

16 April 2021

via email to: designWA@dplh.wa.gov.au
DesignWA
Department Planning, Lands and Heritage
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To whom it may concern,

Submission: Draft Medium Density Code

The Committee for Perth (Committee) is WA's leading think tank. With over than 100 members covering more than 40 sectors, we thank you for the opportunity to make a submission on draft Medium Density Code (Code).

This response has been prepared following a briefing on the policy, feedback from the Committee for Perth Reshaping working Group, and a comprehensive review of Committee for Perth research. Key research documents that provide the evidence base for this submission include:

- Final reports for Committee for Perth major research projects – *Get a Move On!*, *Bigger and Better Beyond the Boom* and *Hashtag Perth*;
- Committee for Perth research including: *FACTBase Special Report: Perth as a region of 2 million people*;
- *FACTBase Bulletin 50: Examining 60 Years of Strategic Planning in Metropolitan Perth and Peel*;
- *FACTBase Bulletin 73: Making Strategic Jobs Count: Addressing Issues of Spatial Inequality*.

We recommend that this research is reviewed by team evaluating the submission responses.

The Committee confirms our support for the Design WA suite of policies. We strongly agree with the intentions of the Department to facilitate a better balance of infill and greenfield development within Greater Perth and to offer a range of housing typologies that will meet the needs, price points and demographics of a growing population.

We also understand and support the intention of the Code to encourage better designed housing and to challenge traditional thinking, to prioritise design excellence, improve liveability and deliver better social and environmental outcomes.

However there are a number of issues which may hinder effective implementation and therefore need to be addressed prior to finalising and implementing the Code.

These issues include: the need for integrated, regional land use, transport and infrastructure planning to support the implementation of the Code; the role of the subdivision process in WA, and how this will impact on the capacity for integrated design of medium density housing sites; market acceptance and demand for new medium density product; and impacts of design requirements on housing affordability and development viability. A summary of our concerns and suggestions regarding these issues is attached.

Yours sincerely



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1.0 The need for integrated regional planning to support implementation of the Code

Greater Perth is forecast to experience a population explosion and grow to 3.5 million people by mid-century. This has been acknowledged in the WAPC's Perth & Peel @3.5 million framework, however under current business-as-usual conditions, the majority of this growth will be accommodated in the outer suburbs increasing suburban sprawl and delivering associated negative social, economic and environmental consequences.

Avoiding this outcome requires an increased focus on infill development in Greater Perth region, yet outcomes on the ground indicate that current planning processes and design practices are also delivering poor infill outcomes.

In particular Committee for Perth research shows that, to date, infill development has been ad-hoc and based on local rather than strategic regional planning and decision making. As a result, medium density development has been concentrated in car dependent middle suburban locations like Tuart Hill/Joondanna without quality access to public transport or jobs. Research also indicates that infill development has reduced access to and amenity of private open space; leads to the destruction of the tree canopy; and is not being supported by improvements to accessibility or social and cultural amenity.

The Committee therefore supports the Code and the proposed design-led approach, however it is apparent that to be successfully implemented, the Code will need to be supported by integrated land use, transport and infrastructure planning at a regional level. This will ensure that density is well planned and contributes to, rather than detracts from, liveability and sustainability in the region.

In this context, the Committee acknowledges that it is the intention of the Code to promote the development of higher density housing within locations that are located close to high frequency public transport or within a walkable/active transport catchment of a strategic metropolitan, district or neighbourhood centre. However we have a number of observations and concerns about this approach and it is our view that this requires additional consideration, research and planning.

Firstly, research shows that relatively few locations within Greater Perth have access to high frequency public transport. Therefore the number of locations which meet requirements for higher density development will be limited.

Secondly, proximity to high a frequency public transport route does not always translate into public transport use. In Greater Perth, the hub and spoke public transport network, combined with patterns of employment and the characteristics of employment hubs means that public transport use is destination driven. Public transport users are most commonly people who live and work or study in the Perth CBD or inner urban suburbs; are office workers or students; are young or do not have access to a car; do not have access to car parking/affordable car parking at work; and/or have a relatively short distance to travel. In middle and outer suburban areas, rail is a more efficient and attractive public transport mode than bus.

Thirdly, most strategic metropolitan, district and neighbourhood centres within Greater Perth are highly car dependent destinations which have been strategically located and designed to maximise accessibility by car. Dominated by ‘population following’ jobs and services such as retail, these centres lack the land use intensity, employment or transport characteristics that facilitate public or active transport use. As a result the share of trips to and from most of these centres that are undertaken by public and active transport is low. Clustering high density housing around activity centres is therefore unlikely to have a substantial impact on motor vehicle dependence.

Fourthly, demand for medium density housing and for public transport is likely to be driven by population characteristics including age, household structure and socio-economic characteristics. These characteristics should be taken into account when identifying locations that are suitable for medium density infill and development.

Finally, compared to other capital cities, the proportion of people who live within walking distance of public transport within Perth’s inner areas is low, while accessibility in outer areas is relatively high. Urban densities in the inner suburbs are also low compared to other capitals, despite these locations having better access to jobs and study, higher levels of employment self-containment and higher proportions of public and active transport users. There is therefore potential for quality planning of medium density development and public transport provision to ‘fill in’ Greater Perth’s inner urban density and accessibility gaps.

In this context, rather than ‘one size fits all’ criteria, it is the view of the Committee that an evidence based and integrated land use, demographic and transport investigation and plan is needed to:

1. Establish where medium density should be located by identifying existing locations that have land use, employment, transport and population characteristics that make them suitable for higher/medium density housing development.
2. Identify locations where investment in public transport infrastructure or services could support higher density development and increase public/active transport use; and
3. Evaluate the need for improvements to social, cultural and environmental infrastructure to support higher intensity development.

This plan should be prepared in partnership between the WAPC and Department of Planning, Lands and Heritage (Planning Agencies), the Public Transport Authority, other relevant state agencies plus the relevant local authorities so that a precinct approach can be taken. Without quality, integrated regional plans support the Code, ongoing indiscriminate infill housing will occur and will continue to be a point of contention in existing communities.

2.0 Role of the subdivision process

As outlined within the draft Medium Density Guidelines, subdivision is the process through which green title or survey strata lots are created from an original parent lot. The lot design achieved through subdivision influences the development yield of a site and the final built form typology.

In Western Australia, subdivision is the first step in the development process and, when greenfield and survey-strata lots are created, the subsequent housing design and building process is undertaken by individual purchasers on a lot by lot basis.

As a result, achieving integrated design of a site or multiple sites after subdivision will be difficult and is likely to significantly impede the effective implementation of the Code.

In order to effectively implement the design Code, we therefore believe that consideration will need to be given to ensuring that issues such as context and site analysis, building size, typology, footprint, platforms and key design elements are considered and approved at the time of subdivision.

3.0 Demand drivers and market acceptance

The Committee for Perth agrees that issues and trends such as population growth and ageing, smaller household sizes and declining affordability warrant a shift in the design of medium density housing to improve housing choice and deliver improved housing and neighbourhood outcomes.

However we have some concerns that the need for improved housing design may be less recognised among some landowners, community members, local governments and some industries such as the development and real estate sector who are comfortable with existing/standard housing typologies.

In this regard we hold concerns that the Code could encounter implementation problems and even resistance from parts of the industry and the housing market.

In particular, landowners, developers and purchasers may be reluctant to commit to new, less traditional designs that are untested in the market. Valuers and banks might also find it difficult to value products that are unproven. Furthermore, local communities and local governments may hold concerns about changes to standard practice in regard to issues like reduced requirements for provision of on-site parking.

To address these issues we believe that the Department should work with industry and government, including the housing, development and real estate industry and local authorities to assist with design and implementation in the short to medium term. This could include undertaking pilot projects/developments that can demonstrate best practice implementation of Code within different/varying localities.

4.0 Housing affordability and development viability

Greater Perth has one of the more affordable housing markets of the major capital cities in Australia. A key contributor to affordability is the presence of a new home building sector that is dominated by volume providers that deliver standard housing designs to the market relatively cheaply, capitalising on the benefits of economies of scale. For the consumer, these products are affordable, tested in the market, and provide certainty of outcome. For example, show homes are often available for viewing prior to committing to purchase, and costs are fixed. Custom and architecturally designed homes are a less common and more expensive option for consumers.

Considering the above, the Committee is concerned that the design led approach proposed within the Code will lead to an increased requirements for architects and design professionals to be engaged as part of the medium density subdivision and home design and building process. An unintended consequence will be an increase development and building costs and decreased affordability of medium density housing product.

This may not be a significant problem within locations where underlying land values can support an architectural response. However in more affordable locations, higher development and building costs may reduce affordability or could be rendered unviable.

Addressing this issue will require the Department to work with home builders with an aim to develop standard, affordable design solutions and housing typologies that meet the requirements of the Code.

5.0 Review

In conclusion, we suggest that a mandatory review of the results of the policy is undertaken five years after implementation. This will provide the opportunity to add and/or amend the Code in order to keep it active and valuable.