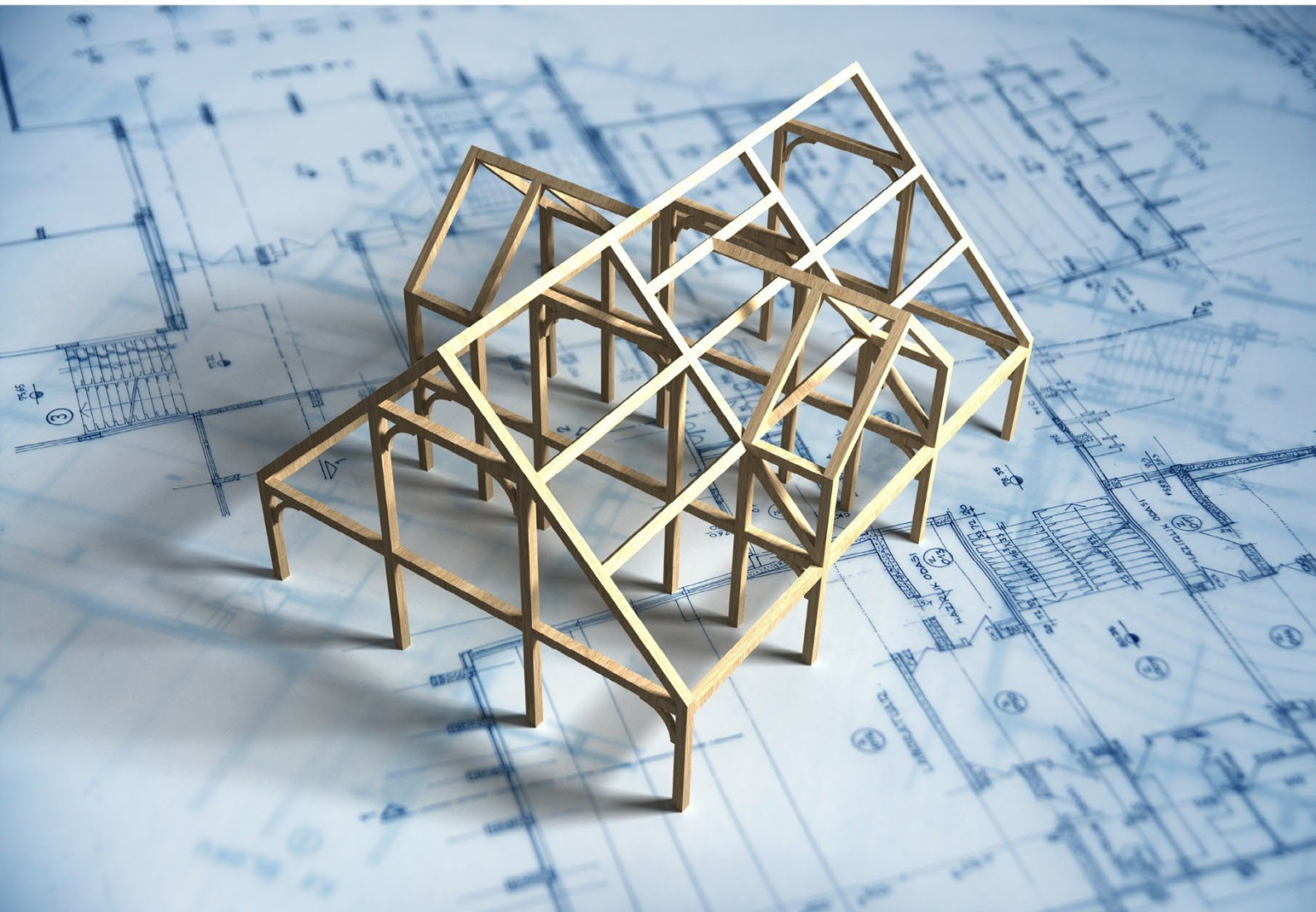




National Planning Reform Blueprint

Tasmania March 2024

progress report



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Contents

- Contents..... iv**
- Measure 2: Strategic plans and housing supply targets.....1**
- Measure 3: Zoning, planning, land release and other reforms2**
 - Summary of planning, zoning and land release reforms.....2
- Measure 4: Development ready land4**
 - Key findings from a development ready land stocktake4
- Measure 5: Promoting dense, diverse housing5**
 - Zoning, planning and other amendments to support dense, well located housing5
 - Reforms to non-planning barriers preventing a diversity of housing6
 - Expected impact.....7
- Measure 6: Accelerated development and approval pathways8**
 - Reforms to development approval pathways.....8
 - Existing development approvals which have not been acted upon, and barriers to delivering approved housing.....8
 - Reforms to social and affordable housing approval pathways8
 - Barriers to the timely issuing of development approvals, and reforms to address them9
 - Initiatives to share planning data and improve visibility of factors affecting housing delivery.....9
 - Planning and inclusionary zoning reforms to support permanent affordable, social and other specialist housing in developments9
- Measure 10: Government land.....11**
 - Well located government land suitable for housing.....11
 - Best practice examples of developing government land11

Measure 2

Planning Ministers will report to National Cabinet on state, regional and local strategic plans before 1 March 2024 that reflect their jurisdiction's share of housing supply targets agreed by National Cabinet and links with infrastructure pipelines.

Review of Regional Land Use Strategies

Comprehensive reviews are in progress for all three regional land use strategies in Tasmania. The strategies have been in place since 2011 and strategically identify growth areas and redevelopment areas for housing, informing zoning in the Tasmanian Planning Scheme. New housing demand and supply studies have been undertaken for all three regions to inform the review. The Greater Hobart Plan (part of the Hobart City Deal) is also informing a new Greater Hobart Settlement Plan which will review the current areas identified for densification in Greater Hobart.

The Tasmanian Planning Policies will set a legislated framework for the settlement plans in each of these strategies to ensure adequate supply of land to address the existing and future needs of the community for a minimum of 20 years. The current reviews are at a stage where they can accommodate the specific housing supply targets that are set for Tasmania and coordinate a statewide response to ensure these are delivered in the most appropriate areas from a statewide and regional perspective.

The Minister for Planning has set a timeframe for the declaration of the revised strategies in mid-2025. Foundational data has been collected on housing supply and demand across the three regions in a consistent way to inform the strategic directions.

Measure 3

Planning Ministers will undertake planning, zoning, land release and other reforms, such as increasing density, to meet their jurisdiction share of housing supply targets agreed by National Cabinet.

Summary of planning, zoning and land release reforms

Review of State Planning Provisions (SPPs) – Improving Residential Standards in Tasmania Project

In progress, due for implementation during 2024.

A comprehensive review is being undertaken of the statewide planning requirements (the SPPs) in the single planning scheme (the Tasmanian Planning Scheme). The Improving Residential Standards in Tasmania Project is a priority project from this review which will deliver amendments to the planning requirements for housing in the SPPs, including:

- Improved standards for a variety of housing types, including social and affordable housing.
- Standardised requirements for medium density housing in appropriate locations with accompanying design guidelines.

Implementation of amendments to the SPPs will ensure the planning requirements provide streamlined assessment pathways for a variety of housing types, particularly social and affordable housing, and medium density housing in appropriate locations.

Housing Land Supply Act 2018 extension

Enacted

The Housing Land Supply Act was introduced in 2018 as a fast-track rezoning process for certain Government land for housing through Housing Land Supply Orders, guaranteeing a portion is provided as social and affordable housing. It also enables changes to the planning scheme requirements applicable to an area to better facilitate housing. Land subject to a Housing Land Supply Order is vested with Homes Tasmania (Tasmania's statutory body for delivering social and affordable housing) for delivery with the proportion of social and affordable housing tailored to suit the site and the needs of the community. The Act initially operated for 5 years to boost the supply of land for housing and was extended for a further 10 years in September 2023.

Extension of the Housing Land Supply Act is enabling more suitable Government land to be rezoned for social and affordable housing through a fast-track process. Other recent changes to the Act also enable Homes Tasmania to strategically purchase new land for rezoning under the fast-track process. Extension of the Act for a further 10 years aligns with the Tasmanian Government's 10-year plan for delivering more social and affordable housing.

Tasmanian Planning Policies

In progress, due for implementation in 2024

The Tasmanian Planning Policies (TPPs) establish a consistent, overarching policy setting for the State's planning system that will guide planning outcomes mostly delivered through the Tasmanian Planning Scheme and the Regional Land Use Strategies. The TPPs are also required to be considered in the declaration and assessment of the 'Major Projects' and housing land supply orders.

The TPPs provide policy direction in the following areas: Settlement, Environmental Values, Environmental Hazards, Sustainable Economic Development, Physical Infrastructure, Cultural Heritage and Planning Processes.

The Settlement TPP provides the policy setting for strategically guiding how and where growth will occur. The Settlement TPP prioritises a settlement pattern that locates people where they have access to employment, services, and transport networks to improve connectivity and liveability. It promotes the delivery of social and affordable housing and recognises that these types of housing are essential to improve social and economic resilience of our communities.

To achieve these planning outcomes, the Settlement TPP is split into 5 separate policy areas that provide for liveable settlements, mechanisms for directing growth, policies relating to specific settlement types, housing diversity and availability and providing for well-designed built environments and public spaces.

The Settlement TPP supports growth that will prioritise and encourage infill development, consolidation, redevelopment and intensification of under-utilised land in settlements that are well serviced by existing or planned physical and social infrastructure.

Measure 4

Planning Ministers will identify well-located 'development ready' land before 1 March 2024, having appropriate regard to the protection of land with key attributes e.g. environmental or economic.

Key findings from a development ready land stocktake¹

The Tasmanian Government has recently funded residential demand and supply studies across each of the three regions. This work which was undertaken in collaboration with local government and is now complete, identified the quantum and distribution of vacant residential land in each municipality and its respective "development ready" status for the purpose of future supply. In partnership with local councils, the Tasmanian Government will undertake further analysis to prioritise specific sites.

¹ For the purpose of this report it is assumed that development ready means land with infrastructure that is ready to sell and/ or construct

Measure 5

Planning Ministers will streamline approval pathways and prioritise planning control amendments to support diverse housing across a range of areas, including promoting medium and high-density housing in well-located areas close to existing public transport infrastructure connections, amenities and employment.

Zoning, planning and other amendments to support dense, well located housing

Review of State Planning Provisions (SPPs) – Improving Residential Standards in Tasmania Project

Reported in Measure 3.

A comprehensive review is being undertaken of the statewide planning requirements (the SPPs) in the single planning scheme (the Tasmanian Planning Scheme). The Improving Residential Standards in Tasmania Project is a priority project from this review which will deliver amendments to the planning requirements for housing in the SPPs, including:

- Improved standards for a variety of housing types, including social and affordable housing.
- Standardised requirements for medium density housing in appropriate locations with accompanying design guidelines.

This review will provide more streamlined approval pathways for the approval of quality housing in all areas of Tasmania and deliver standardised requirements for medium density housing types in well located areas.

Legislation for independent Development Assessment Panels

The legislation is due for tabling in Parliament in October 2024.

The Tasmanian Government has committed to introduce legislation into Parliament in 2024 that provides for redirecting planning approvals from local councils to independent Development Assessment Panels (DAPs) specifically to address the impact of local NIMBY issues on elected council decisions as opposed to compliance with the planning scheme rules.

The draft model being progressed provides for a single assessment process for prescribed social and affordable housing projects that do not allow further appeals to the Appeal Tribunal.

The legislative model will provide social and affordable housing projects that are nominated by the State's housing agency (Homes Tasmania) to be directly referred to the DAPs which will conduct a

98-day assessment which includes advice from the local council, third party consultation and capacity for all parties to participate in a hearing to argue issues and conditions.

Reforms to non-planning barriers preventing a diversity of housing

The Tasmanian Government is engaging with the housing industry and other sectors to determine if there is a need to ensure that the design and construction sectors are capable and willing to deliver more diverse housing. The Department of State Growth, in collaboration with Homes Tasmania, is working to resolve shortages of workers' accommodation and workforce capacity in the construction sector including:

Workers' accommodation

Stakeholder engagement and industry led forums have been facilitated to assess the scale and nature of the requirement. Initiatives being considered currently include:

- Connecting existing supply with demand: Worker housing facilitator
- Strategically growing workforce housing stock: Portable housing, Container housing, Tiny house village pilot, Tourism Development Loan Scheme, Tasmanian Housing Strategy.

Workforce capacity in the construction sector

Building and Construction Industry Roundtable

The Tasmanian Government established the Building and Construction Industry Roundtable (the Roundtable) as a collaborative approach to address opportunities and challenges within the sector. On 30 May 2022, the Building Tasmania's Future Memorandum of Understanding was signed by members of the Roundtable. The members agreed on a framework for all parties to work collaboratively to deliver a sustainable infrastructure project pipeline. The Roundtable members agreed on actions for government and industry across five key priority areas. Working groups are convened under the roundtable to monitor progress and inform policy development and strategic planning.

Hi-Vis Army

To deliver the significant pipeline of public and private investment projects, in the 2021 State Election the Tasmanian Government committed to establish a 'High-Vis Army' to grow the construction workforce by 25 per cent over four years.

Tasmania's 10 Year Infrastructure Pipeline

The pipeline is an interactive database designed to improve the ability of businesses to plan ahead to resource tender applications as well as undertake the work. For businesses involved in designing, building and maintaining infrastructure, the pipeline can help to plan, prepare and recruit/train staff. Asset owners can use the pipeline to help plan and execute their infrastructure delivery schedule.

Planned and/or funded infrastructure investment by all three levels of government and the private sector are incorporated into the pipeline.

Expected impact

The combination of regulatory reforms, identification of areas for densification through strategic planning and increased demand will assist the housing industry to shift its products towards greater diversity. However, further incentives and government subsidies are likely to be necessary to deliver more permanent housing options to offset the substantial costs which are currently perceived as being prohibitive. The potential for Developer contributions has been identified as an area of further work which could deliver a more sustainable source of funds for infrastructure and services.

Measure 6

Planning Ministers will create accelerated development pathways and streamline approval processes for eligible development types, particularly in well-located areas, including to support the rapid delivery of social and affordable housing.

Reforms to development approval pathways

Development Assessment Panels (DAP)

Reported under Measure 5.

Proposed legislation amendments were announced in 2023 to provide for an alternate assessment pathway for social and affordable housing development applications, to be determined by a Development Assessment Panel.

Existing development approvals which have not been acted upon, and barriers to delivering approved housing

The delivery of social and affordable housing through Tasmania's statutory housing authority (Homes Tasmania) will ensure they are delivered following the receipt of the necessary development approvals. There is anecdotal evidence some approved private developments are not progressing in Tasmania due to economic factors which may be beyond the State Government's scope of influence. Further incentives and government subsidies are likely to be necessary to deliver some housing options to offset the substantial costs which are currently perceived as being prohibitive. The potential for developer contributions has been identified as an area of further work which could deliver a more sustainable source of funds for infrastructure and services.

Reforms to social and affordable housing approval pathways

Housing Land Supply Act 2018 extension

Reported under Measure 3.

The Housing Land Supply Act was introduced in 2018 as a fast-track rezoning process for certain Government land for housing through Housing Land Supply Orders, guaranteeing that a portion is provided as social and affordable housing. It also enables changes to the planning scheme requirements applicable to an area to better facilitate housing. Land subject to a Housing Land Supply Order is vested with Homes Tasmania (Tasmania's statutory body for delivering social and affordable housing) for delivery with the proportion of social and affordable housing tailored to suit

the site and the needs of the community. The Act initially operated for 5 years to boost the supply of land for housing and was extended for a further 10 years in September 2023.

This enables Homes Tasmania to continue to use the fast-track rezoning process for social and affordable housing and deliver on the Tasmanian Government's 10 year plan for more social and affordable housing.

Barriers to the timely issuing of development approvals, and reforms to address them

Tasmania has very efficient development approvals with average (median and mean) approval times across local councils below 40 statutory calendar days where there has been public notification and around 20 days where the proposal is complying. These timeframes do not include the considerable number of complying single dwelling developments that are 'as of right' and do not require the issuing of planning permits and can proceed directly to building approval. To assist with these, the Government introduced private certification of no permit required proposals by certified planners.

Additionally, Tasmania has recently introduced a process for the timely sign-off of post approval conditions.

Initiatives to share planning data and improve visibility of factors affecting housing delivery

PlanBuild Tasmania is being established as central location for the lodgement of planning applications and once operational will provide data on council approvals. The Tasmanian Government has recently funded residential demand and supply studies across each of the three regions. This work which was undertaken in collaboration with local government and is now complete and provides a consistent methodology and framework for ongoing data capture to assist with making strategic planning and policy decisions on housing delivery, particularly through monitoring of the three regional land use strategies.

Planning and inclusionary zoning reforms to support permanent affordable, social and other specialist housing in developments²

Tasmania currently has a form of inclusionary zoning through the Housing Land Supply Act 2018 which provides a fast-track process for Homes Tasmania (Tasmania's statutory authority for providing social and affordable housing) to rezone land for housing. This process ensures a portion is delivered as social and affordable housing with the proportion tailored to the site and the needs of

² Where appropriate and where such zoning and planning does not add to construction costs e.g., through the use of incentives such as density bonuses.

the community. This provides an appropriate mechanism for delivering social and affordable housing in Tasmania without setting mandatory targets.

Tasmania's current reforms, specifically the review of the planning requirements for housing in the Tasmanian Planning Scheme, will also focus on optimisation for all housing types regardless of whether they are for social or affordable housing. This avoids distorting the planning requirements for a specific type of housing.

There will likely be difficulties in implementing mandatory inclusionary zoning in Tasmania for the following reasons:

- Inclusionary zoning is most effective in large scale developments and Tasmania is traditionally characterised by small scale development so a mandatory inclusion of say 10-15% for small developments would be unlikely to deliver significant amounts of social or affordable housing.
- Unless adequately subsidised or delivered through government developments, private developers may not progress housing developments if they become unviable or may seek to underdevelop a site to avoid having to provide a portion of dwellings for social and affordable housing.

Inclusionary zoning requires ongoing ownership of the properties by housing providers otherwise the 'subsidy' is effectively one-off and the initial (subsidised) purchaser can sell at market value later. There is limited ability for the planning system to control the ownership of land following approval.

Measure 10

All levels of government will ensure the efficient use of government land, including the identification of surplus land suitable for housing and the delivery of best practice projects to support housing supply, diversity and affordability.

Well located government land suitable for housing

The Tasmanian Government housing authority (Homes Tasmania) works to identify government land that can be repurposed for housing and utilises the Housing Land Supply Act 2018 to deliver faster rezoning. It can also acquire land and utilise this process. The criteria set out in the Housing Land Supply Act 2018 require the land to be suitable for use for residential purposes by virtue of its proximity to public and commercial services, public transport and places that may provide opportunities for employment.

Best practice examples of developing government land

The Tasmanian Government is also discussing the potential of the transfer of approximately 30ha of Commonwealth (Defence) land at Dowsing Point, Glenorchy which the State has identified as well-located with a development potential of at least 1,000 dwellings close to all services and employment opportunities.

The Government recently utilised the Housing Land Supply process to rezone 68ha of land at Huntingfield south of Hobart accompanied by a Master Plan setting out best practice staged development. <https://www.homestasmania.com.au/engage/land-release/huntingfieldlandrelease>