

19 September 2016

Better Apartments Project Reference Group
Department of Environment, Land, Water and Planning
GPO Box 500
East Melbourne Victoria 8002

Dear Sir/Madam

It is our pleasure to submit a response to *Better Apartment Draft Design Standards*, September 2016. We welcome the Victorian Government's commitment to ensuring higher standards for new apartments while maintaining affordability and encouraging investment. Retaining the city's competitiveness and attractiveness on a national, and indeed global level, will be dependent on Melbourne's capacity to support a growing population and changing workforce and to provide quality places to live for continued business investment.

The Committee for Melbourne (Committee) has long had a remit to enhance the future prospects of Melbourne. Founded over 30 years ago, the Committee is an apolitical, not-for-profit member network that unites a cross-section of our city's leaders and organisations to work together to enhance Melbourne's economic, social and environmental future.

Our members represent around 120 organisations drawn from the city's major companies, academic institutions and civic organisations across a broad range of industries. We represent no single interest and seek to challenge conventional thinking and develop innovative policy that continues to enhance the 'World's Most Liveable City.'

As part of these endeavours, the Committee established a *Shaping Melbourne Taskforce* in 2010 that produced a three-volume series investigating Melbourne's challenges and opportunities as the city and its population continues to grow. The report series, *Melbourne Beyond 5 Million*¹ informed the Committee's subsequent advocacy efforts and many of its insights and recommendations are relevant and instructive for *Better Apartments Draft Design Standards*.

The Committee welcomes the *Draft Design Standards* to address apartment design choices and the provision of functional spaces with long-term liveability. With an annual growth of almost 100,000 new residents each year across Greater Melbourne and beyond, the ability to successfully absorb and accommodate this growing population will, for a large part, determine whether Melbourne can maintain its status as one of the world's most liveable cities. An appropriate quality and affordable housing mix that meets the minimum standards will be critical factors in attracting people to live and work here.

¹ Committee for Melbourne, *Melbourne Beyond 5 Million – [Volume 2: Density and Localised Economies, August 2010](#)*.

The Committee endorses the principles of minimum apartment design standards to ensure the quality of housing stock meets desired baseline standards. The Committee notes, however, that it is imperative that the standards are sustainable economically, environmentally and socially.

The Committee believes that an unintended consequence could be a 'one size fits all' application of the design standards across the state, which does not take into account the variation of sites and urban context across the city, outer suburbs and regional Victoria. For example, the standards relating to building set-backs, daylight and landscaping, if applied unilaterally, may make some sites virtually undevelopable or encourage unresponsive urban design outcomes.

While the diagrams in the *Draft Design Standards* are explicit, the Committee observes that it would be useful if there were more of them to demonstrate the range of nuances possible within each of the standards. To ensure good urban design, expanding the array of options would assist developers, designers and builders in optimising building design and amenity of apartments to comply with the standards.

The Committee is interested in working with the government on developing performance-based objectives that will indicate what the standards are trying to achieve to enable industry to show how their apartment designs comply with the standards.

Since many members of the Committee will provide their own organisations' submission of a more technical nature, it is the intention of the Committee to provide an overarching perspective picking up on and reinforcing some of the main themes that arose from a workshop with members.

Below is a summary of the key observations that the Committee's membership base has made with regard to the *Better Apartment Draft Design Standards*.

Economic impact of minimum standards

The Committee recommends a formal review process be established in close collaboration with industry to ensure the standards can be implemented economically. Apartments which have better standards of space, light, ventilation and layout will have major benefits but will inevitably incur greater costs. It is important that the proposed minimum standards do not lead to unintended consequences of higher costs, negative impacts on the building industry and that they can be measurable.

The Committee believes that inconsistency and uncertainty could create additional risks as an outcome of application of the new design standards – a handbrake on investment that could cause a big problem for the economy through possible negative impacts on affordability and economic activity in the building industry and economics of future stock. In 2013, the property and construction industry generated about \$25 billion in direct value added² (or 8.9 per cent) of the Victorian GSP, demonstrating its significant contribution to the State's enviable liveability.

² 2014 Property Council of Australia – Victoria Division *The economic significance of the Victorian property & construction industry* www.propertyoz.com.au/vic

A model for the continual improvements in apartment design that helps improve housing affordability and supply is the *State Environmental Planning Policy No 65 (SEPP 65)*³ used by the New South Wales government planning department. It has been in place for 14 years and has been continually revised since 2002 with extensive community and stakeholder consultation

Performance-based objectives

The Committee recommends that performance-based objectives should be adopted to provide greater flexibility for non-compliant design solutions. We are concerned that the objectives are too prescriptive in their current form, would hamper design innovation and encourage homogenous apartment outcomes.

To ensure good outcomes, a measured approach that uses performance-based objectives would set out what the standards are trying to achieve. Advice can be taken from industry and industry associations, who just want to do the right thing, that is independent of developers. For instance, a starting point could be the standards relating to access to adequate daylight since daylight can be easily measured. Industry could come back with a deemed to satisfy solution that includes materials, components and design factors thus encouraging innovative design.

By establishing guidelines and criteria developers will know what they can do to incorporate economies of scale, since they are unlikely to purchase sites that are too expensive to build to comply with the standards.

Assessment and training

The Committee recommends that ongoing training for people undertaking assessments in the industry needs to be supported. We suggest that either local councils have an allocated budget for council employees to receive assessment training or use their budget to contract in trained assessment consultants. Analogous with traffic engineers, there should be some means of tying a form of assessment into the process, otherwise the standards could become a set of default mandatory standards that do not take design into account. It would be unacceptable to implement the standards and not be able to rule on them because adequate assessment skill sets are not available.

The Committee is pleased to see that the *Draft Design Standards* cover better education and training⁴ for local government planners and building design professionals. However, we feel that elements such as 'noise impacts' and 'natural ventilation' should be assessed after the planning approval phase. We question how some of the more technical design standards will work in conjunction with other existing regulations – e.g. Building Code, EPA and Australian Standards – that typically occur after the planning process. It is critical that this process reduces risks and costs where possible for developers, because higher costs will subsequently result in higher dwelling prices.

³ 2015, 17 July New South Wales State Government [State Environmental Planning Policy No 65–Design Quality of Residential Apartment Development](#)

⁴ 2016 September Victorian Government [Better Apartments Draft Design Standards](#) P. 8

The Committee notes that one of the biggest issues with current practice is the shortage or lack of checking mechanisms for compliance prior to building occupancy which is resulting in sub-standard buildings that are not compliant but have obtained approvals. It is unclear how responsible authorities will implement the new standards and what weight will be given to other solutions to comply with the standards and whether any discretion can be exercised in checking for compliance.

A second example, put forward by the Committee pertains to the acoustics standard in relation to noise transition. Specific fabrics that may be specified in the design to attenuate noise, should be written into a 4-line condition for tender documents. If for some reason the developer does not use the fabric as a value management strategy to strip out costs, it should be documented in engineer reports for reference.

Furthermore, the descriptions accompanying the standards should be clear enough to enable councils to provide meaningful comment. For instance, in the case of the 'energy efficiency' standard, which is about solar orientation, there is no description of what is appropriate and consequently appears ambiguous and open to subjective interpretation.

Daylighting effects

The Committee recommends that the daylighting standards in the *Draft Design Standards* relating to adequate amounts of daylight into apartments, ie building setback (p15), light wells (p. 17), room depth (p. 19) and windows (p. 21), need to enable a performance-based design response. For instance, the standards pertaining to adequate amounts of daylight could be assessed by quantifying a minimum set of lux levels for different types of rooms. This would provide industry with options for designers to achieve the intended guideline objective through innovative means.

By way of example, it is not practically achievable for a window to be visible from all parts of a room. If there is 65 per cent of glass to meterage of a room, then the window can be seen by 80 per cent of the room. Hence it is clear that the standard requires performance-based criteria that are more technically complex.

The *Draft Design Standards* for room depth and windows require more details about what they are trying to achieve, ie there needs to be daylight standards. Currently there is no reference to colour of glass or size of window; these two elements significantly impact on the amount of internal daylight within an apartment.

The last meter or two of room depth will be non-compliant for adequate daylight, especially kitchens which are frequently placed furthest away from the window and rely on lights for cooking. Ideally there should be measurements for daylight standards and distinctions in daylight requirements for kitchens, living rooms and bedrooms, which are all different.

Building setbacks and landscaping

The Committee welcomes the need for building setbacks to ensure that new apartments receive an adequate amount of daylight and privacy and to prevent canyon-like environments at street level. However, we strongly urge that these setback controls along with 'landscaping' be part of urban planning controls that are relative to urban design and reference individual identities and characteristics that are part of a city, outer suburb or region. In essence, one standard cannot be applied to every site in Victoria in order to achieve sensible outcomes for good urban design.

The Committee therefore recommends referencing specific conditions on individual sites rather than mandating the same standard for all setbacks. In addition the Committee recommends that as buildings go higher, resulting in the lower apartments having less optimum daylight, it would be better to mandate a daylight standard rather than a setback standard. The same applies to landscape, which should be site-specific, based on planning controls in complementary planning schemes

The Committee observes that the setback requirements are significant and will impact on the middle ring causing the biggest changes. Sites in St Kilda Road north that have traditionally 30 meter block widths with 12-meter set backs would not be achievable for other sites. Applying these setback controls to other sites makes them virtually undevelopable.

In conclusion

As urban densification flourishes to accommodate ever-increasing population growth, apartments have progressively become the housing option of choice for more and more people, being both more affordable and practical in terms of maximising limited space.

Liveability is a critical competitive advantage in an increasingly globalised economy that makes cities the focal point for attracting and retaining highly mobile talent.

The Committee is encouraged by the *Better Apartment Draft Design Standards* that seek to improve liveability essentials of better streetscapes and apartment design with minimum standards for adequate daylight, storage, ventilation, acoustic performance, energy and waste efficiency.

Minimum standards alone will not ensure attractive, affordable and functional living environments. Collaborative partnerships between governments, industry and the community are critical to finding solutions and continuing improvements to ensure and sustain Melbourne's liveability.

With our broad membership, the Committee is eager to work with the government, as well as our community leaders, to safeguard Melbourne's future growth and prosperity.

Please do not hesitate to contact the Committee to expand on any of the points touched on in this submission.

Regards



Martine Letts
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 Committee for Melbourne