

**Submission
No 140**

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

Organisation: Green Building Council

Date Received: 31 January 2022



Building a
sustainable
future

Parliament of Victoria
Legislative Council, Environment and Planning Committee
Parliament House, Spring Street
EAST MELBOURNE VIC 3002

Via email: planninginquiry@parliament.vic.gov.au

Dear Chair

Re: Inquiry into the Protections within the Victorian Planning Framework

Green Building Council of Australia (GBCA) appreciates the opportunity to provide input to the Inquiry into the Protections within the Victorian Planning Framework.

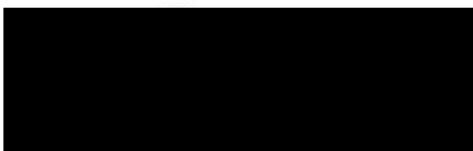
GBCA's purpose is to lead the sustainable transformation of the built environment. We do this primarily through three core functions:

- We rate the sustainability of buildings, fitouts and communities through Australia's largest national, voluntary, holistic rating system – Green Star.
- We educate industry, government practitioners and decision-makers, and promote green building programs, technologies, design practices and operations.
- We advocate policies and programs that support our vision and purpose.

In any project or development, the best outcomes are usually achieved when consideration of sustainability is made in the earliest stages. A planning framework that encourages and rewards sustainability and seeks to remove any barriers to sustainable outcomes is critical. We have addressed several of the terms of reference for this inquiry in the enclosed attachment to provide information and recommendations to support the Victorian Planning Framework to deliver greater sustainability.

We would be pleased to provide any further information you may require. Please contact Katy Dean, Policy Adviser [REDACTED]

Yours sincerely



Davina Rooney
Chief Executive
Green Building Council of Australia

Attachment A: GBCA input to the Victorian Government Inquiry into the Protections within the Victorian Planning Framework

About Green Star

Please note that we have referenced Green Star in several of the responses below. Green Star is an internationally recognised rating system setting the standard for healthy, resilient, positive buildings and places. Developed for the Australian environment, Green Star has certified thousands of sustainable fitouts, buildings, homes and communities right across the country. Green Star aims to:

- Reduce the impact of climate change
- Enhance our health and quality of life
- Restore and protect our planet's biodiversity and ecosystems
- Drive resiliency in buildings, fitouts, and communities
- Contribute to market transformation and a sustainable economy.

More information about Green Star and GBCA can be found at gbc.org.au.

(1) the high cost of housing

A number of factors have led to Australia's high cost of housing and there is no one simple solution to solve the housing affordability crisis evident across the country. While all must be done to identify ways to reduce the cost of housing, it is imperative to note that the process of uplifting minimum requirements of the NCC will leave households – and society – better off in a wide range of ways. It is critical that the discussion surrounding uplift of minimum requirements is not reduced to debate over the single issue of increased construction costs.

The Australian Government's own Consultation Regulatory Impact Statement (CRIS) accompanying the proposed NCC 2022 residential efficiency provisions found that that higher efficiency standards for new homes would make virtually all new home-owners better off from the first year of their purchase, while energy consumption and greenhouse gas emissions would fall significantly. However, analysis of the CRIS commissioned by GBCA, Australian Sustainable Built Environment Council (ASBEC), Energy Efficiency Council (EEC) and Property Council of Australia (PCA)¹ showed that the CRIS discounts or excludes many social benefits associated with the proposed NCC changes making the actual net present value and business case ratios well above 1, rather than the social benefit cost ratio below 1 shown in the CRIS.

On the opposite side of the coin, the costs of inadequate housing are many and can have far-reaching impacts. These include high heating and/or cooling costs borne by households, costly retrofits and the costs to individuals and society from negative health outcomes experienced by those living in unhealthy, uncomfortable homes.

As noted in the covering letter, many of the best sustainability outcomes for projects result from decisions made early in the planning process.

For example, Sustainability Victoria's 7 Star Homes program² demonstrates how great home design and considerations such as building orientation on the site can reduce the amount of energy required to keep a home comfortable with little or no additional construction cost. This program supports builders and developers to understand and deliver to (and beyond) minimum requirements in the NCC.

Green Star plays a role in planning frameworks across Australia. While essentially a voluntary rating tool, some governments have required a commitment to achieving Green Star certification for appropriate developments/projects during the planning phase to ensure that a range of sustainability objectives will be delivered. GBCA works with state, territory and local governments to provide examples of how Green Star can be appropriately referenced, rewarded and/or required. GBCA recently released a fact sheet³ outlining how local

¹ ASBEC, GBCA, EEC, PCA. 2021. *Consultation RIS - Proposed NCC 2022 residential energy efficiency provisions – Cover letter*. <https://gbc-web.s3.amazonaws.com/media/documents/ncc-cris-cover-letter.pdf>

² Sustainability Victoria. 2021. *7 Star Homes Program*. <https://www.sustainability.vic.gov.au/energy-efficiency-and-reducing-emissions/building-or-renovating/7-star-homes-program>

³ GBCA. 2021. *Local government and Green Star*. <https://gbc-web.s3.amazonaws.com/media/documents/factsheet-local-government-and-green-star.pdf>

governments can use Green Star to deliver on environmentally sustainable design (ESD) objectives and requirements through local planning policies.

(a) provision of social housing

GBCA encourages the Victorian Government to consider how rating tools already used widely by industry and governments, such as Green Star, can support the provision of social housing that is affordable to build, maintain and operate.

Green Star rating tools have been used by several state governments and a number of housing providers to build homes that are certified to best practice benchmarks for efficiency, comfort and health, on a cost neutral (or close to) basis. These homes are designed to use much less energy than housing built to mandatory minimum standards, keeping household utility bills down.

(f) mandatory affordable housing in new housing developments

GBCA encourages the Victorian Government to consider how rating tools already used widely by industry and governments such as Green Star can support and encourage the provision of affordable housing in new housing developments.

GBCA's Green Star – Communities rating tool provides guidance for the development and implementation of residential affordability strategies implemented for a proportion of the total residential area delivered as part of a development project.

Identifying opportunities within the Victorian Planning Framework to reference, encourage or require the achievement of Green Star – Communities certification for appropriate development projects (specifying the Affordability credit), can help to drive better outcomes for affordability.

(2) environmental sustainability and vegetation protection

Buildings account for almost a quarter of Australia's emissions, but they present some of the lowest cost – and largely untapped – emissions reduction opportunities. Creating more sustainable homes, buildings, communities and cities will be a critical part of achieving Australia's net zero emissions goals and building resilience to the impacts of a changing climate.

Organisations such as GBCA and ASBEC were established with the purpose of leading the sustainable transformation of Australia's built environment. Through advocacy, collaboration and education, the development of tools such as the Green Star rating system and development of policy and research to identify opportunities for positive change. GBCA and ASBEC have a vast collection of resources and experience to share with government. While these are too numerous to include here, key documents for reference include:

- *Five ways the built environment can help Australia transition to a net zero future*⁴
- *Every building counts – A practical plan for emissions reduction*⁵
- *Green Star in focus: The business case*⁶
- *Climate Positive Roadmap for the built environment*⁷
- *Building with nature - Prioritising ecology and biodiversity for better buildings and cities*⁸

⁴ ASBEC. 2021. *Five ways the built environment can help Australia transition to a net zero future*.
https://www.asbec.asn.au/211025-asbec-five-ways-cop26-advocacy-piece_final-1/

⁵ PCA, GBCA. 2019. *Every building counts – A practical plan for emissions reduction*.
<https://www.everybuildingcounts.com.au/>

⁶ GBCA. 2020. *Green Star in focus: The business case*. <https://gbca-web.s3.amazonaws.com/media/documents/gbca-green-star-in-focus-the-business-case-v1-r6-digital-spreads-reduced-size.pdf>

⁷ GBCA. 2021. *Climate Positive Roadmap for the built environment*. <https://new.gbca.org.au/green-star/green-star-strategy/carbon-climate-change/>

⁸ GBCA. 2018. *Building with nature - Prioritising ecology and biodiversity for better buildings and cities*.
<https://gbca-web.s3.amazonaws.com/media/documents/gs-future-focus-building-with-nature-fa-web.pdf>

GBCA also notes the work of the Planning Institute of Australia (PIA), which has developed a 10-point plan⁹ to drive climate-conscious planning across Australia. The 10 points have been adapted to reflect the Victorian policy and regulatory environment and GBCA supports consideration of these by the Victorian Government.

GBCA commends the Victorian Government on the consultation and policy development undertaken to date regarding Victoria's Gas Substitution Roadmap. It is vital that planning policy and regulation is amended and developed to ensure that low and zero-emissions energy infrastructure is facilitated and incentivised, and to avoid 'locking in' natural gas consumption. Please see GBCA's submission to the 2021 consultation.¹⁰

We urge the Victorian Government to continue to build on its own excellent work in this area and to embrace the recommendations and resources developed by industry leaders to achieve greater environmental sustainability outcomes in the Victorian Planning Framework.

(4) protecting heritage in Victoria

(a) the adequacy of current criteria and processes for heritage protection

While GBCA has no specific comment to make regarding the adequacy of current criteria and processes for heritage protection, we urge the Victorian Government to consider best practice examples and guidance in referencing, encouraging and/or requiring heritage protection wherever possible.

For example, GBCA's Green Star – Communities rating tool contains guidance that encourages developments to identify, protect and celebrate the heritage, culture and community identity of a place. Points are awarded within the rating tool's assessment process where the culture and heritage of a project site has been researched and interpreted as part of the masterplanning process, and where this interpretation informs the design of the project in a way that strengthens cultural and heritage connections.

(5) ensuring residential zones are delivering the type of housing that communities want

GBCA and ASBEC believe that communities want and deserve housing that is energy and water efficient, affordable to run and maintain, comfortable and healthy, resilient to the impacts of a changing climate and ready for a net zero future.

To achieve this, GBCA, together with organisations such as ASBEC, PCA and EEC, advocates for an NCC that implements a rising trajectory of minimum requirements for energy efficiency and thermal comfort for homes and buildings,¹¹ a nationally harmonised framework for sustainable, accessible, productive and liveable residential development and housing,^{12 13} and the use of voluntary rating tools and performance scorecards.

In addition to supporting upgrades to the NCC, GBCA encourages the Victorian Government to reference, encourage and require the use of tools, guidelines and policies wherever possible in the planning system that will lift housing above the minimum standards and better prepare our households and communities for a net zero future.

We commend programs such as the Victorian Government's Residential Efficiency Scorecard and Sustainability Victoria's 7 Star Homes Program.

An example of a voluntary rating tool already widely in use by governments and industry is GBCA's Green Star – Communities rating tool which encourages and rewards projects that have considered local housing needs

⁹ PIA. 2021. *Climate Conscious Planning Systems*. <https://www.planning.org.au/documents/item/11375>

¹⁰ GBCA. 2021. *Submission to Victoria's Gas Substitution Roadmap*. <https://gbca-web.s3.amazonaws.com/media/documents/gbca-submission---victorias-gas-substitution-roadmap-020821.pdf>

¹¹ ASBEC, GBCA, PCA. 2021. *National Construction Code (NCC) 2022 public comment draft (stage 2) – Cover letter*. <https://gbca-web.s3.amazonaws.com/media/documents/cover-letter---ncc2022.pdf>

¹² ASBEC. 2016. *National Framework for Residential Ratings*. <https://www.asbec.asn.au/research-items/residential-ratings/>

¹³ ASBEC. 2019. *Growing the Market for Sustainable Homes*. <https://www.asbec.asn.au/wordpress/wp-content/uploads/2019/06/190701-ASBEC-CRCLCL-Growing-Market-for-Sustainable-Homes-web.pdf>

and provide a mix of housing types and styles to facilitate housing choice, affordability and ageing in place. The rating tools provides guidance regarding affordable housing strategies and rewards projects that certify homes and buildings with Green Star.

The Green Star Homes Standard, released in 2021, has been developed to create highly efficient, fossil fuel free homes, powered by renewables that are healthy and resilient for all Australians. The development of the Green Star Homes Standard reflects the growing demand from consumers and market leaders in the building and construction industry to deliver homes that are more sustainable as well as being more affordable to operate.

More information about Green Star – Communities and the Green Star Homes Standard can be found at gbca.org.au.