



Victorian Government
response to the
**Inquiry into Victoria
Planning Provisions
amendments VC257,
VC267 and VC274**

VICTORIA

Acknowledgement of Country

We proudly acknowledge Victoria's Traditional Owners and their ongoing strength in practising the world's oldest living culture.

We recognise the diversity of Victoria's Traditional Owners in being distinctive communities with their own set of laws, customs and processes built upon tens of thousands of years of knowledge. We acknowledge the Traditional Owners' lands and waters on which we live and work and pay our respects to their Elders, past and present.

Authorised by the Victorian Government

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Introduction

The Victorian Government maintains a strong commitment to tackling housing supply and affordability so more Victorians can find a home in an established suburb close to transport, jobs, schools and services.

This commitment is supported by a bold program of initiatives that will deliver more homes across the state.

Victoria's Housing Statement: The decade ahead 2024-2034 (Victoria's Housing Statement) together with *Plan for Victoria* provide the strategic context for these important initiatives, many of which have already been implemented by the Victorian Government, including:

- new residential development standards for single homes, townhouses and low-rise buildings
- the roll-out of the Train and Tram Zone Activity Centres Program
- planning for neighbourhoods around Suburban Rail Loop stations
- streamlining planning permit application assessment processes.

The *Inquiry into Victoria Planning Provisions amendments VC257, VC267 and VC274* examined whether the three planning scheme amendments gave proper effect to the objectives of planning in Victoria, and the objectives of the planning framework, as set out in the *Planning and Environment Act 1987* (Act). The Committee's final report contained 12 recommendations.

The Victorian Government supports six of the Committee's recommendations either in full or in part and has advanced several actions since the report's release in May 2025.

Recommendation 1

RECOMMENDATION

The Department of Transport and Planning and other agencies are required by the Committee to provide all sought documents and materials. If these are provided after the Committee has reported, the Committee Secretariat place these documents on the Committee's website for at least 2 months to make them available to the community and council.

RESPONSE: NOT SUPPORTED

The Legislative Council resolved to order the production of documents sought by the Committee. The Victorian Government is responding to that order in accordance with the requirements of Chapter 10 of the Legislative Council's Standing Orders. The Legislative Council's subsequent order has therefore superseded this recommendation of the Committee.

Recommendation 2

RECOMMENDATION

The Minister should provide to the Inquiry and the Parliament the briefs or other material on which she relied supporting the gazettal of the three planning scheme amendments.

RESPONSE: NOT SUPPORTED

The Legislative Council resolved to order the production of documents sought by the Committee. The Victorian Government is responding to that order in accordance with the requirements of Chapter 10 of the Legislative Council's Standing Orders. The Legislative Council's subsequent order has therefore superseded this recommendation of the Committee.

Recommendation 3

RECOMMENDATION

That the Victorian Government publish publicly modelling to demonstrate how the planning scheme amendments will impact on housing supply and affordability.

RESPONSE: NOT SUPPORTED

The Legislative Council resolved to order the production of documents sought by the Committee. The Victorian Government is responding to that order in accordance with the requirements of Chapter 10 of the Legislative Council's Standing Orders. The Legislative Council's subsequent order has therefore superseded this recommendation of the Committee.

Separately, the Victorian Government remains committed to facilitating affordable housing across Victoria. The *Planning Amendment (Better Decisions Made Faster) Act 2026*, which received Royal Assent on 17 February 2026, establishes a head of power in the Act that will enable planning schemes to require affordable housing contributions if the development meets thresholds prescribed in regulation.

Recommendation 4

RECOMMENDATION

At a minimum, modification of planning scheme amendments should be undertaken after a round of genuine consultation with councils and communities.

RESPONSE: SUPPORT IN PART

It is already standard practice for the Victorian Government to engage with councils and communities as part of the development of changes to the Victoria Planning Provisions (VPP) and planning schemes.

Engagement activities undertaken by DTP to inform recent amendments to the VPP and planning schemes include:

- Community events
- Community reference groups
- Workshops
- Technical reference groups
- Submissions, surveys and feedback forms
- Communication materials like newsletters
- Project information on EngageVic or project webpages.

There is no mandated single approach to consultation with the approach designed to optimise engagement from stakeholders specific to the nature of the amendment and the issues at hand. The Victorian Government will continue to use a range of engagement activities to inform changes to the VPP and planning schemes.

Recommendation 5

RECOMMENDATION

That the Victorian Government make a policy, by 30 June 2025, that applies to all amendments to the Victoria Planning Provisions, other than prescribed amendments, to require an informal notice period in which all amendment documents are published for no less than 28 days before the amendment is gazetted, and to require that those documents are brought to the attention of the responsible authorities whose duty it will be to administer the new provisions.

RESPONSE: SUPPORT IN PART

The Victorian Government recognises that some changes to the VPP and planning schemes have resource and administrative implications for councils. The government is committed to supporting councils to implement these changes.

Since the Committee report was released, information about specific amendments to the VPP and planning schemes has been published on the DTP website in advance of the changes coming into operation. For example, information about Amendment VC282 (One dwelling on a lot), Amendment VC286 (Licensed premises) and Amendment VC288 (Two dwellings on a lot and two lot subdivision) was published on the DTP website for 28 days in advance of these amendments coming into operation.

The *Planning Amendment (Better Decisions Made Faster) Act 2026* will introduce a new section 4K into the Act. This provision requires the Minister to give at least 30 days notice of an amendment to the VPP affecting planning schemes, unless the Minister is satisfied that the amendment is technical or administrative; or relates to an environmental or other risk and should be implemented without delay.

Both approaches provide councils with time to prepare for the implementation of changes that may have resource and administrative implications.

The current non-legislative approach will continue to be implemented until that time when new section 4K of the Act commences.

Recommendation 6

RECOMMENDATION

That the Victorian Government review the expert advisory mechanism and consultation methods (with planning experts, local councils and communities) for the first 10 activity centres and make improvements about both in relation to the next 50 activity centres.

RESPONSE: SUPPORT IN PART

The Victorian Government has reviewed the consultation methods for the initial 10 pilot activity centres and made refinements to these methods for the next 50 train and tram zone activity centres to ensure councils, local communities, industry and other key stakeholders can share their views.

For the next 50 train and tram zones, the government has built on existing consultation methods with councils which include:

- Meeting with senior council representatives, as well as council officers, every 6-8 weeks, ensuring regular and timely communication and a commitment to collaboration with councils as key stakeholders.
- Seeking council officers' input into the Train and Tram Zone Activity Centres Program work, leveraging their expertise and knowledge of places and community.
- Regular council planning director forums.

In addition, DTP is now sending monthly written updates about the Train and Tram Zone Activity Centres Program, including upcoming next steps and program milestones, as well as key engagement periods, to ensure councils can participate effectively and seek council resolutions as needed.

For local communities, the following refinements have been made to the engagement program:

- In person drop-in sessions for each group or 'cluster' of centres, complemented by walk-bys, allowing for more time for community members to meet the planning team, understand the Train and Tram Zone Activity Centres Program and provide feedback in-person using interactive tools.
- An online interactive map providing planning information about the Train and Tram Zone Activity Centres Program at a property level.

- An expanded Community Reference Group (CRG) approach, including:
 - 50 independently recruited community members representing the centres, from different age groups, genders, cultural backgrounds and home tenure type.
 - A greater number of sessions for each CRG to meet.

Overall, there is now greater clarity on the changes that could occur in centres as the planning provisions are applied to land.

The expert advisory mechanism, through the Activity Centres Standing Advisory Committee (ACSAC), reviewed the draft plans, planning provisions and common matters for the initial 10 pilot activity centres following community consultation. This process provided recommendations which then informed the finalisation of planning provisions for the initial 10 Pilot activity centres.

The Victorian Government is now applying the ACSAC's advice as it develops plans for the next 50 train and tram zones in consultation with councils, local communities and other key stakeholders.

Recommendation 7

RECOMMENDATION

The decision guidelines of clause 65 of the Victoria Planning Provisions should apply to all decisions made under clause 55. This is most important where risks to human life and health, and to the environment, should be identified and managed.

RESPONSE: UNDER REVIEW

The Victorian Government is monitoring the operation of clause 55 and considering feedback from stakeholders before deciding whether any changes are necessary.

Recommendation 8

RECOMMENDATION

The Victorian Government work with councils to manage flood, bushfire and climate hazard risks and improve identification of risks to human life and health, and to the environment, in the Victoria Planning Provisions, including the planning scheme amendment process for overlays with up to date modelling.

RESPONSE: SUPPORT IN FULL

The Victorian Government response to the Final Report of the Parliamentary Inquiry into the 2022 flood event in Victoria commits DTP to work with floodplain management authorities and councils to explore options to further improve efficiencies to update planning scheme flood controls within two years from completion of flood studies.

Plan for Victoria Action 19: Better communicate and manage flood, bushfire and climate hazard risks, further commits DTP to work with the Department of Energy, Environment and Climate Action to deliver a new streamlined planning scheme amendment process for implementing updated flood modelling data.

On 3 October 2025, the Victorian Government announced major changes to how flood risk will be managed in Victoria. A state-led approach will ensure communities have the latest flood risk information, and that this information guides appropriate development in flood prone areas. Flood risk mapping information will be based on national standard hazard ratings. New planning and building controls will be introduced to identify flood prone areas based on these hazard ratings. Development in moderate to very high-risk areas will be managed through the planning system. Development in low risk areas will be managed through the building system. Planning scheme changes will be progressively implemented over the next two years.

The Victorian Government works with councils, state emergency services, fire regulators and agencies to ensure the effectiveness of the planning and building systems in managing bushfire risk. DTP reviews the Bushfire Prone Area map and Bushfire Management Overlay twice a year.

The Victorian Government released its response to the McCrae Board of Inquiry into the significant McCrae landslide in October 2025. The response provides in principle support for recommending 26 (improving the planning system) to ensure

planning policy, strategy and statutory provisions are responsive to land slide risk.

Improvements to the planning system are identified in *Plan for Victoria* (Action 19) and the *Built Environment Climate Change Adaptation Action Plan, 2022-2026* (Action 1) and are subject to resourcing, including technical expertise held outside government and Victorian Government policy decisions.

Recommendation 9

RECOMMENDATION

That the Victorian Government publish and release modelling regarding the expected impact of the planning scheme amendments on tree canopy and vegetation in areas affected by the changes.

RESPONSE: SUPPORT IN PART

The Victorian Government is committed to protecting and increasing tree canopy cover in urban areas.

Action 12 in *Plan for Victoria* is aimed at increasing tree canopy cover of urban areas (both public and private land) by setting a target of 30 per cent tree canopy cover. The measures to progressively achieve this target are subject to detailed implementation planning.

The new tree canopy standards in clause 55 complement the tree canopy cover target in *Plan for Victoria* recognising that clause 55 only applies to private land in residential zones where the provision of tree canopy cover is balanced with the need to provide housing for Victorians.

In addition to clause 55, the government has introduced state-wide rules to protect and enhance canopy tree cover in urban areas to reduce the impacts of urban heat on human health and wellbeing.

Recommendation 10

RECOMMENDATION

That the Victorian Government make improvements to clause 55 of the Victoria Planning Provisions including the addition of a separate landscaping objective and standards, and changes to the tree canopy cover objective and standards. The introduction of any improvements should be undertaken as early as possible.

RESPONSE: UNDER REVIEW

The Victorian Government is monitoring the operation of clause 55 and considering feedback from stakeholders before deciding whether any changes are necessary.

As per recommendation 9, in addition to clause 55, the Victorian Government has introduced state-wide rules to protect and enhance canopy tree cover in urban areas to reduce the impacts of urban heat on human health and wellbeing.

Recommendation 11

RECOMMENDATION

That the Victorian Government promptly review and improve the environmentally sustainable development standards in clause 55 of the Victoria Planning Provisions with a view to ensuring the statewide standards meet the higher standards found in 28 local government areas.

RESPONSE: UNDER REVIEW

The Victorian Government is monitoring the operation of clause 55 and considering feedback from stakeholders before deciding whether any changes are necessary.

Both the planning and building systems have an important role in supporting environmentally sustainable development. DTP continues to work with the Municipal Association of Victoria and the Council Alliance for a Sustainable Built Environment (CASBE) councils on the implementation of the Victorian Government's *Environmentally sustainable development of buildings and subdivisions: A roadmap for Victoria's planning system* (ESD roadmap).

Recommendation 12

RECOMMENDATION

That, after consultation with relevant stakeholders, the Victorian Government act on the recommendations of the Victorian Auditor-General from 2008 and 2017 in relation to the performance and continuous improvement of the Victoria Planning Provisions.

RESPONSE: SUPPORT IN PART

The Victorian Government has implemented a range of monitoring and reporting measures since the release of the following reports and continues to implement a work program of improvements to identify new datasets and metrics to evaluate the efficiency and effectiveness of Victoria's planning system and state planning policies:

- *Victoria's Planning Framework for Land Use and Development* (Victorian Auditor-General, May 2008).
- *Managing Victoria's Planning System for Land Use and Development* (Victorian Auditor-General, March 2017).
- *Turning Best Practice into Common Practice: Planning and Building Approvals Process Review Report to Government* (Better Regulation Victoria, November 2021).

The *Planning Amendment (Better Decisions Made Faster) Act 2026* will introduce explicit performance reporting requirements for planning scheme amendments. To complement these performance reporting requirements, DTP is finalising a dashboard which will include a suite of state-wide performance measures, indicators and targets consistent with the recommendations of the Victorian Auditor-General in 2017. Each of the planning system metrics in the dashboard relate to the efficiency and effectiveness of the planning system and were developed in consultation with stakeholders including council and industry working groups.

DTP has also developed metrics to support ongoing monitoring of progress on the following key objectives of Victoria's Housing Statement and *Plan for Victoria*:

- To facilitate quicker delivery of housing.
- To effectively plan for population growth.
- To maintain supply for future housing and plan for growth.

- To increase housing supply in established areas close to jobs, public transport, facilities and services.

DTP is in the process of developing an external facing dashboard that will consolidate housing metrics related to growth and change for population, land use, development and housing. The dashboard will modernise the outputs from the Urban Development Program (UDP) datasets and is likely to include UDP greenfield / Precinct Structure Plan monitoring, Australian Bureau of Statistics (ABS) Building Approvals, UDP Major Residential Redevelopment projects, UDP Industrial land trends, population profiles (ABS) and forecasts (DTP) and market indicators.

Plan for Victoria is a long-term plan for Victoria that's focused on delivering more homes, more jobs, and great communities. The Victorian Government is committed to measuring, reviewing and updating *Plan for Victoria* with new actions developed over time to address emerging issues and respond to the needs of future generations of Victorians.

The Victorian Government has committed to establishing a Planning Regulations Advisory Committee (committee) to provide oversight and advice on the development of regulations and subordinate instruments required to implement the *Planning Amendment (Better Decisions Made Faster) Act 2026*. The scope of matters that are proposed to be referred to the committee include new regulations, changes to the VPP and development of ministerial guidelines and directions. A range of organisations will be invited to join the committee including state government departments, municipal councils and industry groups.

