

Urban Design Forum Australia



Positioning paper

Victorian planning reform: Re-framing urban design at the heart of liveability



Lachlan Precinct, Waterloo

A photograph of a modern building with a courtyard. In the foreground, a paved path leads towards a building. The path is flanked by low, rust-colored metal planters containing tall grasses. A person is walking on the path, pushing a stroller. The building in the background has a light-colored facade with large windows and decorative white lattice work. A large palm tree and other greenery are visible in the courtyard.

How can better planning create exceptional places?

Dyuralya Square, Waterloo



Introduction

Effective planning frameworks and processes are essential to delivering great places where people want to work and live. The careful planning of appropriate density, a mixture of uses, connectivity, high quality public realm and strong local character are known to deliver economic vitality, social cohesion and sustainability (The Value of Urban Design, NZ Ministry for Environment, 2005).

Victoria has fallen well behind other Australian states in the stewardship of a planning system that delivers well-designed, affordable housing in neighbourhoods that meet people's needs.

We urgently need more housing. However any measures to increase housing supply must use this opportunity as a catalyst for more resilient, economically successful and livable places that enable people to live sustainable, healthy lives. Our members are committed to and contributing to this challenge across the government, community housing and development sectors.

The current Victorian planning system, and the governance framework for implementing the system, can be significantly improved through reforms outlined in this paper through five themes.

The planning strategies, tools and approaches that can address these challenges are already in place in other jurisdictions. Victoria has an opportunity to act on this knowledge and ensure that our planning system delivers benefits for all.

1. The right housing supply in the right place

At present, housing is being delivered where it is commercially expedient, not where it generates the most value for Melbourne. We need metropolitan-wide coordination for housing density and diversity targets. Targets should be tied to incentives such as state-government funding in essential infrastructure.

2. Greater certainty within the planning scheme

The discretionary nature of the planning system is leading to high levels of uncertainty and speculation. This has multiple negative effects. It diminishes the public's confidence in planning decisions, and results in high case numbers

determined at VCAT which adds significant costs and delays for developers and Councils.

Speculation inflates land values which in turn inflates housing costs and delays supply. A lack of clear limits to developer's rights means that there is no opportunity to incentivise the contribution of community benefits. We need clarity in our planning controls on acceptable development scale - densities and height - and a clear framework for the negotiation of public benefits.

3. Ensuring communities benefit from density

Housing projects are focused on plot-by-plot development, resulting in increased density, but little to no improvement to the public realm or sufficient contributions to local community infrastructure. This creates resistance from existing communities who feel the contribution of increased housing is only negative with existing infrastructure straining to cope with increased population growth. We need to match housing growth with investment in the neighbourhoods where it is located. We need to get to a point where the community wants housing growth in their neighbourhoods because of the benefits it delivers.

4. Better coordination of neighbourhood transformation

Our system lacks the tools to deliver large-scale, coordinated transformation of places. Many locations targeted for renewal are held by multiple private owners. We need effective masterplanning tools that set a clear vision and articulate the responsibilities for each developer to deliver the outcomes on their land that build toward this vision.

5. Embedding good design into the objectives of planning in Victoria

A lack of effective design policy within the Victorian planning system has meant that good design is too easy to set aside, resulting in poor design quality and performance of the built environment. We need to ensure that good design is an objective of planning in Victoria, with a supporting suite of nested policies, provisions and processes. This will ensure Victoria retains its leadership as a design state, increasing our competitiveness to attract and retain residents, jobs and investment.

What tools do we need to enable great outcomes?

1. The right housing supply in the right place

1.1

Introduce, monitor and reward dwelling and dwelling diversity targets at an municipal scale.

1.2

Ensure increased density is linked to accessibility to public transport and amenity.

1.3

Ensure state and local government, and communities collaborate to determine the location of increased density.

2. Greater certainty within the planning scheme

2.1

Replace flexible built form controls across Victoria with clear density controls. Any up-lift mechanisms are pre-agreed to secure community benefit.

2.2

Mandate early stage design review processes for projects of a significant budget or scale.

2.3

Establish greater disincentives for speculative planning permits to avoid delay in the supply of new housing.

3. Ensuring communities benefit from density

3.1

Ensure funding for open space, street upgrades and community infrastructure is directly tied to the anticipated future density.

3.2

Prioritise the careful planning and costing of public realm needs and upgrades occurs prior to the upzoning of urban land.

3.3

Ensure greater emphasis on participatory planning processes to ensure community members participate and benefit from increased density.

4. Better coordination of neighbourhood transformation

4.1

Establish a new tool and supporting processes for precinct masterplanning to provide greater certainty in the planning, design and funding of public amenity.

4.2

Establish clear, capped incentives to encourage land assembly that maximises the co-ordination and delivery of new public realm in transformation projects.

4.3

Establish a scale threshold for proponent led masterplan projects to undertake masterplanning prior to the design of individual buildings.

5. Embedding good design into the objectives of planning

5.1

Introduce a new Objective in the Planning and Environment Act to elevate the importance of good design across all projects.

5.2

Create a new umbrella Victorian Design Policy that establishes expectations and supporting processes to enable good design.

5.3

Use the opportunity of the Plan Melbourne update to embed good design processes in the planning system and ensure consistency in approach across LGAs.



Escala, Docklands Melbourne, Six Degrees Architects



Dyuralya Square, Waterloo, Oculus and City of Sydney

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The right housing supply in the right place

Clear housing delivery targets must match demographic needs

The challenge

There is no metropolitan-wide coordination of where housing is delivered, or what type of housing is delivered, leading to an under supply of livable housing close to amenity. We also lack diversity in bedroom numbers, typology and the provision of accessible and adaptable housing.

While Victoria has well intending broad policy ambitions, there are no concrete targets that are monitored, incentivised and enforced. Housing is being built where it is commercially expedient, rather than where it generates the most value for Melbourne. Compact smaller housing is undersupplied in the middle and outer suburbs, and larger family homes are missing from the mix in new inner urban development.



[Transforming Australian Cities](#) provides a vision for Melbourne of concentrating housing close to public transport and amenity and protecting the ‘green lungs’ of our suburbs.

What does ‘good’ look like?

In an ideal situation, clear housing targets are set, measured and enforced, with affordability, location and typology targets matching demographic needs.

Local governments would then be given clear incentives to meet these housing targets. Within each local government area, policy makers and communities collaborate on where the increased density is located, prioritising housing close to public transport, open space, jobs and services. This provides a social license for densification and takes the weight of the flash point of development assessment.



Nightingale Village in Brunswick provides medium density housing in a mid-rise form close to public transport, parks and activity, reducing car dependency and fostering a resilient community.

Tools to support this



1.1

Introduce, monitor and reward dwelling and dwelling diversity targets at an municipal scale.

1.2

Ensure increased density is linked to accessibility to public transport and amenity.

1.3

Ensure state and local government, and residents collaborate to determine the location of increased density.

Where it's done well

Vancouver has had housing targets in place for over 20 years. Responding to demographic need, they are categorised by tenure type, building type and affordability level. Municipalities work with local communities to determine how these targets are distributed, with a focus on more housing close to public transport and amenity.

Municipalities that meet targets are rewarded with direct funding from the province for amenities such as parks, bike lanes and recreation centres. Those that don't meet their targets risk being overruled by the province, who has the power to rezone entire neighbourhoods to create more density.

Risks if we don't achieve this?

If we don't set housing targets, then we risk not having enough housing supply, with the housing provided being unaffordable, the wrong size for our demographic needs, and in locations that reinforce a reliance on cars, and cost the government more in terms of infrastructure provision.

Housing supply would continue to be unevenly distributed across the metropolitan area based on the preferences of local politics, which tends to put housing where people don't want to live, rather than the most livable, amenity rich locations.



Involving residents in co-design workshops regarding the setting of housing targets and directing the location of development has been a core part of the success of Vancouver's housing strategy.



Perth's City of Sterling has suffered from rapid low quality 'as of right' villa unit development in poorly serviced locations, leading to high rates of urban tree loss, severe urban heat effects and increased vehicle congestion.

2 Greater certainty within the planning scheme

Increased certainty will reduce speculation and expedite supply of new homes

The challenge

Since the reforms to the Victorian planning system in the 1990s, the aspiration to create a performance-based system has resulted in one that is highly contested and uncertain, leading to great complexity for proponents, and an administrative burden to planning authorities.

This discretionary system creates optimal conditions for increased speculation and leads to greater expenditure in dispute resolution. Many planning authorities spend more per annum on VCAT (Victorian Civil and Administrative Tribunal) than on much needed strategic planning for future growth. Critically, public trust in the planning system and planners is eroded and communities are disempowered. We've got the balance wrong.

What does 'good' look like?

Implementing density controls with height and envelope requirements will establish greater certainty for councils, communities, and the development industry regarding expected planning and design outcomes. Increased certainty will reduce speculation by stabilising the market, reducing inflation in the value of development sites and result in more permits directly leading to the supply of homes.

In appropriate locations, bonus criteria can be utilised to help deliver benefits to the community, ensuring the value of densification accrues to all. Greater certainty would ensure a significant reduction in the role of VCAT, with reduced economic wastage for Councils and proponents.



Quay Quarter Lanes was part of the City of Sydney's design excellence program, including mandatory design competitions and design review, and benefited from density controls with pre-agreed density bonuses.



Brookfield Place in Perth benefited from Bonus Plot Ratio for its conversion of heritage places and provision of community amenity, while accommodating a significant new state of the art office tower.

Tools to support this

2.1

Replace flexible built form controls across Victoria with clear density controls. Any up-lift mechanisms are pre-agreed to secure community benefit.

2.2

Mandate early stage design review processes for projects of a significant budget or scale.

2.3

Establish greater disincentives for speculative planning permits to avoid delay in supply of new housing.

Where it's done well

In South Australia, the Office for Design and Architecture SA provides a pre-lodgement design review service. The provision of detailed design advice up front is tied to the incentive of reduced planning time frames. Design review supports higher quality design outcomes, improves access to independent design expertise and assists decision-making during development assessment.

Perth's plot ratio controls provide development certainty, but also incorporate a bonus system which rewards the inclusion of public facilities, priority land uses, the conservation of heritage places and high design quality. Bonuses are evaluated by an independent committee, who assess any application that applies for an uplift to ensure that it responds to an identified need.



The Office for Design and Architecture South Australia provides independent design review of projects of state significance and is tied to an expedited planning process.

Risks if we don't achieve this?

Without greater certainty in our planning scheme, the current adversarial culture will persist. An ongoing reliance on VCAT will require financially constrained Councils to waste significant levels of ratepayer's money on legal fees.

Development viability will continue to be impacted by planning delays and costs associated with VCAT. Speculative planning proposals will continue, redirecting Council resources away from projects which will intend to deliver actual housing supply.

With elastic limits in a discretionary system, we lose the opportunity to use incentives and density bonuses to reward excellence in development.



In locations such as Box Hill, Victoria, a lack of certainty in weak planning controls has fostered a culture of speculation, dependence on VCAT processes and poor neighbourhood and building amenity outcomes.

3 Ensuring communities benefit from density

We must make density synonymous with investment in community infrastructure

The challenge

Victoria's approach to broad-based zoning rather than 'place-based' planning, results in poor co-ordination between plot-by-plot development and investment in public amenity at a neighbourhood scale.

As each lot is paved with driveway and trees are felled, there is little to get excited about from incremental density. This model of densification fosters a cycle of mistrust, with planners focused solely on the individual proposal, while communities experience the cumulative erosion of local character, landscape amenity alongside growing congestion.

We must find a way to link incremental densification with added value to communities.



Place Value Ashfield by the University of Western Australia demonstrates the benefits of a 'place-based' approach to densifying Perth's suburbs to enable open space, amenity and urban greening.

What does 'good' look like?

A 'place-based' approach would ensure that the level of anticipated density would be connected to the level of public investment in street upgrades, urban greening and open space.

Planning at the neighbourhood scale would allow the identification of opportunities for co-ordination of development or density incentives for amalgamation of lots to achieve community outcomes such as new through-block connections, expansions to waterway corridors or new public pocket parks.

Communities would welcome well planned density for the transparent benefits which arise in the public environment, alongside the benefits of greater housing diversity.



Francis Newton reserve, a new pocket park in Darlinghurst, is funded through development contributions from infill development occurring within the surrounding residential area.

Tools to support this

3.1

Ensure funding for open space, street upgrades and community infrastructure is directly tied to the anticipated future density.

3.2

Prioritise the careful planning and costing of public realm needs and upgrades occurs prior to the upzoning of urban land.

3.3

Ensure greater emphasis on participatory planning processes to ensure community members participate and benefit from increased density.

Where it's done well

While development contributions are crucial to fund larger scale precinct infrastructure, many cities also require investment at the immediate interface of development with the public realm. This improves the frontage for the development while also upgrading the public environment for the broader community.

In Brisbane, the Centres Detail Design Manual provides detailed guidance a hierarchy of street investment, for a range of street and road widths, that obliges development to contribute new planting, lighting, seating and paving and land dedications for footpath widening. Each development then delivers their respective interface incrementally, improving the street environment dramatically over time.



Melbourne Street South Brisbane has been greatly enhanced through development contributions to the footpath width, paving upgrades, planting of trees and shrubs, and public seating.

Risks if we don't achieve this?

Poorly co-ordinated plot-by-plot development delivers fails to deliver direct, timely benefits to the local community. As a result, local infrastructure costs are stretched, with Council left to foot the bill through rates, or reliance on State Government grants to retrofit the low quality public environment.

The missed opportunity for development investment directly into the adjacent public realm leaves communities with a public environment of equal or more degraded quality than prior to rezoning.

The community perception of density is cemented as an unequivocally negative impact on their environment, with no visible public improvements.



Despite being the third most dense residential neighbourhood in Melbourne, this Brunswick neighbourhood does not have a strategy or funding to support renovation of the public realm.

4 Better coordination of neighbourhood transformation

Land assembly and consolidation is required to maximise public outcomes

The challenge

A significant component of any strategy to focus development in existing urban areas will comprise brownfield renewal areas, activity centres and developments of large scale strategic sites. Victoria has an exceptionally poor track record in co-ordinating individual development interests at a precinct scale, leading to discordant neighbourhoods, vehicle dominance, poor quality streets, inadequate green space and a lack of community infrastructure.

The result is that our high density neighbourhoods often lack the qualities that support livable density, and leave municipalities to foot the bill to retrofit this amenity long after the neighbourhood is complete. This has a negative impact on the desirability of apartment living in these newly built pieces of city.



GTV9 in Richmond is a rare Victorian example of an effective masterplan controlled by a single land owner which has delivered new public streets, lanes, heritage retention, community facilities and open space.

What does 'good' look like?

Large scale urban transformation represents our best opportunity to model ambitious, generous low carbon precincts.

Planning for successful urban renewal must commence with the feasibility of public facilities, including the location and design of high quality and tree lined streets, open space and community facilities, before determining development yield and scale. Greater co-ordination of land assembly, can unlock much greater public benefits alongside densification.

Greater certainty should be provided in masterplans which de-risk development and eliminates speculation, with density carefully tied to threshold requirements for public investment.



Merwede, Utrecht is a complex brownfield renewal project with 8 major land owners who through a shared precinct masterplan benefited from a density bonus contingent on their continued co-operation.

Tools to support this

4.1

Establish a new tool and supporting process for precinct masterplanning to provide greater certainty in the planning, design and funding of public amenity.

4.2

Establish clear, capped incentives to encourage land assembly that maximises the co-ordination and delivery of new public realm in transformation projects.

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Establish a scale threshold for proponent led projects to undertake masterplanning prior to the design of individual buildings.

Where it's done well

In the Australian context, Perth, Canberra and Sydney are the leaders, with a strong culture of public agency partnerships and collaboration in the delivery of precinct transformation.

Lachlan Precinct, Waterloo is an example where over 20 individual plots in separate private ownership were masterplanned by the City of Sydney, with a clear and funded public domain strategy first, followed by development density and scale which supported the feasibility of the public works. Each developer then contributes their piece of the puzzle, creating certainty in the public amenity of the neighbourhood. The completed neighbourhood is one of the best in Australia and models the virtues of dense living in a generous environment.



Lachlan Precinct, Waterloo is a national exemplar in the delivery of an exceptional network of public streets and open spaces in a renewal area characterised by a large number of fragmented land holdings.

Risks if we don't achieve this?

Given the prominence and scale synonymous with renewal, poorly planned transformation precincts have a disproportionate impact on our city brand. We need only reflect on the experience of arriving on the sky bus from Melbourne airport.

We stand to lose significant opportunities to capture public value, and leave a longer term burden on the community to retrofit the required infrastructure to support liveability, as we have seen in Southbank and will see in Footscray's Joseph Road precinct.

Poor quality transformation areas erode the social license for future density due to the stigma associated with the poor quality of these environments.



Joseph Road, Footscray is a striking example of the failure of masterplanning in Melbourne's inner west, with poor co-ordination of buildings, streets, public amenities and community infrastructure.

5 Embedding good design into the objectives of planning

Planning creates the 'opportunity space' that enables good design

The challenge

Good design is essential for enhancing liveability, attracting and retaining talent, building city brand and identity, and supporting creative industries. A lack of effective design policy within the Victorian planning system has meant that good design is too easily set aside.

A reliance on VCAT has relegated good design to a 'nice to have', one of several factors considered in the planning approval process rather than an essential factor for the wellbeing and prosperity of Victorians. This has resulted in poor design quality and performance in our built environment, with compounding effect in medium and high density environments.



Low quality medium density housing in Melbourne fuels community fears of densification. According to Infrastructure Victoria, poor design quality is a significant contributor to community opposition to development.

What does 'good' look like?

When operating well, planning systems carefully balance private and public interests. Planning controls create the 'opportunity space' for good design by setting minimum standards and incentivising excellence. They create a level playing field and reward innovation.

Fundamental elements that enable public benefit such as good design, sustainability and connecting to Country are called up in the Planning Act, supported by a series of nested policies and provisions. These policies are supported with highly graphic, public facing documents that use plain English to clearly communicate what good design is and how it can be achieved, supported by advocacy that builds literacy around design and urban transformation.



Melbourne has an exceptional design culture to draw upon in informing a better planning system. Events like Open House Melbourne, M Pavilion and NGV Design Week consistently draw the largest crowds nationally.

Tools to support this

5.1

Introduce a new Objective in the Planning and Environment Act to elevate the importance of good design across all projects.

5.2

Create a new umbrella Victorian Design Policy that establishes expectations and supporting processes to enable good design.

5.3

Use the opportunity of the Plan Melbourne update to embed good design processes in the planning system and ensure consistency in approach across LGAs

Where it's done well

Design policy has been embedded in planning in NSW, SA and WA, with ACT and Tasmania currently developing their approach.

In 2018, NSW introduced a new 'Object' within the Environmental Planning and Assessment Act, 'to promote good design and amenity of the built environment' with the intention of elevating the role of design within the planning system, ensuring that design is considered alongside other Objects in the Act. This legislation is given meaning by Better Placed, an integrated design policy for the built environment of NSW, that clearly maps out the value of good design, along with a framework for good design processes and outcomes.

Risks if we don't achieve this?

Victoria is at risk of losing its competitive edge.

While Melbourne has long been considered a capital with a strong culture of design, a lack of design policy will continue to deliver substandard built environment outcomes, lessening our competitiveness in terms of attracting and retaining residents, jobs and investment.

A lack of design policy will likely lead to increasing inefficiency as local governments 'fill the gap' by each producing their own policies to in an attempt to guide higher quality outcomes. There is a high risk of poor design outcomes adding to community resistance to change, putting the achievement of housing targets at risk.



Better Placed and its supporting legislation has enabled a system of design governance to be embedded in the NSW planning system. This informs strategies and policies down to guidelines and review processes across all levels of government.



The lack of emphasis on design quality, at a neighbourhood and building scale, runs the risk of pushing a generation of Victorian's away from living in denser forms of housing.

How to maximise liveability in Melbourne through the 70:30 strategy

The right development in the right place

What are the spatial implications of a 70:30 strategy if done well? What are the types of living environments, both home and neighbourhood, we want to promote to ensure that Victorians can thrive in our changing climate?

Adapting the categories of development employed by Infrastructure Victoria (2019), it is important that we prioritise locations and development approaches that maximise access to jobs and services, and promote sustainable living and transport behaviour.



Inner

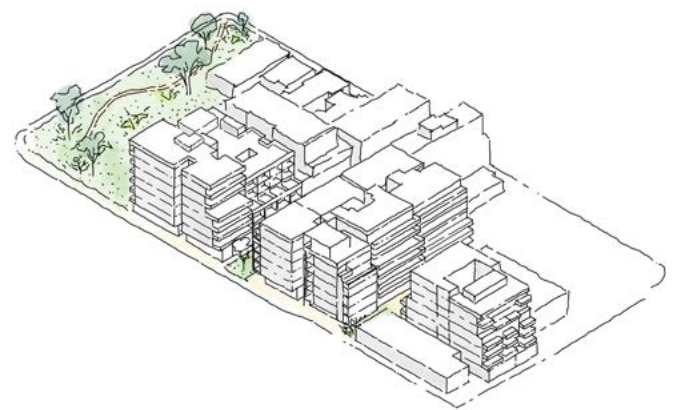
High Density Development in Inner Areas

The expanded central city, and major transit nodes provide for incremental mid-rise development with some pockets of taller development, with development contributions ensuring upgrades to streets, investment in open space, and public facilities to support densification. Co-ordination of land consolidation provides for enhanced urban realm outcomes and new streets and lanes.

Categories adapted from Infrastructure Victoria's Infrastructure Provision in Different Development Settings, 2019.

It is critical that the 70:30 approach does not become a mandate for unchecked infill across the poorly serviced parts of our middle and outer suburbs, or is used to justify extreme heights and density which compromise amenity and liveability.

We need a balanced approach to how we allocate development opportunities, with greater emphasis on planning frameworks which provide greater certainty for high amenity dwelling types across Melbourne.



Inner Middle

Precinct Scale Brownfield Development

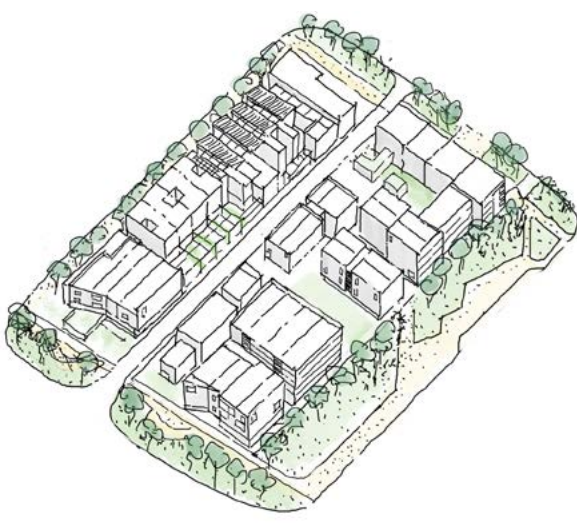
Large private landholdings or rezoned precincts in highly connected locations provide for world class livable mid-rise mixed use precincts within comprehensively masterplanned neighbourhoods, with new open space, community infrastructure and local services delivered alongside private development.



Middle
 Outer

Small Scale Dispersed Infill Development

Well-serviced middle and outer suburban locations accommodate incremental low-rise medium density development with emphasis on compact footprint, diverse housing in an exceptional landscape setting. Areas that are poorly serviced or have high landscape values are protected with a focus on maximising retention of the urban forest as our ‘green lungs’.

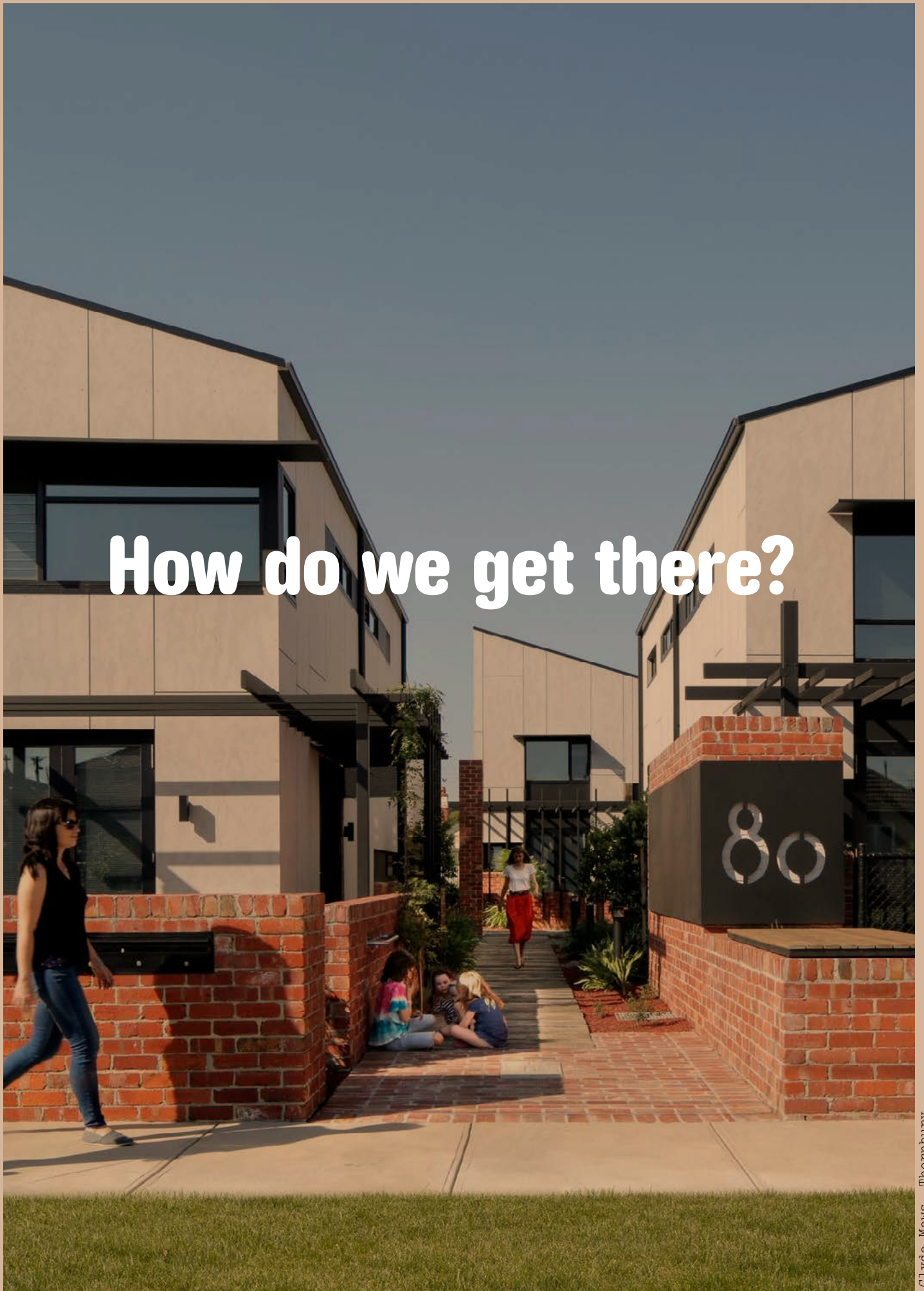


Growth areas

Greenfield Growth Area Development

Direct greater dwelling diversity into more compact walkable village-style development that maximises the dwelling density from land within the Urban Growth Boundary, supports a functional mix of uses, while maximising preservation and enhancement of biodiversity and recreation corridors. Promote work from home and home based businesses in dwelling design to reduce the need for commuting.

How do we get there?



Clyde Mews, Thornbury



Next steps

The time for reform is now

The Victorian Government has overseen a number of significant reforms in planning, whether the Central City Built Form Controls, Better Apartment Design Standards, or Garden Area requirement for all new medium density townhouses.

There is a significant opportunity for Government to implement a range of further reforms with the public interest at heart, to support a compact city, achieve the 70:30 vision, and ensure the right housing is located in the right places.

The planning system is no longer serving our needs

It is time we revisit the Victorian Planning System to support excellence, and to learn the lessons from our neighbouring states and address the five key themes outlined in this paper.

A key component of this will be a commitment to design governance, ensuring the highest standards of design and amenity for all Victorian Communities in all new development.

With modest changes to the purpose of the Planning and Environment Act, a new umbrella urban design strategy for Victoria, and a suite of tools for implementation by Local Government, there is an opportunity to demonstrate leadership.

We are here to help

The recommended suite of tools outlined in this paper are grounded in lessons both locally, interstate and abroad, as well as the ability for these to support the supply of adequate new housing to meet the needs of our growing population.

As an organisation with members and supporters across the design, development, legal, engineering and environmental professions, we invite further opportunity to share our knowledge, through workshops, round tables, presentations or tours of built examples, to further refine the reforms proposed.

