

Victorian Local Governance Association



*Connecting Communities
Strengthening Democracy*

Review of Victoria's Overall Planning System Submission

September 2011



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About the VLGA

The Victorian Local Governance Association (VLGA) is a unique peak body for councillors, community leaders and local governments working to build and strengthen their capacity to work together for progressive social change.

Our membership consists of local governments (representing 86% of Victoria's population), community organisations and individuals.

Our vision is for Victorian communities to be inclusive, sustainable and dynamic, characterised by strong leadership and effective local governance.

We believe that transparent, accountable and democratic governance policies and practices in all settings enable citizens to create their own sustainable futures.

Executive Summary

The VLGA holds the view that the planning system in the State of Victoria is not fundamentally broken, although significant reforms are required if it is to become more effective and efficient. Many of the reforms with the most impact will not be changes to the structures of the planning system itself, but changes to the way it is supported including its effective integration with other complementary Acts, to enable it to work as it should.

Given the range of cost-of-living pressures facing Victorians (such as housing and mortgage stress, rising utility, food and transport costs, and health burdens), the VLGA is confident that there is little community support for a grand experiment in deregulation of Victoria's planning system.

If we accept that the primary purpose of land use planning is to sustain people and communities, a 'hands-off' approach seems anathema to addressing the well documented challenges we face regarding our natural and built environment, in complex social and economic circumstances. We believe that communities are growing increasingly impatient about the lack of leadership to address these well-documented challenges.

On the other hand, we believe that communities will reward governments who are willing to lead in a collaborative process to restore their faith in Victoria's planning system and its interaction with their everyday lives.

The VLGA therefore submits that future actions likely to restore faith in Victoria's planning system, and to deliver more sustainable communities, should deliver community confidence; a comprehensive and congruent approach to strategic planning; and clarity and consistency.

Community confidence in the planning system needs to be earned:

- Thorough community engagement is critical, especially in developing strategic plans
- If things of value are properly protected – environment, open space, liveability, heritage and intrinsic neighbourhood character – the community will be more accepting of change in designated places
- When strategic planning has gained public confidence, there are fewer battles over statutory planning decisions and the system becomes more efficient
- The role of local governments as Planning Authorities and Responsible Authorities are core elements of the system, essential to ensuring that both strategic planning and statutory planning decisions are conducted transparently and accessibly to local communities
- Third party objection rights are an important democratic element of the system and a safeguard against real and perceived corruption
- A huge amount can be achieved by implementing the recommendations of previous reviews, without major legislative change

A comprehensive and congruent approach to strategic planning is required:

- Land use planning must be fully integrated with transport planning
- Without adequate population and settlement strategies at Federal and State levels, land use and transport planning is set up to fail at regional and local levels
- Investment in infrastructure needs to be adequate and up-front – let's not create the slums of tomorrow by developing growth areas without transport and service provision
- The system needs to facilitate collaboration on a regional level where issues cross municipal boundaries (but where state-wide measures are too constraining or too blunt)

Clarity and consistency are just as important as efficiency:

- Local governments can achieve this with more support, such as addressing the skills shortage in planning staff and making the amendment process simpler
- The biggest bottleneck is in State Government (DPCD) processes – amendments take months and years to reach Ministerial sign-off
- A tiered approach to amendments – where simpler ones face fewer hurdles – will help at both local government and State Government levels
- The system lacks clarity and direction in several key areas of environmental and social policy

VLGA Recommendations

The VLGA:

1. recommends that the State Government closely considers the timing of any proposed changes to Victoria's planning system, given that other important land use planning review processes are currently underway
2. recommends that any significant changes proposed by this review be canvassed in a Green Paper and White Paper process to ensure transparency and adequate levels of community consultation
3. supports the establishment of a State Planner who would have independent oversight of the implementation of the Planning and Environment Act and key government policies in relation to Victoria's planning system
4. recommends that thorough and on-going community engagement processes be built into the planning system, through a Charter for Community Engagement established by negotiation between governments, industry and the community
5. recommends that support mechanisms be established for sharing leading models of community engagement in the planning system
6. recommends that principles of local accountability, accessibility and transparency be maintained in the planning system through the function of local governments as Planning Authorities and Responsible Authorities
7. recommends that the planning system provides stronger protection for aspects of the natural and built environment of high value to the community. This includes defining 'no-go' zones through a collaborative process, and introducing mechanisms to prevent incremental losses as a result of accumulated small decisions
8. The VLGA recommends that principles of equity and accessibility within the planning system be maintained through retention of third party objection rights in statutory planning decision processes by Responsible Authorities and VCAT. Some curtailing of these objection rights may be justified in implementing strategic planning outcomes agreed through the processes advocated in recommendations 4 to 6 above
9. recommends the establishment of an independent Planning Advocate's Office to provide support to the community to engage with Victoria's planning system, especially VCAT and other regulatory agencies that administer land use and development
10. recommends that a review be conducted to clarify the criteria available to the Minister for Planning in intervening on development applications, including improved criteria and guidance on projects of state significance

11. recommends that where a matter is 'called-in', there be a requirement for the Minister to consult with local governments prior to the final decision being made
12. recommends that in reforming Victoria's planning system, including the role of VCAT, priority be given to implementing recommendations of previous reviews
13. recommends that the State Government advocate strongly for a National Population and Settlement Strategy with a focus on future environmental, social, built and economic challenges
14. recommends that strategic planning for land use be integrated with transport planning; that long term strategic planning be conducted with reference to population and settlement strategies; and that this integrated approach be clearly articulated in the State Planning Policy Framework
15. recommends that the Planning and Environment Act be amended to include the Objectives and Principles embedded in the Transport Integration Act 2010 Divisions 2 and 3, with appropriate minor modifications
16. recommends that mechanisms be developed to ensure that major urban growth cannot proceed without adequate provision of infrastructure, including integrated transport and community infrastructure
17. recommends that the State Government supports the establishment of collaborative bodies and/or processes responsible for addressing issues in metropolitan and regional strategic planning that go beyond municipal boundaries. Such collaborations should be formally recognised, that is, such groupings of local governments should be able to develop, advertise and adopt planning scheme amendments that have joint and individual buy-in and support
18. recommends that the State Government ensures adequate resourcing of local governments – especially small rural shires – to manage Planning Schemes. This should include measures to train, attract and retain planning staff within the sector
19. recommends that the State Government facilitates and resources the sharing and implementation of 'good practice' and more effective distribution of the implications of Ministerial Directions, Practice Notes and precedent-setting decisions by VCAT and Planning Panels Victoria
20. recommends that the DPCD supports increased training for councillors and community members in order to develop a greater understanding of the planning system and how to effectively participate in its processes
21. requests that claims of delays or obstacles to effective and efficient planning within local governments be assessed against objective data and other evidence, and with regard to the public interest in good governance within Victoria's planning system

22. recommends that the State Government ensures greater accountability and efficiency within the DPCD's processing of Planning Scheme Amendments (PSAs), by implementing processing time limits, addressing resource constraints and introducing a tiered approach to PSAs so that resources are allocated in proportion to an amendment's complexity and significance
23. recommends that the State Government investigates the expanded use of Vendor Statements to include references to adopted strategic planning policies
24. recommends that the recommendations in the report *Integrating Land Use Planning and Community Food Security: a new agenda for government to deliver on sustainability, economic growth and social justice* be implemented
25. recommends that the State Government outlines the steps it will take to implement the recommendation in its Victorian Public Health and Wellbeing Plan 2011-2015 to "...support local councils and urban planners to enhance supply of and access to nutritious food in municipalities through promoting the uptake of existing tools (for example, the Victorian Local Governance Association's Municipal Food Security Scanning Tool and the Heart Foundation's Food-Sensitive Planning and Urban Design)"
26. recommends that health and wellbeing aspects be included in the Objectives and Policy Provisions of the planning system, in accordance with previous submissions by the VLGA, its co-submitters and the Heart Foundation
27. recommends that the joint recommendations made by the VLGA and others mentioned above also be considered in this review
28. recommends that the State Government outlines how it will pursue the recommendation of the its Victorian Public Health and Wellbeing Plan 2011-2015 to "...ensure population health considerations are incorporated into policy, state, regional and community planning including planning for major housing and industrial developments, and other land use planning and design processes"
29. recommends that the planning system be amended so as to facilitate both the reduction of greenhouse gas emissions from the built environment and adaptation to current and future impacts of climate change
30. recommends that the planning system be amended so as to facilitate adaptation to the reduced availability and significantly increased cost of petroleum-based energy as a result of peak oil
31. recommends that the planning system includes measures to ensure the effective 'capture of value' for affordable rental and purchase housing in re-zoned areas and on government land
32. recommends that the planning system includes measures to support affordable and social housing, such as inclusionary zoning and voluntary arrangements between private developers and local governments

33. recommends that the planning system be strengthened in its support for responsible gambling, by increasing the discretion of Responsible Authorities in assessing permit applications involving electronic gaming machines (EGMs), the greater weighting of Social and Economic Impact Assessment Statements and complementary measures
34. recommends that a review be undertaken of electronic gaming machine caps involving affected interface and growth area local governments
35. recommends that a state-wide 'gaming vulnerability index' be undertaken and added to the Victorian Planning Provisions (VPPs), plus a Ministerial Practice Note, with an emphasis on reducing the burden on rural, regional, interface and growth local governments
36. recommends a state-wide amendment to Clause 52 of the Victorian Planning Provisions to allow for greater decision guidelines and other policy clarity for the majority of local governments who have not adopted a Gaming Planning Scheme Amendment

The VLGA Submission

Introduction

This submission places an emphasis on high-level principles and objectives that the VLGA believes are essential to ensuring that the planning system serves Victorian communities well. Given the very broad nature of the Committee's Terms of Reference and its Call for Submissions, there is a risk of putting too great a focus on a maze of day-to-day operational detail, thereby inviting technical 'fixes' that lose sight of the overarching purpose and objectives of the planning system in serving the people of Victoria.

The responses and recommendations that follow therefore flesh out the key points made in the Executive Summary, without drilling down to operational detail. Specific recommendations address areas of concern to the VLGA's broad membership of local governments, community organisations and individuals. The VLGA has specific policy expertise that can inform improvements to the planning system so that it better addresses current and future challenges.

Consultation

The VLGA has sought feedback from member local governments, delegates and community members to guide the framing of this submission. We have also held a number of Leading Edge Forums and other discussions with a range of stakeholders including those named in this submission. The VLGA Board has endorsed this submission.

Section 1: Changes must be transparent and informed by other important land use planning reviews

The VLGA believes that changes to Victoria's planning legislation and system should happen in concert with other significant reviews and processes that are underway in Victoria.

We believe that there is a serious risk of unintended consequences as well as undermining the effectiveness of the planning system if changes are made prior to the finalisation of Regional Land Use and Growth Plans, and the replacement metropolitan growth strategy for Melbourne @ 5 Million.

While it would be possible to make changes such as fast-tracking planning scheme amendments, we believe the aforementioned policy processes that are taking place at the moment must inform changes to the planning system.

We therefore believe that the nature and the timing of any changes to Victoria's planning legislation and system need to be considered in this context.

In keeping with the State Government's election commitments to ensure honest and genuine community engagement and consultation and to restore integrity, transparency and certainty to the planning system, the VLGA believes there is a significant public interest in any draft changes being subject to further local government and community consultation.

There are a number of options open to the State Government in this regard, namely the development of a Green Paper that canvasses the options, leading to the development of a White Paper as an authoritative report or guide that helps solve a problem as well as assisting the community to understand options and make decisions. The VLGA believes that this process would be particularly important if any significant changes to the system are proposed as a result of this review or the other aforementioned reviews. This means that simpler proposals that have widespread support and that will not impact on the overall planning system could be implemented in a timelier manner.

The VLGA also believes that there is a strong public interest in the community clearly understanding the nature and impacts of any legislated proposals. Therefore, as a minimum, we would encourage the State Government to release Exposure Drafts of any legislative proposals.

Finally, the VLGA makes comments elsewhere in this submission about the apparent lack of independent oversight of the implementation of the Planning and Environment Act and key government policies in relation to Victoria's planning system. This is why we continue to support the Planning Institute of Australia's (Victoria Division) call for a State Planner to be established.

Recommendation 1

The VLGA recommends that the State Government closely considers the timing of any proposed changes to Victoria's planning system, given that other important land use planning review processes are currently underway.

Recommendation 2

The VLGA recommends that any significant changes proposed by this review be canvassed in a Green Paper and White Paper process to ensure transparency and adequate levels of community consultation.

Recommendation 3

The VLGA supports the establishment of a State Planner who would have independent oversight of the implementation of the Planning and Environment Act and key government policies in relation to Victoria's planning system.

Section 2: Community confidence in the planning system

The Victorian planning system is not fundamentally broken, but the community's confidence in it has been eroded over time and needs to be restored. The keys to this are genuine community engagement, especially at the level of developing strategic plans, core local government involvement giving local accountability, strong protection for areas of high value, and good governance through transparent and accessible processes. Once this confidence is restored, the community will be more accepting of significant change in specific areas which have been designated through a collaborative process.

2.1 Community engagement

Effective outcomes in planning require genuine partnerships over the long term. This is supported by enabling better public access to and understanding of the system, but goes well beyond access by encouraging and enabling full public *participation*.

The Planning and Environment Act 1987 mandates only some minimum requirements; these tend to encourage adversarial government-community relationships. There is significant scope for improvements that will encourage collaborative processes and result in fewer conflicts over planning decisions.

Democratic and governance principles are upheld when the system ensures input into decisions by those who will be affected by them.

This includes community engagement in strategic planning processes; appropriate third party objection rights regarding statutory planning decisions; and a process for appealing them, all of which need to be transparent and accessible.

These need to be maintained as vital aspects of the planning system, without creating undue delays or encouraging vexatious objections.

A recent survey on Community Attitudes to Consultation & Engagement conducted in South East Queensland made findings that are just as relevant to Victoria:

“There is a disconnect between community expectations and values and the implementation of some consultation and engagement strategies...it is apparent from the survey results that such values are not well integrated with planning and development regimes... Community consultation and engagement is regarded as an integral for governance in planning and policy... From a change and conflict management perspective, there is a need to consider new approaches and methods that can result in negotiated outcomes and engage the values of residents.”

One key to restoring community confidence in the planning system is getting strategic planning right, with thorough community engagement as a cornerstone, and ensuring broad-based public and political support for long-range visions and objectives. This will help the planning system to maintain delicate balancing acts, such as protecting local neighbourhood character and amenity on the one hand, while implementing strategic goals such as a more compact urban form (and hence higher density) on the other (see 2.3 below). This is the trade-off that communities expect and deserve.

The VLGA therefore advocates for a Charter for Community Engagement to be incorporated into the planning scheme. Such a Charter should be developed through a collaborative process involving all stakeholders, with the following objectives and principles as a proposed starting point. These are largely derived from the International Association for Public Participation (IAP2) core values, and the Victorian Transport Integration Act 2010:

Objectives of community engagement

Community engagement promotes sustainable, transparent decisions in planning by recognising and communicating the needs and interests of all participants, including decision makers. This assists the development of widespread and deeply embedded community support for strategic plans and their implementation through statutory planning decisions.

Effective community engagement supports planning that is 'inside-out and bottom-up, not top-down and outside-in'. That is, it identifies the strengths and opportunities inherent in every community and adapts the methods of community engagement to suit these characteristics.

Principles of community engagement in planning

The principle of inclusion: Members of the community should have a say in strategic and statutory planning decisions that could affect their lives. Community engagement includes the promise that the community's contribution will influence the decision.

The principle of equity: Community engagement seeks out and facilitates the equitable involvement of those potentially affected by or interested in a decision.

The principle of access to relevant information: Community engagement provides participants with the information they need to participate in a meaningful way.

The principle of continuity: Thorough community engagement in a planning process starts early, continues throughout the process and lets participants know how their input affected the decision. In long term strategic planning, community engagement is on-going and iterative as plans are implemented and revised. In statutory planning, community engagement enables early input by parties potentially affected by the planning matter, not merely an option to object late in the process.

Recommendation 4

The VLGA recommends that thorough and on-going community engagement processes be built into the planning system, through a Charter for Community Engagement established by negotiation between governments, industry and the community.

Recommendation 5

The VLGA recommends that support mechanisms be established for sharing leading models of community engagement in the planning system.

2.2 Role and powers of the State and local governments

The fundamental architecture of the planning system in Victoria is sound in that it provides mechanisms that balance the State Government's responsibility for state-wide oversight and policy direction with local governments' responsibility for delivering the finer grain of local planning schemes.

The role of local governments in the planning scheme needs to be recognised and enhanced. Democratically elected local governments are best placed to conduct strategic planning for the communities they represent (as Planning Authorities) and to administer local planning schemes through statutory planning decisions, in a manner that is responsive to local needs, interests and issues (as Responsible Authorities). There is a case for clarifying the difference between these two roles and to increase councillors' understanding of them, but not for diminishing them.

Question 7 in the Call for Submissions raises some concerns as to whether it may be flagging intent to diminish the role or powers of local governments in the planning system, especially in the context of industry calls for a radical transfer of powers to authorised planners, Development Approval Committees and Planning Panels.

Great caution needs to be applied in considering changes to the system that may reduce the role of local governments either by increasing ministerial powers (e.g. providing greater capacity for call-ins or designations of projects of state significance), or introducing regulatory processes (such as Code Assess applications and authorising applicants to prepare amendments).

Swift, untested change in the balance of roles would be strongly opposed in the community. The VLGA notes that this State Government came to power arguing strongly for real partnerships giving greater local government and community involvement in planning decisions, and we applaud this commitment.

The VLGA seeks an end to the practice of state governments setting policy objectives and determining strategic plans (such as *Melbourne 2030*) without fully partnering with local governments and communities, then criticising local governments for not delivering on those objectives.

Recommendation 6

The VLGA recommends that principles of local accountability, accessibility and transparency be maintained in the planning system through the function of local governments as Planning Authorities and Responsible Authorities.

2.3 Protecting areas of high value

It is important to uphold the principle that economic development and social benefits today are not achieved at the expense of the communities of tomorrow, through impacts such as loss of productive agricultural land, loss of habitat and biodiversity, the destruction of valued elements of the built environment, and an under-investment in effective planning and infrastructure.

Victoria's planning system also needs to prevent the incremental undermining of high level objectives through the accumulation of individual planning decisions.

Through the Victorian Planning Provisions (VPPs) or other mechanisms, local planning schemes should be mandated to identify and more strongly protect areas of high value. High value can be according to a range of criteria, including productivity for food and fibre, biodiversity, open space, built heritage and neighbourhood character.

Clearer identification of 'no-go' zones would assist this. The VLGA notes public comments by the current Minister along the lines that Victorians are not satisfied with the 'bluntness' of the Residential 1 Zone and the fact that too many areas are seen as being 'open slather'. A transparent process involving collaboration between the State Government, local governments and the community is critical to ensuring broad public support for this identification of areas of high value.

Identified and agreed areas for higher density development (e.g. so-called 'go-go' areas) can then proceed with minimal disruption, with community confidence that strong protection has been ensured for other identified areas on the basis of neighbourhood character, heritage or conservation value.

The planning system requires mechanisms to prevent incremental losses as a result of accumulated small decisions – the 'death by a thousand cuts'.

One example is the loss of productive food and fibre producing land through incremental development.

A second is environmental degradation such as the loss of habitat, where principles such as Net Gain in offset plantings allow the incremental loss of intact tracts of diverse habitat and large numbers of individual remnant trees across an environment, which no number of new plantings can replace in any reasonable timescale.

Recommendation 7

The VLGA recommends that the planning system provides stronger protection for aspects of the natural and built environment of high value to the community. This includes defining ‘no-go’ zones through a collaborative process, and introducing mechanisms to prevent incremental losses as a result of accumulated small decisions.

2.4 Third party objection rights and community understanding of Victoria’s planning system

Third party objection rights and the right to no-cost representation in council and VCAT planning processes are highly valued by the Victorian community. They provide an essential safeguard against excessive influence by powerful interests and potential corruption in Victoria’s planning system. As such, they support good governance and represent a significant expression of democratic principles being exercised in the planning system in this State.

There is no case for the wholesale removal or reduction of third party objection rights. While the goals of efficiency and cost reduction are important, the VLGA seeks to ensure that fundamental principles of good governance, including fairness and equity of access to the planning system by all affected participants, are not compromised by any efficiency-seeking changes to the system.

There may, however, be a case for curtailing objection rights in certain clearly defined circumstances; that is, where supported by very clear strategic planning objectives and within designated ‘go-go’ development areas as agreed collaboratively with local governments and communities.

Within these constraints, there is a case for the implementation of greater ‘as-of-right’ uses and Code Assess permit processes which will make statutory planning processes more efficient.

The key to broad public acceptance of these is the confidence developed through genuine community engagement at the strategic planning level, and strong protection for areas of high value as described above. Any blanket implementation of Code Assess processes for subdivisions of a certain scale, or multi-unit residential developments across the board, rather than in agreed strategic areas with strong protections elsewhere, would severely undermine community confidence in the system. This would be exacerbated if Code Assess processes were to be conducted by authorised private planners rather than through accessible, open processes at local government and VCAT levels.

Community confidence in the planning system will be further enhanced with the establishment of a Planning Advocate’s Office. Such an office would support

constructive community participation in the system by supporting appropriate involvement in local government and VCAT planning processes. By giving advice on relevant grounds for objections, it would have a role in minimising trivial or vexatious objections and keeping the focus on key planning issues.

Recommendation 8

The VLGA recommends that principles of equity and accessibility within the planning system be maintained through retention of third party objection rights in statutory planning decision processes by Responsible Authorities and VCAT. Some curtailing of these objection rights may be justified in implementing strategic planning outcomes agreed through the processes advocated in recommendations 4 to 6 above.

Recommendation 9

The VLGA recommends the establishment of an independent Planning Advocate's Office to provide support to the community to engage with Victoria's planning system, especially VCAT and other regulatory agencies that administer land use and development.

2.5 Ministerial call-ins and projects of state significance

An area of growing community concern is the lack of robust criteria and justification for Ministerial call-ins for developments, including those of state significance.

The VLGA believes that a review is required of the Ministerial Powers of Intervention guidelines and practice notes to give greater certainty to the community, industry and local governments. We also believe that this will serve to restore faith in the transparency of Victoria's planning system, as well as de-politicising decisions taken.

There are several examples of good practice in this area from around the world and we would recommend that the DPCD use these to inform a review of the existing guidelines, criteria and practice notes.

Recommendation 10

The VLGA recommends that a review be conducted to clarify the criteria available to the Minister for Planning in intervening on development applications, including improved criteria and guidance on projects of state significance.

Recommendation 11

The VLGA recommends that where a matter is 'called-in', there be a requirement for the Minister to consult with local governments prior to the final decision being made.

2.6 Implementing the recommendations of previous reviews

There is a degree of cynicism about reviews of Victoria's planning system, due to the large volume of 'unfinished business' from previous reviews.

This broad-based review presents an opportunity to make positive changes by implementing the recommendations of these previous reviews and inquiries, most of which do not require legislative amendments and involve minimal disruption.

The list of previous reviews over the last five years includes:

- Review of the Planning and Environment Act (2009)
- Retail Guidelines (2009)
- Review of Fees (2009)
- Melbourne @ 5 million (2008)
- Residential Zones (2008)
- Development Assessment Committees (2008)
- Inquiry into Agribusiness in the Green Wedge (2008)
- Review of Precinct Structure Planning Guidelines (2008)
- Making Local Policy Stronger (2007)
- Review Parking Ratios (2006)
- Advertising Guidelines (2006)

It is germane to once again highlight the recommendations the VLGA made in our previous submission to the 2009 *Review of the Planning and Environment Act*, namely that the VLGA:

- was disappointed that the focus of the review has been on efficiency and minimising planning bureaucracy; and negligible attention has been afforded in the review process to meeting Victoria's environmental challenges and issues of sustainability
- contends that the objective of efficiency alone should not drive planning processes, and that a sole focus on efficiency can have adverse impacts on consultation and sustainable outcomes. Failure to address these priorities demonstrates a missed opportunity for embedding these goals in Victoria's planning structures
- would suggest that an alternative form of words is enacted that both strengthens the environmental objectives of the Act and defines the notion of sustainable design
- would agree with some concerns expressed that there is also a need to include the wording "climate change, health and other policy related issues" in the objectives

- is concerned that there is no high-level recognition of the systemic limitations that see many local governments unable to afford or attract a workforce to sustain the development load they face
- believes that the Draft Bill should be amended to require the Minister for Planning to consult meaningfully with local governments before any streamlined technical amendments can be applied for by other parties
- supports the considerable opposition from many of our local government and community members to the proposal for applicants to be authorised to prepare amendments
- does not support the proposal to remove this power from local governments and substitute this with a power for local governments to make a recommendation to the Minister
- cannot support the proposals regarding projects of state significance in their current form
- believes that it is time for all stakeholders in the planning system to enter into explicit agreements about what ‘partnership’ means, and
- believes that the Development Facilitation Unit of the DPCD should be given the resources to enable it to work more effectively with local governments to facilitate developments that take account of local needs and State needs, rather than the wholesale diversion of applications to the DPCD and the Minister.

With regard to the role of VCAT, there is a need for reform of VCAT’s processes to achieve greater consistency and to give greater support to local planning schemes, but not to remove its core function in the planning system.

VCAT has its detractors, but its role as a review body more accessible than the court system is an important enabler of democratic participation and good governance in the planning system. The VLGA has previously supported requirements for VCAT reform as outlined in the report by former VCAT President Justice Bell.

Recommendation 12

The VLGA recommends that in reforming Victoria’s planning system, including the role of VCAT, priority be given to implementing recommendations of previous reviews.

Section 3: A comprehensive and congruent approach to strategic planning

Good intentions in planning have too often been compromised by State Government approaches lacking integration. Uncoordinated development has proceeded in the absence of effective population and settlement strategies and with inadequate provision of infrastructure and services. These issues need to be remedied through revision of the State Planning Policy Framework and greater support for strategic planning at a regional level to address issues that cross municipal boundaries.

3.1 Settlement and population strategy

Enough has been said and written about the lack of clear and integrated settlement and population strategies at all levels of government. The VLGA agrees with the Property Council's view that "Victoria is in need of a holistic, sustainable and progressive planning vision for the state" and that this should address issues of population growth, housing affordability, infrastructure, employment and environmental sustainability.

Previous State Government approaches have mandated local growth targets without considering the environmental, social, built and economic implications. Local governments have then been expected to develop and adopt policies to deliver on these targets without the necessary State and Federal support for implementing them.

While there is an understandable reluctance to adopt prescriptive, simplistic growth targets, there is an urgent need for planning by State and local governments in Victoria to be supported by a national population and settlement strategy.

Recommendation 13

The VLGA recommends that the State Government advocate strongly for a National Population and Settlement Strategy with a focus on our future environmental, social, built and economic challenges.

3.2 Integrated planning

Strategic land use planning has generally become more integrated over time but still has a long way to go in ensuring high quality outcomes. Transport planning will become more integrated with the implementation of the Transport Integration Act 2010, but the planning system is yet to integrate land use planning with transport planning.

An entrenched practice persists of significantly-sized greenfield and brownfield sites being developed without adequate transport provision, access to employment and

community services, high quality urban design, affordable and social housing, and the energy efficiency and environmental protection expected of contemporary development.

While this may keep initial purchase costs low, it is artificial affordability in that it merely defers future costs or translates them into social costs by creating unaffordable and unsustainable communities of the future, with services and standards never achieved.

Compounding these problems is the absence of adequate population and settlement strategies at both State and Federal levels. In this vacuum, planning has been incapable of managing higher growth rates than the historical averages.

Recommendation 14

The VLGA recommends that strategic planning for land use be integrated with transport planning, that long term strategic planning be conducted with reference to population and settlement strategies, and that this integrated approach be clearly articulated in the State Planning Policy Framework.

3.3 Principles of integrated planning

Notwithstanding our previous concerns about a lack of integrated planning enabled by Victoria's planning system, we would highlight an example of good practice by the State Government that we believe could be followed.

That is, the VLGA supports the Objectives and Principles embedded in the Transport Integration Act 2010 Divisions 2 and 3 (TIA); and we submit that they are just as applicable to land use planning as they are to transport planning. Victoria's planning system would benefit from incorporating these objectives and principles into any revision of the Planning and Environment Act 1987, and by non-legislative actions such as an investment in collaborative planning.

TIA Objectives:

- Social and economic inclusion
- Economic prosperity
- Environmental sustainability
- Integration of transport and land use
- Efficiency, coordination and reliability (for planning, replace 'reliability' with 'consistency')
- Safety and health and wellbeing

TIA Principles:

- Principle of integrated decision making
- Principle of triple bottom line assessment
- Principle of equity
- Principle of the transport system user perspective (replace 'transport' with 'planning')

Precautionary principle
Principle of stakeholder engagement and community participation
Principle of transparency

There are obvious benefits of ensuring that land use planning and transport planning are better coordinated. Moreover, better integrating both spheres by ensuring that they operate from the same set of objectives and principles will greatly assist the delivery of better outcomes and increase community confidence in government planning and service delivery.

High-level principles such as equity, taking the user's perspective, transparency and community participation are critically important in this regard, as argued in Section 1 above.

The above principles align well with the State Government's commitments regarding strategic planning for metropolitan Melbourne:

1. honest and genuine community engagement and consultation;
2. restoring integrity, transparency and certainty to the planning system;
3. the sustainable growth of Melbourne;
4. respecting and preserving urban character;
5. clearly identifying areas for urban renewal and future development zones;
6. integrating and optimising existing and future infrastructure and service provision;
7. clarifying where urban densification in clearly identified areas can occur;
8. ensuring the social, economic and environmental well-being of the community is preserved and promoted through the planning system;
9. protecting existing parks and open spaces from development; and
10. aiding housing affordability.

Recommendation 15

The VLGA recommends that the Planning and Environment Act be amended to include the Objectives and Principles embedded in the Transport Integration Act 2010 Divisions 2 and 3, with appropriate minor modifications.

3.4 Infrastructure Provision

As well as planning in an integrated way for the provision of transport, community infrastructure and better spatial alignment of residential growth and employment generation, the system requires appropriate implementation mechanisms in order to ensure that planned infrastructure is actually put in place.

The objective of achieving development in growth areas at a relatively low cost per lot has perpetuated false economies, by merely deferring some of these costs (e.g.

planning for rail line extensions but not funding them) or translating them into the social costs of underserved suburbs and regional towns. Local governments and communities have been handed an on-going burden of infrastructure and service shortfalls, as well as managing entrenched social disadvantage. This can persist for decades into the future.

The wording of Objective 1(g) in the current Act (Sec 4), “to balance the present and future interests of all Victorians”, is weak in this respect and is not translated into specific policy in the Victorian Planning Provisions.

Specific complementary mechanisms are also required to ensure the necessary up-front investment in new infrastructure and service provision takes place in growth areas, whether these are greenfield sites, infill development or brownfield redevelopment.

These mechanisms need to strike a manageable balance between the different spheres of government and the private development sector in funding infrastructure.

Recommendation 16

The VLGA recommends that mechanisms be developed to ensure that major urban growth cannot proceed without adequate provision of infrastructure, including integrated transport and community infrastructure.

3.5 Strategic planning across municipal boundaries

Victoria’s planning system has tools for implementing policy at a state-wide level, and for conducting strategic planning at a municipal level. There is, however, a lack of mechanisms to support effective regional planning that addresses those strategic issues which cross municipal boundaries, without being state-wide in scale.

Examples are metropolitan planning for Melbourne, growth issues for interface local governments, and the interaction between regional cities and surrounding smaller municipalities. Too often, these result in being ineffectively resolved, leaving inconsistencies between adjoining municipalities and additional costs for business and communities. The other approach is the blunt application of State powers, leaving local governments subjugated to an implementation role and wearing the public blame for unpopular outcomes. The difficulties of implementing Melbourne 2030’s objectives for higher density are an example of this.

A better approach would be greater State support for bodies and/or processes responsible for metropolitan and regional strategic planning, rewarding and formally acknowledging collaboration between the responsible local governments.

Given the lack of solutions to address the labour shortage of planners in Victoria (and indeed in Australia), and the unprecedented level of collaborative planning already taking place between local governments across Victoria, the VLGA believes that the

time is right to allow regional and other so-called 'collaborative' planning processes and planning scheme amendments.

This will be of particular benefit to smaller local governments that face the most acute labour, resource and growth constraints. The VLGA believes that Victoria's planning system would be significantly advanced if a range of geographic, theme-based and other collaborations between local governments were not only encouraged but formally recognised.

Recommendation 17

The VLGA recommends that the State Government supports the establishment of collaborative bodies and/or processes responsible for addressing issues in metropolitan and regional strategic planning that go beyond municipal boundaries. Such collaborations should be formally recognised, that is, such groupings of local governments should be able to develop, advertise and adopt planning scheme amendments that have joint and individual buy-in and support.

Section 4: Clarity and consistency are just as important as efficiency

Speeding up planning processes so that they don't impede appropriate development is important. On the other hand, the long term consequences will be dreadful if efficiency is achieved at the expense of good governance, consistency, clarity and approaches that address the key environmental and social challenges of our time. An evidence based approach is required if genuine delays and bottlenecks are to be addressed, and this may indicate more problems at a State level than at local government level.

4.1 Capacity building

To increase both the efficiency and consistency of planning processes, much can be gained from improving the capacity of local governments and referral authorities to process amendments and applications, rather than changing the structure of the system.

Problems occur through a lack of resources within local governments – especially small rural local governments – to manage the workload of Planning Scheme Amendments (and the necessary supportive studies) to keep local Planning Schemes consistent, effective and up-to-date.

State and Federal assistance is required to address the shortage of trained planners and increase the capacity of local governments to attract and retain them.

Recommendation 18

The VLGA recommends that the State Government ensures adequate resourcing of local governments – especially small rural shires – to manage Planning Schemes. This should include measures to train, attract and retain planning staff within the sector.

4.2 Developing and sharing good practice models

Some of the burden on local governments can be relieved by helping them avoid reinventing best practice approaches. The DPCD should have a co-ordinating role in this, as well as in more quickly and effectively disseminating the implications of decisions in other areas of the system.

By enabling all local Planning Schemes and the staff who administer them to keep up-to-date, this will lift overall standards across the system and reduce the level of inconsistency between different schemes.

The VLGA acknowledges that much has been said in the past, yet little done to truly support and resource the development and sharing of good practice. We submit that this is one of the most affordable and effective ways to drive efficiency and improve planning outcomes, and yet no state government in the recent past has embraced it as a solution.

While we believe that action to address labour shortages is important, the cost of doing nothing when a more affordable option exists to develop and share good practice is too high.

Recommendation 19

The VLGA recommends that the State Government facilitates and resources the sharing and implementation of ‘good practice’ and more effective distribution of the implications of Ministerial Directions, Practice Notes and precedent-setting decisions by VCAT and Planning Panels Victoria.

4.3 Training and education for councillors and the community

In our initial meeting with the Ministerial Advisory Committee, the VLGA made the case for training of councillors and community members in order to develop a greater community understanding of the planning system and how to effectively participate in its processes, as well as suggestions on how community engagement can be improved.

Better decisions nearly always emanate from greater understanding, not only of the mechanics but also the relationship of State and local policy. The community education role could be supported by the independent Planning Advocate’s Office (see Recommendation 9 above).

Recommendation 20

The VLGA recommends that the DPCD supports increased training for councillors and community members in order to develop a greater understanding of the planning system and how to effectively participate in its processes.

4.4 Claims about delays and impediments

It is recognised that the planning scheme needs to achieve efficiency and avoid undue delays, costs and other impediments to economic development.

The VLGA would ask, however, that this inquiry places into context the claims made (both by the other levels of government and by industry) about delays and impediments at the local government level.

These claims need to be tested against objective data, as many of them are either baseless or are generalisations from the small proportion of actual planning matters which are not resolved in a timely and efficient manner.

Such claims may represent attempts to speed up processes for the benefit of narrow vested interests at the expense of checks and balances (including referrals to other authorities) that protect the broader public interest. There may be a case for addressing concerns about inefficiencies, but this case should not be based on untested allegations.

Most statutory planning decisions are, in fact, relatively uncontentious and are processed in a timely manner, often under delegation to professional officers. In other words, the system works well the vast majority of the time and is far from 'broken' in this regard.

The VLGA is also concerned about constraints imposed by the Committee's Terms of Reference emphasising numbers of submissions rather than a relative weighting of them.

If a large number of individual submitters representing the development industry were to request that local government planning powers be reduced, this inquiry may be obliged to give this view greater weight than the fact that many submissions, such as this one, represent a far greater number of local governments, stakeholder agencies, community organisations and individuals.

Recommendation 21

The VLGA requests that claims of delays or obstacles to effective and efficient planning within local governments be assessed against objective data and other evidence, and with regard to the public interest in good governance within Victoria's planning system.

4.5 Reducing delays in State Government processes

Our submission to the previous State Government Planning and Environment Act Review in early 2010 identified that the single largest bottleneck for processing Planning Scheme Amendments lay within the State Government, in the time taken to achieve Ministerial approval.

This often exceeds the time taken by local governments as Planning Authorities to undertake the complex tasks of researching, developing and exhibiting Amendments, yet it is often the council that is blamed by a frustrated public for the delays.

Addressing this may require a combination of increasing the capacity of the DPCD, plus a tiered approach ranging from simple technical amendments to more complex amendments.

Only the latter should necessitate the level of departmental scrutiny and processing currently applied universally to all amendments.

Some reform of the DPCD's structures and accountability measures may be required if the State Government's leadership in planning is to become genuinely effective.

Recommendation 22

The VLGA recommends that the State Government ensures greater accountability and efficiency within the DPCD's processing of Planning Scheme Amendments (PSAs), by implementing processing time limits, addressing resource constraints and introducing a tiered approach to PSAs so that resources are allocated in proportion to an amendment's complexity and significance.

4.6 Vendor Statements

One straightforward idea is the better utilisation of Vendor Statements to reference adopted strategic planning policies so people know how their area may change in the future.

Recommendation 23

The VLGA recommends that the State Government investigates the expanded use of Vendor Statements to include references to adopted strategic planning policies.

4.7 Food security

In order for the planning system to enable a response to food security issues, it should fully implement the recommendations of the VLGA's 2009 report, *Integrating Land Use Planning and Community Food Security: a new agenda for government to deliver on sustainability, economic growth and social justice*.

While not all of these are specific to the Planning and Environment Act 1987, they bear repeating as we believe a fundamental shift is required to integrate land use and food security planning in Victoria, namely:

- A State Government department needs to be assigned responsibility for community food security. A unit needs to be established within that department to provide a focus for research, policy and a suite of programs to address community food security and to liaise with other relevant departments, agencies and local governments to document the relationships between food, health, land use planning and jobs

- That, failing a government department being assigned specific responsibility as above, the task be given to a body or organisation that can embrace a range of interlinked perspectives around community food security
- That one of the first steps for State Government in addressing community food security is to establish a clear accord with local governments that will identify, establish and agree on the respective roles and responsibilities and funding initiatives between the two levels
- That with the support of the State Government, groups of local governments be encouraged to undertake regional audits of food, health, land use planning and jobs
- That the State's land use planning system be amended to include:
 - Increased focus on health and community food security, primarily through amendments to the Planning and Environment Act so as to specifically include health outcomes in the objectives. This would be facilitated if the reference to objectives in the Response Paper prepared by the Department of Planning and Community Development is taken through to legislative changes. There is concern in some quarters that 'food security' is not explicitly referred to and that the reference to health is ambiguous
 - Additions in the State Planning Policy Framework so as to link the retention of productive agricultural land to community food security
 - Requirements that the SPPF allow for the design of urban areas to require the retention of productive agricultural land, and specifically support the provision of local food systems and supplies
 - A new zone be introduced in the Victorian Planning Provisions that specifically provides for urban agriculture
- That the VLGA further develops and facilitates a network of practitioners in local government, research bodies, departments and agencies who link land use planning and community food security
- Specifically in relation to this report that the VLGA assists in facilitating meetings with key Ministers, departments and agencies to raise the profile of the links between food, health, land use planning and jobs, and that a workshop be held to discuss the findings of this project and its proposed actions and initiatives
- The findings and recommendations in this project report are suitably disseminated and publicised

As well as this ground-breaking report, there is an appendix completed by SGS Economics on the economic significance of the food sector that makes a startling economic and, by implication, social case for action in relation to integrating land use and food security considerations.

Recommendation 24

The VLGA recommends that the recommendations in the report *Integrating Land Use Planning and Community Food Security: a new agenda for government to deliver on sustainability, economic growth and social justice* be implemented.

Recommendation 25

The VLGA recommends that the State Government outlines the steps it will take to implement the recommendation in its Victorian Public Health and Wellbeing Plan 2011-2015 to “...support local councils and urban planners to enhance supply of and access to nutritious food in municipalities through promoting the uptake of existing tools (for example, the Victorian Local Governance Association’s Municipal Food Security Scanning Tool and the Heart Foundation’s Food-Sensitive Planning and Urban Design).”

4.8 Health and wellbeing

The VLGA submits that a central purpose of the planning system should be to promote the health and wellbeing of local communities across Victoria. This view is supported by the fact that local governments are required to “...protect, improve and promote public health and wellbeing within their municipality...” and, “...to prepare a Municipal Public Health and Wellbeing Plan every four years...” under Sections 24 and 26 of the Public Health and Wellbeing Act (2008).

We note that the State Government’s recently released Victorian Public Health and Wellbeing Plan 2011-2015 acknowledges that local governments “...have a broad role in health promotion, the provision of health services (for example, immunisation, early childhood and home and community care services) and other services (such as libraries)”.

Moreover, the Victorian Public Health and Wellbeing Plan 2011-2015 also acknowledges that local governments “...are also responsible for a range of planning activities; management of the environment and public spaces within their jurisdiction; public and social infrastructure such as roads; and public services such as emergency management”.

We agree with the State Government that local governments are ideally placed to “...develop, lead and implement local policies to influence many determinants of health. These policies include actions in areas such as transport, roads, parks, waste, land use, housing and urban planning, recreation and cultural activities, and creating safe public places”.

However, we would observe that the absence of health and wellbeing objectives in the Planning and Environment Act 1987 currently acts as a significant barrier to local

governments being able to deliver on their obligations, not to mention the lack of integration of the two Acts.

Many of the aforementioned climate change and food security issues also tie into the health and wellbeing aspects of planning, which were first flagged for inclusion in the Act's Objectives in the 2009/10 review. The VLGA advocates for these considerations to be prominent in framing any revision to the Act's Objectives and Policy Provisions.

Recently the VLGA made a joint submission to the State Parliament's Inquiry into Environmental Design and Public Health in Victoria, with the Planning Institute of Australia (Victoria), Physical Activity Australia (formerly Kinect Australia), the Cancer Council of Victoria, the City of Port Phillip and the Victorian Council of Social Service. We would make the same recommendations to this review, namely:

- "That the term 'land-use planning and design' be used instead of 'environmental planning and design' when communicating with the built environment sector in the future
- That health and wellbeing be included in all local Municipal Strategic Statement 'Visions'
- That health and wellbeing be included as a specific direction in the State Planning Policy Framework
- That health and wellbeing be included as an objective in the Planning and Environment Act (1987)
- Use of the Environments for Health Framework is reinforced through other relevant local government plans such as the Council Plan and MSS
- The Framework's division of social, built, natural and economic environments is exercised with caution and recognition that these are integrated issues, not silos
- Section 12A (4) of the Planning and Environment Act 1987 be amended to include consistency with the Municipal Public Health Plan and thus close the loop and ensure consistency within all relevant legislation
- A review of the Planning and Environment Act 1987 is undertaken so that it complements, rather than contradicts, the Transport Integration Act 2010 and the Public Health and Wellbeing Act 2008
- That learnings from established programs such as the World Health Organisation Healthy Cities Program are included in the Victorian State and local governments' approach to healthy environments. These lessons could accompany learnings from the use by local governments of the Victorian State Government's Environments for Health Framework
- That the built environment in Victoria support shifting transport priorities from private motor vehicles to active transportation options such as cycling, walking and running

- This submission recommends that the Planning and Environment Act 1987 be amended to define certain types of development as requiring a Health Impact Assessment (HIA)
- That any HIA tool adopted be simple for planners to incorporate within their existing activities, for example the 'Design for Health' suite
- Links across all policies and acts relating to health and the built environment be strengthened”

As part of the aforementioned parliamentary inquiry, the VLGA also supported the following recommendations from the Heart Foundation:

- “Broaden the scope of planning legislation to reflect a greater emphasis on the link between planning and people
- Expand the Objectives of the Planning Act to make explicit reference to health and wellbeing
- Align the Planning Act with the new Public Health and Wellbeing Act 2008 and Transport Integration Act 2010 to strengthen inter-sectoral collaboration for health outcomes
- Investigate opportunities for the Department of Human Services to act as a referral authority
- Build the consideration of health and social impacts into the permit process
- Create a separate system for assessing state-significant projects which considers health and social impacts
- Introduce provisions for the protection of agricultural land”

Recommendation 26

The VLGA recommends that health and wellbeing aspects be included in the Objectives and Policy Provisions of the planning system, in accordance with previous submissions by the VLGA, its co-submitters and the Heart Foundation.

Recommendation 27

The VLGA recommends that the joint recommendations made by the VLGA and others mentioned above, also be considered in this review.

Recommendation 28

The VLGA recommends that the State Government outlines how it will pursue the recommendation of the its Victorian Public Health and Wellbeing Plan 2011-2015 to “...ensure population health considerations are incorporated into policy, state, regional and community planning including planning for major housing and industrial developments, and other land use planning and design processes”.

4.9 Climate change and peak oil

There are some particular policy areas that the present planning system either fails to address or addresses inadequately. Some of these are key areas of concern for the VLGA's local government and community members and are fields in which the VLGA has developed policy expertise.

One of these is the specific and profound challenges to land use planning presented by the combination of climate change and peak oil; these are challenges to which the planning system must respond.

Planning that assists in *mitigation* measures by reducing greenhouse emissions aligns with the interests of households and businesses in financial savings through reduced energy use, in the context of rising prices and emerging constraints on oil supplies.

Therefore, both the Objectives of the Act and specific Policy Provisions within it need to prioritise the measures to reduce both stationary energy use and transport energy use. Integrating land use planning and transport planning will go some way towards addressing aspects of transport energy use, but specific planning tools to address stationary energy use are required (e.g. by mandating minimum Environmentally Sustainable Design standards), as well as complementary measures through the building code (e.g. 7-star efficiency). Strong uniform standards across the State would assist in clarity and consistency; at the very least, the system needs to ensure that local governments as Planning Authorities are not prevented from raising standards.

Adaptation to the impacts of climate change presents another set of challenges. These include implementing the recommendations of the Royal Commission into the 2009 bushfires, managing coastal impacts, revised assessment of flood risks due to the 2010/11 floods, and food security implications (see below).

Managing the tensions between the rights of individual property owners and the community interest in preventing a perpetuation of development in areas known or likely to be of increasing risk with regard to bushfire, flood and coastal inundation is a growing challenge to local governments as both Responsible Authorities and Planning Authorities. This necessitates a discussion of broader issues around liability and compensation and the respective rights and responsibilities of State and local governments and private property owners. Specific changes to the planning system can follow.

Adapting to the impacts of the peaking and subsequent decline of easily extracted petroleum resources is an overlapping challenge to 'business-as-usual' approaches to energy use. Given the profound economic and social impacts of forecast sustained oil price rises, it is becoming increasingly urgent that planning systems support a reduced dependency on oil for personal transport and for the production, processing and transport of food and other goods.

Recommendation 29

The VLGA recommends that the planning system be amended so as to facilitate both the reduction of greenhouse gas emissions from the built environment and adaptation to current and future impacts of climate change.

Recommendation 30

The VLGA recommends that the planning system be amended so as to facilitate adaptation to the reduced availability and significantly increased cost of petroleum-based energy as a result of peak oil.

4.10 Affordable housing

The VLGA notes that many other submissions to this Inquiry (particularly the Property Council of Australia) agree that current State planning policies do not include a clear vision for Victoria, nor do they prioritise key challenges such as housing affordability.

The VLGA believes it is important for Victoria's planning system to consider all housing tenures, not only home purchase. That is, there are both supply and demand issues that must be navigated for any policy responses to be effective, and the speeding up of new housing lots, in and of itself, is not going to resolve the crisis in housing affordability currently facing many Victorians.

As such, we believe that there are two main areas that require attention at this time.

The first area for action is the need to 'capture the value' of significant re-zonings or use of government land for the purposes of infill development. That is, we believe there is strong public interest in seeing some of the returns of these two processes going back to communities.

We believe that State and local governments can both use these processes to require a level of affordable housing, and housing that is affordable for rental and purchase by low-to-middle-income Victorians.

We reject the argument, often cited by industry, that affordable housing implementation tools must be broad-based and apply to all developers, and therefore there is no place for the capturing of value from significant re-zonings or use of government land. Both arise from and create different circumstances than would normally operate in an open market, and we therefore believe that the public interest should prevail.

In order to further assist the provision of affordable housing, the VLGA advocates for the planning system to include tools such as inclusionary zoning to enable private developments to make a contribution towards affordable housing. This should be done in such a way that it does not *preclude* developers entering into specific voluntary arrangements with local governments that exceed minimum requirements or apply in areas outside those covered by inclusionary zoning.

Finally, the VLGA would like to see the Growth Areas Authority and other government agencies truly drive better affordable and social housing outcomes (and in particular smaller one and two bedroom apartments and houses) in new activity, employment and commercial areas when finalising Precinct Structure Plans.

Recommendation 31

The VLGA recommends that the planning system includes measures to ensure the effective ‘capture of value’ for affordable rental and purchase housing in rezoned areas and on government land.

Recommendation 32

The VLGA recommends that the planning system includes measures to support affordable and social housing, such as inclusionary zoning and voluntary arrangements between private developers and local governments.

4.11 Responsible gambling

The VLGA supports measures in which the planning system can support responsible gambling and reduce the harmful effects of problem gambling, particularly through electronic gaming machines (EGMs).

These measures would help to fulfil the commitment by the current Coalition Government when in opposition leading up to the last election to *“ensure that any proposal that could have the effect of expanding access to gambling in any significant manner is subject to a rigorous public interest test and genuine community consultation”*.

The VLGA advocates the following planning system responses regarding EGMs:

- Allow communities more say in gambling applications in their local area
- Return approvals for gaming machines to local government, so that local decisions drive local benefits
- Amend the current ‘10 pokies per 1,000 adult population ratio’ for EGMs to a different local area ratio depending on local levels of disadvantage (e.g. gambling bankruptcies, gambling expenditure, homelessness and other social measures)
- Apply a Gaming Vulnerability Index and give weight to the use of Social and Economic Impact Assessment Statements, so that VCAT and the VCGR take more account of the socio-economic profile of different local areas when deciding applications, and
- Reduce the cost for local governments of appeals at VCAT and the Victorian Commission for Gambling Regulation.

In addition to these recommendations, the VLGA hears from the overwhelming majority of our interface and growth area local government members that they are facing particular issues that require attention.

The main concern is that either full or partial regional caps on EGMs are not effectively responding to the key driver of change in these areas – namely population growth and expansion.

Recommendation 33

The VLGA recommends that the planning system be strengthened in its support for responsible gambling, by increasing the discretion of Responsible Authorities in assessing permit applications involving electronic gaming machines (EGMs), the greater weighting of Social and Economic Impact Assessment Statements and complementary measures.

Recommendation 34

The VLGA recommends that a review be undertaken of electronic gaming machine caps involving affected interface and growth area local governments.

Recommendation 35

The VLGA recommends that a state-wide ‘gaming vulnerability index’ be undertaken and added to the Victorian Planning Provisions (VPPs), plus a Ministerial Practice Note, with an emphasis on reducing the burden on rural, regional, interface and growth local governments.

Recommendation 36

The VLGA recommends a state-wide amendment to Clause 52 of the Victorian Planning Provisions to allow for greater decision guidelines and other policy clarity for the majority of local governments that have not adopted a Gaming Planning Scheme Amendment.

Attachments

Supporting documents have been attached in electronic form (PDF or website hyperlink) to this submission:

- VLGA submission to the Planning and Environment Act Review 2009
- VLGA media release regarding VCAT Reform 2010 (Justice Bell Report)
- Joint submission to the State Parliament's Inquiry into Environmental Design and Public Health in Victoria 2011
- Heart Foundation submission on Modernising Victoria's Planning Act 2009
- *Integrating Land Use Planning and Community Food Security: a new agenda for government to deliver on sustainability, economic growth and social justice.* (Budge & Slade report, 2009)
- *Australia's Angry Mayors: How Population Growth Frustrates Local Councils* (CIS monograph 2011)
- Survey report: South East Queensland Community Attitudes to Consultation & Engagement