

16 April 2021

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

To whom it may concern,

Proposed amendments to SPP7.3 Residential Design Codes Volume 1 for Medium Density

Thank you for the opportunity to provide feedback in relation to the above *Draft Medium Density Code*. The Urban Development Institute of Australia WA (UDIA WA) is the peak body representing the property development industry in Western Australia. UDIA is a membership 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 9.3% of Western Australia's Gross State Product, contributing \$28.2 billion annually to the Western Australian economy and \$267.6 billion nationally. As well as helping to create sustainable and liveable communities, the industry employs a total of 205,100 Western Australians and 2.035 million Australians across the country.

General Comment

UDIA WA welcomes the release of the draft *Medium Density Code* and the supporting *Guidelines*. Ensuring effective medium density outcomes is critical to delivery of the Government's development objectives and supporting a population of 3.5 million by providing a range of homes that suit our emerging community needs and expectations.

Through the Government's 'Our Priorities' agenda, the METRONET program and the Perth and Peel @3.5m Sub-regional Framework's urban infill targets, together with the Design WA framework, the State has set out a clear agenda to increase development densities whilst also supporting good design outcomes. An effective medium density housing is essential to achieving these outcomes.

As such, UDIA fully supports the policy outcomes that the draft SPP seeks to achieve, specifically, facilitating quality residential development and promoting a range of housing types that provide residents with choice, including affordable options.

In preparing the Code, the Department has correctly identified and sought to address significant poor quality development outcomes associated with small-scale infill development that has occurred on individual lots in established residential areas. However, the Institute is concerned that the Code has

been developed and tested against with an acutely narrow a focus, that solely seeks to address these infill development issues. Testing of the code has been limited to infill developments and no market viability, or market acceptability testing appears to have been undertaken. For example, despite industry efforts to promote and deliver more innovative design solutions such as single or tandem garages, there is very limited market appetite for such product. As a result, the code carries unintended consequences that will be catastrophic, preventing any medium development outside of higher land value areas. In turn, this will undermine the Government development objectives and severely undermine housing diversity and affordability.

Policy Application/Implementation

UDIA is also concerned that rather than facilitating innovation, its overly prescriptive nature will stifle innovation and diversity. It is particularly concerning that innovative development projects such as ‘Lightsview’ in South Australia, or projects such as Development WA’s Cockburn Coast do not satisfy the provisions of the code.

Precinct Structure Plans should not be relied upon to vary the Code to allow best practice development, excellent infill examples in WA and Interstate should be able to be accommodated by the Code as default. This process is too complex and unlikely to be facilitated by local government. Similarly, whilst the Code contains Design Principles as well as the ‘deemed-to-comply’ development assessment pathway, experience has demonstrated that local government decision makers are frequently resistant to supporting development satisfies the design principles outside of the ‘deemed to comply provisions’.

To resolve these issues, a more nuanced policy application/trigger is needed. A more effective and efficient response would be to ensure the detailed provisions of the code only apply where a detailed planning/design framework is not in place, with areas covered by a structure plan removed thereby allowing the Code to specifically address the poor-quality infill development issues identified.

Similarly, the threshold for the application of the Code is too low, with housing products at R30 widely considered to be standard single lot housing rather than medium density.

In addition, greater scalability of the provisions contained in the code needs to be explored and examined. For example, provisions relating to primary garden area requirements are split between just three categorises, with the highest threshold being above 150m² meaning that the same private garden requirements apply to lots of 350m² as well as those 150m².

Recommendation:

- The detailed provisions of the code only apply where a detailed planning/design framework is not in place, with areas covered by a structure plan removed.
- R30 is removed from the Code.
- The code provides greater scalability and flexibility in its ‘deemed to comply’ provisions.

Implications for Housing Affordability and Diversity

The Institute is concerned that housing affordability and diversity impacts have not been adequately assessed or considered in the codes drafting with the testing of the code was limited to infill sites only. This is a fundamental flaw of the proposed Code which fails to fully recognise and respond to the fact that the market is unable to support two-storey construction outside of high land value areas. As result, medium density development will be unviable outside of Perth's inner ring. Furthermore, the highly prescriptive and layering of provisions leave little design flexibility, which, together with price pressures dictated by the market mean that rather than facilitating housing diversity, the code will deliver considerably less housing choice.

Recommendation:

- A comprehensive code testing is undertaken and in particular, testing the implications of the Code in master-planned communities be undertaken.

Unintended Streetscape and Design Consequences

UDIA is concerned that there are significant unintended consequences of the document which need to be addressed. In particular these include streetscape impacts, with the requirements of the Code dictating that for north facing lots fronting an east-west running road, all primary garden areas will be located within the front setback. This will result in fencing/screening along the lot boundary, detrimental to the streetscape and community safety by limiting natural surveillance.

Recommendation:

- A comprehensive code testing is undertaken and in particular, testing the implications of the Code in master-planned communities be undertaken.

Consistency with the National Construction Code

UDIA queries the inclusion and validity of provisions within the Code relating to internal dwelling design that duplicate the National Construction Code. To avoid potential conflicts from occurring as the code is updated, these requirements should be removed.

Recommendation:

- Internal housing design provisions covered by the NCC are removed from the Code.

Transitional Arrangements

Greater clarity regarding the transitional arrangements for the Code are needed beyond the timeframe for implementation. The Code needs to ensure equity amongst structure planned projects which may currently implement R-Code variations differently (via a structure plan vs an LDP).

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Recommendation:

- Where subdivision approval predates the draft Code, the existing R Code framework operating at the time of subdivision approval should continue to operate.

In closing, whilst UDIA is supportive of the intent of the Code, we wish to reiterate that the full implications of the policy have not been appropriately considered. As result, the Code will fail to deliver its objectives, preventing the delivery of the State's development and infill aspirations and severely undermining housing affordability and diversity.

Should the Department require any assistance or further information regarding this interim submission UDIA WA would be delighted to assist, and invite you to please contact Christopher 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'.

Tanya Steinbeck
Chief Executive Officer

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