

Victoria Planning Provisions and all planning schemes

Amendment VC257

Explanatory report

Overview

Amendment VC257 makes changes to the *Victoria Planning Provisions* (VPP) and all planning schemes to introduce the Housing Choice and Transport Zone (HCTZ) and the Built Form Overlay (BFO) to support housing growth in and around activity centres and other well-serviced locations in line with *Victoria's Housing Statement: The Decade Ahead 2024-2034* (Victoria's Housing Statement).

Who is the planning authority?

This amendment has been prepared by the Minister for Planning.

The Minister for Planning is the planning authority for this amendment.

What the amendment does

The amendment introduces the Housing Choice and Transport Zone (HCTZ) at Clause 32.10 and the Built Form Overlay (BFO) at Clause 43.06 of the VPP to support the development of additional housing in and around activity centres and other well-serviced locations, and provide certainty to communities, land owners and the development industry.

The BFO and accompanying local schedules will set out specific design and built form requirements to facilitate the preferred scale of development in identified activity centres and priority precincts.

The HCTZ will facilitate a diversity of housing at increased densities in locations around identified activity centres and other well-serviced locations with convenient access to jobs, public transport and services.

Key features of the BFO include:

Key feature	Description
Notice and review	<p>Under the BFO, applications are exempt from all notice and review provisions in the planning scheme.</p> <p>This reflects the significance of activity centres in state planning policy and their role in accommodating additional housing.</p> <p>The ability to 'switch-on' notice and review provisions will be available on a case-by-case basis in a schedule, if required.</p>
Development	The BFO requires a schedule to contain a development framework

Key feature	Description
framework	<p>which may outline the planned urban structure for the land and specify the building typologies and future character for the land.</p> <p>The development framework may also include other information such as public open space, significant landmarks, heritage places, sensitive interfaces, etc.</p>
Built form provisions	<p>The BFO includes state-standard design and built form requirements expressed as outcomes and corresponding standards.</p> <p>Standards must be identified as discretionary or mandatory and may be identified as deemed to comply.</p> <p>The BFO operates in a manner where development:</p> <ul style="list-style-type: none"> • must meet the outcomes • must meet any mandatory standard; • should meet any discretionary standard, however, the responsible authority may consider an application for an alternative design; and • can meet a deemed to comply standard, and if it does, it is deemed to meet the corresponding outcome for that standard. <p>The BFO enables a schedule to specify local variations.</p>
Mandatory maximum building heights	The BFO enables a schedule to specify mandatory maximum building heights.
Uplift	If strategically justified, the BFO enables a schedule to specify a <i>public benefit uplift framework</i> where a limit or standard can only be exceeded if a public benefit is provided and secured by a section 173 agreement.
Master plans	Similar to the operation of the Development Plan Overlay, the BFO enables a schedule to require the preparation and approval of a master plan for specified land before a permit can be granted.
Transitional provisions	The BFO enables a schedule to specify transitional provisions, if required.

Key features of the HCTZ include:

Key feature	Description
Notice and review	Notice and review provisions in the HCTZ are consistent with the notice and review provisions of other residential zones.
Mandatory maximum building heights	The HCTZ specifies mandatory maximum building heights for dwellings, small second dwellings and residential buildings.
Transitional provisions	The HCTZ includes transitional provisions to ensure permit holders, applicants and land owners are not unintentionally disadvantaged when land is rezoned to the HCTZ.

The amendment also makes consequential changes to other clauses of the VPP and relevant planning schemes to give effect to the HCTZ and BFO as follows:

Clause	Description
Clause 32.04 – Mixed Use Zone Clause 32.05 – Township Zone Clause 32.07 – Residential Growth Zone Clause 32.08 – General Residential Zone Clause 32.09 – Neighbourhood Residential Zone Clause 34.01 – Commercial 1 Zone Clause 34.03 – Commercial 3 Zone	Consistent with the approach for other residential zones, the amendment updates decision guidelines to require a responsibility authority to consider the impacts of overlooking and overshadowing on adjoining lots in a HCTZ.
Clause 43.03 – Incorporated Plan Overlay Clause 43.04 – Development Plan Overlay	Consistent with the approach for other residential zones, the amendment requires an incorporated plan or a development plan that provides for residential subdivision in the HCTZ to meet the requirements of Clause 56 as specified in the zone.
Clause 51.02 – Metropolitan green wedge land	Consistent with the approach for other residential zones, the amendment includes the HCTZ in the list of zones where the provisions of Clause 51.02 do not apply.
Clause 52.04 – Transitional provisions for a dependent persons unit	Consistent with the approach for other residential zones, the amendment extends the transitional provisions for a dependent person's unit to land in the HCTZ.
Clause 52.06 – Car parking	Consistent with the approach for other residential zones, the amendment includes the HCTZ in the list of zones where Clause 52.06 does not apply to certain developments.

Clause	Description
Clause 52.12 – Bushfire protection exemptions	Consistent with the approach for other residential zones, the amendment includes the HCTZ in the list of zones where the exemption to create defendable space for a dwelling under Clause 44.06 applies.
Clause 52.22 – Community care accommodation Clause 52.23 – Rooming house	Consistent with the approach for other zones where accommodation uses are allowed, the amendment extends the use and buildings and works exemptions to land in the HCTZ.
Clause 53.01 – Public open space contribution	The amendment updates Clause 53.01 to state that the requirement of the clause does not apply if a public open space contribution requirement is specified in a schedule to the BFO.
Clause 53.02 – Bushfire planning	Consistent with the approach for other residential zones, the amendment includes the HCTZ in the list of zones where Clause 53.02 applies.
Clause 53.17 – Residential aged care facility	Consistent with the approach for other residential zones, the amendment specifies mandatory maximum building heights for a residential aged care facility in the HCTZ.
Clause 53.24 – Future homes	The amendment extends the application of Clause 53.24 to land in the HCTZ.
Clause 54 – One dwelling on a lot or a small second dwelling on a lot Clause 55 – Two or more dwellings on a lot and residential buildings Clause 56 – Residential subdivision Clause 58 – Apartment developments	Consistent with the approach for other residential zones, the amendment extends the application of clauses 54, 55, 56 and 58 to land in the HCTZ.

Strategic assessment of the amendment

Why is the amendment required?

The National Housing Accord (Accord) is an agreement across all levels of government, institutional investors, and the construction sector to address housing supply and affordability. As part of the Accord, all states and territories committed to undertaking expedited zoning, planning, and land release to deliver the joint commitment on social and affordable housing in well-located areas.

Victoria is the fastest growing state in Australia and is expected to reach a population of more than 10.3 million persons by 2051 with Melbourne becoming the nation's largest city.

Victoria's strategy for delivering additional housing, including social and affordable

housing, is predominantly reflected in *Victoria's Housing Statement: The Decade Ahead 2024-2034* (Victoria's Housing Statement) which outlines a range of initiatives to be undertaken by the Victorian Government in order to facilitate the development of additional homes.

One of these initiatives is introducing revised planning controls to deliver an additional 60,000 homes in and around an initial 10 activity centres across Melbourne. New planning tools have been developed in order to increase housing supply and choice in the 10 activity centres and their surrounding catchments, where appropriate.

The new planning tools are the BFO (and accompanying schedules) and the HCTZ.

The amendment is required to introduce the new planning tools into the VPP to support the development of additional housing in and around activity centres and other well-served locations, and provide certainty to communities, land owners and the development industry.

When applied to land, the new planning tools will support a streamlined assessment process for applications that will contribute to address Victoria's current and urgent housing supply and affordability needs.

The BFO and accompanying schedules will set out specific design and built form requirements to facilitate the preferred scale of development in specified activity centres. The BFO includes a range of outcomes and standards relating to matters such as building heights, setbacks, overshadowing and wind impacts. The BFO enables a streamlined assessment process for applications that comply with the applicable outcomes and standards.

The HCTZ will apply to land around activity centres and other locations with convenient access to jobs, public transport and services. The HCTZ will facilitate a diversity of housing at increased densities having regard to site context and lot size. Over time land within the HCTZ will accommodate a mix of small apartment buildings, townhouses and existing homes.

The amendment also includes consequential changes to the VPP and relevant planning schemes to give effect to the new planning tools.

The amendment does not apply the new planning tools to any land at this time.

How does the amendment implement the objectives of planning in Victoria?

The amendment implements the objectives in section 4(1) of the *Planning and Environment Act 1987* (the Act). In particular, it supports the objectives:

- to provide for the fair, orderly, economic and sustainable use, and development of land
- to secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria
- to facilitate development in accordance with the above two objectives
- to facilitate the provision of affordable housing in Victoria

- to balance the present and future interests of all Victorians.

The amendment introduces new planning tools to facilitate the development of additional homes in and around activity centres and other well-served locations in response to the housing crisis as set out in Victoria's Housing Statement.

The new planning tools will provide certainty to communities, land owners and the development industry and support a streamlined assessment process for applications that will contribute to addressing Victoria's current and urgent housing supply and affordability needs.

When applied to land, the new planning tools will:

- Support the implementation of state policy objectives to facilitate well-located, integrated and diverse housing that meets community needs.
- Provide social benefits by facilitating the delivery of more housing close to jobs, transport and services.
- Support improved housing affordability by facilitating additional housing supply and choice of housing type to meet the needs of households.
- Support a variety of significant residential development projects, bringing forward economic benefits for state and local economies.

How does the amendment address any environmental, social and economic effects?

The amendment introduces new planning tools to facilitate the development of additional homes in and around activity centres and other well-served locations in response to the housing crisis as set out in Victoria's Housing Statement.

The new planning tools will provide certainty to communities, land owners and the development industry and support a streamlined assessment process for applications that will contribute to addressing Victoria's current and urgent housing supply and affordability needs.

When applied to land, the new planning tools will:

- Generate positive environmental effects by focusing development in locations capable of accommodating substantial change, where people can utilise planned and existing infrastructure and services and prioritise the use of sustainable transport.
- Generate positive social effects by facilitating the delivery of more housing close to jobs, transport and services, and facilitating a diverse range of housing types to meet the needs of households.
- Generate positive economic effects by supporting a variety of significant residential development projects, bringing forward economic benefits for state and local economies. The amendment will also support improved housing affordability by facilitating additional housing supply.

Does the amendment address relevant bushfire risk?

The amendment will not unreasonably increase the risk to life, property, community infrastructure and the natural environment from bushfire as the amendment does not apply the new planning tools to any land at this time.

Does the amendment comply with the requirements of any other Minister's Direction applicable to the amendment?

The amendment complies with relevant Ministerial Directions issued under section 12 of the *Planning and Environment Act 1987*.

This explanatory report has been prepared in accordance with *Ministerial Direction No.11 Strategic Assessment of Amendment*. The amendment is consistent with this direction which ensures a comprehensive strategic evaluation of a planning scheme amendment and the outcomes it produces.

The amendment complies with the *Ministerial Direction on the Form and Content of Planning Schemes* issued under section 7(5) of the Act.

To give effect to the BFO, an amendment to the *Ministerial Direction on the Form and Content of Planning Schemes* has been issued under section 7(5) of the Act to list the BFO, specify that one or more schedules to that overlay may be included in a planning scheme and insert a BFO schedule template.

How does the amendment support or implement the Planning Policy Framework and any adopted State policy?

The amendment supports the implementation of the Planning Policy Framework (PPF) by introducing new planning tools to facilitate the development of additional homes in and around activity centres and other well-serviced locations in response to the housing crisis as set out in Victoria's Housing Statement.

Relevant PPF objectives and strategies include:

- Clause 11.01-1S (Settlement) – The amendment supports the objective of facilitating the sustainable growth and development of Victoria and delivering choice and opportunity for all Victorians through a network of settlements.
- Clause 16.01-1S (Housing supply) – The amendment supports the objective of facilitating well-located, integrated and diverse housing that meets community needs. The amendment also supports strategies to support opportunities for a range of income groups to choose housing in well-serviced locations.
- Clause 17 (Economic development) – The amendment supports the objective of planning to contribute to the economic wellbeing of the state and foster economic growth by providing land, facilitating decisions and resolving land use conflicts, so that each region may build on its strengths and achieve its economic potential.

Does the amendment make proper use of the Victoria Planning Provisions?

The amendment makes proper use of the VPP by introducing new planning tools that will provide certainty to communities, land owners and the development industry and

support a streamlined assessment process for applications.

How does the amendment address the views of any relevant agency?

The views of the Suburban Rail Loop Authority and Victorian Planning Authority were considered during the preparation of this amendment.

Does the amendment address relevant requirements of the Transport Integration Act 2010?

The amendment supports the provision of housing growth in established areas with access to infrastructure, including public transport, which is consistent with the objectives of the *Transport Integration Act 2010*.

Resource and administrative costs

What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?

The amendment will not have a significant impact on the resource and administrative costs of the responsible authority as the amendment does not apply the new planning tools to any land at this time.

Where you may inspect this amendment

The amendment is available for public inspection, free of charge, during office hours at the following places:

Barwon South West Region

Geelong office
Level 4
30-38 Lt Malop Street
GEELONG VIC 3220

Barwon South West Region

Warrnambool office
29 Jamieson Street
WARRNAMBOOL VIC 3280

Gippsland Region

71 Hotham Street
TRARALGON VIC 3844

Grampians Region

Level 3, 402-406 Mair Street
BALLARAT VIC 3350

Hume Region

Level 1, 62 Ovens Street
WANGARATTA VIC 3676

Loddon Mallee Region

Galkangu – BendigoGovHub
189-229 Lyttleton Terrace
BENDIGO VIC 3550

The amendment can also be inspected free of charge at the Department of Transport and Planning website at <http://www.planning.vic.gov.au/public-inspection> or by contacting the office on 1800 789 386 to arrange a time to view the amendment documentation.