03-1S (Development and infrastructure contributions plan)

Clause 19.03-1S seeks:

To facilitate the timely provision of planned infrastructure to communities through the preparation and implementation of development contributions plans and infrastructure contributions plans.

The Amendment gives effect to this through the preparation and implementation of a development contributions plan that applies across the municipality. This will ensure that development contributions are applied efficiently and equitably. This will assist Council in providing for the timely provision of social and physical infrastructure.

Clause 21 (Municipal Strategic Statement)

The Amendment supports:

- Clause 21.07-6 (Economic Development – Further Strategic Work), which seeks to “investigate appropriate tools and locations for requiring development contributions across the municipality”.
- Clause 21.08-2 (Infrastructure – Key Issues), which states:
Council needs to further investigate the opportunities to introduce development contributions to ensure that appropriate facilities are provided where new development is occurring within the City.
- Clause 21.08-6 (Infrastructure – Further Strategic Work), which seeks to “investigate appropriate tools and locations for requiring development contributions across the municipality”.

C:2 Planning scheme provisions

The purposes of the DCPO are:

- To implement the Municipal Planning Strategy and the Planning Policy Framework.
- To identify areas which require the preparation of a development contributions plan for the purpose of levying contributions for the provision of works, services and facilities before development can commence.

C:3 Ministerial Directions, Planning Practice Notes and guides

Ministerial Directions

Ministerial Direction No 11 – Strategic Assessment of Amendments and *Planning Practice Note 46 – Strategic Assessment Guidelines* require a strategic evaluation of a planning scheme amendment. These requirements are largely satisfied by the Explanatory Report, which is not repeated here.

The *Ministerial Direction on the Preparation and Content of Development Contributions Plans and Ministerial Reporting Requirements for Development Contributions Plans 2016* (the DCP Ministerial Direction) guides the preparation of development contributions plans. Council submitted the DCP

and the Amendment are consistent with the requirements of the DCP Ministerial Direction, specifically:

- the type of infrastructure in respect of which a levy is imposed is the type of infrastructure set out in section 5 of Part A of the DCP Ministerial Direction
- none of the projects in respect of which a levy is proposed fall outside the various categories set out in section 5
- the list of exemptions set out in Part 7.5 of the DCP ensures that the DCP complies with section 4 of Part A of the DCP Ministerial Direction relating to non-government schools and public housing.

Development Plan Contributions Guidelines

The Guidelines set out nine principles:

1. development contributions plans must have a strategic basis
2. infrastructure projects must be justified
3. there must be nexus between new development and new infrastructure
4. development contributions plans must have a reasonable time horizon
5. infrastructure costs must be apportioned on the basis of project share of usage
6. a commitment to provide the infrastructure
7. accountability
8. transparency
9. the development contributions plan must be in the planning scheme.

Council submitted that Mr Hrelja's evidence demonstrates that these principles informed and were actively considered in the preparation of the DCP. Principles 1, 2, 5, and 9 are addressed in other sections of this Report. Except for the nexus principle which is addressed in chapter 3.3, conformity with other principles was not contested.

The Panel observes that the Guidelines were prepared in the context of DCPs mainly applying in greenfield growth areas and some aspects do not readily translate to an existing area such as Yarra.

Practitioner's Guide

A Practitioner's Guide to Victorian Planning Schemes Version 1.5, April 2022 (Practitioner's Guide) sets out key guidance to assist practitioners when preparing planning scheme provisions. The guidance seeks to ensure:

- the intended outcome is within scope of the objectives and power of the PE Act and has a sound basis in strategic planning policy
- a provision is necessary and proportional to the intended outcome and applies the VPP in a proper manner
- a provision is clear, unambiguous and effective in achieving the intended outcome.

C:4 Planning Policy Framework translation

The translation of Council's Local Planning Policy Framework and Municipal Strategic Statement into the integrated Planning Policy Framework format is in progress. The updates proposed in this Amendment to the Municipal Strategic Statement in clauses 21.07 and 21.08 are minor in nature, and should be able to be readily accommodated in the translation.

C:5 Other relevant policies or requirements

Council pointed out that the Amendment is consistent with the Council's obligation under section 102 of the *Local Government Act 2020* to prepare and adopt financial policies that give effect to the financial management principles.