

# Reforming the Victoria Planning Provisions

A discussion paper

OCTOBER 2017

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## Purpose

The purpose of this discussion paper is to seek comment on:

- proposed changes to the structure and operation of the Victoria Planning Provisions (VPP). These are set out in Proposals 1 to 4
- proposed changes to specific VPP provisions. These are set out in Proposal 5 and Appendix 2.

The proposals in this paper focus on the structure and operation of the VPP. They seek to both simplify and improve the operation of the VPP, and to lay foundations for further future transformative initiatives.

These initiatives are part of the Victorian Government's Smart Planning program.

Smart Planning is delivering long term, transformative change to the Victorian planning system to make it more responsive to the needs of Victorians. The proposals in this discussion paper are one part of this broader program. You can find out more about Smart Planning at [www.planning.vic.gov.au/smart-planning](http://www.planning.vic.gov.au/smart-planning)

All users of Victoria's planning system are encouraged to consider the proposals and express their views.

To comment on the proposals, go to [www.engage.vic.gov.au/reform-victoria-planning-provisions](http://www.engage.vic.gov.au/reform-victoria-planning-provisions)

**The deadline for submissions is 5:00pm Friday 24 November 2017.**

## Abbreviations and acronyms

The Act	<i>The Planning and Environment Act 1987</i>
DELWP	Department of Environment, Land, Water and Planning
LPPF	Local Planning Policy Framework
MSS	Municipal Strategic Statement
PPF	Planning Policy Framework
PPARS	Planning Permit Activity Reporting System
PSIMS	Planning Scheme Information Management System
SPPF	State Planning Policy Framework
VAGO	Victorian Auditor-General's Office
VCAT	Victorian Civil and Administrative Tribunal
VCEC	Victorian Competition and Efficiency Commission
VPP	Victoria Planning Provisions

# Introduction

Planning provides a strategic and policy framework to balance often conflicting economic, commercial, social, environmental and heritage considerations. It seeks to ensure that there is a fair, orderly, responsive and transparent process to manage the economically productive and sustainable use of land in Victoria.

The Victorian planning system and planning schemes play a significant role in Victoria's economy. In the 2016-17 financial year, the planning system processed about \$30 billion of future investment in Victoria through 56,000 planning permit applications, and delivered approvals for 46,000 new dwellings and 62,000 new lots (Victorian Auditor-General's Planning System Review 2017 and DELWP). The planning system and planning schemes are key tools that enable state and local government planning policies to be implemented and sustainable change to be effected to the built environment.

The VPP is the framework, or template, on which all Victorian planning schemes are based. Improving the efficiency and effectiveness of the VPP and planning schemes is important to the Victorian economy and the liveability of Victorians.

## Why is change needed?

The VPP has served Victoria well for a long time. However, increasing demands on the planning system and successive reforms have resulted in planning schemes that have grown considerably in size and complexity.

The growth in complexity of planning schemes not only affects their efficiency and effectiveness, it also acts as a barrier to long-term change and the benefits that technology can deliver through more responsive and accessible planning services.

The VPP introduced standardised planning scheme provisions in response to a proliferation of localised controls and the increasing complexity and disparity of planning schemes. It was founded on the principles that planning schemes:

- have a policy focus
- will facilitate appropriate development
- are usable
- are more consistent across the state.

It is now timely to review the VPP to ensure that it not only remains aligned to the founding principles, but also responds to new opportunities for modernisation.

The Smart Planning program seeks to deliver long term, transformative change to the planning system, to make it more responsive to the needs of Victorians. The proposals in this discussion paper are one part of this program and will lay the foundations for further transformation. They represent the first substantial changes to the VPP structure since it was introduced in 1997.

The proposals contained in this discussion paper have built upon feedback and ideas from planning system users and past studies looking at various planning scheme reforms.

Background information about preliminary consultation and the drivers for reform are contained at Appendix 3.



## What are the new principles of a modernised VPP?

The VPP should reflect the principles of a modern planning scheme shown in Figure 1.

These principles build on the four founding principles of the VPP by adding the new principles of 'digital first' and 'proportional' to recognise the new opportunities for digital delivery now available and the need for more than one pathway to assess proposals. They articulate a set of ideals for a modern planning scheme against which the benefits and implications of a proposed change can be measured.

*Figure 1: Principles of a modern planning scheme*



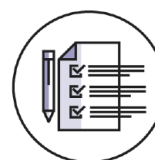
### **Digital first**

The provisions should be optimised for more efficient access and processing of planning information, including through better digital interfaces – e.g. utilising technology and the desired user experience to reverse engineer the way planning provisions are written and applied – moving from 'document' to 'database' driven planning schemes.



### **User focused**

The provisions should be end user focused and provide accessible, transparent and understandable pathways to navigate the approval process – restructuring planning schemes so users can freely, instantly and intuitively access relevant information, using spatial means wherever possible.



### **Consistent**

The architecture of the provisions and how they are applied should be simple and consistent regardless of the content, so that it is clearly understood and applied by planning authorities and proponents – e.g. use technology and drafting rules to ensure that new provisions are created and planning schemes amended in a way that both maintains the integrity of the system and delivers the desired policy outcomes.



### **Proportional**

The provisions should impose a level of regulatory burden that is proportionate to the planning and environmental risks – e.g. implementing an assessment pathways approach, including code assessment, where low risk or simple applications can be assessed against objective criteria through faster processes.



### **Land use focused**

The provisions should avoid conflict and overlap with other interlocking regulatory regimes – e.g. building, environmental & earth resources legislation, in particular where better technical expertise and resources reside elsewhere.



### **Policy and outcome focused**

The provisions should ensure that controls have a clear policy basis and are planning outcomes driven – e.g. utilise technology and information databases to achieve strategic clarity and precision in the way controls are created and implemented.



## What changes are proposed?

To realign the VPP with these principles, a range of changes are proposed. They will significantly simplify and realign the structure of the VPP while not fundamentally changing the basic operation of planning schemes. However, they do refresh, simplify and realign the structure and operation with contemporary expectations.

The proposals seek to:

- restructure the VPP and redraft some provisions to reflect the principles of a modern planning scheme
- widen the opportunity to use the VicSmart assessment pathway for simple applications
- align the State Planning Policy Framework and Local Planning Policy Framework into an integrated policy framework
- improve the clarity and usability of the VPP
- review and rationalise planning permit triggers
- review and increase permit exemptions
- respond to previous advisory committee reviews and new state government policy
- remove superfluous provisions, including duplicated and outdated clauses
- clarify common points of contention or confusion
- update document titles and agency and ministerial references.





This discussion paper presents five key proposals that seek to deliver these improvements. Each of the five proposals includes a number of specific initiatives. These are set out below and discussed in more detail in this discussion paper.

The proposals focus on the structure and operation of the VPP. The proposals do not include provisions that are being or have recently been reviewed, or matters that require significant regulatory reform.

*Table 1: Proposals to reform the VPP*

<b>Proposal 1: A simpler VPP structure with VicSmart assessment built in</b>	
1.1	Restructure and reform the particular provisions
1.2	Integrate VicSmart into appropriate particular provisions and overlay schedules
1.3	Consolidate all administrative provisions
<b>Proposal 2: An integrated planning policy framework</b>	
2.1	Integrate state, regional and local planning policy
2.2	Simplify the Municipal Strategic Statement
2.3	Expand policy themes
2.4	Create a clearer and simpler structure for policy making
2.5	Set new rules and guidelines for writing policy
<b>Proposal 3: Assessment pathways for simple proposals</b>	
3.1	Embed a VicSmart assessment pathway in appropriate particular provisions and overlay schedules
3.2	Introduce new code-based assessment provisions for simple proposals to support small business, industry and homeowners
<b>Proposal 4: Smarter planning scheme drafting</b>	
4.1	Create a new VPP user manual
4.2	Establish a business unit dedicated to VPP and planning scheme amendment drafting
4.3	Create an online Victorian planning library
<b>Proposal 5: Improve specific provisions</b>	
5.1	Improvements to specific provisions
5.2	Update the Definitions section of the VPP
5.3	Regularly review and monitor the VPP

# Proposal 1: A simpler VPP structure with VicSmart assessment built in

**Proposal 1.1:** Restructure and reform the particular provisions

**Proposal 1.2:** Integrate VicSmart into appropriate particular provisions and overlay schedules

**Proposal 1.3:** Consolidate all administrative provisions

## The issue

Since its introduction, the VPP has undergone many amendments, resulting in numerous additions to its content but little change to the overall architecture. Cumulatively, these changes have now begun to affect the overall operation and function of the VPP.

Due to their 'catch all' nature, the particular provisions have perhaps been subject to the greatest change, growing by over 120 per cent from 30 clauses in 1999 to the current 78 clauses (excluding geographically specific clauses).

More recently, the implementation of VicSmart represents the most significant structural change to the VPP. VicSmart implemented a streamlined assessment pathway for simple permit applications. However, the VicSmart provisions currently sit as a discrete section at the end of planning schemes and operate to isolate individual permit triggers or classes of application from the rest of the scheme. VicSmart could be better integrated into both the VPP and local provisions to improve its usability and effectiveness for all users of the system.

## The proposal

The proposal is to simplify the structure of the VPP in three ways.

### Proposal 1.1 Restructure and reform the particular provisions

It is proposed to restructure and reform the particular provisions into a more understandable and consistent format, with an emphasis on providing clearer assessment pathways for specific uses and development. The new structure would also more clearly recognise the functions of the different types of particular provision, under the following categories:

- *General performance standards and requirements* — where the provisions set objectives and performance standards for classes of use and development
- *Specific use and development provisions* — where the provisions set out permit exempt requirements and classes of VicSmart application and can operate as a 'one stop shop' for certain simple proposals (such as a small restaurant, or 'pop-up' use)
- *Interface Provisions* — where the provisions set out requirements for planning decisions that may affect other legislative processes and instruments
- *Specific sites, areas and exclusions.*

### Proposal 1.2 Integrate VicSmart into appropriate particular provisions and overlay schedules

It is proposed to integrate VicSmart classes into the particular provisions and overlay schedules where appropriate, emphasising simple assessment pathways (permit exempt and VicSmart). This is discussed further in Proposal 3.1.

### Proposal 1.3 Consolidate all administrative provisions

The list of incorporated documents and other administrative and operational provisions would be relocated to the General Provisions section. This would consolidate all administrative provisions in one location.

The proposed new framework is shown in Figure 2.

## The benefits

The benefits of these proposals would be derived over time, as existing provisions are translated and new provisions build upon the reformed structure.

Benefits include:

- **Proportional assessment processes:** The new VPP framework would emphasise and better integrate simple assessment pathways (permit exempt and VicSmart) into the VPP structure, so that the regulatory impacts imposed by planning rules are more proportional and aim to be the minimum to adequately address planning risks. This would ultimately reduce the costs of planning regulation to both households and business, and contribute to more sustainable economic growth.
- **User-friendly planning schemes:** Creating standardised particular provisions and establishing a consistent approach to their drafting would enhance the usability of these parts of the planning scheme.
- **'One stop shop' provisions:** The reformed framework would facilitate the development of 'one stop shop' provisions for simple proposals. Users could navigate directly to a single particular provision that deals with all the requirements for that proposal in one place, without the need to refer to multiple provisions.
- **More efficient assessments:** Integrating VicSmart provisions into appropriate local schedules (such as the Design and Development Overlay) would enable planning authorities to streamline the assessment of simple applications.

Figure 2: Comparison between existing and proposed VPP framework

## Existing VPP Framework

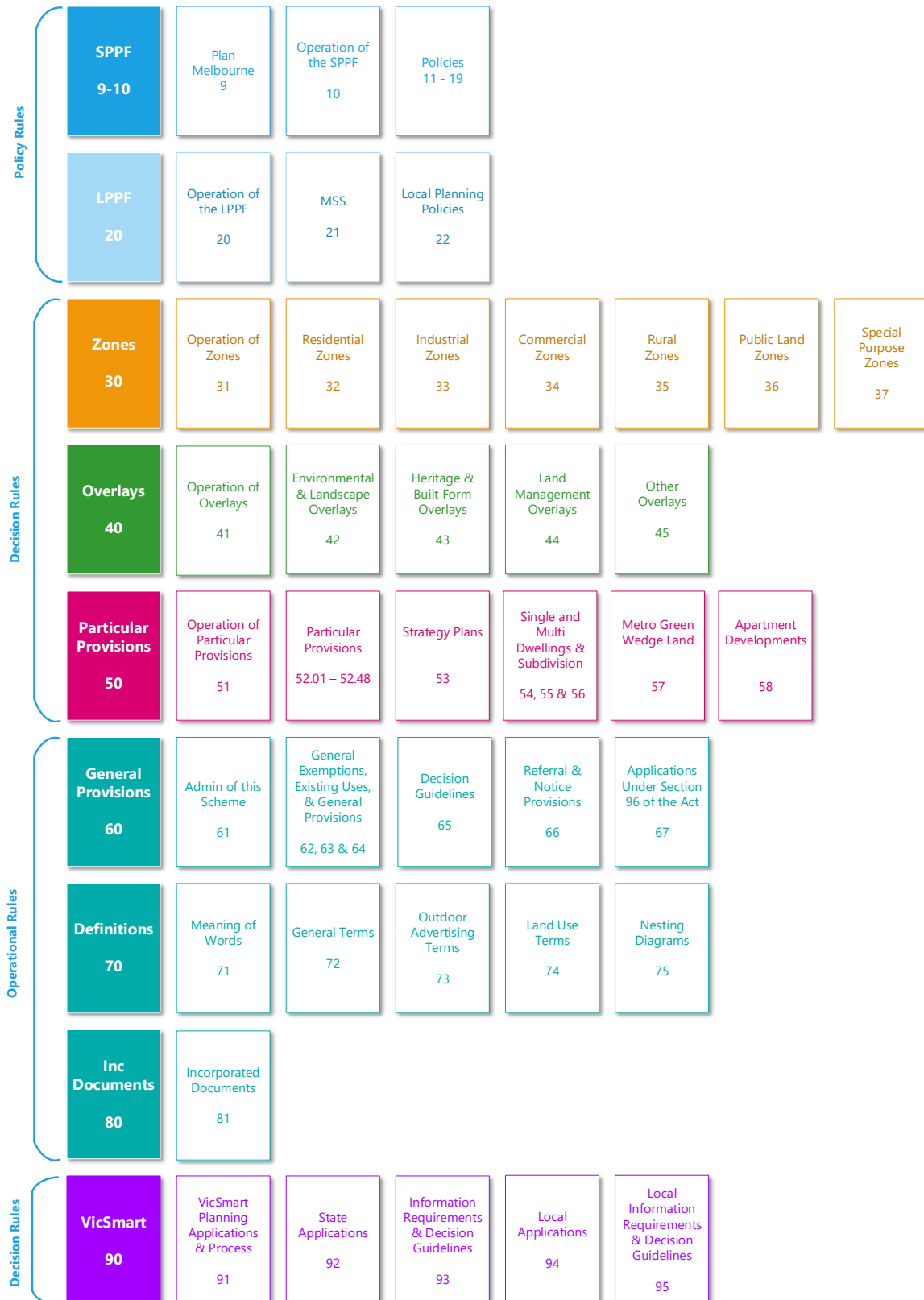
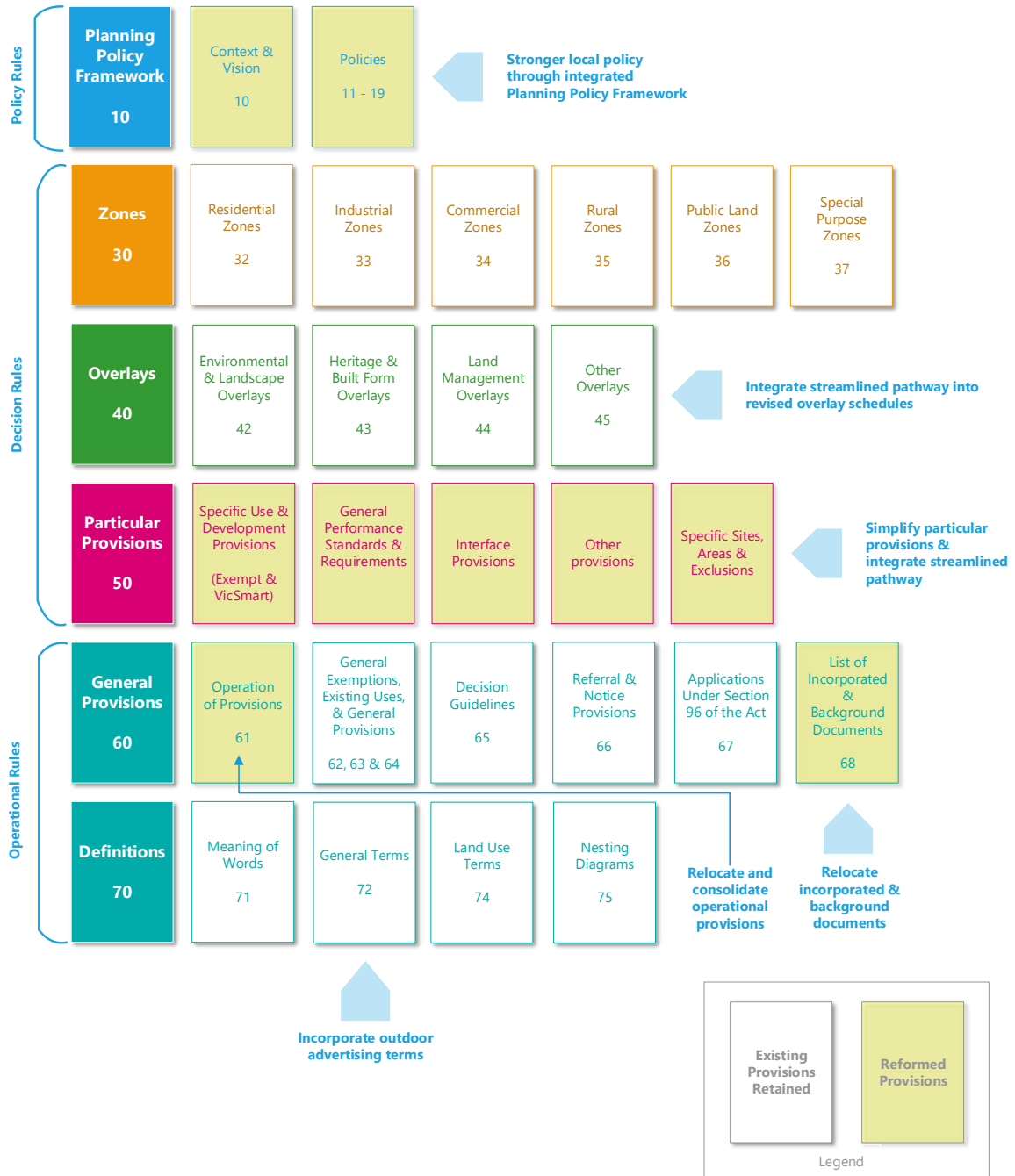


Figure 2: Comparison between existing and proposed VPP framework (cont.)

## Proposed VPP Framework



## Considerations

The following issues would need to be considered in implementing these proposals:

- The implementation of these initiatives would need a work program developed to draft, translate and test new restructured provisions in partnership with local government.
- Additional education and training may be required to support some specific changes in the operation of existing provisions and the introduction of new provisions.
- To strengthen the role of zones as a single point of entry in relation to the particular provisions, there may be a need to review some permit triggers in zones to achieve a consistent approach.

## Discussion

The benefits of implementing significant structural reforms to the VPP need to be carefully balanced against their potential to cause uncertainty and unintended consequences.

The principal aim of the proposed new structure is to better integrate an assessment pathways approach to the operation of the VPP and create clearer and more navigable pathways for specific uses and development. Implementing these proposals would better align the VPP with the six principles of a modern planning scheme.

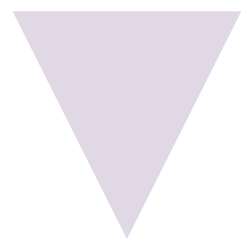
These initiatives would require significant work to implement, most likely through successive VPP and planning scheme amendments.

The long-term benefits of a more consistent structure and a more effective method for facilitating the assessment of low-impact proposals would be significant, both as a foundation for future transformation and digital reform and for more efficient assessment of planning applications generally.

**1**

### TELL US MORE

- **What other changes to the VPP structure do you think should be considered?**



## Proposal 2: An integrated planning policy framework

**Proposal 2.1:** Integrate state, regional and local planning policy

**Proposal 2.2:** Simplify the Municipal Strategic Statement

**Proposal 2.3:** Expand policy themes

**Proposal 2.4:** Create a clearer and simpler structure for policy making

**Proposal 2.5:** Set new rules and guidelines for writing policy

### The issue

#### The importance of clear and navigable planning policy

State and local planning policies play an important role in guiding decision makers and facilitating appropriate outcomes. The policy section of planning schemes is presently made up of a State Planning Policy Framework (SPPF) and a Local Planning Policy Framework (LPPF).

Except for a modest restructure of the SPPF in 2010, the existing planning policy framework has largely operated in the same form for over 20 years. However, it has been the subject of discussion in a number of reviews over that time, including:

- 2002 – Using and Interpreting Local Policy
- 2003 – Better Decisions Faster
- 2007 – Making Local Policy Stronger
- 2008 – Victorian Auditor-General's Planning Framework for Land Use and Development
- 2011 – The Victorian planning system Ministerial Advisory Committee
- 2014 – The State Planning Policy Framework Advisory Committee
- 2017 – Victorian Auditor-General's Planning System Report on Managing Victorias' Land Use and Development.



These reviews identified that the VPP system, with its policy foundation, is widely supported, but users seek greater certainty in policy and improved usability. The following issues, which characterise the current policy framework, were also identified:

- a disconnected SPPF and LPPF structure and operation, and a growing inconsistency between them
- policies that operate beyond the scope of a planning scheme
- expansive local policies that seek to compensate for gaps in zone and overlay controls
- inconsistent application of policy by decision makers
- insufficient weight being given to local planning policy
- overlap of policy with other interlocking regulatory regimes
- terminology being used in different ways across policy levels
- a large volume of planning policy that is difficult to navigate, understand and apply
- outdated policy content
- an absence of state planning policy on various matters of local policy interest
- confusion over the role of reference documents.

### Inadequate policy review and upkeep

The SPPF includes outdated policies and references to various old or redundant documents. It is often slow to be updated to align with new government policy.

The Act requires each council to review its LPPF no later than one year after the council plan is approved, which is generally every four years. Despite this requirement, LPPFs are not being regularly updated.

Outdated policy increases uncertainty in planning, creates a risk of decisions being made on outdated considerations and compromises the credibility of policies. Inadequate upkeep of policy is in part a reflection of the large number of policies in planning schemes, some of which may be better addressed by other regulatory mechanisms.

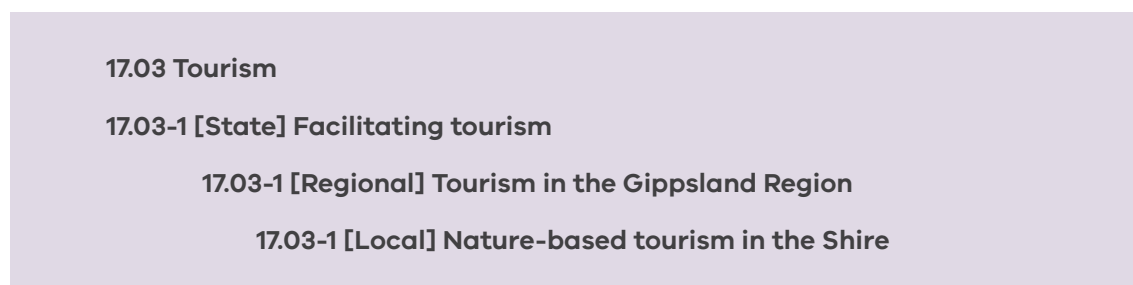
## The proposal

### Proposal 2.1 Integrate state, regional and local planning policy

It is proposed to merge the SPPF and LPPF into a single policy source called the Planning Policy Framework (PPF), with three levels of policy: state, regional and local.

The three levels of policy would be grouped by theme, with directly relevant regional and local policies 'nested' under the corresponding state planning policy if policy is in place at those levels. For example, a tourism policy would present as shown in Figure 3 below, with relevant nested policy appearing under each level heading.

*Figure 3: Three levels of policy*



Metropolitan and regional planning policy, presently set out in clauses 11.06 to 11.15 of the VPP, would be distinguished from state policy in the regional level of policy.

All regional and local planning policy would need to be derived from state planning policy.

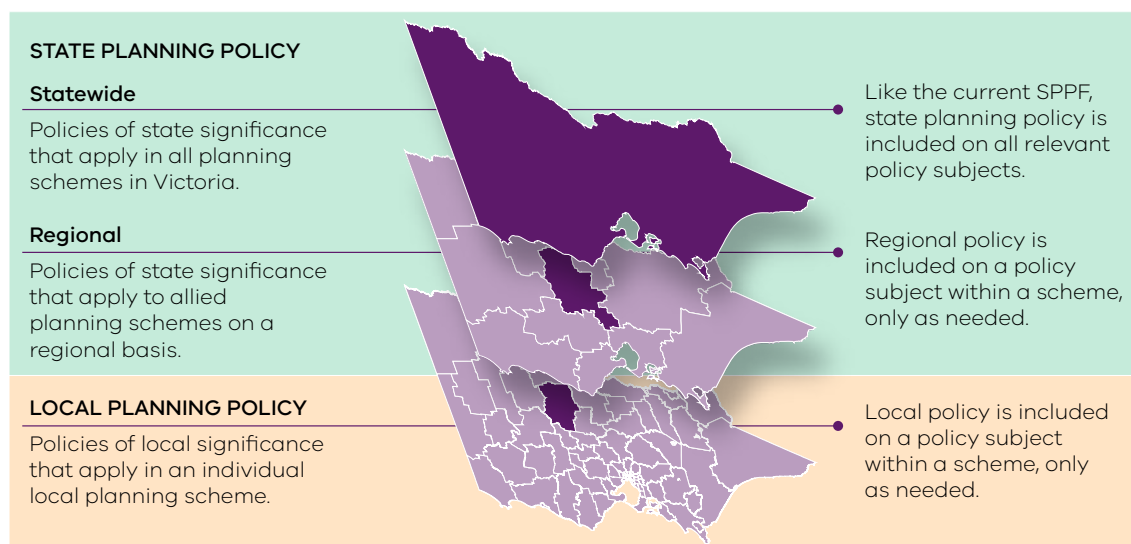
State policies would appear in every planning scheme, with the metropolitan and regional layers of planning policy for each of the nine state divisions (sourced from the metropolitan strategy and the eight regional growth plans) appearing only in the planning schemes to which they apply. The proposed concept is further explained in Figure 4.

To implement the new PPF, existing regional and local planning policies would need to be reviewed and appropriately redistributed under the relevant planning policy themes.

The proposal would also make the operational provisions of state, regional and local planning policy consistent in how each level of policy is applied. Presently Clause 10.03 and Clause 20 of the VPP require planning and responsible authorities to take account of and give effect to the SPPF, while the Municipal Strategic Statement (MSS) and local planning policies need only be taken into account.

To emphasise their equivalent importance, planning and responsible authorities would be required to uniformly take account of and give effect to all three tiers of policy. The proposed nested policy framework would also support a more consistent application of state and local planning policy.

*Figure 4: Integrated planning policy framework*



## Proposal 2.2 Simplify the Municipal Strategic Statement

A reformed PPF would start with a new 'municipal context and vision' that provides a concise description of the municipality and an overview of council's strategic planning direction. This would set the scene for the planning scheme and establish the policy basis. It would contain information specific to the municipality, such as location and regional context, history, assets and strengths, key attributes and influences.

Appropriate MSS content that is not included in the context and vision statement would be reviewed and integrated into the PPF. The concise format would ensure a more focused and direct message about a council's planning aspirations, strengthening that element of policy.

As with the MSS, the municipal context and vision would need to be regularly reviewed.

## Proposal 2.3 Expand policy themes

To ensure the PPF has the capacity to deliver policy intentions at state, regional and local levels, the existing SPPF thematic structure is to be updated.

The proposed thematic structure starts with a municipal context and vision and then a settlement policy that includes growth and place-based policy. This is followed by thematic-based policies, which are to be expanded by including additional policy themes to ensure appropriate existing and future local and regional planning policies are able to be included in the PPF.

In the PPF, the state-wide policy context is expressed through the policy themes. A planning scheme user would learn about what is important by observing the policy matters addressed in the PPF.

The proposed table of contents for the PPF framework is included in Appendix 1. The outcome of a range of other projects currently under way, including projects about affordable housing, animal industries, climate change, major hazard facilities and urban design may result in changes to the themes outlined in Appendix 1.

Some existing policies at the state and regional level may need to be recast to fit the new framework. For example, where a state policy and a regional policy are essentially equivalent, they may be standardised as a single state policy.

Any policy will also need to avoid including provisions that act as controls. These are properly implemented in appropriate zones, overlays or particular provisions, and their associated local schedules.

Based on the proposed PPF thematic framework and adjustments to various planning scheme schedule templates, local planning policy would be capable of being successfully translated into planning schemes without losing critical local content.

### Proposal 2.4 Create a clearer and simpler structure for policy making

A standard format is proposed for the PPF that generally follows the existing SPPF policy construction of objectives, strategies and policy guidelines, but with some key improvements.

Each level of policy (state, regional and local) may include an 'objective', 'strategies' and a new 'policy documents' section for each policy matter.

Local and regional planning policy need only include objectives where they expand on the corresponding state objective. They do not need to repeat the state planning policy objective.

At the local level, two new headings, 'policy application' and 'policy context', are proposed to ensure policy transparency. These local policy elements each have a specific purpose:

- *Policy application* explains where a policy is applied (such as policies that may only apply within a mapped area, in certain zones or for certain types of applications).
- *Policy context* gives a brief background to the issue that generated the local policy.

This format allows policy to achieve a logical expression of:

- where the policy applies
- the local issue
- what the policy intends to do to manage the issue and how it will be done.

The proposed policy structure provides a logical sequence of policy, that, together with the proposed nesting hierarchy, will ensure easier navigation.

The proposed policy composition and its application is summarised in the table on the following page.

Table 2: PPF policy composition

Policy element	Function of the policy element	State Planning Policy	Regional Planning Policy	Local Planning Policy
Policy application	Sets out where the local policy is applicable	x	x	○
Policy context	Explains the motive for the local policy	x	x	○
Objective	Sets out the aim of the policy	●	○	○
Strategies	Specifies how the policy is to be achieved	●	●	●
Policy documents	Refers to relevant policy documents, including:			
	- incorporated documents	○	○	○
	- background documents (relevant PPF clause hyperlinked to the document in an equivalent to the current Clause 81)	○	○	○
Maps	Presents a visual expression of policy or sets out where policy applies	○	○	○

Policy elements of the PPF shown: ● must be included ○ may be included if needed x must not be included

## Proposal 2.5 Set new rules and guidelines for writing policy

To ensure the new PPF delivers clearer and more effective planning policy, new policy rules of entry and new drafting rules are proposed.

Rules of entry would complement existing ministerial directions (including *Ministerial Direction No.11 Strategic Assessment of Amendments*) by setting out tests for whether a matter is appropriate for inclusion in the PPF.

The rules of entry would ensure, for instance, that a proposed policy has a land use or development focus and directly relates to a discretion in the planning scheme. These rules also seek to ensure that policy achieves the PPF's intended purpose and avoids taking on the role of other VPP provisions. For example, a policy should not:

- contain a control or prescriptive standards
- contain administrative matters such as referral requirements.

The drafting rules would ensure clear, concise and consistent policy making, including ensuring policy:

- follows a prescribed format
- is not duplicated or contradictory
- uses terminology consistent with the rest of the VPP.

The new rules would build on the existing *Planning Practice Note 8 - Writing a Local Planning Policy*. They could take the form of a ministerial direction or they could form part of the new VPP user manual discussed in Proposal 4.1.

To help councils integrate their LPPF into the new PPF, LPPF translation guidelines would be prepared to explain how the different elements of the LPPF can be translated into a new PPF.

## The benefits

The proposed PPF would promote greater policy certainty through:

- **Strengthened policy:** Local and state policy strengthen each other. Local policy is reinforced by flowing directly from a state and regional basis to supplement and amplify state policy at the local level. Each level of policy is then able to be considered equally by responsible and planning authorities.
- **Grouping policy:** Inconsistencies and repetitions between state and local planning policy would be removed by grouping policy by subject matter.
- **A more navigable and usable policy framework:** Providing users with a more logical sequence of policy through a nested format.
- **Tailored metropolitan and regional policy:** Only relevant metropolitan and regional policy would appear in each planning scheme. For example, Melbourne's metropolitan planning policy would only appear in relevant planning schemes.
- **Clarifying the status of policy documents:** Renaming reference documents to 'background documents' and listing them in a similar way to incorporated documents would better reflect their role in schemes and hyperlinking them will make them more accessible.
- **Easier policy review and updating:** Together, a more streamlined and nested policy framework and the new Planning Scheme Information Management System (PSIMS) technology would make regular review of policy more manageable.

## Considerations

The following issues would need to be considered in implementing these proposals:

- LPPF translations will require a work program in partnership with local government.
- Redrafting the LPPF into the new framework would require careful drafting to ensure local narrative is preserved, objectives and strategies are robust and critical content is retained.
- Given existing legislative requirements for the structure of planning schemes, legislation and transitional arrangements may be needed.
- Reformed PPF themes and subsequent LPPF translations to the new framework may involve some policy change, rather than being strictly policy-neutral.

## Discussion

Since the introduction of the VPP a number of reviews have identified the need to make planning policy more effective and to make local policy stronger.

The PPF seeks to address these issues by:

- consolidating state, regional and local policy into a single source so that policy is consistent and flows sequentially, allowing each level of policy to reinforce the other and promoting integrated decision making
- better aligning local policy and state policy to reduce repetition
- removing content from local policy that does not add value, so local policy more precisely targets the issues that affect decision making
- ensuring local policy focuses only on land use and development planning issues and matters that relate to the exercise of a planning discretion.

## 2

### TELL US MORE

- Are there any themes that should be added to the proposed PPF thematic framework — shown in Appendix 1 — to ensure that it covers all required policies?
- What else could be done to make planning policy easier to apply and understand?
- What will be needed to support transition to a new PPF format?



## Proposal 3: Assessment pathways for simple proposals

**Proposal 3.1:** Embed a VicSmart assessment pathway in appropriate particular provisions and overlay schedules

**Proposal 3.2:** Introduce new code-based assessment provisions for simple proposals to support small business, industry and homeowners

### The issue

#### Proportionality in assessing simple applications

One of the new principles for a modernised VPP is the need for proportionality in decision making. To achieve this a more streamlined assessment pathway is needed which is better aligned to the real assessment issues of a simple planning proposal.

The VPP currently applies a merit assessment pathway to all proposals that need a planning permit. While this pathway is appropriate for applications that raise strategic policy issues and require a balancing of competing policy objectives, it can be unnecessarily complex for simple applications. This lack of flexibility imposes a disproportionate regulatory burden on compliant proposals and diverts resources from processing those matters where wider discretion is appropriate.

VicSmart has achieved considerable progress in simplifying the merit assessment pathway for a range of simple permit applications. This has benefitted users in terms of both time and cost.

However, VicSmart continues to rely on a range of mostly qualitative, often subjective decision criteria and performance standards. This adds uncertainty in the short assessment timeline, when more objective performance standards might otherwise adequately address the planning risks associated with a proposal.

Also, while VicSmart enables councils to prescribe local VicSmart applications, few councils have done so.

*Plan Melbourne 2017-2050 (P.57)* recognises the problems associated with a standard merit assessment pathway for housing proposals and the potential for a streamlined or codified assessment process to facilitate important housing outcomes in strategic areas:

*Developments allowing more than a single dwelling can also be subject to lengthy assessment processes and appeals even if they are in areas where change is envisaged. Contested applications generally arise where performance-based requirements exist instead of clearer, more prescriptive requirements ...*

*A codified approval process will speed up decision making in defined locations and provide local governments, the community and the housing sector with greater certainty. If a proposal does not meet the set standards for codified approval, then a normal approval process would apply.*

The VicSmart provisions are currently located at the end of the VPP and planning schemes and are not integrated into the structure of the scheme. VicSmart also operates to isolate permit triggers on a clause-by-clause basis (for example, car parking reductions), rather than on a land use basis.

Often, small, simple proposals still require multiple permissions under different triggers, which may not all neatly fit into existing VicSmart classes even when a proposal is consistent with policy expectations (such as a small café in an existing high street shop).

There is opportunity to broaden the application of VicSmart by better integrating it into the VPP and evolving its operation to support more codified assessment pathways. A progression to more codified standards and provisions also provides the opportunity to better integrate the 'self-assess' and 'permit exempt' pathways as well.

Presently, most VPP and local provisions operate as a 'catch-all', triggering permits for all but the most minor of proposals. They provide little encouragement or opportunity to promote desired development or to define performance standards for development that need not be regulated.

Identifying more exempt and codifiable permit classes offers the potential to better focus the resources of the planning system where they are most needed.

## The proposal

### Proposal 3.1 Embed a VicSmart assessment pathway in appropriate particular provisions and overlay schedules

A revised structure and templates for appropriate particular provisions and overlay schedules is proposed to better integrate VicSmart with the rest of the VPP.

The particular provisions and overlay schedules would be restructured to clearly identify:

- exempt use and development
- VicSmart applications for use and development and relevant VicSmart codes or standards
- clearly articulated performance standards
- classes of applications that are exempt from notice and review
- use or development that is prohibited.

### Proposal 3.2 Introduce new code-based assessment provisions for simple proposals, to support small business, industry and homeowners

It is proposed to develop new codified assessment provisions for simple proposals:

- **Small café/restaurant standards** could package a basic set of approvals for the conversion of a building in an existing commercial centre to a café, where the proposal complies with pre-set criteria, such as a maximum seating capacity.

The basic approvals would likely cover car parking waiver/reduction, low-impact advertising signs, liquor licences and minor buildings and works. Further investigation may reveal the opportunity to incorporate approvals outside the planning system, such as a footpath occupancy permit and food handling permits.

- **Temporary retail or cultural activity standards** could facilitate the establishment of temporary 'pop up' retail and cultural activity uses in vacant spaces in commercial centres.
- **'Home occupation plus' or 'live/work unit' standards** could facilitate small home-based businesses and creative industries beyond the home occupation threshold in appropriate residential or mixed use locations. The UK and the US have live/work unit codes that could inform a Victorian model.
- **Secondary dwelling ('granny flat') standards** could apply to residentially zoned land where the secondary dwelling is in conjunction with an existing dwelling. NSW has code requirements in this area, which could be reviewed having regard to their practical implementation. In NSW, among other requirements, a secondary dwelling must be no more than 60 square metres in area, located on the same land as an existing dwelling and cannot be subdivided.
- **Small lot standards** could apply to a single dwelling on a lot less than 300 or 500 square metres. There are existing codes for greenfield development on small lots in Victoria (in growth areas) and in NSW that validate the concept and could likely provide a basis for developing a code with general applicability in Victoria.

Some single-issue technical responses to hazard or the environmental condition of land (for example, a building in a floodway with no other permit triggers) may be able to be codified in future, in conjunction with the relevant referral authority.

## The benefits

- **Simplicity:** Applicants would be clear on exactly what information needs to be provided with an application. There would be no opportunity for a decision maker to request information beyond what was set out in the provision. Information requirements would be tailored to address only the decision criteria.
- **Certainty and consistency:** Notification would not be required and there would be no third-party appeal rights. Objective and quantitative assessment criteria would be set out in detail in the provision and the decision-making process would be limited to a determination of whether the application complies with the standards.
- **Faster processing:** Notification of the application would not be required and the assessment process would be simplified through the quantitative standards.
- **Integration:** The expansion of the VicSmart process through the adoption of codified assessment standards would complement the better integration of VicSmart procedures into the rest of the VPP.

## Considerations

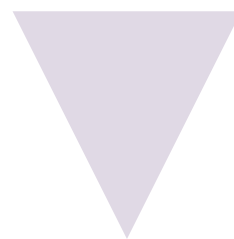
The following issues would need to be considered in implementing these proposals:

- It is possible that, upon further review, some code-assessable applications would be better made exempt, and removed entirely from the need for assessment.
- Increasing the number of VicSmart applications may have operational impacts for councils by increasing the number of applications that need to be decided in a short timeframe.
- Integrating VicSmart procedures directly into the particular provisions and overlays would need a program of work to draft, translate and test proposed provisions in partnership with local government.
- Introducing changes to assessment requirements will require guidance and information to assist users during transition.
- To enable the VicSmart process to be applied to more complex proposals, it may be necessary to consider introducing an additional, longer VicSmart assessment timeframe (for example, 20 to 30 days) for specified classes of more complex application, to more realistically enable appropriate assessment.

## Discussion

*A Leading Practice Model For Development Assessment In Australia* (Development Assessment Forum, March 2005) specifies that a code assessable application would:

- involve assessment against objective and quantitative criteria and performance standards
- not require assessment against competing policy objectives
- concern a proposal of a lower scale and expenditure
- be expected to only pose impacts that are within accepted parameters, so it does not require third party input
- always result in a permit subject to standard conditions, provided the code requirements are shown to be met.



A number of jurisdictions in Australia have a code assessment pathway in their planning systems. For example:

- New South Wales has 'complying development'. Where a development satisfies the relevant code, a 'Complying Development Certificate' must be issued either by a council or accredited certifier. Where a development does not comply with the code it moves to merit assessment.
- Queensland has 'code assessment' or 'bounded code assessment'. A permit must be issued where a development satisfies the code.

In Victoria, the VicSmart process provides the ability for a planning scheme to confine the assessment of certain classes of permit application to a specified set of criteria. VicSmart therefore provides an ability to focus the discretion of a decision maker on considering whether an objective set of criteria (a code) are met, and enables a code assessment pathway.

To establish a code assessment pathway, it is necessary to identify classes of application that already display or could display, the five characteristics noted above. Some particular provisions have 'code-like' provisions already and could be repackaged for codified assessment.

*Plan Melbourne 2017-2050* has identified important housing outcomes that would benefit from a codified assessment pathway. The Department of Economic Development, Jobs, Transport and Resources' Small Business Regulation Review has also identified the need for simplified assessment to reduce costs and delays for small business.

Where the code is not entirely satisfied, the VicSmart pathway would not apply and the application would be assessed under the normal merit assess pathway.

Figure 5 shows how the assessment of a small-scale café/restaurant could be simplified by a code-based particular provision.

In addition to the creation of code-based VicSmart particular provisions, the existing VicSmart classes would benefit from better integration into the rest of the VPP. Given their narrow subject matter, particular provisions and some overlays present an opportunity to create comprehensive planning provisions that do not require a user to search for other controls in the planning scheme by also setting out exempt development, notice and appeal exemptions and prohibited development relevant to the particular matter.

### 3

#### TELL US MORE

- What other matters do you think are suitable for code-based assessment?

Figure 5: Comparison between merit assess and code assess

## Existing pathway: permit in 60 days

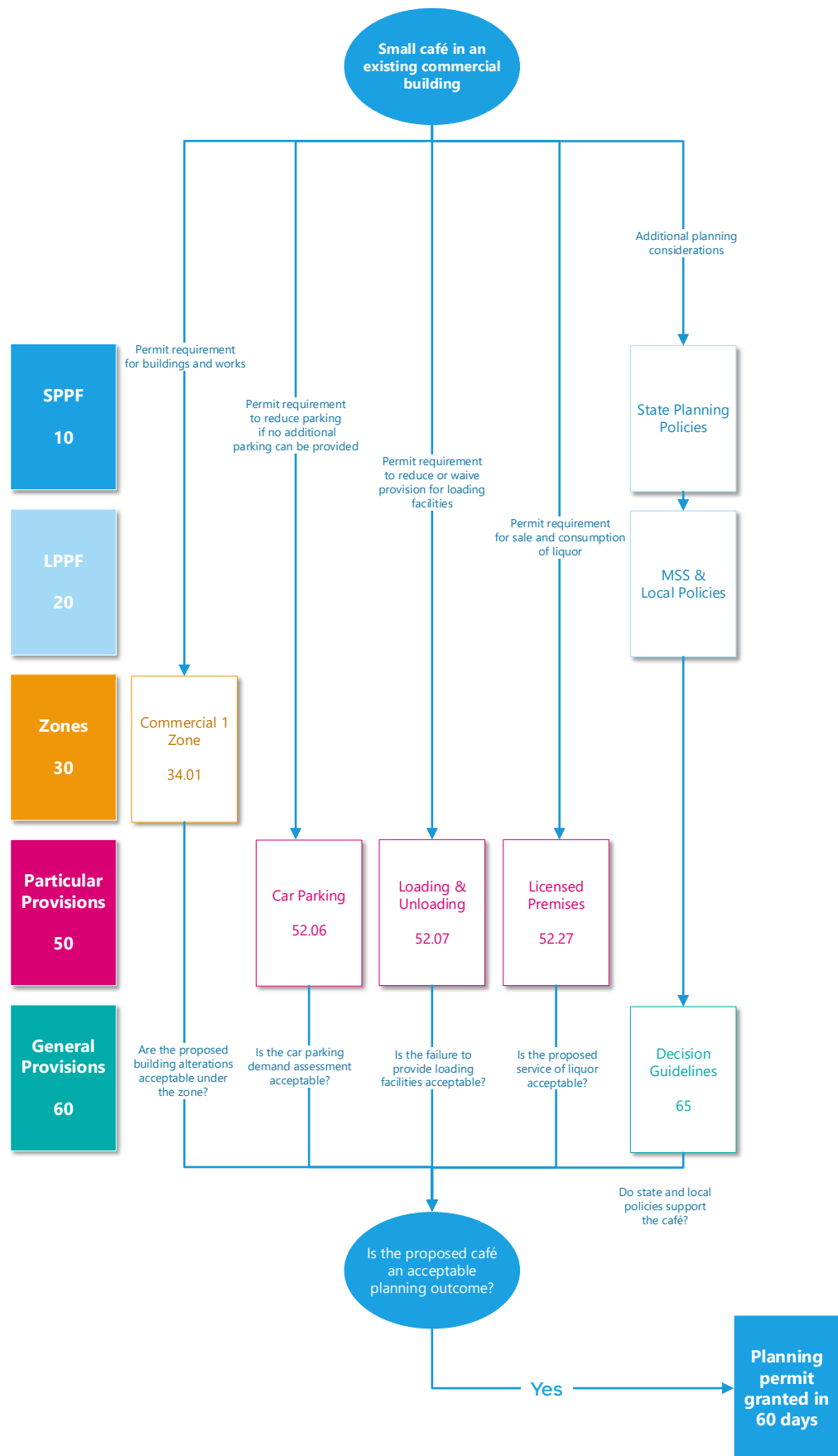
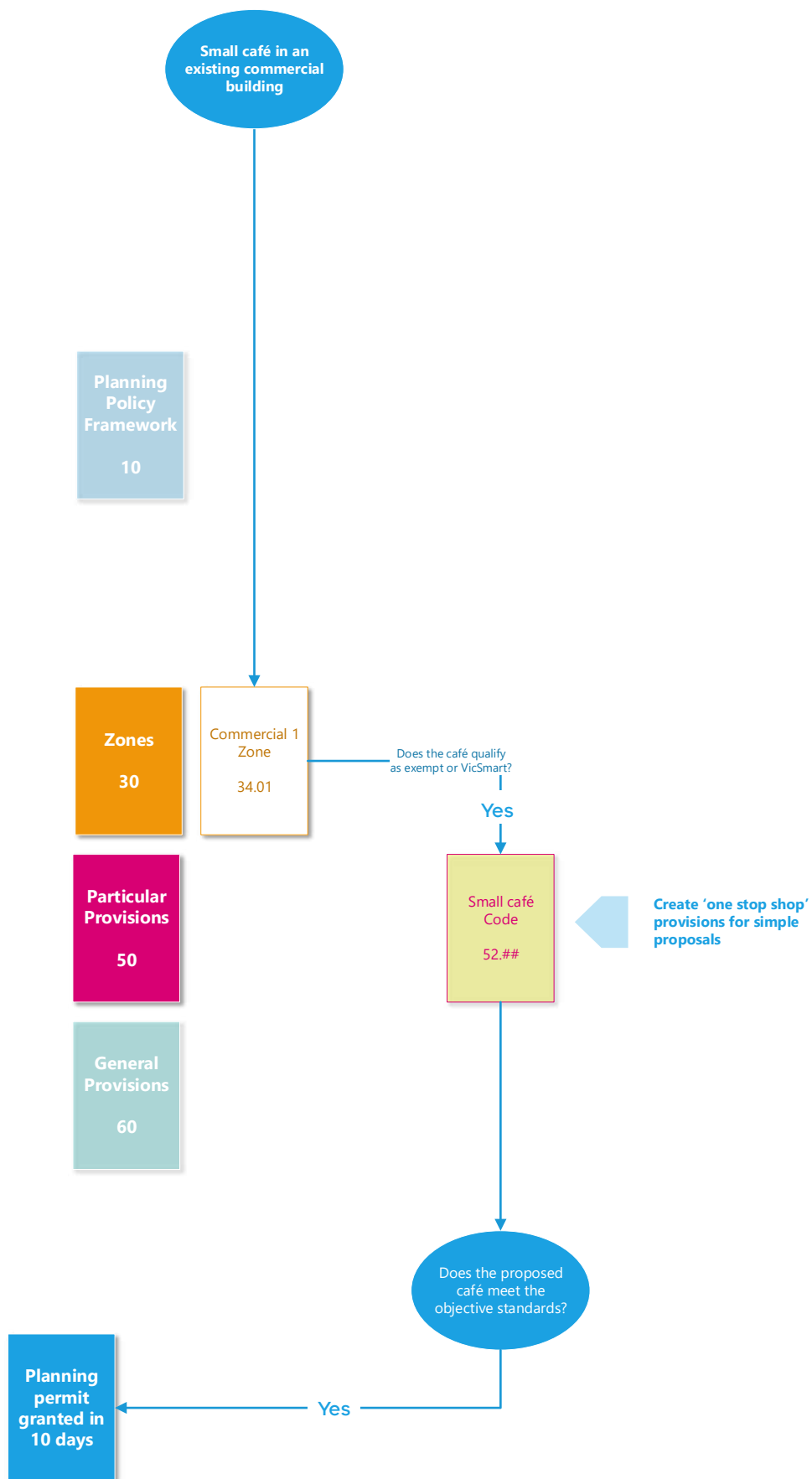


Figure 5: Comparison between merit assess and code assess (cont.)

**Proposed codified pathway: permit in 10 days**





## Proposal 4: Smarter planning scheme drafting

**Proposal 4.1:** Create a new VPP user manual

**Proposal 4.2:** Establish a business unit dedicated to VPP and planning scheme amendment drafting

**Proposal 4.3:** Create an online Victorian planning library

### The issue

#### The importance of clear and effective planning schemes

The Victorian planning system is an important interface between government and the community, generating around 57,000 permit applications each year as well as many public interactions and enquiries from stakeholders.

Since VPP format planning schemes were introduced, planning schemes have grown considerably in size and complexity.

Victorian planning schemes currently include:

- 798 local policies
- 448 residential zone schedules
- 627 environment and landscape schedules
- 797 design and development overlay schedules
- 651 development plan overlay schedules.

In particular, overlay schedules vary considerably in length, complexity and content between planning schemes. Often, the length and complexity of provisions can limit their effectiveness and usability.

Unlike some other jurisdictions, in Victoria any council or person can draft a proposed planning scheme provision, so there is significant variability in the drafting quality of provisions.

Common drafting problems that affect the usability of planning schemes include:

- ambiguously drafted provisions that make it difficult for users to clearly distinguish mandatory from non-mandatory provisions
- poorly drafted permit triggers that do not clearly define what needs a planning permit
- using customised definitions in schedules, when only standard concepts or defined terms should be used (for example, methods for measuring the size of trees and their protection zones)
- lack of clearly expressed performance standards connected to planning objectives

- limited permit exemptions where more exempt development could have been allowed
- excessive reference to and reliance on background documents that do not form part of the planning scheme.

Many of these problems can be avoided by the use of clear rules and better templates for the drafting and application of the VPP and local provisions.

The *Manual for the Victoria Planning Provisions 1997* (P.242) was prepared to guide the proper use of the VPP. Its value was recognised by the VPP Advisory Committee at the time:

*The Manual, in its present form, has been designed to assist councils and others preparing new format planning schemes based on the VPP. Once this task is complete, there will still remain a need for a manual which will assist in understanding the way in which planning schemes using the VPP work and the way in which the VPP are intended to operate.*

Despite its potential ongoing value, the manual has never been updated and currently refers to provisions that no longer exist. While there are many practice notes for the VPP, these often combine content intended for different stakeholders and are not packaged in an integrated format.

### **From paper to database-driven planning schemes – better access to planning information**

While technology and the internet have transformed the way users access planning schemes and planning information, the VPP and planning schemes are still stored and processed in a PDF or document-based format.

Due to the way planning scheme provisions are drafted, there is currently limited scope for future online platforms to process planning scheme provisions in a manner that would respond to user queries, such as: ‘Do I need a planning permit?’

Through the development of PSIMS, the first steps have been taken to implement a digital repository for the state’s planning schemes. This will allow amendments to be prepared, checked, approved and published electronically. Users will also be able to access and search planning schemes more easily.

However, until the VPP and local provisions are structured and drafted in a consistent and ‘codeable’ manner, there is no opportunity to change the way users access the ‘front-end’ of planning schemes.

If planning scheme users want a future that includes being able to access planning scheme information through a responsive digital platform, then changes are needed to how provisions are structured, drafted and interact.

By reverse engineering the desired user experience (such as an online portal that can determine whether you need a planning permit), it is possible to identify the changes needed and lay the foundations for a digital future. This can be achieved through better business rules and protocols for constructing planning schemes and storing planning scheme information.

## The proposal

### Proposal 4.1 Create a new VPP user manual

It is proposed to develop a new VPP user manual that includes business rules for the drafting and application of planning scheme provisions, with a focus on ensuring that:

- permit triggers are clearly and objectively expressed, evidence-based and relevant to the planning outcomes sought
- provisions are consistently and appropriately applied
- local provisions are clearly and consistently structured and drafted, and consistent with the state provisions
- where a proposed use or development is subject to discretion, performance standards are clearly articulated wherever possible, so that a user can determine when their proposal will be acceptable
- the structure and drafting of planning scheme provisions are optimised for processing and access via digital platforms, according to user queries.

A new VPP user manual could be electronically integrated with the necessary templates and the *Ministerial Direction on the Form and Content of Planning Schemes*.

The business rules would also be 'hard-wired' into the PSIMS online amendment system.

### Proposal 4.2 Establish a business unit dedicated to VPP and planning scheme amendment drafting

It is proposed to establish a business unit in DELWP that is a 'centre of excellence', dedicated to protecting the integrity and usability of the VPP and planning schemes through:

- the ongoing development and review of business rules for the drafting and application of VPP and local provisions
- receiving drafting instructions from councils and others, and preparing proposed planning provisions and amendments in accordance with the VPP business rules
- ensuring that any proposed planning scheme amendment is prepared in accordance with the VPP user manual and relevant ministerial directions.

Units in the DELWP Planning Group already do this work to some extent, but this role can be more formalised and strengthened. The model of centralised document preparation has already been successfully applied to the preparation of planning scheme amendment maps.

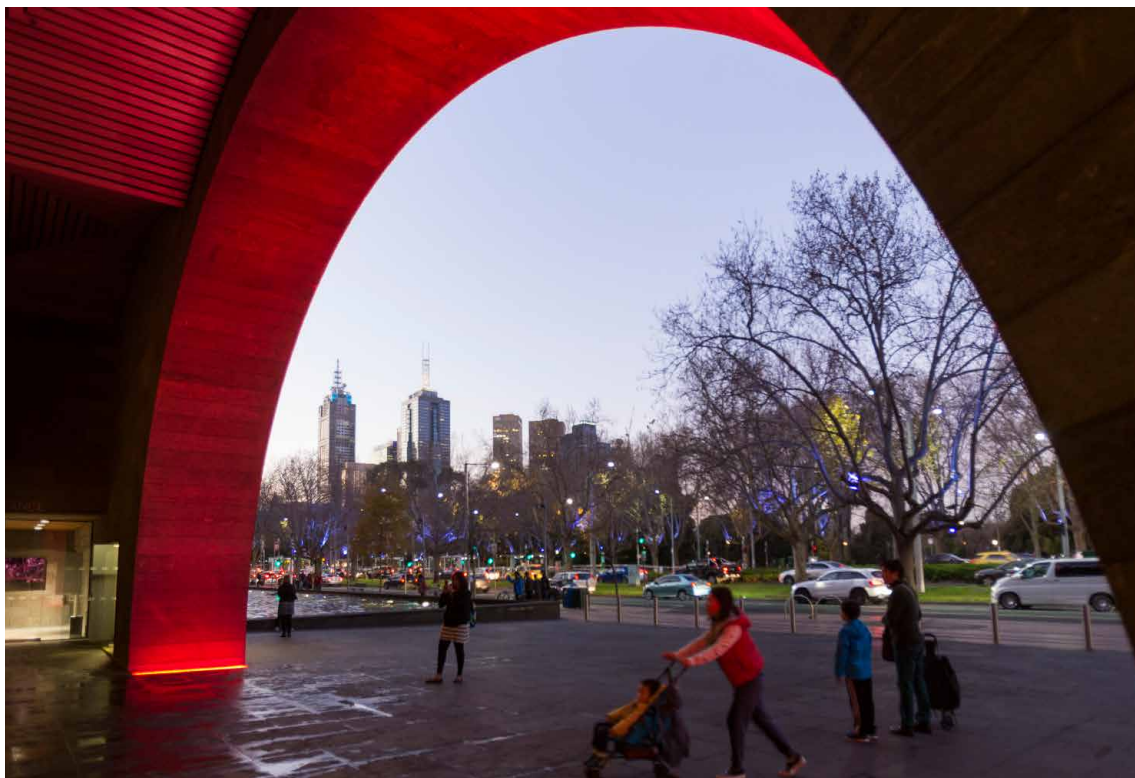
### Proposal 4.3 Create an online Victorian planning library

A single, comprehensive online repository of all planning documents necessary for the efficient operation of the planning system is proposed. This would provide significant efficiencies to all planning system users as it would provide immediate access to the correct versions of the many documents that affect planning decision making.

The library could include:

- incorporated documents
- approved development plans
- background / reference documents
- important historic planning documents
- heritage citations informing the Heritage Overlay.

Creating a single reference library would also create the opportunity to integrate those documents with PSIMS. A document in a planning scheme could be hyperlinked and directly accessible to users as they read and seek to apply planning scheme provisions.



## The benefits

### Enabling more effective and consistent planning schemes

The establishment of clear business rules for the drafting of planning scheme provisions would deliver more effective and usable planning schemes and better planning outcomes.

Similar to the role that the Office of Parliamentary Counsel plays in relation to legislation, public officers dedicated to daily drafting of planning scheme provisions, together with clear business rules, would ensure that planning scheme provisions are:

- legally effective and readily understandable
- consistent with the VPP drafting business rules and ministerial directions
- more effective at implementing the relevant state and local policies that form the basis of the control
- consistent with plain-English principles
- consistently and equitably applied across the state.

A central drafting unit would provide DELWP regional offices and smaller rural councils with access to skills and resources that are not otherwise readily available and act as a training unit for developing and transferring statutory drafting skills.

Implementing a consistent approach to the structuring and drafting of planning scheme provisions is an essential first step towards a more digital planning information future.

### More accessible, codeable and digitally compatible planning schemes

Improving the digital accessibility of planning scheme information would have many benefits, including:

- the ability to process planning information according to user queries, not just by clause or page number
- the future potential for users to access planning scheme information using responsive digital platforms, which would reduce the burden on local government to respond to planning information requests
- improved access to planning information, increasing the transparency and accessibility of planning schemes, and promoting faster assessment and decisions.

## Considerations

The following issues would need to be considered in implementing these proposals:

- The establishment of a planning scheme drafting unit in DELWP would require reallocation of existing resources within the Planning Group, and may require some additional resources. Different funding models would need to be examined to ensure adequate resourcing. However, investing effort in the initial drafting is likely to reduce demand on resources and speed up decision making later in the amendment process.
- The success of the planning scheme drafting unit would depend on staff having appropriate levels of skills in statutory drafting, which may need to be supported with ongoing professional development.
- The implementation of new business rules would more tightly prescribe the manner in which local provisions may be drafted.

## Discussion

While these initiatives may require the allocation of additional resources, particularly to establish the business rules and the library, they would result in significant efficiency gains for councils and stakeholders, including through:

- more focused planning controls that only regulate development with the potential to impact on planning objectives, improving the assessment of all proposals
- a reduction in the cost of resolving disputes over interpretation or application of planning provisions
- clearer controls that can be more efficiently explained and accessed through future digital interfaces.

There may be some loss of flexibility in the drafting of local provisions, however more concise and precisely expressed planning controls can only improve their effectiveness.

# 4

## TELL US MORE

- **What are the key matters you think a VPP user manual should include?**
- **What planning documents or information do you think should be included in a Victorian planning library?**
- **Are there other ways the drafting and consistency of planning scheme provisions could be improved?**



## Proposal 5: Improve specific provisions

**Proposal 5.1:** Improvements to specific provisions

**Proposal 5.2:** Update the Definitions section of the VPP

**Proposal 5.3:** Regularly review and monitor the VPP

### The issue

#### Too many minor matters require a planning permit

The VPP catches a wide variety of matters that are minor and pose little risk to the surrounding community, yet still require a planning permit. Planning permits are issued for some minor applications as a matter of routine, which questions the need for a planning permit in the first place.

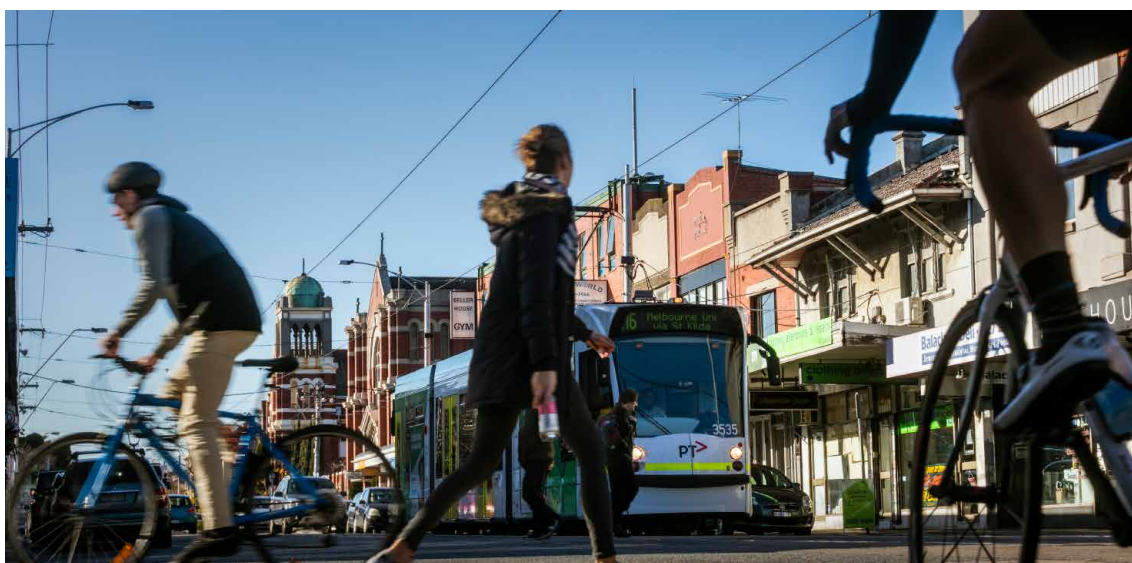
While VicSmart has helped to fast track many minor matters, and while the VPP do already provide a range of land use, subdivision and building and works exemptions, there remain a number of minor matters that arguably do not need to be regulated by the planning system.

#### Document references are out of date

The VPP refers to many incorporated and reference documents. Over time, these documents can be withdrawn, updated or replaced. Unless the VPP is updated concurrently, the corresponding VPP clauses can become outdated. Maintaining legal reference to an out of date version creates unnecessary and time-consuming consideration about the relevancy and weight of the document.

#### Monitoring and review of the VPP is not systematic

The wide scope of the VPP, coupled with its dynamic nature, mean that close monitoring and review are critical to its ongoing relevance. Irregularities in the VPP inhibit its clarity and usability.





## The proposal

### Proposal 5.1 Improvements to specific provisions

Appendix 2 outlines a list of potential improvements to specific VPP and related provisions that have been identified through the Smart Planning consultation program and previous reviews (see Appendix 3). The proposals generally address one or more of the following objectives:

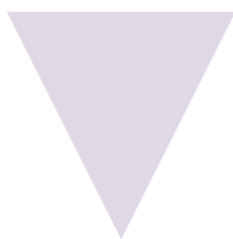
- add new, or expand existing, buildings and works exemptions in certain provisions
- make more permit-required land uses 'as of right' where the use is consistent with the purpose of the zone (in combination with increased use of conditions, where appropriate)
- make prohibited land uses permit-required uses where consistent with the purpose of the zone (in combination with increased use of conditions, where appropriate)
- reduce referral requirements where possible
- remove or amalgamate zones and overlays where purposes are duplicated or where need has changed
- clarify common points of confusion and complexity, remove duplication and ensure consistency
- correct anomalies, update references, and improve readability and usability.

### Proposal 5.2 Update the definitions section of the VPP

A key component of the proposed improvements to specific provisions is improving definitions.

This includes reviewing the VPP land use terms and definitions and associated treatment in the land use tables, with the objective to:

- increase use of everyday terms that the community understands
- remove or modernise obsolete terms and provide for new or emerging land uses
- distinguish between similar land uses where treated differently in land use tables
- remove unnecessarily specific terms and broaden terms, where appropriate
- provide definitions for undefined terms where appropriate (except for terms that are sufficiently captured by an ordinary dictionary meaning or defined in the Act).



### Proposal 5.3 Regularly review and monitor the VPP

It is proposed to establish a process for ongoing reporting of VPP correction and reform suggestions. DELWP would maintain a register of reforms underway online, with each reform suggestion given an approximate timeline for decision. This may be the responsibility of the drafting unit (see Proposal 4.2).

The system could include an ability for Victorian Civil and Administrative Tribunal (VCAT) and Planning Panels Victoria members to flag decisions and reports that recommend VPP change.

### The benefits

- **Better planning outcomes:** A greater focus on the applications that impact on people and the environment would lead to better decisions. This would bring about liveability benefits and help improve living and working conditions for all Victorians.
- **Fewer planning permit requirements and more exemptions:** This would result in a reduced resource burden on councils, referral authorities and VCAT, allowing them to focus on more significant applications and matters where resources yield greater benefit. Where planning permits may still be required due to other permit triggers, these applications would become simpler and narrower in scope, with fewer application requirements.
- **Faster processing times:** Under the proposed reforms there would be a reduced resource burden on councils and fewer referral requirements. Other proposed reforms that simplify drafting and remove complexity would also help reduce application processing times.
- **Greater confidence in the planning system through improved accessibility and clarity of information:** Initiatives that improve access to documents and help demystify the planning process (such as using everyday terms and clearer definitions) would also increase confidence. Removing inconsistencies, duplications and anomalies, and updating references will make it easier for all users to understand the content.
- **Greater support for current policy priorities:** Specific improvements to provisions can help support start-ups and small business, cultural activity and employment.

### Considerations

The following issues would need to be considered in implementing these proposals:

- a broad range of proposals have been identified that would require significant effort at both state and council level to implement agreed changes
- reforms would need to be supported by preparing new guidance material and training for users.

## Discussion

The number of proposed reforms means the scale of this task is significant. A prioritisation exercise would need to be undertaken.

The benefits of simplifying the VPP, particularly a reduction in planning permit triggers, would have major benefit for all users.

5

### TELL US MORE

To respond to Appendix 2 or provide feedback on any of these reforms please visit [www.engage.vic.gov.au/reform-victoria-planning-provisions](http://www.engage.vic.gov.au/reform-victoria-planning-provisions)



# Appendix 1: Proposed PPF thematic framework

To ensure the PPF has the capacity to deliver policy intentions at state, regional and local levels, the existing SPPF thematic structure is proposed to be expanded and revised.

Operational provisions in Clause 9 and 10 of the existing SPPF would be relocated to the General Provisions. Existing metropolitan and regional planning policy in clauses 11.06 to 11.15 would be redistributed thematically.

Some existing LPPF content may be unsuitable for the new PPF, but better placed within a zone, overlay or particular provision. To cater for these situations, some VPP provisions or planning scheme schedules may be expanded to take in this content.

An expanded set of PPF policy themes and planning scheme schedule templates will help address existing regional and local planning policy matters, such as:

- place-based policy
- advertising signs
- design for regional and rural areas
- lakes and wetlands
- amenity (including non-residential uses in residential zones and other interface issues)
- climate change
- non-renewable energy supply
- diversification of employment.

Other policy at the local level generally fits within existing state planning policy themes, but existing state strategies need to be expanded to create an association for local planning policy to connect to. These include matters such as:

- animal keeping
- water-based transport
- sealing of roads
- dams
- design of industrial areas
- accommodation uses (such as student housing)
- caretakers' dwellings
- display homes
- tourism in regional Victoria.

To see the proposed changes made to the table of contents, refer to the document in the Engage Victoria website [www.engage.vic.gov.au/reform-victoria-planning-provisions](http://www.engage.vic.gov.au/reform-victoria-planning-provisions).

# Planning policy framework – proposed table of contents

Clause no.	Clause title
<b>10</b>	<b>Context and vision</b>
<b>10.01</b>	<b>Municipal context</b>
<b>10.02</b>	<b>Municipal vision</b>
<b>10.03</b>	<b>Municipal Strategic Framework Plan</b>
<b>11</b>	<b>Settlement</b>
<b>11.01</b>	<b>Victoria</b>
11.01-1	Settlement networks
11.01-2	Victoria Settlement Framework
<b>11.02</b>	<b>Urban growth</b>
11.02-1	Supply of urban land
11.02-2	Structure planning
11.02-3	Planning for growth areas
11.02-4	Peri-urban areas
11.02-5	Sequencing of development
<b>11.03</b>	<b>Planning for places</b>
11.03-1	Activity centre network
11.03-2	Activity centre planning
11.03-3	Settlements
11.03-4	Neighbourhoods
11.03-5	Local places
<b>11.04</b>	<b>Planning for areas of state significance</b>
11.04-1	Coastal settlement
11.04-2	Alpine areas
11.04-3	The Great Ocean Road region
11.04-4	Green wedges
11.04-5	Distinctive areas and landscapes
<b>12</b>	<b>Environmental and landscape values</b>
<b>12.01</b>	<b>Biodiversity</b>
12.01-1	Protection of biodiversity
12.01-2	Native vegetation management
<b>12.02</b>	<b>Coastal areas</b>
12.02-1	Protection of coastal areas
12.02-2	Appropriate development of coastal areas
12.02-3	Coastal Crown land
12.02-4	Bays
<b>12.03</b>	<b>Waterways and water bodies</b>
12.03-1	River corridors

Clause no.	Clause title
12.03-2	Yarra River protection
12.03-3	Lakes and wetlands
<b>12.04</b>	<b>Alpine areas</b>
12.04-1	Framework for planning alpine resorts
12.04-2	Sustainable development in alpine areas
<b>12.05</b>	<b>Significant environments and landscapes</b>
12.05-1	Environmentally sensitive areas
12.05-2	Landscapes
<b>13</b>	<b>Environmental risks and amenity</b>
<b>13.01</b>	<b>Climate change impacts</b>
13.01-1	Climate change and natural hazards
13.01-2	Coastal inundation and erosion
<b>13.02</b>	<b>Bushfire</b>
13.02-1	Bushfire planning strategies and principles
<b>13.03</b>	<b>Floodplains</b>
13.03-1	Floodplain management
<b>13.04</b>	<b>Soil degradation</b>
13.04-1	Use of contaminated and potentially contaminated land
13.04-2	Erosion and landslip
13.04-3	Salinity
<b>13.05</b>	<b>Air quality</b>
<b>13.06</b>	<b>Amenity</b>
13.06-1	Amenity
13.06-2	Noise abatement
<b>14</b>	<b>Natural resource management</b>
<b>14.01</b>	<b>Agriculture</b>
14.01-1	Protection of agricultural land
14.01-2	Sustainable agricultural land use
14.01-3	Forestry and timber production
<b>14.02</b>	<b>Water</b>
14.02-1	Catchment planning and management
14.02-2	Water quality
14.02-3	Water conservation
<b>14.03</b>	<b>Resource exploration and extraction</b>
<b>15</b>	<b>Built environment and heritage</b>
<b>15.01</b>	<b>Urban environment</b>

Clause no.	Clause title
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15.01-2	Urban design principles
15.01-3	Design for rural areas
15.01-4	Neighbourhood and subdivision design
15.01-5	Design for safety
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15.01-7	Healthy neighbourhoods
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15.02-1	Energy and resource efficiency
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15.03-1	Heritage conservation
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<b>16.01</b>	<b>Residential development</b>
16.01-1	Integrated housing
16.01-2	Location of residential development
16.01-3	Housing diversity
16.01-4	Housing affordability
16.01-5	Rural residential development
16.01-6	Crisis accommodation and community care units
16.01-7	Residential aged care facilities
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<b>17.01</b>	<b>Diversified economy</b>
17.01-1	Employment
17.01-2	Innovation and research
<b>17.02</b>	<b>Commercial</b>
17.02-1	Business
17.02-2	Out-of-centre development
<b>17.03</b>	<b>Industry</b>
17.03-1	Industrial land supply
17.03-2	Siting of industrial development
17.03-3	State significant industrial precincts
<b>17.04</b>	<b>Tourism</b>
17.04-1	Facilitating tourism
17.04-2	Coastal and maritime tourism

Clause no.	Clause title
<b>18</b>	<b>Transport</b>
<b>18.01</b>	<b>Integrated transport</b>
18.01-1	Land use and transport planning
18.01-2	Transport system
<b>18.02</b>	<b>Movement networks</b>
18.02-1	Sustainable personal transport
18.02-2	Cycling
18.02-3	Public transport
18.02-4	Road system
18.02-5	Car parking
<b>18.03</b>	<b>Ports</b>
18.03-1	Planning for ports
18.03-2	Planning for port environs
<b>18.04</b>	<b>Airports</b>
18.04-1	Planning for airports
18.04-2	Planning for airfields
<b>18.05</b>	<b>Freight</b>
18.05-1	Freight links
<b>19</b>	<b>Infrastructure</b>
<b>19.01</b>	<b>Energy</b>
19.01-1	Energy supply
19.01-2	Renewable energy
<b>19.02</b>	<b>Community infrastructure</b>
19.02-1	Health facilities
19.02-2	Education facilities
19.02-3	Cultural facilities
19.02-4	Emergency services
19.02-5	Open space
19.02-6	Distribution of social and cultural infrastructure
<b>19.03</b>	<b>Development infrastructure</b>
19.03-1	Development contribution plans
19.03-2	Water supply, sewage and drainage
19.03-3	Stormwater
19.03-4	Telecommunications
19.03-5	Waste and resource recovery
19.03-6	Pipeline infrastructure
19.03-7	Survey infrastructure



## Appendix 2: Possible reforms of specific provisions

### Ideas for discussion

The following reforms to specific provisions have been identified through preliminary assessment and consultation, including through the VPP online survey undertaken in July 2017.

Feedback is sought on these proposals and which should be prioritised for short term implementation. They may be implemented by Smart Planning or by other parts of DELWP, and some may be suitable for consideration by an advisory committee.

The size, complexity and scope of these ideas mean implementation would occur over the long term.

Visit [www.engage.vic.gov.au/reform-victoria-planning-provisions](http://www.engage.vic.gov.au/reform-victoria-planning-provisions) to provide feedback on any, or all, reform proposals.

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ID. No.	Clause No.	Name	Modification	Justification
<b>ZONES</b>				
1	30	All zone schedules	<p>Review all zone schedules having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Enhance the Ministerial Direction – The Form and Content of Planning Schemes to limit structural modifications (such as to headings and order, etc) and ensure consistency across the VPP</li> <li>b) Ensure the distinction between the state and local clauses remains clear.</li> </ul>	<p>Maintaining consistency throughout the VPP and across various council planning schemes would increase certainty for applicants, reduce confusion, and maintain a reliable assessment framework. Local variations should occur within strong parameters to ensure consistency with the purpose and powers of the VPP parent provision, and reduce structural inconsistency between schedules across the state.</p> <p>Digitisation of planning scheme content and the amendment process (PSIMS) would assist in ensuring a consistent structure for schedules.</p>
2	30	All zones	<p>Review zones having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Rename zones from being numerical (for example, 'Industrial 1 Zone') to being descriptive and adopting everyday words, such as used for the residential zones</li> <li>b) Examine the role and function of the following zones to establish whether they can be replaced with other VPP tools (such as the Mixed Use Zone or the Commercial 1 Zone and an Incorporated Plan Overlay or Development Plan Overlay), or amalgamate the following zones into a single zone that can be tailored to reflect local circumstances: <ul style="list-style-type: none"> <li>i. Priority Development Zone</li> <li>ii. Activity Centre Zone</li> </ul> </li> <li>c) Create consistency in use of phrasing where a common meaning applies (such as the phrases 'generally in accordance with', 'generally consistent with' and 'in accordance with').</li> </ul>	<p>These reforms are designed to improve the usability and clarity of the VPP, through renaming zones so that they better correspond to their purpose, removing unnecessary zones with more targeted controls, and using consistent terminology to limit common points of confusion.</p>

ID. No.	Clause No.	Name	Modification	Justification
3	32	All Residential Zones	<p>Review residential zones having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Make single dwellings on lots greater than 300sqm exempt from a planning permit by lowering the threshold for a permit from 500 to 300sqm (they are already exempt on lots greater than 500sqm), relying on the building code to address siting and design issues</li> <li>b) Make 'Childcare Centre' a Section 1 (as of right) land use within the Residential Growth Zone, subject to conditions, such as relating to size</li> <li>c) Redraft the following phrase used uniquely in the residential zones as a permit trigger: 'construction and extension of ...' and adopt the more commonly used 'to construct a building or construct and carry out works...' to create consistency with other zones.</li> </ul>	<p>The proposed modifications seek to improve the consistency of provisions, remove unnecessary permit triggers and allow for more as of right land uses in residential areas.</p> <p>The package of single dwelling provisions, including Rescode in the VPP and Part 4 of the Building Regulations work together to regulate single dwellings. Relying on the building system to regulate single dwellings (except where an overlay applies) would reduce regulatory burden, and assist homeowners, whilst protecting local amenity through its siting and design provisions. Existing overlays would continue to trigger planning permits where special circumstances apply, such as heritage areas.</p>
4	32.04	Mixed Use Zone	<p>Review the Mixed Use Zone having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Make more commercial uses in the Mixed Use Zone Section 1 (as of right) land uses where they are low impact, subject to conditions</li> <li>b) Make 'Manufacturing Sales' a Section 1 (as of right) land use with a condition relating to floor area size to support the establishment of small 'makers' and creative industries</li> <li>c) Make 'Childcare Centre' a Section 1 (as of right) land use, subject to conditions, such as relating to size.</li> </ul>	<p>Providing a greater range of land use exemptions (subject to conditions) in the Mixed Use Zone would facilitate commercial and community-focused activity and streamline the planning application process for applicants. Floor area caps would ensure the beneficiaries of these changes are predominantly small-scale businesses. It is important to ensure the planning system does not unnecessarily burden new small business with costs and timeframes which may be prohibitive and disproportionate.</p>

ID. No.	Clause No.	Name	Modification	Justification
5	33.01	Industrial 1 Zone	<p>Review the Industrial 1 Zone having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Make 'Motor Repairs' a Section 1 (as of right) land use with the standard condition relating to distance to a residential zone</li> <li>b) Make 'Convenience Shop' a Section 1 (as of right) land use.</li> </ul>	<p>Making 'Motor Repairs' a Section 1 (as of right) land use would allow these uses to locate in areas with limited potential for amenity impacts.</p> <p>Making 'Convenience Shop' a Section 1 land use in the Industrial 1 Zone would facilitate small business activity and allow uses that improve the amenity of these areas by providing day to day services for workers</p>
6	33.03	Industrial 3 Zone	<p>Review the Industrial 3 Zone having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Make 'Motor Repairs' a Section 1 (as of right) land use with the standard condition relating to distance to a residential zone</li> <li>b) Make 'Office' a Section 1 (as of right) land use subject to maximum floor area requirements</li> <li>c) Make 'Indoor Recreation Facility' and 'Take Away Food Premises' Section 1 (as of right) land uses.</li> </ul>	<p>Making 'Office', 'Indoor Recreation Facility' and 'Take Away Food Premises' Section 1 land uses in the Industrial 3 Zone would facilitate small business activity, provide services for workers and allow for uses that contribute to economic growth without compromising the 'buffer' function of the zone. Conditions on the maximum floor area of 'Office' uses are designed to ensure that the zone does not become a de facto commercial precinct.</p> <p>Making 'Motor Vehicle Repairs' a Section 1 (as of right) land use would allow these uses to locate in areas with limited potential for amenity impacts.</p>
7	34.02	Commercial 2 Zone	<p>Review the Commercial 2 Zone having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Make 'Convenience Restaurant' a Section 1 (as of right) land use</li> <li>b) Make 'Manufacturing Sales' a Section 1 (as of right) land use to support the establishment of 'small makers' and creative industries.</li> </ul>	<p>'Convenience Restaurant' and 'Manufacturing Sales' are both land uses that are in keeping with the purpose of the zone. This reform would facilitate business activity by removing unnecessary regulatory burden from the planning application process for these land uses.</p>
8	35	All rural zones	<p>Review the rural zones having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Remove the need for a buildings and works permit for a dwelling extension or associated outbuilding if in relation to an existing dwelling, by removing the floor area size restriction if necessary.</li> </ul>	<p>Exempting buildings and works proposals for existing dwelling extensions and existing outbuilding modifications in the rural zones would remove permit applications from the planning system, allowing buildings to be controlled through the building permit process.</p>

ID. No.	Clause No.	Name	Modification	Justification
9	35.07	Farming Zone	<p>Review the Farming Zone having regard to the following:</p> <p>a) Allow more primary produce sales as a Section 1 (as of right) use by increasing the floor area condition and allow a wider range of related goods to be sold.</p>	<p>This change would support a use that is compatible with agricultural land uses, has relatively low amenity impacts, and facilitates more adaptable business models for farmers. Allowing more 'primary produce sales' as of right (with size conditions) would increase the planning system's responsiveness to new business trends, including the farm-to-table movement which is increasing in popularity across the state and is a welcome income stream for many farmers.</p>
10	37.03	Urban Floodway Zone	<p>Review the Urban Floodway Zone having regard to the following:</p> <p>a) Assess the role and function of the zone, in the context of the suite of flooding overlays, and consider whether it can be replaced with a flood overlay only (see also Floodway Overlay proposal).</p>	<p>The VPP contains four mechanisms which seek to manage use and development in areas liable to flooding. These include a range of zone and overlay controls, the application of which varies between municipalities, and between urban and rural areas. Review of the Urban Floodway Zone seeks to identify whether planning control over flood liable areas could be simplified to reduce confusion and possible duplicate controls within the VPP.</p>

ID. No.	Clause No.	Name	Modification	Justification
11	37.07	Urban Growth Zone	<p>Review the Urban Growth Zone having regard to the following:</p> <ul style="list-style-type: none"><li>a) Upon gazettal of a precinct structure plan, land is rezoned to the applied zones specified within the zone, with the PSP implemented using existing VPP tools, and therefore eliminating the concept of applied zones and removing the need for a later planning scheme amendment</li><li>b) Reduce the complexity of future UGZ schedules through a more limited and rigid structure.</li></ul>	<p>At present, upon approval of a precinct structure plan (PSP) in Melbourne's growth areas, land remains zoned Urban Growth and a number of other zones are 'applied' through the provision but not by zone mapping. This represents a departure from the philosophy of the VPP and is a source of confusion particularly among non-professionals. The 'applied' zone is also not recognised when basic queries are made in relation to zoning, such as planning property reports. This change would rezone land to the identified 'applied' zone automatically and reduce cross reference between different parts of the VPP and structure plans. This would ultimately improve useability, promote consistency, reduce the need for future planning scheme amendments, and ensure compliance with the VPP philosophy.</p> <p>Through the PSP negotiation process, many UGZ schedules become lengthy and complex, becoming 'planning schemes within a planning scheme'; and moving away from the VPP principle that the planning scheme should be read as a whole. Stricter heading structures and a tighter 'head provision' should reduce excessive length and simplify the zone for all users.</p>

ID. No.	Clause No.	Name	Modification	Justification
<b>OVERLAYS</b>				
12	40	All overlays	<p>Review all overlays having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Review whether the distinction of overlays controlling development, as opposed to use, remains valid, and provide updated guidance, acknowledging that some overlays already control use (AEO, SRO, DPO)</li> <li>b) Review the approach of using overlays to identify buffers, such as the Environmental Significance Overlay, and examine how the VPP can transparently and consistently identify and protect significant sites requiring buffers (for example: landfills, treatment plants, water supply catchments and quarries)</li> <li>c) Create consistency in use of terms where a common meaning applies (such as the phrases 'generally in accordance with', 'generally consistent with' and 'in accordance with') and in the use of common assessment techniques (eg. Determining tree protection zones)</li> <li>d) Clarify that if a permit is not required within the head provision, then the provisions of the schedule to that control do not apply. This may require holistic review of how the VPP reacts with local provisions.</li> </ul>	<p>These reforms aim to holistically increase consistency across the VPP, and to guide municipalities to the correct application of controls.</p> <p>It is recognised that some VPP tools have been re-purposed over time, such as the Environmental Significance Overlay being utilised as a 'buffer' control. Examining whether buffers could, or should, be formalised through proper VPP tools would assist in providing transparency. There would need to be consideration that some uses requiring buffers are short lived, requiring the buffer overlay to be removed at some point.</p> <p>A review of the 'head provision' to clarify that the schedule does not apply if a permit is not triggered would reduce a common source of confusion among non-professionals and increase public confidence in the planning scheme.</p>
13	42	Environmental and landscape overlays	<p>Review all environmental and landscape overlays having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Amend the head provision to relocate the 'Table of exemptions' to Clause 62.02-3 and insert the following words "No permit is required to remove, destroy or lop vegetation to the minimum extent necessary if any of the exemptions listed in the Table to Clause 62.02-3 apply".</li> <li>b) Increase opportunities for permit exemptions (such as associated with a single dwelling) by ensuring permit triggers are linked to the purpose of the control</li> <li>c) Ensure consistency across all schedules.</li> </ul>	<p>This change seeks to increase useability by ensuring that all permit exemptions related to vegetation are listed at Clause 62. This provides a central location and reduces lengthy provisions appearing multiple times, thus improving transparency and functionality of the VPP. Other reform suggestions seek to review the consistency between the structures of schedules, and apply a standard approach to the rationale of permit triggers to ensure they are adequately justified in their application.</p>



ID. No.	Clause No.	Name	Modification	Justification
14	43.01	Heritage Overlay	<p>Review the Heritage Overlay having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Review the proposed reforms to the overlay as proposed by the Heritage Provisions Advisory Committee, such as clarifying whether the overlay recognises precinct-wide or site specific values</li> <li>b) Create consistency in use of words where a common meaning applies, such as 'cultural significance', 'heritage value', 'heritage interest' and so on</li> <li>c) Create a new permit exemption for minor buildings and works, which do not affect heritage values, such as small verandas and pergolas and maintenance and the minor upgrade of railway infrastructure. Consider limiting exemptions to non-contributory buildings</li> <li>d) Review the use of exemptions for certain minor buildings and works, such as those cited in Yarra and Moreland Council incorporated documents, to determine if these exemptions can be introduced more broadly across Victoria and made more transparent and accessible.</li> </ul>	<p>These items of reform seek to improve the clarity of the Heritage Overlay and the public's understanding of heritage precincts, sites and buildings. This includes implementation of recommendations from the Heritage Provisions Advisory Committee Final Report (2007), and exploring new opportunities for permit exemptions in inappropriate circumstances. In the context of the widespread application of the Heritage Overlay, these changes could result in far fewer permits for minor matters.</p>
15	43.04	Development Plan Overlay	<p>Review the Development Plan Overlay having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Amend the exemption from notice and review provision to remove the 'catch 22' provision.</li> </ul>	<p>The 'catch 22' provision is set out in <i>Saunders v Frankston CC (Red Dot)</i> [2009] VCAT 144 (19 February 2009) and concerns the literal translation of notice and review provisions and Section 52(1A) of the <i>Planning and Environment Act 1987</i>. Clarifying this clause would remove a source of confusion.</p>
16	43.05	Neighbourhood Character Overlay	<p>Review the Neighbourhood Character Overlay having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Examine the role and function of the Overlay in the context of the new Neighbourhood Residential Zone, and other VPP tools.</li> </ul>	<p>The Neighbourhood Residential Zone has been applied widely, particularly within many of Melbourne's inner and middle suburbs, to control development and particularly density. In doing so, the role of the Neighbourhood Character Overlay has been reduced, although its function in controlling demolition remains distinct. In this respect, review of the Neighbourhood Character Overlay is warranted to determine if it could be removed to simplify the VPP.</p>

ID. No.	Clause No.	Name	Modification	Justification
17	44	Land management overlays	<p>Review all land management overlays having regard to the following:</p> <p>a) Review the role and function of the three inundation related overlays (Land Subject to Inundation Overlay, Special Building Overlay, and Floodway Overlay, together with the Urban Floodway Zone) to understand if amalgamations are possible and the distinctions between the overlays and their objectives, are made clearer.</p>	<p>The VPP contains three flooding overlays and a related zone. A holistic review of the set with a view to reducing their number and making the roles more distinct would assist in reducing complexity and simplifying the VPP. The role of the <i>Building Act 1993</i> should be considered in this review with a view to avoiding duplication.</p>
18	44.01	Erosion Management Overlay	<p>Review the Erosion Management Overlay having regard to the following:</p> <p>a) Ensure provisions reflect the level of risk and purpose of the overlay</p> <p>b) Increase opportunities for permit exemptions and ensure permit triggers are linked to the purpose of the control</p> <p>c) Modify the overlay to allow the waiver of a geotechnical risk assessment from minor matters, such as subdivision applications where each proposed lot contains an existing dwelling, and two lot subdivisions in a rural zone.</p>	<p>These changes would ensure the overlay remains clear in its intent and that the burden of controls remains proportional to the scale of development proposed. Where possible, permit exemptions should be expanded in appropriate cases, and provisions should reflect the purpose of the overlay.</p>
19	44.02	Salinity Management Overlay	<p>Review the Salinity Management Overlay having regard to the following:</p> <p>a) Amend the head provision to relocate the 'Table of exemptions' to Clause 62.02-3 and insert the following words "No permit is required to remove, destroy or lop vegetation to the minimum extent necessary if any of the exemptions listed in the Table to Clause 62.02-3 apply"</p> <p>b) Increase opportunities for permit exemptions and ensure permit triggers are linked to the purpose of the overlay</p> <p>c) Review referral authority requirements.</p>	<p>Additional permit and referral exemptions are required within the Salinity Management Overlay to ensure that the burden of controls and therefore application timeframes remains proportional to the scale of development proposed. Vegetation removal exemptions should be relocated to Clause 62 of the VPP to improve useability and reduce duplicating clauses.</p>
20	44.03	Floodway Overlay	<p>Review the Floodway Overlay having regard to the following:</p> <p>a) Increase opportunities for permit exemptions and ensure permit triggers are linked to the purpose of the overlay</p> <p>b) Improve access to flood levels required to ensure drawings are compliant prior to submitting a planning permit application.</p>	<p>These improvements would streamline the planning process and reduce unnecessary time delays at planning stage by encouraging applicants to obtain information upfront. Under the proposal, permit exemptions would be increased for minor matters or where design mitigates flood risk. Remaining permit triggers would be specific to the purpose of the overlay only, and not a 'catch all'.</p>

ID. No.	Clause No.	Name	Modification	Justification
21	44.04	Land Subject to Inundation Overlay	<p>Review the Land Subject to Inundation Overlay having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Update the purpose of the overlay from referring to a 1-in-100-year flood, to "flooding from a waterway in a 1% Annual Exceedance Probability (AEP) flood event"</li> <li>b) Update the purpose of the overlay to include the words "to provide for the protection of drainage assets".</li> <li>c) Ensure permit triggers are linked to the purpose of the overlay</li> <li>d) Increase the opportunities for permit exemptions, such as developments not impeding water flow</li> <li>e) Allow greater flexibility by expanding the floor space allowable for a building extension before a permit is triggered for buildings and works</li> <li>f) Examine whether finished floor level height above flood level should be a planning scheme requirement or a self / code assess mechanism, or a matter for the Building Act.</li> </ul>	<p>These improvements clarify the purpose of the overlay, increase permit exemptions and in doing so reduce unnecessary planning delays for minor and low risk matters.</p>
22	44.05	Special Building Overlay	<p>Review the Special Building Overlay having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Revise the name of the overlay to better reflect its purpose</li> <li>b) Update the purpose of the overlay to include "to provide for the protection of drainage assets", and remove reference to Clauses 33 and 35 of the SEPP (Waters of Victoria) from the purpose of the overlay</li> <li>c) Make buildings and works (including dwelling extensions and new dwellings) permit exempt where minimum flood levels are met and the Building Act applies</li> <li>d) Increase opportunities for permit exemptions and ensure permit triggers are linked to the purpose of the overlay</li> <li>e) Amend the wording of the overlay so that a planning permit application that is subject to flooding from councils' overland flow paths (less than 60ha catchments) can be assessed solely by council and do not require a referral to Melbourne Water</li> <li>f) Consider the greater use of VicSmart where the Special Building Overlay is the only trigger</li> <li>g) Ensure schedules are uniform and consolidated across Victoria.</li> </ul>	<p>Renaming of the overlay would increase transparency within the community and promote the understanding that the control mitigates the impact of flooding on development. An updated purpose increases the relevance of the control.</p> <p>Overall, the application process under the Special Building Overlay requires streamlining including through the provision of additional permit exemptions, opportunities to enter into 'fast-track' streams where appropriate, and avoidance of unnecessary referrals as requested by Melbourne Water.</p>

ID. No.	Clause No.	Name	Modification	Justification
23	45.02	Airport Environs Overlay	<p>Review the Airport Environs Overlay having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Ensure the overlay reflects the new Federal standards and associated noise contours</li> <li>b) Consider the amalgamation of the overlay with Melbourne Airport Environs Overlay.</li> </ul>	<p>Updating this provision would increase the accuracy and relevance of the overlay. There is an opportunity to simplify the VPP by amalgamating this overlay with the Melbourne Airport Environs Overlay, using a schedule to account for the particular needs of different airports. The overlay could also be repurposed to cater for heliport flight paths rather than the DDO as occurs currently.</p>
24	45.07	City Link Project Overlay	<p>Review the City Link Project Overlay having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Review the role and function of the overlay and consider deletion and replacement with Clause 52.03 Specific Site and Exclusions if a need for special provisions remains, noting the recommendation to map Clause 52.03 items</li> <li>b) Amend the head provision to rename the document as 'Melbourne City Link Project – Advertising Signs Location September 2014' in the Purpose and in Clauses 45.07-2 and 45.07-3.</li> </ul>	<p>It is considered that the City Link Project may no longer warrant its own overlay, given its completed state, and may be more suitable for inclusion within Clause 52.03 Specific Site and Exclusions. Updating the document reference to the latest version would increase the accuracy of the VPP.</p>

ID. No.	Clause No.	Name	Modification	Justification
<b>PARTICULAR PROVISIONS</b>				
25	52.03	Specific Sites and Exclusions	<p>Review Specific Sites and Exclusions having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Remove outdated provisions</li> <li>b) Establish clear rules around when it can be used to avoid overuse</li> <li>c) Establish the practicality of mapping all items within a new Specific Provisions Overlay to improve transparency and public awareness.</li> </ul>	<p>Intended to be used sparingly, Clause 52.03 Specific Sites and Exclusions has been increasingly used in recent years. It is used to facilitate projects where other VPP provisions may be more suitable, to the detriment of the VPP. As one of the more powerful tools, its provisions can set aside the entire scheme. Despite this, it lacks transparency and does not appear in common searches such as a planning property report. As such, it is commonly overlooked. To increase transparency, the sites subject to Clause 52.03 would be mapped through a new overlay. If this is unachievable, this practice should be adopted for all new entries. Removal of an entry where its application is no longer needed (say, because the project is complete) should also take place to reduce the size and complexity of the VPP.</p>
26	52.06	Car Parking	<p>Review Car Parking having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Review car parking rates in Table 1 in the context of transport mode shifts, lifestyle and technology changes and densification, and provide rates for those land uses not listed</li> <li>b) Provide car parking exemption in selected zones (commercial zones, Mixed Use Zone, and industrial zones) for Section 1 uses in existing buildings where floor area is not increased (for example change of use applications)</li> <li>c) Assess the recommendations not yet implemented from the Car Parking Provisions Advisory Committee Final Report (2011) including the recommendation to make a Clause 52.06 application exempt from notice and review in all circumstances.</li> </ul>	<p>There has been much discussion in recent times within industry and communities on the need to improve car parking requirements. These suggestions seek to update the provision having particular regard to the recommendations of the Car Parking Provisions Advisory Committee Final Report (2011).</p> <p>The review of parking rates would reduce costs associated with providing car parking where it is found that the rates are in excess of demand. Combined with a review of bicycle rates, this would support the policy goal of encouraging transport alternatives and reduce the need for car parking dispensation permits in small matters.</p>

ID. No.	Clause No.	Name	Modification	Justification
27	52.08	Earth and Energy Resources Industry	<p>Review Earth and Energy Resources Industry having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Review the role and function of the planning system in earth and energy resources and explore opportunities to minimise conflict and overlap with the Work Authority process under the <i>Mineral Resources (Sustainable Development) Act 1990</i></li> <li>b) Add a new sub-clause to Clause 52.08 to specify that permits cannot be issued with conditions that duplicate or conflict with an approved work plan</li> <li>c) Combine the provision with Clause 52.09 Stone Extraction and Extractive Industry Interest Areas</li> <li>d) Rationalise the permit triggers and permit exemptions.</li> </ul>	<p>Removing duplicate processes would simplify the planning system and ensure regulation is better targeted. Any change would need to ensure important community issues continue to be addressed. This would implement the 'land use focused' principle of a modern planning scheme.</p> <p>Combining this provision with Clause 52.09 Stone Extraction and Extractive Industry Interest Areas would 'group' similar issues within a single clause. These changes would improve the clarity of the VPP and increase its effectiveness, ensuring that resources are not taken up with duplicated processes.</p>
28	52.10	Uses with Adverse Amenity Potential	<p>Review Uses with Adverse Amenity Potential having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Review buffer distances taking into account the Environmental Protection Authority's Recommended Separation Distances for Industrial Residual Air Emissions – Guideline (2013)</li> <li>b) Review and clarify the clause's application in 'reverse amenity' matters.</li> </ul>	<p>The buffer distances currently referenced within Clause 52.10 are based on an outdated guideline. It is important to update them as industries and their impacts have changed over time, as have community expectations. This would ensure the VPP remains effective and that controls are proportional to the impact of new development. There is also an opportunity to review whether the clause should operate in reverse amenity matters, which is when a sensitive use is proposed near an existing use creating amenity impacts. This would clarify a point of confusion and may reduce land use conflicts between landowners and the community.</p>
29	52.12	Service Stations	<p>Review Service Stations having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Ensure the provision is updated to reflect current practices and modern service station designs, including reviewing the site area and crossover dimensions.</li> </ul>	<p>This update would improve the effectiveness of this provision and better align the provision's purpose with the explicit numerical requirements.</p>

ID. No.	Clause No.	Name	Modification	Justification
30	52.13	Car Wash	<p>Review Car Wash having regard to the following:</p> <p>a) Ensure the provision is updated to reflect current practices and modern car wash design, including reviewing crossover dimensions.</p>	Over time, the design of car washing facilities has changed with the advent of modern technology and changed traffic standards. Updating this provision would improve its relevance and consistency with the remainder of the VPP.
31	52.14	Motor Vehicle, Boat or Caravan Sales	<p>Review Motor Vehicle, Boat or Caravan Sales having regard to the following:</p> <p>a) Review the role and purpose of this provision, and the relevance of the dimensions, with a view to either removing or updating.</p>	<p>The standards in this clause are outdated and are often inappropriate given the complexities of urban environments and the inherent variety in the premises themselves. As such, it is considered that this provision may not add value to the VPP. If and removing it would simplify the VPP. If deleted, applications for Motor Vehicle, Boat or Caravan Sales may be adequately addressed by the application requirements and decision guidelines of various zone (and overlay) provisions.</p>
32	52.19	Telecommunications Facility	<p>Review Telecommunications Facility having regard to the following:</p> <p>a) Update the Code of Practice for Telecommunications Facilities in Victoria (2004) (an incorporated document in the VPP) and the particular provisions to recognise advances in equipment technology.</p> <p>b) Clarify permit triggers and exemptions without requiring cross-referencing to another document.</p>	These updates could make it easier for providers to deliver necessary infrastructure and would improve useability and effectiveness of the VPP.

ID. No.	Clause No.	Name	Modification	Justification
33	52.27	Licensed Premises	<p>Review Licensed Premises having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Review the role and function of the planning system in licensed premises and explore opportunities to minimise conflict and overlap with the Victorian Commission for Gambling and Liquor Regulation licencing process</li> <li>b) Make premises in commercial zones exempt from the need for a planning permit, subject to certain conditions, and relying on the Victorian Commission for Gambling and Liquor Regulation licensing process</li> <li>c) Include and clarify common application requirements, such as 'cumulative impact statements'.</li> </ul>	<p>There is duplication between the permit process set out at Clause 52.27, and the liquor licencing process as managed by the Victorian Commission for Gambling and Liquor Regulation. This double-up takes valuable resources and creates lengthy timeframes and added costs for applicants, particularly for small business such as cafes and restaurants.</p> <p>Removing duplicate processes would simplify the planning system and ensure regulation is better targeted. Any change would need to ensure important community issues continue to be addressed. This would implement the 'land use focused' principle of a modern planning scheme.</p> <p>Any change would need to maintain consideration of important community issues in relation to licensed premises. Consistent with a number of facilitative changes for small business, it is considered that premises within commercial zones could be exempt from the need for a planning permit for licenced premises, subject to conditions. Consolidation and review of application requirements would also improve usability.</p>
34	52.28	Gaming	<p>Review Gaming having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Review the role and function of the planning system in gambling and explore opportunities to minimise conflict and overlap with the Victorian Commission for Gambling and Liquor Regulation licensing process.</li> </ul>	<p>Removing duplicate processes would simplify the planning system and ensure regulation is better targeted. Any change would need to ensure important community issues continue to be addressed. This would implement the 'land use focused' principle of a modern planning scheme.</p>



ID. No.	Clause No.	Name	Modification	Justification
35	52.29	Land Adjacent to a Road Zone Category 1 or a Public Acquisition Overlay for a Category 1 Road	<p>Review Land Adjacent to a Road Zone Category 1 or a Public Acquisition Overlay for a Category 1 Road having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Clarify permit triggers and application requirements, in particular whether an alteration to access can refer to a change in use as well as a physical alteration</li> <li>b) Include a definition for the term 'create or alter access'</li> <li>c) Amend the provision to provide additional permit exemptions</li> <li>d) Explore the possibility of using standard VicRoads conditions to avoid referral</li> <li>e) Make access to a service road (other than an excluded service road) exempt from referral to VicRoads</li> <li>f) Make applications under this clause exempt from normal notice and review provisions.</li> </ul>	<p>This provision has been the subject of much confusion and a number of 'Red Dot' decisions at VCAT. It is important that this provision is updated to better reflect the current requirements of VicRoads and DELWP and to reduce unnecessary permit triggers and referral requirements. Clarification on the scope of permit triggers would assist councils in understanding how to process applications which fall under this provision, while also creating added transparency for applicants. Adopting standard conditions to avoid referrals could streamline the permit process and produce time savings for applicants and reduce the administrative burden for councils.</p>
36	52.34	Bicycle Facilities	<p>Review Bicycle Facilities having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Update bicycle rates to reflect environmental sustainability goals, the needs of modern businesses and increased popularity of cycling as a transport mode, particularly with respect to offices</li> <li>b) Provide rates for more types of development</li> </ul>	<p>As with Clause 52.06 Car Parking, Clause 52.34 Bicycle Facilities requires review to better reflect sustainability initiatives, the needs of modern business and the increased popularity of cycling. This would better implement existing policy, such as encouraging alternative transport modes, and increase the relevance of the VPP.</p>
37	52.37	Post Boxes and Dry Stone Walls	<p>Review Post Boxes and Dry Stone Walls having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Examine the feasibility of removing the provision, identifying historic post boxes and dry stone walls through mapping and protecting them through the Heritage Overlay.</li> </ul>	<p>The purpose of this provision is to specifically conserve historic post boxes and dry stone walls. Because it is not mapped and is in an obscure location in the VPP, the provision is commonly overlooked, and does not appear on planning property reports. The protection and conservation of items of heritage value is generally managed under the Heritage Overlay and it is therefore considered that this overlay is better suited to this role. This would require mapping of historic post boxes and dry stone walls which would increase the transparency of the VPP. It would also improve understanding and compliance with this provision.</p>

ID. No.	Clause No.	Name	Modification	Justification
38	54, 55, 56 and 58	Residential development and subdivision provisions	<p>Review Clause 54,55,56 and 58 having regard to the following:</p> <p>a) Clarify the relationship between the standards and objectives, and particularly whether full compliance with the standard means that the objective is also met.</p>	<p>This change would aim to remove a common point of confusion among applicants, councils and the community, and address a variety of VCAT decisions on this issue.</p>
39	57	Metropolitan Green Wedge Land	<p>Review Metropolitan Green Wedge Land having regard to the following:</p> <p>a) Assess the practicality of making this provision more transparent by incorporating the requirements into existing VPP zones (such as the Green Wedge Zone) in a way that is policy neutral and does not weaken its controls.</p>	<p>The purpose of this reform is to increase the transparency of green wedge controls and reduce the complexity of the VPP by consolidating controls. Clause 57 is a commonly overlooked and 'hidden' provision that acts in addition to zones. It does not appear in basic search queries such as planning property reports. Relying on existing tools, amended as necessary, to manage green wedge areas in a way that maintains the strength of the controls would improve the transparency of the VPP.</p>
GENERAL PROVISIONS				

ID. No.	Clause No.	Name	Modification	Justification
40	60	General Provisions	Review General Provisions having regard to the following:  a) Consolidate application requirements into a single clause similar to Clause 66 (Referrals and Notice), review all existing requirements, and add common application requirements (such as basic plans) to definitions to reduce duplication of description.	<p>Application requirements are currently listed under permit triggers, making them spread across many different parts of the VPP. In practice, they are not used conscientiously by applicants nor are they routinely required by councils. Because of this they have lost their relevance to many permit processes. They also add to complexity by repeatedly describing typical requirements, such as basic site and context plans. These common requirements could be defined in Clause 72 meaning their contents do not need to be restated under every trigger.</p> <p>Many councils have created their own 'checklists' of application requirements based on different application types, practically making the application requirements in the scheme redundant. In some cases excessive application requirements can cause delays to permit processes and add to the cost of an application. A table form with checkboxes for each requirement under each trigger could be a logical method of presentation. Reviewing and consolidating the application requirements would make the VPP clearer and simpler.</p>

ID. No.	Clause No.	Name	Modification	Justification
41	65	Decision Guidelines	<p>Review Decision Guidelines having regard to the following:</p> <p>a) Review all decision guidelines across the VPP and consolidate under Clause 65, similar to Clause 66 Referral and Notice provisions.</p>	<p>A review of the decision guidelines across the scheme, would remove obsolete requirements and add much needed requirements that better reflect policy and practise. This would ensure that all decision guidelines are appropriate and relevant.</p> <p>There is much repetition within decision guidelines as they are scattered in many locations across the planning system.</p> <p>Clause 65 contains overarching decision guidelines, but more specific guidelines are often found under each permit trigger.</p> <p>In the case of common triggers (use, subdivision and building and works), these guidelines are often repeated under each zone, such as “the drainage of the land” appearing in IN1Z, IN2Z, IN3Z, C1Z, C2Z and PZ. A new checkbox table in Clause 65 with each trigger listed could be a more efficient and simpler method.</p>
42	66	Referral and Notice Provisions	<p>Review Referral and Notice Provisions having regard to the following:</p> <p>a) Remove references to seeking the views and comments of referral authorities throughout the VPP and use formal processes of Clause 66 instead</p> <p>b) Review the classification of referral agencies as ‘recommending’ authorities or ‘determining’ authorities</p> <p>c) Encourage more standard agreements with agencies to reduce the need for referral for minor and low risk matters</p> <p>d) Make the Department of Economic Development, Jobs, Transport and Resources a referral authority for land near existing quarries.</p>	<p>This reform seeks to clarify and bring consistency to referrals by limiting them to formal referrals only and moving away from informal referrals. It also seeks to remove unnecessary regulatory burden and streamline the referral process for appropriate application types through greater use of standard agreements.</p>
<b>DEFINITIONS</b>				
43	72	General Terms	<p>Review General Terms to investigate the inclusion of:</p> <p>a) ‘outbuildings normal to a dwelling’</p> <p>b) ‘sensitive uses’.</p>	<p>These are terms that are common sources of confusion and dispute. Providing the definitions would bring clarity and make the planning scheme easier to use, as well as improving permit application timeframes.</p>

ID. No.	Clause No.	Name	Modification	Justification
44	74	Land Use Terms	<p>Review all VPP land use terms and definitions, and associated treatment in the land use tables, having regard to the following objectives:</p> <ul style="list-style-type: none"> <li>a) Reduce the number of terms</li> <li>b) Remove obsolete uses</li> <li>c) Separate out common land uses only when necessary to be treated differently in zone tables</li> <li>d) Be less prescriptive by removing overly specific terms</li> <li>e) Broaden terms and definitions to account for rapidly shifting industries and lifestyles</li> <li>f) Use every day and plain-English terms that the community readily understands</li> <li>g) Modernise definitions including consideration of emerging social, economic and technological trends</li> <li>h) Provide definitions for undefined terms, excluding those where there is an appropriate ordinary dictionary meaning or definition in the Act.</li> </ul> <p>Review Land Use Terms to investigate <u>adding</u> the following (only where necessary and in recognition of the objectives above):</p> <p>‘Rural workers accommodation’, ‘Carbon sequestration’, ‘Contractor’s Depot’, ‘Holiday dwelling’, ‘Café’, ‘Music and arts festival’, ‘Maker’, ‘Community gardens’, ‘Storage facility’ and ‘Animal day care’.</p> <p>Review Land Use Terms to investigate <u>revising</u> the following:</p> <p>‘Tavern’, ‘Airport’ and ‘Airfield’, ‘Primary produce sales’, ‘Utility installation’, ‘Minor utility installation’, ‘Place of worship’, ‘Anemometer’, ‘Winery’, ‘Shop’, ‘Food and drink premises’, ‘Leisure and recreation’, ‘Animal keeping’, ‘Brothel’, ‘Renewable energy facility’, ‘Heliport’, ‘Caretakers residence’, ‘Community market’, ‘Trash and treasure market’, ‘Dwelling’, ‘Cinema based entertainment facility’, ‘Warehouse’, ‘Store’, ‘Gambling premises’, ‘Gaming premises’, ‘Convenience restaurant’, ‘Art and craft centre’, ‘Art gallery’, ‘Amusement parlour’, ‘Pleasure park’, ‘Retirement village’ and ‘Residential village’, ‘Restricted retail facility’, ‘Group accommodation’, ‘Industry’, ‘Medical centre’, ‘Agriculture’, ‘Bed and breakfast’, ‘Night club’, ‘Hotel’, ‘Retail’, ‘Accommodation’, ‘Place of assembly’, ‘Restaurant’, ‘Earth and energy resources’ and ‘Stone extraction’, ‘Materials recycling’ and ‘Transfer Stations’.</p> <p>Review Land Use Terms to investigate removing terms within the land use table that do not have definitions as is consistent with Clause 71.</p>	<p>Land use terms are a common source of confusion and dispute, and have not kept pace with changes in businesses and communities. The survey suggested widespread support for a holistic review of land use terms, especially from local government planners.</p> <p>The VPP seeks to categorise how land is used into defined and, at times, very specific terms. Many of the terms are now outdated. In some cases obscure terms are used (tavern) when everyday terms could aid understanding (bar), in other cases very common land uses are not used (Café). Where the common term and the planning term depart, this causes uncertainty and confusion among the community and makes it harder for non-professionals to participate in the planning system.</p> <p>In other cases, definitions need updating to reflect shifts in the land use over time.</p> <p>Modernising the land use terms and definitions, and consequential changes to the zone land use tables, would simplify the VPP and improve levels of understanding of the planning system.</p> <p>Please see Proposal 5.1 for more information.</p>

ID. No.	Clause No.	Name	Modification	Justification
45	74	Land Use Terms	<p>Review Land Use Terms having regard to the following:</p> <p>a) Investigate how the VPP treats commercial battery storage facilities both as stand-alone facilities and those collocated with energy generation projects, including whether new or revised definitions are required and in which zones they are appropriate.</p>	As battery storage facilities are predicted to increase in number and scale in future years, it is important that the VPP is able to define and facilitate their approval. This would increase the relevancy of the VPP and support sustainability policy goals.
46	75	Nesting Diagrams	<p>Review Nesting Diagrams having regard to the following:</p> <p>a) Shift 'Cinema Based Entertainment Facility' from un-nested to within the 'Place of Assembly' group.</p>	Cinema fits more naturally within a 'Place of Assembly' nesting diagram and in doing so would provide clarity to the VPP. Its treatment in the zone land use tables would also need review so that any change is policy neutral.
INCORPORATED DOCUMENTS				
47	81	Incorporated Documents	<p>Review Incorporated Documents having regard to the following:</p> <p>a) Examine whether a standard template can be adopted to ensure consistency across documents</p> <p>b) Address the use of Australian Standards (fee payable for access), moving away from incorporating documents that are not free to access</p> <p>c) Review the usefulness of each incorporated document including whether extracts should be taken from particularly large documents</p> <p>d) Remove obsolete and outdated documents</p> <p>e) Replace document references with updated versions where available.</p>	<p>Ready access to planning documents is a fundamental principle of a modern planning scheme. Documents should be available freely and accessible online, in forms that are readable and capable of 'copy' and 'paste'. Noting the recommendation to implement a Victorian planning library, making all documents free and fully accessible would increase transparency, lead to fewer disputes, and improve confidence in the planning system.</p> <p>Updating the listed incorporated documents with newer versions, and removing outdated documents, would increase the relevance of the VPP.</p>

ID. No.	Clause No.	Name	Modification	Justification
OTHER				
48	N/A	Practice Notes	<p>Review Planning Practice Notes having regard to the following:</p> <ul style="list-style-type: none"> <li>a) Repackaging the extent of practice notes to make them easier to navigate. This includes introducing a new VPP manual to support planning authorities (and repositioning appropriate practice notes focussed on implementing and writing provisions into the manual)</li> <li>b) Create a new Practice Note addressing advertising sign provisions, in particular outlining a mechanism by which councils can address concerns about the safety impact of signs on or near state-controlled roads where VicRoads is not a referral authority</li> <li>c) Update Planning Practice Note 59 – The Role of Mandatory Provisions in Planning Schemes – to reflect the circumstances when mandatory provisions should be applied.</li> </ul>	<p>Repackaging the (now long) list of practice notes would improve readability and accessibility.</p> <p>In recent years, the practise of applying mandatory controls (as opposed to discretionary controls) has shifted following a series of high profile panel reports and planning scheme amendments. Updating the practice note to reflect government policy and to provide clearer guidance would remove a source of common confusion and uncertainty among applicants, councils and the community.</p>

ID. No.	Clause No.	Name	Modification	Justification
49	N/A	Technology and the availability of documents	<p>Review planning systems having regard to the following:</p> <ol style="list-style-type: none"> <li>Review processes for accessing planning applications and update Planning Practice Note 74 - Availability of planning documents - to encourage councils to make documents relating to permit applications available freely online via their website</li> <li>Provide a plain text version of planning schemes on 'Planning Schemes Online' to allow convenient 'copy and paste' into reports, or deliver through HTML using PSIMS.</li> </ol>	<p>Visiting a council office to view a planning application file is an anachronism that acts as a barrier to participation in the planning process. Making applications available online would bring considerable transparency benefits and improve public confidence in the planning system, as well as reducing administrative burden for councils to service requests. Some councils already do this for major applications. The data should be made available for third parties, subject to privacy considerations, to create new and innovative online tools for the community.</p> <p>PDF-based planning scheme provisions, while suited to printing, are difficult to interact with, and make it difficult for council planners and applicants to undertake the common task of 'copying' and 'pasting' into reports. Making a plain text version of each planning scheme would be a simple but effective time saver for practitioners.</p>
50	N/A	Section 173 agreements	<p>Review Section 173 agreements having regard to the following:</p> <ol style="list-style-type: none"> <li>Their role in the planning system and whether they are overused including in local schedules</li> <li>The benefits of creating a standard agreement template that would only require minimal amendments for most purposes.</li> </ol>	<p>The use of Section 173 agreements has increased in recent years, representing a 32 per cent increase since 2004. This has cost implications for applicants, councils and the titles office. The process of drafting, negotiating and signing agreements is a common source of planning delay.</p> <p>Providing standard agreement templates would focus the parties on the substantive issues and reduce time and cost for all parties.</p>



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## Appendix 3: The Smart Planning program background information

### The Smart Planning program

The proposals set out in this report have been developed as part of the Smart Planning program, the Victorian Government's package of reforms to deliver a more efficient and responsive planning system.

Introduced as part of the 2016-17 Victorian Budget, Smart Planning aims to make the Victorian planning system simpler and more accessible for business, local governments and the community and to improve confidence and trust in planning processes.

Through simplification of planning rules and use of digital tools, the program will make planning processes and services more efficient, accessible and easier to use.

Smart Planning reform is being delivered in two project streams:

- Systems stream – tasked with ensuring that digital tools are developed and utilised to achieve accessible and efficient planning processes. Projects include online ministerial and heritage permit processes, the 'Planning Scheme Information Management System' ('PSIMS'), the Victorian Planning Portal and interactive planning scheme mapping.
- Rules and Policy ('Rules') stream – tasked with delivering targeted planning regulation changes to reduce the size, complexity and duplication of planning controls and policy, including streamlining the planning policy framework to provide better integration across state, regional and local levels.

### Preliminary consultation

The proposals in this discussion paper have been informed by preliminary consultation and feedback.

### Technical reference groups

State government, local government and industry technical reference groups have been established to provide feedback at a technical level. These groups review documentation and provide specific feedback on proposed changes to the VPP.

### Reform Advisory Group

The Reform Advisory Group provides high level, strategic feedback and advice on the reforms. The group comprises representatives from state government, local government and the following industry bodies:

- Municipal Association of Victoria
- Australian Institute of Architects
- Building Designers Association of Victoria
- Housing Industry Association
- Master Builders Association of Victoria

- Planning Institute of Australia
- Property Council of Australia
- Urban Development Institute of Australia
- Victorian Planning and Environmental Law Association

### Rules and Policy questionnaire

Key stakeholder groups and government authorities were invited to participate in a targeted Rules and Policy questionnaire in July 2017. In seeking technical, tailored input from each specialised industry group and authority, the questionnaire provided a platform to identify clause-specific opportunities for short or medium-term reforms.

### The VPP survey

An online survey undertaken in July 2017 to help direct the focus and scope for VPP reform generated 688 responses over a two-week period.

### Previous studies and reforms

The proposals in this discussion paper have also been informed by and build on ideas and principles from previous reviews, including:

- Perrot Committee Review (1993)
- Report of the Advisory Committee on the Victoria Planning Provisions (1997) and Final Report New Formant Planning Schemes (1999)
- Using and Interpreting Local Policy (2002)
- Better Decisions Faster (2003)
- Cutting Red Tape in Planning (2006)
- Making Local Policy Stronger (2007)
- Various advisory committee reviews and reports (2007 – present)
- Pilot Restructure of the Local Planning Policy Framework (2008)
- Victorian Planning System Ministerial Advisory Committee: Initial Report (2011)
- Draft Planning Policy Framework (2014)

## Key policy framework and recent initiatives

The below policy frameworks and initiatives have provided context to the proposals in this discussion paper.

### Plan Melbourne 2017 — 2050

Plan Melbourne 2017 – 2050 and its Five Year Implementation Plan is the Victorian Government's metropolitan planning strategy, intended to guide Melbourne's development to 2050. The plan sets out directions and policies under nine outcomes to protect and enhance Melbourne's liveability.

Plan Melbourne includes policies to facilitate these desired liveability outcomes by streamlining decision making, and developing and implementing new standards and codified approval processes in key areas such as social housing, housing in strategic locations and secondary dwellings. The plan also includes policies that seek to support and remove regulatory barriers for the development of Melbourne's cultural precincts and creative industries.

### The Victorian Auditor General report on Managing Victoria's Planning System for Land Use and Development 2017

The Victorian Auditor-General's report examined the role of DELWP and councils in the Victorian planning system. The Auditor-General concluded that these authorities are not being fully effective in their management and implementation of the planning system.

The Auditor-General recommended that the Smart Planning program pursue initiatives that included simplifying the VPP and the introduction of simpler, risk-based assessment pathways in accordance with community expectations.

### Small Business Regulation Review 2017

Small Business Victoria's 'Small Business Regulation Review (Retail Sector)' considered the myriad of regulations and processes that small businesses need to go through to start and operate a business. This wide-ranging review included an evaluation of the full scope of regulation affecting small business and concluded that 'planning approvals carry the highest periodic compliance costs of \$35 million across all retail sub sectors excluding the cost of delays.'

This review found that small café/restaurant businesses faced the highest comparative regulatory costs, with multiple start-up approvals taking up to 18 months. The review identified opportunities to significantly reduce and better integrate the range of approvals (including planning) required for small businesses.

### VicSmart

VicSmart is a streamlined assessment process for low-risk planning permit applications. As part of the Smart Planning program the Victorian Government recently expanded the role of VicSmart to include additional classes of development application.

## Key issues for reform

Through all these inputs a series of key issues have been identified for the reform of the VPP.

### Planning schemes are not user friendly

Since the introduction of the VPP the principle of standardised planning scheme provisions has been, and continues to be, strongly supported. However, the principles and philosophy that originally underpinned the VPP have arguably been diluted through successive reforms and a lack of monitoring of how the VPP is being implemented at a local level.

This issue was identified in the Victorian Auditor-General's report, *Managing Victoria's Planning System* (2017):

*One-off reviews have led to improvements in specific elements of the system's content and streamlining steps in the statutory processes, but have not addressed the systemic issues identified as early as 2000 of overly complex local planning schemes, and weaknesses in the content of the state's framework—the Victoria Planning Provisions (VPP).*

*As a result, planning schemes are difficult to navigate and costly to administer, which delays decision making.*

The Auditor-General further observed that 'Continued addition and variation have made local schemes unwieldy and reliant on planning controls that are often repetitive, out of date and contrary to the intent of state planning policies.'

Correction of outdated and redundant provisions, including updated document references and definitions, also has the potential to substantially improve the usability of planning schemes.

### Long and complex assessments

The Victorian planning system continues to be characterised by long and complicated planning assessments, even for smaller and less complex proposals. Only an estimated 65 percent of all applications are processed in the 60-day statutory timeframe (PPARS data).

The increasing complexity of permit applications is reflected in the increase in the average gross assessment time for planning permit applications, which in the 2015-16 financial year exceeded 105 days. For applications where review was sought at VCAT, this figure extended to an average assessment timeframe of 322 days (PPARS data).

### Too many permit triggers

As a result of increasing demands being placed on the system, including the gross number of planning permit applications received (up over 6,000 applications annually since 2005/06 (PPARS)) coupled with insufficient monitoring, review and reform, the VPP now applies a layered framework of controls, with permit triggers distributed across zones, overlays and particular provisions.

The modular or layered nature of the VPP means that often lower-risk proposals will still trigger the need for multiple permissions (for example, car parking and liquor licensing) even when a proposal may be consistent with planning and community expectations for an area (for example, a café in an existing shop on an established shopping strip).

While the overall number of permit requirements has continued to increase, the key barrier to usability stems from the scattering of permit triggers across the broad range of VPP provisions, often without any clear pathway or sequence between them. This poses a challenge to even regular users of planning schemes, as demonstrated by the 71 per cent of VPP survey respondents who considered planning permit triggers difficult to locate in planning schemes.

### **The need for a stronger and clearer policy framework**

A founding principle of the VPP was for planning schemes to have a policy focus as the basis for controls. However, since the introduction of new format schemes, large volumes of additional planning policy have made planning schemes increasingly difficult to navigate, understand and maintain. This has resulted in a lack of integration, and at times inconsistency, between state and local planning policy.

### **Better use of technology to deliver more accessible planning schemes and information**

The VPP and planning schemes not only need to be legally effective, but accessible and responsive to the needs of users.

Technology has had profound effects on the ability of Victorians to more easily access and understand regulation and public services that affect their daily lives. Victorians are entitled to expect the equivalent level of progress in terms of their ability to access and interact with the Victorian planning system. Eighty six per cent of VPP survey respondents held the opinion that use of digital platforms would improve planning scheme usability.

Currently, the VPP and local provisions are still stored and processed in a PDF or document-based format. Due to the way planning scheme provisions are drafted, there is currently very limited scope for any future online platforms to process planning scheme provisions in a manner that can respond to user queries.