



Department of **Planning,**  
**Lands and Heritage**



# **STATE PLANNING POLICY 4.2**

## **ACTIVITY CENTRES**

CONSULTATION OUTCOMES AND  
SUMMARY OF MODIFICATIONS REPORT

FEBRUARY 2023



# 1. INTRODUCTION

Draft *State Planning Policy 4.2 Activity Centres (SPP4.2)* and supporting implementation guidelines were open for public comment from 30 October 2020 to 3 March 2021, having been extended from 12 February due to the February 2021 Covid-19 lockdown. Three documents were released as part of the consultation package. They included:

**Draft State Planning Policy 4.2: Activity Centres:** the lead policy to guide the preparation and evaluation of planning proposals for activity centres.

**Draft State Planning Policy 4.2: Implementation Guidelines:** provides guidance for practitioners to implement the policy, particularly about Needs Assessments and Impact Tests.

**Activity Centres Issues Paper:** outlines the key issues raised by stakeholders in relation to the current policy and recommended changes to the policy that may be required to address those issues.

In June 2021, the Western Australian Planning Commission supported 37 recommendations contained within a 'Consultation Outcomes Report'. These recommendations guided the finalisation of the policy. Targeted engagement occurred in September and October 2021 on the final version of the policy.

This paper is an update to the 'Consultation Outcomes Report' and informs the Western Australian Planning Commission (WAPC) and submitters of the outcomes of the formal engagement on the draft SPP 4.2 and the modifications undertaken to produce the final version of SPP4.2.

## Key features of the revised policy

- Increased prioritisation of housing and job growth at activity centres that have train stations, such as METRONET stations
- Emphasising the importance of activity centres serving the needs of their communities, particularly local communities, in order to provide for a range of services and employment opportunities, rather than single-purpose centres
- Greater distinction between local centres and neighbourhood centres
- Guidance to improve the urban design of activity centres
- Emphasis on the importance of the strategic planning of activity centres
- Reduces red tape, consistent with Planning Reform by reducing the amount of applications that are likely to be subject to specific policy requirements

## 2. ENGAGEMENT

The purpose of the engagement was to seek feedback from relevant stakeholders and the community on the proposed replacement for the current *SPP4.2 Activity Centres for Perth and Peel (2010)* and the *Activity Centres for Greater Bunbury Policy (2012)*. The draft *SPP4.2 Activity Centres* applies to the Perth, Peel and Greater Bunbury Region Scheme areas.

The advertising of Draft SPP4.2 was undertaken through:

- Letters to local government, State government agencies and other relevant stakeholders
- Ministerial Media Release (30th October 2020)
- Promotion on the Department's website and social media accounts (Facebook, Instagram and LinkedIn)
- Newspaper notices

The engagement process included:

- An online survey
- A workshop with local government
- Project team meetings with two industry members – Development WA and a planning consultancy.

The workshop with local government was held on 17 February 2021 and was attended by 10 metropolitan local governments. Participants were provided with an overview of the policy and were invited to provide feedback on key issues.

The online survey, which was advertised on the Department's Consultation Hub and comprised 27 questions relating to the provisions of the policy and the guidelines, received **16 survey responses**.

The Department also received **37 free-form submissions**.

The breakdown of submissions is as follows:

Submitter group	No.	%
Local government	22	42%
State government	5	10%
Industry (centre owners, retailers and developers)	14	26%
Advocacy groups	5	9%
Community	7	13%
<b>TOTAL</b>	<b>53</b>	

The two forms of written submissions were compiled into one pool of analysis. From this pool, there were **580 submission items** across the policy and the implementation guidelines.

The Department undertook further targeted engagement whilst preparing the final policy:

- A workshop with local government (attended by 17 of the 22 submitters) – September 2021
- Individual briefings with three planning consultancies who submitted the majority of industry submissions on the draft policy – October 2021
- Department of Transport review of 'Movement' provisions – August and September 2021

Participants of the workshop and briefings were given an overview of the key issues raised in submissions and how the Department proposed to respond to those issues. Department of Transport officers were provided with an interim re-draft of the 'Movement' section.

### **3. KEY FINDINGS OF THE ENGAGEMENT AND FINAL POLICY RESPONSE**

#### **3.1 Formal engagement (October 2020 - March 2021)**

The submissions demonstrated general support for the draft *SPP4.2 Activity Centres* and Implementation Guidelines, including the alignment of the policy with other WAPC policies and Planning Reform. However, while there was overall positive feedback, some stakeholders raised concerns on specific issues that required further consideration. Comments indicated the need for further guidance on:

- Activity centre hierarchy – functions and roles of activity centres, including distinction between levels of the hierarchy, but also different centre types in the same level of the hierarchy
- Application of the policy and triggering thresholds ('major development') for policy requirements (e.g. Precinct Structure Plans)
- Out-of-centre development
- Density targets for housing, including staging
- Land use diversity, including staging
- Bulky goods showrooms and large format retail
- Urban form of activity centres
- Movement and access and provision of infrastructure
- Needs assessments, impact tests and community benefit

As a separate point, there was also the need to further consider the role of the policy in relation to the elevation of existing activity centres within the hierarchy and the addition of new activity centres to the hierarchy.

#### **3.2 Targeted engagement (September - October 2021)**

The feedback receiving during and after the workshop and briefings sessions indicated general understanding of the issues raised and support for the modifications as outlined in the presentations. The following were emphasised:

- Infrastructure (eg. water/sewer, public transport) needs to be provided upfront in order for activity centres to develop
- Need for stronger emphasis on urban form, green space and the requirement for main streets
- The expense of preparing precinct structure plans
- Some concern about introducing a 1200m catchment around stations
- Validity periods for needs assessments
- How to deal with cumulative development that doesn't meet the threshold for 'major development', consideration of maximum tenancy sizes
- Consideration of additional anchor uses such as recreation – private, cinema/theatre
- Issues with the net lettable area definition in the Planning and Development (Local Planning Schemes) Regulations
- Support for splitting of shops into different sizes
- Support for greater clarification of the distinction between activity centre levels

This document summarises the main issues raised in the submissions, outlines the recommended changes to the draft policy (previously considered by the WAPC) and how the final policy has responded.

## 4. KEY ISSUES

### 4.1 Activity centre hierarchy – functions and roles of activity centres, including distinction between levels of the hierarchy, but also different centres in the same level of the hierarchy

Key issues raised in submissions include:

- Need for greater differentiation between local, neighbourhood and district activity centres
- Lack of floorspace caps and how to ensure the hierarchy is maintained
- Population service catchments for activity centres
- The appropriateness of full-line supermarkets in local centres and for supermarkets to locate outside activity centres
- Sizes of supermarkets for different centre types – what size supermarket is appropriate in local, neighbourhood and specialised activity centres?
- Comparisons between mall-based activity centres, traditional main-street activity centres, corridor activity centres, and centres with / without train stations

These issues generally relate to the following sections of the policy and guidelines:

- Policy objectives
- Policy outcomes
- Activity centre framework and hierarchy
- Land uses
- Out of centre developments
- Activity centre functions and land use guidance
- Local planning
- Supermarkets

#### ***Distinction between levels of the hierarchy***

The draft policy sought to simplify the existing policy, which is highly prescriptive about the role of centres at the different levels of the hierarchy, the types of activities occurring in the centres, their access to transport, and their population catchments.

Much of the detail was removed in the draft policy and this was not well received, in fact many submitters wanted more guidance than what is provided in the current (2010) policy. Local government and industry submitters are generally aligned in seeking more specific criteria to distinguish between different levels of the hierarchy and ensuring provisions prevent development that could undermine the hierarchy.

For example, the existing policy and the draft policy provide the following guidance for District Centres:

	<b>Existing SPP4.2 (Table 3)</b>	<b>Draft SPP4.2 (Appendix 1)</b>
<b>Main Role and Function</b>	District centres have a greater focus on servicing the daily and weekly needs of residents. Their relatively smaller scale catchment enables them to have a greater local community focus and provide services, facilities and job opportunities that reflect the particular needs of their catchments.	District centres have a greater focus on servicing the daily and weekly needs of residents. Their relatively smaller scale catchment enables them to have a greater local community focus and provide services, facilities and job opportunities that reflect the needs of their catchments.
<b>Transport connectivity and accessibility</b>	Focal point for bus network.	No guidance
<b>Typical retail types</b>	Discount department stores; supermarkets; Convenience goods; Small scale comparison shopping; Personal services; Some specialty shops	No guidance
<b>Typical office development</b>	District level office development; Local professional services	No guidance
<b>Indicative service population</b>	20,000–50,000 persons	No guidance
<b>Walkable catchment</b>	400m	400m
<b>Target residential density</b>	Minimum – 20 dw/ha Desirable – 30 dw/ha	30+ dw/ha

There is a general view that without floorspace caps (which are not included in the current policy, nor proposed in the draft policy) and/or prescriptive guidance on land uses, the difference between centres is too vague, particularly between the lower three levels of the hierarchy (district, neighbourhood and local). There is concern that this could compromise the intent of having an activity centre hierarchy. It also causes difficulty in maintaining the hierarchy, as identified by local government submitters. Other than some community submitters, no one disagrees with the concept of a hierarchy of centres.

#### **Recommendation 4.1.1**

**That more detailed criteria on activity centre roles and functions be reinstated and further refined.**

#### **Response and modifications**

Appendix 1 has been modified to include the following additional guidance:

- Future indicative service population (trade) area, sourced from the current policy (except Strategic Centres was increased from 300,000 to 400,000 to reflect the future population under Perth & Peel @ 3.5 Million)
- Typical transport connectivity and accessibility, generally sourced from the current 2010 policy
- Desired land uses – more comprehensive than the current 2010 policy and related to land use



terms in schemes (rather than generic terms)

- Typical urban form and preferred residential dwelling types – new guidance provided in response to submissions (refer sections 4.4 and 4.7 of this paper)
- Reintroduction of ‘specialisations’ (e.g. Aviation and logistics) for Specialised Centres, sourced from the current 2010 policy, to assist in planning for these centres

Appendix 1 has also been modified as follows:

- Strategic centres are emphasised as the main focus for housing and employment growth outside the Capital City
- Secondary and district centres with train stations are also identified as focus areas for housing and employment growth
- An acknowledgement that some district centres have ‘specialisations’ which serve wider catchments

The role of the local centre is modified from providing for ‘day to day needs’ (advertised policy) to ‘convenience and incidental needs’. This provides a further distinction from neighbourhood centres which was also lacking in the current policy.

### **Supermarket distribution**

Further to the above, submissions provided evidence that the vagueness in the current policy has manifested through examples of full-line supermarkets occurring in local centres or out-of-centre, impacting upon existing nearby centres. Submitters do not think this will be resolved by the draft policy.

*“The provision of guidance on supermarkets is supported but should be strengthened, particularly in relation to scale and role in effectively defining/reinforcing centre hierarchy” (Local government submitter).*

*“...the development of full-format supermarkets in designated local centres undermines the activity centre hierarchy... We seek changes to the planning framework that will create a presumption against full-format supermarkets in local centres...” (Industry submitter).*

Regardless of whether in principle this is considered acceptable or not, there is a need to reconsider the allocation of zoning, as it should not be unexpected when a full-line supermarket (“shop” use) is proposed in a local centre or along a mixed-use corridor where there is a large parcel of appropriately zoned land with “shop” as a permitted or discretionary land use.

There is a broad spectrum of views on whether there should be different supermarket size restrictions correlated to an activity centre’s position in the hierarchy. Supermarkets provide an important anchoring role to activity centres, so there is a need to ensure that centres higher up the hierarchy contain supermarkets to encourage diversity of land use and housing density around the centre as they are intended to have the largest population catchments. When full-line or large supermarkets (typically over 3,000m<sup>2</sup>) are located in lower-level centres or out-of-centre, there is concern that higher-level centres could be undermined, and this may prevent strategic planning goals from being achieved. That said, where the higher-level activity centres in an area already contain supermarkets, then new supermarkets outside of centres may be acceptable if there is sufficient demand – this is likely the case in the inner city and higher density locations.

It is stressed that the goal here is not economic protectionism, but ensuring that local needs are being met, so that local and regional strategic planning objectives can still be achieved. That is,

reducing vehicle trips by providing services within walking distance to as many people as possible. It is therefore imperative that decisions do not impinge on this fundamental goal. Higher-level centres also provide a service role to their surrounding community, in addition to their district and regional roles. For this reason, consideration needs to be given to avoid over-concentration of key services in higher-level centres to the detriment of nearby lower-level centres.

For example, a district centre with three supermarkets provides considerable choice to those residents within walking distance, but this may mean the next supermarket is located a few suburbs away rather than in the next suburb. The walkable catchment of the nearby activity centres that lack this key service are less likely to attract infill and more residents would need to drive to the district centre.

#### **Recommendation 4.1.2**

**Further guidance is provided for local planning (zoning and use permissibility) in relation to supermarkets.**

#### **Recommendation 4.1.3**

**Include clear guidance that full-line supermarkets are not to be located in local centres unless the neighbourhood (and above) centres nearby are already provided with a supermarket. This guidance could extend to other key services that perform an anchor role for populations and encourage density growth.**

#### **Response and modifications**

The final policy introduces guidance on two sizes of 'shop' land use (small and large). Appendix 1 now outlines where in the hierarchy these sizes are suitable, along with other land uses. The final Implementation Guidelines introduce recommended zoning for centres, aligned with their position in the hierarchy (e.g. having a 'District Centre zone' and a 'Local Centre zone' in lieu of a 'Commercial zone'). Schemes will be able to allocate land use permissibility accordingly, consistent with the desired land uses in Appendix 1. These zones are consistent with endorsed modifications to the Model Scheme Text contained within the Planning and Development (Local Planning Schemes) Regulations 2015.

A review of the definition of 'shop' in Schedule 1 of the Planning and Development (Local Planning Scheme) Regulations 2015 will be required to allow local planning schemes to implement this. However, in the interim the policy provisions can also be used when making decisions on discretionary ('D' and 'A') uses, for schemes that don't differentiate between shop sizes and/or for schemes that use the same zoning for all their centres.

Appendix 1 now outlines that local centres should only have 'convenience stores' or 'shop - small' which would not allow for a full-line supermarket. Section 7.4.3 Shops and bulky goods showrooms (which was moved from the Implementation Guidelines) outlines that shops should be equitably distributed between activity centres, having regard to the hierarchy, to ensure that this key service is accessible by walking to as many residents as possible, particularly those that provide for daily and weekly needs (such as supermarkets).

## ***Distinction between centres at the same level of the hierarchy***

Another issue raised by submitters is the vast differences in the scale, form and specific locational characteristics of activity centres within the same level of the hierarchy and whether the hierarchy requires further nuance.

An example is the differences between traditional 'main-street' or corridor style centres, particularly those with good public transport (e.g. Subiaco or Victoria Park secondary centres), and activity centres based around a shopping centre that is predominately accessed by car (e.g. Karrinyup or Booragoon secondary centres). The traditional centres are generally larger in land area, have highly fragmented land ownership and have a wider variety of land uses, whilst the shopping centres are usually sited on a large lot in single ownership, with retail being the predominant land use. To apply the same high-level strategic planning goals onto what are two vastly different centres could be problematic and may not be appropriate in practice.

It is acknowledged that neither the existing nor the draft policy provides any commentary or guidance on this. Any guidance could consist of base expectations and aspirational expectations that apply to centres with certain characteristics.

### **Recommendation 4.1.4**

**That further guidance is provided in the policy to outline expectations of how centres with different characteristics should develop.**

### **Response and modifications**

The response initially considered the idea of providing separate guidance on more traditional main street / corridor-style centres, mall-style centres and hybrid centres. This was ultimately not progressed as:

- the policy's role is to provide objectives and requirements (e.g. a density requirement) for all types of activity centres
- precinct planning processes should be used to implement the objectives and requirements in a way that best responds to a centre's context and circumstances
- all centres are supposed to be based around main streets and mall-style centres are supposed to transition to this over time.

Previous internal Department analysis has generally shown that the better performing activity centres in terms of population density, job density, land use diversity and urban form and amenity have a common theme which is access to train/bus interchanges allowing for high regional connectivity. Accordingly, the policy is modified (in Appendix 1) to provide a different density target and walkable catchment extent depending on whether an activity centre has a train station (existing or proposed) or not. This will ensure that the most people and the most workers have good public transport access and will shift the focus away from those centres that do not have good public transport access.

The Implementation Guidelines now further articulate that activity centres should aim for even higher density where they are in high amenity locations and have high employment self-sufficiency.

## **4.2 Application of the policy and triggering thresholds ('major development) of the policy requirements (e.g. Precinct Structure Plans)**

Key issues raised in submissions include:

- Which policy requirements apply to planning processes and development applications
- Requirement to prepare Precinct Structure Plans (PSP) and resourcing of local government for that requirement - exemptions for established centres
- Exceptional circumstances for major development without a PSP
- Major development thresholds

These issues generally relate to the following sections of the policy and guidelines:

- Policy – Application of the policy
- Policy – Policy objectives
- Policy – Policy outcomes
- Policy – Activity centre framework and hierarchy
- Policy – Requirement for precinct structure plans
- Policy – Assessment
- Policy and Guidelines – Needs assessment
- Policy – Impact test
- Policy – Out of centre developments
- Guidelines – Local planning
- Guidelines – Activity centre development proposals
- Guidelines – When the impact test is required

### ***Triggering of policy requirements***

The policy applies to the following planning processes:

- Preparation of planning strategies
- Preparation of local planning schemes or scheme amendments
- Structure planning (including precinct structure planning)
- Subdivision applications
- 'Major development' applications – development above certain size thresholds depending on a centre's level in the hierarchy
- Out-of-centre development

It does not apply outside of these circumstances, particularly region scheme preparation and amendments, local planning instruments and development that is not 'major development'.

Depending on what process is occurring, the policy, in addition to an assessment against the policy objectives, outcomes and provisions, triggers the requirement to:

- Prepare a precinct structure plan (discussed separately below);
- Undertake a needs assessment; and/or
- Undertake an impact test.

It is clear from a number of submissions that further guidance is required on which requirements are triggered at the various stages of the planning process. For example, the policy contains provisions that simultaneously deal with the triggers for requiring a precinct plan, the matters to be addressed when preparing a precinct structure plan, and the criteria for assessing a precinct structure plan. This makes it difficult to distinguish between what parts of the policy are to apply at preparation

stage and what parts are to apply at assessment stage.

There is also no clarity as to when provisions such as density targets and land use diversity targets are to be applied; at the strategic planning stage or at the application stage?

*“The assessment guidance is vague and provides no specific detail on the assessment of planning instruments such as scheme amendments and precinct structure plans or major development proposals...” (Local government submitter).*

*“...any proposed Amendment to a Region Scheme that related to an activity centre should be required to address the draft Policy” (Advocacy group submitter).*

#### **Recommendation 4.2.1**

**That the policy is revised to distinguish between what is and is not required to be prepared and assessed as part of strategic planning processes (planning strategies, scheme amendments, structure planning) and what is and is not required to be prepared and assessed as part of application processes (subdivision, major development and out-of-centre development).**

#### **Response and modifications**

A number of provisions have been revised in the final policy and implementation guidelines to more clearly articulate which aspects of a provision apply to:

- preparation and assessment of planning instruments (captured by the policy)
- assessment of planning applications (captured by the policy)

Additionally, the responsibilities of decision-makers as outlined in the current policy have been reintroduced.

#### **Recommendation 4.2.2**

**To extend the policy to apply when preparing or amending region schemes and preparing or amending local development plans and local planning policies that guide development in activity centres.**

#### **Response and modifications**

The policy has been modified to include local development plans as they are a type of instrument that SPP4.2 allows to be used (for local and neighbourhood centres) – provided that this is outlined upfront in a local planning strategy or scheme.

Local planning policies have not been included as it is more appropriate for built form controls (for those centres not needing a precinct plan) to be in the local planning scheme.

Extending the policy application to region schemes was explored however it was considered that this was unnecessary given that changes to a region scheme to recognise a new Strategic Centre by rezoning an area to Central City Area would only be undertaken after reviewing the

relevant Sub-Regional Strategy / Framework. SPP4.2 is required to be considered as part of that review, so reconsidering it as part of the region scheme amendment would be an unnecessary duplication.

### **Requirement to prepare precinct structure plans**

The draft policy, as with the current policy, requires precinct structure plans (PSPs) (previously called activity centre plans) to be prepared for strategic, secondary, district and specialised centres, with local and neighbourhood centres permitted to have either a PSP or a simpler local development plan if warranted. Where a PSP is not in place, it should be prepared and endorsed prior to 'major development' occurring, which is development of a certain size depending on the centre's position in the hierarchy.

As with the current policy, the draft policy does allow, in 'exceptional circumstances', a 'major development' to be approved without a PSP provided that the requirements of SPP 7.2 Precinct Design are satisfied. This has been a controversial policy provision in the past and, whilst the draft policy provides more guidance than the current policy, local government, community and some industry submitters are still seeking a further refinement to the 'exceptional circumstances' criteria, particularly as to who the decision maker is.

### **Response and modifications**

It is recognised that 'exceptional circumstances' exemptions have been used too often, ultimately undermining SPP 4.2. For example, there have been two instances where 'exceptional circumstances' have been granted and the projects have not proceeded, calling into question as to whether there was such urgency that an activity centre plan could not have been prepared.

To address this, the 'exceptional circumstances' criteria in the final policy have been further refined from the advertised policy as follows:

- clear demonstration that the proposal is satisfying an immediate need
- should only be granted for a 'shovel ready' project and cannot be granted more than once for the same centre
- not to be used for any centres that do not have any existing development

'Major development' applications seeking an 'exceptional circumstances' exemption will continue to be subject to a dual WAPC/Local government approval requirement.

The requirement to prepare a PSP is seen as onerous and expensive by the majority of submitters, and many seek to avoid it. Whilst it is acknowledged that it is onerous compared with not preparing a PSP, it is of high importance that the planning of activity centres is done well if they are to develop appropriately and achieve higher-level strategic planning goals.

For single-owner centres, the costs of PSP preparation usually fall to the largest landowner whereas for highly fragmented centres, the local government usually prepares the PSP, but this may not occur when the market desires. For some local governments, finding resources to prepare PSPs is difficult, particularly where infill and intense development is not a priority of the Council.

*"Consideration may be required for the WAPC, DPLH or Minister to direct a local government or other relevant authority to prepare a plan and/or assist where capability or capacity may be a limiting factor" (Industry submitter).*



A suggestion was to provide the ability to prepare a PSP over multiple centres:

*“...the requirement for structure plans to be prepared for each level of activity centre...should be a discretionary decision for each local government. In instances where district/secondary centres have identified and similar issues...approaching each centre to require an individual structure plan at a time is inefficient and onerous. A more appropriate way to address issues from similar centres is through city-wide strategy and policy” (Local government submitter).*

For reference, less than a third of all strategic, secondary and specialised centres have approved activity centre plans in place (as at December 2021), despite this being a requirement under the current policy for almost 12 years.

### **Recommendation 4.2.3**

**That the WAPC consider providing grants for resources, either staffing or financial, to assist local government and potentially the private sector to undertake precinct planning for centres.**

### **Response and modifications**

This recommendation forms part of a suite of actions for further investigation to ensure that the policy continues to be implemented. This will include an understanding of what is hindering the planning of activity centres and any possible incentives to assist local government in preparing plans for their activity centres.

Any assistance to local government would be best targeted to higher level centres that are difficult to plan, for example where land ownership is highly fragmented and higher-level strategic planning outcomes are best achieved.

This has several benefits:

- ensuring that centre planning is undertaken by local government in collaboration with their community;
- providing certainty for landowners so that they know what they can develop; and
- removing the barrier of not having a centre plan in place that would then require a developer to prepare one.

Local government is best placed to determine whether their centres require centre planning (noting that they are already given this discretion for neighbourhood and local centres).

Traditionally, centre planning is most important for higher-level centres as they have the most potential for change, capacity for urban infill and potential to fulfil higher-level strategic planning goals for the Perth, Peel and Bunbury Regions. Accordingly, these should be prioritised by state and local government. However, it is acknowledged that local and neighbourhood centres had increased prominence during Covid-19 lockdowns and this could be a continuing trend. Accordingly, local governments should ensure that planning at the lower-levels is also prioritised.

Where a local government has a comprehensive local planning framework that addresses the planning of their centres, infill targets and provides for sufficient employment and economic land (as identified in a local planning strategy), there should be some level of exemption available from

precinct planning requirements in order to ensure that efforts are concentrated on those centres that need it.

Multi-centre PSPs could assist in speeding up the planning of activity centres due to the efficiencies and economies of scale and has the added benefit of ensuring that the relationship between centres is considered holistically.

*“...flexibility be established for higher order centres to seek approval from the WAPC to not prepare a precinct structure plan, where it can be justified that the current planning framework is sufficient to facilitate a similar outcome” (Local government submitter).*

#### **Recommendation 4.2.4**

**To relax the requirement for PSP preparation for established centres, subject to criteria, and to allow local government (or the WAPC) to prepare PSPs for multiple centres.**

#### **Response and modifications**

It was agreed that the ability to prepare a precinct structure plan over multiple activity centres was reasonable. The policy has been modified to support this, and this will also form part of the revised Structure Plan Framework, being pursued through Planning Reform.

The project team undertook provision testing on a range of centres across Perth and Peel at different sizes to determine what criteria could be used to exempt centres from requiring a precinct structure plan to be prepared. The policy and Implementation Guidelines now includes an exemption where the local planning framework sufficiently achieves the objectives and requirements of the policy in terms of identifying centres and using appropriate zoning, density and land use permissibility to ensure activity centres can develop as they are intended to by SPP4.2. This exemption will be subject to WAPC approval and regular review.

This provision will also address the upcoming issue of activity centre plans being ‘normalised’ as part of scheme review processes upon their 10-year validity period.

The Implementation Guidelines have been modified to clarify that the responsible party for preparing precinct plans for activity centres is the local government, although proponents may prepare them also. This was always the case but has now been clarified.

#### **Major development**

The draft policy includes ‘major development’ provisions, with reduced thresholds from the current policy for the lower levels of the hierarchy. In addition, the provisions have been expanded to apply to more land uses than the existing policy, which was shop/retail only. Some submitters objected to this as it will now impose requirements for preparation of PSPs, needs assessments and impact tests whereas before they would have been exempt.

Whilst this has been done deliberately to encourage the planning of activity centres (by triggering the need to prepare a PSP) and move the policy further away from its current retail focus to more holistic activity centre planning, there are potential consequences, particularly when this provision is combined with out-of-centre development provisions. At the lower levels of the hierarchy or in centres with little capacity for expansion, these triggers may be inappropriate and could be more flexible.



Submitters either supported the thresholds, sought reduced thresholds or sought higher thresholds.

#### **Recommendation 4.2.5**

**Thresholds for ‘major development’ detailed in the draft policy remain the same for existing centres and out-of-centre development, with exemptions for some land uses.**

#### **Response and modifications**

The list of ‘activity centre uses’ has been split into two categories – A and B. ‘Major development’ and ‘out-of-centre development’ will only be applicable for Category A uses. Category A uses aligns with the Planning Land Use Category (PLUC) 5 – Shop/Retail that the current 2010 policy applies.

Category B uses broadly align with the ‘new’ uses introduced by the draft e.g. Bulky goods showroom and cinema/theatre. These will generally be exempt from most policy requirements. The exception to this is during the planning instrument processes (e.g. rezoning), where both types of uses are subject to considerations. This ensures that rezoning and changes to land use permissibility is well considered, whilst striking a balance with allowing most development under existing zoning and land use permissibility to continue as it did under the current policy.

The major development threshold for a local centre has been increased from 1,000m<sup>2</sup> to 1,500m<sup>2</sup>, meaning a ‘shop – small’ will never be classed as a major development. This also aligns with the current policy that uses 1,500m<sup>2</sup> as the defining characteristic of a local centre.

The ‘major development’ threshold for strategic centres, present in the 2010 policy but removed from the advertised policy, has been reimposed to ensure that the trigger for a precinct structure plan remains given their importance. This was considered acceptable given the splitting of the land uses.

Where a centre is completely new, it does not seem appropriate for any amount of development to occur without a PSP (or precinct LDP) in place, or without a needs assessment and/or impact test being undertaken (noting that a needs assessment may proceed the development application and be prepared at structure planning stage).

#### **Recommendation 4.2.6**

**That the threshold for ‘major development’ be reduced to 0m<sup>2</sup> for ‘undeveloped centres’.**

#### **Response and modifications**

The policy has been modified as recommended.

### 4.3 Out of centre development

Key issues raised in submissions include:

- Use of aspirational language is a concern
- Many corridors or nodes on corridors are not identified as activity centres, however zoning allows for activity centre uses – should these be subject to an impact test?
- Bulky goods showroom and large format retail precincts are also not identified as activity centres
- Needs assessments for rezoning outside of activity centres

These issues generally relate to the following sections of the policy and guidelines:

- Policy – Application of the policy
- Policy – Policy objectives
- Policy – Policy outcomes
- Policy – Impact test
- Policy – Out of centre developments
- Guidelines – Local planning
- Guidelines – When the impact test is required

The policy contains provisions that seek to control the development of ‘activity centre uses’ outside of activity centres by introducing requirements for an impact test and assessment against the policy for any development exceeding 500m<sup>2</sup> or other development as determined by the WAPC. There was considerable confusion and concern with this element of the policy. Overall though, submitters support the concept of restricting out-of-centre development.

*“The provisions relating to out-of-centre development are more onerous than current and would offer a greater level of protection for existing Activity Centres than currently afforded, and are thus supported” (Industry submitter).*

#### **Aspirational language**

Many submitters were concerned that provisions contain too much ‘aspirational’ language and would prefer the policy has a clearer overriding presumption against out-of-centre development.

#### **Recommendation 4.3.1**

**Modify the policy wording to reinforce the intention of preventing out-of-centre development from undermining adjoining centres and the hierarchy more generally.**

#### **Response and modifications**

The policy provisions have been modified to remove the use of ‘aspirational/invitational language’, including emphasis that there is a general presumption against out-of-centre development. Further, the policy criteria to allow the development is strengthened.

#### **Application of the policy at the development application stage**

The primary issue with this policy element however was the situations that this element actually

applies to may not be appropriate. Many submitters, both private and public, questioned whether development of 'activity centre uses' on land zoned for such uses, but not in an activity centre, is really so unacceptable. For example, there are long stretches of corridor in the central sub-region without identified centres that have mixed use zonings, with shops, offices and medical centres, as permissible uses.

Similarly, bulky goods and large format retail precincts, usually located on the edge of industrial areas, are not identified as activity centres but have bulky goods showroom as permissible uses. Development of any of these land uses (and others) over 500m<sup>2</sup> would trigger out-of-centre development provisions (impact tests, assessment against the policy), however this does not seem appropriate given those are lawfully permissible uses under the zoning.

#### **Recommendation 4.3.2**

**Exempt most land uses outside of activity centres from needs assessments and impact tests if the zoning permits such uses.**

A potential caveat to this would be for certain land uses that are key to the viability of centres (anchors), such as supermarkets, being subject to impact test requirements to ensure that the uncontrolled nature of development would not prevent the nearby activity centres from fully developing. This would still give options for landowners to develop their properties whilst ensuring that activity centres are not undermined.

#### **Recommendation 4.3.3**

**That investigations be undertaken for the following land uses to still be subject to out-of-centre development provisions:**

- shops (larger than 300m<sup>2</sup>)
- liquor stores (larger than 300m<sup>2</sup>)
- some large commercial developments (size to be determined)
- bulky goods showrooms approved under subclause (b) of the bulky goods showroom definition in the Planning and Development (Local Planning Schemes) Regulations 2015.

#### ***Application of the policy at the planning stage***

If the out-of-centre provisions no longer apply to development that is lawfully permissible (as recommended above), the usefulness of the provisions to the application process are limited. It is then best that the provisions are only used in the allocation of zoning through scheme amendments or structure planning (before being normalised in schemes) to ensure that 'out-of-centre' development does not expand further, unless identified as necessary through a needs assessment which would inform a scheme amendment.

#### **Recommendation 4.3.4**

**That the out-of-centre development provisions be modified to only apply to the planning phase of activity centre planning, that is, local planning strategies, scheme amendments and structure plans.**

These should consider the application of zoning and use permissibility and the impact on the existing centre hierarchy, while avoiding creating situations where out-of-centre development can occur and undermine the hierarchy. Where a needs assessment identifies the need for more activity centre land, then that should be located appropriately.

#### **Response and modifications (recommendations 4.3.2, 4.3.3 and 4.3.4)**

The out-of-centre development provisions in the policy now only apply to development applications for Category A activity centre uses (refer 4.2.5 for explanation of categories) and any rezoning proposals that would allow Category A or B uses to occur where they are not currently occurring. This effectively continues the practice under the current policy.

Category A uses include some of those listed in recommendation 4.3.3, being shop and liquor store, as well as fast food outlet/ lunch bar, restaurant café (as these are also classed as PLUC5: Shop/Retail). The trigger threshold remains at 500m<sup>2</sup>. Bulky goods showroom and offices were not included as these are not PLUC5: Shop/Retail, however they are included in Category B. The Category A land uses therefore capture all the land uses that the current policy applies to. Targeted engagement raised the idea of other 'anchor' land uses, namely cinema/theatre and recreation – private, however these were considered to be captured during the planning instrument process rather than development processes, and therefore placed in Category B.

#### **Recommendation 4.3.5**

**That the WAPC consider providing model guidance on activity centre land uses and their appropriate permissibility for various zones in planning schemes to minimise future repeats of inappropriate zoning.**

#### **Response and modifications**

The policy and Implementation Guidelines have been modified to provide guidance on land uses in different levels of the hierarchy (refer 4.1.1), including specific guidance for anchor land uses such as shops, bulky goods showrooms and offices, as well as recommended zoning for activity centre land (refer 4.12). The policy and Guidelines can therefore be used to guide the exercise of discretion for land uses that are 'D' or 'A' uses in local planning schemes, as well as in consideration of scheme amendments for rezoning or additional uses.

#### 4.4 Density targets for housing, including staging

Key issues raised in submissions include:

- Confusion around applying density within the walkable catchment
  - *Core and frame/s*
  - *Linear centres*
  - *200m/400m/800m catchments – introduce 1200m?*
  - *As crow flies? Or along walking routes?*
- Shopping mall centres – density requirements within core?
  - *Density targets should be different based on different characteristics*
  - *Access to public transport*
  - *High employment self-sufficiency*
  - *Amenity*
- Multi-centroid centres – e.g. a mall and a station, multiple stations
- Are density targets mandatory? More important to achieve at higher levels of hierarchy
- Are density targets high enough? Difficult to get density when no demand and economically not feasible – how to stage?
- Insufficient acknowledgement of activity centres being a key focus of housing targets
- Housing in/around local centres in industrial areas – inappropriate

These issues generally relate to the following sections of the policy and guidelines:

- Policy – Policy objectives
- Policy – Policy outcomes
- Policy – Activity centre framework and hierarchy
- Policy – Requirement for precinct structure plans
- Policy – Land uses
- Policy – Appendix 1 – Activity centre functions and land use guidance
- Guidelines – Local planning
- Guidelines – Defining activity centre boundaries
- Guidelines – Staging of employment and density targets

The policy contains density targets for activity centres within defined walkable catchments. The targets have been increased slightly from the existing policy. As with the existing policy, no target is provided for the Perth capital city or specialised centres, although local centres are now provided with a target. The policy also provides guidance that higher-density housing should be incorporated within or immediately adjacent to activity centres. The policy introduces the concept of staging of density targets with interim and ultimate density. The targets are a guide to inform the planning of activity centres.

##### ***Application of catchments and allocation of density***

It is clear from a number of submissions there is confusion around how walkable catchments are to be measured and how density is to be allocated within the catchments. It is acknowledged that the policy suggests higher-density housing should be located within or adjacent to activity centres – adjacent means next to the activity centre which would not make sense if the activity centre boundary is 800m from the centroid because then the higher density housing would be outside of the walkable catchment. The intention was that the higher density housing would be located within or adjacent the part of the activity centre with the non-residential uses.

Whether the density targets in the policy are minimums, averages or maximums, whether they are mandatory or not, and whether they are too low or too high, were also discussion points. There

is also a need to distinguish between activity centres dominated by a private shopping mall and whether the target applies within the core – it is intended to – as well as centres that stretch along a corridor. Many industry submitters are concerned about being forced to provide density within their landholdings:

*“Far too often the ‘gap’ in residential dwelling provision to achieve targets is unfairly placed wholly or predominantly on major centre owners. This land is often much more appropriately used for commercial purposes, and this practice undermines the collective responsibility of all landowners in the walkable catchment to contribute to targets” (Industry submitter).*

Finally, there was also a question as to whether the target densities apply to centres located within industrial areas.

#### **Recommendation 4.4.1**

**That clarity is included that centres within industrial areas are exempt from residential targets.**

#### **Response and modifications**

The policy and Implementation Guidelines have been modified to reflect that local centres may be provided in industrial areas and if so, they are not subject to residential density requirements.

Whilst most of the confusion can be resolved by providing more explicit language in the policy, there is an opportunity to explore some of the ideas raised with regards to the intention of the targets and catchments.

Use of a core and frame model was a popular suggestion to be more explicit with the location of density, and some even suggested that a 1200m catchment for some activity centres may be appropriate. Some activity centres have multiple centroids (from which to measure a catchment) and this needs further consideration as to how the density is allocated. The blanket average density across the walkable catchment of centres should be split into a core and frame model and this could include a multi-core model.

#### **Recommendation 4.4.2**

**Provide more guidance on how density is to be allocated across the walkable catchment of activity centres.**

#### **Response and modifications**

The policy wording has been modified to be clearer that higher density housing should be located in activity centre cores, transitioning through a frame (if there is one) and into the wider walkable catchment.

The policy wording has also been modified to clarify that the dwelling targets are a guide for preparing planning instruments, although major development should achieve or not prevent the

centre from achieving the target, within the confines of the relevant planning framework.

The policy and implementation guidelines have been modified to provide the following guidance on allocating density:

- Greater clarification of where to measure the walkable catchment from
- Locational criteria for the highest densities
- Recommended density codes that can be used to achieve the average density requirement
- How to apply density where a centre has constraints within the walkable catchment

The policy also emphasises that centres are likely to have more than one centroid from which to measure the catchment and accordingly, will have a higher overall housing capacity than a centre with only one centre point.

Whilst a blanket density across a full 1200m catchment is not considered appropriate, where strategic or secondary centres have high frequency public transport funnelling along approach roads towards the centre, it may be appropriate to expand the higher density area along those approach roads to a street-block's depth (80-100m). An example would be Scarborough Beach Road either side of Stirling City Centre.

#### **Recommendation 4.4.3**

**Introduce a 1200m catchment for strategic and secondary centres.**

#### **Response and modifications**

This idea was investigated and was tested on some activity centres using activity centre dwelling data. The policy and guidelines have been modified to include a 1,200m catchment that applies only to Strategic, Secondary and District activity centres that have a train station. Where the 200m, 400m and 800m catchments must be used when planning activity centres, the 1,200m will be optional for centres (or parts of centres) in high amenity locations and/or where they have significant employment opportunities, recognising that not all activity centres are currently suitable for this.

Many submitters suggested there is potential for density targets to be higher based on certain characteristics of centres, for example:

- centres with train stations or other high frequency public transport
- centres with high amenity such as public open space and proximity to water; and
- centres with significant employment opportunities.

Whilst there is nothing to explicitly stop a centre plan proposing higher target densities, there is an opportunity for the policy to go further and provide more guidance in this space to achieve strategic planning outcomes.

Higher densities could be tied to consideration of locational criteria such as availability of public transport, diversity of land uses and other amenities including natural amenity. There could also be a distinction between the central sub-region and the outer sub-regions and Bunbury. Centre planners would need to justify why they cannot achieve these aspirational targets.



#### **Recommendation 4.4.4**

##### **Introduce aspirational targets for centres meeting certain criteria.**

#### **Response and modifications**

The density targets for all activity centres were reconsidered in light of this commentary and in light of activity centre data analysis.

As stated earlier, previous research has generally shown that the best performing activity centres in terms of population density, job density, land use diversity and urban form and amenity have a common theme which is access to train/bus interchanges allowing for high regional connectivity.

It was concluded that rather than providing a 'base' target and aspirational targets and providing distinctions between the central sub-region and outer sub-regions/Bunbury, that the base be lifted for the centres that should be the focus for most housing growth. Accordingly, the dwelling targets were revised to provide a distinction between centres with a train station and centres without a train station as follows:

- Centres without stations have been revised down to either the 'minimum' from the current policy or 25 dwellings/hectare (whichever is higher)
- Centres with stations have been increased to be +5 on top of the 'desired' from the current policy, either equal to the advertised amount (strategic and secondary) or +5 above the advertised amount (neighbourhood and district).

Perth & Peel @ 3.5 Million aims for 15 dwellings/hectare as an average across Perth and Peel and for housing growth to be focused around activity centres and train stations. To achieve the overall average, centres need higher targets and the policy's revised targets are consistent with this.

#### ***Density staging***

There is a need to ensure that development can occur at the density the current market demands, but without preventing the ultimate density from being achievable. This is a highly location-specific issue that needs to be solved at the local level however as raised by submissions, the policy does not provide sufficient guidance on how to do this. The density staging issue is not exclusively confined to activity centres, and the planning system being generally based on maximums rather than minimums (e.g. maximum height, maximum plot ratio) makes this difficult to resolve just through this policy.

Submissions generally had mixed views on interim targets as there is equal concern about sterilising land but also future development opportunities.

The policy can provide some guidance on density staging; however, this is something that also needs to be considered across the whole of the planning system.

In lower level centres, density targets are to be aspirational and development applications encouraged to achieve those targets. In higher-level centres, particularly within the core and inner frame, centre planners and developers should have to provide clear justification for not achieving density targets and demonstrate how that development will not inhibit density from occurring in the future. Significant under-achievement should not occur.



#### **Recommendation 4.4.5**

**That the WAPC consider developing guidance on density staging separate to this policy and that the policy (SPP4.2) emphasis be modified depending on the level of a centre within the hierarchy.**

#### **Response and modifications**

After further consideration in response to internal engagement, it was decided that some interim guidance on density and development staging be included in the revised SPP4.2 Implementation Guidelines. The Department may consider developing further guidance on density staging more broadly as this also applies to other infill outside of activity centres and to new housing areas.

## 4.5 Land use diversity, including staging

Key issues raised in submissions include:

- Land use diversity guidance based on centre specific factors, and the potential for diversity targets to prevent clustering – e.g. research precincts, tourist precincts, higher employment for good regional access, more local land uses where less regional access
- Core and frame / periphery model for land use diversity
- Inclusion of housing within land use diversity ratio
- Diversity ratio – minimum or maximum? Mandatory? Application stage or planning stage?
- Diversity ratio conflict with needs assessment

These issues generally relate to the following sections of the policy and guidelines:

- Policy – Policy objectives
- Policy – Policy outcomes
- Policy – Activity centre framework and hierarchy
- Policy – Land uses
- Guidelines – Local planning
- Guidelines – Needs assessment
- Guidelines – Diversity of land uses (including Table 1)

Key objectives and outcomes of the policy relate to activity centres containing a mix of land uses. To assist in achieving this, the guidelines provide a diversity ratio, which is a simplification of the previous policy, to encourage uses other than shop/retail at district, strategic and secondary centres. As with the density targets, the diversity ratio is a guide for the planning of centres.

### ***Application of diversity ratio***

Submitters are concerned about how the diversity ratio would be applied, whether that be at the planning stage or at the development application stage, how this would actually work in practice, particularly in centres with fragmented land ownership and whether the ratio is a minimum or a maximum. There was also a desire by some to include residential in the 'other land uses' category and to provide more nuance through applying a core and frame model of land use diversity.

Overall, the diversity ratio was not well received by any group of submitters however the concept of land use diversity in centres is accepted and supported. Consideration will need to be given to removing the specific targets/ratio and whether a combination of strengthened objectives, outcomes and provisions will achieve the same goals as the ratio sought.

*“While a diversity of land uses in an activity centre is a laudable aim, it is suggested that diversity ratios should be an aspiration, rather than a firm policy requirement” (Individual submitter).*

*“Evidence has shown that living close to a mix of destinations is associated with higher levels of active transport and physical activity across all age groups. The presence of mixed land uses and a variety of destinations near home may be especially important for older adults with reduced mobility...” (Advocacy submitter).*

### **Recommendation 4.5.1**

**That the diversity ratio be removed and replaced with a combination of strengthened objectives, outcomes and policy provisions and guidance for activity centre planning and assessment that encourages diversity of land uses with the aim of providing centres that cater to their catchments and contribute strongly towards employment self-sufficiency.**

These requirements will apply at the planning stage only and the emphasis will be on higher level centres to address this more meaningfully than lower level centres, particularly those with good regional connectivity.

### **Response and modifications**

The policy has been modified as recommended. Local planning strategies provide employment and land use diversity targets and objectives, and these are required to flow through to activity centre planning. The precinct structure plan should outline exactly how development within the activity centre can achieve the relevant targets and objectives. There is emphasis provided that 'single purpose centres' are discouraged. Further, the Implementation Guidelines now include guidance on how to stage land use diversity, so that centres may develop with an initial less diverse land use mix, but still allow a more diverse land use mix in the future.

### ***Clustering and centre specialisation***

Submitters also raised the importance of ensuring the diversity ratio does not compromise the existing focusses and clustering of industries within centres. Whilst it is not the intention that the diversity ratio would be used to prevent clustering of, for example, research facilities in a research precinct or clustering of hotel and tourism uses in tourist-oriented precincts, some submitters were concerned this was the case. Equally, shopping centre owners were concerned about the push for other land uses into their shopping centre developments. Some activity centres are well connected regionally and therefore should have more regional land uses, others are less connected and should focus on more local land uses.

There is an assertion by some that a needs assessment will determine what land use mix is appropriate and this is correct to a degree, however this would not capture the strategic planning goal of having more diverse centres to provide opportunities for employment self-sufficiency. Guidance is sought on whether employment self-sufficiency and land use diversity is more important than market flexibility.

### **Recommendation 4.5.2**

**That centre specialisation and core and frame models of land use diversity be included in the policy.**

This will ensure there is no discouragement of clustering of industries as this is an important aspect of wider economic development. Emphasis for land use diversity will be on those sectors that are complimentary and help to reinforce the centre specialisation.

## Response and modifications

Through removal of the diversity target, the emphasis on planning for land use diversity is realigned to the local planning strategy which should capture the existing specialisations for centres. The policy (particularly Appendix 1) has been modified to acknowledge this for the higher order centres, and in the case of specialised centres, reintroduces the 'specialisation' which was a feature of the current policy (e.g. Aviation and Logistics specialisation). These modifications will ensure that centres with a specialisation are not disrupted and are encouraged.

The policy and the Implementation Guidelines now also refer to a core and frame model which can have different zoning and density to provide options when planning for activity centres through use permissibility in the local planning scheme.

## 4.6 Bulky goods and large format retail

Key issues raised in submissions include:

- Large format retail precincts undermining the hierarchy
- Urban form of bulky goods and large format retail as a transition use – not supported by industry

These issues generally relate to the following sections of the policy and guidelines:

- Policy – Policy objectives
- Policy – Policy outcomes
- Policy – Activity centre framework and hierarchy
- Policy – Out of centre developments
- Guidelines – Local planning
- Guidelines – Bulky goods/large format retail precincts

Bulky goods and large format retail precincts are generally not recognised as part of the activity centre hierarchy, unless they are part of a larger activity centre. This means they are not being considered in terms of their impact on the hierarchy of centres. Traditionally this was not so much an issue as these uses provided a good transition between industrial areas and other uses, however there has been a gradual blurring of the line between those retailers that are legitimate bulky goods retailers that require lots of space, and others that are just very large shops.

*“The incremental proliferation of retail/activity centre land uses in bulky goods/large format retail precincts undermines core objectives of SPP 4.2.*

*The recent emergence of pharmacies and even supermarkets in such precincts has resulted in poor development outcomes that undermine the retail hierarchy and disperse trips and activity outside of activity centres where transport and supporting services and goods are provided” (Industry submitter).*

It is noted that this is likely caused by an issue with the definition for ‘bulky goods showroom’ in the Planning and Development (Local Planning Schemes) Regulations (2015). The definition contains two parts:

*bulky goods showroom means premises –*

*(a) used to sell by retail any of the goods and accessories of the following types that are principally used for domestic purposes –*

- (i) automotive parts and accessories;*
- (ii) camping, outdoor and recreation goods;*
- (iii) electric light fittings;*
- (iv) animal supplies including equestrian and pet goods;*
- (v) floor and window coverings;*
- (vi) furniture, bedding, furnishings, fabrics, manchester and homewares;*
- (vii) household appliances, electrical goods and home entertainment goods;*
- (viii) party supplies;*
- (ix) office equipment and supplies;*
- (x) babies’ and children’s goods, including play equipment and accessories;*
- (xi) sporting, cycling, leisure, fitness goods and accessories;*
- (xii) swimming pools; or*

*(b) used to sell by retail goods and accessories by retail if –*

- (i) a large area is required for the handling, display or storage of the goods; or*
- (ii) vehicular access is required to the premises for the purpose of collection of purchased goods;*

It is the second part, subclause (b), of the definition that is too open-ended and has in part allowed very large shops to appear outside of activity centres.

Part (b) of the bulky goods showroom definition should be considered for revision or removed. The definition of 'shop' should be reviewed with the potential to split into different sizes (for example, small, medium and large). Local government can then implement the various sizes through their local planning schemes. Alternatively, a 'supermarket' definition could be retained, with different size supermarkets.

SPP4.2 can then also provide the guidance as to when approval should be granted for those local planning schemes with the current definitions where the use permissibility is 'D' discretion or 'A' advertised with discretion.

Without resolving the bulky goods showroom definition issues, there is a real risk that the definition will continue to be applied even more flexibly and this could manifest in what would traditionally be called a supermarket being approved in a bulky goods retail precinct. This is already happening with 'warehouse'-style supermarkets appearing in bulky goods retail precincts. It is not unrealistic to expect that a traditional supermarket may seek approval to locate in such an area as could other types of retail that traditionally locate in activity centres. This could ultimately lead to centres losing these anchors and potentially undermining the ability for activity centres to be focuses of housing density, employment and providing services to their local walkable communities.

The review of bulky goods showroom and shop could also consider the introduction of a definition for supermarket, in order to better control this anchor land use.

#### **Recommendation 4.6.1**

**That a review be commenced into the definitions of 'bulky goods showroom' and 'shop' in the Planning and Development (Local Planning Schemes) Regulations (2015).**

#### **Response and modifications**

This recommendation is being actioned through the Planning Reform project, however in the interim, the policy has been modified to provide more guidance on where bulky goods showrooms should be located (when planning activity centres) and emphasising that shops that provide for daily and weekly needs should be located within activity centres. The policy can therefore be used to guide the exercise of discretion for land uses that are discretionary ('D' or 'A') uses in local planning schemes, as well as in consideration of scheme amendments for rezoning or additional uses.

#### ***Urban form of bulky goods and large format retail***

The policy encourages the development of bulky goods and large format retail premises and precincts (within activity centres) to be designed in a way that they can transition to other activity centre uses over time. This language was not well received by the industry as it undermined the potential role of bulky goods and large format retail precincts in the retail economy.

Further, it was pointed out by some submitters that the specific urban form requirements in the guidelines for bulky goods and large format retail are likely to be equally as appropriate for other forms of centre development. This includes the requirement to be adaptable for other uses over time and to avoid ribbon development. Ribbon development is a common development pattern for bulky goods and large format retail (and other land uses) and industry wishes for certainty of continuity where this is the established pattern.

The urban form of bulky goods and large format retail precincts that are located adjacent to industrial areas is not covered by this policy, should remain as such, and this should be reinforced in the policy.

#### **Recommendation 4.6.2**

**That the policy includes greater clarity on the distinction between purely bulky goods and large format retail precincts that are outside of activity centres and those precincts that are part of activity centres.**

#### **Response and modifications**

The policy has been modified to recognise the different types bulky goods/large format retail precincts and provides guidance on where they should be located. This guidance can be used in allocating zoning and land use permissibility in local planning schemes and for decisions on discretionary ('D' or 'A') land uses.

#### **Recommendation 4.6.3**

**The urban form guidance for bulky goods and large format retail should be merged into a revised and strengthened urban form section of the guidelines which can then deal with those precincts within activity centres.**

#### **Response and modifications**

The policy has been modified as recommended.

## 4.7 Urban form of activity centres

Key issues raised in submissions include:

- Insufficient emphasis on urban form – e.g. Is there a desire for all centres to have main streets?
- SPP7.2 Precinct Design does not address everything that the former model centre framework does
- Lack of emphasis on and requirements for green space in highly urbanised centres
- Urban form requirements for centres in the absence of a PSP or LDP
- Large format retail having to be designed to allow for adaptability, transition of uses, walkability etc when this should be a requirement for all development types
- Policy discourages ribbon development, but only for bulky goods and large format retail, but this is the established form of many centres and bulky goods retail precincts

These issues generally relate to the following sections of the policy and guidelines:

- Policy – Application of the policy
- Policy – Policy objectives
- Policy – Policy outcomes
- Policy – Land uses
- Policy – Urban form

The draft policy contains outcomes and a provision relating to urban form guidance and linkage with SPP7.2 Precinct Design is provided as that policy is considered to provide the relevant guidance when preparing precinct plans for activity centres. As mentioned previously, the guidelines provide detail on urban form for bulky goods and large format retail as well. The existing SPP4.2 contains provisions with some high-level guidance as well as a Model Centre Framework, which provides extensive guidance on urban form of activity centres. Given *SPP7.2 Precinct Design* now exists, the model centre framework was removed from the draft SPP4.2.

### ***Urban form guidance***

A common criticism of the draft policy is that it lacks the detail and emphasis on the desired urban form of activity centres. SPP7.2 provides guidance for precinct planning, however it is clear that more guidance specific to activity centre planning is needed, particularly where a precinct plan is not being prepared. For example, neither draft SPP4.2 or SPP7.2 state that all centres should transition towards ‘main street’ style over time despite this being the intention and as stated in the existing SPP4.2. Further, the model centre framework applied when major development was proposed in advance of centre planning, which means this ‘safety net’ of minimum standards is now missing, which is a concern for many submitters.

Some submissions also raised concern that the policy lacks emphasis on the provision of open space (particularly green space) within activity centres. The provision of adequate open space, particularly as housing density increases, is vital to ensure that the centre has good amenity which will help encourage development to occur.

Whilst it is no longer the intended role of SPP4.2 to provide detailed design guidance on the urban form of activity centres, as this is provided by *SPP7.2 Precinct Design*, there is an acknowledgement that there are some features of the existing SPP4.2 that are not adequately detailed in SPP7.2.



### **Recommendation 4.7.1**

**That SPP4.2 include a greater emphasis on urban form in its objectives and outcomes and include some general principles of activity centre design. Guidance should also be included for situations where major development, and potentially non-major development, precedes centre planning and where the local planning framework may be lacking appropriate design controls.**

### **Response and modifications**

The policy has been modified to emphasise the importance of activity centres being street-based and pedestrian-oriented through:

- Revised and additional objectives and outcomes
- Inclusion of key design elements of activity centres (ie. main streets, pedestrian/cyclist priority, permeable street blocks, high quality public realm and public spaces)
- Recognition that some centres will need to change their form over time.

The policy outlines that structure plans or local development plans are to align with these urban form requirements, which in turn then influences any subsequent development. Where major development precedes centre planning (in exceptional circumstances), the policy also contains a clear requirement for that to satisfy the urban form requirements of the policy.

The requirements of the local planning framework will be articulated through review of the structure plan framework and local development plan framework, being progressed as part of Planning Reform.

## 4.8 Movement and access and provision of other infrastructure

Key issues raised in submissions include:

- Insufficient emphasis on transport and land use integration, infrastructure planning, and provision of transport infrastructure to encourage transport other than private cars
- Parking caps and mode share targets to apply to secondary centres and above, and to district centres with good public transport
- Obligations to upgrade infrastructure when undertaking major development
- Link to SPP3.6 Infrastructure Contributions and inappropriate seeking of community infrastructure by local governments

These issues generally relate to the following sections of the policy and guidelines:

- Policy – Policy objectives
- Policy – Policy outcomes
- Policy – Activity centre framework and hierarchy
- Policy – Movement and access

### ***Importance of land use and transport integration***

Many submitters stressed the importance of transport and land use integration, infrastructure planning and moving away from private cars as key considerations for centre planning and requested the elevation of this into the objectives and with stronger policy outcomes.

Many submitters are concerned that the aims of the policy and wider strategic planning will not be achieved without appropriate transport infrastructure in place. Whilst it is outside the scope of SPP4.2 to change the mode share of Perth, it is an important policy in guiding development towards reduced car usage as activity centres have the best capacity for mode share change.

The draft policy and the existing policy are generally aligned in this regard and so the assertion is that if the existing policy has not adequately addressed this issue, then the draft policy will not either.

#### **Recommendation 4.8.1**

**That the policy is amended throughout, particularly in the objectives and outcomes, to emphasise the importance of transport and land use integration, especially for modes other than private cars.**

#### **Response and modifications**

The policy and Implementation Guidelines have been modified throughout to emphasise the importance of land use and transport integration through:

- Revised and additional objectives and outcomes
- Revised dwelling targets for centres with train stations
- Some flexibility for out-of-centre development in proximity to train stations
- Locational criteria for higher-order centres included to reduce planning of new higher-order centres without access to public transport
- Emphasising walkable streets and pedestrian/cyclist priority within activity centres

The current policy and the draft policy require strategic and specialised centres to establish mode share targets and parking management including parking caps.

Submitters encouraged the requirements for parking caps and mode share targets to be expanded further down the hierarchy to secondary centres and even for some district centres (that have good public transport). Some suggested including defined caps and targets.

#### **Recommendation 4.8.2**

**Extend the requirement to establish mode share targets and parking plans, including the consideration of parking caps, to secondary centres and those district centres that have good public transport (rail stations).**

#### **Response and modifications**

The policy has been modified to require mode share targets, parking plans to be established and parking caps considered for secondary centres (in addition to Strategic and Specialised centres), and also provides the option for these at District centres with train stations.

Other submitters were concerned, based on their experiences, of the requirement to provide transport infrastructure upgrades that demonstrated limited or no nexus with their development. The policy needs to balance these issues, as there is a level of acceptable cost transfer to the private sector, however mode share change is something that all parties are responsible for.

There is a complaint from industry that large shopping centre redevelopments are being used as triggers for the provision of infrastructure, including community infrastructure, at the expense of the applicant. Whilst there may be some merit to this and the industry generally understood this, there needs to be clear need and nexus.

Given that *SPP3.6 Infrastructure Contributions* has been recently reviewed, now is an appropriate time to consider the linkages between SPP4.2 and that policy.

#### **Recommendation 4.8.3**

**Provide further guidance as to what infrastructure is and is not appropriate to be provided by centre developers in the context of SPP3.6 and as part of local government integrated planning requirements (e.g. Strategic Community Plan).**

#### **Response and modifications**

The revised SPP3.6 clarifies the contributions that are required with or without a development contribution plan. All contributions (works or funds) must fairly relate to development. The revised SPP3.6 was released after the advertising of the draft SPP4.2 had closed. The revised SPP3.6 is considered to satisfy many of the concerns raised in submissions. Notwithstanding, the final policy has been modified to emphasise the linkage with SPP3.6 and emphasise need and nexus. Refer to 4.9.3 in relation to local government integrated planning.

## 4.9 Needs assessments, impact tests and community benefit

Key issues raised in submissions include:

- Community benefit and net community benefit are not well defined
- Impact test triggers and approval requirements – potential for dual approval in higher level centres
- Refusal of highly impactful proposals
- How to deal with the cumulative impact of multiple small/moderate impact proposals
- Immediate impact versus impact over time – staging
- Need for proportionate community benefits correlated with level of impact
- Implementation and timing
- Needs assessments and impact tests had formerly only applied to shop/retail – how to apply to other land uses?
- Costs of peer reviews – recovery of costs by local government

These issues generally relate to the following sections of the policy and guidelines:

- Policy – Policy objectives
- Policy – Policy outcomes
- Policy – Assessment
- Policy – Needs assessment
- Policy – Impact test
- Policy – Out of centre developments
- Guidelines – Needs assessment
- Guidelines – Activity centre development proposals
- Guidelines – Purpose of the impact test
- Guidelines – When the impact test is required
- Guidelines – Proportionality
- Guidelines – Impact test requirements
- Guidelines – Impact test assessment
- Guidelines – Community benefit
- Guidelines – Appendix 1 – Scope and methodology for needs assessment
- Guidelines – Appendix 2 – Scope and methodology for impact test

The existing policy requires a retail needs assessment to be prepared, ideally at the time of local planning strategy preparation/review, to guide the appropriate provision of retail in the locality. A retail sustainability assessment is then used to assess the impact of proposals for 'major developments' or that are in excess of the identified need (from the needs assessment) and the impact that this would have on services available to the community. It is not to be used to stifle economic competition.

The draft policy, in its shift away from retail-centric activity centre, replaces the retail needs assessment and retail sustainability assessment with a Needs Assessment and an Impact Test which account for all activity centre land uses, not just retail. It still recommends that the needs assessment is undertaken at the strategic planning stage and that the impact test is to be used to ensure there is no loss of service to the community and not to be used to stifle economic competition.

A new feature of the policy is the consideration of community benefit and how a proposal (subject to an impact test) could demonstrate net community benefit. There are five indicators for this:

- Productivity
- Quality of life

- Environmental sustainability
- Infrastructure development; and
- Equity and social inclusion.

### ***Community benefit and net community benefit***

The revised methodology and process for undertaking needs assessments and impact tests, instead of retail needs/sustainability assessments, were well received by most, as was the idea of providing net community benefit to offset impacts. However, there was uncertainty as to how to define and measure community benefit, what is an acceptable level of impact and proportionate 'offset' with community benefit, and how to implement the community benefits. The current retail sustainability assessment is focused purely on retail, and submitters are seeking further guidance on how to extend this to other types of activity centre uses that have not previously been considered.

#### **Recommendation 4.9.1**

**Review the Community Benefit section of the policy and provide more guidance on how community benefit is to be used and how to measure net community benefit.**

#### **Response and modifications**

The project team reconsidered the Impact Test section in the draft policy (formerly Retail Sustainability Assessment in the current policy) in the context of submissions and by reviewing retail sustainability assessments and relevant SAT/Supreme Court cases. It became clear that the intent of the provisions (of the current and draft policies) have been misunderstood for some time, as being only about how retail is impacted. The impact on a retailer(s) by a proposal is used as a quantifiable indicator as to the impact on community from loss of service (which is harder to quantify) as it can be expected that at a certain level of retail impact, the community will lose access to goods and services (which is what the policy aims to avoid).

The relevant sections of the policy and Implementation Guidelines have been renamed 'Net Benefit Test'. The intention of these provisions has always been to test whether the development will result in an impact to the community, both the community surrounding the development and communities potentially impacted by the development and on this basis the Net Benefit Test. The new terminology should refocus the understanding from being a concern of retail impact to a concern of demonstrating net benefit to the community. A detailed assessment template has been included in the Implementation Guidelines to assist.

Submitters are seeking greater guidance as to what level of impact is approvable and when an impact is too great and should be refused. The guidelines do not specify whether highly impactful proposals should be refused and whether there is any consideration to the cumulative effect of multiple, but less impactful proposals on a centre and conversely, where there may be an initial impact that declines over time as the population and economy of an area grows. The policy effectively allows a proposal causing a significant impact to 'offset' this impact by offering net community benefit, however the result could be a centre that still significantly impacts another centre(s). From submissions this does not seem to be acceptable.

It is still not recommended to provide a prescriptive threshold for when an application should be refused. In practice, it is expected that a highly impactful proposal would not satisfy the objectives and outcomes of the policy and therefore it should be refused. Accordingly, while an exact threshold

is not recommended, providing a better linkage between the policy objectives, policy outcomes, impact test assessment and community benefit offsets should clarify this.

#### **Recommendation 4.9.2**

**The policy be strengthened with greater guidance around the proportionality of community benefit provision for level of impact and implementation responsibilities.**

#### **Response and modifications**

Through reframing the Impact Test (Retail Sustainability Assessment) as a Net Benefit Test, and providing a detailed assessment template, the need for a prescriptive threshold is reduced. The Implementation Guidelines outline that additional benefit may be needed where the impact is detrimental in the short-term before becoming acceptable over time.

As an example, one of the requirements of the advertised 'Impact Test' was the demonstration of increased job opportunities to the community being impacted which is not something that current policy considered. This has been given more prominence by being one of the key criteria in the new assessment template and further clarifies that the job opportunities should be an overall net increase in jobs not just a relocation of jobs.

#### **Recommendation 4.9.3**

**Provide implementation guidance to explain how community benefit is to be delivered at various stages of the planning process and how it should relate to local government integrated planning requirements (e.g. Strategic Community Plans).**

#### **Response and modifications**

The Implementation Guidelines have been modified in line with the recommendation.

#### **Peer reviews**

The draft policy introduces the requirement for impact tests to be subject to an independent peer review, the cost of which is funded by the responsible authority.

The industry supports the requirement for the responsible authority to fund the peer review of impact tests, however this was a concern to local government given the costs. Some wanted the discretion to not undertake a peer review, or to undertake the peer review in-house. Extra emphasis is to be added that it is just a peer review and not a complete re-examination.

#### **Recommendation 4.9.4**

**Modify the peer review requirements to allow the responsible authority the ability to determine whether a peer review is or is not necessary and, if deemed necessary, allow the responsible authority to recover half of the costs of peer review from the applicant.**

## **Response and modifications**

The policy has been modified in line with the recommendation. Further, given the revised triggering threshold for a Net Benefit Test, it is anticipated that far fewer tests will be required, reducing the frequency of assessment and peer review. The inclusion in the Implementation Guidelines of a detailed assessment template should also provide the ability and confidence for more 'in-house' reviews.

Additionally, as part of a suite of actions for further investigation that will commence upon gazettal of SPP4.2, the Department may undertake regular benchmarking of key needs assessment information (e.g. expenditure patterns) to provide an alternative to peer review.

**4.10 As a separate point there is also a need for greater guidance on elevation and addition of activity centres to the hierarchy and whether that is undertaken by this policy or just informed by this policy.**

Key issues raised in submissions include:

- Is SPP4.2 supposed to be the single source of truth of the hierarchy or is the hierarchy contained in planning strategies (e.g. *Perth & Peel @ 3.5 Million*, Local Planning Strategies)?
- There were various requests for merging, elevation and downgrading of specific activity centres

These issues generally relate to the following sections of the policy and guidelines:

- Policy – Policy objectives
- Policy – Policy outcomes
- Policy – Activity centre function and hierarchy
- Policy – Appendix 1 – Activity centre functions and land use guidance
- Policy – Appendix 2 – Activity centre hierarchy
- Guidelines – Purpose of the guidelines
- Guidelines – District planning
- Guidelines – Local planning
- Guidelines – Changes to the hierarchy and new activity centres

There is a discussion around what role SPP4.2 should perform in relation to the placement of centres within the activity centres hierarchy. There is confusion by submitters as to whether the policy itself gives an activity centre its position in the hierarchy, or if the policy just provides the structure of a hierarchy and centres are given their hierarchy position through other parts of the planning framework, for example *Perth & Peel @ 3.5 Million*.

The existing policy does state that new activity centres may be identified by 'sub-regional structure plans' and district structure plans and endorsed by the WAPC in accordance with the policy. It is silent on the elevation (and downgrading) of existing centres.

The draft policy guidelines introduce some guidance on new centres and amendments to the hierarchy, including the need for needs assessments and impact tests to be undertaken. The guidelines state that a change to the hierarchy can occur if identified within an endorsed local planning strategy and if determined by the WAPC.

Generally, there is a push by submitters from all groups for clear and strict rules around movement within the hierarchy to ensure that the hierarchy is maintained. On reflection, allowing all levels of centres to move within the hierarchy based on a local planning strategy would not be appropriate as it may not have due consideration for regional planning.



### **Recommendation 4.10.1**

**That the policy and guidelines are modified to make explicit that:**

- **New activity centres and amendments to the hierarchy for strategic and specialised centres (including secondary elevation) is only to occur through a regional planning strategy; and**
- **New activity centres and amendments to the hierarchy for district and secondary centres (including neighbourhood elevation) is only to occur through a regional, sub-regional or district planning strategy or district-level structure plans; and**
- **New activity centres and amendments to the hierarchy for neighbourhood and below can occur through local planning strategies or structure plans; and**
- **Assessment against SPP4.2, needs assessments and impact tests are to accompany all new / amendment requests.**

### **Response and modifications**

The policy has been modified in line with the recommendation, with the addition that elevation to district centre can be identified as an action by a local planning strategy. Further, the policy emphasises that the hierarchy provides for certainty and therefore changing the hierarchy is undertaken at a level of strategic planning commensurate with the potential impacts of such a change.

There was a number of requests for modifications to Appendix 2 (the list of centres) for elevation, downgrading and inclusion of 'missing' centres.

### **Recommendation 4.10.2**

**That no elevations or downgrading of existing activity centres occurs as part of the amendments to SPP 4.2. However, new centres that have been identified in approved regional, sub-regional or district planning strategies / structure plans be included in Appendix 2 (the hierarchy).**

### **Recommendation 4.10.3**

**That wording is included to the effect that planning strategies endorsed subsequent to gazettal of the policy prevail over Appendix 2 (the hierarchy) to the extent of any inconsistency.**

### **Recommendation 4.10.4**

**That the WAPC acknowledges the following requests for amendment to the hierarchy and notes that they should be considered as part of future reviews of regional, sub-regional and district planning strategies:**

- **Removal of Ashfield District Centre (to allow downgrading to Local Centre);**
- **Elevation of Cockburn Secondary Centre to Strategic Centre;**
- **Elevation of Eaton District Centre to Secondary Centre;**
- **Merging of East Victoria Park District Centre into Victoria Park Secondary Centre.**

### **Response and modifications (recommendations 4.10.2, 4.10.3 and 4.10.4)**

Appendix 2 (list of centres) has been merged into Appendix 1 (Roles and characteristics of centre types) to provide a better user experience. The new combined appendix reflects recommendations 4.10.2 and 4.10.3.

Recommendation 4.10.4 will be implemented as necessary.

## **5. REVISED POLICY OBJECTIVES AND OUTCOMES**

The current policy contains nine objectives. The WAPC has introduced both objectives and outcomes in recent policies and the draft policy contained three policy objectives and eight policy outcomes. These were reconsidered holistically to address concerns raised in the submissions about the various key issues.

The objectives are extensively modified and the revised objectives are considered to now better convey what the policy is trying to achieve compared with the current and draft policy.

The outcomes are relatively unchanged from the draft, however two have been split to provide better guidance on the issues of urban form and movement.

There are now six objectives and ten outcomes and they have been worded to ensure that the objectives outline the high level aims of the policy and outcomes outline what implementing the policy looks like.

## OTHER ISSUES AND MODIFICATIONS

Issue raised	Response and modifications
Policy needs to emphasise links to achieving strategic planning goals outlined in higher level strategies e.g. infill housing, housing choice and employment self-sufficiency	Actioned
Application of the policy to airports	The policy has been modified to clarify that whilst Perth and Jandakot airports are not subject to the Planning and Development Act 2005 and therefore SPPs, the Airports Act 1996 (Cwth) does require development and master planning at airports to give consideration to their impacts on adjoining areas, including economic impacts.
Multi-centroid centres and how to apply a walkable catchment and allocate density	The policy has been modified to acknowledge that centres may have multiple centroids. The Implementation Guidelines now provide guidance on allocating density.
Corridor/hybrid centre and how to apply walkable catchment and allocate density	Consideration was given to developing separate criteria for these types of centres, however given they are existing, it is considered that a nuanced approach will always be required. The policy and Implementation Guidelines, in combination with SPP7.2 Precinct Design provide the principles and guidance to allocate density for linear centres.
Catchments – what happens if a significant part of the walkable catchment is not zoned urban?	The Implementation Guidelines have been modified to clarify that the density target should still be achieved across the unconstrained portion of the centre.
Centre boundaries where no centre plan is in place	The Implementation Guidelines have been modified to include a test and examples of how to determine whether development is or is not within centre.
Where centre boundaries should be shown – statutory documents (schemes) or strategic documents (strategies, PSPs)	The Implementation Guidelines have been modified to clarify centre boundaries.
Application of the policy outside of the MRS, PRS and GBRS	Consideration was given to expanding the policy outside of the MRS, PRS and GBRS. Given that activity centres are identified in strategies, there would be a need to first identify activity centres and a hierarchy in other regions to the apply the policy provisions to. The policy includes such a provision allowing it to be considered for planning instruments and the Implementation Guidelines provide the guidance for where this is appropriate.

Request to modify 'aspirational/invitational' language in the policy	Where appropriate, the policy and implementation guidelines have been modified to reduce this. Refer 4.3.1.
Requests for transitional provisions throughout to cover existing activity centre plans, existing needs assessments etc.	Actioned.
Review of whether some policy provisions are better placed in the guidelines and vice versa	Actioned.
Requested removal of some 'activity centre uses' such as hotel, serviced apartment, short-term accommodation and tourist development	As outlined at 4.2.5, there are now two categories of activity centre uses (A and B) which have different implications. The policy has been modified to place accommodation and entertainment land uses into Category B which reduces many of the requirements applicable in the draft. It is still considered that these uses are important to be considered in the circumstances Category B uses are considered i.e. in planning instrument creation and assessment.
Alignment of the policy with recently passed modification to the Planning Regulations – e.g. 300m <sup>2</sup> shops are now exempt from approval where they are 'D' uses	It was not considered appropriate to reduce any of the thresholds to 300m <sup>2</sup> NLA, given the advertised thresholds were 1000m <sup>2</sup> (for local centres) and 500m <sup>2</sup> (for out-of-centre development).
Needs assessments and impact tests – <ul style="list-style-type: none"> <li>Conflict between approved floorspaces and the needs assessment / impact test triggers in the policy</li> <li>Extending exemptions to train station catchments as per the current policy (removed in this draft policy)</li> <li>Removal of the requirement to do a residential needs assessment as part of the needs assessment</li> <li>Restricting needs assessments to local planning strategy preparation / amendments, time limits for validity</li> </ul>	The policy has been modified as following: <ul style="list-style-type: none"> <li>Needs Assessment is only required for a Local Planning Strategy; unless it is more than 5 years old, then the applicant can prepare a new Needs Assessment if they wish</li> <li>NCB Test (Impact Test) is only required when exceeding floorspace need identified in a Needs Assessment</li> <li>Development up to 1500m<sup>2</sup> within 400m of a train station not considered out-of-centre and therefore no NCB Test required – exceeding 1500m<sup>2</sup></li> <li>Residential needs assessment removed</li> </ul>
Renaming of centres from their "planning names" <ul style="list-style-type: none"> <li>Yanchep C – Yanchep Central</li> <li>Yanchep K – Two Rocks (Town Centre)</li> <li>Albion – Brabham</li> <li>Yanchep (Strategic) – Yanchep City</li> <li>North Forrestdale – Harrisdale</li> <li>Forrestfield Station – High Wycombe Station</li> <li>Wungong – Wungong (Hilbert)</li> <li>Bullsbrook – Kingsford (Bullsbrook)</li> </ul>	Actioned.  Further, centres with a commercial name are now suffixed with their suburb location and centres with potentially ambiguous names have been given additional information to assist.
Merge Bunbury Regional and St John of God Hospitals, Edith Cowan University, South West Institute of Technology to create one Bunbury Health and Education Precinct Specialised Centre.	Actioned – referred to as 'Bunbury Health and Education Precinct (College Grove)'.  This has also been reflected in the adopted Bunbury-Geographe Sub-Regional Strategy.

<p>Exceptional circumstances exemptions – Investment decisions and ‘job creation’ alone should not constitute an exceptional circumstance</p>	<p>As outlined in section 4.2 of this paper, the policy has been modified to provide further constraints around granting ‘exceptional circumstances’ exemption. The final provision is considered to provide an appropriate balance.</p>
<p>Dual determination requirements and circuit-breakers</p>	<p>The policy and Implementation Guidelines have been modified to clarify decision makers and include circuit-breakers where necessary. Existing dual determination requirements will remain, as per the delegations under the relevant regional planning schemes (refer 4.3.1).</p>

