

Development Contributions Policy

Document Type:	Council Policy	TRIM reference:	DOC/22/31395
Document Status:	Under Review		
Policy Owner (position):	Manager Development Services		
Internal endorsement required:	Not Applicable		
Final Approval by:	Council		
Date approved:	21/12/2022		
Evidence of approval:	Refer to Notes in TRIM - DOC/22/31395		
Version Number:	Choose an item. 1	Frequency of Review:	Triennially
Review Date:	22/12/2025		
Date rescinded:	22/12/2032		
Related legislation:	Planning and Environment Act 1987 Subdivision Act 1998 Local Government Act 2020		
Related strategic documents, policies, or procedures:	Development Contributions via Section 173 agreements standard operating procedure: DOC/20/10535[v2] <i>Development Contributions Guidelines</i> , Version 5.9 (16 June 2003): DOC/22/43128		

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1. Purpose

The purpose of this policy is to outline Council's position on and approach to the collection of development contributions, one that is fair and equitable to Council, ratepayers and developers alike, and based on prevailing land use and development legislative and procedural frameworks.

2. Scope

The policy applies to landowners developing land in the Mount Alexander Shire, where:

- The land is located in an area covered by an infrastructure plan that has been prepared by Council.
- The landowner is undertaking development of a type subject to development contributions according to an infrastructure plan prepared by Council.

Development contributions will not be sought in areas where no infrastructure plan exists.

3. Policy

Council is committed to ensuring there is essential higher order infrastructure in place to service the current and future needs of our community. Council is committed to a consistent and transparent approach to collecting development contributions, and will seek to collect contributions via the 'section 173 agreements' process provided for under Section 173 of the *Planning and Environment Act 1987*, in areas that have an infrastructure plan prepared by Council.

4. Key Principles of the Policy

The policy is based on the following principles:

- New development often generates a demand on existing infrastructure.
- New development should share the cost burden of providing future higher order infrastructure (new or upgraded) with Council, where their development creates the need to provide it.
- Infrastructure projects identified within a catchment that Council will collect development contributions for must be either:
 - Intrinsic to the health, safety or well-being of the community, or
 - Consistent with community expectations of what is required to meet its health, safety or well-being.
- Council will act consistently and transparently in its approach to the collection of contributions.

When negotiating development contributions via Section 173 of the Act, supported by an infrastructure plan, Council will utilise the same principles which are applied to a Development Contributions Plan as described in the government's *Development Contributions Guidelines*, Version 5.9 (16 June 2003). This includes:

- A strategic basis.
- Justification for the need for infrastructure projects.
- A nexus between new development and the need for new infrastructure.
- A reasonable time horizon.
- Infrastructure costs apportioned on the basis of projected 'share of usage'.
- A commitment to provide the infrastructure.
- Accountability.
- Transparency.

5. Definitions of Terms and Abbreviations Used

A table of terms and their definitions as they relate to the policy.

Term	Definition
The Act	Refers to the <i>Planning and Environment Act 1987</i> which can be viewed here . The Act is was passed by the Parliament of Victoria in 1987 to provide a framework for urban planning and the use and development of land in the State of Victoria.
Development Contributions Plan	A Development Contributions Plan is a means of enabling the fair funding and delivery of infrastructure for a particular new development area. It is a planning and legal instrument used to levy new development for contributions under the Planning and Environment Act (1987).
Development contributions	Defined by the Department of Environment, Land, Water and Planning as payments or in-kind works, facilities or services provided by developers towards the supply of infrastructure required to meet the future needs of the community.
Section 173 of the Act	Provides a mechanism for formalising a voluntary agreement. A voluntary agreement in relation to infrastructure provision can be initiated when: <ul style="list-style-type: none"> • Council considers a planning scheme amendment request, and/or • Council considers a planning permit application.
Infrastructure plan	An infrastructure plan, sometimes termed 'Informal Shared Funding Agreements', identifies a list of infrastructure projects internal to an identified (growth) area, which are costed and shared among the landowners and Council. Each infrastructure plan that Council

	<p>prepares is specific to its relevant development area, and details higher order infrastructure needs specific to the area to which it relates. The plan provides the strategic basis and justification for negotiating contributions, which is then formalised within an agreement between relevant parties. It generally includes a set per lot contribution rate for specific sites subject to development contributions.</p>
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6. Human Rights Statement

Human Rights Statement

It is considered that this policy does not impact negatively on any rights identified in the Charter of Human Rights and Responsibilities Act (2006).