



## Building sustainable neighbourhoods

LIVEABILITY AND DIVERSITY FOR FUTURE GENERATIONS

# Local Planning Strategy Review Issues Investigation Papers

Background and Summary

April 2024

# Introduction

This report and the associated issues papers part of a suite of documents and reports to inform *building sustainable neighbourhoods*.

*Building sustainable neighbourhoods* is a strategic planning project being delivered by the City of Joondalup, which will review the housing component of the Local Planning Strategy. The project forms part of a broader statutory process which formally reviews the City's Local Planning Strategy and Local Planning Scheme No. 3.

## Project background

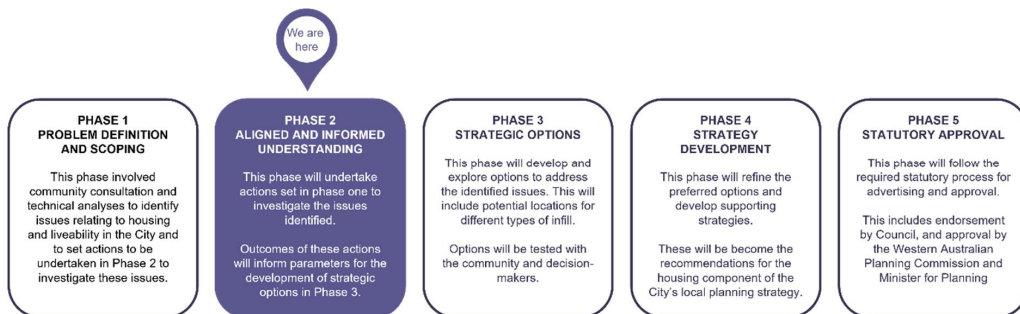
The *Planning and Development Act 2005* requires all local governments to maintain a local planning scheme, including regular five-yearly review of the scheme.

Commencing a review of the City's Local Planning Strategy was scheduled for the 2022/23 financial year. At its May 2021 meeting, Council agreed to bring forward the review of the housing component of the Local Planning Strategy to the 2021/22 financial year in response to ongoing, expressed community concern regarding the impacts of infill housing. The decision follows a number of preceding projects, community consultations, and decisions with respect to housing and infill in the City of Joondalup.

All processes associated with preparing, reviewing, and amending local planning schemes and strategies are specified in the *Planning and Development (Local Planning Schemes) Regulations 2015*. In accordance with the regulations, the City of Joondalup will review both its Local Planning Strategy and Local Planning Scheme No. 3, with the review of the housing component being progressed as a distinct sub-project: *building sustainable neighbourhoods*.

*Building sustainable neighbourhoods* will make recommendations for how the City's strategic planning framework can meet the City's future housing needs, including where different housing densities and types should be located within the City.

The scope of work associated with the review has been organised into five phases, shown below:



Phase 1 of the project undertook technical work and community consultation to identify issues relating to housing and livability in the City and to set actions to be undertaken in Phase 2 to investigate the issues identified.

Phase 2 of the project undertook investigations into the issues identified in phase 1 to, the outcomes of these investigations are presented in the following report.

## Reporting structure and purpose

The issues papers provide the details of investigations undertaken for each of the issues identified in Phase 1. Each issue and its associated investigations have been categorized into the following four investigative papers:

- Issue Paper 1 – Issue Category: Allocation of density
- Issue Paper 2 – Issue Category: Liveability outcomes for infill housing
- Issue Paper 3 – Issue Category: Structural issues
- Issue Paper 4 – Issue Category: Housing supply, demand and affordability

The issues papers outline for each issue, the relevant statutory context or background for the issue, work the City is currently undertaking to address the issue, and opportunities to address issues further where appropriate.

Opportunities identified will inform the development of specific actions to be included in the drafting of the Local Planning Strategy in Phase 4, after a strategic approach for the allocation of density, dwelling typologies and land use has been developed and endorsed in Phase 3.

## Issue papers contents overview:

The following provides an overview of the issues addressed through each paper and their key findings. Refer to specific issues papers for further information for each issue.

Issue Category 1: Allocation of density	
Issues	Summary of Key findings
Lack of community alignment on preferred spatial allocation of density.	<ul style="list-style-type: none"> <li>• The City of Joondalup needs to plan for an additional 22,630 dwellings by 2050 as set out within the State Government planning framework.</li> <li>• The City is required to demonstrate capacity for additional infill development through its Local Planning Strategy in locations which reflect broader strategic planning objectives set out in the state planning framework.</li> <li>• There is opportunity for community input into the development of strategic options for the spatial allocation of density in Phase 3, however this input will need to be balanced with the broader strategic planning objectives set out in the state planning framework.</li> <li>• The Western Australian Planning Commission (WAPC) and the Minister for Planning issue final approval for Local Planning Strategies, including the spatial allocation of density.</li> </ul>

Issue Category 2: Liveability outcomes for infill housing	
Issues	Summary of Key findings
Infill development changing the established suburban character in infill areas	<ul style="list-style-type: none"> <li>The City's <i>Development in Housing Opportunity Areas Local Planning Policy</i> (HOALPP) includes objectives which require developments to ensure that the design of infill development remains consistent with the established streetscape character where the 'deemed to comply' development standard is not met.</li> <li>There is opportunity for the City to undertake character studies for particular infill areas and consider introducing additional development controls to ensure that new development is consistent with the identified existing, or future desired, streetscape character. It is noted these types of provisions are typically implemented for heritage areas and can have implications for existing landowners and affordability of new dwellings.</li> <li>It is acknowledged that some established neighbourhoods in the City may benefit from new development, and that development controls can plan for desired future character.</li> </ul>
Poor liveability outcomes for medium density housing	<ul style="list-style-type: none"> <li>Established State and local government planning policies include provisions to ensure improved liveability outcomes for infill development within the City of Joondalup through minimum outdoor space, landscaped areas, habitable room sizes, ventilation and access to natural light requirements.</li> <li>The recently amended R-Codes include provisions to ensure improved liveability outcomes for medium density developments.</li> <li>The City's Design Review Panel provides an additional layer of design scrutiny for larger scale infill developments.</li> <li>Options to amend provisions relating to liveability may have onflow effects to other design aspects for infill developments, including affordability.</li> <li>The recently amended R-Codes Volume 1 was modified to remove 'medium density' provisions for single houses in R30 and R40 areas due to affordability concerns. This indicates a reduced State Government appetite for additional modifications which may impact affordability.</li> </ul>
Poor sustainability outcomes for medium density housing	<ul style="list-style-type: none"> <li>Established State and local government planning policies include provisions to ensure improved sustainability outcomes for infill development within the City of Joondalup through minimum landscaping and tree planting requirements and solar passive design requirements.</li> <li>The City of Joondalup would require WAPC approval to further amend provisions relating to landscaping, tree provision and solar passive design in the R-Codes through a local planning policy, or through the local planning scheme.</li> <li>The recently amended R-Codes include provisions to improve sustainability outcomes for medium density developments.</li> <li>Amendments to the National Construction Code (ie. building legislation separate to planning frameworks) will take additional</li> </ul>

	<p>steps to improve thermal performance and energy efficiency for new residential developments.</p> <ul style="list-style-type: none"> <li>• There is opportunity for the City to provide incentives or requirements for environmentally sustainable design through the Local Planning Strategy and subsequent planning frameworks. These should be considered in the context of housing affordability, should be tested with the community and development industry, and are likely to be subject to WAPC and Ministerial approval .</li> <li>• Other, non-planning approaches may be available to improve sustainability outcomes within infill housing, including financial incentives and community education.</li> </ul>
Loss of tree canopy in infill areas and resultant urban heat impacts	<ul style="list-style-type: none"> <li>• The City already undertakes a number of tree planting programs across the public realm, including the Leafy City Program, Winter Tree Planting Program and the Streetscape Enhancement Program.</li> <li>• Tree protection is also considered for the private realm through the City's local planning framework, and through the State planning framework.</li> <li>• For the private realm, changes to the local planning framework will be investigated to increase tree plantings, and to retain existing trees.</li> <li>• Potential approaches for improving tree canopy on private land include expanding the City's significant tree register to include trees on private land, providing incentives and support for tree management, and introducing a requirement to obtain development approval to remove certain large trees on private land.</li> <li>• The State Government has committed to developing an Urban Greening Strategy for Perth and Peel which is expected to provide guidance for Local Governments to address issues around tree canopy loss.</li> <li>• Depending on the options being considered, high-level community and industry engagement may be required, as well as consideration of budgeting and resourcing matters. Some options will also require approval from the WAPC.</li> </ul>
Increased on street parking	<ul style="list-style-type: none"> <li>• Minimum parking requirements for new developments in the City of Joondalup are set out through relevant state and local planning policies.</li> <li>• WAPC approval is required to amend parking standards set out in the R-Codes.</li> <li>• Options to reduce the potential impacts of on-street parking in infill areas may have additional cost, amenity and environmental implications.</li> </ul>
Amenity impacts of infill developments on adjoining properties	<ul style="list-style-type: none"> <li>• Measures to address potential amenity impacts from adjoining developments are set out in the R-Codes, Local Planning Scheme No. 3 and local planning policies.</li> <li>• Neighbouring amenity is mostly impacted by overlooking, overshadowing and building bulk.</li> </ul>

	<ul style="list-style-type: none"> <li>• The HOALPP modifies the R-Codes with the intent of reducing amenity impacts on adjoining neighbours, where a lot is developed to a higher density.</li> <li>• WAPC approval is required to further modify provisions relating to overlooking and overshadowing.</li> </ul>
Capacity of established infrastructure to service population growth due to infill development	<ul style="list-style-type: none"> <li>• State government service providers forward plan for future infrastructure provision as population densities increase within established urban areas as a result of infill development.</li> <li>• Service provider bodies are generally guided by strategic planning documents and demand modelling as uptake of density occurs over time.</li> <li>• The City has a number of strategic plans and initiatives to address infrastructure provision to cater for the City's growing population.</li> <li>• A Local Planning Strategy is a land use planning instrument, and is therefore limited in its ability to affect the delivery and provision of infrastructure projects. It can however be guided in its strategic aspirations by established and future planning for transport, social and service infrastructure.</li> </ul>
Lack of developer contribution to neighbourhood improvement in infill areas	<ul style="list-style-type: none"> <li>• Development contribution plans are a tool through which developer contributions can be levied for community infrastructure where a need and nexus can be demonstrated as a result of population growth in particular areas.</li> <li>• <i>State Planning Policy 3.6 – Infrastructure Contributions</i> provides guidance for the implementation of development contribution plans.</li> <li>• The use of development contribution plans in an infill development context is problematic with issues related to the equity of cost sharing and timing uncertainty.</li> <li>• Opportunities exist outside of development contribution plans to leverage additional community benefit through development controls and/or policy incentives.</li> </ul>
<b>Issue Category 3 Structural Issues</b>	
<b>Issues</b>	<b>Summary of Key findings</b>
Misaligned developer and policy objectives and lack of policy understanding influencing built form outcomes	<ul style="list-style-type: none"> <li>• Stakeholder engagement with developer representative bodies and individual developers was undertaken to better understand developer influences and how development outcomes are impacted by statutory planning mechanisms. Key takeaways from this engagement include: <ul style="list-style-type: none"> <li>○ Return on investment is maximised for infill developments by building larger houses.</li> <li>○ Land value impacts on a landowners' ability to develop certain housing typologies.</li> <li>○ Access to financing for a housing development can be dependent on the particular housing typology proposed.</li> <li>○ Restrictive policy provisions can significantly impact on the affordability of a development.</li> <li>○ Opportunity for continued engagement with the development industry in the development of future planning policies.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>A recent review and update of the City's development application checklists has improved transparency for applicants when lodging a development application as to the specific policy requirements which are applicable to their development.</li> </ul>
Complexity of planning framework results in difficulty to engage meaningfully with community	<ul style="list-style-type: none"> <li>Community consultation for development applications is guided by principles set out in the <i>Planning and Development (Local Planning Schemes) Regulations 2015</i> and the City's <i>Planning Consultation Local Planning Policy</i>.</li> <li>A recent review of the City's consultation material has been undertaken to improve transparency and provide additional information to give adjoining landowners a greater understanding of what they are being asked to make comment on. This has been undertaken in response to the feedback received in Phase 1 consultation.</li> </ul>
<b>Issue Category 4: Housing supply, demand and affordability</b>	
<b>Issues</b>	<b>Summary of Key findings</b>
Reduced housing affordability	<ul style="list-style-type: none"> <li>Housing in Australia has become less affordable over time due to a number of supply, demand and economic influences.</li> <li>Housing affordability in Western Australia has followed similar trends, although affordability issues are not as acute as they are in eastern states markets.</li> <li>Local Governments have minimal influence in housing affordability beyond ensuring capacity for additional housing supply within a Local Planning Strategy and Scheme.</li> <li>Opportunities exist for further measures to be implemented to remove barriers and incentivise/mandate the provision of affordable housing through new developments.</li> <li>Additional approaches need to be considered in the context of their limitations.</li> </ul>
Limited access to housing	<ul style="list-style-type: none"> <li>Housing supply is influenced by a broad range of factors, some of which are outside of the influence of Local Government.</li> <li>The City will need to plan for a greater diversity of housing options to cater for future demographic changes.</li> <li>The City's current local planning strategy provides sufficient capacity for additional housing to be delivered through the market.</li> <li>Market conditions and buyer preferences present obstacles for the development of a greater diversity of dwelling typologies.</li> <li>Provisions included within the amended Residential Design Codes (medium density codes) provide additional incentives for increased diversity in housing typologies through small dwellings provisions.</li> </ul>

## Revised Residential Design Codes

The State Government has recently released the amended *State Planning Policy 7.3 – Residential Design Codes* (R-Codes), which includes new provisions related to medium density development.

The transitional implementation of the amended R-Codes enables the continued application of R-Code variations through local planning instruments such as the City's *Residential Development*

*Local Planning Policy (RDLPP), and the Development in Housing Opportunity Areas Local Planning Policy (HOALPP) for a period of 24-months. Within this period the City will be required to undertake a review of its local planning policies and seek approval from the Western Australian Planning Commission (WAPC) for the continued application of policies, or modified versions of policies where deemed appropriate.*

A number of the issues discussed in subsequent issues papers which relate specifically to R-Code provisions are therefore recommended to be addressed through this local planning policy review process, noting that there will be further opportunity to modify local planning policies through actions included within the draft Local Planning Strategy document developed in Phase 4.