

Public Exhibition for the Explanation of Intended Effect New State Environmental Planning Policy (Design and Place)

Your Name	██████████
Your Organisation	Keylan Consulting on behalf of Sekisui House Australia
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Stakeholder group	<input checked="" type="checkbox"/> Industry <input type="checkbox"/> Council <input type="checkbox"/> Aboriginal Community <input type="checkbox"/> Community <input type="checkbox"/> State Agency
Age demographic	<input type="checkbox"/> 18-25 <input type="checkbox"/> 26-45 <input type="checkbox"/> 46-65 <input type="checkbox"/> 65+

Your feedback

How to make a formal submission

We welcome your feedback on the Explanation of Intended Effect for a New Design and Place State Environmental Planning Policy. **Submissions close on 31 March 2021.**

Feedback is sought on all parts of the document. Please consider if the proposal:

- Reflects contemporary understanding and practices
- Clearly articulates the intentions of the policy
- Should consider other opportunities.

Explanation of intended effect (EIE)

Please see comments provided in attached letter

PART 1

Introduction

Please see comments provided in attached letter

PART 2

Proposed new State Environmental Planning Policy (Design and Place)

Please see comments provided in attached letter

PART 3

Key components of the new State Environmental Planning Policy

Please see comments provided in attached letter

PART 4

Proposed amendments to existing State Environmental Planning Policies

Please see comments provided in attached letter

PART 5

Relationship with other planning instruments and policies

Please see comments provided in attached letter

PART 6

Planning pathways

APPENDIX A

Proposed Amendments to the Apartment Design Guide and SEPP 65

Please see comments provided in attached letter

APPENDIX B

Proposed New Public Spaces and Urban Design Guide

Please see comments provided in attached letter

APPENDIX C

Sustainability in Residential Buildings

Please see comments provided in attached letter

Additional comments

Please see comments provided in attached letter

Thank you for your time in preparing this submission.



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26 April 2021

Department of Planning, Industry and Environment
4 Parramatta Square
Parramatta, NSW 2150

Dear Sir/Madam,

Submission

Explanation of Intended Effect for the Draft State Environmental Planning Policy (Design and Place)

This submission has been prepared by *Keylan Consulting Pty Ltd* (Keylan) on behalf of *Sekisui House Australia* in response to the *Department of Planning, Industry and Environment's* (DPIE) exhibition of the Explanation of Intended Effect (EIE) for the *Draft State Environmental Planning Policy (Design and Place)* (Draft SEPP).

We have undertaken a detailed review of the EIE for the Draft SEPP and generally support the key themes and principles. We acknowledge and support the State Government's aim to ensure high quality buildings and places across NSW. We also support DPIE's intention to ensure a consistent approach is undertaken to design excellence to provide greater certainty for Councils, developers and the broader community.

This submission is made in the context of the following major urban renewal projects that Sekisui House is currently developing across greater Sydney:

- **Melrose Park North** – a joint venture with PAYCE for 5,500 dwellings, Town Centre, School, public parks and supporting infrastructure
- **Sanctuary, Wentworth Point** – a significant mixed-use urban renewal site providing approximately 2,300 dwellings
- **The Orchards, Norwest** – a staged high density residential development including about 1300 dwellings

Key Areas of Concern

The EIE presents a number of proposed changes to the ADG, *State Environmental Planning Policy No 65 – Design Quality of Residential Apartment Development (2002 EPI 530)* (SEPP 65) and *State Environmental Planning Policy (Sustainability Index: BASIX) 2004* (BASIX SEPP) through their amalgamation. There are four key areas on which this submission will provide commentary on including:

- Principles of the new SEPP
- Changes to the Apartment Design Guide (ADG)
- Urban Design Guide
- Sustainability in Residential Buildings (BASIX)

Principles of the new SEPP

The new Design & Place SEPP has been developed based on five key guiding principles. These principles are as follows:

1. *Design places with beauty and character*
2. *Design inviting public spaces*
3. *Design productive and connected places*
4. *Design sustainable and greener places*
5. *Design resilient and diverse places*

We are overall supportive of the five key principles which have guided the development of the new SEPP. We note that under Principle 1, *Design places with beauty and character*, developers are encouraged to design buildings with character that have 'a considered response to context'. However, consideration of this comment against the proposed changes to the ADG does not reflect the notion of responding to context.

Overall, we consider the revised ADG proposes prescriptive changes that ignore the importance of acknowledging context.

Recommendation

1. Acknowledgement of context should be provided throughout the revised changes to the SEPP, including the ADG changes and new Urban Design Guide

Changes to the Apartment Design Guide (ADG)

The Draft SEPP proposes a number of major changes to the ADG, the design guideline which currently acts supplementary to SEPP 65. Some of these proposed changes are detrimental to the design outcomes of any future residential flat building development such as those developed by Sekisui House Australia.

Sekisui House Australia prides itself on its ability to provide comfortable housing and ecologically sound communities through superior quality and leading technology - which may be jeopardised given the number of changes to the ADG.

A summary of some of the key proposed changes to the ADG has been provided in the table below with commentary provided as to the concerns associated with these changes.

Proposed ADG changes	Comment
<p><i>Landscaping and Greening</i></p> <p><i>Increase the minimum deep soil zones as a percentage of site area. The range in which the Department is considering is:</i></p> <ul style="list-style-type: none"> • <i><650m² = 14-18%</i> • <i>650-1500m² = 14-18%</i> • <i>1500-3000m² = 14-18%</i> • <i>>3000m² = 21-25%</i> 	<p>New deep soil design criteria is quite prescriptive when each site should take into account context and overall proposed design.</p> <p>Podium towers are becoming a popular design outcome for mixed use buildings consisting of commercial and retail uses within the podium and residential uses within the above tower. This results in open space often being provided above the podium to maximise amenity but does not allow for significant provisions of deep soil zones.</p>

Proposed ADG changes	Comment
<p><i>There is a proposed pro-rate reduction if retail, commercial and entrances on ground floor are greater than 85% of the building footprint.</i></p>	<p>Provision of deep soil zones therefore must account for and consider individual sites and developers should be given the option to provide contributions to Council off site in the form of parks and reserves.</p>
<p>Building Form</p> <p><i>New criteria for towers (including any part of buildings of nine or more storeys) of:</i></p> <ul style="list-style-type: none"> • <i>Maximum GFA of 700m²</i> • <i>Maximum eight units per core per floor</i> 	<p>The limitation of GFA per storey is unreasonable and contrary to design excellence.</p> <p>Limiting GFA per storey will result in increase in height and also a lack of expression through design as it restricts architect's design.</p> <p>The revised ADG should not prescribe a maximum GFA per floor.</p>
<p>Building Separation</p> <p><i>Minimum separation distance for towers of 25+ storeys of 30m between habitable rooms</i></p>	<p>This proposed change will hinder the viability of developing infill sites whereby site constraints will not allow for such separation.</p> <p>This will make it more difficult for developers to develop infill sites as it will require land consolidation to meet such separation provisions.</p> <p>The existing separation provision of 12m between habitable rooms and 6m between non-habitable rooms should be retained.</p>
<p>Mixed Use Development and Street Activation</p> <p><i>Allocate 40% of ground floor space for non-residential use in R3 & R4 zones, and centres.</i></p>	<p>The provision of non-residential uses at ground floor is generally supported.</p> <p>The co-location of different uses increases the viability of developments and can often increase amenity for residents as it provides them with services at their doorstep.</p>
<p>Car Parking</p> <p><i>Reduce minimum parking rate and/or maximum parking rate that applies to a list or map of locations that meet criteria and/or an ability by applications to reduce the parking rate by undertaking certain actions.</i></p>	<p>Reduction in parking rates is supported given this is a contextual issue.</p> <p>As more public transport options become available in Metropolitan Sydney, the requirement for car parking has significantly decreased.</p>
<p>Bicycle Parking and Mobility Storage</p> <p><i>The following rates will apply:</i></p> <ul style="list-style-type: none"> • <i>Studio and 1 br – 1 secure space</i> • <i>2br – 2 secure spaces</i> • <i>3br + - 3 secure spaces</i> 	<p>A standardised approach to bicycle storage does not take into account context of sites.</p> <p>Location and topography often impacts bike usage and the relevant Council DCP should be referred to for allocation of bicycle parking.</p>
<p>Solar Access</p> <p><i>Clarify that design criteria are mandatory. There will be an increase to range of hours in which a development may achieve solar access. Further guidance to be provided on shading and glare control.</i></p>	<p>Increasing the range of hours in which developments may receive solar access ensures viability of developments given that site context is detrimental to a development's ability to achieve solar access under the current recommendations of the ADG.</p>

Proposed ADG changes	Comment
	<p>Particular site orientations simply do not allow for significant solar access or a reduction in east and west-facing apartments.</p> <p>An increase in the range of hours in which a development may receive solar access assists such developments which do not benefit from a desired orientation.</p>
<p>Natural Ventilation</p> <p><i>Ceiling fans will be required for habitable rooms with 2.7m floor to ceiling heights. Natural cross-ventilation requirements are to be increased to 70% of units and apply this across all storeys.</i></p>	<p>Achieving natural cross ventilation to a minimum of 70% of units is not feasible.</p> <p>This new provision does not consider apartment size which has drastic effects on ability to be naturally cross-ventilated. For example, studio apartments are often not as deep but can still receive similar air flow to larger units which achieve a high percentage of cross flow ventilation.</p> <p>Ceiling fans should not be mandated but required wiring should be provided for future residents. This will allow residents to decide whether to install a ceiling fan at a later date.</p>
<p>Apartment layout</p> <p><i>Enable varying layouts to support different households. A requirement of 20% of 2 or more bedroom units to be 'family units' is to be provided with minimum 12m² bedrooms for all bedrooms.</i></p>	<p>As of the 2016 Census, the average apartment occupancy rate is 1.9 persons per unit nationwide, with NSW accounting for 51% of all apartments. Given the current rate of occupancy, requiring that a significant proportion of units be allocated as 'family units' is not viable.</p> <p>Given the average apartment occupancy rate, provision of apartments with more bedrooms will only inflate the apartment vacancy rate currently at 3.1% in Greater Sydney as surveyed by REINSW in February 2021.</p> <p>The proposal for a requirement of 20% of units being allocated as 'family units' is therefore not supported.</p>
<p>Storage</p> <p><i>Increase storage requirements to:</i></p> <ul style="list-style-type: none"> • Studio – 6m³ • 1br – 9m³ • 2br – 12m³ • 3br + - 15m³ <p><i>Decrease the amount of storage to be provided inside units to one third.</i></p>	<p>Requiring an increase of storage but a contrasting decrease to internal unit storage will result in provision of storage areas within basement and ground level car parks.</p> <p>This arrangement results in further bulk within car parking areas which reduces ability to provide better amenity through additional deep soil zones and open space.</p> <p>The revised ADG recommendations regarding storage are not supported and existing arrangements should remain.</p>
<p>Communal Open Space</p>	<p>Support is given for the transition to providing communal open space as a metric rather than</p>

Proposed ADG changes	Comment
<p>Replace the minimum site area metric with a unit mix/occupancy metric. Specific requirements will be developed for communal open space and communal (internal) rooms. Development will be required to provide covered communal space accessible from the street capable of hosting events consisting of:</p> <ul style="list-style-type: none"> • 2.5% of GFA for non-residential uses • Minimum 250m² for residential development with a GFA greater than 1000m² 	<p>minimum site area. Requiring that a portion of communal space is to be provided internally requires further elaboration.</p> <p>Internal communal rooms, suggested to be provided for strata meetings, events, parties and gatherings, will result in a space that will be underutilised whilst contributing to GFA. Providing covered communal open space that is accessible from the street is a better concept as it can be used for many functions and does not pose as many internal amenity issues as communal internal rooms would.</p> <p>Provision of communal internal rooms is not supported.</p>
<p>Environmental performance of materials</p> <p>Development will be required to reduce carbon footprint and contribute to net zero targets and the circular economy (green building ratings & materials with low carbon and embodied energy). Developments will require carbon footprint to be set out in a materials schedule.</p>	<p>Improvements to environmental performance is generally supported.</p> <p>Sekisui House Australia prides themselves on their ability to provide ecologically sound and technologically leading developments.</p> <p>These new ADG provisions will reinforce this approach to sustainable development.</p>

Table 1: Commentary on proposed changes to the ADG

Provided the above commentary on a number of the proposed ADG changes, we make the following recommendation.

Recommendation

2. DPIE make the recommended amendments to the ADG as outlined in Table 1

Urban Design Guide (UDG)

The development of a new public space and urban design guide to complement the revised ADG is generally supported. Providing further guidance and provisions within the UDG will ensure better outcomes for precinct planning and essentially provide better amenity for future residents.

Concern, however, is raised of how this will overlap with the revised ADG recommendations. The provision of additional guidelines contributes to an already saturated planning system with numerous conflicting policies, guidelines and legislation.

Given the uncertainty at this stage of the UDG's interaction with the revised ADG, Sekisui House Australia welcomes the opportunity to provide further comment on the UDG upon further exhibition and finalisation.

Recommendation

3. The draft UDG should provide further information on its interaction with the ADG, particularly in the area of provision of green space and deep soil zones

Sustainability in Residential Buildings (BASIX)

The proposed changes to BASIX are generally supported as they reinforce Sekisui House's business focus of providing ecologically sound communities whilst providing alternative pathways in achieving sustainability goals and provisions.

The key changes to the proposed sustainability reforms will allow for more flexibility in assessment pathways and allow developers to take varying approaches to implementing sustainable design whilst also meeting sustainability criteria.

The independent, merit assessment pathway allows developers to tailor an approach that best suits their proposal to demonstrate that it meets sustainability requirements. The amendments to the scope for the existing alternative pathways provides further flexibility and utilisation of other tools to assess sustainability.

The notion of aligning the new D&P SEPP principles with sustainability performance is also supported. This will allow sustainability performance to include further impact of residential development on other environmental facets including stormwater run-off, embodied energy and green infrastructure. This provides a better overall assessment of the environmental impacts and sustainability efforts or measures that a development has implemented or will need to implement in order to reduce its overall environmental footprint.

Recommendation

4. Enforce the alternative pathways for measuring sustainability and consider implementing a broader approach to measuring sustainability by including impacts to other environmental factors

Conclusion

The proposed D&P SEPP will introduce a number of welcome provisions and guidelines which will assist in improving the quality of residential apartment building product within NSW.

Changes to the ADG and the introduction of the UDG will require refinement to clarify their relationship and how they will interact throughout the assessment process. It is also important that these guidelines provide some acknowledgement of context as this is detrimental in consideration of developments against policy and legislation.

Reforms to sustainability assessment are supported and welcomed as they will ensure the longevity of developments provided they reduce their impact on the surrounding environment. The additional alternative pathways will allow for tailor made assessments which demonstrate how developments meet specific sustainability criteria specific to their context.

Accordingly, we have provided a list below of recommendations for consideration by DPIE as they continue to develop and refine the SEPP and its supplementary guidelines.

Summary of Recommendations

1. Acknowledgement of context should be provided throughout the revised changes to the SEPP, including the ADG changes and new Urban Design Guide
2. DPIE make the recommended amendments to the ADG as outlined in Table 1
3. The Draft UDG should provide further information on its interaction with the ADG, particularly in the area of provision of green space and deep soil zones
4. Enforce the alternative pathways for measuring sustainability and consider implementing a broader approach to measuring sustainability by including impacts to other environmental factors
5. Further detailed consultation should be undertaken with developers such as Sekisui House Australia

Sekisui House Australia has a strong track record in working closely with local and state Government Councils to produce environmentally, economically and socially beneficial developments providing comfortable housing and ecologically sound communities and superior quality and leading technology.

Sekisui House Australia welcomes the opportunity to consult further with the DPIE to ensure the continued delivery of additional housing supply and improve housing affordability across NSW.

Please do not hesitate to contact me on [REDACTED] or [REDACTED] if you wish to discuss any aspect of this submission.

Yours sincerely

[REDACTED]

Michael Woodland BTP
Director

Attachment 1: Template Submission