

Reformed residential zones

This advisory note provides information about the introduction of the General Residential, Neighbourhood Residential and Residential Growth zones in Clause 32 of the *Victoria Planning Provisions* (VPP) through Amendment V8.

This advisory note explains:

- the background and amendment process of the reformed residential zones
- the main features of the reformed residential zones
- how the new provisions affect planning schemes, existing uses, permits and permit applications
- the application and implementation of the new residential zones into planning schemes.

Why have new residential zones been introduced?

The Victorian government has delivered on commitments to reform Victoria's residential zones by introducing the new residential zones into the VPP and ensuring that these zones are relevant and reflect the aspirations of all Victorians. The new residential zones will give greater clarity about the type of development that can be expected in any residential area by simplifying requirements, allowing a broader range of activities to be considered and better managing growth.

What are the main features of the reformed residential zones?

The General Residential Zone (GRZ), Neighbourhood Residential Zone (NRZ) and Residential Growth Zone (RGZ) will replace the Residential 1, 2 and 3 zones. The new and amended residential zones provide councils with improved tools to plan for residential development.



Residential Growth Zone

- The zone purpose encourages diverse housing types and increased densities up to and including four storeys. This zone will work as a transitional zone between areas of more and less intensive development.
- Sets a discretionary height limit of 13.5 metres for dwellings and residential buildings with the ability for a council to specify a mandatory height limit through the schedule to the zone.
- Allows complementary uses including Shop, Food and drink premises, Medical centre and Place of worship without a permit if conditions limiting their location and scale are met.

General Residential Zone

- The zone purpose provides for a diversity of housing types and moderate housing growth, and requires development to respect neighbourhood character and implement neighbourhood character policy guidelines.
- A discretionary height limit of 9 metres ('ResCode' standard) with the ability for a council to specify a mandatory height limit through the schedule to the zone.
- Allows complementary uses including Medical centre and place of worship without a permit if conditions limiting their location and scale are met.

Neighbourhood Residential Zone

- The zone purpose manages areas where there are limited opportunities to increase residential development and requires development to respect identified neighbourhood character.
- A maximum of two dwellings allowed on a lot with the ability for a council to specify a different number in a schedule to the zone.
- A mandatory height limit of 8 metres for dwellings and residential buildings with the ability for a council to specify a mandatory height limit in a schedule to the zone to take account of existing built form.
- Allows complementary uses including Medical centre and place of worship without a permit if conditions limiting their location and scale

are met. This includes a maximum floor area of 250 square metres and a requirement to adjoin a major road for both of these uses.

When will the new residential zones be implemented into local planning schemes?

The Residential Growth Zone, General Residential Zone and Neighbourhood Residential Zone have been introduced into the VPP. They will be implemented into all planning schemes by 1 July 2014.

For a period of time the VPP will contain the three new residential zones and the Residential 1, 2 and 3 zones because councils require time to make amendments to planning schemes implementing the new residential zones.

How will the new residential zones affect existing uses, permit applications and approved permits?

Existing lawfully established uses can continue to operate and existing permits which have not expired can still be acted upon as provided in Clause 63 of the planning scheme.

When a new zone replaces an existing zone in the planning scheme land use and development that no longer requires a permit under the new provisions does not need to comply with relevant existing permit requirements. Other planning scheme provisions and restrictions such as section 173 agreements or covenants may still apply.

For example, the Neighbourhood Residential Zone will apply more restrictive planning provisions to some residential land. Situations may arise where permit applications lodged subject to the Residential 1, 2 or 3 provisions, but not yet decided, are now subject to the Neighbourhood Residential Zone. Transitional provisions have been introduced to ensure that existing permit applications for residential development and subdivision that have been lodged but not decided are not unfairly disadvantaged.

Where a current permit application is no longer required because of the implementation of a new residential zone, the application cannot be



determined by a council. A council can determine if a full or partial application fee refund is applicable.

Permit holders and permit applicants are encouraged to discuss these matters with their council if they believe they will be affected by the new residential zones.

How will the new residential zones be applied and implemented?

A planning scheme amendment is required to implement the new zones into council planning schemes. Councils will have 12 months from the gazettal of Amendment V8 to begin amendments to their planning provisions and maps to apply the new zones. Existing schedules to the residential zones can be translated to the new

zone schedules. When doing this work councils are encouraged to make consequential changes to local policies to align with the reformed zones.

If new zones are not implemented by 1 July 2014, the General Residential Zone will replace the Residential 1, 2 or 3 zone by default.

Different approaches to applying the new residential zones are available depending upon the individual circumstances of each council. Councils should undertake a strategic approach to the implementation of the residential suite of zones and consider the opportunities presented by converting existing residential zones to the new residential zones.

The following information is intended to assist councils in deciding on the best amendment process to apply the new residential zones.

Circumstance	Suggested approach
<p>Tier 1 – Councils with existing policies</p> <p>A council that has existing and relevant policies/strategies such as housing and development strategies which have undergone a process of public exhibition. These policies can readily spatially convert into the three new residential zones. The existing policy work would generally reflect the principles and criteria set out in Tables 1 and 2 of this document.</p>	<p>A council can begin preparing an amendment to implement the new residential zones. This may include a request to the Minister for Planning to prepare the amendment and use his powers under Section 20(4) of the <i>Planning and Environment Act 1987</i> to exempt himself from the requirements of giving notice depending on the earlier consultation informing the housing and development strategy and its implementation.</p>
<p>Tier 2 – Councils with draft policies</p> <p>A council currently developing relevant draft policies such as housing and development policies/strategies that can be used to apply the new residential zones.</p>	<p>A council can work to complete the draft policies and concurrently begin work on an amendment to implement the new residential zones. This amendment process would include notification of the amendment and consultation on the provisions of the zones and schedules.</p>
<p>Tier 3 – Councils with no relevant policy work</p> <p>A council that has not undertaken current or relevant policy work that can be used to apply the new residential zones.</p>	<p>A council can work to develop relevant policies that will provide the strategic basis for applying the new residential zones. Work can begin concurrently on the amendment to implement the new residential zones. This amendment process would include notification of the amendment and consultation on the provisions of the zones and schedules.</p>

Note: Councils are encouraged to liaise with the Department of Transport, Planning and Local Infrastructure to discuss their circumstances and implementation process.



Principles and criteria for applying the new residential zones

The Department of Transport, Planning and Local Infrastructure has conducted a series of workshops with councils and other stakeholders to test implementation criteria for the new residential zones. The following tables have been prepared by the department to assist councils in identifying principles and criteria to apply the new residential zones when preparing a planning scheme amendment.

Table 1 - Principles for applying the new residential zones

New Residential Zone			Principles in applying zones
Zone	Purpose	Likely application	Principles can be deduced from the purposes of the zones (and should be considered together)*
RGZ	Enables new housing growth and diversity in appropriate locations	In appropriate locations near activities areas, town centres, train stations and other areas suitable for increased housing activity such as smaller strategic redevelopment sites	<ul style="list-style-type: none"> ■ Locations offering good access to services, transport and other infrastructure ■ Areas which provide a transition between areas of more intensive use and development and areas of restricted housing growth ■ Areas where there is mature market demand for higher density outcomes
GRZ	Respects and preserves neighbourhood character while allowing moderate housing growth and diversity	In most residential areas where moderate growth and diversity of housing that is consistent with existing neighbourhood character is to be provided	<ul style="list-style-type: none"> ■ Areas with a diversity of housing stock, diversity of lot sizes and a more varied neighbourhood character ■ Areas where moderate housing growth and housing diversity is encouraged
NRZ	Restricts housing growth in areas identified for urban preservation	In areas where single dwellings prevail and change is not identified, such as areas of recognised neighbourhood character, environmental or landscape significance	<ul style="list-style-type: none"> ■ Areas with a neighbourhood character that is sought to be retained ■ Areas where more than 80% of lots currently accommodate detached dwellings ■ Areas with Neighbourhood Character Overlays ■ Residential areas with Heritage Overlays (such as larger heritage precincts, rather than individually recognised heritage sites) ■ Areas of identified environmental or landscape significance ■ Areas which may not have good supporting transport infrastructure or other infrastructure, facilities and services and are not likely to be improved in the medium to longer term

*Other principles and criteria may be required by councils to suit local circumstances.



Table 2 - Criteria to guide the application of the new residential zones

Criteria*	Applicable to:			
	Neighbourhood Residential Zone (low levels of residential change)	General Residential Zone (moderate levels of residential change)	Residential Growth Zone (high levels of residential change)	
Character				
1	Retention of identified neighbourhood character (such as evidenced through HO, NCO, DDO, significant intactness)	Yes	Yes	No
2	Identified areas for growth and change (such as evidenced through DDO or similar)	No	No	Yes
3	Existing landscape or environmental character/constraints (evidenced through SLO, ESO, local policy)	Yes	Yes	No
4	Risk associated with known hazard (evidenced through BMO, LSIO or EMO for fire, flood and landslip or other constraints identified through EPA hazard buffers or similar)	High	Low	Low
5	Level of development activity (existing and desired)	Low	Low/Moderate	High
6	Brownfield/urban renewal site/area	No	No	Yes
Strategic				
7	Adopted housing and development strategy (not required for conversion only to GRZ)	Yes	No	Yes
8	Identified in Activities Area structure plan / policy	No	No	Yes
9	Commercial or industrial land for redevelopment not in Activities Area (strategic justification for rezoning required)	No	Yes	Yes
10	Good access to employment options	No	No	Yes
Context				
11	Good access to local shopping	No	No	Yes
12	Good access to local community services	No	No	Yes
13	Good access to transport choices (including walkability, public transport, cycling, road access etc.)	No	No	Yes

*There is no specific weighting to the criteria. This should be applied by councils to suit local circumstances.



What is the background to the new provisions?

The government has committed to improve the efficiency of the planning system by reviewing the operation of the zones. The Minister for Planning released a set of proposed reformed zones in July 2012 for public comment. The reformed zones included a suite of new or amended residential, industrial, commercial and rural zones.

A Reformed Zones Ministerial Advisory Committee was established to consider all comments and to advise the government on the zone reforms. A total of 917 submissions related to the reformed residential zones.

The Committee met with stakeholders including councils, community and industry groups. The Committee provided the government with a Residential Zones Progress Report making 21 recommendations on the residential zones. The Government supported the majority of the Committee's recommendations and released a final set of residential zones in March 2013.

Amendment V8 implements the reforms supported by the government.

More information

More information is available at www.dpcd.vic.gov.au/planning

- Publications / Practice and advisory notes
- *Victoria Planning Provisions*
- Residential Zones Progress Report and the government response, 14 December 2012
- Fact Sheet: Reformed Zones for Victoria, Reformed Residential Zones, An Update July 2013

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