

Media Release

The Hon Daniel Andrews MP
Premier



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GOOD DECISIONS, MADE FASTER

The Andrews Labor Government is getting on with a package of reforms to the planning system to clear the backlog of approvals and build more homes, faster.

Right now, the system just isn't working like it should – and decisions aren't getting made fast enough. Over the last year, the number of dwellings approved across the state fell by 26.1 per cent.

At a council level, there's a backlog of around 1,400 planning permit applications for multi-unit housing that have been sitting with councils for more than six months waiting for a decision. Some 550 of those applications have been waiting for more than a year.

Of these, 78 projects have a development cost of more than \$10 million – and would deliver around 4,900 new homes.

New data shows Yarra Council progressed just 38 per cent of all applications within the required timeframe – with an average processing time of 188 days.

Stonnington City Council rejected almost one in five planning permit applications – often citing 'neighbourhood character' when matters are heard at VCAT.

The status quo is not an option. Unless we take bold and decisive action to build the homes people need now, Victorians will be paying the price for generations to come.

We'll begin the work to clear the backlog of 1,400 housing permit applications that have been stuck with councils for more than 6 months.

By November, we'll have a dedicated team up and running to work with project proponents, local councils, and referral agencies to resolve issues delaying council decision-making – to avoid projects ending up in VCAT and to get homes built.

The unit in the Department of Transport and Planning will rapidly review multi-unit developments with development costs above \$10 million. Once we have a clearer picture of projects and if decisions keep lagging, the Minister for Planning won't hesitate to call them in.

We'll expand Victoria's *Development Facilitation Program* (DFP) – making the Minister for Planning the decision maker for significant residential developments that include affordable housing.

The expanded DFP will streamline the planning process for medium to high density residential developments that meet the set criteria: constructions costs worth at least \$50 million in Melbourne or \$15 million in regional Victoria, and delivering at least 10 per cent affordable housing. This will include new build-to-rent projects.

If these projects do not meet this criteria, the Minister for Planning can still approve a project if it delivers more than 10 per cent affordable housing, or if it demonstrates best practice design and environmental standards – working to support more longer term rental options for Victorians.

Changes to the DFP will mean around 13,200 additional homes will be brought to market that would otherwise be delayed – and it'll cut application timeframes for these types of projects from more than 12 months down to four.

The Government will also streamline assessment pathways, creating a range of new *Deemed to Comply* residential

Media contact: Lily King 0499 791 387 | Lily.king@minstaff.vic.gov.au

standards for different types of homes.

This will speed up decision-making immediately. Fourteen of the current residential development standards will be codified – including north-facing windows objective, overshadowing open space objective and street setback.

The remaining 39 will be reviewed and finalised by September 2024, following targeted consultation. Deemed to Comply matters will no longer be considered by VCAT.

These changes will mean council planners can quickly approve permits for houses that meet the residential standards – and they'll only assess aspects of a permit that don't comply with those standards.

We'll expand the *Future Homes* program to encourage more new builds, creating more ready-made architectural designs which can be purchased by developers and adapted to a site through a streamlined planning process.

Currently, *Future Homes* are plans and processes are only available in the City of Maribyrnong. We'll expand the areas where they can be used – extending *Future Homes* to all general residential zones where development is within 800 metres of an activity centre or railway station.

We'll also make changes to the types of homes that require planning permits. Single dwellings on lots bigger than 300 square metres, and not covered by an overlay, will no longer require a planning permit.

Single dwellings on lots smaller than 300 square metres, where an overlay doesn't exist, will be ticked off within 10 days through VicSmart.

For many, the burden of getting a planning approval has put building a second small home, also known as a granny flat, in the too hard basket. We'll make it easier to build a second small home on your property, with dwelling garden units exempt from the permit process if they're less than 60 metres.

We'll also introduce more permit exemptions for single dwellings for things like extensions to sheds and carports.

We've already strengthened Victoria's apartment design standards, with previous reforms improving the internal and external design of new builds. But we know there's more to do, so we'll strengthen the existing standards to make sure they deliver the variety of homes Victorians want into the future.

Our clear new standards will ensure appealing, comfortable, sustainable, and fit-for-purpose homes. Stronger design guidance will mean more apartments better suited to families, better accessibility and more functional internal spaces and storage.

Activity centres are prime locations for more housing supply, and more housing choices for Victorians – given how close these centres are to jobs, transport, community spaces and other essential services. But we've heard from industry that the rules for individual permits can be too slow, causing bottlenecks with approvals.

We'll introduce clear planning controls to deliver an additional 60,000 homes around an initial 10 activity centres across Melbourne by the end of 2024, with the Minister for Planning taking over the planning work from councils in these areas.

Activity centre plans will guide investment in the things a growing suburb needs like community facilities, public spaces and parks. The program will also consider the best way to incentivise more affordable housing.

The initial 10 activity centres identified are Broadmeadows, Camberwell Junction, Chadstone, Epping, Frankston, Moorabbin, Niddrie (Keilor Road), North Essendon, Preston (High Street) and Ringwood.

Over the longer term and as part of a new plan for Victoria, we'll look to extend these planning controls to other activity centres across Melbourne, and possibly regional Victoria – boosting housing supply and giving local communities greater certainty over how their suburbs grow.

The Minister for Planning will also lead the work to overhaul the *Planning and Environmental Act 1987* to create a modern, fit for purpose planning system – with the review's timeframes to be established in the coming months.

To support the changes above and give industry greater certainty, the Department of Transport and Planning will bolster its resources in the coming months – including by bringing on 90 new planners.

Media contact: Lily King 0499 791 387 | Lily.king@minstaff.vic.gov.au

For more information, visit www.vic.gov.au/housing-statement

Quote attributable to Premier Daniel Andrews

“Building, buying, renovating, renting – it just shouldn’t be this hard. We need to build more homes, with the best design standards, where people want to live. And that means going up and out – not just out.”

Quote attributable to Minister for Planning Sonya Kilkenny

“Victorians deserve a planning system that works with them – not against them. It should be a clear, transparent and accountable system – because Victorians deserve to know who is planning our city and state.”