



## Our Homes



## Our Communities



## Our Economic Future



# 2018-20 UDIA WA ADVOCACY AGENDA

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# INTRODUCTION

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Over the next 18 months land supply, housing affordability and diversity, planning reform, infrastructure provision, environmental approvals and taxation reform will be key areas demanding government and industry attention.

The 2018-20 UDIA WA Advocacy Agenda addresses each of these areas, relating them to three core pillars that touch the lives of every West Australian.

**OUR HOMES**, which are the foundation of how we lead our lives and a primary contributor to the financial pressures affecting West Australians each day.

**OUR COMMUNITIES**, which are changing rapidly, presenting new opportunities and challenges for current and future generations.

**OUR ECONOMIC FUTURE**, which is reliant on the property industry to fund and build the projects that continue to underpin WA's liveability, economic growth and jobs pipeline.

The Advocacy Agenda is a snapshot of how UDIA WA is championing the needs of the urban development industry, which is working tirelessly to deliver the homes, jobs, infrastructure, services and amenities required now, and well into the future.

This agenda is delivered in the context of the broader economic recovery that WA is currently experiencing and the understanding that we are at the bottom of this property market cycle. The goal is to ensure that the right legislative, policy and process settings are in place to foster growth and recovery in the property market over the next 18 months.

We are actively fostering purposeful partnerships with all levels of government and other stakeholders and facilitating solution-based policy outcomes that will support the State, as we continue working with government and industry stakeholders to deliver on UDIA WA's advocacy priorities.

UDIA WA is focused on supporting members to deliver the best outcomes for the community of Western Australia in terms of the homes we live in, the communities we are part of and the economy the State relies on for prosperity.

We are confident that through industry and government collaboration we can drive meaningful change that will advance the homes, communities and economic future of all West Australians.

**Allison Hailes**  
**CEO**  
**UDIA WA**

# OUR HOMES

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**Whether you are a renter, buyer or owner, our homes are a main contributor to the cost of living pressures affecting an increasing number of households across the state.**

**Increasing the supply of new housing to meet current and future demand is one of the key solutions to our affordability crisis, but to do that we must embrace new opportunities for innovation and modernisation, and address the key factors hindering the delivery and production of new homes.**



## PRIORITISE HOUSING AFFORDABILITY

Affordable housing is an essential component of healthy communities, yet over the last decade housing affordability in Perth has declined dramatically. This is still at critical levels in spite of land and housing prices declining in the last two years.

A range of factors impact housing affordability, including land supply, costs of construction, efficiency of approvals processes and infrastructure contributions.

UDIA ADVOCATES FOR:

- increasing the threshold for Keystart loans by 25%
- abolishment of stamp duty and the introduction of a broad based land tax system to enable people to transition to more appropriate housing, e.g. downsizers
- the introduction of policy settings that facilitate more build to rent projects
- the introduction of planning incentives such as density bonuses for projects that include provision of affordable housing
- release of the revised Development Contributions for Infrastructure Policy - SPP 3.6
- a review of community consultation processes to ensure development projects that are generally consistent with policy are not unnecessarily delayed
- provision of a proponent led option to be included in the Perth and Peel @3.5m Frameworks to confirm that projects outside of the adopted footprint can be considered on their merit
- the establishment of housing and density strategies by local governments based on growth forecasts and capacity to deliver housing in areas that are well serviced by existing infrastructure; to ensure local government is fulfilling its responsibility to accommodate population growth and ease affordability pressures
- prioritising the delivery of a pipeline of key urban renewal sites to unlock new housing opportunities

# OUR HOMES

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## STREAMLINING THE PLANNING SYSTEM

Modernising the planning system to eliminate unnecessary costs and processes so it can effectively drive the delivery of new housing is critical.

UDIA is actively engaged in the current planning reform process and will continue to work to ensure refinement of the proposals and effective implementation of the recommendations made in the Planning Reform Green Paper.

UDIA ADVOCATES FOR:

- the introduction of statutory timeframes enforced by financial penalties for responsible and referral authorities driving unreasonable delays in the land delivery and DA process
- the development and implementation of a third - party planning certification system to alleviate pressure on responsible and referral authorities
- full digitisation of the planning system to embrace innovation and technology and provide greater accountability and transparency
- empowerment of the WAPC with greater funding and decision making capability across all development settings
- local government performance reporting
- a mandate that local government planning policies and requirements are consistent with State Government policies
- urgent finalisation and introduction of SPP's, under review currently

## INCREASING HOUSING DIVERSITY & INTENSITY

We must encourage more homes and more housing options to accommodate the growing population and unlock opportunities for renters and first home buyers.

UDIA ADVOCATES FOR:

- accurately planning to meet housing demand through improved population and demographics data and forecasting
- rewarding local government areas that fulfil their responsibility to accommodate population growth with increased funding towards infrastructure and amenities
- encouraging investment in new housing supply and rental stock
- the adoption of a compulsory medium density housing code
- finalisation of the design guidelines for apartments
- introduction of a form based approach to planning in activity centres/ precincts and the removal of plot ratio limits for development assessment in specified areas/ precincts as part of Design WA
- the swift passage of Strata Title Reform legislation through parliament

# OUR COMMUNITIES

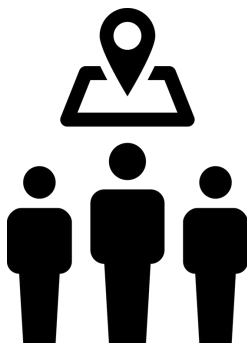
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**While in recent years WA has experienced slow population growth that has eased pressures on demand for land for housing as well as jobs, WA's population is still expected to grow by over 1.5 million people in the next 30 years.**

**Perth will accommodate the majority of the growing population and we need to ensure Perth is developed as the true engine room of our economy.**

**We are already experiencing pressure on our existing infrastructure and compromising Perth's liveability. This is not the result of growth in itself but rather a symptom of poor planning and lagging infrastructure provision.**

**Fortunately we can get back on track and deliver liveable communities through improved strategic planning and the proactive, cost-effective delivery of infrastructure.**



## A LIVEABLE CITY

Achieving a liveable city includes fostering economic success, preserving cultural and aesthetic attributes and quality of life, as well as ensuring the ease with which people and goods can move around.

Key components of improving Perth's livability include achieving active, connected urban centres, increased housing diversity and taking a balanced approach in terms of greenfield and urban infill development.

UDIA ADVOCATES FOR:

- introduction of a precinct planning approach for priority district and local centres
- the engagement of industry in the precinct planning for METRONET locations
- introduction of incentives to encourage local governments to develop and achieve housing strategy density targets and reporting against them
- limiting local government's ability to undermine the achievement of diversity and density by amending the Town Planning Regulations to require WAPC approval of local policies that are inconsistent with state policy
- a public education campaign on the benefits of increased density in appropriate areas
- state government led aggregation of lands in priority development areas
- a performance/ form based approach to development in and around activity centres
- introduce regulations enforced by financial penalties for responsible and referral authorities that do not meet statutory timeframes and increase the end price of housing

# OUR COMMUNITIES

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## INFRASTRUCTURE PLANNING & COORDINATION

Historically, there has been a lack of coherent, whole of government infrastructure investment planning and poor coordination between government agencies for infrastructure provision. This led to significant under investment in infrastructure across the state.

As governments have retreated from providing infrastructure, the costs have become increasingly borne by the development industry, and in turn homebuyers, hindering affordability.

### UDIA ADVOCATES FOR:

- an independent and transparent Infrastructure WA which is empowered to plan, manage and deliver infrastructure investment to support new communities in greenfield and urban renewal settings through proper and long term funding commitments
- establishment of a strategic pipeline of priority infrastructure projects for each of WA's housing markets - infill, greenfield and regional - detailing cost, benefit, timing and funding
- increased 'City Deal' funding for Perth's growth areas through the development of additional coordinated, aggregated funding models for infrastructure
- investigation of alternative funding mechanisms including Public Private Partnerships
- rationalisation and containment of charges imposed through Infrastructure Contribution Plans to ensure transparency and accountability of local government development contribution schemes

## STREAMLINED ENVIRONMENTAL APPROVALS PROCESSES

Urban development is moving into more environmentally challenging areas and can be subject to increasingly complex approvals processes with separate, and at times conflicting policy requirements.

Government must ensure environmental policy and processes are clear and develop an integrated state/federal strategic assessment strategy to deliver both improved environmental outcomes and assessment processes.

### UDIA ADVOCATES FOR:

- establishment of a joint industry/ government Ministerial Advisory committee tasked with identifying ongoing issues and making recommendations for change to address them
- introduction of a strategic assessment that streamlines the environmental approvals process, as per the original intent of the SAPPR
- access to accurate and up to date environmental data
- a balanced approach to environmental, social and economic assessment and recognition of the positive aspects that urban development can have on environmental outcomes

# OUR ECONOMIC FUTURE

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**It is critical that the state economy continues to diversify in order to assure a prosperous future. A healthy economy is important to achieving healthy communities.**

**Embracing the new knowledge economy, attracting more people to the state and fostering a healthy property industry are all important factors for our economic future.**

**The importance of the property industry to the wider economy is not always fully recognised. The property industry represents approximately 12.3% of Western Australia's Gross State Product, contributing \$30.45 billion annually to the Western Australian economy and \$251.7 billion nationally.**

**The industry also employs a total of 228,500 Western Australians and over 2 million Australians across the country.**

**Our economic future relies on the willingness and ability of local, national and international companies to continue to invest in WA.**



## 'BRAND PERTH'

Rebuilding WA's reputation as an attractive investment and living destination by creating a new sense of identity or a 'brand' for our major city is an important aspect of attracting and retaining people, investment and resources.

With the move to diversify our future economy, it is time for Perth to undergo a 'rebranding' process, to create a new sense of identity that effectively communicates what we offer and what we are about to people that might be thinking of moving, visiting or investing here.

### UDIA ADVOCATES FOR:

- the state government to work with industry stakeholders to prioritise a clear branding exercise for Perth and WA that cuts across all relevant government agencies
- the development of a campaign to promote Perth's unique lifestyle opportunities and attract people and investors to the state to enhance WA's share of interstate and overseas migration and investment



# OUR ECONOMIC FUTURE

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## TAXATION REFORM

Activating the taxation system to recognise the role of property investors in creating new housing supply and providing rental stock at a time when West Australians need it most is an important step.

The property industry is one of the most heavily taxed sectors in the Australian economy.

This high level of taxation has a flow on impact on housing affordability.

Inefficient taxes such as Stamp Duty also act as a barrier to housing mobility and people's ability to move into more appropriate housing for their needs.

### UDIA ADVOCATES FOR:

- state restraint in using the property industry as a soft target for increasing taxation revenue
- phasing out of stamp duty and moving to a broad based land tax system which distributes tax more equitably
- a reduction in the top marginal rate of land tax in the current or any new land tax system
- land taxes only to be applied to unimproved value of the land to prevent investment disincentives
- a change to the GST distribution model to ensure a fairer share for WA

## RECOGNISE THE IMPORTANCE OF THE PROPERTY INDUSTRY

The health of the property industry is critical to the broader economy.

UDIA is keen to see government at all levels recognise and ensure that policy and regulation is cognisant of the ability of the private sector to deliver affordable, efficient land and housing to meet people's needs while adding to the states revenue and providing employment opportunities.

### UDIA ADVOCATES FOR:

- a legislative and policy environment that recognises the value of the property development industry and fosters growth in WA
- streamlined approvals processes, transparency and consistent decision making on development proposals
- a system that encourages and promotes innovative development proposals that will attract greater investment to WA.

# 2018-20 STANDING COMMITTEES

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UDIA WA's Committee Structure provides our members with the opportunity to play an active role in driving positive policy and advocacy outcomes to the broader urban development sector. The Committees activate expert knowledge from across our membership base and capture industry views, enabling us to effectively advocate on behalf of industry.

## **ENVIRONMENT COMMITTEE PURPOSE:**

To drive an efficient, consistent and coordinated approach to effective environmental management in Western Australia in a way that is cognisant of climate change and has a positive economic, social and environmental impact.

## **HOUSING DIVERSITY COMMITTEE PURPOSE:**

To identify opportunities for and barriers to, achieving best practice, greater affordability and diversity in built form outcomes, to meet Western Australia's various housing and lifestyle needs, in a way that has a positive economic, social and environmental impact.

## **INDUSTRY DIVERSITY COMMITTEE PURPOSE:**

To represent the diversity of those who work within the urban development industry and to assist in promoting greater equality, engagement and participation across the industry.

## **INFRASTRUCTURE COMMITTEE PURPOSE:**

To seek the timely provision of urban infrastructure and services to meet the needs of new and existing communities; whilst ensuring the provision of the infrastructure required does not adversely impact the affordability and accessibility of housing.

## **LAND USE PLANNING COMMITTEE PURPOSE:**

To advocate for the development and implementation of an efficient planning system that facilitates effective urban development and that meets Western Australia's economic, social and environmental needs.

## **OUTLOOK COMMITTEE PURPOSE:**

To identify and promote opportunities for professional development, networking, growth and engagement of young professionals within the property development sector.

## **URBAN WATER COMMITTEE PURPOSE:**

To promote an efficient, innovative and coordinated approach to urban water management, ensuring that competing social, economic and environmental demands for water are appropriately balanced.

# OUR STRATEGIC PRIORITIES

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THE FOLLOWING EIGHT STRATEGIC PRIORITIES SET THE DIRECTION FOR UDIA WA TOWARDS 2020.

## LEAD

Spearhead an informed conversation about urban development that positions the industry as strong, credible and trusted, with a vision to build urban and regional communities that benefit the people and economy of Western Australia.

Provide a strong voice for the development industry at the highest levels of government and in the public domain.

## ADVOCATE

Drive a strong program of advocacy and policy development across the spectrum of the urban development sector and strengthen the industry's position as a critical voice in the evolution of Western Australia's built environment by engaging actively with key decision makers and stakeholders.

Develop a reputation for agility and the ability to respond to changing market conditions and community demands in a practical manner, providing a solutions-based approach to challenges and opportunities.

Ensure members' interests are represented and influential at the highest levels of government.

## RESEARCH

Invest in a research program that is intuitive of the current and future needs of the industry and its stakeholders, that is responsive to the challenges facing Western Australia and contributes to the broader knowledge base of the State.

Consolidate a position as a thought-leader in the Western Australian community and as a credible source of strategic, expert and up to date information that informs the policy and decision making process.

Develop the Thought Leaders program in collaboration with the membership and external stakeholders.

## GROW

Grow the capacity of the organisation to ensure adequate financial and human resources to deliver highly valued services to members.

Invest in expanding the membership base and developing core programs and services that deliver greater benefits to our membership

## INNOVATE

Encourage forward thinking and practice within the organisation, and across the membership to build a community of practice that shares excellent knowledge and innovation.

Showcase a local industry operating at world's best practice by highlighting innovation in design, building, infrastructure development, resource conservation, sustainability and planning for intelligent and responsive development outcomes.

## COMMUNICATE

Proactively communicate the story of a smart, knowledgeable and experienced industry committed to designing and building the many urban and regional places that make Western Australia a great place to live.

Highlight the innovation and successes of our members with key stakeholders and the broader community to ensure community understanding about the benefits our industry delivers.

## COLLABORATE

Proactively engage and work closely with members to enable feedback on key policy and advocacy issues and a free flow of information within and between the UDIA office, Council, committees and broader membership.

Develop positive relationships with other industry bodies, key stakeholders allied and associated with the development sector, and all levels of government.

## EDUCATE

Promote an environment of lifelong learning for the development sector and its allies and associates.

Provide professional development, training and networking opportunities across the spectrum of the sector with a focus on the needs of the next generation.



UDIWA.COM.AU

+61 8 9215 3400

udia@udiawa.com.au

Unit 26/ Level 1, 3 Wexford  
Street, SUBIACO WA 6008



/UDIA WA



/Urban Development Institute of Australia (WA)



@UDIA\_WA

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