



Building 8, Level 4
584 Swan Street
Burnley VIC 3121
GPO Box 1614
Melbourne VIC 3001
Tel: (03) 9280 8200

13 July 2022

Bayside City Council
enquiries@bayside.vic.gov.au

AMENDMENT C187bays ENVIRONMENTALLY SUSTAINABLE DEVELOPMENT

Thank you for the opportunity to provide feedback on proposed Amendment C187bays introducing new Clause 15.01-2L-02 for 'Environmentally Sustainable Development' / Design (ESD) into the 'Planning policy Framework' (PPF) of the Bayside Planning Scheme.

Overview

The Housing Industry (HIA) is Australia's peak residential building industry association. HIA members comprise a diversity of residential builders, including all Top 100 builders, all major building industry manufacturers and suppliers, as well as developers, small to medium builder members, contractors and consultants to the industry. In total HIA members construct over 85% of the nation's new housing stock.

HIA exists to service the businesses it represents, lobby for the best possible business environment for the building industry and to encourage a responsible and quality driven, affordable residential building and development industry. HIA is committed to working with all sectors of government to support a regulatory environment that facilitates growth in the economy, reduces red tape, and enables the delivery of affordable housing.

HIA Response

HIA objects to C187bays because we consider it is not the role of a planning instrument to introduce new application requirements for construction design outcomes that are already regulated by the National Construction Code (NCC). We note the policy changes appear to be a carbon copy of recent amendments proposed by the Mornington Peninsular Shire (C232morn) and City of Glen Eira (as part of C220glen), as members of the CASBE group introducing ESD policy requirements at the local level of their PPF.

Australian building policies and regulations seek to provide the minimum necessary requirements for safety, health, amenity and sustainability in the design and construction of new buildings throughout Australia. HIA's view is building design and construction solutions, including addressing ESD construction standards should be managed through the current framework of the NCC.

And most critically, a planning instrument must not be used to impose any higher construction standards to the NCC, as could be the case through discretionary ESD decision making at the planning stage.

We note NCC 2022 currently under review, proposes higher star ratings for residential construction than the current requirements. The timing of Amendment C187bays is therefore premature before Australia's leading legislation for residential construction of ESD (i.e. NCC 2022) is finalised.

HIA acknowledges councils are committed to addressing climate change, however do not support a construction standard mandate at the planning permit stage as a general response. Referring to a NatHERS rating for example, the results of a preliminary assessment in the planning phase will differ from a full rating assessment at building permit stage, due to the precise dimensions and material specifications not being final. Running both planning and building stage assessments could result in significant re-work, including where a Building Surveyor needs to determine whether amended plans require secondary consent approval.

Further to this, in December 2021 DELWP publicly exhibited the "improved operation of ResCode" model. This new ResCode assessment model adopts a 'deemed to satisfy' solution for ResCode standards/objectives under a streamlined assessment. It included an exemption for fully ResCode compliant development from other such planning policy (including but not limited to) the "Planning Policy Framework". Therefore, under that proposed ResCode model, Clause 15.01-2L-02 for 'Environmentally Sustainable Development' could not be considered for a fully compliant ResCode application.

Multiple and unnecessary layers of planning permit requirements are contributing to the time and cost blowouts currently burdening the residential sector. According to the *Better Regulation Victoria Planning and Building Approvals Process Review – Discussion Paper (2019)* as called for by the Red Tape Commissioner, the residential construction sector is incurring an estimated \$7.6 million per day in additional costs from planning decision delays and uncertainty.

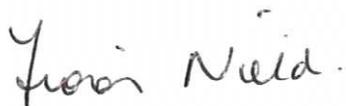
HIA notes Amendment VC216 as part of the DELWP planning reforms to address climate change and sustainable development was gazetted on 10 June 2022. There is nothing in the exhibited material for Amendment C187bays that compares it for consistency with VC216. We also understand the DELWP planning reforms include further consideration of state-wide ESD policy for the planning permit stage, which we won't support if they clash with the NCC. There appears to be pursuit of multi-governmental layers of ESD policy and controls for the planning system, rather than a coordinated approach to ESD policy that is subordinate to the NCC.

In conclusion, HIA does not support planning policy that duplicates building matters and brings forward technical assessment costs to the planning stage. It defeats the purpose of creating a streamlined planning permit process, such has been called for by the Red Tape Commissioner.

HIA looks forward to being formally advised on the progress of Amendment C187bays, in consideration of making any further comments. HIA is committed to working with all sectors of government to support a regulatory environment that facilitates growth in the economy, reduces red tape, and enable the delivery of housing affordability.

Please do not hesitate to contact **Roger Cooper** – Senior Planning Adviser on 03 9280 8230 or r.cooper@hia.com.au, should you require anything further.

Yours sincerely



Fiona Nield
Executive Director – Victoria
HOUSING INDUSTRY ASSOCIATION LIMITED