

18 October 2019

Design WA team
Department of Planning, Lands and Heritage
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Via email: designwa@dplh.wa.gov.au

Dear Sir/Madam

Draft SPP 7.2 Precinct Design, Guidelines and Discussion Paper

Thank you for the opportunity to provide feedback on the Consultation Draft SPP7.2 Precinct Design and accompanying Guidelines. The Urban Development Institute of Australia (UDIA) WA is the peak body representing the property development industry in Western Australia. UDIA is a membership-based organisation with members drawn from the residential, commercial and industrial property development sectors. UDIA members include both private and public sector organisations. Our industry represents approximately 12.7% of Western Australia's Gross State Product, contributing \$31.7 billion annually to the Western Australian economy and \$264.98 billion nationally. As well as helping to create sustainable and liveable communities, the industry employs a total of 215,100 Western Australians and 2.044 million Australians across the country.

General Comments

UDIA acknowledges WAPC's commitment to the preparation of the draft SPP7.2 and the accompanying Guidelines. As Perth develops into a more consolidated urban form and as our regional centres grow, it is imperative that we have an effective framework to plan for the emergence, growth and transformation of these centres. Indeed, through the Government's 'Our Priorities' agenda, the METRONET program and urban infill targets, the State has set out a clear objective to increase development in precincts and around urban infrastructure. To support this agenda, in locations where Precinct Plans are desired, the WAPC/DPLH should work with all stakeholders, including local government and the development industry to incentivise development through a simplified and streamlined planning framework. UDIA suggests that an effective Precinct Plan Policy and implementation framework could be a catalyst to achieve these desired outcomes. We therefore encourage the WAPC to engage with the development industry to ensure that the policy delivers these outcomes.

Whilst welcoming the draft SPP and Guidelines, which provide a comprehensive framework of considerations for precincts, to ensure the successful implementation of the Precinct Plans Policy Framework, UDIA offers the following advice:

Policy Implementation and Compliance

The draft SPP and the Guidelines comprehensively set out all relevant considerations for the preparation of precinct plans, however UDIA is concerned by the absence of a policy implementation plan. No funding or resources appear to be allocated to assist with the implementation of the Precinct Plans and little attention appears to have been given to the transition from ‘Activity Centres’ to ‘Precinct Plans’ beyond the legislative and state planning policy framework.

Further, whilst recognising that the facilitation of the draft SPP will require amendments to the Planning and Development (Local Planning Scheme) Regulations, it is unusual that the discussion paper has been released alongside the draft SPP and accompanying Guidelines. This is contrary to the established practice which has been to prepare a discussion/consultation paper in advance of draft policy. Although an outline of the ‘next steps’ is included in the Discussion Paper, the details provided are vague, with the adoption process and timings for advancing the policy unclear. It is also unclear if further consultation of the proposed amendments to the Planning and Development Regulations will be undertaken.

The draft SPP includes broad triggers that require the preparation of a precinct plan. These are so broad that the Policy will require the preparation of an estimated 200 Complex Precinct Plans and a further 400 Standard Precinct Plans in the Perth Metropolitan Region alone. This will have significant resource implications for the State Government, local government and the private sector. Therefore, and to avoid the unnecessarily duplication of the existing planning framework, the application of the Precinct Plan Policy should be rationalised.

Further, whilst the government has set out a clear agenda to increase infill development and develop homes in close proximity to public transport; where there is not currently a plan in place, the policy will cause significant delay and uncertainty for development proposals, undermining development in these areas. Rather than encouraging and incentivising development in these preferred locations, the policy states that *“the decision-maker should not approve an application for subdivision or development approval where there is no precinct plan in place”*. Given the various studies and precinct plan outputs required, public consultation requirements, which are then followed by a six-month statutory approval process, it is not unreasonable to expect a minimum of a two-year time period to prepare a Complex Precinct Plan. This is based on the assumption that the relevant local government (as the lead agency) has the necessary resources available to prepare such a plan.

Similarly, the requirement that decision makers should not approve development where there is no precinct plan in place raises concerns about compliance with the Policy. The Policy requirements clearly assume that local government will be responsible for preparing such plans. Whilst the policy does not preclude the private land owners from preparing Precinct Plans, the high fragmentation of ownership in infill areas, the cost of preparing a plan and absence of a uniting governance structure mean that this is challenging and extremely unlikely to happen. Therefore, the Institute queries how the WAPC will ensure local government compliance with the policy and that the sector proactively prepares precinct plans. Where this does not happen, it is important that land owners are not be

penalised from seeking to develop land, that it is highly suitable for development, by the absence of a Precinct Plan.

Given that the SPP will result in the preparation of precinct plans for a wide range of centres and corridors, it is important that all stakeholders including development proponents are fully aware of the status of precinct plans currently in operation and emerging. To provide transparency, UDIA suggests that a central 'precinct plan' depository is established and hosted on the WAPC/DPLH website to ensure that all stakeholders are fully aware of the locations in which they apply.

Recommendations

- The triggers requiring the preparation of precinct plan are rationalised.
- That the WAPC engage with all stakeholders including the development industry, to prepare SPP7.2 Implementation Plan and precinct priority hierarchy.
- That where there is no precinct plan in place, decision makers consider subdivision and development applications upon the merits of the individual application.
- A centrally held 'precinct plan' depository is established on the WAPC/DPLH website.

Maintenance and Review of Precinct Plans – Review Periods.

The Policy and Guidelines have a clear focus on the establishment of Precinct Plans, however very little guidance is given to ensuring that they remain current and how frequently they should be reviewed. As well as establishing an efficient review process, the Precinct Plan amendment process needs to be efficient to ensure that any minor amendments to precinct plan, or amendments to facilitate desirable, innovative development proposals which may require a Precinct Plan and/or Local Planning Scheme amendment can be quickly processed.

Recommendation

- That the WAPC establish appropriate procedures for reviewing and amending Precinct Plans.

Specific Comments

Draft SPP7.2 Precinct Design

4.2 What is a Precinct?

Although UDIA supports a rationalised application of the policy, the general precinct types listed are limited and have a strong Metropolitan focus. The Institute suggests that in certain circumstances, it may be appropriate to adopt a precinct plan for areas of economic activity, such as industry areas or areas of other clustered activity. Whilst acknowledging that such areas may be identified as a precinct by the WAPC, guidance regarding how this is determined by the WAPC would assist.

The definition of residential infill also needs to be more accurately defined and/or prioritised to align with strategic priorities and avoid the broad scale application of the policy everywhere. It is also

concerning that Local Development Plans are prevented from being used for residential infill sites, when in many circumstances they are entirely appropriate.

The Institute also queries the application of precinct plans to all heritage areas, noting that many local governments currently are able to effectively manage such areas through the use of Local Planning Policies.

6 Policy Measures

Table 1

Table 1 sets out broad requirements which necessitate the preparation of complex and standard precinct plans. The table prescribes the preparation of a complex precinct plan for Station Precincts, Urban Corridors and 'other areas' identified by the WAPC. None of these are defined by the Policy or Guidelines. As such, it is not clear if all 69 train stations on the Transperth Network require a complex precinct plan, or indeed what constitutes an 'urban corridor'.

Similarly, SPP4.2 identifies a total of 111 activity centres across the Metropolitan Region and it is not clear if the intention is that all these centres have a complex, or standard precinct plan. However, it is clear that the policy will give rise to the need to prepare a significant number of precinct plans. In addition to the 111 activity centres identified in SPP4.2, the recently announced East Wanneroo Structure plan identifies a further 28 precincts. Meanwhile at the local level the City of Fremantle's Local Planning Scheme identifies eight precincts (covering entire suburbs and the majority of the local government area). The City of Melville Planning Strategy identifies 6 neighbourhood centres, 21 local centres and 7 high density residential corridors and the City of Armadale's Strategic Plan includes 28 district, neighbourhood and local activity centres. As such, in the Metropolitan region alone the policy is likely to give rise the preparation of 500-600 precinct plans, of which perhaps 200 may be considered to be 'Complex'. Furthermore, as well as the number of precincts, the spacing between precincts and the linear nature (of stations and urban corridors) together with the extended boundaries of precincts, mean that much of the Metropolitan Region will be contained within a precinct. This will effectively duplicate the existing planning framework, contrary to the objectives of the current planning reform program. Therefore, UDIA reiterates the need to rationalise the application of the policy and queries what resources will be made available for the implementation of the policy and how priority precincts will be identified.

6.4 Subdivision and development

The advice provided by 6.4 is contradictory to the second paragraph indicates that where a precinct plan is not in place subdivision and development can occur providing it does not compromise the ability to comprehensively plan for the precinct. However, the third paragraph states that *"the decision-maker should not approve an application for subdivision or development approval where there is no precinct plan in place"*. UDIA does not support this, given the wide application of the policy, this will prevent development from occurring in the very locations where government, both state and local are seeking to encourage further and more intensified development.

Precinct Design Guidelines

1.4.2 Precinct Type and Scalability

The buildings and built form shown in the images in Figure 5 are almost identical despite the boundary of the different precinct types varying. As such, Figure 5 appears to be inconsistent with the advice provided in section 2.4 and Appendix 2 – How to define a precinct boundary.

1.4 Design Review

UDIA is generally supportive of design review, however it is important that the process is efficient and does not result in unnecessary time delays and add excessively to the cost of development. It is also important that decision makers retain their decision-making capabilities and are only required to give 'due regard' to design review advice, balancing this advice against all other relevant planning considerations and development objectives. The design review process should not be an additional layer of red tape, but rather should provide advice that complements the assessment process and delivers positive development outcomes.

The Guidelines provide no clarity regarding the trigger for design review or how "*precincts considered suitable for design review*" are identified. The Institute queries whether this is left to the discretion of the responsible authority? It is also unclear how the precinct design review process aligns with any subsequent design review process for individual development applications.

2.6.3 Engagement Methods

Table 6 refers to potential engagement techniques for low impact, moderate impact and complex/contentious projects, however the Institute recommends that it may be more appropriate to align these requirements with 'Complex' and 'Standard' Precinct Plans.

2.7 Feasibility

The Institute is concerned about the funding options identified and the lack of clarity regarding what purposes these 'funding models' are to be used for. The Guidelines incorrectly state that "*there is a wide variety of funding options available, including... impact mitigation payments, inclusionary zonings and value capture*". Whilst the inclusionary zoning principle is applied to Government land, there is no framework established for impact mitigation payments of value capture, which was deleted from the recently released draft SPP3.6. Therefore, UDIA strongly recommends that these funding mechanism references are deleted from the Guidelines.

Furthermore, the definition of value capture provided is peculiar and not consistent with the common definition of value capture which is considered to be capturing a proportion of land value uplift resulting from zoning change or from the provision of infrastructure, not from 'buying the right to develop beyond the planning scheme'. Therefore, is unclear how this differentiates from 'impact mitigation payments'. Nevertheless, without appropriate heads of power for such items, these mechanisms should not be included in the Guidelines.

3.0 Design

UDIA is strongly supportive of the performance-based rather than prescriptive assessment approach to the design elements listed through section 3.0. To ensure that this approach is fully adopted, this principle should also be included in the draft Policy as well as the Guidelines.

Design Element 3: Movement

The Institute supports the modal hierarchy set out in C3.1.3 which promotes walking and active transport above private vehicles. However, we query how this relates to other State Government guidance and in particular Main Roads WA's *Guidelines for the Selection of Intersection Control* which promotes roundabouts above other forms of intersection control?

Precinct Design Planning Framework Discussion Paper

UDIA notes that whilst the discussion paper raises a number of important questions, these have not been resolved by the draft SPP or Guidelines. Therefore, the Institute queries whether the Policy and Guidelines are to be readvertised following this consultation period. UDIA suggests that as a minimum a 'Technical Advisory Group' or 'Stakeholder Reference Group' is established with appropriate development industry representation to guide the implementation of the Policy.

Table 4 – Description of planning framework upon introduction of Precinct Design

The Institute queries why Structure Plans and Local Development Plans can only be used for greenfield areas/undeveloped areas? This also raises the question as to whether 'greenfield/undeveloped areas' have been accurately defined. For example, would the former Matilda Bay Brewery site in North Fremantle and former Hamilton Hill Senior High School in Cockburn, both of which have structure plans in place, be considered undeveloped areas (despite previous commercial and public uses)? The Institute suggests that all possible planning instruments should be available in all circumstances, whether greenfield or infill, enabling the most suitable planning framework to be used where appropriate.

Figure 4

The Institute queries the timing of the proposed amendment to the LPS Regulations and whether, as Precinct Plans effectively replace Activity Centre Plans, will SPP4.2 be deleted in accordance with the WAPC/DPLH commitment to reducing the number of SPP?

3.2 Determining authority

The Institute strongly recommends that the 'determining authority' is decided at the outset of the process and not upon the lodgement of a precinct plan, which will cause unnecessary delay and uncertainty, after the investment of preparing such a plan has been made. Furthermore, whilst recognising that all precincts are different, it is concerning that there needs to be a consideration process for deciding who will determine a precinct plan. This implies that the requirements of the precinct plan policy and in particular its triggers have not been clearly articulated.

UDIA recommends that precinct plans are only used for areas that are of strategic significance and that these areas are appropriately identified by the WAPC through strategic policy such as SPP4.2.

3.3 Triggers

The Institute supports the identification of areas requiring precinct plans by higher order planning documents and also the precinct plan format (complex or standard). However, the Institute suggests prioritising and rationalising the list of activity centres requiring complex structure plans as identified by SPP4.2. Further, it is not clear if consideration has been given to alternative triggers such as the declaration of a Special Control Area, or the adoption of a new 'Precinct Zone' through the local planning scheme regulations or regional planning schemes?

3.4.1 Advertising timeframes

Whilst it is unclear if the proposed 42-day advertising period is for complex, or standard precinct plans or both, the Institute suggests that a shorter consultation period should be adopted for standard precinct plans.

3.4.2 Risk-based processes

UDIA is supportive of a risk-based approach to help reduce the processing timeframes for lower risk proposals. To support this approach, the Institute recommends that the 'Precinct Plan Outputs' identified in the Precinct Plan Design Elements of the Guidelines include scale thresholds or triggers, for example an 'employment analysis of the precinct' should only be necessary for larger precincts.

3.4.3 Assessment timeframes

UDIA appreciates the WAPC's acknowledgement that the approval timeframes for structure plans are elongated and intent to improve assessment timeframes. However, as the discussion paper notes, increasing local government timeframes whilst reducing WAPC timeframes simply results in 'no net increase to overall timeframes'. To reduce the six-month approval timeframe, the Institute strongly supports the Discussion Paper's proposal for the concurrent assessment by local government and the WAPC. We would also support a reduction of the WAPC approval timeframes, which are very generous.

3.5.3 Scheme amendment processes

UDIA is supportive of Option A of the possible scheme amendment process as this simplifies and streamlines the community consultation requirements, providing greater certainty for all stakeholders involved.

3.5.4 Scheme amendment content

UDIA supports the intent that not all Precinct Plan content be included in a Local Planning Scheme to provide appropriate flexibility. However, without further guidance to support this, such as examples, or precinct scale triggers for the elements identified, it is likely that local governments will include all the potential elements identified within their Schemes. As well as preventing innovation, this adds additional administrative burden for local governments reviewing and updating precinct plans.



In closing, the Institute wishes to reaffirm our concerns about the broad application of the policy and would welcome further industry engagement to ensure that the policy prioritises and incentivises development in precincts and locations that align with government priorities.

Should the WAPC or Department require any assistance or further information regarding this matter, the UDIA would be delighted to assist. Should any further information be required in relation to the comments above, please contact Chris Green, Director Policy and Research at cgreen@udiawa.com.au or 9215 3400.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tanya Steinbeck', written over a light grey rectangular background.

Tanya Steinbeck
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