

**Submission
No 131**

**INQUIRY INTO THE PROTECTIONS WITHIN THE VICTORIAN
PLANNING FRAMEWORK**

Organisation: City of Stonnington

Date Received: 31 January 2022

31 January 2022

The Environment and Planning Committee
Via Email: planninginquiry@parliament.vic.gov.au

Dear Sir/Madam

Re: Inquiry into the Protections within the Victorian Planning Framework

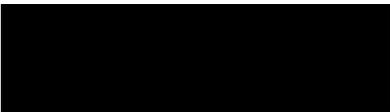
Thank you for the opportunity to make comment on the inquiry into the protections within the Victorian Planning Framework (the Inquiry). Council Officers have reviewed the terms of reference and provided feedback relevant to each section. The response is on behalf of Council Officers and has not been adopted by Council. This is because Councils generally have a six-eight week recess over December and January. The City of Stonnington Council's last Council Meeting in 2021 was on 7 December and the first in 2022 will be 7 February.

Feedback to the Inquiry is structured within the Terms of Reference, including Affordable Housing, Environmental Sustainability, Vegetation Protection, Certainty and Fairness, Heritage, and Residential Zones.

Council recently adopted its Council Plan 2021-25, which responds to our Community Vision 2040 and articulates Stonnington's strategic direction as a thriving and unique place, an inclusive and healthy community, and a people-centred and future ready city. Relevant priorities adopted through the Council Plan have been included in the response to highlight community sentiment and Council's current commitments regarding these issues.

Should you wish to contact Council to discuss this submission further, please contact Cliff Bostock, Coordinator Strategic Planning at cbostock@stonnington.vic.gov.au or on 0498 486 422.

Yours sincerely



Annaliese Battista
Director Planning & Place

Affordable Housing

Homelessness and the affordable housing crisis

Victoria has a homelessness and affordable housing crisis, made more acute due to COVID-19. The M9 Council group (a group comprising the 9 inner metro Councils) highlights that a collaborative effort across all levels of government and all sectors will be essential to address the scale of housing shortage, and to deliver across the continuum of housing need. All levers must be applied, from direct State Government investment to fiscal policy and planning controls that seek affordable housing delivery by the private sector

New social and affordable housing that addresses the scale and diversity of housing need in the M9 region, through effective partnerships with the Victorian Government, and community housing, private and philanthropic sectors, needs to be addressed.

Delivering housing across the spectrum of need (from supported housing to address homelessness, community housing for those on very low / low-incomes, and private affordable housing for moderate-income key workers) will remove 'bottlenecks' in the housing system that lock people in to homelessness and housing stress. 117,000 new social housing units alone will be required to address the estimated shortfall by 2036.

The M9 Council position¹

The City of Stonnington, together with its M9 Council partners, have an Officer-endorsed Social and Affordable Housing Advocacy Strategy. The Statement identified a Primary Goal and three Strategic Priorities. Priority One directly relates to the Victorian planning framework, as follows:

PRIORITY 1

Introduce mandatory affordable housing controls in the Victorian Planning System to deliver social and affordable housing with certainty and at scale. The Victorian Planning System can best deliver both scale and diversity of affordable housing through a combination of voluntary 'value sharing' mechanisms (already available under the current system of Voluntary Housing Agreements) and mandatory approaches. Use of voluntary mechanisms alone will not deliver certainty nor the level of housing needed to make a meaningful contribution, given the scale of the affordable housing problem and the lack of up-take of voluntary mechanisms. Mandatory controls have the potential to make a significant contribution to addressing the housing shortfall and increase private sector involvement in both social and affordable housing delivery.

Specifically, the M9 partnership has requested the following of the State Government:

- Commit to the introduction of mandatory affordable housing controls by mid-2022.
- Engage further with local government, including the M9 Councils, to ensure a 'fit for purpose' approach.
- Embed these key principles in the application of mandatory controls:
 - Broad-based application across renewal areas, regions and the metropolitan area to create certainty for local government and the private sector.
 - 'Phasing-in' controls (scaling up level of contribution over time) to minimise market distortion and impact on development viability.

¹ M9 Councils include the local governments of Maribyrnong, Port Phillip, Stonnington, Yarra, Melbourne, Hobsons Bay, Moonee Valley, Moreland and Darebin Councils.

- Flexibility in the form of contributions to ensure the right housing in the right places (i.e. equivalent housing either gifted to a register housing organisation, offered at a discounted rent, or the payment of a cash-in-lieu contribution to enable housing to be delivered elsewhere in the area).

Background data

The following data is provided in relation to the M9 region and highlights the need for meaningful action on these issues:

- **Social Housing** - In 2016 there was an estimated average shortfall of 4,400 social housing units per municipality or 39,600 units across the region. By 2025 this shortfall is projected to increase to an average of 6,000 units per municipality or 54,000 across the region; and by 2036 the shortfall is projected to increase to an average of 13,000 units per municipality, or 117,000 units across the region.
- **Affordable Housing** - In 2019 (pre-COVID), no median private rental housing was affordable to very low, low and moderate-income singles, very low and low-income couples, and very low and some low-income families.¹ 70% of all workers in the M9 region are on low to moderate incomes, however, 47% of low-income earners and 52% of moderate-income households cannot afford to live in the region, impacting availability of key workers that are essential for the region's economy.²
- **Homelessness** - In the 2016 - 2018 period, there was an estimated 695 persons who were homeless and sleeping rough in the region. Overall, there were 6,773 persons experiencing all forms of homelessness during this period 2016 Census and Council data 2016-18

Support within the Planning Scheme

Councils often have internal policy positions regarding requirements for and the provision of affordable housing, although without the support of the Planning Scheme these documents are afforded little weight in decision making and particularly the statutory decision-making process. Council continues to advocate for the support and leadership of the State Government on the issue of affordable housing and its meaningful inclusion in the Planning Scheme to address the above shortfalls.

Future Stonnington (Council Plan)

Stonnington's current Council Plan was adopted in October 2021 after extensive consultation with the Stonnington Community. The need to pursue and continue to advocate for the above issues is further captured in the Council plan:

- *Priority 2.1.4 - Support and advocate for the health and wellbeing of those in our community experiencing disadvantage and vulnerability.*

² Liss Ralston, sourced from the DHHS June 2019 Rental Report / 2016 Census indexed to 2021

Environmental sustainability

Whilst the Victorian planning framework makes significant provisions for development and growth, it is submitted that it does not provide proportionate weighting to the need for sustainable planning outcomes.

Plan Melbourne

Plan Melbourne contains several important policies under Direction 6.1 and 6.3 which have to date not been adequately addressed by the Victorian planning framework. These include:

- *Policy 6.1.1 – Improve energy, water and waste performance of buildings through environmentally sustainable development and energy efficiency upgrades.*
- *Policy 6.1.2 – Facilitate the uptake of renewable energy technologies.*
- *Policy 6.3.1 – Reduce pressure on water supplies by making the best use of all water sources.*

Additionally, Action 80 of Plan Melbourne, to “Review the Victorian planning and building systems to support environmentally sustainable development outcomes for new buildings to consider their energy, water and waste management performance” has yet to be implemented.

Land Use Framework Plan (LUF)

Council was recently invited to comment on the Inner South-East LUF. Feedback was provided that the plan provided strong emphasis on accommodating additional growth but did not appropriately balance this with the prioritisation of Environmentally Sustainable Design (ESD), environmental issues, or consideration of social issues. Further the LUF’s Action Plan contained actions that required Councils to update Housing Strategies to accommodate additional growth in accordance with the Framework Plan, although contained no meaningful actions regarding the need to prioritise environmental issues.

Council Alliance for Sustainable Built Environment (CASBE) ESD policy and the Planning Policy Framework (PPF) translation

Victorian Councils are currently undergoing a PPF translation process. The process translates the Planning Scheme to a new format and it was intended that this would be a policy neutral translation. Several Councils have the ‘CASBE version’ ESD policy incorporated into their Planning Schemes and to comply with the requirements or ‘rules’ of the translation, some content was removed or is to be removed across a number of Planning Schemes (depending where Councils are in the process).

As a policy neutral translation the modified or ‘translated’ policies are not exhibited to the community and do not proceed to a Planning Panel. Recently, as Yarra City Council incorporated the Planning Scheme translation with their Planning Scheme Review, the Amendment went before an independent Planning Panel who made the following comments with regard to the translated ESD policy:

‘The exhibited clause does not include all of the elements considered necessary to achieve best practice as identified in the current local policy. The Panel agrees with Council, CASBE and CASBE member Councils that as exhibited the strategy does not reflect a policy neutral translation of the existing policy. It was considered significant that the CASBE version has been developed with input from Councils’ planning and environmentally sustainability officers. The CASBE version of the policy is a more accurate translation of existing policy.’ – (P.154 c269yara Panel report)

The decision confirmed the concerns of many Councils and CASBE members, that an ESD policy that was already in need of strengthening, would be further diminished.

State Government Led ESD Policy

Councils are aware that the State Government are preparing an ESD policy that may be applied across Victoria. Council officers, ESD officers, and CASBE members are of the opinion that this policy does not go far as far as is needed, and does not strike a balance, particularly considering level of growth currently promoted. For this reason, CASBE, including 31 CASBE member Councils, have been working to prepare an alternative model.

CASBE ESD Policy v2: Elevating ESD Targets

The City of Stonnington is actively participating in the work currently being undertaken by the Council Alliance for Sustainable Built Environment (CASBE) on the need to reform Planning Schemes to support climate change adaptation and mitigation. As part of this work, which is now supported by 31 Councils, CASBE's Climate Change and Planning Advocacy Group has identified the need for the Victorian planning framework to incorporate policy provisions, development standards and controls which reflect scientific evidence and best practice. It is considered critical that these changes are made as soon as possible.

There is currently little support for Councils to review ESD policies or standards within their Planning Schemes. Making provision for an appropriate ESD decision-making framework on a metropolitan Melbourne or state-wide basis to balance growth would assist in addressing the policies contained in Plan Melbourne. Strengthening these opportunities would also inject growth into the sustainability industry.

Although Councils can endeavour to adopt policies and strategies to reduce carbon emissions and improve the sustainability of the built environment, such efforts are subject to approval by the State Government. Little has been achieved despite previous attempts by groupings of Councils to facilitate an updated decision-making framework on ESD matters. The urgency of the need for change has not been reflected in any substantive action on this issue.

Leadership in ESD

It is difficult for Councils to affect meaningful change on key issues without support from the State Government through the Planning Schemes. To support the Plan Melbourne directions and, considering the current growth agenda being pursued through the Major Planning Reforms and Land Use Framework Plans, action is required by the State Government to give sufficient priority to, and strengthen existing sustainability policies and standards.

It is not sufficient to require Councils to go it alone and 'encourage' these types of outcomes. There is a need to strengthen sustainability provisions through the Planning Scheme, preferably on a metropolitan-wide or state-wide basis, which will ensure that the sustainability directions and policies within Plan Melbourne are given adequate weight when compared to accommodating additional housing growth.

Community Support and Future Stonnington (Council Plan)

Council finds that support for ESD initiatives and climate action within the community is rising steadily. The findings from Council's recent draft Housing Strategy community engagement revealed the following:

- *"More environmentally sustainably designed homes"* was a top priority for housing stock for more than half of our pop-up and drop-in session participants. It also ranked as the top priority for all age groups with the exception of the over-75 age group;

- The Housing Strategy Community Panel identified “*New housing to use building materials and design that ensures long term liveability and that contributes to low environmental impacts*” as a top five priority for Stonnington.

Consultation undertaken in the preparation of the Council Plan also noted that the community strongly supported ESD and action on climate change, and as a result the following priorities are included in the Council Plan:

- *Priority 1.3.5 - Advocate for and accommodate sustainable growth and development, while protecting our unique character and liveability.*
- *Priority 2.4.1 - Transition to zero net emissions by 2030 for Council’s own operations and support reduced community carbon emissions to provide a safer climate and improved health outcomes.*
- *Priority 2.4.6 - Embed environmentally sustainable design principles within Council buildings, facilities and private development.*

Vegetation protection

Plan Melbourne

Plan Melbourne contains the following policy under Direction 6.4, Make Melbourne Cooler and Greener:

- *Policy 6.4.1 – Support a cooler Melbourne by greening urban areas, buildings, transport corridors and open spaces to create an urban forest.*

The policy discusses the need for greening to be integrated into planning frameworks and states that residential development provisions must be updated to mitigate against the loss of tree canopy cover and permeable surfaces as a result of urban intensification. The Plan talks about the need to provide tree cover in the public realm, but stops short of requiring or acknowledging the need for this integration of tree canopy cover with housing strategies and future development controls, particularly in growth areas and areas of urban intensification.

Land Use Framework Plan (LUF)

Direction 19 of the draft Inner South East Metro LUF prepared by the Department of Environment, Land, Water and Planning (DELWP) seeks an increase in the tree canopy cover across the Inner South East Metro Region to achieve 30% coverage by 2050. The goal to increase tree canopy coverage to 30% is a positive outcome. In 2018 Stonnington had 19% urban tree canopy cover, however between 2014 and 2018 there was a 0.2% reduction in tree cover.

To achieve this target the LUF proposes that 60% of tree canopy will need to be provided on private land, which will require additional strategies to stop the current trend of reduction in tree canopy as many existing single residential dwelling sites are developed into multi-unit developments. However, this is also put at risk by the proposed requirements within the LUF for 'medium to high density dwellings within an 800m radius of activity nodes'. The push for growth will likely result in further tree canopy reductions without providing the opportunity to plant meaningful replacement vegetation. Therefore a net loss trend could be expected to continue. Changes to development controls to place additional emphasis on vegetation, with support from DELWP, will be required to avoid this outcome.

Further, the need to accommodate a significant increase in vegetation coverage on publicly owned land (the other 40%) puts further emphasis on the need for Councils to be able to acquire new open space. It will not be practical for all existing open space areas to be 'planted out' without affecting the useability of the space.

Clause 52.17 (Native Vegetation)

Victorian Planning Provision 52.17 in the Planning Scheme seeks to ensure that there is no net loss to biodiversity resulting from the removal of native vegetation. The provision is however limited to sites of more than 0.4ha in size, thereby allowing the removal of native vegetation on the many private land parcels smaller than this.

The cumulative impact of such vegetation removal has the potential to threaten the objectives of increasing tree canopy coverage and reducing the damaging effects of urban heat islands. Consequently, support should be provided to the introduction of Significant Landscape or Vegetation Protection Overlays where they are proposed, and consideration given to reducing the 0.4ha site area threshold in Clause 52.17. It is becoming increasingly rare to find lots greater than 0.4ha in metropolitan Melbourne and particularly the inner suburbs. The planning

framework also needs to do more from a built form perspective to allow room for deep-soil planting and to mandate successful mature tree planting.

Future Stonnington (Council Plan)

Consultation in the preparation of the Council Plan indicated that the community values the retention and planting of new vegetation, and protection of biodiversity, captured in the following priority:

- *Priority 2.4.3 - Grow our urban forest through public and private tree planting, and protect and enhance biodiversity.*

Certainty and Fairness

Planning Reform Program 2020-2024

Since the 2019 Red Tape Commissioner's Planning and Building Approvals Process Review, the Victorian Government has pursued an agenda of growth, streamlining and speeding up planning and building processes within Local and State Government planning systems.

The Victorian Government has publicly launched a \$111 million Planning Reform Program that includes:

- Speeding up major projects.
- Updated and simplified planning rules.

The media release included the following quote:

'As we begin rebuilding from the pandemic, we need a planning system that is set up to drive growth and create jobs as we recover from coronavirus, that's what these reforms will do'

Council understands the need for growth in Victoria, and the ability to recover from the pandemic. However, Council is of the firm view that Victoria needs a planning system that is set up to provide balanced decision making based on the principles it was established on. These included the consideration of economic, social, and environmental issues, with an appropriate weighting applied to each, and ability for the community to be involved and consulted in the planning process. As discussed throughout this submission, there is ample promotion of growth in the current climate, arguably at the expense of the remaining principles that would provide for balanced outcomes.

Acknowledging the importance of these issues, Stonnington has taken on a leadership role with other Councils to enable us to work collaboratively, including with the State Government, on the issues raised by major planning reform.

Reforms should not be driven to make processes easier or faster at the expense of quality planning outcomes or balanced decision making. Faster processing timeframes and quality planning outcomes are often at odds, and negotiating good planning outcomes or navigating issues can be time consuming. In the consideration of any changes it is important to consider that outcomes and impacts of these types of reforms will remain long into the future and are essentially irreversible.

Assessment of Major Projects

The media release regarding the reforms refers to a new assessment model for development proposals greater than \$50 million. In regard to any proposed reform where decision making responsibilities may be removed from Council and the Minister becomes the responsible authority, Council has the following position:

- Council is best placed to consult with local communities and make informed planning decisions considering local context and issues.
- Communities are increasingly aware and vocal about the removal of decision-making responsibilities from Councils.
- If Council is not the Responsible Authority, transparent criteria for decision making should still apply. Reports should be available to Councils and the public that document the decision-making process and indicate how development met relevant criteria and standards, as is required of Councils. This will ensure we maintain a fair, transparent, and accountable planning system.

- Strong community consultation should remain a core process to inform major planning decisions, including maintaining appeal rights.
- High quality planning decisions, consideration of wider issues, and consultation should not be trade-offs for faster approval timeframes.

Strategic justification supporting such reforms should be made available for discussion with Councils and the community. This should include any background reports or evidence that suggests Councils are not best placed to make decisions on major applications that affect their communities.

Streamlining the Planning System and the Community

Council officers support the streamlining of the planning system in a way that makes it more efficient and easier to use and access for everyone. However, streamlining should not involve removing Councils or the community from decision-making processes, or a reduction in the quality of planning outcomes to achieve faster approval times. Doing so, even under the guise of COVID recovery, would be to take a short sighted view of a long term problem that will result in long term impacts on the ground.

It is considered vital that any changes to the State and Local Government planning system under any proposed reforms are driven, informed by and reflective of the community's needs and aspirations. Council supports a fair and transparent planning system and advocates that planning reforms proposed by the Victorian Government should be undertaken in consultation with the communities they represent.

Council supports the need for third party appeal rights and the inclusion of local communities in the shaping of their city as one of the key principles of our planning system. There is concern for any reform that attempts to remove local Councils or the community from decision making processes, and by extension, third party appeal rights.

ResCode Reforms

The proposed ResCode reform seeks to implement a code-based assessment model in place of the current system that allows for discretionary consideration of issues. Council is currently preparing a detailed response to the proposal. At a high level, the same themes have been identified in this reform as discussed above. These include concerns about the potential loss of quality in planning outcomes to facilitate more development and faster approval times, and the future of third-party appeal rights.

Under a code assess model, where Council cannot 'say no' to compliant development, will it be determined that such developments do not need to be advertised, resulting in the loss of community input third-party appeal rights?

Further to this, the importance of local policy in any code assess model needs to be emphasised. The removal of local policy in the consideration of compliance will undermine the significant work Councils have undertaken along with their communities to localise planning schemes and prevent a one size fits all approach.

Council is supportive of a more streamlined and efficient process where it can be achieved without impacting the quality of local planning outcomes, and advocates for the retention of community input and third party appeal rights as one of the core principles of the Victorian planning system.

Land Use Framework Plan

The LUFP has been discussed several times and more specifically through this submission where it has relevant impacts. However, the high-level themes raised are resonant with the above discussion and include, the pursuit of growth at the expense of other valid planning considerations, and the need for a strategic framework that provides for balanced decision making and therefore quality planning outcomes. It also raises the question of the place that local community consultation, and by extension third party appeal rights, have in the planning system (discussed further under Residential Zones).

Mandatory Height Limits

Mandatory height limits offer a way of providing certainty and fairness to planning decisions for communities and developers. This is particularly the case in structure planning where new and often increased height limits are introduced. Council officers and the community are generally supportive of the concept although it is generally not supported by the State Government and therefore not implemented in local Planning Schemes. The State Government preference is for discretionary height limits based around a recommended height. Mandatory height limits also provide a level of certainty in the plan itself. The variation in height can be significant where discretionary heights are implemented.

Heritage

The role of Councils in heritage protection

The City of Stonnington is proud of its heritage, and is renowned for its established 19th century streetscapes, extraordinary mansions in established gardens, outstanding garden estates, and many post-war buildings of State significance. The preservation of Stonnington's rich heritage and cultural identity are critical issues for the community and heritage is articulated in Stonnington's *Community Vision 2040* and current *Council Plan 2021-25*.

Stonnington has a strong program of heritage investigation and protection. Under the previous *Heritage Action Plan* adopted in 2006, approximately 2,000 additional places were added to the Heritage Overlay. The current *Heritage Strategy and Action Plan 2018-2029* continues this body of work and guides Council's program for managing heritage. Stonnington has recently embarked on a comprehensive approach to heritage (suburb-by suburb heritage reviews), which fulfils several key commitments in this Action Plan and represents a significant commitment by Council to ensure places of local significance within Stonnington are protected.

The majority of heritage places within Stonnington are of local significance and are managed under the *Planning and Environment Act 1987*. Whilst this is resource intensive, Council officers have difficulty envisaging an alternate system in which heritage is removed from the development approval process.

The adequacy of current criteria and processes for heritage protection

The Heritage Convention criteria (HERCON) are currently used by heritage consultants engaged by Stonnington to assess local heritage significance, and overall, these are well understood and accepted. Further guidance could be provided for Criterion G (social significance) where some uncertainty remains in applying this criterion at a local level.

Council officers generally consider the process to apply the heritage overlay at a local level to be rigorous and fair, with recommendations sought from expert heritage consultants and multiple Councillor touchpoints. Interested parties have the opportunity to make submissions and be heard at an independent planning panel through the planning scheme amendment process. Further guidance provided to Councils may mitigate some of the lengthy discussions occurring at planning panels in relation to heritage matters that affect many Councils, such as the grading of heritage places within precincts.

Council officers would welcome any further guidance from DELWP in the form of an updated and expanded Planning Practice Note 1 *Applying the Heritage Overlay*, as well as in-house resources to advise on local heritage matters. Discrepancies exist between Councils in relation to:

- Applying the Heritage Overlay to individual places and precincts and how these are documented in the Schedule to the Heritage Overlay at Clause 43.01.
- How individual places within precincts are documented (within the precinct Statement of Significance).
- Grading of heritage places within precincts.
- Serial listings and how these are applied to architectural eras.

Council officers also consider that improvements could be made regarding the process of applying interim heritage controls, both for individual properties under threat of demolition (under section 29a of the *Building Act 1993*), and blanket interim controls that are applied for while permanent controls are progressed. This will ensure the protection of places that are

identified in heritage studies as requiring protection throughout the research period and lengthy amendment process.

Heritage reform

Council has not had any previous consultation regarding items 4(b)(c)(d)(e) and (g) listed within the terms of reference, and although these may offer opportunities to improve heritage protection in Victoria, we would seek further information before providing a response. Council would welcome any consultation on the issue of heritage protection to assist in gaining a thorough understanding of the effectiveness or impacts to heritage protection prior to advocating for any major reforms.

Future Stonnington (Council Plan)

Support for heritage is strong within Stonnington and community members are often well educated and vocal about the need for Council to protect heritage places. This is captured in the Council plan as:

- *Priority 1.3.2 – Ensure our built, natural and cultural heritage is protected and celebrated.*
- *Priority 1.3.3 – Reactivate and celebrate private and public heritage buildings.*

Residential zones

Practice notes and the application of zones

The application of the residential zones as described in Planning Practice Notes 90 and 91 do not align with the type of housing that communities want. The Practice Notes provide guidance as to how Councils should apply minimal, incremental and substantial change areas, and then how these change areas should translate into the residential zones. DELWP officers refer to these Practice Notes when providing advice to councils on the development of their housing strategies, neighbourhood character strategies and other strategic work.

PPN 91 states that *“it is inappropriate to apply the General Residential Zone (GRZ) to areas where a planning authority seeks to respect the existing single and double storey character of an area”*. It also states that the Neighbourhood Residential Zone (NRZ) should apply to areas *“...that have been identified as having specific neighbourhood, heritage, environmental or landscape character values that distinguish the land from other parts of the municipality or surrounding area”* – this has been widely interpreted to mean those areas subject to a specific overlay (i.e. NCO, HO, SBO, etc). These positions are confirmed throughout both PPN 90 and 91, and in subsequent discussions with DELWP officers in the preparation of Council’s strategic planning work.

The problem arises for many councils, including the City of Stonnington, where areas have been identified as having single and double-storey character that the local community wish to respect and retain, but are not subject to a specific overlay (and does not meet the highly-rigorous standards required to apply a specific overlay such as an NCO). Therefore, applying the NRZ is not supported by DELWP through the strategic planning processes, but applying the GRZ will result in housing and a built-form that is not of the type that local communities want. A greater level of flexibility needs to exist regarding the application of the NRZ.

Residential Zone Reform

Residential zones have been updated and changed several times over the past years and Stonnington supports the need for an efficient and up to date planning system. However, with each iteration of the zones, mandatory changes were made that impact the content, application, and development outcomes of the zones, effectively evolving housing outcomes away from community expectation without further community input.

In 2014, when the NRZ, GRZ and RGZ were introduced, the NRZ had an 8-metre height limit and two dwelling per lot restriction. Within Stonnington, there were areas identified as having a low-scale character but were not subject to the Heritage Overlay or Neighbourhood Character Overlay. It was determined that these areas could support townhouse style development with more than two dwellings, although the low scale character should be protected. Therefore, the GRZ was applied with a 9-metre height limit. In 2017, Amendment VC110 again changed the Victorian planning framework so that the NRZ no longer had a dwelling density restriction and minimum mandatory heights and storeys were introduced (2-storeys / 9 metres for the NRZ, and 3-storeys / 11.5 metres for the GRZ). The heights adopted and implemented into the Planning Scheme were not open to community consultation.

This had significant implications for Stonnington’s GRZ areas, as Council’s intended built form and character no longer aligned with development allowable under the GRZ. In attempts to rectify the situation through the development of Stonnington’s Draft Housing Strategy, we are advised (through PPN 90 and 91 and officer discussions) that the NRZ cannot be applied to areas unless a specific overlay exists (e.g. HO or NCO). If Council is required to retain the GRZ in these areas, development will continue to be out of alignment with community

expectation. From a Victorian planning framework point of view, greater flexibility around the application of the NRZ needs to be considered in order for the residential zones to deliver the type of housing that communities want.

Land Use Framework Plan (LUF)

It is also noted that the draft Inner South East Metro LUF is not, in its current form, in alignment with the views of the Stonnington community, and will not result in types of housing and distribution of growth that residents expect to see.

Action 4 of the draft LUF requires Councils to “*Update planning schemes to align with housing policies in Plan Melbourne and the Inner South East Metro Land Use Framework Plan and the implementation of the reformed residential zones.*” This suggests that, regardless of the outcomes of local community consultation on housing, growth and the application of residential zones, the Stonnington Planning Scheme will be required to be updated to align with the provisions of the LUF.

Council noted in its submission on the LUF that it espouses a growth agenda without having sufficient regard to social and sustainability considerations, in addition to the well-progressed strategic planning work undertaken by Council on housing and activity centres which has been informed by extensive community consultation. It is submitted that these locally prepared strategies to which local communities have had substantial input should inform the content of the Stonnington Planning Scheme, rather than the LUF. This is particularly the case given the very limited community consultation and publicity undertaken in the preparation the LUF.

Community consultation

Housing typologies and distribution remain one of the most contentious issues affecting local Councils. The views of our community, including highly involved and interested community groups, are increasingly difficult to balance with the changes and mandatory requirements within the Victorian Planning Provisions.

Findings from Council’s Housing Strategy community engagement revealed:

- The heritage and neighbourhood character of Stonnington is highly valued by the community.
- When online survey participants were asked what factors Council should consider when identifying suitable locations for housing growth, the most popular responses included protection of heritage and local character.
- The Housing Strategy Community Panel identified “*The distinctive character of each Stonnington neighbourhood is to be acknowledged, protected and enhanced through planning controls*” as a top five priority for Stonnington.

Future Stonnington (Council Plan)

Council understand the importance of housing to the community through consultation and day to day dealings with community members. Housing is addressed in the Council Plan under the following priorities:

- *Priority 1.3.4 - Set and promote high design standards that contribute to the preferred character of the area, creating sustainable and enduring places.*
- *Priority 1.3.5 - Advocate for and accommodate sustainable growth and development while protecting our unique character and liveability.*

Conclusion

We thank you for the opportunity to provide a submission into the Inquiry. This submission touches on opportunities and constraints of the Victorian planning system and the way in which it is applied through the Planning Scheme. The issues discussed here are dealt with by Council officers on an everyday basis and are of a high priority to both Council and our community members. Council will continue to advocate for the need to balance growth with sustainable and social outcomes in our strategic planning, decision making, and planning frameworks.