



26 June 2023

Hon John Carey MLA
Minister for Planning; Lands; Housing; Homelessness
11th Floor, Dumas House
2 Havelock Street
West Perth, WA 6005

Dear Minister

Medium Density Code Implementation

UDIA WA supports the delivery of high-quality medium density development as a crucial component of delivering housing choice and to support Government's strategic policy aspirations to create a more compact, connected and liveable city.

We welcomed the long-anticipated finalisation of the Medium Density Code (the Code), as an important part of the State Government's broader 'Design WA' framework aimed at ensuring quality built form outcomes within communities and neighbourhoods.

The final policy provides greater clarity and certainty and seeks to strike a balance between addressing the delivery of unsophisticated medium density housing that we have seen with the emergence of battle axe lots and duplex and triplex blocks over recent years, with ongoing affordability, amenity, and accessibility considerations.

We have however been clear that, as with any new public policy, it is crucial the State Government maintains a close dialogue with industry as the implications continue to be unpacked and worked through throughout the implementation journey.

UDIA WA's position was always that R30 should not be included in the Code. While it is accepted that the transitional arrangements were an attempt to make its inclusion more workable, in working through the complexity around implementation of the Code, and with the current market challenges, protracted timeframes and increased costs in moving projects from land release to completion, industry has concerns, particularly in the context of R30 and single dwellings.

Whilst there is an appreciation of the need to deliver new housing product, and the intent to do so is there, the R30 provisions and current transitional arrangements and timeframe present challenges for projects which are underway, for housing affordability and for existing purchases to be able to develop their chosen home.

UDIA WA recommends that either:

- R30 is removed from the MD Code all together, or at least removing single homes from the scope at R30 akin to apartments being removed at R80. With the RMD Planning Bulletin being rescinded, a framework will need to be put in place to deal with R30 / to ensure the provisions of the Bulletin continue to apply to R30 lots; or alternatively,

- Government works collaboratively with UDIA WA and industry to undertake a detailed review of the R30 provisions within the MD Code, with a view to making amendments to address implications for affordability.

UDIA WA is largely in agreement with the Property Council of Australia WA on the changes required in the context of the transitional arrangements, being that they should be amended so:

- There is one implementation date of 1 September 2025 for all aspects of the Code. This will allow time for the National Construction Codes to be resolved and for the MD Code to be reviewed in that context first.
- Live structure plans should be granted an exemption from the Code.
- Sites titled before 1 September 2023 should be granted an exemption from the Code.

Industry has been receiving mixed messages from different levels and areas within DPLH regarding the use of Local Development Plans (LDPs). In our response to DPLH as part of early engagement on the review of the LDP Framework in May 2023, we highlighted that LDPs will continue to be an essential and valid tool for orderly and proper planning, particularly to facilitate innovation for precinct development. There will also remain situations where it is appropriate to use LDPs in a residential development context where full compliance with the Code is not achievable and high-quality outcomes can be delivered through this mechanism. The DPLH team leading the reform project did confirm the intent is not to limit the use of LDPs just ensure more consistency, however this message may not be flowing through to the statutory area. As part of follow up engagement with the DPLH team at our Land Use Planning Standing Advisory Group meeting in June, we also discussed the importance of monitoring the number, nature and reasoning for their use moving forward to understand where and why they are being used as a valid mechanism for variations to the Code to inform future changes.

Clear Ministerial direction on the use (and monitoring) of LDPs as an accepted and valuable tool where there are unique site conditions or broader precinct context would be welcomed.

From engagement with your Office and the Director General of DPLH, Anthony Kannis, we understand that you have requested advice from the Department on the Code implementation challenges and this is welcomed. We trust that the views of industry will be given due consideration in reconsidering these aspects of the Code.

Should you wish to discuss this further, please do not hesitate to contact me directly on 0409 386 880 or tsteinbeck@udiawa.com.au.

Yours sincerely,



Tanya Steinbeck
Chief Executive Officer