



Development Contributions Policy

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Endorsement	General Manager, Planning & Development, 7 November 2013 Executive, 17 November 2013 Policy Review Panel, 2 December 2013
Authorisation	Council 17 December 2013
Expiry date:	17 December 2017
Responsible officer:	Planning and Environment Services Manager
Policy owner	Coordinator, Major Developments

1. Purpose

To ensure infrastructure that is identified in a Development Contributions Plan ('DCP') is delivered to the community in a timely and cost efficient manner.

2. Scope

This policy applies to Council's Executive Team, Planning Manager and Coordinator Major Development. The policy also applies to landowners which develop land within our growth areas, where a DCP applies.

3. Definitions

Word/Term	Definition
Development Contributions Administration Guidelines (DC Guidelines)	An internal document that sets out Councils administration process for the implementation of Development Contributions Plans.
Development Contributions Plan (DCP)	Document that sets out the contribution expected from each individual landowner to fund infrastructure and services. Refer to Part 3B of the <i>Planning & Environment Act 1987</i> . Each DCP is an incorporated document in the Melton Planning Scheme.
Development Infrastructure Levy (DIL)	The DCP requires that new development pay a per hectare levy (DIL) to fund infrastructure identified in the relevant DCP.
Land Budget Table	A table in the DCP setting out the total precinct area, the net developable area and constituent land uses proposed within the precinct.
Net Developable Area (NDA)	The total amount of land within the precinct that is made available for development of housing and employment buildings, including lots, local and connector streets. It does not include land for community facilities, government schools and education facilities, open space (excepting small lot parks), encumbered land and arterial roads.
Priority List (PL)	A list prepared by the PSP Steering Committee that identifies

	timing for each DCP project. The PL are approved and reviewed by Councils Executive team on an annual basis.
Section 173 Agreement	A legal Agreement registered on the title in accordance with Section 173 of the <i>Planning and Environment Act 1987</i> and binds the current and future owners of the land.
Statement of Compliance	Under section 21(1) of the Subdivision Act, a developer receives a Statement of Compliance from Council once all public works and open space requirements placed on a Planning Permit have been satisfied or adequate arrangements have been made to secure compliance with those requirements.
Works In Kind (WIK)	Where the developer delivers infrastructure projects instead of paying cash and a credit is given against their Development Infrastructure Levy (DIL) obligation.

4. Policy

The following policies are intended to provide assistance for Council officers in negotiating with developers:

4.1 Works In Kind

- Council will support the delivery of DCP projects as works in kind by developers that are consistent with the Priority List and have a nexus to the development.
- If Council agrees to the early delivery of an infrastructure project, no credit will be given prior to the timing trigger identified in the Priority List unless there are extraordinary circumstances which give reason to an early credit being given. This excludes any external funding portion.
- The timing of the credit/offset for the external funding portion is to be in accordance with the Priority List for the DCP applicable. This should not to be deviated from even when the DCP funded portion of the works-in-kind and/or land credit is brought forward to an earlier stage for the purposes of a rolling credit scenario.
- In the case of two or more developers completing different portion of an infrastructure project, the external funding portion will be allocated to the two or more developers based on the percentage of works each has provided.
- Project costs / credits will be given based on the DCP project amount.
- Credit for works in kind will only be accepted once the works have been completed.
- Council encourages road projects (widening, upgrades etc), to be delivered by developers as works in kind.
- Council will generally not support the delivery of community infrastructure projects (i.e. community centres), as works in kind.
- All works in kind projects must be secured through a Section 173 Agreement.

4.2 Land Budget Table

- The NDA for all properties as set out in the land use budget of each DCP will be the basis for payment of DIL. Minor variations to NDA as a result of subdivision design will not be considered.

4.3 Indexation/Land Valuations

- The contribution rate for the calculation of the public open space contribution is based on the site specific valuation which is provided as part of the annual land valuations undertaken for each DCP.
- Indexation is on a stage by stage basis and will be locked in using the most current DIL rate and DCP infrastructure project costs 21 days prior to the Statement of Compliance for that relevant stage of development.
- In the event of Statement of Compliance being delayed the developer will be advised of any payment adjustment that has occurred during this period due to the annual indexation of the DIL rate and DCP Infrastructure Project Costs. The developer must remit any payment adjustment due prior to the issuing of SOC for the next stage of development, or in the event the final stage has occurred, within 21 days of receiving SOC.
- If there is a time lag on receiving the Rawlinsons Building Price Index update or land revaluations, the developer will be advised of the updated DIL rate and DCP infrastructure projects costs when as soon as is practicably possible and any payment adjustment will occur 21 days prior to the issue of SOC for the next stage of development, or in the event the final stage has occurred, within 21 days of receiving SOC.

5. Responsibility /Accountability

5.1 Executive Team

Who is responsible for the approval of development negotiations when the General Manager, Planning & Development refers the matter to the Executive for consideration.

5.2 General Manager Planning & Development

Who is responsible for the approval of development negotiations whether there is potential for any cashflow/financial implications for Council. Where appropriate the General Manager may require the Council Executive to review.

5.3 Planning & Environment Services Manager and Major Development Coordinator

Who are responsible for the implementation of Development Contributions Plans.

6. References and links to legislation and other documents

Name	Location
Development Contribution Plan Administration Guidelines November 2013	City of Melton (internal document)
Toolern Development Contributions Plan	All Plans have been incorporated into the Melton Planning Scheme.
Melton North Development Contributions Plan	
Rockbank North Development Contributions Plan	
Taylors Hill West Development Contributions Plan	
Diggers Rest Development Contributions Plan	