



Planning Scheme Amendment C234ball Ballarat West PSP and DCP Review

Exhibition Submission – Integra Group

Contents

1. DRAINAGE INFRASTRUCTURE DISCREPANCY IN P/T CATCHMENT	2
2. HOUSING DENSITY	2
3. WORKS IN KIND	3
4. DELAYED TIMING OF DCP REVIEW & REDUCTION IN 'FUNDING GAP' CONTRIBUTION TO DCP	4
5. DELIVERY OF DCP ITEMS LAGGING BEHIND DEVELOPMENT.....	4

1. DRAINAGE INFRASTRUCTURE DISCREPANCY IN P/T CATCHMENT

Certain drainage infrastructure within the P/T Catchment has been designed by qualified Engineers and subsequently approved by the City of Ballarat Engineering Department. The DCP pipes have been documented in accordance with the current DCP drainage requirements. Some of these pipes have already been installed.

The revised DCP drainage strategy reduces some of these pipe sizes. Given these pipes are already designed, approved and installed, we request that the drainage report be revised to reflect the current DCP pipe sizes.

Furthermore, the cost of Gross Pollutant Traps are significantly underestimated in the revised Drainage strategy and some of the costs associated with reducing the land area requirement have not been included.

2. HOUSING DENSITY

The wording in relation to housing density needs to be made clearer.

The Explanatory Report states that *“the amendment proposes to encourage average overall residential densities in Ballarat West area from a minimum of 15 dwellings per net developable hectare to **up to** 20 dwellings per net developable hectare.”*

However, the proposed Ballarat West Precinct Structure Plan states *“to achieve a minimum density of 16 dwellings per Net Developable Hectare (NDHa) throughout the Ballarat West PSP area and encourage a **minimum** density of 20 dwellings for subdivisions.”*

These two statements are contradictory as one states up to 20 dwellings per NDHa and the other says a minimum density.

We submit that the wording in the BWPSP should be changed to reflect the explanatory report wording to “encourage **up to** 20 dwellings per NDHa throughout the Ballarat West PSPS area.” Further there should be additional wording that allows Council to have discretion to allow above 20 dwellings per NDHa subject to a justification being provided.

3. WORKS IN KIND

Works in Kind (WIK) by developers is a core part of delivery of many DCP items in the PSP. Developers are primarily reimbursed for construction of DCP assets through the Council offsetting DIL payments, occasionally providing direct payments to developers to compensate costs.

However, there is a degree of uncertainty and risk to developers with these types of projects in the proposed DCP amendment.

Specifically:

- Timing of WIK compensation:
 - Section 6.1 of the Urban Enterprise DCP states that *“where credit for works-in-kind can’t be offset against future levy payments the developer will be reimbursed by the City of Ballarat for any excess credit at the time of provision shown in the DCP, so long as there are sufficient funds available to do so”*. The final statement *“so long as there are sufficient funds available to do so”* has been added in this DCP revision. Section 6.1 also makes note that it is *“the expectation of City of Ballarat as collecting agency that most of the infrastructure projects funded by this DCP will be delivered by developers as works-in-kind in accordance with an agreement in writing.”* This shows that there is a reliance on the developers to deliver projects for the City of Ballarat, yet no clear guidance for payment of works completed.
 - Section 6.6 of the Urban Enterprise DCP under “Out of Sequence Development” states that *“Where an out-of-sequence development brings forward works as an in-kind contribution, City of Ballarat may delay provision of credits for these works for the purposes of the DCP”*. Clarity is required here particularly for drainage assets. No drainage works should be considered out of sequence as most sites remaining in the PSP are outfall constrained therefore requiring most of the drainage assets to be built once the first property is constructed unless temporary infrastructure is provided.

Accordingly, this submission requests that:

- A review of reimbursement timing of DCP items delivered as WIK and removal of the *“so long as there are sufficient funds available to do so”* wording.

4. DELAYED TIMING OF DCP REVIEW & REDUCTION IN COUNCIL CONTRIBUTION TO DCP

The original DCP total cost of \$257,522,034 was to be funded via two sources:

1. DIL/CIL (developers) - \$201,715,123 (78%)
2. City of Ballarat Contribution - \$55,806,911 (22%)

The revised DCP total cost is \$511,558,941 which is to be funded by:

1. DIL/CIL (developers) - \$426,530,252 (83%)
2. City of Ballarat Contribution - \$85,028,688 (17%)

The contribution to the DCP from DIL/CIL (Developers) has increased by 6% and the contribution from the City of Ballarat has decreased by 6%. We request justification from the City of Ballarat for the 6% reduction in their contribution to the DCP.

In addition, the inability of the Council to deliver this review in a timely manner as required by the DCP document has significantly disadvantaged the owners of the currently undeveloped land. This should be extensively considered when apportioning the DCP costs between Council and landowners.

5. DELIVERY OF DCP ITEMS LAGGING BEHIND DEVELOPMENT

A critical element to successful delivery of the DCP is to ensure that the delivery of Infrastructure is generally occurring in line with development.

The total infrastructure delivered to the End June 2024 (Based on available City of Ballarat Annual Reports) is:

- DCP Fund Expended on Infrastructure Projects = \$24M (approx.)
- Works-In-Kind Accepted = \$53M (approx.)
- City of Ballarat Contribution + Other Contributions = \$7m (approx.)
- **Total = \$84M**

The total cost of DCP infrastructure in the revised DCP is **\$512,578,949**, therefore approx. **16%** of total infrastructure has been delivered. As noted on page 27 of the revised DCP, approx. **39%** of the land in the PSP has received a Statement of Compliance. This shows that infrastructure delivery has not occurred in line with development.

The effect of this is that the projects that have not commenced continue to rise in cost over time, but a portion of the DIL/CIL required to pay for that same infrastructure is not increasing (DIL/CIL is paid as land receives Statement of Compliance).

As noted in item #7 above, the original DCP required the City of Ballarat to contribute an amount of approx. 22% in order to pay for all the DCP projects. As of the end of June 2024, the annual reports indicate that City of Ballarat contribution + Other Contributions equal \$7M which is 8% of the total work completed.

Why has this lag occurred?

The DCP & PSP outlines various trigger points for the delivery of infrastructure. These triggers are at times 'back ended' which means that overall delivery of infrastructure lags development (as seen in the above figures). The City of Ballarat has generally, with a few exceptions, been able to meet the required trigger points in the DCP without the need to contribute their required 22% share.

Should the City of Ballarat have provided an additional \$12M of contribution by this period of DCP (to bring their total contribution to 22% of total infrastructure costs), then additional projects would have been able to have been completed. The City of Ballarat could either complete the works themselves or made the DCP funds available to Developers to deliver on their behalf. The total funds that would have been available at the end of June 2024, based on the City of Ballarat Annual Reports, would have been:

- \$22M available in DIL/CIL (\$46M levied minus \$24M expended as of end June 2024).
- \$12M in additional contributions by the City of Ballarat
- **Total = \$36M**

Had this \$36M in Infrastructure been delivered, then the infrastructure lag will have been minimised thus assisting to keep the DCP cashflow in balance. More broadly however, it will have stimulated development in the Ballarat West Growth Area which further strengthens the position of the DCP.

Accordingly, this submission requests that: City of Ballarat utilise DIL/CIL funds held to deliver more infrastructure. City of Ballarat increases their contribution to be in line with what is required by the DCP.



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