



GUIDANCE NOTE

FEBRUARY 2025

Infrastructure Coordination: Infrastructure and Development Staging



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Version	Date	Description of changes
1	February 2025	First version of guidance note

Introduction

What is a guidance note?

The Victorian Planning Authority's (VPA) precinct structure planning guidance notes are a series of documents and tools that provide advice to practitioners, key stakeholders, and organisations about preparing various elements that contribute to the development and creation of new precinct structure plans (PSP).

The VPA's guidance notes form part of the Practitioner's Toolbox for the [Precinct Structure Planning Guidelines: New Communities in Victoria](#) (the Guidelines). The Guidelines provide the framework for preparing place-based PSPs in new greenfield communities across Victoria and seeks to achieve quality development and infrastructure outcomes that are flexible, responsive, and supportive of innovation. The Guidelines also aim to deliver outcomes consistent with the principles of living locally – giving people the ability to access goods and services close to where they live.

This guidance note should be read in conjunction with the Guidelines and other relevant guidance provided in the Practitioner's Toolbox and with relevant State policies.

Purpose of the guidance note

The purpose of this guidance note is to assist planning authorities, responsible authorities, agencies, and other stakeholders to:

- Understand and inform the methodology for the preparation of an Infrastructure and Development Staging Plan (IDSP) and accompanying requirements and guidelines in the PSP.
- Define the stages of the IDSP to appropriately manage the expected growth scenarios for a new community and plan for the provision of infrastructure (local and state) in the most efficient way.
- Apply and enforce the IDSP in practice.

Limitations of the guidance note

This guidance note does not seek to introduce new strategic policy or mandate the delivery of infrastructure in a particular way for PSPs; rather it sets out the process for preparing an IDSP along with providing options for implementation.

This guidance note provides information on the need for infrastructure and development staging, when it can be considered in the PSP planning process and how it can be implemented (and when it is not necessary). It is envisaged that this guidance will predominantly be utilised by planners at the Victorian Planning Authority but can also be utilised by all planning and responsible authorities.

Disclaimer

VPA guidance notes assist implementation of the *Precinct Structure Planning Guidelines: New Communities in Victoria* (October 2021) and outlines the VPA's interpretation of policy, intended process approach or recommended product for a particular element of the PSP, including current standards, targets or performance outcomes that are expected to be utilised in the planning and development of a PSP. However, the exhibited PSP amendment and supporting documentation represents the planning authority's proposed outcomes and place-based responses to the principles, targets and guidance contained within the guidance note.

As new requirements are identified, or as policy changes occur, practitioner tools will be updated accordingly. Therefore, this guidance note will be updated iteratively in response to future policy and process reform and practice learnings.

Where references to other guidance notes have been made in this document, please refer to the [Practitioner's Toolbox](#) on the VPA's website.

Applying the guidelines in regional Victoria

There may be instances where metrics within the Guideline Targets and/or the process of achieving the Targets may need to be adapted in a regional setting to support the existing character and values of townships, while meeting the needs of future communities across Victoria. Where applicable, VPA guidance notes will provide direction as to how particular identified Targets in the Guidelines can be adapted to suit different regional growth contexts and outline the process methodology for achieving any adaptations from the Guidelines required.

Key considerations

PSPs set out the high-level land use intentions for a precinct and provide detailed information on the transport, drainage, and community infrastructure required to serve and unlock a precinct for development.

The PSP Guidelines (endorsed by the Minister for Planning in 2021) elevate the importance of staged infrastructure coordination in line with development. Furthermore, [A 10-year plan for Melbourne's Greenfields](#) stipulates that staging provisions will be included in future PSPs.

In response, planning scheme mechanisms are to guide the staging of development in PSPs, for example, by using a plan within PSP documents to avoid out-of-sequence development. This plan will guide the development in a way that is timely, coordinated, and contextually logical. Additionally, in some PSPs, where critical state infrastructure is identified to be required for development to commence, the staging plan will be supported by planning controls that ensure permits are issued in line with infrastructure delivery or capacity.

It is noted that not every PSP will require staging. This will be considered on a case-by-case basis and further information to this end is provided in [Discretionary application of Infrastructure and Development Staging Plans](#).

What is infrastructure and development staging?

Infrastructure and development staging refers to the order in which development is permitted to occur throughout a precinct. It is a way of achieving an orderly and financially viable delivery of infrastructure within a PSP, avoiding out of sequence and disconnected subdivisions, and preventing development occurring that compromises existing infrastructure.

The intention of including infrastructure and development staging controls in PSPs is to ensure:

- Responsible authorities align subdivision and development within a PSP area with local and state infrastructure delivery and existing capacity.
- New communities are liveable, are provided basic and essential infrastructure and services and integrate with their surrounding area.
- Each stage of a precinct enables a sufficient number of development fronts and individual estates to be developed concurrently, so that there is a land market with choice for consumers.
- Development is not undertaken when it exceeds or prejudices the capacity or safety of critical state infrastructure.

Staging is not intended to create a commercial advantage for some landowners over others. Further, it is not intended to create a "queue" where those at the "head of the queue" can control the pace of land development. Rather, staging is a means for ensuring that development occurs in time with infrastructure capacity and delivery and is designed to secure equitable access to services and infrastructure for existing and future residents and workers.

Policy context

Infrastructure and development staging is supported by the 2021 PSP Guidelines and the following legislation and policies.

Legislation

Planning and Environment Act 1987

Infrastructure and Development Staging accords with the objectives of planning in Victoria stipulated in section 4(1) of the *Planning and Environment Act 1987*. In particular, the following objectives are met:

- (a) To provide for the fair, orderly, economic, and sustainable use, and development of land.
- (c) To secure a pleasant, efficient, and safe working, living and recreational environment for all Victorians and visitors to Victoria.
- (e) To protect public utilities and other assets and enable the orderly provision and co-ordination of public utilities and other facilities for the benefit of the community.

Transport Integration Act 2010

The purpose of the *Transport Integration Act 2010* (TIA Act) is to provide for an integrated and sustainable transport system in Victoria. The alignment of key transport infrastructure delivery in-line with the rate of urban development will ensure that Victorians continue to experience high levels of liveability. This relates directly to the need for infrastructure and development staging and supports the delivery of the vision statement in section 2 of the TIA Act, which is that “the Parliament recognises the aspirations of Victorians for an integrated and sustainable transport system that contributes to an inclusive, prosperous and environmentally responsible State”.

State policy

A 10-Year Plan for Melbourne’s Greenfields, October 2024

A 10-Year Plan for Melbourne’s Greenfields provides a framework for government and industry to plan for and unlock 180,000 homes in future PSPs. It provides a clear pipeline of greenfield residential and employment land, showing industry and community exactly where the future housing and jobs are to be delivered over a series of horizons.

The 10-year plan also outlines Government’s intent for infrastructure and development staging, noting that “staging provisions will be included in future PSPs as required to ensure infrastructure delivery keeps pace with development and land can be adequately serviced when it is released”.

Plan Melbourne 2017-2050

Plan Melbourne is Victoria's pre-eminent metropolitan planning strategy that defines the future shape of the city and state over the next 35 years.

Plan Melbourne's vision for Victoria is guided by nine principles that underpin a long-term vision for Melbourne. These principles drive the delivery of sustainable outcomes and help to deliver the vision of a global city of opportunity and choice.

Principles relevant to the staging of infrastructure to effectively guide development across PSPs include:

Principle 5

Living locally—20-minute neighbourhoods

Creating accessible, safe and attractive local areas where people can access most of their everyday needs within a 20-minute walk, cycle or local public transport trip, will make Melbourne healthier and more inclusive. Due to the specialised and diverse nature of work, many people will still need to travel outside of this 20-minute neighbourhood for their jobs.

Principle 8

Infrastructure investment that supports balanced city growth

Smart infrastructure investment and better utilisation of existing infrastructure is the key to creating new jobs and driving population growth in the right places. It is also vital for the social, economic and environmental wellbeing of the city. That's why there needs to be a pipeline of projects and initiatives that make Melbourne more sustainable, accessible and prosperous.

Principle 9

Leadership and partnership

Melbourne's growth relies on effective governance, strong leadership and collaborative partnerships. Maintaining strong working relationships between all spheres of government, the public and private sectors and the wider community will ensure that all Melburnians share the benefits and the responsibilities of putting plans into practice.

Each of these principles are supported by outcomes, directions and policies to drive Melbourne as a competitive, liveable and sustainable city.

Draft plan for Victoria

Government has undertaken engagement with the community on plan for Victoria and is consulting with government partners on proposed initiatives. Infrastructure and development staging will support the four pillars that are guiding the outcomes of Plan for Victoria, which are:

- Affordable housing and choice;
- Equity and jobs;
- Thriving and liveable suburbs and towns; and
- Sustainable environments and climate action.

Draft plan for Victoria is proposed to be released in 2025. As plan for Victoria is developed, the guidance note will be updated to reflect any policy direction.

Victoria Planning Provisions

Planning schemes in Victoria contain state and local policies and provisions that control land use and development.

Victoria's State Planning Policy acknowledges that planning for infrastructure alongside anticipated population growth is essential to support anticipated population growth in Melbourne's outer growth area suburbs and designated growth areas in regional Victoria.

Infrastructure and development coordination and staging is consistent with, and supported by the following clauses of the Victoria Planning Provisions:

- **Clause 11.02-3S** Sequencing of development
- **Clause 11.03-2S** Growth areas
- **Clause 15.01-3S** Subdivision design
- **Clause 16** Housing
- **Clause 16.01-1S** Housing supply
- **Clause 18.01-1S** Land use and transport integration
- **Clause 18.02-1S** Movement networks
- **Clause 19.02-3S** Infrastructure design and provision

How this guidance note implements the PSP Guidelines

The *Precinct Structure Planning Guidelines: New Communities in Victoria* (October 2021) ("the PSP Guidelines") provides guidance on the planning processes required to be undertaken for the preparation of precinct structure plans. In relation to infrastructure and development staging, it outlines the critical importance of coordinated and timely delivery of infrastructure to enable affordable development in greenfield areas and ensuring that new communities have the things they need to thrive. This guidance note supports the principles of living locally by ensuring development is appropriately staged with infrastructure in a timely manner.

Implementation of infrastructure and development staging responds to the hallmark **Infrastructure Coordination** in the PSP Guidelines, which aims to deliver smarter infrastructure investment, identify infrastructure needs and coordinate their integration with appropriate future land uses to support future communities.

Infrastructure and development staging is predominantly applied through the Target **T20** of the PSP Guidelines. However, the achievement of performance targets within other hallmarks including Safe, Accessible and Well Connected, High Quality Public Realm and Services and Destinations also assist with the implementation of infrastructure and development staging.

Infrastructure and development staging is additionally framed by features **F 17** and **F 18** and general principles **F 17.1**, **F 17.2**, **F 17.3**, **F 17.4**, **F 17.5**, **F17.6**, **F 17.7** and **F 18.2** of the PSP Guidelines.

Related guidance

It is recommended that the following guidance also be considered.

Table 1 Related guidance

Guidance	Purpose
ICP Guidelines (PDF)	The purpose of the guidelines is to provide information and guidance about the operation of the ICP system, and the preparation, implementation and administration of an infrastructure contributions plan
The Precinct Structure Planning Guidelines: New Communities In Victoria (PDF)	The purpose of the Guidelines is to provide the framework for preparing PSPs that guarantees quality outcomes while also being flexible, responsive and supportive of innovation by setting aspirational goals for our future communities.
PSP 2.0 Guidance Note (PDF)	This Guidance Note provides an overview of the key process steps for preparation of PSPs in accordance with the VPA's new PSP 2.0 process. This new approach aims to streamline the preparation of PSPs through a process of collaborative co-design and early issue resolution

Practice learnings

The VPA has trialled the infrastructure and development staging methodology in recent projects, for example Officer South (Employment) PSP.

Officer South (Employment) PSP includes the use of the Specific Controls Overlay (SCO) and associated incorporated document to introduce staging controls to prevent permits being approved until defined state transport infrastructure is delivered. It also implements an IDSP within the PSP document to guide the delivery of ICP infrastructure.

Refer to [How to apply the IDSP](#) and [Statutory implementation](#) for more information.

Applying the guidance

Overview

Infrastructure and development staging ensures that out of sequence development is minimised and is predicated on the following assumptions:

- Basic and essential infrastructure is required early to allow houses or business to be built, and occupants to move in.
- The current capacity, safety and future delivery of critical state infrastructure should not be compromised by development.
- A viable rate of development is required in order to build “critical mass” towards thresholds that satisfy the need for basic and essential infrastructure.
- Planning controls enable responsible authorities to consider infrastructure needs and determine permit applications.

The triggers for different infrastructure types (dwellings, population, vehicles, etc.) vary but are also influenced by the availability of alternatives. Where there is capacity nearby it rarely makes sense to invest in infrastructure until a suitable demand base is established.

What is an Infrastructure and Development Staging Plan?

An Infrastructure and Development Staging Plan (IDSP) identifies the preferred sequence for infrastructure and development in a Precinct Structure Plan (PSP). It facilitates infrastructure and development in locations that can be serviced and outlines which infrastructure is required at certain points in time based on development demands. It also identifies if there is critical state infrastructure required to unlock development in the PSP.

The plan will spatially identify the extent of each development stage, together with the infrastructure needed to support each stage and enable progression to subsequent stages. This infrastructure needs to reflect what is shown in the Precinct Infrastructure Plan (PIP).

Refer to [Appendix – Example Infrastructure and Staging Plan](#) for an example of an IDSP.

How to prepare an Infrastructure and Development Staging Plan

The process for PSP practitioners to prepare an IDSP is outlined below, and the methodology applies to growth areas in Metropolitan Melbourne and regional Victoria. It is an iterative process, and the steps may need to be adjusted several times before an IDSP is prepared for consultation and may be refined prior to implementation. Further empirical evidence may also be required to support the staging plan depending on the context of the precinct.

State and local government authorities are consistently engaged throughout the PSP planning process which the development of Staging Plans is now embedded within. Any technical reports procured to support the development of the PSP and Staging Plans seek input and review from state and local authorities, as necessary.

Preparatory work as part of PSP 2.0 process

The table below provides guidance about how infrastructure and development staging will be incorporated into the earlier phases of PSP planning in accordance with the PSP 2.0 process which also includes many opportunities to consult with state and local government.

Table 2 PSP 2.0 process

PSP 2.0 phase		Opportunity for staging
Due diligence (optional projects)	Due diligence assessment	This phase informs the scope of the PSP and likely issues to resolve. Due diligence will also involve high-level engagement with key stakeholders including state and local government, statutory authorities responsible for infrastructure and considerations of existing and future infrastructure capacity and safety to support precinct planning and development.
	Place-based opportunities (pitching)	There are opportunities to table known staging challenges and opportunities and seek input from infrastructure and utilities providers and local and state government on the logical sequence of relevant infrastructure.
Place shaping	Vision & purpose	It is also important to ensure that early technical assessments include a consideration of staging as required.
	Co-design	Whilst the focus on co-design is to inform the land use and infrastructure configuration and place-based treatments, staging options could be considered to seek feedback from government stakeholders and developers on staging implications that may arise from specific items on the plan and inform the initial plan.
Plan preparation	Technical Assessments	Various technical assessments inform the IDSP, including but not limited to transport, land capability, infrastructure servicing and drainage. It is important that the scoping of technical studies includes elements that can inform staging.

Following this, more detailed analysis and consultation is to be undertaken as part of the agency validation, public consultation, and planning panel phases of the PSP 2.0 process. To this end, the key tasks for preparing an IDSP (outlined below) are to be completed once all technical work is completed, so in most cases, this work will occur in preparation for the public consultation version of a PSP.

Key Tasks for preparing an IDSP

Preparation of the IDSP occurs at the plan preparation stage after the work in the table above has been completed and the methodology is summarised below:

- Step 1** Undertake a contextual analysis.
- Step 2** Analyse and map the development drivers in the precinct.
- Step 3** Analyse financial revenue against infrastructure expenditure over time.
- Step 4** Combine the outputs of steps 1 to 3 into a single map identifying sub areas within the precinct suitable for development stages that are in number order. There are no timings associated with each stage.

It is also important that a supporting report is completed alongside the completion of the IDSP.
- Step 5** Monitor and review.

STEP 1 Contextual analysis

The preparation of the IDSP should commence with a contextual analysis that includes a review of, but not limited to:

- Recent state budget commitments.
- Known relevant unfunded infrastructure projects.
- Locations of development fronts in the surrounding areas and across the corridor more broadly, with a focus on active development fronts.
- Utilise Phase 1 technical background assessments conducted as part of broader PSP planning. Such assessments include but are not limited to land capability, utilities, and transport.
- Local infrastructure provision/commitments and utilities staging/commitments (drainage, water, power, gas).
- Advice from relevant authorities such as council, the Department of Transport and Planning (DTP) about core infrastructure and timing for delivery.
- Written confirmation from statutory infrastructure authorities about critical state infrastructure constraints, planning, and delivery.
- Information about land ownership, lot sizes, planning permit applications and any works-in-kind (WIK) projects in the vicinity of the PSP. This may include the potential for land consolidation.
- Cultural heritage considerations.
- Environmental considerations.

This is to ensure that opportunities for contiguous expansion from adjacent development and infrastructure are maximised.

The contextual analysis should be recorded and used to inform next steps.

STEP 2 Development analysis

Building on the information obtained in step 1, a development analysis is conducted that involves the following steps:

- Identify the key development drivers (based on what is planned within the precinct and its surrounds) that will inform preferred staging pattern(s) across the precinct using the table below as a guide. This includes key proposed infrastructure items which are tested with relevant agencies through the PSP 2.0 process.
- Produce 'heat maps' for each individual driver (i.e. using town centres as an example, the heat map will show 'hot areas' close to the town centres, and 'cooler' areas further from the centres).
- Depending on the nuance of the precinct, the development of the heat maps will consider:
 - The extent of the concentric rings from the development driver.
(Note: number of rings dependent on precinct size to cover entire precinct).
 - The number of rings required will determine the scoring range (i.e., 10 rings = a scoring range of 1-10). This means that the higher the number, the further from the infrastructure this land is.
- The heat maps are then published onto a data visualisation tool (such as a Tableau dashboard) for the project planners to utilise to complete this analysis. This allows the project planners to consider and compare the importance of each driver in supporting orderly precinct development.
- The scores must be justified and be evidence based, to the extent possible. The overall combined heatmap is automatically updated according to the scores for each development driver.

Figure 1 Example heat maps

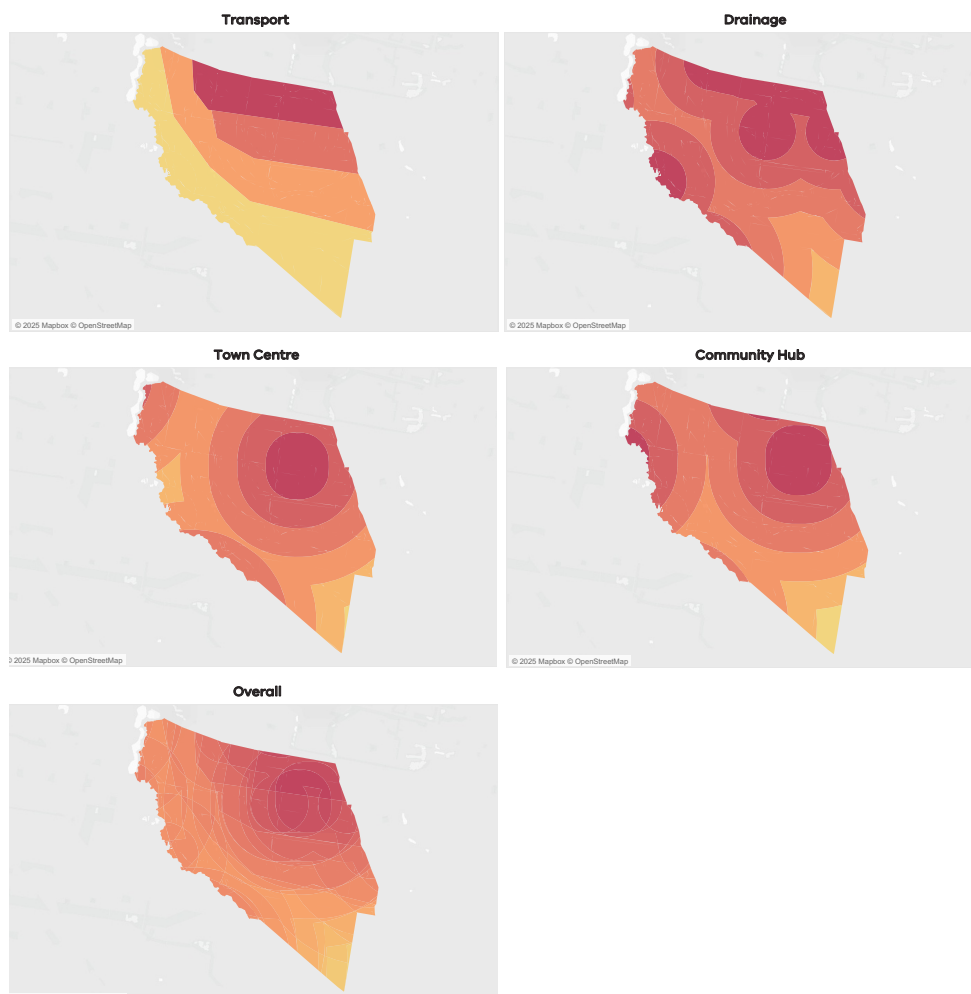


Table 3 below contains a list of the infrastructure items that may form a part of the contextual analysis and development analysis.

Table 3 Guidance to assess development drivers (for contextual analysis and development analysis)

Analysis	Infrastructure
Contextual Analysis	Existing services infrastructure within the precinct or surrounds, including but not limited to: <ul style="list-style-type: none"> • Electricity • Sewer • Gas • Potable water • Telecommunications.
	Existing drainage infrastructure within the precincts or surrounds that are linked to the proposed drainage infrastructure for the precinct, including but not limited to: <ul style="list-style-type: none"> • Retarding basins • Drainage outlets • Channels and drains.
	Existing and planned transport infrastructure within the precinct and surrounds, including but not limited to: <ul style="list-style-type: none"> • Key active transport networks paths. • Principal Public Transport Network: Key public transport routes and infrastructure including stations/stops/stabling/bus interchanges/ rail corridors/tram infrastructure • Principal Road Network: Key declared freeways, declared arterial roads arterial and connector roads • Principal Freight Network: Key freight places and movements, including principal transport gateways
	Existing community and open space infrastructure within the precinct or surrounds, including but not limited to: <ul style="list-style-type: none"> • Education • Community centres • Maternal child health • Neighbourhood houses • Libraries • Local parks • Regional parks • Local sporting facilities • Regional sporting facilities.
	Existing activity nodes within the precinct or surrounds, including but not limited to: <ul style="list-style-type: none"> • Existing town centres • Existing commercial areas • Existing employment areas.

Analysis	Infrastructure
Development Analysis	<p>The development analysis relies upon planned future infrastructure within the precinct, including but not limited to:</p> <ul style="list-style-type: none"> • Key proposed movement network infrastructure and intersections • Key proposed public transport infrastructure • Proposed community infrastructure, including schools, community facilities and emergency services infrastructure. <p>It also relies upon existing nodes within the precinct, predominantly being town centres.</p>

Note: the development drivers will be different for each PSP and must consider adjoining PSPs.

STEP 3 Financial analysis

The financial analysis enables an understanding of when revenue will be available for the delivery of basic and essential infrastructure, either directly by the development agency, or via works-in-kind (WIK) arrangements. This enables the alignment of basic and essential infrastructure to a stage at which sufficient funds are likely to be available.

The financial analysis aims to determine the cash-flow for the Infrastructure Contributions Plan (ICP)/Development Contributions Plan (DCP) (local infrastructure only) over time and compare that to the expenditure on the infrastructure items within the Precinct Infrastructure Plan (PIP) table. This will highlight if, and where, a discrepancy exists between infrastructure items and contributions from the ICP/DCP revenue.

The financial analysis should identify a reasonable cash-flow for contributions and identify if WIKs may be required to forward fund projects in each stage. This is to ensure that majority of infrastructure costs can be covered by contributions. When early planning of infrastructure is required to 'unlock' land for orderly development prior to infrastructure contributions being available, the planning authority can consider responses to address the funding gap (e.g., including financing costs in the ICP/DCP in addition to WIKs).

If the financial analysis identifies an imbalance between expenditure and revenue for infrastructure provision per stage, the following options should be considered before progressing to the next step of plan development:

1. Amend a development stage within the IDSP to expand Net Developable Area (NDA) in earlier stages, minimising the gap to support funding and deliverability of the infrastructure items.
2. Shift infrastructure items to later stages where justified, and where early development is not stifled. For example, this may be justifiable if the local (developer provided) road network can support initial development.
3. Keep the proposed staging and ensure WIKs are an accepted form of delivery of early infrastructure. This can be utilised as an assumption in the financial analysis.
4. Keep the proposed staging if there are strong planning reasons for the shortfall (i.e., agreements with DTP and council for the early delivery of infrastructure or if the potential inclusion of financing costs associated with the early delivery of works, services or facilities in accordance with table 5 of the Ministerial Direction on the Preparation and Content of Infrastructure Contributions Plan can be justified).

Note: The financial analysis ties the IDSP to collections from the ICP/DCP and the provision of infrastructure prior to development. However, it should be noted that the relevant statutory infrastructure authorities may negotiate the delivery of required infrastructure to support development ahead of ICP/DCP collections and the IDSP. This is at the discretion of the statutory infrastructure agencies and the responsible authority (may include WIKs).

Note: The funding of state infrastructure items is not factored into the financial analysis as it is broadly exogenous to the ICP/DCP system. State infrastructure is subject to separate funding streams, particularly in Melbourne's Greenfields, but is a relevant consideration of staging, depending on local context.

Note: Every time the ICP or DCP is amended, **Step 3** (i.e., to conduct a financial analysis for infrastructure provision) must be repeated/reviewed to test delivery viability.

STEP 4 Prepare the Infrastructure and Development Staging Plan (IDSP)

The next step is to prepare the IDSP. This is prepared during the 'plan preparation' phase of the PSP 2.0 process. This is an iterative process whereby tasks may be repeated until the ultimate plan is considered appropriate for consultation. This may also result in a need to revise the analysis undertaken in step 3.

Restrictions on development which are identified at this stage will need to be supported by clear and implementable planning controls (see [Statutory implementation](#)). The drafting of the proposed planning control will depend on the extent and type of infrastructure required in a precinct.

IDSPs are embedded with the PSP at Hallmark 7, Infrastructure Co-ordination. In this section, the IDSP is accompanied by place-based requirements and guidelines as well as the precinct infrastructure plan and precinct infrastructure table.

In ICP and DCPs, each infrastructure construction item and plan preparation costs are set out across the standard and supplementary levy tables, reflective of the prescribed stages in the IDSP. It is based on information available at the time that the ICP was prepared. The responsible authority will monitor and assess the required timing for infrastructure projects and have regard to strategic resource plans, the development of the PSP and areas external to the ICP/ DCP.

Refer to the Appendix for an example IDSP.

STEP 5 Reporting, monitoring and review

The process for preparing the IDSP will be summarised within the PSP Background Report, including the underlying assumptions and analysis techniques.

Periodic review of the IDSP and supporting ordinance is recommended post gazettal of the PSP. This would be the responsibility of the responsible authority and should have regard to updates in funding information, developability, relevant consultation with landowners and updated information or policy from government.

The information included in the *Ministerial Direction on the Ministerial Reporting Requirements for Infrastructure Contributions Plans* and the *Ministerial Direction on the Ministerial Reporting Requirements for Development Contributions Plans* will provide a framework for monitoring the delivery of local infrastructure in accordance with the IDSP.

Discretionary application of Infrastructure and Development Staging Plans

Preparation of an IDSP should follow and adhere to the methodology and key tasks set out in [How to prepare an Infrastructure and Development Staging Plan](#) and be prepared for each PSP project unless it can be demonstrated by the planning authority that the IDSP is not required.

Instances where it may not be necessary to prepare an Infrastructure and Development Staging Plan could include:

- The PSP applies to a single or small number of lots where land is not fragmented; and/or
- There are no constraints to development associated with the delivery of basic and essential infrastructure as identified by the planning authority, in consultation with statutory infrastructure authorities; and/or
- There are no constraints to development within the PSP associated with current capacity, future delivery, or safety of critical state infrastructure.

This can be considered on a project-by-project basis. Decision-making for the inclusion or exclusion of an IDSP must be explained in the PSP Background Report.

How to apply the IDSP

Precinct Structure Plan – incorporated document

Infrastructure and development staging is implemented via the Infrastructure and Development Staging Plan together with inclusion of a standard objective and requirement and guidelines in each PSP. These products enable logical sequencing of the precinct ensuring that infrastructure coordination aligns with the delivery of new development at the subdivision stage to the satisfaction of the responsible authority.

Where the sequencing of development is reliant on critical state infrastructure investment and delivery, it may be appropriate to nominate that development can only proceed with the approval of the Minister for Planning.

Example Infrastructure and Development Staging Plan

Refer to [Appendix – Example Infrastructure and Staging Plan](#) for an example of an IDSP.

Template objective for infrastructure and development staging

To ensure development is staged in an orderly manner that is consistent with existing, planned delivery of infrastructure.

Template requirement

Staging of infrastructure and development must be generally in accordance with Plan NUMBER Infrastructure and Development Staging Plan and Table NUMBER Precinct Infrastructure Plan and must provide for the timely provision and delivery of basic and essential infrastructure to the satisfaction of the responsible authority.

Where critical state infrastructure is required before development proceeds the infrastructure item must be agreed to the satisfaction of the Minister for Planning (decided on a project-by-project basis).

Template guideline

Staging of infrastructure and development should provide for the timely provision and delivery of the following infrastructure to the satisfaction of the responsible authority (or the Minister for Planning if so nominated):

- Connection to any arterial road network and seek to co-ordinate the delivery of these roads in conjunction with the timing of the arterial road connections located external to the precinct
- Connector streets and connector street bridges
- Street connections between properties, constructed to the property boundary
- On- and off-road pedestrian and bicycle network paths
- Safe pedestrian path/s (crushed rock or alternative interim provision were deemed appropriate) from any existing pedestrian network/s to proposed connections to facilitate connectivity to services, transport, community infrastructure and adjoining communities
- Drainage infrastructure
- Land for community infrastructure, sports fields, local open space including urban agriculture.
- Critical state infrastructure

Out-of-sequence development may be considered where an agreement between a developer and the relevant infrastructure authority.

Where the inclusion of the IDSP is only in the PSP, at the time of assessing a planning permit application, in most instances the responsible authority will be able to utilise the 'generally in accordance' principle under the Urban Growth Zone (UGZ) to consider alterations to the delivery of basic and essential infrastructure or development stages. Refer to the [Generally in Accordance Guidance Note](#) for further information.

Note: *It is important that related PSP Objectives, Requirements and Guidelines (particularly any place-based inclusions) are linked to each other and aim to achieve specific outcomes. They should also be supported by the appropriate technical assessment(s) as this provides justification for the approach outlined in this guidance note. It is also considered advantageous to obtain early support from the relevant referral authority regarding these.*

Statutory implementation

There are several statutory implementation mechanisms which can be introduced to support or enforce the infrastructure and development staging provisions within a PSP to ensure that subdivision and development occurs in line with the IDSP.

Rather than prescribe the statutory mechanism that must be used for each PSP, this section sets out the implementation options to consider when determining the most suitable mechanism. These include, but are not limited to:

- Urban Growth Zone Schedule - Lot Cap Provisions; (refer [Urban Growth Zone Schedule - lot cap provisions](#))
- Urban Growth Zone – Integrated Transport Plan (refer [Urban Growth Zone – Integrated Transport Plan](#)); and
- Use of the Specific Controls Overlay (SCO) (refer [Use of the Specific Controls Overlay \(SCO\)](#)).

The planning ordinance associated with giving statutory effect to the PSP is the Urban Growth Zone (UGZ), which may include any or all of these options depending on the scale and severity of the infrastructure capacity issues as well as specific staging 'hold points' recommended from government partners on critical infrastructure needs.

Urban Growth Zone Schedule - lot cap provisions

The use of a '**lot cap**' provision may be appropriate where there is a quantifiable capacity threshold and development beyond this threshold would result in further assessment being required ('**soft cap**'), or representing a hold point to avoid development not having the necessary infrastructure delivered ('**hard cap**').

Table 4 Urban Growth Zone Schedule - lot cap provisions

Explanation	
What is the tool, what is the intent?	Prescribe the level of development that can proceed until a stated threshold (e.g. a specified number of residential lots or combined commercial floor area) is met and then restrict further development until specified infrastructure items needed to support additional development are delivered.
When is it suitable?	<p>A 'soft cap' may be suitable for precincts where a technical report can accurately calculate a specific allowance of development before specific infrastructure items are needed. Note, 'soft caps' are not suitable for critical state infrastructure.</p> <p>A 'hard cap' may be suitable where proposed ultimate development can anticipate infrastructure demand, and the timing of delivery is known.</p>
What are the risks ?	<p>If there are multiple landowners, there can be difficulty associated with monitoring progress towards lot cap thresholds by the responsible authority.</p> <p>For a 'soft cap,' there is a reliance on the responsible authority determining whether a permit application beyond a stated lot cap should be granted, allowing the ability of a landowner to challenge and seek review of their application exceeding a lot cap provisions at Victorian Civil and Administrative Tribunal.</p> <p>For a 'hard cap,' any changes to the staging will require a planning scheme amendment.</p>
How is it implemented ?	Drafted as a provision to be included in the schedule to the UGZ and included as part of the overall planning scheme amendment to accompany and implement the PSP into the relevant planning scheme. Drafted as either a 'soft cap' or 'hard cap' as outlined below.

Principles for drafting 'lot cap' provisions

Drafting of lot cap provisions should consider whether flexible delivery outcomes are appropriate, or whether a non-negotiable threshold is more suitable to ensure the intended delivery outcomes are achieved prior to development.

A **'hard' lot cap** may be suitable where the PSP identifies a nexus between an infrastructure item being required at a certain point in the development of a precinct, and the need to ensure no further development occurs until such an item is delivered. A hard cap does not allow for further development to be considered until infrastructure capacity is increased. This is suitable for state infrastructure.

It is important that any 'hard' lot cap associated with the delivery of state infrastructure has the approval of the relevant statutory authority when controls are being drafted for the PSP and associated Urban Growth Zone schedule. The Minister for Planning will be responsible for being satisfied if development can proceed. A **'soft' lot cap** may be suitable to ensure that when development reaches a set number of lots, consideration must be given to as whether further development can proceed prior to certain local infrastructure being delivered. This is usually via a permit application requirement and submission of technical justification to demonstrate further development can occur to the satisfaction of the responsible authority. It is also noted that this is not suitable where development is reliant on state infrastructure being delivered but is useful for local infrastructure.

It is important that any lot cap associated with the delivery of state infrastructure has the approval of the relevant referral authority when controls are being drafted for the PSP and associated Urban Growth Zone schedule.

Depending on the reasons for a lot cap, it may also be necessary to consider including a sunset clause to the cap to provide further certainty to industry. Sunset clauses may be used for local infrastructure but are not suitable for state infrastructure.

Urban Growth Zone – Integrated Transport Plan

Relating to the use of a 'soft' lot cap, it may be appropriate to require permit applicants to submit a technical report to justify further development via an Integrated Traffic and Transport Plan (ITTP). This would be for local transport infrastructure, again reiterating that 'soft' lot caps are not suitable for state infrastructure.

The intent of this provision (i.e. additional application requirement) is to ensure the precinct's road capacity detail is provided up front and timing of works is identified; and can adapt to the changing road conditions (at application stage). This application requirement goes beyond a typical application requirement for a Traffic Impact Assessment to ensure a responsible authority and/or road authority has detailed information to determine whether further development can be accommodated, or whether it must not be permitted until the infrastructure capacity is increased. The intention is to arm the responsible authority and any referral authority with detailed information to determine an application, while also putting the onus on the developer to demonstrate whether the capacity of the existing infrastructure to accommodate their development.

Table 5 Urban Growth Zone - Integrated Transport Plan

Explanation	
What is the tool, what is the intent?	<p>The introduction of a UGZ application requirement whereby the permit applicant is required to prepare and submit an Integrated Traffic and Transport Plan to the responsible authority in support of a subdivision/development application. The purpose of the report is:</p> <ul style="list-style-type: none"> • to consider the current status of the traffic and transport network; • understand what transport infrastructure upgrades are necessary; and • confirm there is sufficient capacity to support the proposed subdivision/development.
When is it suitable?	Suitable for larger, fragmented precincts where some road capacity exists, but upgrades will be needed and can be aligned to a 'soft cap.' This is not suitable for state transport infrastructure.
What are the risks ?	It should be noted that if agreement between the responsible authority and permit applicant cannot be reached, there is a risk that the matter will be challenged at Victorian Civil and Administrative Tribunal (VCAT). This risk can be minimised by way of the extensive detail required to be provided in the report.
How is it implemented ?	<p>All applications must demonstrate the road network has capacity and whether upgrades are required to satisfaction of the responsible authority.</p> <p>Refer to Precinct Integrated Traffic and Transport Management Plan – all precincts in the Lilydale Quarry CDZ as an example.</p>

Principles for drafting

The application requirement should be drafted in such a way that it can be waived once transport infrastructure across the precinct (developer, council or state delivered) has been delivered.

There will need to be provision for referral to the Head, Transport for Victoria (or the Minister for Planning) to assess the report and 'buy in' from the responsible authority to accept permit applications on this basis.

Use of the Specific Controls Overlay (SCO)

The Specific Controls Overlay (SCO) can be used to introduce a staging control to manage the coordinated development of a PSP in line with infrastructure capacity, while prohibiting further development until critical infrastructure is in place. Clause 45.12 states that:

- the purpose of a SCO is to achieve a particular land use and development outcome in extraordinary circumstances; and
- a SCO may prohibit or restrict the use or development of the land beyond the controls that may otherwise apply.

The [Practitioner's Guide to Victoria's Planning Schemes](#) also states that:

Clause 45.12 should only be used for exceptional cases or to achieve a particular land use and development outcome that is consistent with a major issue of policy and is necessary to achieve or develop the planning objectives of Victoria.

Table 6 Use of Specific Controls Overlay

Explanation	
What is the tool, what is the intent?	<p>Application of an overlay and accompanying incorporated document, which can be designed to restrict or prohibit development until identified essential state infrastructure item(s) are delivered.</p> <p>The SCO may be applied to the whole precinct or to part of a precinct (e.g., stages within the precinct).</p>
When is it suitable?	<p>Applied in extraordinary circumstances where it is considered that no, or limited development can proceed until specified infrastructure items are delivered.</p> <p>It is likely to be suitable where development of a precinct, or part of a precinct, is contingent on state infrastructure being delivered where timing is unknown.</p>
What are the risks ?	<p>The SCO may be opposed by landowners who are subject to any restriction or prohibition and approval for subdivision and development of their land is reliant on the delivery of essential state infrastructure.</p> <p>Therefore, it is important to ensure that there is a robust justification for the use of the SCO.</p> <p>If the SCO is based on road capacity, the Department of Transport and Planning will need to support the justification.</p>
How is it implemented ?	<p>A SCO and accompanying incorporated document would be included as part of the planning scheme amendment to implement the PSP into the relevant planning scheme. Importantly, the SCO and associated incorporated document must link to the Infrastructure and Development Staging Plan in the PSP.</p>

There may be situations where it is appropriate to nominate the Minister for Planning as being responsible for reviewing staging controls and determining whether development could go ahead, where prohibition is currently in place.

Where a SCO is dependent on delivery of critical state infrastructure could be reviewed and revised by the Minister for Planning, potentially in consultation with other Ministers, to remove the obligation from the responsible authority. It will be important to engage with the relevant departmental representatives should this be required.

Use of referral authority provisions

Referral authority provisions may be appropriate where it is necessary to ensure oversight by infrastructure agencies (such as road or water authorities) and allow them to provide their view as to whether subdivision or development should proceed in addition to existing subdivisions referral obligations under clause 66.01 (subdivision referral) and 66.02-11 (Land use and transport integration).

Glossary

Basic and essential infrastructure: Infrastructure that new and growing communities need, such as roads and intersections, community centres, kindergartens, maternal and child health facilities, local parks and sporting facilities.

Critical state infrastructure: Infrastructure that is determined by the relevant statutory authority as critical to deliver in order to support a stage of development.

Due diligence: Due diligence is a new stage in the PSP Guidelines. Due diligence tests if there are any issues that will prevent the preparation of a strategically justified plan and if such issues are identified, determines the most expedient and cost-effective approach of resolving these problems to allow the project to proceed to plan preparation.

Infrastructure and Development Staging Plan (IDSP): An Infrastructure and Development Staging Plan (Staging Plan or IDSP) is a plan included within a Precinct Structure Plan to ensure that development occurs alongside required infrastructure in an orderly manner. Refer to the definition for **staging** below for further information.

Lead agency: A lead agency is the agency responsible for delivery of specific infrastructure items that it is responsible for. For example, the local council is the lead agency responsible for delivery of local community facilities and services, such as a community centre.

Planning scheme: Planning schemes are made up of ordinance and maps. The ordinance are the policies and written clauses. The maps depict where the zones and overlays apply within the planning scheme area.

Referral authority: A referral authority can be any person, group, agency, public authority, or other body specified in the planning scheme, or the *Planning and Environment Act 1987* whose interests may be particularly affected by the grant of a permit for a use or development. There are two types of referral authority; determining referral authority and recommending referral authority. Clause 66 of the planning scheme identifies the type of referral authority for each kind of application that must be referred.

Responsible authority: A responsible authority is the organisation that manages and enforces the planning laws for an area. It is usually the local council. It also decides whether a planning permit application is approved or refused.

Statutory authority: a public entity established under Victorian legislation. Statutory authorities include entities established under their own Act, entities established under an umbrella Act (e.g. the *Water Act 1989*) and other entities established under the *State Owned Enterprises Act 1992*.

Staging: Staging, ensures that development occurs in order and aligns with efficient infrastructure delivery, ensuring that development does not precede infrastructure required to support a proposed community.

Place shaping phase: The place shaping phase represents formal commencement of the project. This phase focuses on detailed information-gathering to inform decision-making and understanding stakeholders' key aspirations for the precinct. The place shaping phase of a PSP project includes three engagement opportunities: pitching sessions; vision and purpose workshop; and co-design workshop.

Plan preparation phase: Through a collaborative co-design process, this stage focuses on creating a place-based structure plan to deliver on the vision and purpose established for the precinct.

Precinct Infrastructure Plan: A Precinct Infrastructure Plan (PIP) identifies the infrastructure needs and the approach for coordinated delivery (including considering of funding mechanisms, delivery responsibility and timeframes).

Precinct Structure Plan: A Precinct Structure Plan (PSP) is a high-level strategic plan prepared by a planning authority that sets out the preferred spatial location of land uses and infrastructure to guide staging of development, subdivision permits, building permits and infrastructure delivery.

PSP Guidelines 2021: The *Precinct Structure Planning Guidelines: New Communities in Victoria* (the PSP Guidelines) are a Victorian Government initiative to ensure the Victorian Planning Authority (VPA) and other planning authorities prepare plans for places that enable best practice, liveable new communities.

The purpose of the PSP Guidelines is to provide the framework for preparing Precinct Structure Plans (PSPs) that guarantee quality outcomes while also being flexible, responsive, and supportive of innovation.

PSP 2.0: The PSP 2.0 process sets aspirational targets including co-design of the Precinct Structure Plan (PSP), streamlining PSP preparation and optimising the PSP product to embrace innovation, delivering government policy.

Appendix – Example Infrastructure and Staging Plan

