Planning and Environment Act 1987
Sections 46GJ and 46GZI

MINISTERIAL DIRECTION

ON THE PREPARATION, CONTENT AND ADMINISTRATION OF INFRASTRUCTURE CONTRIBUTIONS PLANS

and

MINISTERIAL REPORTING REQUIREMENTS FOR INFRASTRUCTURE CONTRIBUTIONS PLANS

PART A: MINISTERIAL DIRECTION ON THE PREPARATION, CONTENT AND ADMINISTRATION OF INFRASTRUCTURE CONTRIBUTIONS PLANS

Purpose and application

1. This Direction applies to planning authorities in relation to the preparation and content of infrastructure contributions plans (ICPs).
2. A planning authority must comply with this Direction if it prepares an ICP.

Commencement

3. This Direction comes into effect on the day it is made.

Definitions

4. In this Direction:

   (a) ***Act*** means the *Planning and Environment Act 1987*;

   (b) ***allowable items*** means the plan preparation costs, plan administration costs, priority categories of works, services or facilities specified in this Direction or an Annexure to this Direction that may be funded through an ICP;

   (c) ***allowable public purposes*** means the public purposes specified in this Direction or an Annexure to this Direction;

   (d) ***arterial road*** means a road that functions, or will function, as a high-capacity urban primary or secondary arterial road, regardless of any declaration under the *Road Management Act 2004*;

   (e) ***community and recreation construction*** means the construction or provision of community and recreation works, services or facilities;

   (f) ***development setting*** means any development setting described in an Annexure to this Direction;

   (g) ***Director of Housing*** means 'Director of Housing' as defined in the *Housing Act 1993* and the body corporate established under the *Housing Act 1993*.

   (h) ***drainage construction*** means the construction or provision of drainage works, services or facilities;

   (i) ***early delivery*** means delivery when the need is anticipated to arise, where that need arises ahead of the point at which sufficient funds will likely have been collected through levies to fund the item or accepted as works-in-kind;

   (j) ***GAIC*** means growth areas infrastructure contribution;

   (k) ***GAIC contribution area*** means a contribution area for the purposes of Part 9B of the Act and has the meaning set out in section 201RC of the Act;

   (l) ***ICP plan area*** means the area specified in an ICP as the area to which the plan applies;

   (m) ***Infrastructure Contributions Plan Guidelines*** means the applicable guidelines document for each Annexure, either the *Infrastructure Contributions Plan Guidelines Metropolitan*

Greenfield Growth Areas, the *Infrastructure Contributions Plan Guidelines State-Led Infill Precincts*, or the *Infrastructure Contributions Plan Guidelines SRL East Planning Area* published by the Department of Transport and Planning as amended from time to time;

(n) ***inner public purpose land*** means land in the ICP plan area of an infrastructure contributions plan that is specified in that plan as land to be set aside for public purposes;

(o) ***non-government school*** has the same meaning as in section 1.1.3 of the *Education and Training Reform Act 2006*;

(p) ***orderly development*** means logical progression of development on land that is capable of being provided with essential services and aligned to the delivery of infrastructure specified in the project staging in the infrastructure contributions plan;

(q) ***outer public purpose land*** means land outside of the ICP plan area of an infrastructure contributions plan that is specified in that plan as land to be acquired for public purposes;

(r) ***public purpose land*** means any inner public purpose land or any outer public purpose land specified in the infrastructure contributions plan, or both;

(s) ***public authority*** has the same meaning as in section 3 of the Act;

(t) ***State infrastructure*** means those works, services and facilities that are specified in this Direction or an Annexure to this Direction as State infrastructure;

(u) ***transport construction*** means the construction or provision of transport works, services or facilities.

5. If a term relating to the use of land is not defined in this Direction, the term has the same meaning as in the *Victoria Planning Provisions*.

6. Words and phrases used in this Direction have the meaning provided in the Act, unless the context requires otherwise.

Application of an infrastructure contributions plan

7. An infrastructure contributions plan may only be applied to land that is within a development setting specified in an Annexure to this Direction.

Types of land where an infrastructure contribution may be imposed

8. Under an infrastructure contributions plan, an infrastructure contribution may only be imposed in respect of the development of land that is within a development setting specified in an Annexure to this Direction.

Classes of development exempt from an infrastructure contribution

9. An infrastructure contribution must not be imposed in respect of the development of land for:

(a) a government school; or

(b) a non-government school; or

(c) housing provided by or on behalf of the Chief Executive Officer of Homes Victoria; or

(d) a small second dwelling; or

(e) emergency services; or

(f) accommodation constructed following an emergency as described in Clause 52.07 of the Victoria Planning Provisions; or

(g) a temporary structure for construction purposes; or

(h) servicing infrastructure constructed by a utility authority; or

(i) any other class of development, for the purposes of this clause, provided by or on behalf of a municipal council, a Minister or public authority; or

10. An infrastructure contributions plan may exempt additional classes of development from an infrastructure contribution.

MONETARY COMPONENT

Allowable items

11. An infrastructure contributions plan may only specify that allowable items may be funded from a standard levy or a supplementary levy (or a combination of both of those levies), in accordance with this Direction.

12. Unless this Direction or an Annexure to this Direction specifies otherwise, an allowable item does not include those works, services or facilities that a developer of land normally provides on or to the land in order to develop the land for urban purposes.

Note: The *Infrastructure Contributions Plan Guidelines* provide guidance on the works, services or facilities that are normally provided by developers in a development setting.

Priority categories of works, services or facilities

13. In accordance with section 46GJ(2A) of the Act, unless an Annexure to this Direction specifies otherwise:

(a) a planning authority may prepare an infrastructure contributions plan that specifies priority categories of works, services or facilities to be funded though the standard levy; and

(b) a development agency specified in the infrastructure contributions plan may determine from time to time the specific works, services, or facilities to be funded.

14. An infrastructure contributions plan must specify the development agency responsible for each priority category of works, services or facilities specified in the plan.

15. Priority categories of works, services or facilities must only comprise allowable items funded from a standard levy in accordance with the applicable Annexure to this Direction.

16. A development agency responsible for a priority category of works, services or facilities specified in an infrastructure contributions plan must:

(a) determine, from time to time, the specific works, services or facilities to be funded in accordance with the timing, procedure and method set out in the applicable Annexure to this Direction; and

(b) comply with the public availability requirements set out in the applicable Annexure to this Direction.

Requirements for imposing a standard levy

Allowable items

17. A standard levy may only be used to fund the following allowable items:

    (a) works, services or facilities or financing of such that are listed as standard levy allowable items in the applicable Annexure to this Direction;

    (b) plan preparation costs that do not exceed 8% of the standard levy unless:

        (i) the Minister exempts compliance with this requirement in accordance with clause 33 below; or

        (ii) the applicable Annexure to this Direction specifies that plan preparation costs must not be funded from an infrastructure contributions plan;

    (c) plan administration costs capped in accordance with the applicable Annexure to this Direction unless the applicable Annexure to this Direction specifies that plan administration costs must not be funded from an infrastructure contributions plan;

    (d) works, services or facilities that are listed as supplementary levy allowable items where the total standard levy rate is not required to be used to fund the standard levy allowable items, unless the applicable Annexure to this Direction specifies those supplementary levy allowable items must not be funded from a standard levy.

Standard levy rates

18. Subject to section 46GI(2)(b) of the Act, if an infrastructure contributions plan imposes a standard levy, the plan must specify as the standard levy rate:

    (a) if the plan is prepared in the financial year specified in an Annexure to this Direction, the relevant standard levy rate specified in the applicable Annexure to this Direction that accords with the class of development of land being levied; or

    (b) in each subsequent financial year, the relevant standard levy rate specified in the applicable Annexure to this Direction as indexed in accordance with the Annexure.

    Note: An infrastructure contributions plan may specify a lower standard levy rate than the standard levy rate that would otherwise need to be specified in accordance with this clause if the requirements of section 46GI(2)(b) of the Act are met.

    Note: The indexed standard levy rates will be published on the Department's Internet site.

Indexation method and timing to be specified in a plan for a standard levy

19. If an infrastructure contributions plan imposes a standard levy, the infrastructure contributions plan must provide for the method and timing of indexation of the standard levy rate. The plan must provide that standard levy rate is indexed on 1 July of each financial year. The plan must provide a method of indexation that is consistent with the method of indexation set out in the applicable Annexure to this Direction. If no method of indexation is set out in the applicable Annexure, the infrastructure contributions plan must specify an appropriate method of indexation.

Requirements for imposing a supplementary levy

Allowable items

20. A supplementary levy may only be used to fund the following allowable items:

(a) works, services or facilities that are listed as supplementary levy allowable items in the applicable Annexure to this Direction;

(b) plan preparation costs if those costs are incurred in respect of works, services or facilities to be funded from the supplementary levy.

Requirements for including a supplementary levy

21. A planning authority may only include a supplementary levy in an infrastructure contributions plan if:

(a) the works, services or facilities to be funded from the supplementary levy are, in the opinion of the planning authority, essential to the development of the ICP plan area;

(b) the works, services or facilities to be funded from the supplementary levy are identified in a precinct structure plan or equivalent strategic plan applying, or to be applied, to the land; and

(c) any other requirements specified in the applicable Annexure to this Direction are met.

Requirements for estimating costs

22. If an infrastructure contributions plan imposes a supplementary levy, the plan must specify:

(a) unless otherwise specified in an Annexure to this Direction, the estimated cost of each of those works, services or facilities that are to be funded from the standard levy;

(b) the estimated cost of each of those works, services or facilities that are to be funded from the supplementary levy as required by section 46GI(1)(r)(ii) of the Act; and

(c) the proportion of the total of the costs referred to in paragraph (b) to be funded from the supplementary levy as required by section 46GI(1)(r)(iv) of the Act.

Indexation method and timing to be specified in a plan for a supplementary levy

23. If an infrastructure contributions plan imposes a supplementary levy, the infrastructure contributions plan must provide for the method and timing of annual indexation to be applied to the estimated cost of the works, services or facilities to be funded from the supplementary levy. The infrastructure contributions plan must provide that the estimated cost is indexed on 1 July of each financial year. The plan must provide for a method of indexation that is consistent with the method of indexation set out in the applicable Annexure to this Direction. If no method of indexation is set out, the infrastructure contributions plan must specify an appropriate method of indexation.

LAND COMPONENT

Allowable public purposes

24. Public purpose land may only be used or developed for the allowable public purposes specified in the applicable Annexure to this Direction.

Method for calculating the estimated value of inner public purpose land

25. For those parcels of land for which an estimate of value report is to be prepared, the valuer must determine the estimate of value in accordance with the procedure and method specified in the applicable Annexure to this Direction.

    Note: If an infrastructure contributions plan imposes an infrastructure contribution that includes a land component, the planning authority must arrange for a valuer to prepare a report containing an estimate of the value of any inner public purpose land for each parcel of land in the ICP plan area where the parcel contribution percentage of the parcel is more than the ICP land contribution percentage for the class of development that may be carried out on that land.

Notice to land owners of estimated value of inner public purpose land

26. A notice provided to a land owner in accordance with section 46GO of the Act must contain any other information specified in the applicable Annexure to this Direction.

    Note: The planning authority must give notice to the affected land owners in accordance with section 46GO of the Act when the infrastructure contributions plan is being prepared for approval and incorporation into the planning scheme.

Method for calculating the estimated value of outer public purpose land

27. If an infrastructure contributions plan imposes an infrastructure contribution that includes a land component, a valuer appointed by the planning authority must calculate the estimated value of any outer public purpose land on the same basis that the land will be valued at the time the land is acquired, being consistent with the principles in Part 4 of the *Land Acquisition and Compensation Act 1986*, unless a different procedure and method is specified in the applicable Annexure to this Direction.

Method of adjustment of public purpose land values

28. If an infrastructure contributions plan imposes an infrastructure contribution that includes a land component, the following must be adjusted at the time, and in accordance with the procedure and method, specified in the applicable Annexure to this Direction:
    (a) the estimated value of any inner public purpose land; and
    (b) the estimated value of any outer public purpose land to be acquired by a development agency.
29. If no timing, procedure or method of adjustment is specified, the infrastructure contributions plan must specify an appropriate time, procedure and method of adjustment.

Calculation of land credit amounts and land equalisation amounts per parcel

30. If an infrastructure contributions plan imposes an infrastructure contribution that includes a land component, the land credit amount or the land equalisation amount in respect of each parcel of land in the ICP plan area must be calculated in accordance with the method specified in the applicable Annexure to this Direction.

    Note: Section 46GI(1)(i) of the Act provides that an infrastructure contributions plan must specify the land credit amount (where the parcel contribution percentage of the parcel is more than the ICP land contribution percentage) or land equalisation amount (where the parcel contribution percentage of the parcel is less than the ICP land contribution percentage) in respect of each parcel of land in the ICP plan area.

Method of adjustment of land credit amounts and land equalisation amounts per parcel

31. If an infrastructure contributions plan imposes an infrastructure contribution that includes a land component, the land credit amount or the land equalisation amount in respect of each parcel of land in the ICP plan area must be adjusted at the time and in accordance with the method specified in the applicable Annexure to this Direction.

Note: Section 46GI(1)(j) of the Act provides that an infrastructure contributions plans must specify the timing and method of adjustment to be applied to the land credit amounts and land equalisation amounts specified in the plan, including by way of indexation or any other method of adjustment.

32. If no timing or method of adjustment is specified, the infrastructure contributions plan must specify an appropriate time and method of adjustment.

Exemption from compliance with this Direction

33. The Minister may grant an exemption from the need to comply with some or all of this Direction in relation to a particular infrastructure contributions plan. An exemption may be granted subject to conditions.

List of Annexures

34. This Direction includes the following Annexures:

Annexure 1	Metropolitan Greenfield Growth Areas
Annexure 2	State-Led Infill Precincts
Annexure 3	SRL East Planning Area

Commencement Details	
Originally Gazetted	7 August 2026

Annexure 1

METROPOLITAN GREENFIELD GROWTH AREAS

Development setting

1. The development setting to which this Annexure applies is a Metropolitan Greenfield Growth Area.

Definition of a Metropolitan Greenfield Growth Area

2. A Metropolitan Greenfield Growth Area is land in metropolitan Melbourne that is:
   (a) a growth area declared under section 201RAA of the Act; and
   (b) within an urban growth boundary; and
   (c) either:
      - zoned under the planning scheme as an Urban Growth Zone and in respect of which a precinct structure plan applies; or
      - subject of an amendment to the planning scheme to be zoned as an Urban Growth Zone and to incorporate a precinct structure plan applicable to the land in the planning scheme; and

   (d) within the area marked Metropolitan Greenfield Growth Area on the map contained in **Attachment 1** to this Annexure.

MONETARY COMPONENT

Standard levy rates

3. Table 1 sets out:
   (a) The standard levy rate that applies to the class of development of land listed in the Table.
   (b) For each standard levy rate, the amount of the levy that is allocated between the provision of:
      - community and recreation construction; and
      - transport construction.

4. The amount of standard levy payable in respect of a development of land is to be determined by applying the specified standard levy rate in Table 1 (expressed as an amount in $ per net developable hectare) to the net developable hectares in the parcel of land to be developed.
5. The standard levy rates in Table 1 apply until the end of the 2020/2021 financial year. The standard levy rates for each subsequent year are to be indexed in accordance with this Annexure.
6. For the purposes of Table 1, residential development includes the development of land in a town, neighbourhood or local activity centre for office, commercial, civic or retail development.

Table 1: Standard levy rates for each class of development

Class of development	Class of Infrastructure Community and recreation construction	 Transport construction	 Total standard levy rate
	All amounts in $ per net developable hectare		
Residential development	$91,050	$126,713	$217,763
Commercial and Industrial development	$0	$126,713	$126,713

Other requirements for including a supplementary levy

7. The following requirements do not apply to including a supplementary levy in an infrastructure contributions plan to fund the provision of State infrastructure.

8. A planning authority may only include a supplementary levy in an infrastructure contributions plan if:

   (a) the estimated cost of plan preparation costs, works, services or facilities (other than State infrastructure) proposed to be funded through the plan will exceed the total amount that will be collected from the standard levy;

   (b) the estimated cost of the supplementary levy items that is unable to be funded from the standard levy will be equal to, or exceed, 10% of the total amount that will be collected from the transport construction component of a standard levy; and

   (c) any other requirements specified in this Annexure are met.

   Note: The plan preparation costs, works, services or facilities may be partially funded from a standard levy and partially funded from a supplementary levy.

9. For the purposes of clause 8(a), the planning authority must:

   (a) estimate the cost of each of the allowable items proposed to be funded through the plan (other than State infrastructure), ensuring all items are being provided to a basic and essential standard;

   (b) accounting for any apportionment, determine the amount of the costs estimated in accordance with paragraph (a) proposed to be funded through the plan;

   (c) estimate the total amount that is likely to be collected from the standard levy; and

   (d) compare the amount determined in accordance with paragraph (b) to the amount estimated in accordance with paragraph (c).

10. For the purposes of clause 8(b), the planning authority must;

   (a) using the amount determined in accordance with clause 9(b) and the comparison made in accordance with clause 9(d), determine the amount of the estimated costs of the supplementary levy allowable items that is unable to be funded from the standard levy;

   (b) estimate the total amount that is likely to be collected from the transport construction component of the standard levy; and

(c) compare the amount determined in accordance with paragraph (a) to the estimate made in accordance with paragraph (b).

Requirement for estimating costs

11. When estimating the costs of works, services or facilities, the planning authority should have regard to the *Benchmark Infrastructure and Costs Guide* and any related indexed costs published by the Victorian Planning Authority on its Internet site: **vpa.vic.gov.au**.

Indexation method and timing of standard levy rates

12. The standard levy rates for each class of infrastructure in each class of development specified in this Annexure must be indexed in accordance with clause 13 on:

    (a) 1 July 2021 for the 2021/2022 financial year; and

    (b) 1 July of each subsequent financial year.

13. The standard levy rates for each class of infrastructure in each class of development specified in this Annexure must be indexed in accordance with the formula set out in **Attachment 2** to this Annexure, using the following indices:

    (a) community and recreation construction - the Australian Bureau of Statistics Producer Price Index for Non-Residential Building Construction – Victoria (Catalogue 6427.0, Table 17, Output of the Construction Industries, subdivision and class index numbers, Series ID A2333700L);

    (b) transport construction - the Australian Bureau of Statistics Producer Price Index for Road and Bridge Construction – Victoria (Catalogue 6427.0, Table 17, Output of the Construction Industries, subdivision and class index numbers, Series ID A2333706A).

    Note: The amount of the standard levy rate for each class of infrastructure will be rounded to the nearest whole number after indexation.

14. The indexed rates will be published on the Department’s website each year.

Indexation method for items being funded from a supplementary levy

15. If an infrastructure contributions plan imposes a supplementary levy, the estimated cost of each of the works, services or facilities to be funded from the levy (as appropriate) must be indexed in accordance with the formula set out in **Attachment 2** to this Annexure, using the following indices:

    (a) transport construction—the Australian Bureau of Statistics Producer Price Index for Road and Bridge Construction – Victoria (Catalogue 6427.0, Table 17, Output of the Construction Industries, subdivision and class index numbers, Series ID A2333706A);

    (b) any other item—the index determined by the planning authority.

Cap on community and recreation construction

16. The standard levy rate for residential development that may be used for community and recreation construction must not exceed:

    (a) in the 2020/2021 financial year—$91,050 per net developable hectare; and

(b) in each subsequent financial year—for that financial year, the amount of the standard levy rate indexed in accordance with clauses 12 and 13.

17. Any of the total standard levy rate for residential development that may be used for the community and recreation construction (up to the capped rate referred to in clause 16) that is not used for community and recreation construction may be applied to transport construction.

18. The Minister may increase the amount specified in clause 16 in relation to a particular infrastructure contributions plan if:

(a) the Minister is satisfied that the community and recreation construction to be funded from the increased amount is essential to the orderly development of the land in the ICP plan area; and

(b) no supplementary levy is being imposed to fund transport construction; and

(c) the total standard levy rate (comprising the amounts allocated to community and recreation and transport construction) is not increased.

Allowable items

19. An infrastructure contributions plan must only fund allowable items specified in this Annexure.

Note: Division 7 of Part 3AB sets out the procedure for dealing with any infrastructure contribution that has not been expended at the date on which an approved infrastructure contributions plan expires.

Community and recreation construction allowable items

20. Table 2 lists the allowable items for community and recreation construction that may be funded from a standard levy.

21. An allowable item listed in Table 2 includes any associated works, services or facilities that are reasonably required to ensure the item is suitable for its intended use.

22. The estimated cost of an allowable item for community and recreation construction may include a contingency amount for construction not exceeding 15% of the estimated project cost.

Table 2: Community and recreation construction standard levy allowable items

	Standard levy allowable item
Community facilities	The following single or multi-purpose community facilities that provide for a range of community activities and services: • multi-purpose community facility • kindergarten • childcare and occasional care facility • playgroup facility • maternal and child health centre • library and learning centre • community arts and cultural facility • neighbourhood house • adult day care and activity group facility • youth services facility • delivered meals facility • business accelerator facility.

	Standard levy allowable item
Sports and recreation facilities	The following multi-purpose or specialist sports and recreation facilities that provide for a range of activities and services: • outdoor multi-purpose sports field, court and spaces • outdoor multi-purpose and/or specialist pavilion • football oval • soccer pitch • cricket oval • rugby field • tennis court • basketball court • netball court • bowling green • bocce court • baseball field • softball field • hockey field.

Transport construction allowable items

23. A standard levy or a supplementary levy must not be imposed in respect of the development of land within a GAIC contribution area to fund transport construction on an existing declared State road. This does not include the construction of road intersections required to connect a new or upgraded council road to a declared State road, or walking and cycling infrastructure alongside or crossing a declared State road.

24. Table 3 lists the allowable items for transport construction that may be funded from a standard levy.

Table 3: Transport construction standard levy allowable items

	Standard levy allowable item
Arterial roads	Arterial roads consisting of two lanes in one carriageway in a road reservation with a width of either 34 metres or 41 metres. This item includes: • upgrading existing local roads to an arterial road standard; • new arterial roads; and • provision of walking and cycling infrastructure on each side of new or upgraded roads.
Intersections	Signalised intersections or roundabouts at the intersection of: • arterial roads; or • an arterial road and a connector road. This item includes provision of walking and cycling infrastructure.
Walking and cycling infrastructure	Off-road walking and cycling infrastructure (other than infrastructure normally provided by a developer).
	Signalised pedestrian and cyclist crossings.

Bridges and culverts	Arterial road bridges, including underpasses, overpasses or similar.
	Culverts.

25. Table 4 lists the allowable items for transport construction that may be funded from a supplementary levy. All requirements in the Table for including a supplementary levy to fund the corresponding allowable item, in addition to any other requirement set out in this Direction or Annexure, must be met.

Table 4: Transport construction supplementary levy allowable items

Supplementary levy allowable item	Requirements for including a supplementary levy
Arterial roads consisting of two lanes in one carriageway in a road reservation with a width of either 34 metres or 41 metres. This item includes: • upgrading existing local roads to an arterial road standard; • new arterial roads; and • provision of walking and cycling infrastructure on each side of new or upgraded roads.	The estimated cost of the item must exceed the road construction amount as a result of the topographical, geographical, environmental or physical conditions of the land on which the item will be constructed.
Signalised intersections or roundabouts at the intersection of: • arterial roads; or • an arterial road and a connector road.	The estimated cost of the item must exceed the intersection construction amount as a result of the topographical, geographical, environmental or physical conditions of the land on which the item will be constructed.
Arterial road bridges. This item includes overpasses, underpasses or similar.	The estimated cost of the item must exceed the bridge construction amount.
Pedestrian or cyclist bridges and accessways.	The item must provide access across a railway, arterial road, waterway corridor, major easement or other major obstacle.
Culverts.	The estimated cost of the item must exceed the culvert construction amount.

26. In Table 4:

(a) the ***road construction amount*** is:

(i) for the financial year beginning on 1 July 2020, $5890 per linear metre of road; and

(ii) for the financial year beginning on 1 July 2021 and each subsequent financial year, the indexed road construction amount determined in accordance with clause 27 for that financial year;

(b) the ***intersection construction amount*** is:

(i) for the financial year beginning on 1 July 2020, $8.56 million; and

(ii) for the financial year beginning on 1 July 2021 and each subsequent financial year, the indexed intersection construction amount determined in accordance with clause 27 for that financial year;

(c) the ***bridge construction amount*** is:

(i) for the financial year beginning on 1 July 2020, $4 million; and

(ii) for the financial year beginning on 1 July 2021 and each subsequent financial year, the indexed bridge construction amount determined in accordance with clause 27 for that financial year;

(d) the ***culvert construction amount*** is:

(i) for the financial year beginning on 1 July 2020, $4 million; and

(ii) for the financial year beginning on 1 July 2021 and each subsequent financial year, the indexed culvert construction amount determined in accordance with clause 27 for that financial year;

27. The indexed road, intersection, bridge and culvert construction amounts are to be determined in accordance with the formula set out in **Attachment 2** to this Annexure using the Australian Bureau of Statistics Producer Price Index for Road and Bridge Construction – Victoria (Catalogue 6427.0, Table 17, Output of the Construction Industries, subdivision and class index numbers, Series ID A2333706A).

28. An allowable item listed in Table 3 or 4 includes any works, services or facilities that are reasonably required to provide that item, including:

(a) the design, preparation, supervision and inspection of works, services or facilities, including relevant fees;

(b) site preparation;

(c) services relocations, installations and adjustments;

(d) construction of pavement and kerb and channel;

(e) drainage;

(f) foundations, abutments and structures;

(g) landscaping;

(h) bus priority measures;

(i) fencing, including guard fencing;

(j) traffic control signs, line marking and street lighting;

(k) temporary works, access restoration and 'making good' works;

(l) the costs of securing native vegetation offsets or habitat compensation fees related to the provision of the item on land that is in public ownership at the time the infrastructure contributions plan is prepared; and

(m) maintenance of:

- landscaping for one year or two summers;
- traffic signals on arterial roads for up to ten years; and
- all other works for one year.

29. The estimated cost of a transport construction allowable item in tables 3 and 4 may include a contingency amount for construction. If the allowable item is a road or a road intersection or

culvert, the contingency amount must not exceed 15% of the estimated cost of constructing the road or road intersection. If the allowable item is a bridge, the contingency amount must not exceed 20% of the estimated cost of constructing the bridge.

Other supplementary levy allowable items

30. Table 5 lists other allowable items that may be funded from a supplementary levy. All requirements in the Table for including a supplementary levy to fund the corresponding allowable item, in addition to any other requirement set out in this Direction or Annexure, must be met.

Table 5: Other supplementary levy allowable items

Supplementary levy allowable item	Requirements for including a supplementary levy

Financing costs associated with the early delivery of works, services or facilities.	The early delivery of the works, service or facility must be essential to the orderly development of the ICP plan area.
	The financing costs must be:
	• incurred by the development agency responsible for providing the item; and
	• associated with either:
	    • the early delivery of an allowable item; or
	    • the early acquisition of public purpose land referred to in section 46GV(8) of the Act which is required for the early delivery of the allowable item.

Local and connector roads. Intersections of non-arterial roads. Local road and connector road bridges. Pedestrian and cyclist bridges and accessways.	The item must be a works, service or facility that a developer of land normally provides on or to the land in order to develop the land for urban purposes. The item must be constructed on, or adjoin, land in fragmented ownership and the fragmented ownership must make provision of the item by the developer difficult. The relevant municipal council must have agreed to be the development agency for the item. The estimated cost of the item must be fairly levied amongst the developers who will benefit from the delivery of the item.
Any other works, services or facilities (other than State infrastructure), including an allowable item listed in a table to this Annexure.	The Minister must agree that the item: • is essential to the development of the ICP plan area; and • can be funded from a supplementary levy.

State infrastructure allowable items

31. State infrastructure must not be funded from a standard levy.

32. Table 6 lists the allowable items for State infrastructure that may be funded from a supplementary levy. All requirements in the Table for including a supplementary levy, in addition to any other requirement set out in this Direction or Annexure, must be met.

Table 6: State infrastructure supplementary levy allowable items

<table>
<tr><th colspan="2">Supplementary levy allowable item</th><th>Requirements for including a supplementary levy</th></tr>
<tr><td>Transport infrastructure</td><td>Declared State roads, including intersections and bridges, and public transport infrastructure.</td><td rowspan="3">The item must be identified in a growth corridor plan or equivalent State or local strategic plan adopted by a Minister, government department or a planning authority.
The development of land in the ICP plan area must generate a need for the item.
The provision of State infrastructure through the infrastructure contributions plan complies with section 46GH of the Act.
A minister or public authority must have agreed to be the development agency for the item.</td></tr>
<tr><td>Community facilities</td><td>State education, health or emergency facilities.</td></tr>
<tr><td>Other State works, services or facilities</td><td>Any other State infrastructure that is essential to the development of the ICP plan area.</td></tr>
</table>

Note: Under section 46GH of the Act, an infrastructure contributions plan must not impose an infrastructure contribution in relation to the development of land in the GAIC contribution area unless the development agency responsible for carrying out the works, services or facilities or for the plan preparation costs being funded from the levy is a municipal council.

Requirements for estimating costs for State infrastructure allowable items

33. If an infrastructure contributions plan imposes a supplementary levy for any State infrastructure, in addition to the matters set out in section 46GI(1)(r) of the Act, the plan must only specify the estimated cost of the State infrastructure allowable item to be funded from the supplementary levy if no other supplementary levy allowable item listed in Tables 4 or 5 is to be funded.

Priority categories of works, services or facilities

35. An infrastructure contributions plan that applies to a Metropolitan Greenfield Growth Area must not contain priority categories of works, services or facilities.

Plan preparation costs and plan administration costs

34. An infrastructure contributions plan which imposes a standard levy must specify plan preparation costs if those costs are to be funded from the standard levy.

35. An infrastructure contributions plan which imposes a supplementary levy must specify plan preparation costs if those costs are to be funded from the supplementary levy.

36. An infrastructure contributions plan that applies to a Metropolitan Greenfield Growth Area must not impose plan administration costs.

Collection agency transfer of plan preparation costs to planning authority

37. If an infrastructure contributions plan contains plan preparation costs, the infrastructure contributions plan must specify that the collection agency must transfer the plan preparation costs to the planning authority within five years of the first monetary component payment being made to the collecting agency.

38. Unpaid plan preparation costs are to be indexed on 1 July of each subsequent financial year following gazettal in accordance with the formula set out in **Attachment 2** of this Annexure, using the Australian Bureau of Statistics Producer Price Index for Architectural, engineering and

technical services (Catalogue 6427.0, Table 24, Output of the Professional, scientific and technical services industries, subdivision and class index numbers, Series ID A3343916F).

LAND COMPONENT

Allowable public purposes

39. If an infrastructure contributions plan specifies any inner public purpose land to be provided under the plan or outer public purpose land to be funded through the plan, the public purpose land and the purposes for which it may be developed must:

    (a) be in accordance with the relevant Precinct Structure Plan or equivalent strategic plan applying to the land; and

    (b) be consistent with this Direction.

    Note: Division 7 of Part 3AB sets out the procedure for dealing with any infrastructure contribution that has not been expended at the date on which an approved infrastructure contributions plan expires.

40. Table 7 lists the allowable public purposes for which public purpose land may be used or developed.

Table 7: Allowable public purposes

Allowable public purpose	Permitted use or development of public purpose land
Public open space	Local public open space including playgrounds, lighting, car parking, internal roads, bicycle paths, pedestrian paths, seating, landscaping, and BBQ and picnic facilities.
Community and recreation facilities	Construction of: • any community facility or sports and recreation facility as set out in Table 2; or • an indoor recreation facility.
Transport infrastructure	
Council arterial road reservations	Construction of an arterial road as set out in Table 3 or 4 in accordance with the ultimate design for its construction, including walking and cycling infrastructure.
Intersections with council arterial roads	Construction of an intersection as set out in Table 3 or 4 in accordance with the ultimate design for its construction, including walking and cycling infrastructure. This may include land within a Public Acquisition Overlay if the land is required for a connection between the development and a council arterial road.
Intersections with declared State arterial roads	Construction of an intersection as set out in Table 3 or 4 in accordance with the ultimate design for its construction, including walking and cycling infrastructure. This may include land within a Public Acquisition Overlay if the land is required for a connection between the development and a State arterial road.
Bridges and culverts	Construction of a bridge or culvert (and associated works) as set out in to in Table 3 or 4.

Allowable public purpose	Permitted use or development of public purpose land
Developer-provided transport infrastructure	Construction of a: • local or connector road; • local or connector road bridge; or • pedestrian or cyclist bridge or accessway, if the road, bridge or accessway is: • normally provided by a developer on or to the land in order to develop the land for urban purposes; and • located on, or adjoining, land in fragmented land ownership •
Other infrastructure that is essential to the development of the ICP plan area	Construction of other works, services or facilities (other than State infrastructure).

41. Table 8 lists the allowable public purposes for which public purpose land may be used or developed for State infrastructure.

Table 8: State infrastructure allowable public purposes

Allowable public purpose	Permitted use or development of public purpose land
Land outside a GAIC contribution area	
Transport infrastructure	Declared State roads, including intersections and bridges, and public transport infrastructure.
Community and recreation facilities	State education, health or emergency facilities. Regional open space.
Other State infrastructure that is essential to the development of the ICP plan area	Construction of other State infrastructure that is essential to the development of the ICP plan area.
Land inside a GAIC contribution area	
Intersections with State roads	Construction of an intersection if the land is required for connection between the development and a State road. This includes land within a Public Acquisition Overlay.

Method for calculating estimated value of inner public purpose land

42. For each parcel of land for which an estimate of inner public purpose land value report is to be prepared, the valuer engaged by the planning authority must:

(a) determine the estimate of value of all the inner public purpose land identified in the parcel using the following assumptions:

(i) the subject land is zoned for an urban purpose as identified in the relevant precinct structure plan or equivalent strategic plan and valued at its unencumbered, highest and best use within this context;

(ii) land in and around town centres identified in the relevant precinct structure plan or equivalent strategic plan will be assumed to be zoned for residential purposes;

(iii) if the highest and best use is residential, the relevant density per parcel is the average density (expressed as dwellings per net developable hectare) identified in the relevant precinct structure plan or equivalent strategic plan;

(iv) the subject land is accessible by road;

(v) any GAIC (if within the GAIC area) has been paid; and

(vi) the subject land is at the development front;

(b) calculate a $/hectare rate for all the inner public purpose land identified in the parcel.

Example: If there are 10 hectares of inner public purpose land on a parcel and the landowner is 'overproviding' 2 hectares of public purpose land. The valuer determines that the 10 hectares of inner public purpose land has an estimated valued of $1 million, which establishes a rate of $100,000 per hectare. The rate is then applied to determine the estimated value of the 2 hectares of 'overprovided' land. The estimated value of the overprovided public purpose land is $200,000 (2 hectares x $100,000 per hectare). The landowner will receive a land credit amount of $200,000 to account for the overprovision of public purpose land.

Note: If there are multiple areas of inner public purpose land in a parcel, the value of each area of inner public purpose land is estimated according to the methodology in this clause. The sum of the estimates of value is averaged to calculate a $/hectare rate for the inner public purpose land identified in that parcel.

Example: Parcel A includes 2.0 hectares for road widening (estimated at $600,000), 0.4 hectares for a community facility (estimated at $150,000) and 8.0 hectares for a sports field (estimated at $1,200,000). The total inner public purpose land (10.4 hectares) is divided by the total estimate of value of all inner public purpose land on that parcel ($1,950,000). For the purposes of this clause, the rate for the inner public purpose land identified in that parcel is $187,500 per hectare.

Method for calculating land equalisation amounts

43. For each parcel of land for which a land equalisation amount must be provided, the amount is to be calculated based on a rate per hectare applied to the area (in hectares) of inner public purpose land in that parcel that is less than the ICP land contribution percentage.

Example: If the land equalisation amount rate is $50,000 per hectare and a landowner underprovides inner public purpose land by 4 ha, the land equalisation amount payable by that landowner is $200,000.

44. The rate referred to in clause 43 is calculated by:

(a) adding the sum of all land credit amounts payable in the ICP plan area and the estimated value of any outer public purpose land; and

(b) dividing the amount calculated for the purposes of paragraph (a) by the sum of the area of inner public purpose land (in hectares) for each parcel of land in the ICP plan area for which a land equalisation amount is payable that is less than the ICP land contribution percentage.

Note: The base rate of the land equalisation amount is based on the following formula:

$$\text{LEA rate} = \frac{\text{Sum of Land Credit Amounts + estimated value of outer public purpose land}}{\text{Total area in hectares of 'under provided' inner public purpose land across the ICP}}$$

Example:
Where:

- the sum of the land credit amounts payable under the ICP is $800,000
- the estimated value of outer public purpose land is $200,000
- the total area of inner public purpose land that is underprovided is 20 hectares

$$\text{LEA rate} = \frac{\$800{,}000 + \$200{,}000}{20\text{ ha}} = \$50{,}000/\text{ha}$$

Method for calculating land credit amounts

45. For each parcel of land for which a land credit amount must be paid the amount is calculated by applying the $/hectare rate for that parcel determined by clause 42 to the area (in hectares) of inner public purpose land within the parcel that is above the ICP land contribution percentage.

Method of adjustment of estimated inner public purpose land values

46. For those parcels of land for which an estimate of inner public purpose land value report has been prepared, a revised report must be prepared on 1 July of each subsequent third financial year after the commencement date of the infrastructure contributions plan.

47. For the purposes of clause 46, an estimate of inner public purpose land value report must be prepared in accordance with Division 4 of Part 3AB of the Act, using the methodology set out in clause 42.

48. Clause 46 does not apply to any inner public purpose land has been provided by a land owner in accordance with section 46GV of the Act.

Method of adjustment of land equalisation amounts per parcel

Adjustment of land equalisation amount in the years when the estimated value of inner public purpose land is re-estimated

49. For each financial year in which a revised estimate of inner public purpose land value report has been prepared for the purposes of clause 46, for each parcel of land for which a land equalisation amount must be provided, the amount must be adjusted using the methodology set out in clauses 43 and 44 using:

    (a) the land credit amounts adjusted in accordance with clauses 52; and

    (b) the adjusted estimate of value of outer public purpose land in accordance with clauses 57 and 58.

Indexation of land equalisation amount in the years when the estimated value of inner public purpose land is not re-estimated

50. For each parcel of land in the ICP plan area for which a land equalisation amount must be provided, the land equalisation amount must be indexed on 1 July of each financial year in which a revised estimate of inner public purpose land value report is not prepared for the purposes of clause 46.

51. For the purposes of clause 50, the land equalisation amount for each parcel of land must be indexed using the relevant public land index prepared by Valuer-General Victoria for the Minister for the 12-month period occurring immediately before the beginning of the financial year in respect of which the indexed rate is being determined.

Note: The relevant public land index rate prepared the Valuer-General Victoria will be published on the Department's Internet site.

Method of adjustment of land credit amounts per parcel

Adjustment of land credit amount in the years when the estimated value of inner public purpose land is re-estimated

52. For each financial year in which a revised estimate of inner public purpose land value report has been prepared for the purposes of clause 46, for each parcel of land for which a land credit amount is payable, the amount must be adjusted by applying the $/hectare rate for that parcel determined in accordance with clause 46 to the area (in hectares) of inner public purpose land within the parcel that is above the ICP land contribution percentage.

Indexation of land credit amount in the years when the estimated value of inner public purpose land is not re-estimated

53. For each parcel of land in the ICP plan area for which a land credit amount must be paid, the land credit amount must be indexed on 1 July of each financial year in which a revised estimate of inner public purpose land value report is not required for the purposes of clause 46.

54. Clauses 52 and 53 do not apply to any land credit amount that has been paid in accordance with section 46GW(2) of the Act. Where a land credit amount has been paid, the amount paid is used in the calculation of the adjusted land equalisation amounts for the purposes of clause 49.

55. For the purposes of clause 53 the land credit amount for each parcel of land must be indexed using the relevant public land index prepared by Valuer-General Victoria for the Minister for the 12-month period occurring immediately before the beginning of the financial year in respect of which the indexed rate is being determined.

Note: The relevant public land index rate prepared the Valuer-General Victoria will published on the Department's Internet site.

Method for calculating estimated value of outer public purpose land

56. For outer public purpose land that is located within an existing approved development contributions plan, the estimated value of the outer public purpose land is taken to be the value of that land identified in that development contributions plan for that financial year.

Note: Clause 27 of Part A of this Direction applies to outer public purpose land that is not located within an existing approved development contributions plan.

Method of adjustment of estimated outer public purpose land values

57. If an estimate of value of outer public purpose land has been prepared, the estimate of value must be adjusted based on the methodology specified in Part 4 of the *Land Acquisition and Compensation Act 1986* on:

(a) 1 July 2021 for the 2020/2021 financial year; and

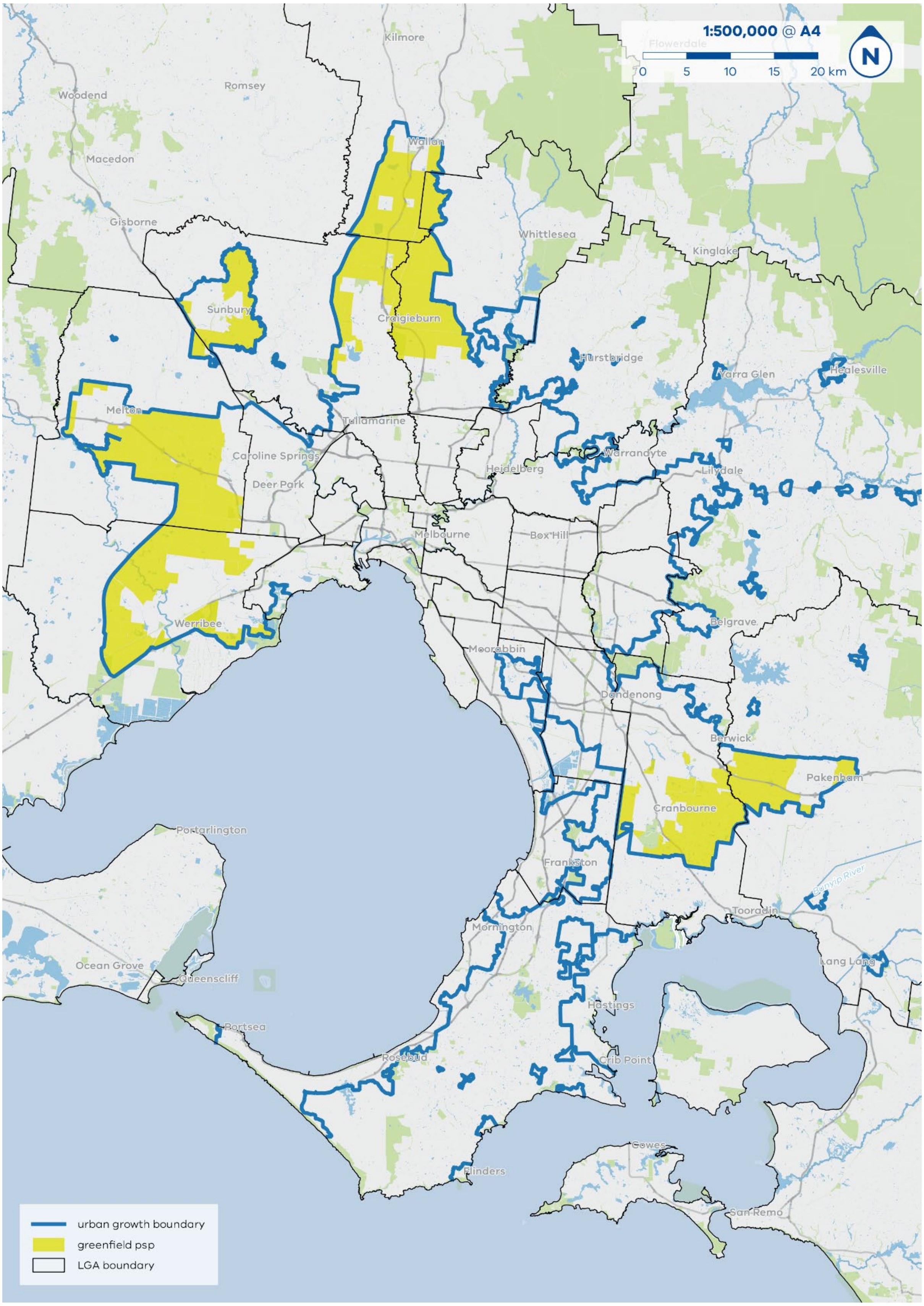
(b) 1 July of each subsequent financial year.

58. For outer public purpose land that is located within an existing approved development contributions plan, the adjusted estimated value of the outer public purpose land is taken to be the value of that land identified in that development contributions plan for that financial year.

Section 18(1AB) of the Subdivision Act

59. Section 18(1AB) of the *Subdivision Act 1988* applies to all land in an ICP plan area within the Metropolitan Greenfield Growth Area development setting.

Annexure 1 - Attachment 1



Annexure 1 - Attachment 2

Formula for indexing rates, costs and amounts

For the purposes of clauses 13, 15, 27 and 38, the formula is:

IRCA = PRCA x A/B

Where:

IRCA is the indexed rate, cost or amount being determined.

PRCA is the rate, cost or amount for the previous financial year.

Example

For the purpose of indexing the community and recreation construction standard levy rate for residential development:

- for the financial year beginning on 1 July 2021, "PRCA" is the standard levy rate for the financial year beginning on 1 July 2020, which is $91,050; and
- for the financial year beginning on 1 July 2022, "PRCA" is the standard levy rate for the financial year beginning on 1 July 2021, which is the indexed standard levy rate determined in accordance with this formula for that financial year.

A is the average of the applicable producer price index numbers for the latest full year available:

(a) each of the September, December and March quarters occurring immediately before the beginning of the financial year in respect of which the rate is being indexed; and

(b) the last June quarter in the financial year one year earlier than the financial year in respect of which the standard levy rate is being indexed.

B is the average of the applicable producer price index numbers for the previous year available:

(a) each of the September, December and March quarters occurring in the financial year one year earlier than the financial year in respect of which the standard levy rate is being indexed; and

(b) the last June quarter in the financial year two years earlier than the financial year in respect of which the standard levy rate is being indexed.

Example

For indexing a standard levy rate for the financial year beginning on 1 July 2021:

- "A" is the average of the applicable producer price index numbers for the June quarter in the financial year beginning on 1 July 2019 and the September, December and March quarters in the financial year beginning on 1 July 2020;
- "B" is the average of the relevant index numbers for the June quarter in the financial year beginning on 1 July 2018 and the September, December and March quarters in the financial year beginning on 1 July 2019.

Annexure 2

STATE-LED INFILL PRECINCTS

Development setting

1. The development setting to which this Annexure applies is a State-Led Infill Precinct.

Definition of a State-Led Infill Precincts

2. State-Led Infill Precincts are the areas within metropolitan Melbourne within the urban growth boundary (excluding the SRL East Planning Area and Metropolitan Greenfield Growth Areas, within the meaning of this Direction).

Planning authority requirement

3. An infrastructure contributions plan can only be prepared for a State-Led Infill Precinct by the Minister for Planning for inclusion in a planning scheme amendment for which the Minister for Planning is, or is intended to be, the planning authority.

Definitions

4. In this Annexure:
   a) ***Building permit*** means a permit under the *Building Act 1993*.
   b) ***Planning permit*** means a permit under the *Planning and Environment Act 1987*.
   c) ***Exempt permit*** means a planning permit granted in relation to an application made before the date on which the imposition of a standard levy is to commence under the relevant infrastructure contributions plan.

MONETARY COMPONENT

Standard levy rates

5. Table 1 to this Annexure sets out the standard levy rate that applies to the class of development of land listed in the Table.

Table 1: Standard levy rates for each class of development *(All amounts in $ per demand unit at $2026/27)*

Class of development	Demand unit	Threshold	Standard levy rate	Local component	State component
Residential development	Each additional dwelling or residential lot	1 dwelling or residential lot	$11,350	$7,567	$3,783
Commercial development	1 additional square metre of leasable floor area	100 square metres of leasable floor area	$114	$76	$38
Industrial development	1 additional square metre of leasable floor area	200 square metres of leasable floor area	$57	$38	$19

Development subject to an infrastructure contribution

6. An ICP which applies to a State-Led Infill Precinct must only impose a standard levy on development in accordance with this Annexure.
7. Subject to this Direction, an ICP which applies to a State-Led Infill Precinct must impose a standard levy on all development within an ICP plan area that is within a class of development set out in Table 1 to this Annexure.

Note: Clause 9 within Part A of this Direction sets out classes of development exempt from an infrastructure contribution.

8. A standard levy must only be imposed if:
   a) the development generates additional demand units of a kind described in Table 1, above the relevant threshold in Table 1; and
   b) the planning or building permit application for the development, or an application to amend a planning or building permit, is made on or after the date on which the imposition of a standard levy is to commence under the infrastructure contributions plan.

Note: Section 46GV of the Act provides that where an ICP imposes an infrastructure contribution in relation to the development of land, the contribution is imposed at the earlier time at which a person (the applicant) makes an application for either a planning permit to develop the land, or a building permit to carry out building work on the land.

9. A standard levy must not be imposed in relation to development associated with:
   a) An application for a building permit for works authorised by an exempt permit; and
   b) An application for a planning permit for subdivision of a building the construction of which was authorised by an exempt permit, or subdivision of land consistent with development authorised by an exempt permit.
10. An ICP which applies to land in a State-Led Infill Precinct may provide for an exemption from an infrastructure contribution in respect of land, or classes of development, subject to specified alternative infrastructure contribution mechanisms.

Method of calculating the levy

11. Subject to this Annexure, the amount of standard levy payable in respect of a development of land is to be determined by applying the relevant standard levy rate in Table 1, as indexed in accordance with clauses 20-26, according to the date on which the relevant application for the development is made, to the number of additional demand units generated by the development.
12. In determining the number of additional demand units created by a development, regard must be had to the *Infrastructure Contributions Plan Guidelines*.
13. In respect of an application to amend an exempt permit via section 72 of the Act, or to amend a building permit issued in relation to an application made before the date on which the imposition of a standard levy commenced under the infrastructure contributions plan, the amount of standard levy payable is to be determined in accordance with clause 11 with respect only to any net increase in the additional demand units generated by the development above the relevant threshold in Table 1 that would be authorised by the amendment to the permit, in contrast to the original permit.

    Example 1: If a planning permit for net additional 400 square metres of commercial leasable floor area was issued on 12 October 2025 and a section 72 application to amend the planning permit to allow an additional 150 square metres of commercial leasable floor area is lodged after the ICP commencement date, the responsible authority must add a condition on the amended planning permit for the payment of an ICP levy for the net additional demand units allowed via section 72 of the Act (150 square metres of commercial demand units).

Example 2: If a planning permit for net additional 400 square metres of industrial leasable floor area was issued on 12 October 2025 and a section 72 application to amend the planning permit to allow an additional 150 square metres of commercial leasable floor area is lodged after the ICP commencement date, the responsible authority must add a condition on the amended planning permit for the payment of an ICP levy for the net additional demand units allowed via section 72 of the Act (150 square metres of commercial demand units).

Example 3: If a planning permit for net additional 400 square metres of commercial leasable floor area was issued on 12 October 2025 and a section 72 application to amend the planning permit to allow an additional 80 square metres of commercial leasable floor area is lodged after the ICP commencement date, the responsible authority must not add a condition on the amended planning permit for the payment of an ICP levy for the net additional demand units allowed via section 72 of the Act as the they are below the threshold in Table 1.

14. In respect of an application to amend a planning permit or building permit granted or issued in relation to an application made on or after the date on which the imposition of a standard levy commenced under the infrastructure contributions plan, which has the effect of increasing or decreasing the additional demand units generated by the development, the amount of standard levy payable is to be determined in accordance with clause 11 with respect to the new number of additional demand units generated by the development as authorised by the amended permit.

Example 1: If a planning permit for net additional 400 square metres of commercial leasable floor area is applied for after the ICP commencement date and a section 72 application to amend the planning permit to allow an additional 150 square metres of commercial leasable floor area is lodged prior to a building permit being issued for the development, the collecting agency must collect an ICP levy for 550 square metres of commercial demand units prior to a building permit being issued for the development.

Example 2: If a planning permit for net additional 400 square metres of industrial leasable floor area is applied for after the ICP commencement date and a section 72 application to amend the planning permit to allow an additional 150 square metres of commercial leasable floor area is lodged prior to a building permit being issued for the development, the collecting agency must collect an ICP levy for both 400 square metres of commercial demand units and 150 square metres of industrial demand units prior to a building permit being issued for the development.

Example 3: If a planning permit for net additional 400 square metres of commercial leasable floor area is applied for after the ICP commencement date and a section 72 application to amend the planning permit to allow an additional 80 square metres of commercial leasable floor area is lodged prior to a building permit being issued for the development, the collecting agency must collect an ICP levy for 480 square metres of commercial demand units prior to a building permit being issued for the development.

15. Where an infrastructure contributions plan is applied to the same land as an existing development contributions plan, the total amount of levies payable under the applicable development contributions plan in relation to an application for a planning permit or a building permit is to be deducted from the total amount of the local component of the levy payable under the infrastructure contributions plan in relation to the same development. Should the total levies payable under an existing development contributions plan exceed the total amount of the local component of the levies payable under an infrastructure contributions plan, then the total amount of the local component of the levies payable under the infrastructure contributions plan is reduced to nil for that permit application.

Definitions of classes of development

16. For the purposes of Table 1 of this Annexure, residential development includes development for Dwelling uses (nested under the Accommodation group in clause 73.04-01 of the Victoria

Planning Provisions), as defined in clause 73.03 of the Victoria Planning Provisions, except for Caretaker's house.

17. For the purposes of Table 1, industrial development includes development for:
    (a) uses in the Industry group in clause 73.04-5 of the Victoria Planning Provisions, as defined in clause 73.03 of the Victoria Planning Provisions;
    (b) uses in the Warehouse group in clause 73.04-15 of the Victoria Planning Provisions, as defined in clause 73.03 of the Victoria Planning Provisions;
    (c) Caretaker's house use as defined in clause 73.03 of the Victoria Planning Provisions that primarily serves development in clauses 17(a) or 17(b) of this Annexure.
18. For the purposes of Table 1, commercial development includes development for:
    (a) All other uses not contained in clause 16 and 17 of this Annexure;
    (b) Any innominate uses;
    (c) Caretaker's house use as defined in clause 73.03 of the Victoria Planning Provisions that primarily serves development in clauses 18(a) or 18(b) of this Annexure.

Supplementary levy

19. An ICP that applies to a State-Led Infill Precinct must not impose a supplementary levy.

Indexation method and timing of standard levy rates

20. The standard levy rates for each class of development specified in Table 1 must be indexed in accordance with clauses 21-25 on:
    (a) 1 July 2027 for the 2027/2028 financial year; and
    (b) 1 July of each subsequent financial year.
21. The standard levy rate for the residential class of development specified in Table 1 must be indexed in accordance with the formula set out in **Attachment 1** to this Annexure, using the combined averages of the following indices:
    (a) the Australian Bureau of Statistics Producer Price Index for Non-Residential Building Construction – Victoria (Catalogue 6427.0, Table 17, Output of the Construction Industries, subdivision and class index numbers, Series ID A2333700L); and
    (b) the Australian Bureau of Statistics Producer Price Index for Road and Bridge Construction – Victoria (Catalogue 6427.0, Table 17, Output of the Construction Industries, subdivision and class index numbers, Series ID A2333706A).

    Note: The amount of the total residential standard levy rate will be rounded to the nearest $50 after indexation.

22. To determine the standard levy rate for the commercial class of development, the rounded indexed levy rate calculated using clause 21 is divided by 100.

    Note: The amount of the total commercial standard levy rate will be rounded to the nearest $1.

23. To determine the standard levy rate for the industrial class of development, the rounded indexed levy rate calculated using clause 21 is divided by 200.

    Note: The amount of the total industrial standard levy rate will be rounded to the nearest $1.

24. The local component is two thirds of the standard levy rates for each class of development specified in Table 1.

Note: The amount of the local component will be rounded to the nearest $1.

25. The state component is one third of the standard levy rates for each class of development specified in Table 1.

Note: The amount of the state component will be rounded to the nearest $1.

26. The indexed rates will be published on the Department's website each year.

Indexation of a standard levy

27. An ICP which applies to a State-Led Infill Precinct that imposes a standard levy must include an indexation mechanism for the levy that reflects the operation of clauses 20-26.

Allowable items

28. An ICP which applies to a State-Led Infill Precinct must only fund the allowable items specified in Table 2 of this Annexure.

Note: Division 7 of Part 3AB sets out the procedure for dealing with any infrastructure contribution that has not been expended at the date on which an approved infrastructure contributions plan expires.

29. Where an ICP is applied to the same land as an existing DCP, the ICP must not fund the provision of infrastructure that services the same need as an item funded by the DCP. This does not apply where the existing infrastructure contributions plan specifies priority categories of works, services or facilities to be funded through a standard levy and determined at a future date.

Note: Nothing in this clause prevents an ICP funding the augmentation of an item funded by a DCP in order to respond to additional need not funded by the DCP. For example, an ICP may include funding for an additional room for a maternal health centre otherwise funded by a DCP, provided the additional room is responding to an additional need.

Table 2: Standard levy allowable items

	Standard levy allowable item
Works, services, facilities provided by or on behalf of a Minister or public authority (state component)	• Roads, including the construction of bicycle and foot paths, and traffic management and control devices • Public transport infrastructure, including fixed rail infrastructure, railway stations, bus stops and tram stops • Drainage • Schools • Early childhood education and care • Higher education • Health facilities • Emergency services • Justice and police services • Public realm improvements and street tree planting • Parks, including playgrounds, shelters, toilets, landscaping, earthworks, pathways, fencing and seating
Works, services, facilities provided by or on behalf	• Roads • Intersections

	Standard levy allowable item
of a municipal council (local component)	• Footpaths and public realm upgrades • Active transport such as cycle paths and walking trails • Drainage • Sports and recreation facilities • Community facilities, including libraries, early childhood education, maternal and child health facilities and community centres • Street tree planting • Parks, including playgrounds, shelters, toilets, landscaping, earthworks, pathways, fencing and seating
Financing costs associated with the early delivery of works, services or facilities	The early delivery of the works, services or facilities must be essential to the orderly development of the State-Led Infill Precinct. The financing costs must be: • Incurred by the development agency responsible for providing the item; and • Associated with the early delivery of an allowable item.

30. An allowable item listed in Table 2 includes any associated elements and costs that are reasonably required to provide that item, including:

    (a) design, preparation, supervision and inspection of works, services or facilities, including relevant fees;

    (b) relevant land acquisitions;

    (c) financing costs associated with the early delivery of an item (subject to the conditions in Table 2);

    (d) site preparation;

    (e) services relocations, installations and adjustments;

    (f) construction of pavement and kerb and channel;

    (g) drainage;

    (h) foundations, abutments and structures;

    (i) landscaping, irrigation and street furniture;

    (j) bus and tram priority measures;

    (k) fencing, including guard fencing;

    (l) traffic control signs, line marking and street lighting;

    (m) temporary works, access restoration and 'making good' works;

    (n) the costs of securing native vegetation offsets or habitat compensation fees related to the provision of the item on land that is in public ownership at the time the infrastructure contributions plan is prepared; and

    (o) maintenance of:

    - landscaping for two years;
    - traffic signals on arterial roads for up to ten years; and

- all other works for one year.

31. An allowable item listed in Table 2 does not include any conceptual designs or feasibility studies required for that item.

Priority categories of works, services or facilities

32. In accordance with section 46GJ(2A), a planning authority may prepare an ICP that contains priority categories of works, services or facilities to be funded through a standard levy.
33. Priority categories of works, services or facilities must only be comprised of the allowable items specified in Table 2 of this Annexure.
34. A development agency specified in the ICP as responsible for a priority category of works, services or facilities must, in determining the specific works, services or facilities to be funded, comply with clauses 35-36.
35. For a development agency responsible for a priority category comprised of state component allowable items, the funding of specific works, services or facilities must be determined via:
    (a) a review by the relevant development agency of monies collected for the relevant area, commencing, at the latest, annually prior to the end of the third financial year following the gazettal of the infrastructure contributions plan; and
    (b) consideration and prioritisation of the objectives, policies and provisions set out in the relevant planning scheme, including any criteria in the ICP; and
    (c) a funding decision supported by evidence to demonstrate how the proposed works, services or facilities will service the needs of the development in the ICP plan area.
36. If a development agency in an ICP containing priority categories is a municipal council, the funding of specific works, services or facilities must be determined via:
    (a) the preparation of a capital works program by the municipal council, commencing, at the latest, annually prior to the end of the third financial year following the gazettal of the ICP; and
    (b) consideration of alternative funding sources in prioritising works, services and facilities for funding to avoid multiple sources collecting for the same purpose; and
    (c) consideration and prioritisation of the objectives, policies and provisions set out in the relevant planning scheme, including any criteria in the ICP; and
    (d) the annual municipal council budgetary process informed by the capital works plan that demonstrates how the proposed works, services or facilities will service the needs of the development in the ICP plan area.
37. A development agency must make available in accordance with the public availability requirements of the Act:
    (a) any document, such as those referred to in clauses 35-36, relied on for the determination of specific works, services or facilities to be funded; and
    (b) written notice of any determination of specific works, services or facilities to be funded.

Plan preparation costs and plan administration costs

38. An ICP that applies to a State-Led Infill Precinct must not impose plan preparation costs.

39. An ICP that applies to a State-Led Infill Precinct may fund plan administration costs capped at the following proportions of annual revenue from the standard levy:

    (a) For financial years 2026/2027 to 2030/2031 inclusive, a maximum of 3.5% of annual revenue received by a development agency from the standard levy may be used to fund its plan administration costs as a development agency.

    (b) From financial year 2031/2032 onwards, a maximum of 2.5% of annual revenue received by a development agency from the standard levy may be used to fund plan administration costs as development agency.

        Example: In FY2026-2027 a municipal council may utilise up to 3.5% of the revenue apportioned to the municipal council as development agency within the ICP, being the local component of the standard levy, which is two thirds of the standard levy amount specified in this Annexure.

40. If a development agency is also a collecting agency, the agency may apply the whole or part of the revenue specified in clause 39 to its plan administration costs as collecting agency.

41. Plan administration costs cannot be used for development agencies' feasibility studies or concept designs of works, services or facilities.

LAND COMPONENT

42. An ICP that applies to a State-Led Infill Precinct must not impose a contribution that includes a land component.

Annexure 2 - Attachment 1

Formula for indexing the standard levy rate

For the purposes of clause 21 the formula is:

AIC = PIC x A/B

Where:

AIC is the indexed total residential standard levy rate being determined.

Note: The amount of the total residential standard levy rate will be rounded to the nearest $50 after indexation.

PIC is the total residential standard levy rate for the previous financial year.

Example

For indexing the standard levy rate:

- for the financial year beginning on 1 July 2027, "PIC" is the standard levy rate for the financial year beginning on 1 July 2026; and
- for the financial year beginning on 1 July 2028, "PIC" is the standard levy rate for the financial year beginning on 1 July 2027, which is the indexed standard levy rate determined in accordance with this formula for that financial year.

A is the combined average of the two applicable producer price index numbers for the latest full year available:

(a) each of the September, December and March quarters occurring immediately before the beginning of the financial year in respect of which the rate is being indexed; and

(b) the last June quarter in the financial year one year earlier than the financial year in respect of which the standard levy rate is being indexed.

B is the combined average of the two applicable producer price index numbers for the previous year available:

(a) each of the September, December and March quarters occurring in the financial year one year earlier than the financial year in respect of which the standard levy rate is being indexed; and

(b) the last June quarter in the financial year two years earlier than the financial year in respect of which the standard levy rate is being indexed.

Example

For indexing a standard levy rate for the financial year beginning on 1 July 2027:

- "A" is the average of the applicable producer price index numbers for the June quarter in the financial year beginning on 1 July 2025 and the September, December and March quarters in the financial year beginning on 1 July 2026;
- "B" is the average of the relevant index numbers for the June quarter in the financial year beginning on 1 July 2024 and the September, December and March quarters in the financial year beginning on 1 July 2025.

Annexure 3

SRL EAST PLANNING AREA

Development setting

1. The development setting to which this Annexure applies is the SRL East Planning Area.

Definition of SRL East Planning Area

2. The SRL East Planning Area consists of the area declared by the Minister for the Suburban Rail Loop as a 'planning area' under section 65(1) of the *Suburban Rail Loop Act 2021* as described in LEGL./23-024 Plan lodged in the Central Plan Office, Victoria.

Planning authority requirement

3. An ICP can only be prepared for land in the SRL East Planning Area by the Minister for Planning or the Suburban Rail Loop Authority for inclusion in a planning scheme amendment for which the Minister for Planning or Suburban Rail Loop Authority is a planning authority.

Definitions

4. In this Annexure:
   (a) ***Building permit*** means a permit under the *Building Act 1993*.
   (a) ***Planning permit*** means a permit under the *Planning and Environment Act 1987*.
   (b) ***Exempt permit*** means a planning permit granted in relation to an application made before 1 January 2027.

MONETARY COMPONENT

Standard levy rates

5. Table 1 of this Annexure sets out the standard levy rate that applies to the class of development of land listed in the Table, according to the type of land to be developed (Structure Plan Areas and Outer Ring Areas). The standard levy rate that applies is dependent on the timing of the relevant development according to the stage of the infrastructure contributions plan.

Table 1: Standard levy rates for each class of development and type of land *(All amounts in $ per demand unit at $2026/27)*

Type of land	Class of development	Demand unit	Threshold	Stage	Standard levy rate	Local precinct component	State precinct component	SRL Infrastructure component
Structure Plan Area	Residential development	Each additional dwelling or residential lot	1 dwelling or residential lot	Stage 1: 01/01/2027 to 30/06/2032	$11,350	$7,567	$3,783	$0
				Stage 2: 01/07/2032 to 30/06/2035	$29,263	$7,567	$3,783	$17,913
				Stage 3: 01/07/2035 to 31/12/2062	$29,263	$7,567	$3,783	$17,913
Structure Plan Area	Commercial development	1 additional square metre of leasable floor area	100 square metres of leasable floor area	Stage 1: 01/01/2027 to 30/06/2032	$114	$76	$38	$0
				Stage 2: 01/07/2032 to 30/06/2035	$293	$76	$38	$179
				Stage 3: 01/07/2035 to 31/12/2062	$293	$76	$38	$179
Structure Plan Area	Industrial development	1 additional square metre of leasable floor area	200 square metres of leasable floor area	Stage 1: 01/01/2027 to 30/06/2032	$57	$38	$19	$0
				Stage 2: 01/07/2032 to 30/06/2035	$146	$38	$19	$90
				Stage 3: 01/07/2035 to 31/12/2062	$146	$38	$19	$90
Outer Ring Area	Residential development	Each additional dwelling or residential lot	1 dwelling or residential lot	Stage 1: 01/01/2027 to 30/06/2032	$0	$0	$0	$0
				Stage 2: 01/07/2032 to 30/06/2035	$11,350	$7,567	$3,783	$0
				Stage 3: 01/07/2035 to 31/12/2062	$29,263	$7,567	$3,783	$17,913
Outer Ring Area	Commercial development	1 additional square metre of	100 square metres of leasable floor area	Stage 1: 01/01/2027 to 30/06/2032	$0	$0	$0	$0
				Stage 2: 01/07/2032 to 30/06/2035	$114	$76	$38	$0

Type of land	Class of development	Demand unit	Threshold	Stage	Standard levy rate	Local precinct component	State precinct component	SRL Infrastructure component
		leasable floor area		Stage 3: 01/07/2035 to 31/12/2062	$293	$76	$38	$179
Outer Ring Area	Industrial development	1 additional square metre of leasable floor area	200 square metres of leasable floor area	Stage 1: 01/01/2027 to 30/06/2032	$0	$0	$0	$0
				Stage 2: 01/07/2032 to 30/06/2035	$57	$38	$19	$0
				Stage 3: 01/07/2035 to 31/12/2062	$146	$38	$19	$90

Development subject to an infrastructure contribution

6. An ICP which applies to land in the SRL East Planning Area must only impose a standard levy on development in accordance with this Annexure.
7. Subject to this Direction, an ICP which applies to land in the SRL East Planning Area must impose a standard levy on all development within an ICP plan area that is within a class of development set out in Table 1 to this Annexure.

Note: Clause 9 within Part A of this Direction sets out classes of development exempt from an infrastructure contribution.

8. A standard levy must only be imposed if:
   (a) the development generates additional demand units of a kind described in Table 1, above the relevant threshold in Table 1; and

   Example: If the development of land is the extension of the leasable floor area of an existing supermarket by 50 square metres, no levy payment is required (as the threshold for commercial development is 100 square metres).

   (b) the planning or building permit application for the development, or an application to amend a planning or building permit, is made on or after the date on which the imposition of a standard levy is to commence under the ICP.

Note: Section 46GV of the Act provides that where an ICP imposes an infrastructure contribution in relation to the development of land, the contribution is imposed at the earlier time at which a person (the applicant) makes an application for either a planning permit to develop the land, or a building permit to carry out building work on the land.

9. An ICP which applies to land in the SRL East Planning Area must not impose an infrastructure contribution in relation to development associated with the following:
   (a) An application for a building permit for works authorised by an exempt permit; and
   (b) An application for a planning permit for subdivision of a building the construction of which was authorised by an exempt permit, or subdivision of land that has been developed in accordance with an exempt permit.
10. An ICP which applies to land in the SRL East Planning Area may provide for an exemption from an infrastructure contribution in respect of land, or classes of development, subject to specified alternative infrastructure contribution mechanisms.

Method of calculating the levy

11. An ICP which applies to land in the SRL East Planning Area must designate land in the ICP plan area as either a Structure Plan or an Outer Ring charge area. Areas designated as Structure Plan Areas should be those areas within approximately 800m radial distance from a planned SRL East station. Areas designated Outer Ring Areas should be areas within the ICP plan area outside the Structure Plan Area.
12. Subject to this Annexure, the amount of standard levy payable in respect of a development of land is to be determined by applying the relevant standard levy rate in Table 1 (as indexed in accordance with clauses 21-30) for the relevant class of development to the number of additional demand units generated by the development. The relevant standard levy rate is the rate:
    (a) for the Structure Plan Area or Outer Ring Area, according to the charge area defined in the ICP; and
    (b) for the stages referred to in Table 1, according to the date on which the relevant application for the development is made.

13. In determining the number of additional demand units created by a development, regard must be had to the *Infrastructure Contributions Plan Guidelines*.

14. In respect of an application to amend an exempt permit via section 72 of the Act, or to amend a building permit issued in relation to an application made before the date on which the imposition of a standard levy commenced under the ICP, the amount of standard levy payable is to be determined in accordance with clause 12 with respect only to any net increase in the additional demand units generated by the development above the relevant threshold in Table 1 that would be authorised by the amendment to the permit, in contrast to the original permit.

    Example 1: If a planning permit for net additional 400 square metres of commercial leasable floor area was issued on 12 October 2025 and a section 72 application to amend the planning permit to allow an additional 150 square metres of commercial leasable floor area is lodged after the ICP commencement date, the responsible authority must add a condition on the amended planning permit for the payment of an ICP levy for the net additional demand units allowed via section 72 of the Act (150 square metres of commercial demand units).

    Example 2: If a planning permit for net additional 400 square metres of industrial leasable floor area was issued on 12 October 2025 and a section 72 application to amend the planning permit to allow an additional 150 square metres of commercial leasable floor area is lodged after the ICP commencement date, the responsible authority must add a condition on the amended planning permit for the payment of an ICP levy for the net additional demand units allowed via section 72 of the Act (150 square metres of commercial demand units).

    Example 3: If a planning permit for net additional 400 square metres of commercial leasable floor area was issued on 12 October 2025 and a section 72 application to amend the planning permit to allow an additional 80 square metres of commercial leasable floor area is lodged after the ICP commencement date, the responsible authority must not add a condition on the amended planning permit for the payment of an ICP levy for the net additional demand units allowed via section 72 of the Act as the they are below the threshold in Table 1.

15. In respect of an application to amend a planning permit or building permit granted or issued in relation to an application made on or after the date on which the imposition of a standard levy commenced under the ICP, which has the effect of increasing or decreasing the demand units generated by the development, the amount of standard levy payable is to be determined in accordance with clause 12 with respect to the new number of additional demand units generated by the development as authorised by the amended permit.

    Example 1: If a planning permit for net additional 400 square metres of commercial leasable floor area is applied for after the ICP commencement date and a section 72 application to amend the planning permit to allow an additional 150 square metres of commercial leasable floor area is lodged prior to a building permit being issued for the development, the collecting agency must collect an ICP levy for 550 square metres of commercial demand units prior to a building permit being issued for the development.

    Example 2: If a planning permit for net additional 400 square metres of industrial leasable floor area is applied for after the ICP commencement date and a section 72 application to amend the planning permit to allow an additional 150 square metres of commercial leasable floor area is lodged prior to a building permit being issued for the development, the collecting agency must collect an ICP levy for both 400 square metres of commercial demand units and 150 square metres of industrial demand units prior to a building permit being issued for the development.

    Example 3: If a planning permit for net additional 400 square metres of commercial leasable floor area is applied for after the ICP commencement date and a section 72 application to amend the planning permit to allow an additional 80 square metres of commercial leasable floor area is lodged prior to a building permit being issued for the development, the collecting agency must collect an ICP levy for 480 square metres of commercial demand units prior to a building permit being issued for the development.

16. Where an ICP is applied to the same land as an existing DCP, the total amount of levies payable under the applicable DCP in relation to an application for a permit for development or a building

permit is to be deducted from the total amount of the local precinct component of the standard levy payable under the ICP in relation to the same development. Should the total levies payable under an existing DCP exceed the total amount of the local precinct component of the levies payable under an ICP, then the total amount of the local precinct component of the levies payable under the ICP is reduced to nil for that permit application.

Definitions of classes of development

17. For the purposes of Table 1 of this Annexure, residential development includes development for Dwelling uses (nested under the Accommodation group in clause 73.04-01 of the Victoria Planning Provisions), as defined in clause 73.03 of the Victoria Planning Provisions, except for Caretaker's house.

18. For the purposes of Table 1, industrial development includes development for:

    (a) uses in the Industry group in clause 73.04-5 of the Victoria Planning Provisions, as defined in clause 73.03 of the Victoria Planning Provisions;

    (b) uses in the Warehouse group in clause 73.04-15 of the Victoria Planning Provisions, as defined in clause 73.03 of the Victoria Planning Provisions;

    (c) Caretaker's house use as defined in clause 73.03 of the Victoria Planning Provisions that primarily serves development in clauses 18(a) or 18(b) of this Annexure.

19. For the purposes of Table 1, commercial development includes development for:

    (a) All other uses not contained in clause 17 and 18 of this Annexure;

    (b) Any innominate uses;

    (c) Caretaker's house use as defined in clause 73.03 of the Victoria Planning Provisions that primarily serves development in clauses 19(a) or 19(b) of this Annexure.

Supplementary levy

20. An ICP that applies to land in the SRL East Planning Area must not impose a supplementary levy.

Indexation method and timing of standard levy rates

21. The standard levy rates for each class of development for each Stage specified in Table 1 must be indexed in accordance with clauses 22-29 on:

    (a) 1 July 2027 for the 2027/2028 financial year; and

    (b) 1 July of each subsequent financial year.

22. The standard levy rate for the residential class of development specified in Table 1 must be indexed in accordance with the formula set out in Attachment 1 to this Annexure, using the combined averages of the following indices:

    (a) the Australian Bureau of Statistics Producer Price Index for Non-Residential Building Construction – Victoria (Catalogue 6427.0, Table 17, Output of the Construction Industries, subdivision and class index numbers, Series ID A2333700L); and

    (b) the Australian Bureau of Statistics Producer Price Index for Road and Bridge Construction – Victoria (Catalogue 6427.0, Table 17, Output of the Construction Industries, subdivision and class index numbers, Series ID A2333706A).

Note: The amount of the total residential standard levy rate will be rounded to the nearest $50 after indexation.

23. To determine the standard levy rate for the commercial class of development, the rounded indexed levy rate calculated using clause 22 is divided by 100.

    Note: The amount of the total commercial standard levy rate will be rounded to the nearest $1.

24. To determine the standard levy rate for the industrial class of development, the rounded indexed levy rate calculated using clause 22 is divided by 200.

    Note: The amount of the total industrial standard levy rate will be rounded to the nearest $1.

25. The local component is two thirds of the standard levy rates for each class of development specified in Stage 1 of Table 1 for Structure Plan Areas and Stage 2 of Table 1 for Outer Ring Areas (except where zero).

    Note: The amount of the local component will be rounded to the nearest $1.

26. The state component is one third of the standard levy rates for each class of development specified in Stage 1 of Table 1 for Structure Plan Areas and Stage 2 of Table 1 for Outer Ring Areas (except where zero).

    Note: The amount of the state component will be rounded to the nearest $1.

27. The local component is 26% of the standard levy rates for each class of development specified in Stages 2 and 3 of Table 1 for Structure Plan Areas and Stage 3 of Table 1 for Outer Ring Areas (except where zero).

    Note: The amount of the local component will be rounded to the nearest $1.

28. The state component is 13% of the standard levy rates for each class of development specified in Stages 2 and 3 of Table 1 for Structure Plan Areas and Stage 3 of Table 1 for Outer Ring Areas (except where zero).

    Note: The amount of the state component will be rounded to the nearest $1.

29. The SRL Infrastructure component is 61% of the standard levy rates for each class of development specified in Stages 2 and 3 of Table 1 for Structure Plan Areas and Stage 3 of Table 1 for Outer Ring Areas (except where zero).

30. The indexed rates will be published on the Department's website each year.

Indexation of a standard levy

31. An ICP which applies to land in the SRL East Planning Area that imposes a standard levy must include an indexation mechanism for the levy that reflects the operation of clauses 21-30.

Allowable items and prioritisation of infrastructure

32. An ICP which applies to land in the SRL East Planning Area must only fund the allowable items specified in Table 2 of this Annexure.

    Note: Division 7 of Part 3AB of the Act sets out the procedure for dealing with any infrastructure contribution that has not been expended at the date on which an approved infrastructure contributions plan expires.

33. The specific works, services or facilities should be generally in accordance with the current publicly-available implementation plans for each ICP plan area, unless specified in the respective ICP. Works, services or facilities that are not generally in accordance with the current publicly-available implementation plan may be funded by an ICP if the development agency has determined the need for those works, services or facilities is generated by land in the ICP plan

area and the works, services or facilities will contribute towards achieving the vision, objectives and strategies for the IPC plan area, as detailed within the publicly-available SRL East structure plans.

34. Where an ICP is applied to the same land as an existing DCP, the ICP must not fund the provision of infrastructure that services the same need as an item funded by the DCP. This does not apply where the existing infrastructure contributions plan specifies priority categories of works, services or facilities to be funded through a standard levy and determined at a future date.

    Note: Nothing in this clause prevents an ICP funding the augmentation of an item funded by a DCP in order to respond to additional need not funded by the DCP. For example, an ICP may include funding for an additional room for a maternal health centre otherwise funded by a DCP, provided the additional room is responding to an additional need.

Table 2: Standard levy allowable items

	Standard levy allowable item
Works, services or facilities provided by or on behalf of a Minister or public authority (state precinct component)	• Roads, including the construction of bicycle and foot paths, and traffic management and control devices • Public transport infrastructure, including fixed rail infrastructure, railway stations, bus stops and tram stops • Bridges, including underpasses, overpasses or similar • Pedestrian or cyclist bridges, crossings and accessways • Intersections • Drainage and integrated water management works • Schools and kindergartens • Higher education facilities • Health facilities • Emergency services • Justice and police services • Public realm improvements and street tree planting • Parks, including playgrounds, shelters, toilets, landscaping, earthworks, pathways, fencing and seating
Works, services or facilities provided by or on behalf of a municipal council (local precinct component)	• Roads including the construction of bicycle and foot paths and minor traffic management control devices • Intersections and minor traffic management control devices • Footpaths and public realm upgrades • Active transport such as cycle paths and walking trails • Drainage and integrated water management works • Sports and recreation facilities • Community facilities, including libraries, early childhood education, maternal and child health facilities and community centres • Street tree planting • Parks, including playgrounds, shelters, toilets, landscaping, earthworks, pathways, fencing and seating

Works, services or facilities provided by or on behalf of a Minister or public authority (SRL Infrastructure component)	• Underground stations at Cheltenham, Clayton, Monash, Glen Waverley, Burwood and Box Hill as part of the Suburban Rail Loop program and associated station infrastructure including:
	    • roads and intersections that support access to SRL East stations
	    • footpaths, shared paths and public realm

	Standard levy allowable item
	• active transport infrastructure such as cycle paths and walking trails • utilities relocation, substations and network upgrades • drainage and integrated water management works • street tree planting and associated landscaping
Financing costs associated with the early delivery of works, services or facilities for other allowable items	The early delivery of the works, services or facilities must be essential to the orderly development of the ICP plan area. The financing costs must be: • Incurred by the development agency responsible for providing the item; and • Associated with the early delivery of an allowable item.

35. An allowable item listed in Table 2 includes any associated elements and costs that are reasonably required to provide that item, including:

(a) the design, preparation, supervision and inspection of works, services, or facilities, including relevant fees;

(b) relevant land acquisitions;

(c) financing costs associated with the early delivery of an item (subject to the conditions in Table 2);

(d) For local precinct works, services or facilities delivered by or on behalf of a municipal council, planning, investigation and preliminary design work that is necessary to ensure key projects described in the respective implementation plan for the ICP plan area can be translated into costed and deliverable projects;

(e) site preparation;

(f) services relocations, installations and adjustments;

(g) construction of pavement and kerb and channel;

(h) drainage and integrated water management treatments;

(i) foundations, abutments and structures;

(j) landscaping, irrigation and street furniture;

(k) bus and tram priority measures;

(l) fencing, including guard fencing;

(m) traffic control signs, line marking and street lighting;

(n) wayfinding and signage;

(o) temporary works, access restoration and 'making good' works;

(p) the costs of securing native vegetation offsets or habitat compensation fees related to the provision of the item on land that is in public ownership at the time the infrastructure contributions plan is prepared; and

(q) maintenance of:

- landscaping for two years;
- traffic signals on arterial roads for up to ten years; and
- all other works for one year.

(r) Other than the work specified in (d) above, the associated elements and costs do not include any conceptual designs or feasibility studies required for that item.

Priority categories of works, services or facilities

36. In accordance with section 46GJ(2A) of the Act, a planning authority may prepare an ICP that contains priority categories of works, services or facilities to be funded through a standard levy.
37. Priority categories of works, services or facilities must only be comprised of the state precinct component, local precinct component and financing costs allowable items specified in Table 2 of this Annexure.
38. A planning authority may prepare an ICP that, in addition to the inclusion of priority categories, also includes and specifies SRL Infrastructure in accordance with section 46GI(1)(ka)(i) of the Act. SRL Infrastructure may only be funded from the SRL Infrastructure component of the standard levy.
39. A development agency specified in the ICP as responsible for a priority category of works, services or facilities must, in determining the specific works, services or facilities to be funded, comply with clauses 40-41.
40. For a development agency responsible for a priority category comprised of state precinct component allowable items, the funding of specific works, services or facilities must be determined via:
    (a) a review of monies collected for the relevant area, commencing, at the latest, annually prior to the end of the third financial year following the gazettal of the ICP;
    (b) consideration and prioritisation of the key projects in the published implementation plans for each ICP plan area, or alternate projects as described in Clause 33 of this Annexure, including any criteria in the ICP; and
    (c) a funding decision supported by evidence to demonstrate how the proposed works, services or facilities will service the needs of the development in the ICP plan area.
41. If a development agency in an ICP containing priority categories is a municipal council, the funding of specific works, services or facilities must be determined via:
    (a) the preparation of a capital works program by the municipal council, commencing, at the latest, annually prior to the end of the third financial year following the gazettal of the ICP;
    (b) consideration of alternate sources of contributions in prioritising works, services or facilities for funding to avoid multiple sources collecting for the same purpose;
    (c) consideration and prioritisation of the key projects in the published implementation plans for each ICP plan area, or alternate projects as described in Clause 33 of this Annexure, including any criteria in the ICP; and
    (d) a funding decision supported by evidence to demonstrate how the proposed works, services and facilities will service the needs of the development in the ICP plan area.

42. The development agencies for the local precinct component and state precinct component must make the following documentation available in accordance with the public availability requirements of the Act:

    (a) any document, such as those referred to in clauses 40-41, relied on for the determination of specific works, services or facilities to be funded; and

    (b) written notice of any determination of specific works, services or facilities to be funded.

Plan preparation costs and plan administration costs

43. An ICP that applies to land in the SRL East Planning Area must not impose plan preparation costs.

44. An ICP that applies to land in the SRL East Planning Area may fund plan administration costs capped at the following proportions of annual revenue from the standard levy:

    (a) A maximum of 2.5% of annual revenue received by a development agency from the local and state components of the standard levy may be used to fund plan administration costs incurred in its capacity as a development agency.

        Example: In FY2026-2027 a municipal council may utilise up to 2.5% of the revenue apportioned to the municipal council as development agency within the ICP, being the local component of the standard levy, which is two thirds of the standard levy amount specified in this Annexure for that financial year.

45. If a development agency is also a collecting agency, the agency may apply the whole or part of that revenue specified in clause 44 to its plan administration costs incurred in its capacity as a collecting agency.

46. Plan administration costs cannot be used for development agencies' feasibility studies or concept designs of works, services or facilities.

LAND COMPONENT

47. An ICP that applies to land in the SRL East Planning Area must not impose a contribution that includes a land component.

Annexure 3 - Attachment 1

Formula for indexing the total residential standard levy rates in Stage 1 or Stage 2 and 3 of Table 1

For the purposes of clause 22, the formula is:

AIC = PIC x A/B

Where:

AIC is the indexed total residential standard levy rate being determined.

Note: The amount of the total residential standard levy rate will be rounded to the nearest $50 after indexation for Stage 1 of Table 1 or the nearest $1 for Stage 2 and 3 of Table 1.

PIC is the total residential standard levy rate for the previous financial year.

Example
For indexing the standard levy rate:

- for the financial year beginning on 1 July 2027, "PIC" is the standard levy rate for the financial year beginning on 1 July 2026; and
- for the financial year beginning on 1 July 2028, "PIC" is the standard levy rate for the financial year beginning on 1 July 2027, which is the indexed standard levy rate determined in accordance with this formula for that financial year.

A is the combined average of the two applicable producer price index numbers for the latest full year available:

(a) each of the September, December and March quarters occurring immediately before the beginning of the financial year in respect of which the rate is being indexed; and
(b) the last June quarter in the financial year one year earlier than the financial year in respect of which the standard levy rate is being indexed.

B is the combined average of the two applicable producer price index numbers for the previous year available:

(a) each of the September, December and March quarters occurring in the financial year one year earlier than the financial year in respect of which the standard levy rate is being indexed; and
(b) the last June quarter in the financial year two years earlier than the financial year in respect of which the standard levy rate is being indexed.

Example
For indexing a standard levy rate for the financial year beginning on 1 July 2027:

- "A" is the average of the applicable producer price index numbers for the June quarter in the financial year beginning on 1 July 2025 and the September, December and March quarters in the financial year beginning on 1 July 2026;
- "B" is the average of the relevant index numbers for the June quarter in the financial year beginning on 1 July 2024 and the September, December and March quarters in the financial year beginning on 1 July 2025.

PART B: MINISTERIAL REPORTING REQUIREMENTS FOR INFRASTRUCTURE CONTRIBUTIONS PLANS

Purpose

1. The purpose of this document is to set out the requirements of the Minister in relation to reports prepared by collecting agencies and development agencies in respect of infrastructure contributions plans.

Application

2. These requirements apply to the preparation of a report by a collecting agency or development agency under section 46GZI of the *Planning and Environment Act 1987* (the Act).

Requirements

3. A report must be prepared and given to the Minister for Planning. using the Victorian Government's digital platform prior to 31 October each year.
4. If the collecting agency or development agency is a municipal council, the report must be included in the report of operations contained in the council's annual report prepared under the *Local Government Act 1989*.

Reporting via Victorian Government's digital platform

5. Any collecting agency is required to lodge and maintain collection data using the Victorian Government's digital platform by 15 July for the preceding 1 January – 30 June reporting period and 15 January for the preceding 1 July – 31 December reporting period. Tables 1, 2 and 3 in the Annexure provide an indicative outline of the data required to be submitted within the platform – detailed requirements are subject to change and specified in the digital platform.

6. Any development agency is required to lodge and maintain expenditure data using the Victorian Government's digital platform by 30 September for the preceding 1 January – 30 June reporting period and 31 March for the preceding 1 July – 31 December reporting period. Tables 1, 2 and 3 in the Annexure provide an indicative outline of the data required to be submitted within the platform – detailed requirements are subject to change and specified in the digital platform.

Collecting agencies

7. For Annexures 2 and 3, a collecting agency must transfer funds to the respective development agencies according to the below:
   (a) for actual funds received during the preceding 1 January – 30 June reporting period, on or before 30 September; and
   (b) for actual funds received during the preceding 1 July – 31 December reporting period, on or before 31 March.

Annexure

MINISTERIAL REPORTING REQUIREMENTS FOR INFRASTRUCTURE CONTRIBUTIONS PLANS

Table 1 – Contributions plans

Mandatory	**Mandatory & must be unique**	**Mandatory**	**Mandatory**			**Mandatory**	**Mandatory**	**Mandatory**	**Mandatory**	**Mandatory**
	e.g. DCPO4, ICO2	*DCP or ICP*		*e.g. C238wyndm, C211brim*	*Format: YYYY-MM-DD*	*Format: YYYY-MM-DD*	*Format: YYYY-MM-DD*	*e.g. Wyndham, Casey*	*e.g. Wyndham, Casey*	*Format: positive $*
Council name	**Contributions Plan identifier**	**Contributions Plan Type**	**Contributions Plan name**	**Most recent planning scheme amendment identifier**	**Planning scheme amendment date**	**Contributions Plan start date**	**Contributions Plan end date**	**Collecting agency**	**Development agency**	**Estimated total plan contributions**

Table 2 – Contributions projects

Mandatory	**Mandatory & must be unique**	**Mandatory**	**Mandatory**	**Mandatory if Project type = "Land"**		**Mandatory for "Construction" or "Land" projects. You must enter the project's Suburb & Postcode, or Geocode. Please also enter Street address if known. If project location is not yet known, use your council's main office location and update later**				**Mandatory for "Construction" or "Land" projects**		
e.g. DCPO4, ICO2	*e.g. Bakery Hill Park, AFO5 or another identifier format*		*Holding (account), Construction or Land*	*Format: 31.14, 0.68*		*Address*			*Format: e.g. 37.12345678,144.12345678 with no space after the comma*	*Format: YYYY-MM-DD*	*Format: YYYY-MM-DD*	*Format: positive $*
Contributions Plan identifier	**Contributions Project identifier**	**Contributions Project name**	**Project type**	**Number of hectares**	**Project description**	**Street address**	**Locality (suburb)**	**Postcode**	**Geocode**	**Project start date**	**Project end date**	**Estimated total project contributions**

Table 3 – Contributions payments/transactions

Mandatory	Mandatory & must be unique	Mandatory & must be unique. You can use transaction IDs or anu unique identifier	Mandatory			
e.g. DCPO4, ICO2	*e.g. Bakery Hill Park, AFO5 or another identifier format*		*"Holding" projects must not have "expenditure" payments/transactions*	*"Multi-lot" or individual planning permit IDs*	*Format: YYYY-MM-DD*	*Format: positive $*
Contributions Plan identifier	**Contributions Project identifier**	**Council's payment/transaction identifier**	**Payment/Transaction type**	**Application ID**	**Payment/Transaction date**	**Amount**