

VPA - Precinct Structure Planning Guidelines - New Communities in Victoria - FAQs - October 2021

About the Guidelines

What are the new PSP Guidelines for Victoria's New Communities?

The Precinct Structure Planning Guidelines for Victoria: New Communities, provide the framework for preparing Precinct Structure Plans (PSPs) that guarantee quality outcomes while also being flexible, responsive and supportive of innovation.

The 2021 Guidelines provide an update to the 2009 version of the document and have been approved by the Minister for Planning to take effect through the Victorian Planning Provisions. The Guidelines lift the bar for outcomes sought in our new communities, to create new neighbourhoods that are prosperous, liveable and sustainable.

How is the VPA 'lifting the bar' in place-based planning outcomes?

The VPA is lifting the bar in place-based planning outcomes by providing a set of clear and measurable performance-based targets that will support improved social, economic and environmental outcomes in our newest communities.

Guidelines targets

What are the key outcomes being sought by the Guidelines' features and targets?

The Guidelines include:

- Greater recognition of the value of Aboriginal heritage in plan-making, and a commitment to improved processes for collaboration with Traditional Owners.
- Increased targets for residential density and diversity around town centres, community facilities and services, and key natural features
- Targets to deliver more affordable housing – housing that is not only affordably priced, but also costs less to live in by reducing energy and transport costs.
- A new 30 per cent tree canopy cover target for streets, laneways, parks and open spaces to improve greening and cooling.
- Targets for improved sustainability outcomes through better Integrated Water Management, conserving landscape features and biodiversity, and emphasising place-making for local natural character.
- A framework for how we will continue our active engagement with government departments, service providers and utility agencies to input their forward plans and for them to identify and define the essential infrastructure that they are responsible for providing.
- Steps to identify where and how development is likely to occur, to assist the development industry, councils, and infrastructure delivery agencies to make the investment decisions that will shape tomorrow's communities.
- How we will explore strategic partnerships for planning, funding and delivery upfront, so that we can underpin innovation throughout and beyond the planning process.

How were the metrics associated with the targets chosen?

We conducted rigorous testing and reviews of best practice planning and design outcomes to develop the Guidelines' updated targets. Our testing focused on ensuring the targets guide the planning of feasible new communities that deliver on *Plan Melbourne's* 20-minute neighbourhood principle.

We reviewed planning outcomes within existing PSPs in both metropolitan and regional areas and audited the Victoria Planning Provision and State Planning Policy to frame what the targets need to facilitate in our new communities.

Do all targets contained within the Guidelines need to be achieved?

All new PSPs in metropolitan Melbourne must seek to achieve all targets in the first instance. Where place-based constraints prevent plans from achieving the targets, appropriate justification must be provided, and the features and key principles of the PSP Guidelines must still be achieved at a minimum.

This allows the responsible authority to further consider a site-specific response to key constraints at the permit stage.

Can council or developers seek to set or achieve targets that are higher than those in the Guidelines?

The targets in the Guidelines set a minimum, base case scenario. We encourage plans that seek to achieve targets higher than those in the Guidelines, provided they don't compromise outcomes for other targets.

Density and diversity targets

How will the VPA achieve the density targets?

The Guidelines set out a new target to increase density to an average of 30 dwellings per hectare around town centres and at key areas of amenity, and an average of 20 dwellings across the precinct moving toward 25 over time.

New PSPs will identify areas of higher density and lower density to achieve this target.

Why are we seeking to increase housing density?

Providing more housing close to amenities is critical in achieving 20-minute neighbourhoods in our new communities.

The research that underpins *Plan Melbourne's* 20-minute neighbourhood principle shows that walkable neighbourhoods need more than 25 homes per hectare to make local retail and community service provision feasible, which is essential to realise the benefits of a well serviced community.

Increased density targets also support greater housing diversity and affordability, providing a greater range of housing typologies. Planning for more diverse housing options ensures our new communities will cater to more diverse households, such as couples without children and downsizers.

Will greater density compromise on neighbourhood amenity?

Increased housing density and diversity will only make for more vibrant new communities. It will ensure that shops, services, and amenities are surrounded by large enough communities to make them viable.

There are many benefits to increasing housing density and diversity including:

- Providing a catchment that can support the economic viability of town centres, including provision of public transport services.
- Creating diverse communities by supporting a range of housing typologies that meet the needs of a range of demographics.
- Creating opportunities for housing affordability.
- Connecting the community to desirable elements of the precinct such as town centres, waterways, and parks through the Amenity Model.

At the same time, as density increases, the provision of essential infrastructure – like schools, community facilities, sports fields, and local parks – is matched to meet future community needs.

Amenity Model

How is amenity defined and what constitutes a high amenity neighbourhood?

The Amenity Model acknowledges that there are a range of outcomes defined as high amenity.

The model directs housing density closest to features such as open space, activity centres, community facilities and access to public transport.

This approach complements other targets related to the 20-minute neighbourhood principle such as walkability and access to activity centres, open space and public transport.

Creating a high amenity neighbourhood may include:

- Identifying higher densities and diverse housing typologies within 400m of an activity centre.
- Locating housing density and diversity to make the most of open space and biodiversity conservation areas.

Tree canopy targets

How will you achieve the 30 per cent public realm canopy tree target?

We understand that some constraints may impact the delivery of our tree canopy target, including the location of driveways and the provision of carparking.

The Guidelines acknowledge that some fundamental changes are required to standard road cross sections, the Engineering Design and Construction Manual and other relevant planning policy to ensure that this target is achievable.

The VPA and DELWP are working in partnership over the next 12 months to address these policy changes.

Regional application

How will the PSP Guidelines be applied in Victoria's regions?

The PSP Guidelines provide a framework, a replicable process and a flexible approach for PSP planning in regional areas that recognises the regions' different development and growth settings and infrastructure and service provision.

The PSP process in regional cities and towns will guide the consideration of key PSP features and outcomes, including relevant targets in line with those set out by the PSP Guidelines. Guidelines will be applied flexibly within regional areas to ensure that future growth respects and enhances the existing and aspirational character of each town.

The PSP Guidelines and the associated Regional Application Guidance Note identify which targets may need to be adapted to address local context and site constraints, or the kind of growth that is being planned for.

The VPA is undertaking further work to assess how this can best be dealt with via the Planning Scheme.

Statutory Implementation

What Statutory weight will the PSP Guidelines hold?

The PSP Guidelines are a reference document, implemented by Ministerial Direction 12. This was the case under the previous Guidelines and will remain the same for now.

The VPA is also working in partnership with DELWP to explore opportunities to improve how the intent of the guidelines is clearly articulated throughout the Victorian Planning Provisions. These opportunities will be developed further as part of the VPA's ongoing PSP reform agenda.

Can the PSP Guidelines and associated targets be applied to areas that have an existing PSP but are not yet developed?

Existing PSPs were planned with the best policy that was available at the time and we will not seek to retrospectively apply the new PSP Guidelines and targets to these.

Where land has not yet been developed, developers and planning authorities can go above and beyond the existing PSP to seek outcomes that better reflect current policy and community aspirations. The VPA is here to help councils and developers who want to create better outcomes under existing PSPs.

Innovation Pathway

What is the Innovation Pathway?

The Innovation Pathway is a PSP preparation pathway process that has been designed to encourage significant innovations in a PSP that might otherwise be difficult to achieve due to policy and practice constraints.

The pathway will include the preparation of a bespoke PSP by the VPA, planning permit facilitation and a streamlined pathway for approval to reduce standard timeframes where possible.

What is considered an innovation?

To be considered an innovation, a proposal needs to demonstrate an opportunity to deliver an outcome over and above the new minimum standards and may require a substantial deviation from either the Guidelines' principles and performance targets, the approval process, or both.

How will Innovation Pathway projects be chosen?

Innovation Pathway proposals will be required to be submitted for consideration and assessment by the VPA and its chosen partners.

The criteria and process associated with this is still being developed and we plan to release further details later this year.

How are you going to incentivise these innovations?

Innovation Pathway projects will benefit from a bespoke and streamlined end to end process from project initiation through to subdivision planning permit approval.

VPA's new PSP 2.0 and new Compact PSPs

What are the key features of the PSP 2.0 Process?

PSP 2.0 is a reformed process for developing a PSP. PSP 2.0 aims to streamline the current systems and deliverables to reduce the overall PSP preparation timeframes.

The key features of the PSP 2.0 process are:

- A coordinated, whole of government approach to planning for places
- A lean methodology
- Early identification and resolution of issues
- Greater collaboration with Traditional Owners, landowners, council and agencies from the beginning to the end of the preparation of the PSP
- Embedded co-design involving stakeholders that allows for the exploration of diverse views
- A place-based (site responsive) focus that supports innovation and encourages a lifting of the bar in our new communities.

Will landowners and stakeholders have the same level of input into PSPs under the PSP 2.0 process?

Under PSP 2.0, the Planning Authority retains the critical and distinct role of balancing individual interests in favour of net community benefit to deliver plans consistent with government policy, that are responsive to the specific context and meet the needs of future communities. Under PSP 2.0, all stakeholders will have more opportunities to input into the plan preparation process.

The PSP 2.0 process has been designed to ensure that there are multiple touch points for Traditional Owners, landowners and stakeholders to be meaningfully involved in the preparation of the PSP and supporting documents.

PSP 2.0 places greater emphasis on early collaboration with parties to identify issues and aspirations that the Planning Authority will assess and balance to shape the ultimate place-based plan.

What will the new Compact PSP template look like?

The VPA is preparing a standard Compact PSP template and plan set which will be rolled out in the next tranche of PSPs.

The Compact PSP template will reduce the existing requirements and guidelines by removing repetition and placing greater focus on plans and tables. This will make it faster and easier for planners, developers and agencies to identify and assess place-based outcomes.

Further information regarding the Compact PSP will be made available as the template is introduced and tested.

Implementing the Guidelines and New Guidance Notes

How will the new Guidelines be applied (and implemented?)

The new Guidelines will be applied to all new PSPs in the same way as the existing Guidelines. Practitioners will utilise the Guidelines and the associated targets as they develop the place-based plan, with the plan then tested to ensure that targets are being achieved.

Will there be opportunities to provide further input into the targets, guidance notes or pathways?

The VPA conducted significant consultation across the planning and development sector during the development of the PSP Guidelines. The updated Guidelines, targets, guidance notes and pathways are the result of the rich and valuable input, generously provided by stakeholders from all corners of the industry.

Some guidance notes are still in development and the VPA will be conducting targeted consultation on these as they progress.

Will there be educational opportunities and training to help our staff understand the guidelines?

The VPA will run training sessions in early 2022 for planners and practitioners who work on Victoria's new communities. Please contact the VPA if you are interested in arranging a training session for your workplace.

The Role of the VPA

What different roles do the VPA and councils play in preparing PSPs under PSP 2.0?

In Melbourne's greenfield areas, the role of the VPA in PSP preparation will largely be as the Planning Authority, leading the preparation of the PSP and associated documentation in close partnership with the associated council and relevant agencies.

Councils are a key partner in plan preparation for the precinct with a key focus on informing the local community and council ambitions into place-making outcomes.

The VPA's PSP program

How does a PSP get onto the VPA Business Plan?

Each year the VPA develops a project list considered by the Minister for Planning, which contains a series of program priorities.

PSPs chosen for the work program are subject to assessment against a whole-of-Government endorsed criteria which broadly considers:

- The state and local policy context, including alignment with current government priorities and directions
- Infrastructure capacity and need
- Planning complexity and deliverability

Where a PSP is not included on the Business Plan, it will be considered as part of a future forward program as other plans are completed.

Can a PSP be added to the Business Plan if it is to be undertaken as part of the Innovation Pathway?

Only PSPs that meet the criteria for inclusion onto the VPA Business Plan will be eligible to be considered under the Innovation Pathway. New PSP's can be added to the VPA Business Plan program by the Minister for Planning.

ICPs and third-party funding

Will changes be made to infrastructure contribution plans and what they will fund as part of PSP 2.0?

PSP 2.0 does not change the existing scope of infrastructure contribution plans and what they are able to fund or recover.