

Merri-bek Planning Scheme Amendment C235mbek
Public Open Space contribution rate updates

Interim Panel Report

Planning and Environment Act 1987

2 April 2026

How will this report be used?

This is a brief description of how this report will be used for the benefit of people unfamiliar with the planning system. If you have concerns about a specific issue you should seek independent advice.

The planning authority must consider this report before deciding whether to adopt the Amendment. [section 27(1) of the *Planning and Environment Act 1987* (the PE Act)]

For the Amendment to proceed, it must be adopted by the planning authority and then sent to the Minister for Planning for approval.

The planning authority is not obliged to follow the recommendations of the Panel, but it must give its reasons if it does not follow the recommendations. [section 31 (1) of the PE Act, and section 9 of the *Planning and Environment Regulations 2015*]

If approved by the Minister for Planning a formal change will be made to the planning scheme. Notice of approval of the Amendment will be published in the Government Gazette. [section 37 of the PE Act]

Planning Panels Victoria acknowledges the Wurundjeri Woi Wurrung People as the traditional custodians of the land on which our office is located. We pay our respects to their Elders past and present.

Planning and Environment Act 1987

Interim Panel Report pursuant to section 25 of the PE Act

Merri-bek Planning Scheme Amendment C235mbek

Public Open Space contribution rate updates

2 April 2026

A handwritten signature in black ink, appearing to read 'G. McMillan', with a large, stylized initial 'G'.

Gabby McMillan, Chair

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Glossary and abbreviations

Amendment	Amendment C235mbek
Apportionment Methodology Report	<i>Merri-bek Open Space Apportionment Methodology</i> (Mesh, 2025)
CIV	Capital Improved Value
Consultation Draft Projects List	<i>Merri-bek Open Space Strategy 20 year Projects List Draft for Consultation</i> (December 2023)
Contributions Schedule Report	<i>Open Space Contributions Schedule</i> (HillPDA, 2025)
Council	Merri-bek City Council
DELWP	Department of Environment, Land, Water and Planning (former)
Implementation Review	<i>Merri-bek Public Open Space Contributions Refresh, Strategy Implementation Review</i> (HillPDA, August 2023)
Open Space for Everyone	<i>Open Space for Everyone – Open Space Strategy for Metropolitan Melbourne</i> (Victorian Government, 2021)
Open Space Strategy	<i>Merri-bek Open Space Strategy</i> (Merri-bek City Council, 2025)
PE Act	<i>Planning and Environment Act 1987</i>
Planning Scheme	Merri-bek Planning Scheme
Projects List	<i>Open Space Strategy Projects List Master Spreadsheet</i> (Mesh, March 2025)
Technical Report	<i>Merri-bek Open Space Strategy Technical Report</i> (Mesh Planning, 2025)

Overview

Amendment summary

The Amendment	Merri-bek Planning Scheme Amendment C235mbek
Common name	Public Open Space contribution rate updates
Brief description	The existing Public Open Space contribution rates in the schedule to Clause 53.01 (Public Open Space Contribution and Subdivision) are proposed to be replaced with a new municipality wide levy rate of 8.68 percent.
Subject land	All land in Merri-bek City Council
Planning Authority	Merri-bek City Council
Authorisation	1 August 2025, with conditions (which have been complied with)
Exhibition	4 September to 13 October 2025
Submissions	Number of Submissions: 7, Opposed: 2

Panel process

The Panel	Gabby McMillan
Directions Hearing	By video, 30 January 2026
Panel Hearing	Planning Panels Victoria, 23 February 2026
Site inspections	Unaccompanied, 31 January 2026
Parties to the Hearing	Merri-bek City Council represented by Jordan Wright (and instructed by Maddocks), who called evidence on: <ul style="list-style-type: none"> - cost apportionment approach from Jo Fisher of Veris - calculation of the proposed contribution rate from Alex Hrelja of HillPDA
Citation	Merri-bek PSA C235mbek [2026] PPV (Interim)
Date of this report	2 April 2026

Executive summary

Merri-bek Planning Scheme Amendment C235mbek (Amendment) seeks to update the public open space contribution rates in the schedule to Clause 53.01 (Public Open Space Contribution and Subdivision).

Specifically, the Amendment proposes to:

- amend the schedule to Clause 53.01 (Public Open Space Contribution and Subdivision) to apply a contribution rate of 8.68 percent to all non-exempt subdivisions across the municipality
- amend the schedule to Clause 72.08 (Background Documents) to list the Merri-bek Open Space Apportionment Methodology (Mesh, 2025) and the Open Space Contributions Schedule (HillPDA, 2025).

Key issues raised in submissions were:

- strategic justification for the Public Open Space contribution rates
- economic impacts of the Public Open Space contribution rates.

Strategic justification

The strategic justification for the Amendment is heavily dependent on the appropriateness of the approach and methodology used to calculate the contribution rate.

There is no prescribed approach to determine a public open space contribution rate in Victoria, and no universally accepted methodology. Accordingly, Council has developed a methodology, drawing on work in other municipalities and the views of other planning panels.

The key issue is whether the methodology used in this Amendment is appropriate having regard to:

- the principles of need, nexus and accountability
- transparency
- replicability
- the use of qualitative and quantitative approaches, considering the proposed population increase
- the *Merri-bek Open Space Strategy* (Merri-bek City Council, 2025), *Merri-bek Open Space Strategy Technical Report* (Mesh Planning, 2025) and a feasible project list.

Council has undertaken a significant amount of strategic work and reviewed the methodology used by other Councils. It has adopted a methodology which is suitably replicable, underpinned by strategic work and population forecasts. Council has demonstrated that the principles of need, nexus and accountability have been integrated into its approach.

The Panel's main concerns with the Amendment relates to transparency around costings and contingencies (as discussed in Chapter 2). Key concerns are:

- The *Open Space Strategy Projects List Master Spreadsheet* (Mesh, March 2025) (Projects List) is a key input in the calculation of the rate. This is the only document

that contained critical information relating to the project costings and the nature (and magnitude) of contingencies added.

- Council has not clearly and transparently published the detailed project costings in the Projects List.
- The manner in which the Projects List was described and presented on Council's website during exhibition was confusing.
- The lack of transparency is of particular concern given the inclusion of a 'less common' 27 percent land cost contingency in the project costings. This type of contingency is not something that could have been reasonably anticipated by the public and should have been made more transparently available during the exhibition process.
- While the Panel does not oppose the inclusion of a land cost contingency in principle, more work needs to be done to justify the percentage adopted.
- The justification for the inclusion of a 27 percent land cost contingency and the cost implications need to be disclosed more transparently to the public.

Economic impacts

While there will be some increase in costs (in some suburbs), the economic impacts of the Amendment are not considered to be unreasonable.

The contribution towards open space project costs will also ensure that open space projects can be delivered, providing a wider community benefit, particularly for new communities in new developments.

Timing and pathways

The Panel accepts it is important to update the public open space contribution rate in a timely manner to give effect to open space policy, especially given the amount of work completed by Council.

The Panel has issued this as an interim report to give Council the opportunity to adjust the calculation (specifically to delete the 27 percent land cost contingency) or remedy the methodological issues through further work and consultation.

Recommendations

Based on the reasons set out in this Interim Report, the Panel recommends:

- 1. Adopt the Merri-bek Planning Scheme Amendment C235mbek as exhibited subject to:**
 - a) Deleting the 27 percent land cost contingency from the project costings in the Open Space Strategy Projects List Master Spreadsheet (Mesh, March 2025).**
 - b) Adjusting the calculation of the public open space contribution rate to account for the deletion of the 27 percent land cost contingency, resulting in an overall lower public open space contribution rate in the proposed schedule to Clause 53.01.**
- 2. If Recommendation 1 is not accepted undertake the following further work before finalising Merri-bek Planning Scheme Amendment C235mbek:**

- a) Further work to justify the proposed 27 percent land cost contingency included in the detailed project costings in the Open Space Strategy Projects List Master Spreadsheet (Mesh, March 2025).**
- b) If required, update the Merri-bek Planning Scheme Amendment C235mbek and undertake supplementary exhibition of the detailed project costings in the Open Space Strategy Projects List Master Spreadsheet (Mesh, March 2025) (including the land cost contingencies).**

1 Introduction

1.1 The Amendment

(i) Amendment description

The purpose of the Merri-bek Planning Scheme Amendment C235mbek (Amendment) is to update the Public Open Space contribution rates in the schedule to Clause 53.01 (Public Open Space Contribution and Subdivision).

Specifically, the Amendment proposes to:

- Amend the schedule to Clause 53.01 (Public Open Space Contribution and Subdivision) to apply a contribution rate of 8.68 percent to all non-exempt subdivisions and remove the existing suburb-based rate?
- Amend the schedule to Clause 72.08 (Background Documents) to include the following background documents:
 - *Merri-bek Open Space Apportionment Methodology* (Mesh, 2025) (Apportionment Methodology Report)
 - *Open Space Contributions Schedule* (HillPDA, 2025) (Contributions Schedule Report).

(ii) The subject land

The Amendment applies to all land in Merri-bek City Council.

1.2 Background

The existing schedule to Clause 53.01 prescribes mandatory, suburb-based public open space contribution rates. The rates vary between suburbs, for example Brunswick West 2.5 percent, Fawkner 5.7 percent, Glenroy 6.5 percent and Coburg 6.8 percent. The current contribution rates are derived from strategic work dating back to 2004, with the most recent work documented in the *Public Open Space Contributions and Subdivision Report* (SGS, 2011).

Council conducted a review of its progress in delivering and upgrading public open space in the *Merri-bek Public Open Space Contributions Refresh, Strategy Implementation Review* (HillPDA, August 2023) (Implementation Review). That review informed a review of open space policy, including the *Merri-bek Open Space Strategy* (Merri-bek City Council, 2025) (Open Space Strategy) and the *Merri-bek Open Space Strategy Technical Report* (Mesh Planning, 2025) (Technical Report).

Merri-bek Planning Scheme (Planning Scheme) Amendment C231mbek implemented the Open Space Strategy and Technical Report as background documents. Clause 19.02-6L includes the following strategy:

Encourage land contributions over cash contributions in identified gap areas in Clause 2.04 Open Space Framework, areas adjoining existing public open spaces, creek corridors, and across the public open space network.

Council relied on the Open Space Strategy and Technical Report as the strategic basis for this Amendment.

1.3 Planning context

The following planning context is relevant to the Amendment.

Table 1 Planning context

	Relevant references
Victorian planning objectives	- section 4 of the PE Act
Municipal Planning Strategy	- Clause 02.3-8 (Infrastructure)
Planning Policy Framework	- Clauses 19.02-6S (Open space) - Clauses 19.02-6L (Open space in Merri-bek)
Other planning strategies and policies	- Plan for Victoria, Pillars 2 (Accessible jobs and services), Pillar 3 (Great places, suburbs and towns) and Pillar 4 (Sustainable environments). - <i>Guide for Open Space Strategies (2025)</i> - <i>Open Space for Everyone – Open Space Strategy for Metropolitan Melbourne (2021) (Open Space for Everyone)</i>
Planning scheme provisions	- Clause 53.01 (Public open space contribution and subdivision) - Clause 72.08 (Background documents)
Planning scheme amendments	- Merri-bek Amendment C231mbek
Ministerial directions	- Ministerial Direction 11 (Strategic Assessment of Amendments)
Planning practice notes	- Planning Practice Note 13: Incorporated and Background Documents - Planning Practice Note 46: Strategic Assessment Guidelines, September 2022

1.4 The Panel's approach

Key issues raised in submissions were:

- strategic justification for the Public Open Space contribution rates
- economic impacts of the Public Open Space contribution rates.

The strategic justification for the Amendment is heavily dependent on the appropriateness of the approach and methodology used to calculate the contribution rate. For this reason, the report deals with approach and methodology first, then deals with strategic justification, economic impacts and transitional provisions.

This Report uses the following headings:

- Explanation of approach and methodology
- Assessment of approach and methodology
- Strategic justification
- Economic impacts
- Transitional provisions and other matters.

The Panel has assessed the Amendment against the principles of net community benefit and sustainable development, as set out in Clause 71.02-3 (Integrated decision making) of the Planning Scheme.

The Panel considered all written submissions made in response to the exhibition of the Amendment, observations from site visits, and submissions, evidence and other material presented to it during the Hearing. All submissions and materials have been considered by the Panel in reaching its conclusions, regardless of whether they are specifically mentioned in the Report.

2 Approach and methodology

2.1 The issues

The key issues are whether the methodology to calculate the open space contribution is appropriate having regard to:

- the principles of need, nexus and accountability ('Eddie Baron principles')
- transparency
- replicability
- use of qualitative and quantitative approach, having regard to the proposed population increase
- a detailed and justified Open Space Strategy, Technical Report and feasible project list.

2.2 Background strategic work

Council relied on four key documents in explaining its proposed approach to calculating the public open space contribution rate:

- Open Space Strategy
- Technical Report
- Apportionment Methodology Report
- Contributions Schedule Report.

The methodology relies on the *Open Space Strategy Projects List Master Spreadsheet* (Mesh, March 2025) (Projects List), which was referred to during the Hearing and is included in the expert statement of Ms Fisher.

2.2.1 Open Space Strategy

The Open Space Strategy provides a long-term framework for the planning, provision, design, management and funding of public open space across the municipality for 20 years. The Open Space Strategy states it will be used to inform future strategic work, including open space contribution rates.

One of the key enabling actions in the strategy is to maintain a 20 year projects list. The Open Space Strategy refers to list of recommended projects at Appendix 4 of the strategy and states:

The Projects List, which accompanies the Strategy, is also being assessed in relation to review of the city's public open space contribution rate.

...

The Projects? List is not exhaustive or definitive.

Appendix 4 of the strategy does not include a detailed list but cross references the detail in the Technical Report.

2.2.2 Technical Report

The Technical Report supports the Open Space Strategy and provides a detailed analysis of the open space needs and demand. The Technical Report identifies that adequate funding will be required:

The Open Space Strategy and Technical Report will outline a Project List of recommended projects to support the open space vision for the future of Merri-bek. This will need to be supported by a funding framework that identifies appropriate contributions from all stakeholders. This will necessitate review of the existing open space contribution rate to ensure the funding contribution from private development is proportional and appropriate.

Format of the list of projects and costings

The Technical Report includes a list of open spaces projects for each precinct, including costings (expressed as a cost bracket). Figure 2 shows an example of how the list of projects for Brunswick East was presented in the Technical Report.

Figure 1 - Extract of list of project costings for Brunswick from the Technical Report

TABLE 8 - PROJECT LISTS						OBJECTIVES							
Project ID	Open Space / Project Name	Project Description	Suburb	Hierarchy	Project Priority (L, M, H)	OBJECTIVE 1	OBJECTIVE 2	OBJECTIVE 3	OBJECTIVE 4	OBJECTIVE 5	OBJECTIVE 6	Cost Bracket	Open Space Strategy Direction (No.)
BE01	New Neighbourhood Park 1 in Brunswick East	Deliver a new neighbourhood space near Temuka Avenue including the installation of a play space and dog exercise function.	Brunswick East	Neighbourhood	H	Y	N	N	Y	N	N	\$\$\$\$	1
BE02	Inner Circle Reserve	Dog exercise facilities, installation of informal sports and seating between Rathdowne Street and Lygon Street.	Brunswick East	Pocket	L	N	N	N	Y	N	Y	\$\$	4
BE03	New Pocket Park (Lygon Street AC)	New Pocket Park space to service gap area and increased population in activity centre	Brunswick East	Pocket	H	N	N	N	Y	N	Y	\$\$\$\$	1
BE04	New Pocket Park (Nicolson Street AC)	New Pocket Park space to service increased population in activity centre	Brunswick East	Pocket	H	N	N	N	N	N	Y	\$\$\$\$	1
BE05	SUA and upgrades to Brunswick East Primary School	Seek shared user agreement to access western half of school grounds on weekends. Potential joint funding of	Brunswick East	N/A	L	N	N	N	Y	Y	Y	\$\$	1

Source: Open Space Technical Report (page 129)

2.2.3 Apportionment Methodology Report

The Apportionment Methodology Report sets out an apportionment methodology to determine the proportion of Council’s 20-year open space program that should be attributed to new development and funded through Cause 53.01 contributions.

The Apportionment Methodology Report documents all inputs and assumptions and notes that Council has published the 20 year Projects List, enabling public scrutiny of the projects attributed in whole or part to growth. The publication of the Projects List is discussed in more detail at Chapter 2.2.5.

2.2.4 Contributions Schedule Report

The Contributions Schedule Report sets out the method, data inputs and calculation used to derive the contribution rate for Merri-bek.

The Contributions Schedule Report includes an inter-municipal comparison of recent public open space contribution rates derived using similar apportionment methods, showing the proposed rate of 8.68 percent is within a 7.61–8.68 percent range used in other councils.

Prior to exhibition, Council considered including a 10 percent minimum for strategic redevelopment sites and urban renewal precincts in the schedule. However, Ministerial authorisation required removal of this component so that the exhibited Amendment

included only the single 8.68 percent municipal rate. The Contributions Schedule Report records the two-rate framework, while the exhibited schedule reflects the Minister's condition of authorisation.

2.2.5 Projects List

The Projects List includes a detailed cost breakdown of each project, including land costs, capital costs and two different contingencies. The Projects List was referred to throughout the Hearing and was relied on by experts as a key input into the calculation of the public open space contribution rate. Figure 1 shows the level of costing detail in the Projects List, including land costs, capital costs and contingencies.

Figure 2 - Extract from Projects List presented at Hearing

Master Project ID	Park	Project Description	Suburb	Park Hierarchy	Land Area Required (hectares)	Land Cost	Capital Budget	Planning & design (10%)	PM allocation			Land Cost Contingency (27%)	TOTAL Project Cost excl. Grants
									(7.5%) and engagement and documentation (2.5%)	Survey (10%)			
BE01	New Neighbourhood Park 1 in Brunt	Deliver a new neighbourhood space near Temuka Avenue	Brunswick East	Local	0.25	\$ 5,327,500	\$ 2,599,427	\$ 259,943	\$ 259,943	\$ 259,943	\$ 1,438,425	\$ 10,145,181	
BE02	Inner Circle Reserve	Dog exercise facilities, installation of informal sports and	Brunswick East		0	\$ -	\$ 350,485	\$ 35,048	\$ 35,048	\$ 35,048	\$ -	\$ 455,630	
BE03	New Pocket Park (Lygon Street AC)	New Pocket Park space to service gap area and increase	Brunswick East	Pocket	0.1	\$ 2,131,000	\$ 601,665	\$ 60,167	\$ 60,167	\$ 60,167	\$ 575,370	\$ 3,488,535	
BE04	New Pocket Park (Nicholson Street / New Pocket Park	space to service increased population I	Brunswick East	Pocket	0.1	\$ 2,131,000	\$ 601,665	\$ 60,167	\$ 60,167	\$ 60,167	\$ 575,370	\$ 3,488,535	
BE05	Explore upgrades to Brunswick East	Seek shared user agreement to access western half of sc	Brunswick East		0	\$ -	\$ 233,656	\$ 23,366	\$ 23,366	\$ 23,366	\$ -	\$ 303,753	

Source: Project List

Format of the list of projects and costings in previous strategic work

The costings in the Technical Report (described in Chapter 2.2.2) are considerably less detailed than the costings included in the Projects List relied on at the Hearing.

Tabled documents

Council filed submissions and evidence before the Hearing. These documents referred to the Projects List and explained some of the inputs (including the contingencies). The Projects List was provided as an appendix to the evidence of Ms Fisher.

On the morning of the Hearing, an excel version the Projects List was emailed to the Panel. The cover email stated (Panel emphasis):

In addition to the documents filed on Friday, please see attached download link to other supporting material, which is referred to in Council's Part A and Part B submissions.

The documents in this link were made available during the exhibition of Amendment C235mbek, but it has come to our attention that they have not been separately provided to the Panel.

Exhibited documents

A number of documents were exhibited with the Amendment and were described on Council's website under the heading 'What documents were exhibited?' The Projects List was not listed under that heading.

The Panel was unable to find a copy of the Projects List in the material exhibited with the Amendment on Council's website.

Post-hearing clarification

The Panel wrote to Council on 13 March 2026 to confirm which version of the Projects List was 'made available' during exhibition or if it was made available through any other means.

Council responded on 16 March 2026 as follows:

We confirm that the Excel document named *Open Space Strategy Projects List Master Spreadsheet* (Mesh, March 2025) and provided to the Panel via link on the morning of the hearing is the version referred to and made available by Council during exhibition on its website under a drop down list titled **'What are the relevant council reports and other documents?'**

On Council's website the document was given a different title - '*Open Space Apportionment Data (Mesh, 2025)*' and made available on request.

In its response, Council also outlined the means by which the Projects List was 'made available' as follows:

- A version of the Project List was attached as Annexure 3 to Ms Fisher's expert evidence statement (see PDF p.21) inclusive of the Project List project details, costs etc (columns headed in green) as well as the apportionment workings (columns headed in orange).
- The 2023 earlier version of the Project List was collated during Council's creation of its Open Space Strategy. This earlier 2023 version was superseded by the March 2025 version.
- Finally, for completeness we also note that at the hearing Counsel confirmed that the Project List is included, in a different format and separated suburb-by-suburb, in the *Merri-bek Open Space Strategy Technical Report (Mesh, 2025)* which was introduced into the Merri-bek Planning Scheme as a background document on 2 October 2025 (via gazettal of Amendment C231mbek). For the reference of the Panel please see, for example, the following sections of the Technical Report:
 - Brunswick East Key Projects - p.129 / PDF p.72;
 - Brunswick West p.145-146 / PDF p.80;
 - Brunswick p.162-163 / PDF p.88-89;
 - Coburg p.179-180 / PDF p.97; and
 - Coburg North p.196 / PDF p.105.

Consultation Draft Projects List (2023)

The *Merri-bek Open Space Strategy 20 year Projects List Draft for Consultation* (December 2023) (Consultation Draft Project List) (which was published on Council's website) did not include the details of project costings. The Consultation Draft Projects List noted contained the following information in relation to costs (page 2):

The project costs are cost estimates (only). The costs are based on delivery of similar comparable projects in the last 10 years in Council. The costs have been qualitatively assessed to account for real-life 2023 costs. Projects will be subject to detailed feasibility should the process proceed during future cost planning processes. Project costs will also be higher in future years due to cost escalation.

Costs are broken down as:

- \$: \$0 - \$150,000
- \$\$: \$150,000 - \$500,000
- \$\$\$: \$500,000 - \$1,000,000
- \$\$\$\$: \$1,000,000 +

2.3 Evidence and submissions

2.3.1 Overview

There is no prescribed approach to determining a contribution rate in Victoria, and no universally accepted methodology. Council submitted that in absence of an accepted methodology, an open space apportionment method should:

- be transparent
- be replicable

- adopt both a qualitative and quantitative approach, having regard to the proposed population increase
- be informed by a detailed and justified Open Space Strategy, Technical Report, and feasible project list.

Council also submitted that the Eddie Baron principles¹ of need, nexus and accountability are relevant principles when calculating the open space contribution rate.

Council relied on the expert evidence of Ms Fisher and Mr Hrelja to explain the work in the Apportionment Methodology Report and Contributions Schedule Report, respectively.

The key steps in Council’s methodology were:

- the strategic basis (or need) for the new or improved open space projects
- nexus between the open space projects and proposed growth and percentage of population growth relative to existing population
- quantum of population change (planning unit percentage)
- identify the location and type of density change
- apportionment calculation.

2.3.2 Inputs and assumptions

Mr Hrelja explained in his evidence statement that the contribution rate has been derived from the following calculation:

Figure 3 - Contribution rate calculation

Numerator - Cost of open space projects apportioned to new population	\$336,081,386
	÷
Denominator - Total value of all developable land	\$3,870,736,336
	× 100
	=
	8.68%

Source: Mr Hrelja’s evidence statement

This is the same approach that was adopted in Planning Scheme Amendments C286yara, C169mona, C228gdan, and C218glen which have all been approved.

Council explained that the numerator is derived from:

- the costs of all ‘eligible’ projects from the Projects List, including a 27 percent contingency added to the costs of land acquisition projects
- apportionment of those costs to the ‘new’ resident and worker population, using the methodology set out in the Apportionment Methodology Report (and explained by Ms Fisher in her evidence statement).

Council explained that the denominator is the estimated value of all land in the municipality to 2046, based on rateable land values (Capital Improved Value). The site value data is summarised in Appendix A to the Contributions Schedule Report. Council relied on the evidence of Mr Hrelja in relation to the value data.

¹ *Eddie Barron Constructions Pty Ltd v Shire of Pakenham* 6 AATR 10 (Eddie Baron principles)

2.3.3 Eddie Baron principles

Council submitted that the principles set out in the case of *Eddie Barron Constructions Pty Ltd v Shire of Pakenham* 6 AATR 10 (Eddie Baron principles) of need, nexus and accountability were relevant, even though not strictly applicable to assessment of contribution rates.

Council submitted that need had been demonstrated by virtue of the forecast population increases to 2046, Open Space Strategy, Technical Report and Projects list.

Council submitted that neither the *Subdivision Act 1988* nor Clause 53.01 mandate that public open space contributions collected from subdivisions must be spent in that particular area. It said that nexus does not need to be spatial nexus, rather it should be a causal nexus (that is a link between the subdivision and the need to provide more or upgraded open space). It submitted this characterisation of nexus has been accepted by the Panel in Amendment C289yara, stating:

...the appropriate nexus between contributions collected, and the delivery of new and upgraded open space, is demonstrated by the OSS and Technical Report, which provide the detailed analysis of the open space needs across the municipality and the strategic justification for the introduction of the increased municipal-side contribution rate, subject to consideration of the apportionment methodology and the mechanics of the contributions rate calculation, as addressed in these submissions, and the evidence.

Council submitted that the proposed flat rate was transparent and apportionment to the forecast 'new' population is an equitable way to approach public open space contributions for the municipality. It said that if the apportionment methodology from the Contributions Schedule Report was applied at a precinct level (Table 7 in the Contributions Schedule report), this would result in rates ranging from 1.94 percent (in Gowanbrae) to 17.08 percent in (Coburg). Under that approach, a developer of land in Coburg would be asked to contribute significantly more than a developer in Gowanbrae, as a consequence of the existing levels of open space available in each precinct, and the relative values of developable land.

Council submitted that a flat-rate was strategically justified and that any inequity is an appropriate trade-off against:

- benefit of a simple and easily applied flat rate
- significant implications (if a contribution rate of well over 10 percent) was applied in identified growth areas such as Brunswick, Coburg, and Coburg North.

Council submitted that it had to be accountable for all money collected pursuant to the schedule to Clause 53.01. Money collected must be spent on public open space in accordance with section 20 of the Subdivision Act. It submitted that it had reviewed previous contributions in the Implementation Review which demonstrated Council's commitment to implementing open space projects identified in the Open Space Strategy, utilising public open space contributions.

2.3.4 Eligible project costs and the Projects List

The Projects List includes detailed costings for projects proposed to be funded through Clause 53.01. The Projects List includes costings for capital works, planning and design (10 percent of capital cost), project management allocation and engagement and documentation (10 percent of capital cost), survey (10 percent of capital cost) and land

cost contingency (27 percent of land cost). An extract showing how the contingencies are applied is shown at Figure 4.

Council submitted that the Projects List was an appropriate input in the methodology (described in more detail in Chapter 2.2.5).

Figure 4 - Application of contingencies in Projects List

Land Cost	Capital Budget	Planning & design (10%)	PM allocation (7.5%) and engagement and documentation (2.5%)	Survey (10%)	Land Cost Contingency (27%)	TOTAL Project Cost excl. Grants
\$ 5,327,500	\$ 2,599,427	\$ 259,943	\$ 259,943	\$ 259,943	\$ 1,438,425	\$ 10,145,181
\$ -	\$ 350,485	\$ 35,048	\$ 35,048	\$ 35,048	\$ -	\$ 455,630
\$ 2,131,000	\$ 601,665	\$ 60,167	\$ 60,167	\$ 60,167	\$ 575,370	\$ 3,488,535
\$ 2,131,000	\$ 601,665	\$ 60,167	\$ 60,167	\$ 60,167	\$ 575,370	\$ 3,488,535
\$ -	\$ 233,656	\$ 23,366	\$ 23,366	\$ 23,366	\$ -	\$ 303,753
\$ -	\$ 46,731	\$ 4,673	\$ 4,673	\$ 4,673	\$ -	\$ 60,751
\$ -	\$ 140,194	\$ 14,019	\$ 14,019	\$ 14,019	\$ -	\$ 182,252
\$ -	\$ 4,813,322	\$ 481,332	\$ 481,332	\$ 481,332	\$ -	\$ 6,257,318
\$ -	\$ 642,555	\$ 64,256	\$ 64,256	\$ 64,256	\$ -	\$ 835,322
\$ -	\$ 292,070	\$ 29,207	\$ 29,207	\$ 29,207	\$ -	\$ 379,692
\$ -	\$ 2,745,463	\$ 274,546	\$ 274,546	\$ 274,546	\$ -	\$ 3,569,101

Source: Merri-bek Open Space Strategy Projects List (Mesh. 2025)

Contingencies

Council submitted that the contingencies for planning and design, project management and survey reflected standard practice, and it is appropriate to include a 27 percent contingency on top of CIV as it accounts for the true cost to Council. In support of this approach Council noted:

- The *Guide for Open Space Strategies* (October 2025) contemplates a 20 percent contingency for open space actions, but the basis of that figure is not explained in the guide.
- Contingency on-costs were explored in Amendment C286yara, where the Panel considered there was insufficient evidentiary basis to justify the 30 percent allowance proposed by Council (ultimately the Panel recommending the contingency be reduced to 10 percent).
- In contrast to Amendment C286yara, Council had prepared an evidentiary basis through the review and case studies, as addressed by Mr Hrelja in evidence.

Mr Hrelja gave evidence that HillPDA had identified that a range of factors can inflate the real cost of public acquisition of land. It reviewed the actual costs of land acquisition between FY2013 and FY2024 (using 29 case studies) and found that the total acquisition costs was on average 27 percent above CIV.

2.3.5 Apportionment of project costs

Ms Fisher gave evidence explaining the how the project costings were apportioned. She said that the apportionment approach is based on the concepts of need, nexus, equity, accountability and transparency. In her evidence she explained in detail the seven step process used and this is included at Appendix A.

2.3.6 Overall costings and the proposed schedule

Mr Hrelja gave evidence explaining how the project costings (apportioned as per the methodology above) and the value of the land to be developed were derived and then informed the proposed public open space contribution rate.

Mr Hrelja summarised the following key points in his evidence:

- The Open Space Strategy identified 240 projects, most of which were eligible to be funding through Clause 53.01 contributions.
- The total project costs (including land acquisition costs as discussed above) was estimated to be \$679.5 million.
- 49.5 percent of the total project costs were apportioned to the forecast new resident and worker population (being \$336,081,386).
- The estimated value of land forecast to develop over the planning period was \$3,870,736,336. This figure was derived from development forecast data (Quantify reports²) and Council supplied data from the 2024 rates database.
- The contribution rate of 8.68 percent was established by dividing the costs apportioned (\$336,081,386) by land to be developed (\$3,870,736,336).

Mr Hrelja said that in his opinion:

- The summary data inputs in the public open space contribution calculation have been prepared appropriately.
- A single municipal public open space contribution rate be applied to all land uses (residential, commercial and industrial) across the municipality was appropriate and consistent with practice over the last decade or so.
- The manner of contribution (cash or land) should not be specified in the schedule to provide flexibility.

2.4 Discussion

2.4.1 Eddie Baron principles

The Panel is satisfied that the principles of need, nexus and accountability have been appropriately applied when developing the methodology.

Need has been demonstrated by virtue of the forecast population increases to 2046, the adopted Open Space Strategy, Technical Report and nominated projects.

Neither the *Subdivision Act 1988* nor Clause 53.01 mandate that public open space contributions collected from subdivisions must be spent in that particular area. For this reason, the Panel is satisfied that a causal nexus is sufficient in the context of open space contributions (namely a link between the subdivision and the need to provide more or upgraded open space).

Based on the Implementation Review, Council has demonstrated a commitment to utilising public open space contributions for the purpose of improving and upgrading open space in line with relevant strategies.

² Merri-bek Planning for Population Growth (Quantify Strategic Insight for Merri-bek City Council, June 2024) and Merri-bek Worker Population Floorspace Forecasts (Quantify Strategic Insight for Merri-bek City Council, August 2024)

2.4.2 Transparency

The Panel is concerned about the lack of transparency around detailed project costing. As outlined in Chapter 2.2.5 the detailed costings were contained the Projects List that was not made openly available at the time the Amendment was exhibited. It is not clear that the public (or submitters) was privy to the detailed costings. This is the only document that contained critical information relating to the project costings and the nature (and magnitude) of contingencies added.

This document is important because it is a key input into the calculation of the rate. It sets out the detailed costings for all projects proposed to be funding through Clause 53.01 and additional contingency costs. The contingencies are discussed in more detail in Chapter 2.4.5 and 2.4.6).

While the Panel accepts that the public could have request as copy of the Projects list (or as described on the website the 'Open Space Apportionment Data (Mesh, 2025)') during the exhibition process, this approach is not considered to be sufficiently transparent.

- Firstly, the document is described as an 'Other document' rather than an 'exhibited document'. This implies that it is secondary or background information, rather than a key input into the calculation of the rate.
- Secondly, the title of the document on the website does not make it immediately apparent that the document contains a list of projects, costings or contingencies.
- Thirdly, it is not clear why title of the document differs from an earlier description, being the Consultation Draft Projects List which was published in 2023. The earlier description was arguably easier to understand.
- Finally, it is not sufficient to the Projects List in expert evidence, which is only made available during the Hearing process (that is after the opportunity to make submissions or request to be heard at the Hearing has passed).

This lack of transparency, coupled with the extent of 'less common' land cost contingencies³ (discussed in Chapter 2.4.5) is problematic. While it is conceivable that submitters could have anticipated more standard contingencies could have been included in the costing, it is likely that submitters (or the public) were not aware of the additional 27 percent contingency added to land costs.

2.4.3 Underpinning Open Space Strategy, Technical Report and feasible project list

The Panel is satisfied that the methodology is underpinned by an appropriate Open Space Strategy and Technical Report. These reports provide the basis to demonstrate there is a need for new and improved open space within the municipality.

27 percent contingency on land costs in the Projects List

The Panel has some concerns with the costings in the Projects List. As discussed above, the proposal to include a 27 percent contingency on land costs is less common and is something that should have been more transparently reviewed and shared with the community as part of the exhibition process.

³ Discussed in more detail in Chapter 2.4.5

The Panel is also concerned about the justification for the 27 percent contingency on land costs. This issue also came up in Amendment C286yara and the Panel was critical of the proposed 'land contingency component', saying that the proposed 30 percent contingency was excessive and lacked an evidentiary basis. In that case there was no evidentiary basis and Council had not disclosed that amount:

The Panel agrees with Mr Gobbo that there is not sufficient evidence before it to justify 30 per cent as originally sought by Council, nor indeed the 20 per cent allowance that Council is now advocating. Such a higher allowance could only be reached if an uplift in the average CIV to match market values was considered an appropriate approach. However, some properties sell above their CIV but equally others sell below. The Panel considers that the 'best' and most transparent way to determine the cost of acquiring land for this purpose is to use CIV (averaged) and not to attempt to reflect what is purported to be 'market value' by adding on a selected allowance which has not in the Panel's view been justified.

The Panel accepts that there will be material administrative, conveyancing and other costs which will add to the cost of purchasing land and that these costs will vary depending on the method used. For example, direct purchase in a public auction will likely incur different costs to a compulsory acquisition as a result of applying a Public Acquisition Overlay (PAO). No evidence on the range of costs the Council is likely to incur was led by any party, so the Panel has little to guide it on the quantum of an appropriate allowance. In the absence of such information the Panel has opted to recommend 10 per cent allowance be added to CIV to cover Council's administrative and acquisition costs. In the Panel's view, such an allowance is likely to be generous.

The Panel considers that Council took a step in the right direction, in asking its expert Mr Hrelja to review the public open space acquisition costs from 2012/13 to 2023/24. However, the Panel is not convinced that a review with a sample size of 29 properties over a 10 year period is sufficient. Mr Hrelja was not able to present any comparable evidence from other municipalities, however the Panel notes his oral evidence that a 27 percent overrun on acquisition costs was common in his experience.

Case study example – new local neighbourhood park in Brunswick East

The list of projects included in the Technical Report (which has been made available to the public) indicates that the new neighbourhood park in Brunswick East (correlates with project BE01 in the Projects List) has an estimated cost bracket of \$\$\$\$ (that is 'more than \$1,000,000').

The 27 percent contingency on land costs is proposed to be applied in addition to the 30 percent contingency on capital costs. Combined, these two contingencies could have a significant impact on the total project costs.

As a case study the project costs in the Projects List for a new local neighbourhood park with an area of 0.25 hectares in Brunswick East with (Project BE01) are as follows:

- Land cost - \$5,327,500
- Capital costs - \$2,599,427
- Planning and design contingency - \$259,943
- Project management, engagement and documentation contingency – \$259,943
- Survey contingency – \$259,943
- Land cost contingency - \$1,438,425.

To summarise:

- Baseline costs – \$7,926,927
- Standard 30 percent contingency – \$779,829

- Land contingency –\$1,438,425
- Total costs⁴ - \$10,145,181.

When compared with the cost bracket included in the Technical Report, this is a significant increase in costings. The land contingency alone is more than \$1,000,000 (that is the cost bracket range) and the total cost is tenfold that amount.

30 percent contingency on capital costs

As mentioned above, Panel accepts that it is standard practice to include a 30 percent contingency on capital costs. This was a matter discussed in Amendment C286yara, where the Panel commented that:

There was also general agreement that the 30 per cent uplift applied to the project costs to allow for survey and design work and a contingency for construction costs was reasonable. The Panel considers that the 30 per cent uplift in capital project costs is appropriate, noting that this 30 per cent uplift is separate to the 30 per cent allowance applied to the CIV of the cost of land to be acquired for the open space projects.

The Panel accepts that this type of contingency could have been conceivably anticipated by the public and submitters. However, it would have been preferable to give notice of this contingency by making the Projects List more transparently available at the time the Amendment was exhibited.

2.4.4 Replicability

The Panel is satisfied that the methodology is replicable and can be easily understood from the material prepared in support of the Amendment and the expert statements prepared by Ms Fisher and Mr Hrelja.

2.4.5 Qualitative and quantitative approach

The Panel is satisfied that Council has used a qualitative and quantitative approach, having regard to the proposed population increase.

The population forecast data used to inform the apportionment methodology is sound and consistent with the forecasts used to inform the Open Space Strategy and Technical Report.

The Panel is satisfied that equal demand can be assigned to resident and visitor population forecasts. This approach is reflected in the Open Space Strategy and Technical Report, and the policy direction the State government's strategy Open Space for Everyone.

2.4.6 Key concerns

The Panel does not think that an additional 27 percent land cost contingency (in addition to the more standard 30 percent contingency) has been adequately justified.

Firstly, a sample size of 29 properties is not a sufficient evidentiary basis to justify that cost, there is no way to understand the circumstances around those sales and it does not include any comparison to other municipalities. In fact, the only comparison at this stage

⁴ Excluding any grants

is the 10 percent land cost contingency applied in Yarra C286yara (which is a municipality with similar characteristics to Merri-bek).

Secondly, even if the review of 29 properties was a sufficient evidentiary basis there has not been sufficient transparency in relation to the costings in the Projects List presented on the day of the Hearing. The detailed project costings were not published or easily accessible at the time the Amendment was exhibited. While the total project cost was included in the Apportionment Methodology Report, there was not enough transparency in relation to the breakdown and proportion of land costs attributed to capital cost, capital works contingency and land cost contingency within the total project costing.

The Panel accepts that it is important to update the public open space contribution rate in a timely manner to give effect to open space policy. However, as can be seen from the case study example in Brunswick East, the land cost contingency is significant. While there is no evidence to the contrary, the Panel is not convinced that the review of 29 properties is sufficient to justify such a large cost impost on the community without a more transparent approach to disclosing the costings. The Panel has issued this interim report to provide Council with a pathway to resolve this as part of this process.

One option is for Council to proceed with the Amendment with the deletion of the 27 percent land cost contingency from the project costings and adjust the calculation of the rate accordingly. This would result in an overall lower contribution rate in the schedule to Clause 53.01.

An alternative option could be for Council to complete further work. For example, Council could prepare a peer review to identify whether the rate is appropriate and justified. Such a review could address the sample size and a comparison with other equivalent municipalities. After that review, Council could address the transparency issue by a supplementary exhibition process, whereby the detailed project costings (highlighting the contingencies) and the outcomes of any further work could be made available to the public. If further submissions are unresolved Council could request a Panel to consider these.

2.5 Conclusions and recommendations

The Panel concludes:

- The methodology for calculating the public open space contribution rate is generally acceptable, subject to the issues of transparency and the land cost contingency:
 - The principles of need, nexus and accountability have been appropriately applied.
 - The methodology is replicable and could be interrogated easily to understand how the contribution rate is derived.
 - The population forecast data used to inform the apportionment methodology is sound and consistent with the forecasts used to inform the Open Space Strategy and Technical Report.
- Council has not clearly and transparently published the detailed project costings in the Projects List, which is a key input into the calculation. This is the only document

that contained critical information relating to the project costings and the nature (and magnitude) of contingencies added.

- The manner in which the Projects List was described and presented on Council's website during exhibition was confusing.
- This lack of transparency is particularly problematic given the detailed costings, far exceed those ranges described in the Technical Report and an early consultation draft of a list of projects.
- The 27 percent land cost contingency had not been sufficiently justified. It is not clear that a sample size of 29 property sales is sufficient.
- Further work is required to justify the 27 percent land cost contingency (for example through a peer review or comparative analysis in other municipalities).

The Panel recommends Council can proceed with one of two options:

1. Adopt the Merri-bek Planning Scheme Amendment C235mbek as exhibited subject to:

- a) Deleting the 27 percent land cost contingency from the project costings in the Open Space Strategy Projects List Master Spreadsheet (Mesh, March 2025).**
- b) Adjusting the calculation of the public open space contribution rate to account for the deletion of the 27 percent land cost contingency, resulting in an overall lower public open space contribution rate in the proposed schedule to Clause 53.01.**

2. If Recommendation 1 is not accepted undertake the following further work before finalising Merri-bek Planning Scheme Amendment C235mbek:

- a) Further work to justify the proposed 27 percent land cost contingency included in the detailed project costings in the Open Space Strategy Projects List Master Spreadsheet (Mesh, March 2025).**
- b) If required, update the Merri-bek Planning Scheme Amendment C235mbek and undertake supplementary exhibition of the detailed project costings in the Open Space Strategy Projects List Master Spreadsheet (Mesh, March 2025) (including the land cost contingencies).**

3 Strategic justification

3.1 The issue

The issue is whether the Amendment is strategically justified.

3.2 Evidence and submissions

Council submitted that the Amendment is strategically justified, based on previous strategic work including the Open Space Strategy, Technical Report, Apportionment Methodology Report and Contributions Schedule Report. It said that this work provides a clear strategic justification of the need for open space and an appropriate methodology for calculating the contribution rate.

Council also relied on the State government's *Open Space for Everyone: Open Space Strategy for Metropolitan Melbourne, 2021* (Open Space for Everyone). This is regional policy referenced at Clause 19.02-6R of the Planning Scheme.

Council explained that it originally considered including the 10 percent minimum for strategic redevelopment sites and urban renewal precincts as a second row in the schedule. However, the Minister's authorisation required removal of this component so that the exhibited Amendment included only the single 8.68 percent municipal rate.

The differential rate for strategic sites was foreshadowed in the Open Space Strategy on the basis that strategic redevelopment sites are larger sites providing significant housing or commercial growth, expected to generate increased demand for accessible public open space in comparison to average-sized sites where few dwellings or less commercial floorspace are created. The Open Space Strategy states that Council will (page 54):

Explore opportunities for strategic redevelopment sites to provide on-site public open space and a public open space contribution that reflects the greater needs created by these sites.

Ms Fisher said that she still supported a higher rate for strategic redevelopment sites on the basis that they generate a higher demand for public open space.

3.3 Discussion

The Amendment is generally consistent with the Planning Policy Framework. Updating the open space contribution rate is required to give practical effect to the Open Space Strategy, Technical Report and planning policy (at Clauses 19.02-6S, 19.02-6R and 19.02-6L). The approach is also consistent with Open Space for Everyone, which includes a vision of Melbourne being a city in nature with a flourishing and valued network of public open space that is shared and accessible to everyone.

Council has undertaken a significant amount of strategic work and reviewed the methodology used by other Councils. It has adopted a methodology which is suitably replicable, underpinned by strategic work and population forecasts. Council has demonstrated the principles of need, nexus and accountability have been integrated into its approach.

The Panel has issued this as an interim report to give Council the opportunity to remedy the transparency issue through further consultation or an adjustment to the calculation.

Subject to the Panel's recommendations, the Amendment will deliver a net community benefit and sustainable development as required by Clause 71.02-3.

As a final comment, the Panel is not clear why the conditions of authorisation required the deletion of the 10 percent minimum for strategic redevelopment sites and urban renewal precincts. The Open Space Strategy foreshadowed a differential rate for strategic sites, and this approach seems logical given the likely higher demands for open space in higher density precincts.

3.4 Conclusions

For the reasons set out in the following chapters, the Panel concludes:

- The Amendment is strategically justified in the most part, however there are methodological issues that need to be addressed.
- Further action is required before the Amendment can proceed in its current form.

The Panel had made recommendations in Chapter 2, providing Council with two options on how it could progress the Amendment.

4 Economic impacts

4.1 The issue

The issue is whether the economic impact of the updated public open space contribution rate is acceptable.

4.2 Evidence and submission

Submitters 1 and 7 raised concerns about the economic impact of the updated public open space contribution rate. The submitters were largely concerned with the impact of the rate on the viability of future redevelopment.

Council submitted that while the Amendment would have an economic impact on some development, it would not have an unreasonable impact or render all development in the municipality as unviable. Council said that:

The question of development viability is highly complex and influenced by many factors, including the cost of land acquisition, construction costs, holding costs, purchaser willingness to pay, profit margins, increases in land value, and many other factors. None of these matters are the subject of evidence called by a submitter.

Council also submitted that the development industry had known since September 2025 that Council was proposing to increase the contribution rate.

4.3 Discussion

Subject to the recommendations in Chapter 2, the Panel has found that generally the methodology used to calculate public open space contribution rate is strategically justified. The methodology has demonstrated that the open space projects are needed, there is a nexus with the forecast population and is an equitable approach to the contributions across the municipality.

The Panel is also satisfied that while the rate will add some costs to development, the development community has been given sufficient notice of the increased rate (via this Amendment and as foreshadowed in the previous strategic work on the Open Space Strategy). This allows the development community time to factor in the rate into development feasibility.

It is standard practice for Councils to seek contributions towards open space as part of the subdivision process. Open space is an important community asset and maintaining this asset is consistent with broader policy objectives. Consideration of the economic impacts of an Amendment are generally community wide, not an assessment of individual impacts.

The contribution towards open space project costs will also ensure that open space projects can be delivered, providing a wider community benefit, including to new community moving into new (likely higher density) development projects.

4.4 Conclusions

The Panel concludes the economic impact of the updated public open space contribution rate is acceptable, noting that:

- while there will be some increase in costs (in some suburbs), the economic impacts of the Amendment are not considered to be unreasonable
- there are many factors that influence development viability, and the development industry have had notice of the proposed change in the public open space contribution rate.

5 Transitional provisions

5.1 The issue

The issue is whether transitional provisions are required.

5.2 Evidence and submissions

Submitter 7 said that transitional provisions should be included.

Council submitted that transitional provisions are not required. It said it was not:

- aware of any metropolitan planning scheme that includes transitional provisions in the schedule to Clause 53.01
- even clear that it is permissible to include transitional provisions.

Mr Hrelja gave evidence that transitional arrangements are not required, on the basis that the planning scheme amendment process provides some advanced notice.

5.3 Discussion

The Panel agrees with Council that transitional provisions are not warranted. The Panel is satisfied that the community and developers have had notice of the proposed change to the contribution rate (subject to its earlier recommendations around the detailed project conditions discussed in Chapter 2).

5.4 Conclusion

The Panel concludes that transitional provisions are not warranted.

Appendix A Apportionment methodology

The following is an explanation of the apportionment approach. Ms Fisher gave to explain the seven-step approach and said that it is based on the concepts of need, nexus, equity, accountability and transparency.

(i) Need

Ms Fisher described establishing 'need' as step one in her evidence. She relied on the Open Space Strategy and Technical Report as demonstrating a need. She said that the analysis in the Technical Report identified the open space projects needed to meet the projected population to 2046 (which is then reflected in the 'Projects List').

Ms Fisher:

- referred to the recently released *Guide for Open Space Strategies* (October 2025) in her evidence, noting that it refers to the need to plan for workers but does not include any further detail
- explained that the Technical Report already treats residents and workers equally and this approach was supported in Amendment C286yara
- explained that the total number of new residents and workers has been used to determine the amount and percentage growth projected for each planning precinct (suburb)
- gave evidence that the projected growth, in the planning timeframe (to 2046), magnitude of change (relative to existing population) and the location and density of population is important in establishing the apportionment methodology.

(ii) Nexus and percentage population growth relative to existing population (precinct percentage)

Ms Fisher described this as step two in her evidence. She said that establishing a nexus requires demonstration of a direct and justified relationship between projected population growth (demand) and the corresponding proportion of open space projects attributed to servicing that new demand.

Ms Fisher explained that the process of establishing nexus is not straight forward and in absence of Statewide guidance the apportionment methodology had regard to:

- percentage of population growth relative to the existing population
- quantum of population change
- location and type of population change.

The apportionment methodology relied on forecast data prepared by Quantify Strategic Insights Pty Ltd (2024) and Council's Housing Capacity Study (2022). The forecast resident and worker population was examined to determine:

- percentage of projected growth (between 2026 and 2046) compared to the 2026 population
- quantum of projected growth per precincts.

This information was used to:

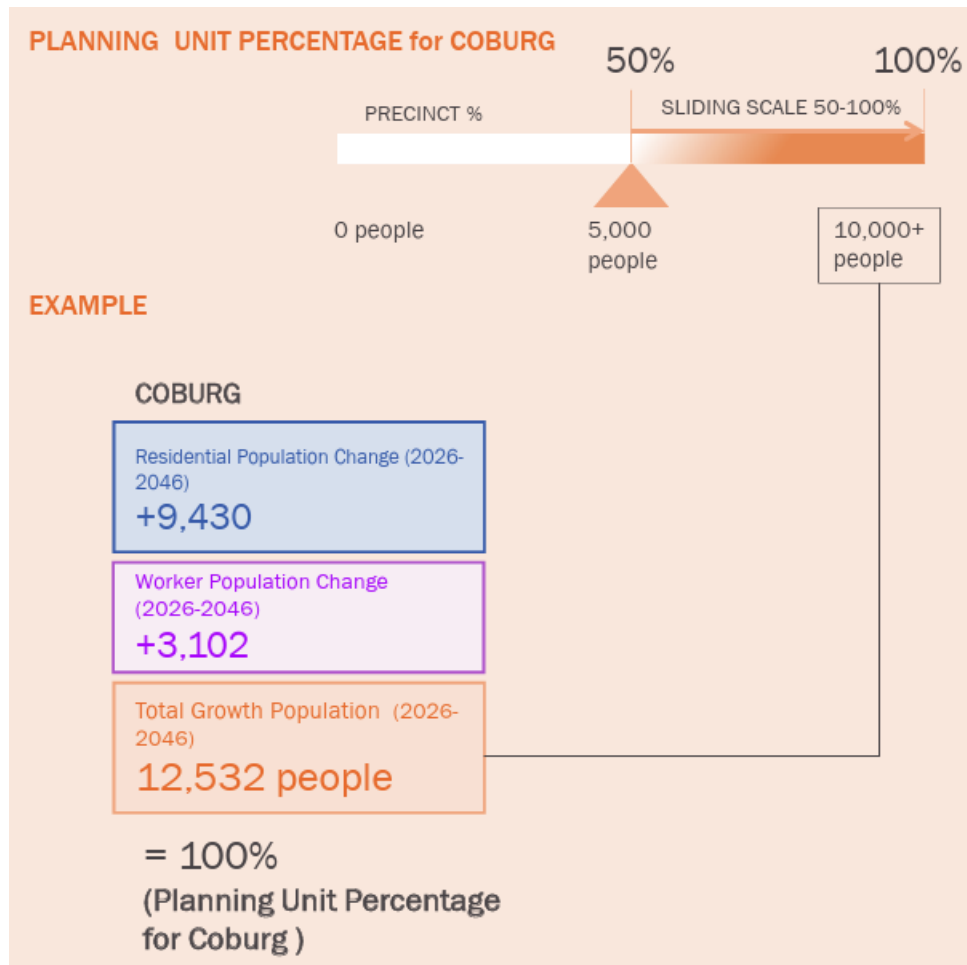
- see if a precinct was expected to see minimal growth (such as 5 percent) or significant growth (such as 30 percent)
- understand relative growth pressures across precincts, apply the precinct percentage growth to projects in that precinct and to determine the cost attributed to the new population.

(iii) Quantum of population change (planning unit percentage)

Ms Fisher:

- gave evidence that in addition to understanding the population growth relative to current population (step two), it was also important to combine this information with:
 - quantum of population change (step three)
 - the location and type of density change (steps 4, 5 and 6).
- gave evidence that population thresholds are an effective way to plan for infrastructures, as a way to see when demand is likely to justify new or upgraded facilities.
- explained that the apportionment methodology used an infrastructure planning threshold of 10,000 people (referred to as the planning unit) for the following reasons:
 - Social infrastructure planning provision is typically based on a hierarchy of levels based on the population served. The hierarchy typically includes a local/neighbourhood level that will serve between 5,000-20,000 people.
 - The local/neighbourhood level facilities include infrastructure such as a government primary school, level 1 community infrastructure (comprising a community activity centre including maternal and child health), local parks, active open space (including playing fields) and a sporting pavilion. The provision ratio for these facilities is approximately 1 facility per every 8-10,000 people.
 - Accordingly, 10,000 people has become a recognised planning unit that generates the need for neighbourhood-level social infrastructure, including open space. This level of population fully necessitates this infrastructure if nearby facilities lack capacity.

The apportionment methodology recognised that not all precincts would meet the planning threshold of 10,000 people (and some would exceed it), so 5,000 people was set as the minimum threshold. A sliding scale was adopted for the planning unit percentage (between 50 percent for 5,000 people and 100 percent for 10,000 people). An example of how this is applied is shown in Figure 5.

Figure 5 - Planning unit percentage calculation example

Source: Ms Fisher presentation of evidence

(iv) Location of population change

Ms Fisher explained that step 4 of the apportionment approach maps the activity centres across the planning precincts.

She gave evidence that it is necessary to understand the location and type of change in density (in addition to the percentage and quantum of growth). Almost half of the projected additional 21,756 dwellings required to accommodate the future residential population between 2026 and 2046 will be delivered as high-density development (concentrated in the designated activity centres).

High-density development in activity centres means these residents will have less private open space which will place increased pressure on nearby public open space. For example, Coburg is forecast to include 3,975 additional dwellings between 2026 and 2046 of which 2,765 or 70 percent are to comprise high density dwellings that are focused within the activity centres mapped in Figure 6.

Figure 6 - Identifying location of population change

Source: Ms Fisher presentation of evidence

(v) Mapping the walkable catchment

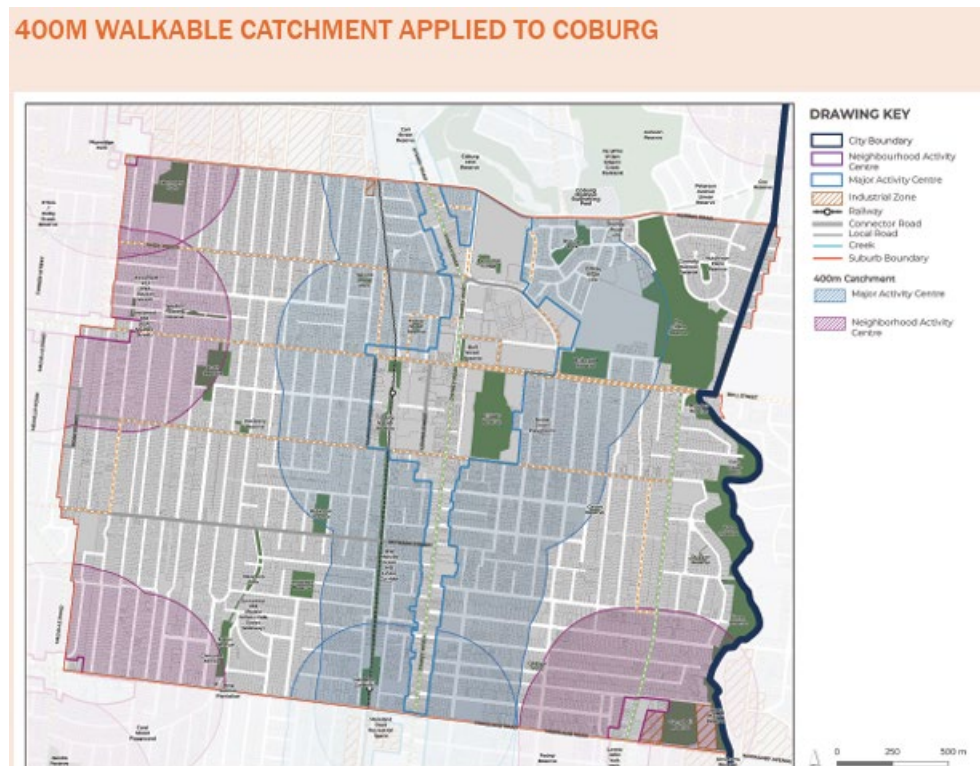
Ms Fisher explained that step 5 of the apportionment methodology involves mapping a 400 metre walkable catchment from each activity centre.

The apportionment methodology deliberately adopts the 400 metre walkable catchment because it aligns with Clause 56.05.2, Standard C13 which notes that local parks should be within 400 metre safe walking distance of at least 95 percent of all dwellings.

Ms Fisher explained that the Panel in Amendment C169mona had accepted that a 400 metre walkable catchment to open space is a standard that is becoming more universally accepted as reasonable⁵.

An example of this mapping process is shown in Figure 7.

⁵ Monash Planning Scheme Amendment C169mona (PPV 2023) page 23

Figure 7 - Mapping the walkable catchment

Source: Ms Fisher presentation of evidence

(vi) Open space projects in the walkable catchment

Ms Fisher explained that step 6 apportionment methodology identifies the eligible open space projects able to be funded via Clause 53.01 within the 400 metre walkable catchment of the activity centres.

To recognise the spatial nexus between the high density development to be located in the activity centres and the increased demand this development will place on nearby open space projects the apportionment methodology applies the planning unit percentage to all open space projects located within 400 metre walking distance of the activity centres.

Figure 8 shows an example of step 6 in Coburg.

Figure 8 - Open space projects in the walkable catchment

OPEN SPACE PROJECTS WITHIN 400M WALKABLE CATCHMENT for COBURG

Eligible to Master Project ID via Clause 53.01	Project Name	Total Project Cost excl. Grants	Precinct Percentage	OS Project within 400m of AC	Total Growth (Pop + Worker)	Apportionment Type
C801	New Neighbourhood Park 1 in Coburg	\$ 8,205,256	32%	Y	12,532	Planning Unit %
C802	New Neighbourhood Park 2 in Coburg	\$ 8,205,256	32%	N	12,532	Precinct %
C803	New Neighbourhood Park 3 in Coburg	\$ 8,205,256	32%	Y	12,532	Planning Unit %
C804	New Local Park 1 in Coburg	\$ 24,615,767	32%	N	12,532	Precinct %
C805	New Local Park 2 in Coburg	\$ 24,615,767	32%	Y	12,532	Planning Unit %
C806	New Pocket Park 1 in Coburg	\$ 2,712,565	32%	Y	12,532	Planning Unit %
C807	New Pocket Park 2 in Coburg	\$ 2,712,565	32%	Y	12,532	Planning Unit %
C808	Robinson Reserve Fenced Dog Park Upgrade	\$ 455,630	32%	Y	12,532	Planning Unit %
C809	Harmony Park Improvements	\$ 3,493,163	32%	Y	12,532	Planning Unit %
C810	Bell Street Reserve Upgrades	\$ 15,188	32%	Y	12,532	Planning Unit %
C811	Bridges Reserve play upgrades. Open space project / sensory garden for persons with dementia	\$ 1,290,952	32%	Y	12,532	Planning Unit %
C812	Central Coburg Town Square	\$ 7,799,649	32%	Y	12,532	Planning Unit %
C813	Soudan Street playground and park upgrade	\$ 379,692	32%	Y	12,532	Planning Unit %
C814	Calder Reserve playground upgrade	\$ 379,692	32%	Y	12,532	Planning Unit %
C815	N Beau Monde Reserve NRM upgrade	\$ 60,751	-	-	12,532	-
C816	Tate Reserve Improvements	\$ 3,593,449	32%	N	12,532	Precinct %
C817	Budd Street playground upgrade	\$ 30,375	32%	Y	12,532	Planning Unit %
C818	McKay Street playground renewal	\$ 379,692	32%	Y	12,532	Planning Unit %
C819	Brosnan Park playground upgrade	\$ 425,255	32%	Y	12,532	Planning Unit %
C820	Hutchison Place playground upgrade	\$ 379,692	32%	N	12,532	Precinct %
C821	Duggan Reserve playground upgrade	\$ 379,692	32%	N	12,532	Precinct %
C822	Egan Reserve upgrade	\$ 2,528,746	32%	N	12,532	Precinct %
C823	McDonald Reserve	\$ 1,215,013	32%	Y	12,532	Planning Unit %
C824	De Chene Reserve land acquisition	\$ 11,257,193	32%	N	12,532	Precinct %
C825	Bush Reserve playground upgrade	\$ 835,322	32%	Y	12,532	Planning Unit %
C826	Gilmour Park playground upgrade	\$ 835,322	32%	N	12,532	Precinct %
C827	Connolly avenue Park upgrade	\$ 53,157	32%	N	12,532	Precinct %
C828	Campbell Reserve Improvements	\$ 3,113,471	32%	Y	12,532	Planning Unit %
C829	Anderson Reserve upgrade and enhancement of existing playground	\$ 379,692	32%	N	12,532	Precinct %
C830	Maier Reserve playground upgrade	\$ 379,692	32%	N	12,532	Precinct %
C831	Palazzolo Park playground upgrade	\$ 379,692	32%	N	12,532	Precinct %
C832	Bowden Reserve Improvements	\$ 2,234,153	32%	N	12,532	Precinct %
C833	Victoria Mall, Coburg	\$ 1,622,520	32%	Y	12,532	Planning Unit %
C834	City Oval Improvements	\$ 5,315,683	32%	Y	12,532	Planning Unit %
C835	East Coburg and Coburg Tennis Club Improvements	\$ 683,445	32%	Y	12,532	Planning Unit %

Source: Ms Fisher presentation of evidence

(vii) Apportionment calculation applied to all projects

Ms Fisher explained that step 7 apportionment methodology calculates the proportion of each of the eligible projects in the Projects List that is to be attributed to new population.

This is determined through the following steps:

- Firstly, the projected precinct growth percentage is applied to all projects located within the respective precinct. For municipal wide projects the overall municipal population growth percentage applies to that project.
- Secondly, if the planning precinct is projected to accommodate 5,000 or more additional people, a scaled apportionment percentage from >50 percent up to 100 percent is applied to the open space projects located within 400 metre of an activity centre.

Step 7 is completed for each project included in the Projects List and calculates the value of each project apportioned to the new population (see Figure 9).

Figure 9 - Value of each project apportioned to the new population

APPORTIONMENT CALCULATION for COBURG

Master Project ID	Eligible to be funded via Clause 53.01	Project Name	Total Project Cost excl. Grants	Precinct Percentage	OS Project within 400m of AC	Total Growth (Pop + Worker)	Apportionment Type	Apportionment % (Precinct % or Planning Unit %)	Total cost apportioned to new development
CB01		New Neighbourhood Park 1 in Coburg	\$ 8,205,256	32%	Y	12,532	Planning Unit %	100%	\$ 8,205,255.51
CB02		New Neighbourhood Park 2 in Coburg	\$ 8,205,256	32%	N	12,532	Precinct %	32%	\$ 2,606,580.07
CB03		New Neighbourhood Park 3 in Coburg	\$ 8,205,256	32%	Y	12,532	Planning Unit %	100%	\$ 8,205,255.51
CB04		New Local Park 1 in Coburg	\$ 24,615,767	32%	N	12,532	Precinct %	32%	\$ 7,819,740.22
CB05		New Local Park 2 in Coburg	\$ 24,615,767	32%	Y	12,532	Planning Unit %	100%	\$ 24,615,766.52
CB06		New Pocket Park 1 in Coburg	\$ 2,712,565	32%	Y	12,532	Planning Unit %	100%	\$ 2,712,564.76
CB07		New Pocket Park 2 in Coburg	\$ 2,712,565	32%	Y	12,532	Planning Unit %	100%	\$ 2,712,564.76
CB08		Robinson Reserve Fenced Dog Park Upgrade	\$ 455,630	32%	Y	12,532	Planning Unit %	100%	\$ 455,629.96
CB09		Harmony Park Improvements	\$ 3,493,163	32%	Y	12,532	Planning Unit %	100%	\$ 3,493,163.00
CB10		Bell Street Reserve Upgrades	\$ 15,188	32%	Y	12,532	Planning Unit %	100%	\$ 15,187.67
CB11		Bridges Reserve play upgrades. Open space project / sensory garden for persons with dementia	\$ 1,290,952	32%	Y	12,532	Planning Unit %	100%	\$ 1,290,951.54
CB12		Central Coburg Town Square	\$ 7,799,649	32%	Y	12,532	Planning Unit %	100%	\$ 7,799,649.34
CB13		Soudan Street playground and park upgrade	\$ 379,692	32%	Y	12,532	Planning Unit %	100%	\$ 379,691.63
CB14		Calder Reserve playground upgrade	\$ 379,692	32%	Y	12,532	Planning Unit %	100%	\$ 379,691.63
CB15	N	Beau Monde Reserve NRM upgrade	\$ 60,751	-	-	12,532	-	-	\$ -
CB16		Tate Reserve Improvements	\$ 3,593,449	32%	N	12,532	Precinct %	32%	\$ 1,141,538.30
CB17		Budd Street playground upgrade	\$ 30,375	32%	Y	12,532	Planning Unit %	100%	\$ 30,375.33
CB18		McKay Street playground renewal	\$ 379,692	32%	Y	12,532	Planning Unit %	100%	\$ 379,691.63
CB19		Brosnan Park playground upgrade	\$ 425,255	32%	Y	12,532	Planning Unit %	100%	\$ 425,254.63
CB20		Hutchison Place playground upgrade	\$ 379,692	32%	N	12,532	Precinct %	32%	\$ 120,617.41
CB21		Duggan Reserve playground upgrade	\$ 379,692	32%	N	12,532	Precinct %	32%	\$ 120,617.41
CB22		Egan Reserve upgrade	\$ 2,528,748	32%	N	12,532	Precinct %	32%	\$ 803,311.93
CB23		McDonald Reserve	\$ 1,215,013	32%	Y	12,532	Planning Unit %	100%	\$ 1,215,013.22
CB24		De Chene Reserve land acquisition	\$ 11,257,193	32%	N	12,532	Precinct %	32%	\$ 3,576,095.20
CB25		Bush Reserve playground upgrade	\$ 835,322	32%	Y	12,532	Planning Unit %	100%	\$ 835,321.59
CB26		Gilmour Park playground upgrade	\$ 835,322	32%	N	12,532	Precinct %	32%	\$ 265,358.29
CB27		Connolly avenue Park upgrade	\$ 53,157	32%	N	12,532	Precinct %	32%	\$ 16,886.44
CB28		Campbell Reserve Improvements	\$ 3,113,471	32%	Y	12,532	Planning Unit %	100%	\$ 3,113,471.37
CB29		Anderson Reserve upgrade and enhancement of existing playground	\$ 379,692	32%	N	12,532	Precinct %	32%	\$ 120,617.41
CB30		Mailier Reserve playground upgrade	\$ 379,692	32%	N	12,532	Precinct %	32%	\$ 120,617.41
CB31		Palazzo Park playground upgrade	\$ 379,692	32%	N	12,532	Precinct %	32%	\$ 120,617.41
CB32		Bowden Reserve Improvements	\$ 2,234,153	32%	N	12,532	Precinct %	32%	\$ 709,727.99
CB33		Victoria Mall, Coburg	\$ 1,822,520	32%	Y	12,532	Planning Unit %	100%	\$ 1,822,519.82
CB34		City Oval Improvements	\$ 5,315,683	32%	Y	12,532	Planning Unit %	100%	\$ 5,315,682.82
CB35		East Coburg and Coburg Tennis Club Improvements	\$ 683,445	32%	Y	12,532	Planning Unit %	100%	\$ 683,444.93

Source: Ms Fisher presentation of evidence

Appendix B Document list

No.	Date	Description	Provided by
1	16 Feb 26	Part A submission	Merri-bek City Council (Council)
2	16 Feb 26	Open Space Land Acquisition Cost Review Report (HillPDA, July 2024)	Council
3	16 Feb 26	Housing Capacity Study (Merri-bek City Council, 2022)	Council
3	16 Feb 26	Contributions Rate Method Rate Method Report (HillPDA, October 2024)	Council
4	16 Feb 26	Evidence statement of Alex Hrelja	Council
6	16 Feb 26	Evidence statement of Jo Fisher	Council
7	20 Feb 26	Part B submission	Council
8	20 Feb 26	Yarra PSA C286yara [2022] PPV (Corrected Interim report)	Council
9	20 Feb 26	Yarra PSA C286yara [2022] PPV (Final report)	Council
10	20 Feb 26	State government strategies: - Guide for open space strategies (2025) - Open Space for Everyone (2021)	Council
11	20 Feb 26	Merri-bek Open Space Strategy	Council
12	20 Feb 26	Merri-bek Technical Report	Council
13	20 Feb 26	Merri-bek Planning for Population Growth (Quantify, June 2024)	Council
14	20 Feb 26	Merri-bek Worker Population Floorspace forecast (Quantify, August 2024)	Council
15	20 Feb 26	Open Space Strategy Implementation Review Report	Council
16	20 Feb 26	Open Space Projects List Master Spreadsheet (Mesh, March 2025)	Council
17	20 Feb 26	Rates Valuation Spreadsheet (Council, August 2024)	Council
18	25 Feb 26	Update to land acquisition cost review (Document 2), including and purchase date column and re-ordering of purchases chronologically.	Council
19	13 Mar 26	Email to Council from Panel seeking clarification of exhibition of Projects List	PPV
20	16 Mar 26	Email explaining exhibition process for Projects List	Council