

The importance of planning reform

Master Builders Association of Victoria (Master Builders) is the peak body representing employers in the Victorian building and construction industry. Our membership consists of around 9000 builders, subcontractors, manufacturers, suppliers and students.

In a post-mining boom economy, and with declining investment in infrastructure and commercial construction in Victoria, we need to act now to boost commercial opportunities in the sector. Victoria's building and construction industry is a central economic pillar of the state, as Victoria's second largest source of full-time jobs and generating considerable taxes and output for the economy.

The quality of living standards in Victoria is an important issue for the community. With the population of Melbourne predicted to grow to 7.7 million by 2051, requiring construction of up to 1.6 million new homes¹ (incl 480,000 apartments). We should not be afraid of embracing population increases, but we do need to ensure all agencies of government are, and the industry is, working together to ensure growing communities, both new and existing, have access to the appropriate living standards, services and amenities they need as the population grows.

Master Builders has close daily contact with building businesses from large to small, that deliver building and construction activity across Victoria. We are therefore uniquely placed to comment on the issues faced and possible solutions in the planning system. We believe that it is important that any reform proposals to the planning system ensure the continued viability of the building and construction sector – and encourages Victoria as a place for investment, growth and prosperity.

In framing our response to the *Plan Melbourne Refresh: Discussion Paper, October 2015* (Plan Melbourne Refresh) this paper more broadly outlines the four key objectives for reform of the planning system which Master Builders sees as necessary to meet our housing and infrastructure objectives for Victoria's future.

1. **Creating a clear planning scheme and strategic plan**
2. **Planning scheme structures are capable of delivering State planning policy objectives**
3. **Consistency of interpretation and application of requirements in planning schemes**
4. **Scope of objections to planning scheme amendments and permit applications limited to effective and efficient outcomes**

¹ <http://www.mpa.vic.gov.au/>



With this in mind, our **key recommendations** for reform of the planning system are to:

- Create a more detailed Housing Strategy which would preferably include targets for clarity, which would include information on housing mix and affordable housing needs and land supply locations to meet those needs. Local councils would be held to account for this.
- Set up/allocate responsibility for monitoring the implementation of a strategic plan and for planning development assessment, to a specific agency or planning assessment hubs.
- Create responsible 'as-of-right' codified processes. This might occur in development zones around principal activity centres and major public transport networks and, more generally, in Neighbourhood Residential & General Residential Zones, to better support the 70/30 target. Depending on the zone, it could include secondary dwellings, dual occupancy, low-rise townhouses, apartments and other forms of medium - high density housing.

Executive summary

This paper discusses the reforms needed to our Planning System (many of which are interdependent reforms). We highlight in this paper, some of the key recommendations under each of those four objectives. The recommendations are extracted for convenience below.

<p>1. Creating a clear planning scheme and strategic plan</p> <p>A planning scheme must be developed which can be applied by all levels of government in a consistent and transparent manner.</p>	
<p>1.1 Regulation of residential land supply</p>	<p>Recommendation 1: If State Government ‘locks down’ the Urban Growth Boundary (UGB) land supply for dwellings needs to be ensured, in a timely and transparent manner – and the impact on land prices needs to be minimised (Plan Melbourne Refresh, Option 7).</p> <p>Recommendation 2: The impacts of ‘locking-down’ the UGB should be monitored (including importantly on land costs and Housing Affordability) –2 yearly reviews should be conducted and whether variations of the UGB are required over time.</p> <p>Recommendation 3: Master Builders supports the provision of a more detailed Housing Strategy which would preferably include targets for clarity (Option 37A), which would include information on housing mix and affordable housing needs and land supply locations to meet those needs. Local councils would be held to account for this.</p>
<p>1.2 Unlocking land supply in established areas and the 70/30 split</p>	<p>Recommendation 4: Consideration of the appropriateness of the 70/30 split in Plan Melbourne Refresh (Option 36A) as well as housing diversity requirements needs to be undertaken, (including demographic requirements, housing affordability, liveability standards and infrastructure provision) in order to ensure the unlocking of housing supply in existing areas.</p> <p>Recommendation 5: Master Builders supports the option to delete the action to apply the NRZ to at least 50 per cent of residential land (Option 40A)</p> <p>Recommendation 6: Master Builders supports Option 40A to clarify how the residential zones should be applied (and considers that this should be consistent with the Managing Residential Development Advisory Committee review of residential zones).</p>

	<p>Recommendation 7: Clarification over competing requirements of policy objectives like 70/30 split (Option 36A), unlocking housing supply in existing areas (Option 36C) protect the suburbs (Option 39) and residential zoning (Option 40) is needed to clearly articulate how housing needs will be met.</p> <p>Recommendation 8: Master Builders considers it is important that current infrastructure contributions schemes are considered in light of the proposed strategic housing plan (Recommendation 3), so that they are fair to all parties and act to ensure that the new housing development needed, will be able to be achieved and adequately serviced.</p>
<p>1.3 Ensuring planning scheme is clear and focused</p>	<p>Recommendation 9: Consider the red tape, housing affordability, economic and duplication implications of new proposals (such as the considerations in the <i>Better Apartments Discussion Paper and Plan Melbourne Refresh Options</i>) – and ensure that</p> <ul style="list-style-type: none"> • additional planning scope is avoided where possible; • additional planning scope is not given to local councils; and • additional costs, inconsistencies, planning delays or investment or innovation disincentives are not imposed by any new proposals. <p>Recommendation 10: Consideration of alternatives to encourage quality design features, such as the development of a Star Rating system that can be adopted by choice and will help inform consumers of how a dwelling stacks up.</p>
<p>1.4 Housing Affordability</p>	<p>Recommendation 11: Housing affordability should remain at the heart of government policy making, including through Plan Melbourne Refresh decision-making – and the scope of this consideration should not be limited to social and affordable housing.</p>
<p>2. Planning scheme structures are capable of delivering on State planning policy objectives</p> <p>The planning scheme must have clear lines of responsibility and accountability so that it is capable of delivering on the State’s planning policy objectives and strategy.</p> <p>This means clarifying the roles and responsibilities of State and Local Governments – in terms of developing planning policy as well as ensuring there are appropriate organisations – such as a central planning authority or development assessment hubs – capable of having oversight for the implementation of planning strategy.</p>	
<p>2.1 Central authority or planning assessment hubs</p>	<p>Recommendation 12: Master Builders calls on the Planning Minister to set up/allocate responsibility for monitoring the implementation of a strategic plan, and for planning development assessment, to a specific agency or planning assessment hubs.</p>

<p>3. Consistency of interpretation and application of requirements in planning schemes</p> <p>Reforms are urgently needed at a local government level to reduce costs and inefficiencies in our planning system. This not only includes reforms to reduce planning delays and to introduce greater accountability to the local governments, but also to create ‘as of right’ development processes to speed up the planning system and ensure that growth objectives can be achieved efficiently.</p>	
<p>3.1 Local councils and planning delays</p>	<p>Recommendation 13: State Government reduces planning delays (for example via appropriate training and resourcing for local governments) and sets a planning application timeframe target to lower costs of development for all housing stock.</p> <p>Recommendation 14: Consideration to take development assessment out of the hands of councils– such as the central agency or development assessment hubs.</p>
<p>3.2 As-of-right code assessment</p>	<p>Recommendation 15: Master Builders strongly recommends creation of responsible ‘as-of-right’ codified processes. This might occur in development zones around principal activity centres and major public transport networks and, more generally, in Neighbourhood Residential & General Residential Zones, to better support the 70/30 target. Depending on the zone, it could include secondary dwellings, dual occupancy, low-rise townhouses, apartments and other forms of medium - high density housing.</p>
<p>3.3 Competition policy principles applied to planning and zoning rules</p>	<p>Recommendation 16: Consider the incorporation of the competition policy principles in the objectives of planning and zoning rules, along the lines of the Federal Governments response to the Competition Policy Review (Harper Review) recommendation 9.</p>
<p>3.4 Red-tape</p>	<p>Recommendation 17: Harmonise and reduce unnecessary building and planning laws across Victoria.</p>
<p>4. Scope of objections to planning scheme amendments and permit applications limited to effective and efficient outcomes</p> <p>In relation to planning permits, the scope of people able to lodge objections is very broad – and when objections proceed to VCAT significant costs and delays can be incurred.</p>	
<p>4.1 Reforming VCAT processes</p>	<p>Recommendation 18: Consideration of the reform of VCAT processes – to make them more efficient, effective and affordable.</p>

1. Creating a clear planning scheme and strategic plan

A planning scheme must be developed which can be applied by all levels of government in a consistent and transparent manner.

This means ensuring a clear and transparent development and application of land and zoning requirements. It also means ensuring that the planning scheme only deals with planning issues, and is not broadened beyond its scope to take into account other areas such as building requirements (as discussed below – the *Better Apartments discussion paper* threatens to blur the distinctions between planning and building schemes and therefore create inconsistency and inefficiency in our planning system).

1.1 Regulation of residential land supply and the Urban Growth Boundary

Plan Melbourne Refresh: Discussion Paper, October 2015 (Plan Melbourne Refresh), Option 7, considers whether to “lock down the existing urban growth boundary and modify the action to reflect this”.²

Locking down the UGB and impact on housing affordability

Relative house price increases are a matter of basic economics: the price of a good or service is likely to increase where supply is limited. In housing, the problem is restrictions on land supply which reduces the land available for development, destroying the competitive market for land. This drives up house prices³.

“Without exception, severely unaffordable markets have severe land use restrictions (usually urban containment regulation) that have been associated with higher land prices and, in consequence, higher house prices.”⁴

There are a number of worthy arguments in favour of retaining an urban growth boundary: in particular, preventing the negative social outcomes that are known to accompany ‘urban sprawl’. This includes an overreliance on cars as transport, minimal availability of social infrastructure and, where available, poor quality social infrastructure. In addition, it is also argued that urban containment protects agricultural land and reduces greenhouse gas emissions.

² Plan Melbourne Refresh, page 18, Option 7

³ 11th Annual Demographia International Housing Affordability Survey: 2015

⁴ 11th Annual Demographia International Housing Affordability Survey: 2015 page 8

These were points that were highlighted in Plan Melbourne Refresh, including:

“The UGB promotes sustainable development in areas that can best be provided with infrastructure and services and it protects land in designated green wedges on the fringe of Melbourne from inappropriate development.”⁵

It is vital that the State Government engages in a sensible and comprehensive approach to land supply – particularly in light of the objective to consider Housing Affordability in Plan Melbourne Refresh.

If the UGB is locked down, land release in the existing boundaries must be guaranteed

Experience and research demonstrates that locking down land supply, has the potential to increase land costs **unless the release of land supply within the UGB is guaranteed and efficient.**

To be able to keep up with demand and ease housing affordability pressures, land supply for dwellings needs to be ensured in a timely and transparent manner. This means ensuring availability in Melbourne’s established middle and outer regions.

Master Builders agrees with the *Plan Melbourne Discussion Paper* that there is a need for government in:

- ***Exercising greater control on the timing and sequencing of Greenfield land release.***
This would involve establishing a mechanism to identify the appropriate timing for the approval and development of the 31 remaining Precinct Structure Plans (PSPs) that are yet to be approved....
- ***Focusing Metropolitan planning efforts towards unlocking housing supply in established areas....***⁶

If the government cannot implement reforms that will achieve these aims, then there is a risk that locking down the UGB will increase land prices.

Recommendation 1: If State Government ‘locks down’ the Urban Growth Boundary (UGB) land supply for dwellings needs to be ensured, in a timely and transparent manner – and the impact on land prices needs to be minimised (Plan Melbourne Refresh, Option 7).

Recommendation 2: The impacts of ‘locking-down’ the UGB should be monitored (including importantly on land costs and Housing Affordability) –2 yearly reviews should be conducted and whether variations of the UGB are required over time.

⁵ Victoria State Government, *Plan Melbourne Refresh: Discussion Paper*, October 2015, page 20

⁶ Victoria State Government, *Plan Melbourne Refresh: Discussion Paper*, October 2015, page 48

Housing supply objectives and unlocking land supply

Locking down the UGB and emphasising higher densities in existing suburbs requires a realistic look at how land supply and appropriate mixes of housing can be delivered. Discussed later are zoning and policy objectives that can act as an impediment to unlocking existing suburbs.

In the report ‘Melbourne at 8 Million: Matching Land Supply to Dwelling Demand’ in October 2015, Buxton et al. criticised Australian governments for having avoided classifying land appropriate for development in cities and identifying the types of preferred residential housing for suitable sites⁷. The report highlighted that while governments espouse population projections, they have relied on the private sector to find sources of supply to satisfy the projected demand. The strategies delivered by governments have allocated proportions of demand to sub regions, but have not demonstrated how these special allocations will be met.⁸

Master Builders supports the provision of a more detailed Housing Strategy and incorporating a Housing Plan, which would include information on housing mix, size and affordable housing needs.⁹ Local councils should be held to account for delivery on those requirements.

To that end, strong leadership is required. Buxton asserts that:

*“Clear roles should be delineated for state and local government. A strategic plan is needed which all political parties, levels of government, business, community and other interests groups accept. This plan should be progressively implemented over a long time period through integrated statutory, funding and other mechanisms based around the principles of a high amenity, productive, functional and socially equitable city”.*¹⁰

Without this level of commitment and organisation, *“the alternative is incremental poorly designed high rise inadequately matched to housing needs, substantial ad-hoc medium density development in residential areas, and some of the worlds worst outer urban subdivision design inadequately served by public transport and other services”.*¹¹

Accordingly, we need greater clarity in a single plan about where the dwellings will be built and the timing and release of such land. Plan Melbourne Refresh asks whether housing targets should be set (Option 37), with each sub-region relating to housing diversity, supply and affordability.¹² The MAC (2015) recommends replacing the sub-region plans from Plan Melbourne 2014 with more specific housing targets set by the Victorian Government in consultation with local governments (Recommendation 17).¹³ Plan Melbourne Refresh highlights that:

⁷ Buxton, ‘Melbourne at 8 Million’ 2015 page 1

⁸ Buxton

⁹ Plan Melbourne Refresh, Page 50

¹⁰ Buxton, page 5

¹¹ Ibid, page 5

¹² Plan Melbourne Refresh, page 50

¹³ Plan Melbourne Refresh, page 50

“To-date, the sub-region planning groups have met several times with a primary focus on regional infrastructure needs. Establishing housing targets would significantly expand their scope to consider issues of land supply, internal migration, demography and population growth.”¹⁴

Plan Melbourne Refresh asks whether housing targets should be set (Option 37). Master Builders supports the provision of a more detailed Housing Strategy which would preferably include targets for clarity, and which would include information on housing mix and affordable housing needs and land supply locations to meet those needs. This will be particularly important to unlock land supply in established areas (discussed below).

Recommendation 3: Master Builders supports the provision of a more detailed Housing Strategy which would preferably include targets for clarity (Option 37A), which would include information on housing mix and affordable housing needs and land supply locations to meet those needs. Local councils would be held to account for this.

1.2 Unlocking land supply in established areas and the 70/30 split

Establishing a 70/30 target (Option 36A)

Plan Melbourne Refresh highlights a possible 70/30 target, where established areas provide 70 percent of Melbourne’s new housing supply and Greenfield growth areas provide 30 per cent (Option 36A).

Master Builders agrees with the *Plan Melbourne Discussion Paper* that there will be a need for government in ***Focusing Metropolitan planning efforts towards unlocking housing supply in established areas...***¹⁵ if a 70/30 split is to be achieved.

In particular, **the existing control exercised by local councils in planning decisions make efforts to unlock these areas problematic.** Master Builders considers that planning scheme structures (eg roles and responsibilities of local councils as well as the planning scheme applications processes etc) will be essential parallel reforms if the UGB is locked-down and a 70/30 split applied.

Consideration of the needs of the growing population is needed before the 70/30 split can be finalised; and also an understanding of the key mix of dwellings that will be required.

As the demographics of our community continue to change, so too must our housing options so that Melbournians can upsize, downsize and move homes throughout their lives without leaving their own community. The 2011 Census showed that 73 per cent of Melbourne’s 1.43 million occupied dwellings were houses. *Victoria in Future 2015: Population and Household Projections to 2051* (VIF), shows that 61% of new dwellings to 2051 will potentially be from established areas with a higher housing supply in Greenfields growth areas. Plan Melbourne Refresh suggests that a 70/30 split is a

¹⁴ Plan Melbourne Refresh, Page 50

¹⁵ Victoria State Government, *Plan Melbourne Refresh: Discussion Paper*, October 2015, page 48

“preferred” outcome, whilst VIF is a “likely” outcome.¹⁶ Master Builders considers that more information is needed before it can be concluded that a 70/30 split is a “preferred” outcome. Whilst the city is currently achieving a 70/30 target (as at May 2015)¹⁷ this may be likely because of the particular focus on multi-story apartment building that has been recently experienced.

Recommendation 4: Consideration of the appropriateness of the 70/30 split in Plan Melbourne Refresh (Option 36A) as well as housing diversity requirements needs to be undertaken, (including demographic requirements, housing affordability, liveability standards and infrastructure provision) in order to ensure the unlocking of housing supply in existing areas.

Local council impediments – zoning restrictions

Experience with local council application of objections/zoning requirements in existing residential suburbs makes us wary that a reliance on land supply from the existing suburbs could mean that the Plan Melbourne Refresh objectives may not be met.

Zoning is a tool that government can use to control density and mix of housing supply in certain areas, and by doing so, encouraging growth and investment. Too often this has become a highly politicised issue, with governments becoming reluctant to encourage growth in certain suburbs where the residents are perceived to be against neighbourhood development.

“Adding to supply side problems are planning controls that impede higher density development in middle ring suburbs, as ‘insider’ home owners understandably seek to protect the ‘leafy character’ of their communities.”¹⁸

Plan Melbourne 2014 includes the short-term action to deliver the Neighbourhood Residential Zone across at least 50 per cent of Melbourne’s residential-zoned land. *Plan Melbourne Refresh* highlights that the MAC (2015) report recommends deleting the **Neighbourhood Residential Zone** initiative (MAC Recommendation 34) as “it has the effect of potentially “locking up” infrastructure-rich and job rich suburbs from further major growth and development”.¹⁹

The Buxton October 2015 Report found that one million homes could be built in Melbourne’s current boundaries by 2050, while preserving the existing historic fabric and maintaining lifestyle amenity. This report finds that Melbourne can accommodate the projected population growth within the existing boundaries with the existing residential zones (where currently NRZ applies to 12% of all zoned land) and the potential for redevelopment of commercial and mixed use zones to contribute to future housing needs. The report also assumes the continuation of development on

¹⁶ Plan Melbourne Refresh, page 48

¹⁷ Plan Melbourne Refresh, page 48

¹⁸ The Facts on Australian Housing Affordability, Gavin Wood and Rachel Ong

¹⁹ Plan Melbourne Refresh, Page 56

large suitable brownfield and other large development sites and a reduced contribution to dwelling supply in growth corridors.²⁰

Recommendation 5: Master Builders supports the option to delete the action to apply the NRZ to at least 50 per cent of residential land (Option 40A)

Practice Note 78 on how to apply the residential zones provides that for the NRZ - areas that are worthy of protection should be of 'recognised neighbourhood character, or environmental or landscape significance.' This provides a means for councils to apply the NRZ to restrict building.

A review of the residential zones should be undertaken to determine how councils or decision makers should apply zone requirements. In particular, the NRZ should only be able to be applied in truly heritage, significant or areas of that unquestionably deserve special consideration.

A direction that clarifies how the residential zones should be applied to respect valued character and deliver housing diversity is therefore supported (Option 40A)²¹. This clarification could be included in the Strategic Housing Plan. Importantly, the government must clearly guide the public on the rationale for the decision making.

This is also timely in the context of the Managing Residential Development Advisory Committee review of residential zones, to ensure consistency and streamlined approaches between those outcomes and Plan Melbourne Refresh.

Recommendation 6: Master Builders supports Option 40A to clarify how the residential zones should be applied (and considers that this should be consistent with the Managing Residential Development Advisory Committee review of residential zones).

Contradictory policy objectives

Master Builders supports the comments in *Plan Melbourne Refresh* that because there are different requirements in *Plan Melbourne* for the suburbs, "*many defined locations are also suburban locations and therefore may be subject to contradictory directions*".²²

In particular, **the policy to 'protect the suburbs'** and the current NRZ application seems to be contradictory to the 70/30 split and the move towards increasing housing densities. Master Builders supports the government to clarify development expectations by:

- Confirming that population, housing and employment densities in defined locations will increase and that the balance of planning controls should generally favour change and increased densities in these locations; and

²⁰ Buxton, Hurley, Phelan, 'Melbourne at 8 Million: Matching Land Supply to Dwelling Demand' RMIT, October 2015 page 5

²¹ Plan Melbourne Refresh, page 56, Option 40

²² Plan Melbourne Refresh, Page 52

- Clarifying the direction to protect the suburbs.²³

Recommendation 7: Clarification over competing requirements of policy objectives like 70/30 split (Option 36A), unlocking housing supply in existing areas (Option 36C) protect the suburbs (Option 39) and residential zoning (Option 40) is needed to clearly articulate how housing needs will be met.

Infrastructure financing

Master Builders is concerned that *Plan Melbourne Refresh* might not adequately consider the costs of development of infrastructure required in established areas, or how the extra infrastructure needs will be met.

More detail around the costs of infrastructure provision in Greenfields areas and in existing areas is needed. Increasing the density of people in existing areas, necessarily requires additional infrastructure like schools, child care and aged care facilities as well as increased sewerage, drainage and water (amongst many other things). This can have an impact on housing affordability (because of the costs associated with delivering these) as well as liveability and mental health.

Dr. Gideon Aschwanden, Lecturer in Urban Analytics at the University of Melbourne's School of Design advocates for a state planning authority to have the control over infrastructure development. This could be undertaken by the central authority as discussed previously or outlined in the proposed strategic Housing Plan.

"There should be a planning authority that is not bound by politics at the state level – Victoria is big enough. It's a bit of a mess right now, and it's hard to envisage any planning scheme going through without multiple interventions over time".²⁴

"Infrastructure is a long-term investment, and the benefits are long-term as well. So have to think about this in much longer timeframe – perhaps 50 years or 100 years. In just 20 years however, you will likely see four different governments assume office.

"A state-level planning authority would provide consistency, as well as give developers the planning security that they need to build high-rises over a five to 10-year period."

Master Builders notes the work done by the Standard Development Contributions Advisory Committee, and its recommendations around standardised levies for infill developments. This work aims to standardise levies so that they are applied consistently across developments and reduces the incidence of blockages to developments. Accordingly, it is important that current infrastructure contributions schemes are considered in light of the proposed strategic housing plan, so that they

²³ Plan Melbourne Refresh, Page 52

²⁴ Gordon Lane, Fishermans Bend Folly Holds Lessons for Urban Planning, Sourceable online publication, 25 November 2015, <https://sourceable.net/fishermans-bend-folly-holds-lessons-urban-planning/#> (accessed 25 November 2015)

are fair to all parties and act to ensure that the new housing development needed, will be able to be achieved and adequately serviced.

Recommendation 8: Master Builders considers it is important that current infrastructure contributions schemes are considered in light of the proposed strategic housing plan (Recommendation 3), so that they are fair to all parties and act to ensure that the new housing development needed, will be able to be achieved and adequately serviced.

1.3 Ensuring planning scheme is clear and focused

A new planning scheme or plan should seek to be clear and only apply where planning issues exist. If issues can be dealt with more readily by other areas of building and construction, then this should be considered.

Incorporating only the appropriate areas in the planning scheme

Minister Wynne released *Better Apartments Discussion Paper* in May 2015, which raised the question of mandating minimum standards for a range of design features for apartments. In its submission dated 31 July 2015, Master Builders argued there is no clear evidence of a problem with the existing arrangements for internal design features. It was argued that until such evidence is provided, it is difficult to see how, as proposed, imposing additional design features within the planning scheme is an appropriate solution.

It is especially important to understand the problem and the causes before imposing regulatory or guidance solutions because of the substantial costs that can associated with the new policies. In the instance of *Better Apartments*, the proposed standards could incur significant costs in the physical design and build process, as well as from the additional red-tape and decision making delays that can occur – with flow on effects towards Housing Affordability.

Master Builders also questioned whether local councils should be given the responsibility to review many of the features listed as issues in the Discussion Paper. In looking at reforms, the important distinction between planning and build should be maintained and those with appropriate expertise are assessing the issues.

Most of the design features discussed in the *Better Apartment Discussion Paper* are dealt with by the National Construction Code. For example, the surveyor at the Building Permit stage will assess designs to ensure that they meet NCC requirements. It is not necessary to duplicate that review – by requiring submission of plans and receipt of approvals for those design features to local councils as part of the planning system prior to the building permit process. This is likely to create duplication, overlap, inconsistency with the NCC and considerable costs and delays.

As highlighted by the Building Design Association of Victoria (BDAV) in their submission to the *Better Apartments Discussion Paper*, the Agreement between the Governments of the Commonwealth of

Australia, the States and the Territories to continue in existence and provide for the operation of the ABCB²⁵ states:

on the part of the Commonwealth, States and Territories, seeking commitments similar to those in this Recital, from their local governments and other local government-like bodies where they have any administrative responsibility for regulating the building and plumbing industry, and as far as practicable implementing a 'gateway' model which prevents local governments and other local government-like bodies from setting prescriptive standards for buildings that override performance requirements in the NCC.....²⁶

Like the BDAV in their submission to the *Better Apartments Discussion Paper*, we consider, this is an acknowledgement by the jurisdictions (although an informal one) that deviations from the NCC at a local level should be treated with caution.

The inconsistency with the NCC is not only an issue, but also the local councils will apply any “guidance” in this area inconsistently – and this will cause additional uncertainty and cost in the planning process in Victoria.

Plan Melbourne Refresh considers code assessment for multi-unit developments (Option 59). This means replacing the ResCode with a codified process or identifying ResCode standards that can be codified (Options 59 A & B).²⁷ As with the *Better Apartments Discussion Paper*, if there were to be any changes to the ResCode, these would have to be made with caution and in the context of housing affordability consequences and options for flexibility of design and innovation.

Additionally, *Plan Melbourne Refresh* considers whether Plan Melbourne 2016 needs to investigate how the planning and building system can facilitate design outcomes (Option 42)²⁸. Such considerations should also be considered in light of the previous discussion we have outlined in this paper.

Recommendation 9: Consider the red tape, housing affordability, economic and duplication implications of new proposals (such as the considerations in the *Better Apartments Discussion Paper* and *Plan Melbourne Refresh Options*) – and ensure that

- additional planning scope is avoided where possible;
- additional planning scope is not given to local councils; and
- additional costs, inconsistencies, planning delays or investment or innovation disincentives are not imposed by any new proposals.

²⁵ An Agreement between the Governments of the Commonwealth of Australia, the States and Territories to continue in existence and provide for the operation of the Australian Building Code Board

<http://www.abcb.gov.au/~media/Files/Download Documents/ABCB docs/ABCB-2012-IGA.ashx>

²⁶ page 2, item C (vi)

²⁷ Plan Melbourne Refresh, page 84

²⁸ Plan Melbourne Refresh, page 58, Option 42

A 'star rating' system to inform consumers' decisions

Master Builders recognises the need to provide quality apartments for consumers but not at the cost of restricting choice and affordable housing. With this in mind, Master Builders recommends consideration of a star rating system that would assess design standards. The star rating, which may be designed by the government but used voluntarily by those selling dwellings, could be assessed against a 'best practice' guide. This rating would let consumers know how it rates compared to others in terms of internal design features like access to daylight, room size, air flow and ceiling height. This might allow consumers to understand how a potential property stacks up against others so that they can make an informed decision, but does not place design restrictions that would impact the cost of housing. The energy efficiency rating system is an example of a similar scheme that began as a voluntary process.

Recommendation 10: Consideration of alternatives to encourage quality design features, such as the development of a Star Rating system that can be adopted by choice and will help inform consumers of how a dwelling stacks up.

1.4 Housing Affordability

As identified in several sections of this paper, decisions such as whether the UGB should be locked down (Section 1.1), the 70/30 split (Section 1.2) and the planning red-tape proposals like the Better Apartment Discussion Paper (Section 1.3), cannot be made in isolation from the impact those decisions will have on housing affordability. Plan Melbourne Refresh does not appear to cost the policies. It is therefore important that these sorts of costs are factored into strategic planning decision-making.

Whilst the *Plan Melbourne Refresh* states that a key focus is “to address housing affordability through strategic planning”, it then goes on to say a particular focus might be on “how the planning system might facilitate the supply of social and affordable housing”.²⁹ Whilst we support a focus on the supply of social and affordable housing, we consider that housing affordability issues are a concern for all Victorians and that the impacts of the planning system on housing affordability across the spectrum of housing, needs to be a priority consideration in the planning system.

Social/affordable housing

Master Builders notes that *Plan Melbourne Refresh* considers a number of policy options for encouraging the provision of affordable housing. These considerations include planning tools that mandate or facilitate incentives to increase social and affordable housing (eg percentage requirements of social housing in developments)³⁰. Such mandated tools should be considered in the context of the broader housing affordability problem, and whether they might have unintended consequences for housing prices in the broader housing industry.

²⁹ Victoria State Government, *Plan Melbourne Refresh: Discussion Paper*, October 2015, page 23

³⁰ Plan Melbourne Refresh, page 58, Option 45A

The considerations for social housing in Plan Melbourne Refresh also include expedited planning approvals processes for selected social housing projects, including modified third-party appeal rights (Option 44). Such proposals are important mechanisms for lowering the cost of housing and therefore should be considered not only for affordable housing but also in the broader residential construction in Victoria.³¹ (We discuss codified as-of-right recommendations in Section 3.2.

Recommendation 11: Housing affordability should remain at the heart of government policy making, including through Plan Melbourne Refresh decision-making – and the scope of this consideration should not be limited to social and affordable housing.

2. Planning scheme structures are capable of delivering on State planning policy objectives

The planning scheme must have clear lines of responsibility and accountability so that it is capable of delivering on the State’s planning policy objectives and strategy.

This means clarifying the roles and responsibilities of State and Local Governments – in terms of developing planning policy as well as ensuring there are appropriate organisations – such as a central planning authority or development assessment hubs – capable of having oversight for the implementation of planning strategy.

2.1 Central authority or planning assessment hubs for metropolitan Melbourne planning

The continued problems with planning delays and inconsistency of decision making suggests that something significant needs to be done to fix the problem. There are a number of “plans” being developed and requiring implementation – including Plan Melbourne refresh and plans arising from the newly established Infrastructure Victoria.

It can be said that planning can be divided into two components: (a) strategic planning (eg Plan Melbourne, Infrastructure Victoria 30 year plan); and (b) development assessment.³²

The question is whether there is an opportunity to create a more robust independent centralised planning agency or development assessment hubs that could be responsible for, amongst other things, ensuring that strategic plans are implemented in an appropriate way and also monitoring and regulating state and local government activity to ensure that planning objectives are being met and approval timeframes are being adhered to.

At present development assessment is conducted at a local council level, and while this ought to take into account the overarching strategic goals or policies eg those created in Plan Melbourne, it is

³¹ Plan Melbourne Refresh, page 58, Option 44

³² As discussed in Gareth Griffith, *The Greater Sydney Commission*, NSW Parliamentary Research Service, October 2015, e-brief 20/2015, page 2

difficult to hold councils to account for their decisions that do not deliver on the strategic plans. Therefore, there needs to be a way that council's adherence to a broader strategy can be monitored and regulated. **This could involve taking the development assessment out of the hands of councils, or creating agencies to hold the councils to account for their decision making. This concept is timely in the context of the current *Local Government Act* review, which could incorporate consideration of delegation of authority for planning and development assessment outside of local council.**

We outline below a couple of options that could be considered, as examples of potential mechanisms that could be used to create such oversight. Of course, there are many options and possible structures, and these will need to be considered and developed in consultation with stakeholders.

Option 1 – A Central Planning Authority

One example occurring in NSW is the establishment of the formal structure for the **Greater Sydney Commission** announced by Planning Minister Rob Stokes in September 2015 – directed to “streamline the way the NSW Government’s infrastructure and urban planning priorities are delivered”³³ and tasked with the responsibility to drive the implementation of *A Plan for Growing Sydney*.³⁴ The Greater Sydney Commission includes representative from State and local government, along with independent experts. The Planning Minister stated:

*The authority will consist of 13 board members, including six district commissioners chosen by elected officials from Sydney’s local councils. This partnership model will give councils the opportunity to play a major role in the decisions that shape their broader districts. For the first time, an authority will be established that effectively brings together State Government, local government and independent experts to deliver, drive, develop and decide on the strategic planning priorities for greater Sydney. In doing so the Greater Sydney Commission will ensure that as Sydney grows it will become a more liveable, more productive and more just city.*³⁵

The role of the Commission will be to increase efficiency such as resolving disputes between state and councils over issues and building infrastructure and faster housing approvals – specifically

³³ As discussed in Gareth Griffith, *The Greater Sydney Commission*, NSW Parliamentary Research Service, October 2015, e-brief 20/2015, page 1 – citing NSW Government, “Greater Sydney Commission to transform our city”, Media Release, 3 June 2014.

³⁴ As discussed in Gareth Griffith, *The Greater Sydney Commission*, NSW Parliamentary Research Service, October 2015, e-brief 20/2015, page 4

³⁵ As discussed in Gareth Griffith, *The Greater Sydney Commission*, NSW Parliamentary Research Service, October 2015, e-brief 20/2015, page 1 – citing NSWPD 8 September 2015 (Rob Stokes)

*“determining 90 per cent of housing development applications within a 40 day timeline”.*³⁶ The Commission effectively has three main functions:

- *Monitoring, evaluation and oversight;*
- *Strategic planning, including decision-making on re-zoning; and*
- *Development assessment.*³⁷

Legislation to establish the Commission has not been introduced. There has been mixed views about the role and structure of the proposed Commission – some stakeholder comments in favour have been because they perceive the politics might be removed from planning decisions. Those against the Commission consider that it might be undemocratic or create unnecessary bureaucracy.

With a central agency Metropolitan Planning Authority (MPA) having already been established, there is an opportunity to potentially expand the remit of the agency to either be given broader powers to conduct development assessment or alternatively to monitor local council activity – especially in terms of approvals timelines and adherence to overarching strategy. At present the MPA’s role is a statutory body reporting directly to the Minister for Planning and co-ordinating the regional planning and infrastructure strategies as set out in Plan Melbourne. MPA does not regulate local councils.

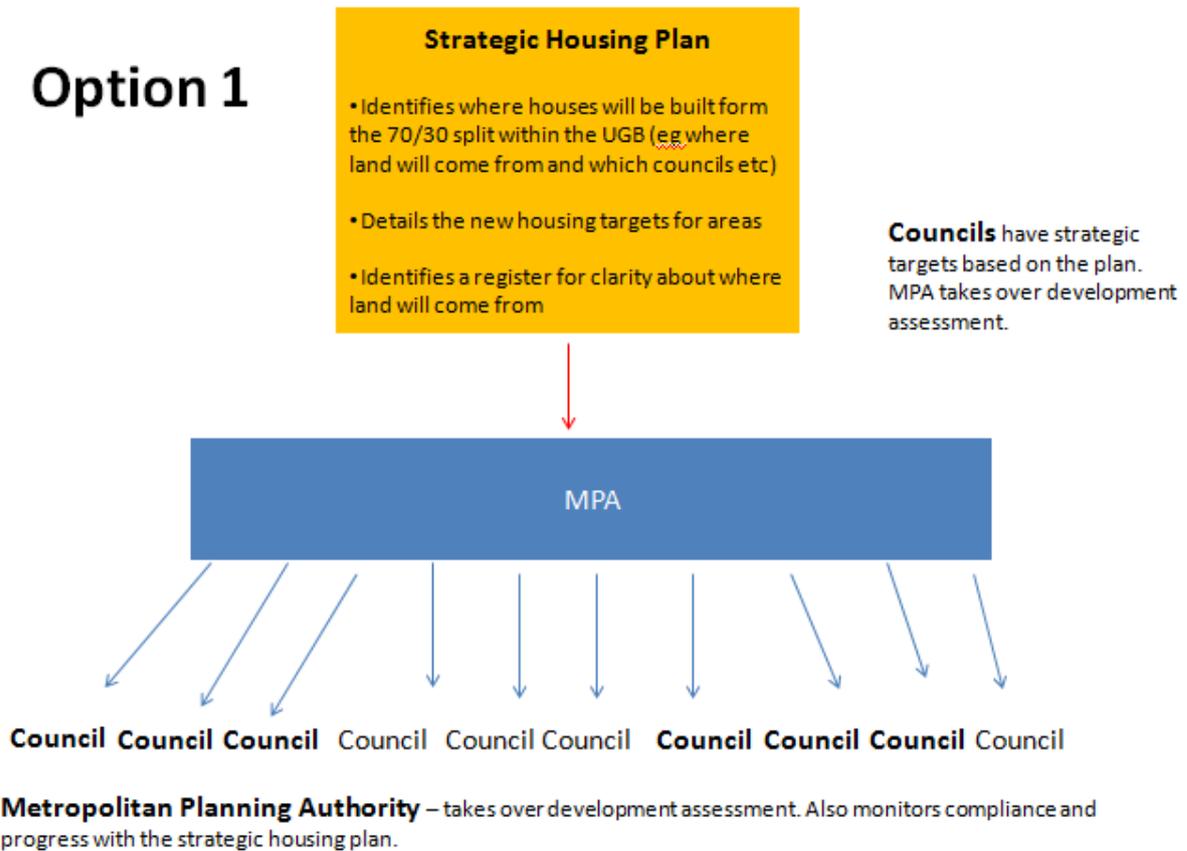
*“While the MPA’s role is still evolving, at present the focus of its activity is very much on strategic planning, coupled with reviewing and assessing ongoing schemes. It does not engage in development assessment....”*³⁸

³⁶ As discussed in Gareth Griffith, *The Greater Sydney Commission*, NSW Parliamentary Research Service, October 2015, e-brief 20/2015, page 2 – citing *NSW: Making it Happen*, 14 September 2015, released by the Premier

³⁷ As described by Gareth Griffith, *The Greater Sydney Commission*, NSW Parliamentary Research Service, October 2015, e-brief 20/2015, page 6

³⁸ As described by Gareth Griffith, *The Greater Sydney Commission*, NSW Parliamentary Research Service, October 2015, e-brief 20/2015, page 16

Option 1

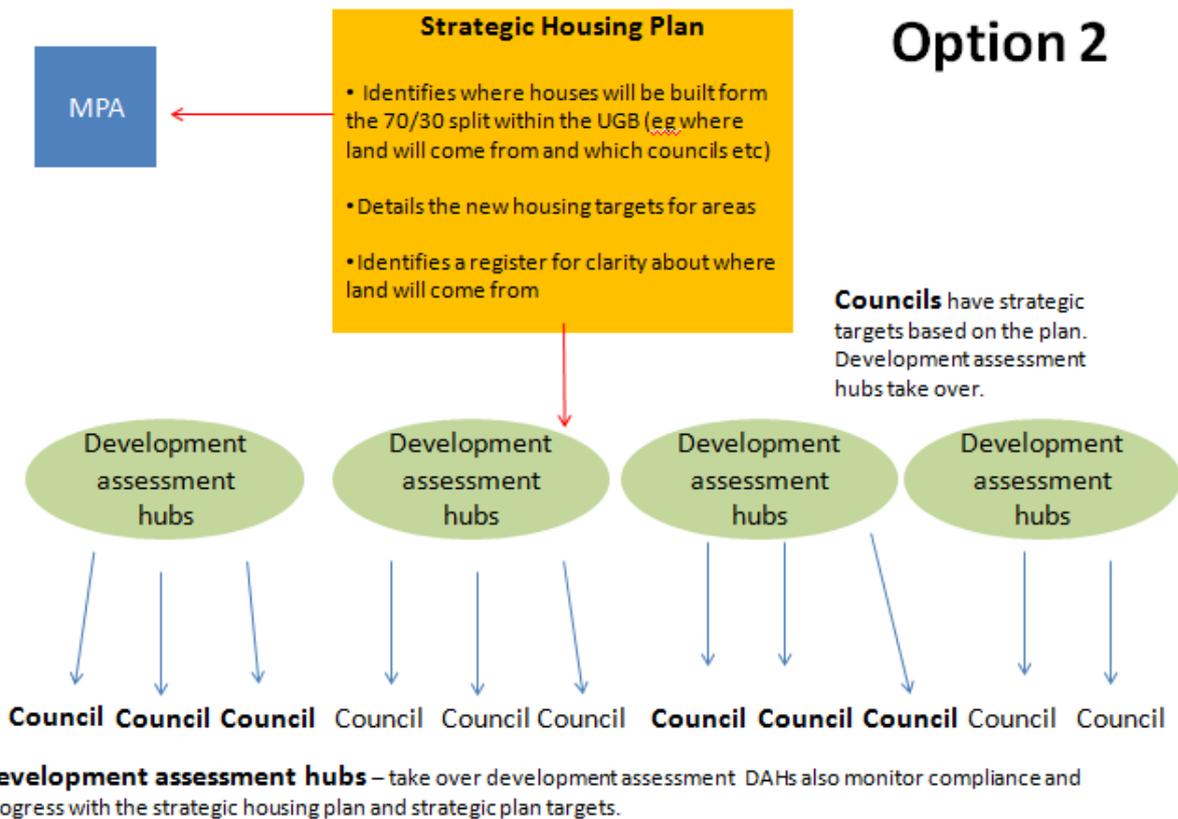


Option 2 – Development Assessment Hubs

Alternatively, consideration of development assessment hubs for ensuring that local council decisions are made that will deliver on planning strategy and within planning assessment timeframes.

In South Australia a system of local Council Development Assessment Panels (CDAP) have been established, making it compulsory for Councils to delegate all development assessment decisions to a delegated officer, a local CDAP or a regional DAP. The composition of CDAPs include a presiding member who is not from Council and has planning experience, half of the members being independent/specialists and up to half the remaining staff can be from Council. Recently, Property Council Australia has recommended that elected officials are removed from the CDAPs.

Accordingly, the structure and make-up of development assessment hubs would need to be considered in light of experiences in other jurisdictions.



Recommendation 12: Master Builders calls on the Planning Minister to set up/allocate responsibility for monitoring the implementation of a strategic plan, and for planning development assessment, to a specific agency or planning assessment hubs.

3. Consistency of interpretation and application of requirements in planning schemes

Reforms are urgently needed at a local government level to reduce costs and inefficiencies in our planning system. This not only includes reforms to reduce planning delays and to introduce greater accountability to the local governments, but also to create ‘as of right’ development processes to speed up the planning system and ensure that growth objectives can be achieved efficiently.

3.1 Local councils and planning delays

The Victorian Competition and Efficiency Commission 2010 report *Local Government for a Better Victoria: An Inquiry into Streamlining Local Government Regulation* found that the total costs to business of complying with land-use planning and building regulations are between \$500 million and \$875 million per year. This includes a cost of around \$180 million each year due to unexpected delays in planning decisions.

Data from the Department of Transport, Planning and Local Infrastructure’s *Planning Permit Activity in Victoria Annual Report 2013/14* confirms that only 67 per cent of the total 56,411 planning permit applications received were decided within the 60 day statutory time frame.

Governments can lower the costs and make developments much more efficient and therefore more affordable – through reducing the time taken to make decisions. For example, Premier Mike Baird announced in September 2015 the *NSW: Making it Happen* State priorities which included the priority to reach a target of 90% of housing development applications determined within 40 days.³⁹

There needs to be a high level of accountability and transparency around decision-making and fees and charges etc. We welcome the reforms outlined in Natalie Hutchins MP’s Ministerial Statement on 19 August 2015, which outlined reforms such as the following:

- A review of the Local Government Act 1989
- Implementation of a “Fair go” rates system
- Establish an infrastructure fund to fill the gaps faced by interface councils (Interface Growth Fund - \$50 m in the Budget)
- Implement Australia’s first mandatory performance reporting framework for local government – and a “Know Your Council” website

We support those reforms that will ensure a high level of efficiency, transparency and accountability at a local government level – and are encouraged by the release of the Know Your Council website and the Fair Go rates system on 27 November 2015. **Consideration might be had towards reducing the 60 day timeframe** to a timeframe that might be more effective in encouraging speedy decision making.

³⁹ As discussed in Andrew Haylen, *Affordable Rental Housing: The problem and its causes*, NSW Parliamentary Research Service, e-brief 13/2015, September 2015, p 11

Plan Melbourne Refresh highlights that the MAC (2015) reports recommends shortened and guaranteed time frames for assessing planning permit application for some affordable and/or social housing developments.⁴⁰ There is no reason that the benefits of this sort of initiative cant be achieved across all housing stock.

Recommendation 13: State Government reduces planning delays (for example via appropriate training and resourcing for local governments) and sets a planning application timeframe target to lower costs of development for all housing stock.

Recommendation 14: Consideration to take development assessment out of the hands of councils– such as the central agency or development assessment/planning hubs.

3.2 As-of-right code assessment

Introduce code-assessment

Master Builders also believes one of the most efficient ways to ensure the delivery of Victoria’s housing needs is to remove red tape in the planning system and reduce permit waiting times by creating responsible ‘as-of-right’ codified processes. This might occur in development zones around principal activity centres and major public transport networks and, more generally, in Neighbourhood Residential & General Residential Zones, to better support the 70/30 target. Depending on the zone, it could include secondary dwellings, dual occupancy, low-rise townhouses, apartments and other forms of medium - high density housing.

Multi-story development

Master Builders strongly supports reform outlined in *Plan Melbourne Refresh* to introduce planning reforms and new tools to support the ongoing renewal of established areas. This could include **codified planning processes**.⁴¹ Under this proposal, if developments meet the standards of the planning codes guidelines, local governments cannot refuse the developments; and people will be notified for their information, rather than for allowing submissions or objections.

Third party appeal rights can have a disincentive effect towards higher-density development. As demonstrated by the Grattan Institute:

“Third party appeal rights also disproportionately affect multi-unit developments. Recent research shows that in 2007-8, 42% of all applications for multi-dwelling developments in Melbourne are referred to VCAT, compared to 23% of single dwelling applications.....constituting a significant disincentive to the development of semi-detached housing, and apartments up to 3 storeys.”⁴²

⁴⁰ Plan Melbourne Refresh, page 61

⁴¹ Victoria State Government, *Plan Melbourne Refresh: Discussion Paper*, October 2015, page 48

⁴² Jane-Frances Kelly, ‘The housing we’d choose’, Grattan Institute, June 2011, page 32

Percentage of applications decided in the statutory time (by application type)⁴³

	Single residential	Sub-division	Multi-unit residential
NSW	65	52	44
Victoria	64	53	47

Source: COAG (2011)

Semi-detached development

Justin Madden, former Labor Minister for Planning, highlights that there is an opportunity in the suburbs to create higher density living on existing blocks of land through producing semi-detached dwellings without the need to obtain a planning permit. He comments that:

“The current planning permit process adds a significant cost to this style of low-rise/higher-density housing. It can often take as long as 12 months, with no certainty when seeking planning permission to build what some in the industry refer to as “side by sides”.”⁴⁴

By allowing semi-detached dwelling approvals to be streamlined, a larger pool of land in the middle suburbs could potentially be opened up which would create opportunities to build more affordable dwellings. As Justin Madden says:

“Small apartments in four- or five-storey developments are built by the commercial building sector, but new houses on Greenfield locations are built by small-scale residential builders, often referred to as the “cottage” building industry. “Cottage” industry building is a less expensive way to build for a variety of reasons, mainly the use of less complex construction techniques. Apartments, though, sell for the equivalent cost of a larger home in the growth area outer suburbs, because of the technical complexity of commercial building costs. This means that for many entering the housing market or those downsizing, there is a limited choice of either a small apartment or a larger detached dwelling.”⁴⁵

Master Builders notes that in respect of social housing, Plan Melbourne Refresh states:

“Another way to increase viability of social housing projects is to reduce development costs by streamlining development approval processes for some social housing developments.”⁴⁶

In addition, Plan Melbourne Refresh suggests that the merits of code assessment for multi-unit development should be evaluated.⁴⁷ Master Builders supports the implementation of an ‘as-of-right’ code assessed approach for sub-divisions and multi-unit residences to overcome some of the uncertainty, costs and delays being experienced.

⁴³ Jane-Frances Kelly, ‘The housing we’d choose’, Grattan Institute, June 2011, page 33

⁴⁴ Justin Madden, ‘Rethinking Melbourne’s ‘missing middle’’, *Herald Sun*, 23 November 2015

⁴⁵ Justin Madden, ‘Rethinking Melbourne’s ‘missing middle’’, *Herald Sun*, 23 November 2015

⁴⁶ Plan Melbourne Refresh, page 61 (also Option 44)

⁴⁷ Plan Melbourne Refresh, page 84

Introduce code-assessed 'as-of-right' approval for smaller secondary dwellings

Codified 'as-of-right' processes could be introduced for the construction of smaller secondary dwellings to be built behind or beside existing dwellings. This would include the removal of the requirement to apply for a planning permit and the removal of restrictions on who can reside in the secondary dwelling.

Currently, to construct a second dwelling on a property one must comply with the requirements of Rescode 55 *Two or more dwellings on a lot*. This would require a full planning application, advertising/notification with the potential for objections to go to VCAT. Importantly, required standards are designed to reflect that these applications are submitted on the basis that separate lots will be formed. This means that there is no option for owners to simply build a secondary dwelling without subdividing the land.

There are a number of scenarios when an owner may wish to build a small secondary dwelling (40m²-80m²) mainly for a single person household, but may not wish to subdivide the land. For example, a young person who cannot afford to buy a house with land could construct a house in their parents' backyard. Older retired home owners living alone in the family home who do not want to leave their community or garden could build a smaller unit on site to live in. Alternatively, established middle aged home owners could construct a unit on their land to rent to an aging parent or friend.

Secondary dwellings are an affordable option for single person households. Because the cost of land is removed, it is likely that smaller secondary dwellings could be built for around \$80,000-\$150,000 and given the structures will be built on a slab on ground, it is expected they will have good thermal performance.

In addition to facilitating a sensible solution to problems faced by young people, empty nesters and elderly people changing the rules so that it is faster, cheaper and easier to construct secondary dwellings will help the government achieve the *Plan Melbourne Refresh 70/30* target. Changing rules to supports smaller secondary dwellings in residential zones, particularly NRZ, would allow a gentle approach that would appeal to many existing residents. This solution supports small, low impact dwellings that are in keeping with the local development, and because it does not require the subdivision of land, titles are preserved with lot boundaries and services unchanged.

It should be noted that affordable rental accommodation is overtly encouraged in NSW, ACT, WA and QLD. Secondary dwellings is facilitated as 'as or right' with quick approval in each of these jurisdictions, which is designed so that the private market can respond to affordability and changing demographic issues.

The extension of VicSmart to deliver CodeAssess

The VicSmart website is a step towards reducing the complexity and time associated with planning applications. Given this has already been developed, consideration could be had towards extending

this to cater for more streamlined applications and greater building activity under the 'code-assessed' processes outlined above.

Recommendation 15: Master Builders strongly recommends creation of responsible 'as-of-right' codified processes. This might occur in development zones around principal activity centres and major public transport networks and, more generally, in Neighbourhood Residential & General Residential Zones, to better support the 70/30 target. Depending on the zone, it could include secondary dwellings, dual occupancy, low-rise townhouses, apartments and other forms of medium - high density housing.

3.3 Competition policy principles applied to planning and zoning rules

Competition Policy Review (Harper Review) Recommendation 9 suggested that state and territory governments should subject restrictions on competition in planning and zoning rules to the public interest test. Included amongst the policy considerations are that development permit processes should be simplified and that planning systems should be consistent and transparent to avoid creating incentives for gaming appeals.

The Federal Government in its response to the Harper Review, released 24 November 2015 supported the recommendation and noted that whilst the Harper Review's focus was on the competition impacts between commercial entities, the recommendation could have broader application. The Federal Government states:

"There have been other reviews that have focused on the effect planning and zoning regulations can have by restricting the supply of residential land, which can place upward pressure on house prices. For example, recommendation 69 of the Australia's Future Tax System Review was that COAG review institutional arrangements to ensure planning and zoning arrangements do not unnecessarily inhibit housing supply and affordability.

*"The Government recognises the productivity benefits of removing unnecessary red tape and implementing effective land-use planning, including through **the application of a community net-benefits test**, as proposed by Recommendation 9, **supported by robust institutional arrangements to apply such a test.**"⁴⁸*

Further, there may be some gains from the Federal Government funding arrangements if the State government were able to implement effective reforms. The Federal Government states:

"...the Government encourages the states and territories to review planning and zoning regulations and include competition principles in the objectives of planning and zoning rules so that they are given due weight in decision making. The Government will continue discussions with states and territories on ways to promote these reforms.

⁴⁸ The Australian Government Treasury, *Australian Government Response to the Competition Policy Review*, 2015, p 10-11

“The Government is willing to consider payments to states and territories for reforms that improve productivity and lead to economic growth....”⁴⁹

Recommendation 16: Consider the incorporation of the competition policy principles in the objectives of planning and zoning rules, along the lines of the Federal Governments response to the Competition Policy Review (Harper Review) recommendation 9.

3.4 Red tape

Builders are forced to get a new rule book off the shelf every time they step across a municipal border. Rules impacting how builders go about their business that differ across municipalities include hours allowed on site, asset protection and site lock up requirements. Harmonising local councils’ laws will provide builders with more time to deliver quality building projects right across the state.

In addition, there are many unnecessary building requirements that impose greater costs and time on the industry. The unnecessary and overlapping duplication of building laws should be assessed and streamlined by the Commissioner for Better Regulation (formerly VCEC).

Recommendation 17: Harmonise and reduce unnecessary building and planning laws across Victoria.

4. Scope of objections to planning scheme amendments and permit applications limited to effective and efficient outcomes

In relation to planning permits, the scope of people able to lodge objections is very broad – and when objections proceed to VCAT significant costs and delays can be incurred.

4.1 Reforming VCAT processes

VCAT suffers from speed and cost issues – thus adding to the delays and uncertainties highlighted above.

Planning delays because of local councils and third party appeals play a large role as an impediment to medium density housing. The Grattan Institute in its June 2011 report, ‘The housing we’d choose’⁵⁰ for example highlighted that:

“Developers report that planning delays, and the uncertainty and costs they cause, are a significant disincentive to embarking on medium density housing projects, particularly in

⁴⁹ The Australian Government Treasury, *Australian Government Response to the Competition Policy Review*, 2015, p 10-11

⁵⁰ Jane-Frances Kelly, ‘The housing we’d choose’, Grattan Institute, June 2011, page 32

established areas of Melbourne. In both Melbourne and Sydney, planning seems to be particularly problematic for small-scale medium density development in established areas.”

The delays to planning and delivery of strategic plans are particularly problematic in Victoria. Indeed, the Grattan Institute⁵¹ stated:

*“The greatest area of concern for developers is Melbourne’s wide ranging third party appeals. As one said: “anyone can appeal and take the decision to VCAT, creating significant uncertainty”. **In Victoria, 1 in 10 applications are appealed, compared to 1 in 83 in NSW and 1 in 1000 in Queensland.** The median length of the Victorian appeals process is 21 weeks.” (emphasis added)*

This agency also decides on a range of consumer related disputes and applications, making it less clear whether there are technical experts for deciding on issues in the building industry. The expertise of a decision-making body such as VCAT must be assured, in order to achieve efficient and effective outcomes for the industry. Accordingly, reforms to VCAT relating to the building industry must be considered.

This could be alleviated somewhat by the delivery of the ‘code-assessed’ approach outlined in Recommendation 15 above, which could limit the degree to which objections could be made towards proposed planning development.

Reforms could also include consideration of a separate Planning and Building Tribunal (as suggested by the Property Council⁵²) and/or initiatives like United Kingdom’s planning systems assessment ‘on the papers’ for specific classes of applications.

Recommendation 18: Consideration of the reform of VCAT processes – to make them more efficient, effective and affordable.

⁵¹Jane-Frances Kelly, ‘The housing we’d choose’, Grattan Institute, June 2011, page 32

⁵²Property Council, *Victoria: The Property State*, page 40