

PART

# 1

## **PURPOSE AND PLANNING CONTEXT**

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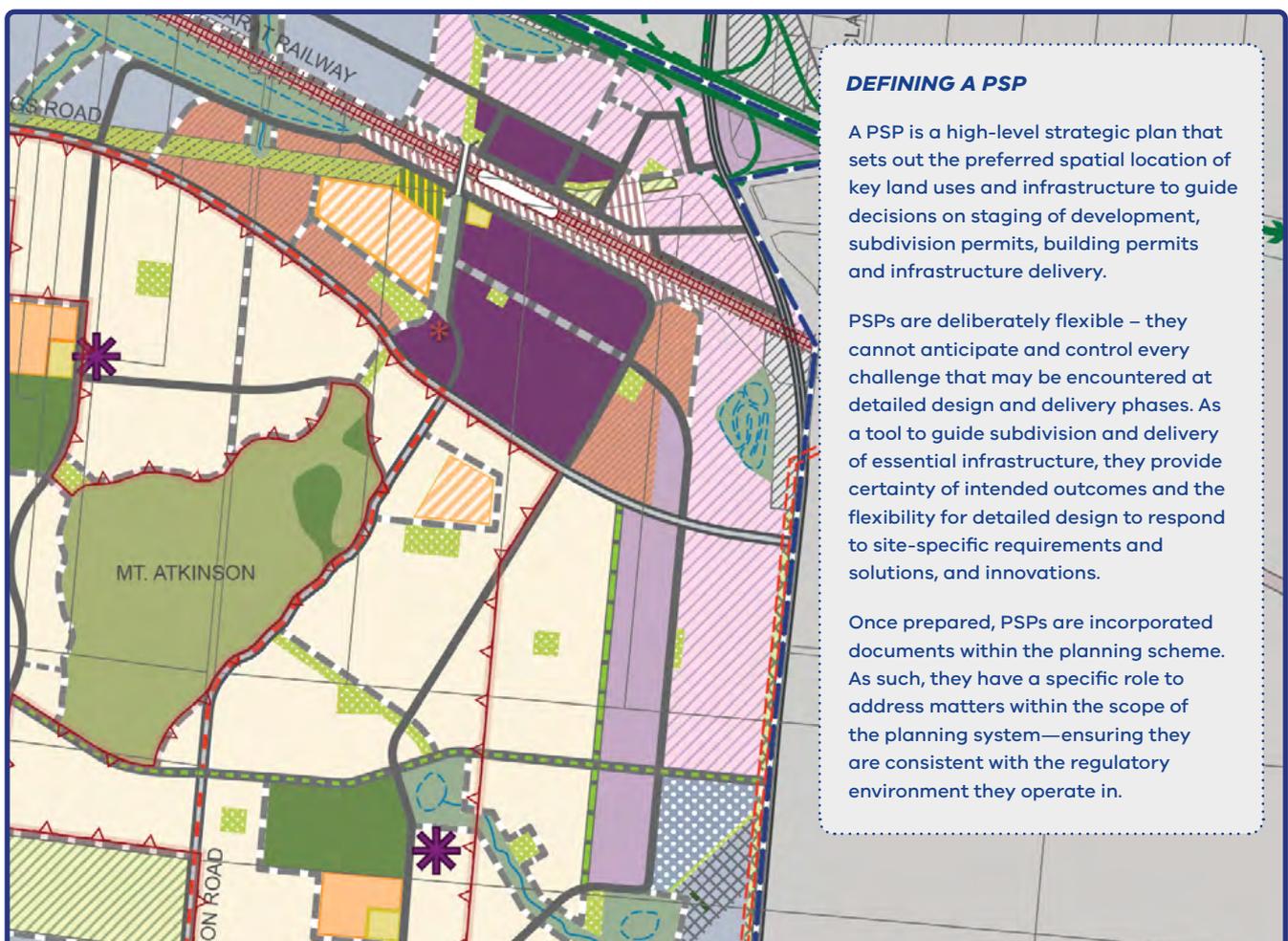
## INTRODUCTION

The *Precinct Structure Planning Guidelines: New Communities in Victoria* (the Guidelines) are a Victorian Government initiative to ensure the Victorian Planning Authority (VPA) and other planning authorities prepare plans for places that enable best practice, liveable new communities for Victoria.

The practice of planning for new communities is maturing. Planning authorities need to plan communities that respond to new and emerging global and urban challenges while also delivering liveable neighbourhoods. These Guidelines support authorities to create PSPs that are at the forefront of urban planning policy, process and outcomes.

The purpose of the Guidelines is to provide the framework for preparing PSPs that guarantees quality outcomes while also being flexible, responsive and supportive of innovation by setting aspirational goals for our future communities. The approach provides a transitional model enabling 20-minute neighbourhoods to evolve over time and achieve the objectives as the area matures.

The Guidelines are based on planning for 20-minute neighbourhoods, a principle in *Plan Melbourne 2017-2050* (Plan Melbourne) that advocates for living locally to ensure accessible, safe and attractive local communities.



### DEFINING A PSP

A PSP is a high-level strategic plan that sets out the preferred spatial location of key land uses and infrastructure to guide decisions on staging of development, subdivision permits, building permits and infrastructure delivery.

PSPs are deliberately flexible – they cannot anticipate and control every challenge that may be encountered at detailed design and delivery phases. As a tool to guide subdivision and delivery of essential infrastructure, they provide certainty of intended outcomes and the flexibility for detailed design to respond to site-specific requirements and solutions, and innovations.

Once prepared, PSPs are incorporated documents within the planning scheme. As such, they have a specific role to address matters within the scope of the planning system—ensuring they are consistent with the regulatory environment they operate in.

## LIFTING THE BAR

The Guidelines were first released in 2009 and revised in 2013. Much has changed since then.

These Guidelines 'lift the bar' by requiring or encouraging higher standards of design and development.

As a result of the new minimum standard set by these Guidelines, the next generation of PSPs will raise standards in many ways, creating better outcomes for new communities in Victoria.

The Guidelines 'lift the bar' by:

- encouraging an open, collaborative and integrated approach to planning by involving stakeholders early, including:
  - » a commitment to improving our practices to ensure that Aboriginal cultural values and heritage are better protected and acknowledged in our plans, PSPs, and strategic documents
- aligning the outcomes and structure of a PSP around Plan Melbourne's 20-minute neighbourhood framework and the *UN Sustainable Development Goals* (SDGs)
- requiring a greater purpose and place-based focus with a clear line of sight from the vision and place-making through to implementation
- articulating general planning principles and setting performance targets that deliver improved outcomes in the following ways:
  - » increased densities and diversity to key areas of amenity and the provision of affordable housing
  - » climate resilience and adaptation, including urban greening and bushfire management
  - » improving outcomes for the whole water cycle by referencing regional integrated water management plans to resolve development-related water balance challenges
  - » provision of local employment opportunities and the facilitation of regional, state and nationally significant employment areas
  - » improving accessibility to high-quality public realm, jobs and services, aligning with the hallmarks of 20-minute neighbourhood framework
  - » integration of the *Movement and Place Framework* for designing streets that keep people and goods moving and creating places to live work and enjoy
- giving a choice of pathways for PSP preparation including an 'innovation pathway' to facilitate elevated outcomes through strategic partnerships and innovation.

**While the Guidelines maintain a focus on preparing PSPs in Melbourne's new communities, PSPs will also be prepared across regional Victoria's growing cities and towns. While a more nuanced approach to the application of the Guidelines in these areas is required, the same principles, features and targets should be considered in the regional context, particularly where larger growth areas are proposed.**

**Part 3 of the Guidelines includes guidance on regional adaptations to key targets for consideration. Further guidance and targeted engagement on the application of the Guidelines in the regional setting will be developed as PSPs are prepared in these areas.**



Source: VPA

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## OVERVIEW

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The Guidelines are structured in four parts:

### PART 1 PURPOSE AND PLANNING CONTEXT

Provides the context for preparing a PSP, including how the Guidelines ensure a future where Victoria is socially and economically strong, environmentally resilient and engaged with the opportunities of a rapidly changing world.

It outlines the *United Nations Sustainable Development Goals* (UN SDGs) and relevant Plan Melbourne policy and explains the 20-minute neighbourhood integrating framework and where PSPs fit in the planning hierarchy.

### PART 2 PSP PATHWAYS AND PROCESSES (PSP 2.0)

Outlines the process for co-designing a PSP with key stakeholders using the PSP 2.0 approach to develop a shared vision for the precinct and resolve key planning challenges early.

It also outlines the innovation pathway, which provides new opportunities to deliver over and above expected outcomes.

### PART 3 CONSTRUCTING A PSP

Provides specific guidance on the General Principles and Performance Targets to be adopted when preparing a PSP.

The principles and targets reflect the aspirations of policies such as Plan Melbourne and UN SDGs. They also reflect broader updates to State Government policies including the Department of Transport's *Movement and Place Framework* and Resilient Melbourne's *Living Melbourne – Our Metropolitan Urban Forest*.

Part 3 also provides guidance on how to demonstrate a PSP has achieved its principles and targets, and where the innovation pathway should be considered.

### PART 4 PRACTITIONER'S TOOLBOX

Provides guidance on the more detailed aspects of planning for Victoria's new communities.

The Practitioner's Toolbox is available online and kept up to date with the latest tools and practices, including updates and changes to relevant government planning policies and guidance notes.

## MANAGING VICTORIA'S GROWTH

Victoria's population is expected to reach 11.2 million by 2056 with the population of Melbourne to reach 9 million.

Even when the impact of the COVID-19 pandemic is factored in, Victoria's growth, and demand for housing supply, will likely remain strong.

While growth will be accommodated within inner and middle ring areas of Melbourne, greenfields – largely undeveloped land identified for the creation of new communities on the fringe of the city – will continue to play an important role in providing homes, employment and local services for Victorians.

As Victoria's regions grow, there are also opportunities to plan for new communities in greenfield areas in regional cities and peri-urban towns.

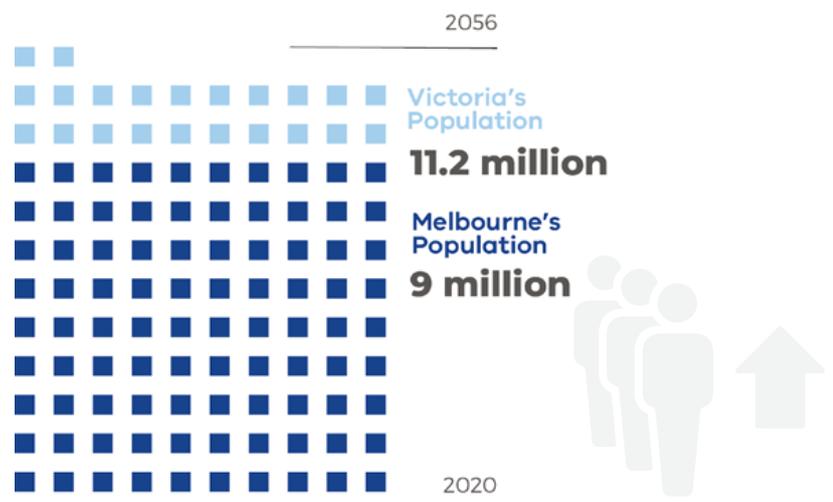
**Planning and developing new communities and neighbourhoods for a growing Victoria requires us to respond to evolving challenges and opportunities.**

### It requires planners to consider key questions:

- How can Melbourne grow and still maintain its renowned liveability?
- How can our new communities respond to evolving economic conditions?
- How can planning respond to increased community expectations about the form, character, and composition of our new neighbourhoods?
- How can planning support broader policy objectives and better guide how new communities are established? (for example, Plan Melbourne policy 1.4.2 – protection of extractive resources)
- How can land use and infrastructure be planned and delivered to support integrated outcomes?
- How can our new neighbourhoods be resilient and adaptable to emerging challenges, including the impacts of climate change and COVID-19?
- How can we protect and enhance natural, cultural and environmental values?

The Victorian Government seeks to respond to these challenges through both policy and practical measures on a range of fronts. Many, but not all, are reflected in these guidelines.

There is no one-size-fits-all approach for creating liveable, diverse and resilient neighbourhoods. Therefore, there are many key drivers of flexibility in how new communities are planned. The Guidelines provide a contemporary approach to PSP content and preparation to ensure PSPs focus on better outcomes and consider innovation.



**Figure 1.** Victoria's projected population growth  
(Source: Victoria in Future, 2019)

# PLANNING FOR LIVEABLE NEW COMMUNITIES

Planners need an adaptive approach to planning new communities if they are to respond to the challenges of growth and the policy directions set by government.

Our approach also requires a clear recognition of the difference between planning and delivery. A plan is the essential enabler of good delivery, but it is by no means sufficient to guarantee it. Effective oversight and coordination of the plan is required to ensure staging of development, provision of infrastructure as trigger points are met, and the activation and curation of vibrant new communities.

## LIVEABLE NEIGHBOURHOODS REQUIRE DELIBERATE EFFORT

The Guidelines are aligned with the Plan Melbourne 20-minute neighbourhood framework in recognition that living locally will require changes to the previous approach to planning and development. The urban form in new PSPs needs to adapt to support increasing densities and intensity of activity, while also providing for high amenity, enhanced connectivity and social inclusion. Increased density and diverse housing need to be guided to the right locations.

## OUR NEIGHBOURHOODS NEED TO BE RESILIENT AND ADAPTABLE TO A CHANGING CLIMATE

The State Government's goal (in alignment with the UN SDGs) is to reduce greenhouse gas emissions by living locally, creating resilient communities, planning for infrastructure that can adapt to a changing climate, and providing safe, sustainable and productive water resources and reliable, sustainable and affordable energy services. Success at a PSP level requires leadership in greenfields planning and an openness to doing things differently.

## STRONG LEADERSHIP, COLLABORATION AND PARTNERSHIPS DRIVE BETTER OUTCOMES

Planning is a collective endeavour, requiring the input, investment and commitment of government, agencies, industry and community. Preparing a PSP requires a collaborative effort to generate ideas and shape a collective vision unique to each place. PSPs will be flexible and outcomes-focused, providing opportunities for strong stakeholder leadership to overcome challenges, or to deliver innovations in planning and development.

## VISIONS REQUIRE WHOLE-OF-GOVERNMENT STRATEGIC THINKING

Planning for new communities is a long-term proposition. It is an opportunity to think creatively and collectively about each place and the unique contribution it makes to our broader city. A whole-of-government culture to embed collaboration, engagement, strategic thinking and support to establish the vision for each PSP will help individual projects contribute to the long-term plans of each government department and agency.

## SUCCESS MEANS ACHIEVING GOOD PLACE-BASED OUTCOMES

Melbourne is made up of diverse and successful neighbourhoods that are experienced differently across the city by locals, visitors, business and industry. Planning new communities that feature and protect their natural and cultural heritage, as well as the unique characteristics of their future land uses and activities, while still ensuring compliance with contemporary standards, will enable the best outcomes to be achieved in each place.

## FLEXIBILITY IS ESSENTIAL TO ENABLE INNOVATION

A PSP area usually takes 10–15 years to build, and often longer. It is not possible or desirable for a PSP to attempt to anticipate the changes that will take place over the life of the precinct. Development technologies, product typologies, consumer preferences and economic drivers will all change in ways that we may not expect. So, the PSP must 'set the floor but not the ceiling.' Base outcomes must be guaranteed, while encouraging innovation opportunities to meet or exceed those outcomes. The PSP must be flexible, responsive to change and embrace innovation.

## DELIVERY COORDINATION IS AS IMPORTANT AS GETTING THE PLAN RIGHT

Place-based coordination by an on-ground oversight entity is a prerequisite to ensuring quality outcomes. In most cases, this is a council role. The developer also has a key role to play, particularly in relation to master-planned estates at scale. But once the plan is complete, the real work starts; delivering a PSP can never be "set and forget."

**Open, flexible and creative thinking along with strong leadership is required to drive innovation in a PSP.**

**The ultimate goal is to achieve better urban development and community outcomes.**

# THE PLANNING HIERARCHY

Precinct structure planning sits within the Victorian planning hierarchy, which comprises:

The **Planning Policy Framework** (the PPF) which provides overarching policy to guide land use, subdivision and development in Victoria. The PPF is informed by State Government policy, including Plan Melbourne.

**Plan Melbourne 2017–2050** is the State Government’s strategic vision for the future of greater Melbourne. It sets high-level directions for the growth, protection and change of environments for Melbourne and its communities.



Figure 2. Planning hierarchy (Source: VPA)

**Growth Corridor Plans (for metropolitan Melbourne) – or, where finalised, Land Use Framework Plans** are high-level integrated land use and transport plans that provide a strategy for the development of Melbourne’s growth corridors and Victoria’s towns and townships.

**Precinct Structure Plans** facilitate planning for new neighbourhoods, guiding the form of subdivision and development of land over the long term. They are incorporated into the relevant local planning scheme and implemented primarily through planning permit applications.

**Planning permit applications (for subdivisions or use and development)** approve proposed developments that are consistent with the relevant planning scheme and generally in accordance with the PSP. **Note:** the Urban Growth Zone schedule exempts certain planning permits for land use and development (e.g. dwellings).

**Building permits** certify that a proposed building complies with the relevant building regulations, including considerations such as energy efficiency. Building permits are generally required for all development, whether a planning permit is needed or not.

This hierarchy provides a framework for decision making regarding the use and development of land in greenfield areas. These Guidelines seek to provide guidance and flexibility to the preparation of PSPs that will implement the growth corridor or framework plan and inform subdivision and built form permits.

Figure 2 outlines how each document in the planning process provides an appropriate balance of guidance and flexibility to achieve exemplary and, where possible, innovative urban and community outcomes.

Importantly, it is not practical or necessary to resolve every issue or eventuality at the early stages in the hierarchy. PSP preparation can be slowed by attempts to resolve matters at the PSP stage that would be better resolved at the permit stage. PSPs are not expected to anticipate or resolve every eventuality, but to ensure a robust policy framework that can be used to resolve issues once more detailed investigation is undertaken.

## POLICY FRAMEWORK

These Guidelines are part of a broader policy framework that supports greenfields structure planning in Victoria.

### United Nations Sustainable Development Goals

Consistent with the principles and outcomes of Plan Melbourne, the [UN SDGs](#) (see Figure 3 below) provide a framework within the global context to help ensure PSPs align with international best practice in sustainability. The SDGs provide a framework for PSPs to respond to aspects of sustainability that are not directly covered by the 20-minute neighbourhood framework (for example, water, energy and climate). The UN SDGs align with the objective of planning in Victoria as specified under section 3 of the *Planning and Environment Act 1987* namely, "to provide for the fair, orderly, economic and sustainable use and development of land".

The goals enable planning to reduce greenhouse gas emissions from development and mitigate the effects of climate change, to the extent that planning can drive and influence outcomes. Building resilience to natural hazards and extreme weather events such as bushfire risk, flooding and the urban heat island effect must also be considered.

Integration of the UN SDGs framework connects Victoria's precinct structure planning to the international agenda. This approach allows us to see how our work contributes to a more sustainable world and provides guidance for where we should focus our efforts toward a sustainable future.



Figure 3. The UN Sustainable Development Goals (Source: The United Nations)

**Plan Melbourne principles**

*Plan Melbourne* sets policy directions to guide urban planning across the state. Action 20 of Plan Melbourne is to “Update the Precinct Structure Planning Guidelines to incorporate learnings from previous Precincts Structure Plans (PSPs) in growth areas...” These Guidelines are a direct response to this action.

Plan Melbourne’s vision for Victoria is guided by nine principles. These principles drive the delivery of sustainable outcomes and help to deliver the vision of a global city of opportunity and choice. Principle 5 of Plan Melbourne is the importance of living locally through the 20-minute neighbourhood framework. This is key to structure planning and used as the core component of the overarching framework for these Guidelines, in addition to other broader outcomes set out in Plan Melbourne.



Figure 4. Plan Melbourne principles (Source: DELWP)

## POLICY FRAMEWORK *(continued)*

### The 20-minute neighbourhood

The *20-minute neighbourhood* is all about ‘living locally’—giving people the ability to meet most of their daily needs within a 20-minute return walk from home, with access to safe cycling and local transport options. Research shows that 20-minutes is the maximum time people are willing to walk to meet their daily needs locally. These daily needs may include accessing local health facilities and services, schools and shopping centres. This 20-minute journey represents an 800m walk from home to a destination and back again, or a 10 minute walk to your destination and 10 minutes back home.

#### A 20-minute neighbourhood must:

- be safe, accessible and well connected for pedestrians and cyclists to optimise active transport
- offer high-quality public realm and open space
- provide services and destinations that support local living
- facilitate access to quality public transport that connects people to jobs and higher-order services
- deliver housing/population at densities that make local services and transport viable.

#### To genuinely create 20-minute neighbourhoods in new communities, the urban form in new PSP areas will need to:

- adapt to support increasing densities and intensity of activity
- ensure the design of the public realm provides more meaningful opportunities for amenity and social inclusion
- renew the approach to infrastructure and service delivery to adapt and be resilient to a changing climate, evolving social needs and other emerging challenges.

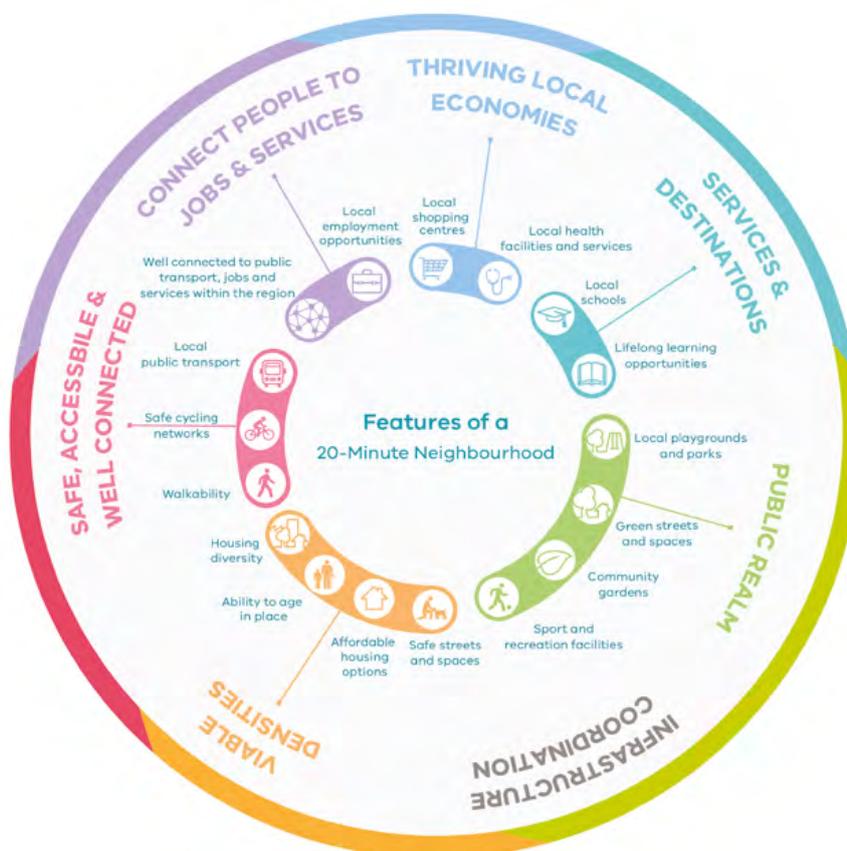


Figure 5. The 20-minute neighbourhood (Source: DELWP)

### Integrated Framework

The policy framework ensures international best practice policy is applied in planning for Victoria's new communities. Integrating the Plan Melbourne principles, the 20-minute neighbourhood hallmarks and UN SDGs will support alignment with state and international aspirations.

Figure 6 below demonstrates this alignment.

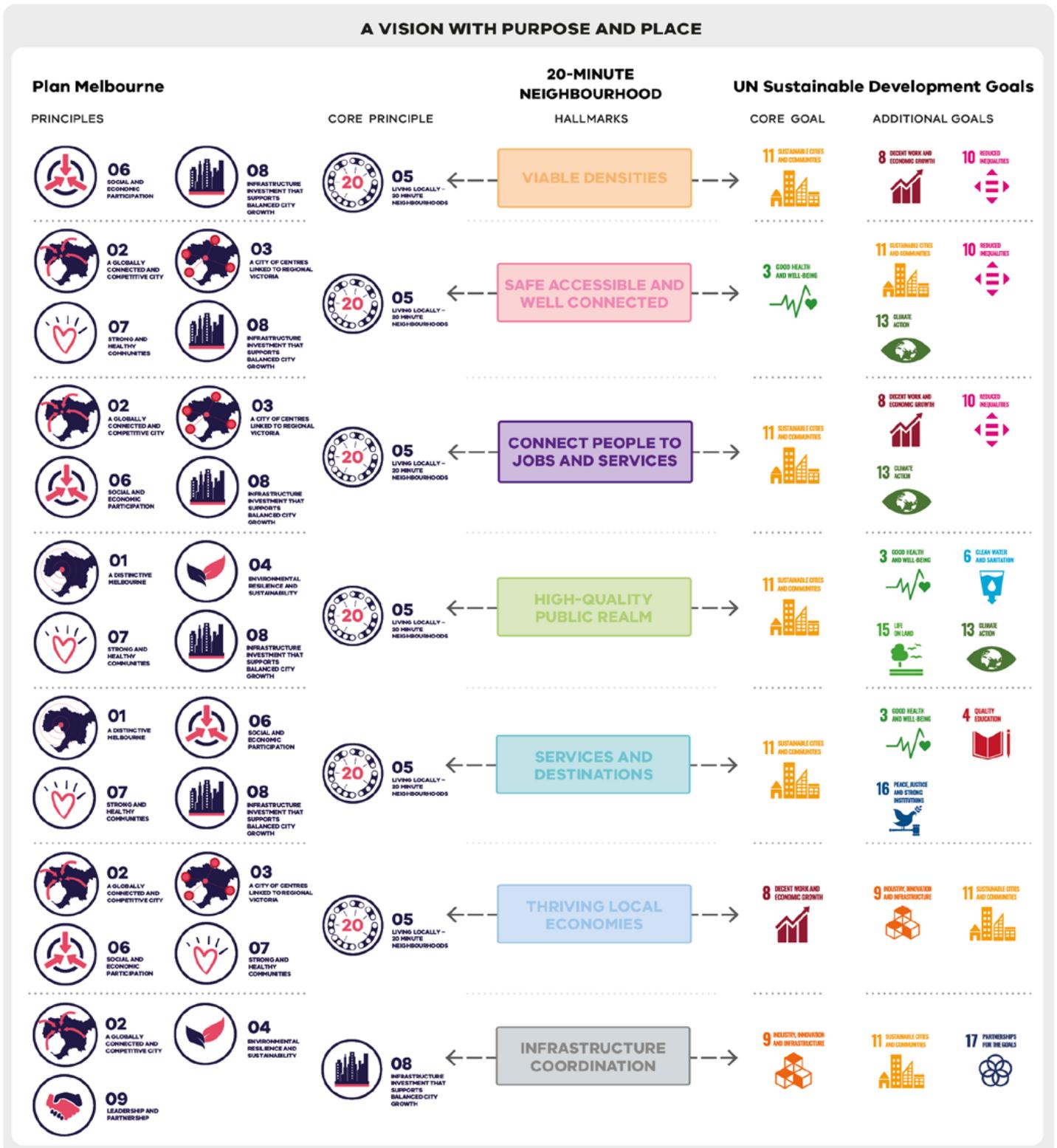


Figure 6. A vision with purpose and place (Source: VPA)

## APPLICATION OF THE GUIDELINES

The Guidelines provide an integrated framework for practitioners and planning authorities to guide preparation of PSPs for new communities across Victoria.

In metropolitan Melbourne, PSPs are generally prepared by the VPA in partnership with councils.

In accordance with [Clause 11.03-2S](#), authorities must develop PSPs consistent with the Guidelines.

Additionally, in accordance with Ministerial [Direction 12 – Urban Growth Areas](#), all planning authorities must apply the Guidelines unless the Minister for Planning approves otherwise.

The Guidelines should be used to create an integrated response to the preparation of PSPs.

PSPs within metropolitan greenfield areas should take into consideration the existing state and local policies, and the principles and targets contained within Part 3 of this document. These should be balanced against local features including cultural heritage, natural features and topography to create a PSP that will support the development of unique and vibrant places into the future.

PSPs are flexible guidelines for the development of new communities, responsive to the local and regional context and supportive of innovation.

Implementation of PSPs is largely through subdivision applications. Therefore, when drafting PSPs, the planning authority must be mindful of what can be implemented through the planning system.

Councils are typically responsible for assessing planning permit applications against the PSP. Assessors of the subdivision applications within PSP areas should refer to the [Generally in Accordance: Guidance Note, April 2020](#).

A plan is the essential enabler for good delivery, but it is by no means sufficient to guarantee it. Effective oversight and coordination of the plan is required to ensure staging of development and provision of infrastructure as trigger points are met, and the activation and curation of vibrant new communities.

### APPLICATION TO THE REGIONS

In the regions, PSPs are prepared either by councils or in partnership with the VPA to support growth and deliver plans to enable high quality and integrated urban environments.

Regional cities and towns value their unique identity and local place values. It is vitally important that PSP areas in the regions set frameworks for growth that reflect this identity and values and protect local character. A unique sense of place can be fostered by a range of urban design approaches, from the precinct to the site level.

Planning for greenfield PSP areas in the regions must be carefully adapted to the local context.

The aims, principles and processes of the Guidelines can assist regional planners to formulate structure plans that adopt a collaborative and integrated approach, and a purpose and place-based focus. Part 3 identifies which Performance Targets will need to be adapted in regional settings and key considerations when doing so. Any necessary adaptations should still aim to abide by the 20-minute neighbourhood principle of 'living locally,' while ensuring a high level of consideration is given to the specific needs of local communities.

### Regional innovations

*In regional areas, the Guidelines explore opportunities for innovative responses to maintain or enhance the unique character of the locality. Innovations relating to built form and design outcomes, lot layout, and preferred densities should support the existing and preferred character of the area while meeting the key objectives and principles of the Guidelines.*



SEE ALSO PRACTITIONER'S TOOLBOX:  
*Applying the Guidelines to the Regions*



Source: VPA