

Planning Scheme Amendment C234ball Ballarat West PSP and DCP Review

Exhibition Submission – Stakeholder Reference Group

The stakeholder reference group comprising of [REDACTED] (Inception Planning), [REDACTED] (Spiire), [REDACTED] (Beveridge Williams) and [REDACTED] (Integra) were selected as members of the Stakeholder Reference Group whose purpose is *“to enable further discussion on the PSP and DCP review with the most affected stakeholders. This will include providing a greater understanding of how the DCP levies have been calculated so that all parties are better informed prior to proceeding to a public hearing (if required) at Planning Panels Victoria next year”*.

This submission has been prepared by the Stakeholder Reference Group and guided by advice received from the development community.

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1. DRAINAGE STRATEGY PEER REVIEW

We understand that a peer review of the Engeny Drainage Strategy is underway. We look forward to the outcomes of this review and the PSP Reference Group would like the opportunity to discuss outcomes of this

There are continued concerns regarding elements in existing strategy particularly related to sizing, locating, and costing of infrastructure that we wish to see addressed in the peer review.

2. DCP DRAINAGE CLARIFICATION

It is noted on page 33 of the Urban Enterprise DCP document that *“the local drainage system will have capacity to process a 1 in 10 year storm event for trunk drainage systems”*.

Can Council please confirm that this is a typo as this contradicts other Council documents and standards.

3. REMOVAL OF RESTRICTIVE COVENANTS

A number of properties within the PSP area remain burdened by restrictive covenants imposed prior to the rezoning of the land to the Urban Growth Zone in 2012. These covenants typically include restrictions limiting the use of the land to rural residential purposes and prohibiting subdivision or development inconsistent with the current zoning.

The retention of these outdated restrictions is inconsistent with the strategic intent and objectives of the PSP. Currently, developers are required to individually apply to council to get the covenants removed. This is ad hoc, adds extra costs and time and complexity to the process. Developers become wary of purchasing this land where these covenants restrict further development.

We submit that given Council has identified these areas for growth there should be a coordinated approach from council to removing these covenants. This would encourage development in these areas and reduce time delays and risk.

4. 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.

Additionally, it is unclear whether the BWPSP has considered the *PSP 2.0 Guidelines*, which acknowledges the need to adapt density targets in regional areas in response to local conditions. The Guidelines highlight the importance of applying the Amenity Model to ensure that density targets appropriately reflect regional character, market demand, infrastructure capacity, and liveability outcomes. We recommend that further consideration be given to this framework when finalising the BWPSP's housing density objectives.

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 PSP area." Further there should be additional wording that allows Council to have discretion to allow above 20 dwellings per NDHa subject to the Amenity Model where justified.

5. PUBLIC OPEN SPACE

It has been identified that the percentage of public open space contributions have been increased from 5.31% to 5.91%. The justification provided in the Precinct Structure Plan and Development Contributions Plan Review 12 March 2025 off the back of the Draft version, offers limited detail.

We seek clarification on where this increased figure has been determined and where in the exhibited documentation the justification is provided. We also seek clarification on why PoS contributions are calculated on Gross Developable Area (GDA) not Net Developable area (NDA).

We also seek clarification if increased POS contributions apply to existing permitted but not titled sub-divisions.

6. WORKS IN KIND

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

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

Specifically:

- It is not clear what is to be included for reimbursement. Construction costs with percentage based consultancy fees are allowed for. However additional costs are incurred through delivery of projects including (but not limited to);
 - CHMPs
 - Salvage costs
 - Catchment Management Authority Permits
 - Flora and Fauna Investigations
 - Native Vegetation offsets

- Contaminated soil assessments and treatment
- GPTs and energy dissipation treatment
- Rock
- Service locating and existing service relocations
- 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 delivery 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:

- The DCP outlines what is included within the consultancy cost estimates for DCP items
- The DCP outlines what is to be included for assessment as reimbursable for DCP items that may be delivered by developers and that the DCP considers, on merit, the inclusion of costs for supporting investigations and works that would be required if Council were to deliver the projects.
- 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.

7. DELAYED TIMING OF DCP REVIEW & REDUCTION IN ‘FUNDING GAP’ CONTRIBUTION TO DCP

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

1. DIL/CIL (developers) - \$201,715,123 (78%)
2. City of Ballarat Contribution (funding gap) - \$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 (funding gap) - \$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 (shortfall) 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 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.

8. 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 (funding gap) + 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 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 City of Ballarat to contribute a 'funding gap' amount of approx. 22% in order to pay for all the DCP projects. As of the end June 2024, the annual reports indicate that City of Ballarat 'funding gap' contribution + Other Contributions equal \$7M which is 8% of the total works completed.

Why has this lag occurred?

The DCP & PSP outlines various trigger points for the delivery of infrastructure. These trigger points 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 'funding gap contribution' by this period of the 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 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 'funding gap 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 increase the 'funding gap' contribution to be in line with what is required by the DCP

9. REVIEW OF COSTINGS AND MCA FOR SPECIFIC DCP PROJECTS

There are projects within the DCP that we believe require additional scrutiny given the substantial cost / change in MCA apportionment.

The projects are:

- **DI_OS_6 – Indoor Recreation Centre, Greenhalghs Road**
 - The planning Scheme Amendment C234BALL Background Reports (background report) provides commentary on pages 27-29 regarding the changes to Projects DI_OS_1 (MR Power Park Reserve, DI_OS_6 (8 Court Sports Complex) and DI_OS_7 (4 Court Sports Complex).
 - This DCP review has deleted DI_OS_7 (4 Court Sports Complex) entirely based on a review which "concluded that demand generated by the Ballarat West is actually 4 courts rather than 8-12". We request an explanation how this demand calculation could be incorrect by up to 300%.
 - Further to the above, given the original apportionment for the 4 court complex was 20% and the 8 court complex was 20%, then the Original DCP indicates that the original demand was 2.4 courts.
- The City of Ballarat noted in the Background Report, item #122, that the original DCP apportionments were adjusted "specifically to reduce the overall levy" and not because the demand was lower. In a further item #125, there is reference to an 'agreement' within the original DCP that outlines this 'subsidy'. We request City of Ballarat to provide a copy of this agreement.
- **DI_RD_31c Schreenans Rd Creek Crossing (Bridge)**
 - We request a review of the required length and cross-section of this bridge.
 - Currently, the bridge has been costed at 175m long with parking bays, pedestrian access etc.
- **DI_OS_1 (MR Power Park Reserve)**
 - This project has had a change in MCA percentage from 41% in the original DCP to 100% in the new DCP.
 - This reserve provides substantial amenity to the existing Sebastopol residents, and we therefore request that the original 41% MCA apportionment be reinstated.

The City of Ballarat has issued a background report on 17th July 2025 outlining actions that are currently being undertaken by the City of Ballarat regarding both projects.

We request that City of Ballarat continue with the review

10. INFRASTRUCTURE PRIORITY LIST AND TRANSPARENCY IN DCP PROJECT DELIVERY

We request that an Infrastructure Priority List is created and circulated to all stakeholders to ascertain where and when infrastructure items to be delivered by Council are forecast.

- In line with other submissions, Council to review, based on information that can be provided by developers, timing of delivery of works and determine the more efficient delivery method (i.e. by Council or as WIK by developers)
- The Engeny Strategy includes a staging plan that nominates drainage basins and other assets in short, medium and long-term categories. In planning practice, medium-term projects are generally considered deliverable within a 5-10 year timeframe, and long-term within a 10-15 year timeframe.
- The sequencing and delivery of trunk drainage infrastructure has significant implications for the efficient functioning of the PSP area. Due to delays in the provision of downstream drainage assets, developers are frequently required to construct temporary detention basins, resulting in:
 - Unnecessary duplication of infrastructure costs.
 - Inefficient use of developable land.
 - Ongoing uncertainty for developers and purchasers.

Recommendation

To address this, it is recommended that Council undertake and publish cash flow modelling to support a transparent strategy for funding and sequencing infrastructure delivery. This will enable all stakeholders to better understand the timing and feasibility of required works.

The Mesh Regional DCP Toolkit provides guidance on this matter, identifying the following options if cash flow modelling indicates funding shortfalls:

- Revising the Infrastructure Priority List (IPL) to defer lower-priority projects to reallocate funding capacity to more critical assets.
- Borrowing funds to deliver priority drainage infrastructure.
- A combination of the above.

Accordingly, this submission requests that Council:

- Review and update the Infrastructure Priority List (IPL) to reflect the true development pressures in the catchment, and to bring forward critical drainage assets.
- Formalise and publish the IPL to provide developers with clear guidance on infrastructure delivery timeframes and the associated risks for development sequencing.
- Undertake cash flow modelling as part of this review and publicly release a strategy outlining how Council proposes to address any funding shortfalls to ensure timely delivery of drainage infrastructure.
- Consider a more proactive role in the acquisition of land and delivery of trunk drainage assets where this is necessary to enable orderly upstream development, minimise the need for temporary infrastructure, and support the timely implementation of the PSP.

These measures will provide greater certainty, reduce duplicated costs, and ensure that the PSP objectives are realised in a coordinated and efficient manner.

MILES ST DEVELOPMENT PTY LTD



Date 03-08-2025

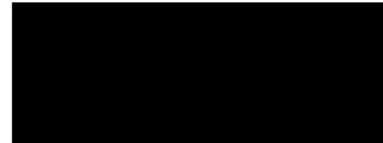
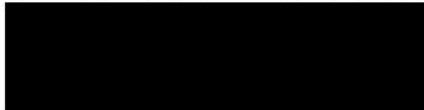
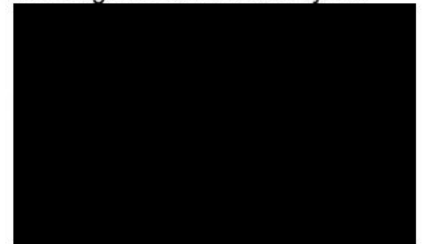


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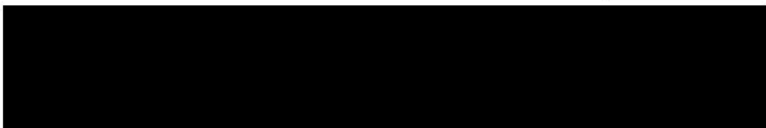


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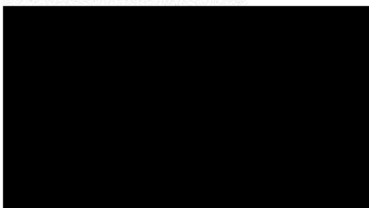
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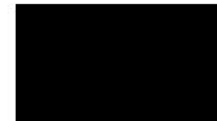
SWANSON SURVEYING



PRESTON ROWE PATERSON



4/8/2025



Signed 04/08/2025

General Manager



Landowner in stage 1 of the Ballarat west growth zone.

Spiire Australia Ltd
4 August 2025



Group Leader Civil - Regional (Ballarat)
Stantec Australia Pty Ltd

