

# **Bayside Planning Scheme**

## **Kingston Planning Scheme**

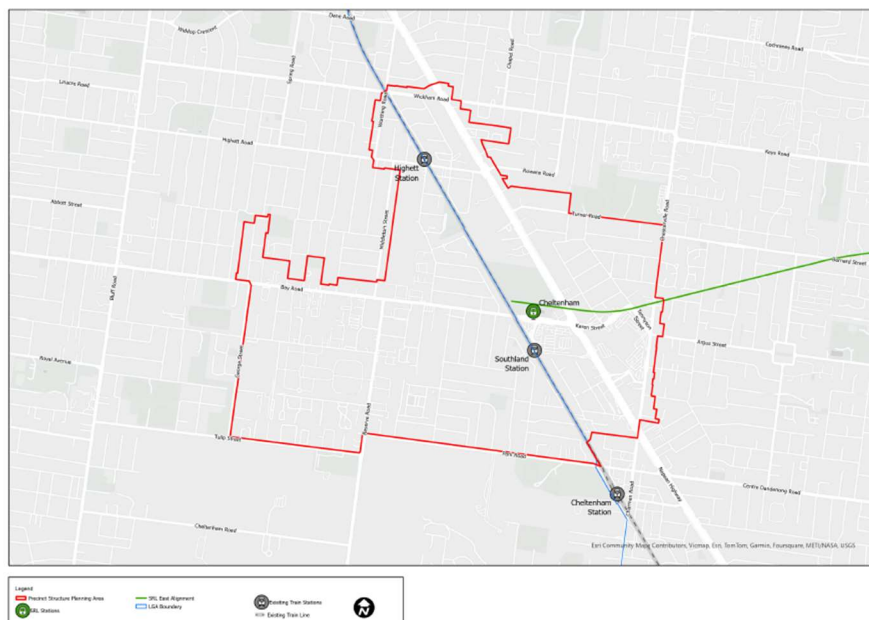
### **Amendment GC246**

### **Explanatory Report**

## **Overview**

The Suburban Rail Loop (SRL) East project is delivering twin 26-kilometre rail tunnels from Cheltenham to Box Hill, with six new underground stations at Cheltenham, Clayton, Monash, Glen Waverley, Burwood and Box Hill. Draft Structure Plans have been developed to guide growth and change to create thriving neighbourhoods around each SRL station.

The *Draft Cheltenham SRL East Structure Plan* (Structure Plan) has been prepared for the Cheltenham Structure Plan Area (Figure 1). The Cheltenham Structure Plan Area sits within the municipalities of Bayside and Kingston.



*Figure 1: Cheltenham Structure Plan Area*

The amendment is required to introduce new planning settings to the Bayside and Kingston Planning Schemes to give effect to the key directions and outcomes of the Structure Plan.

## Where you may inspect this amendment

The amendment is available for public inspection, free of charge, during office hours at the following places:

- Bayside City Council: 76 Royal Avenue, Sandringham
- Kingston City Council: 1230 Nepean Highway, Cheltenham

The amendment can also be inspected free of charge at the Engage Victoria website at <https://engage.vic.gov.au/suburban-rail-loop> or by contacting the SRLA office on 1800 105 105 to arrange a time to view the amendment documentation.

## Submissions

Any person may make a submission to the planning authority about the amendment. Submissions about the amendment must be received by 11.59pm Tuesday 22 April 2025.

A submission can be sent to: <https://engage.vic.gov.au/suburban-rail-loop> or alternatively can be posted to:

Suburban Rail Loop Authority

PO Box 24214

Melbourne 3001

## Details of the amendment

### Who is the planning authority?

This amendment has been prepared by the Suburban Rail Loop Authority, which is the planning authority for this amendment.

### Land affected by the amendment

The amendment applies to land within the Cheltenham Structure Plan Area, which includes land within both Bayside and Kingston municipalities as shown in Figure 1.

### What the amendment does

The amendment gives effect to the Structure Plan by introducing new and updated planning policy, applying the Precinct Zone (PRZ) and Built Form Overlay (BFO) to the majority of land within the structure plan, applying the Parking Overlay (PO) and Environmental Audit Overlay (EAO) to relevant land. The amendment also updates particular, general and operational provisions in the Planning Scheme, as relevant.

Specifically, the amendment makes the following changes to land within the Cheltenham Structure Plan Area:

### **Bayside Planning Scheme**

- Inserts the following background documents into the Schedule to Clause 72.08:
  - *SRL East Structure Plan – Cheltenham* (SRLA, 2025)
  - *SRL East Implementation Plan – Cheltenham* (SRLA, 2025)
  - *Precinct Parking Plan – Cheltenham* (AJM, 2025)
- Inserts:
  - Clause 11.03-6L-01 Cheltenham SRL East Structure Plan Area
  - Clause 34.03 Commercial 3 Zone
  - Clause 37.10 Precinct Zone and Schedule 1 to Clause 37.10 (PRZ1)
  - Clause 43.06 Built Form Overlay and Schedule 1 (BFO1), Schedule 2 (BFO2), Schedule 3 (BFO3) and Schedule 4 (BFO4) to Clause 43.06 Built Form Overlay
  - Schedule 2 (PO2) and Schedule 3 (PO3) to Clause 45.09 Parking Overlay
- Amends:
  - Clause 02.01-2 Context plan
  - Clause 02.03-1 Settlement
  - Clause 02.03-4 Built environment and heritage
  - Clause 02.03-5 Housing
  - Clause 02.03-6 Economic development
  - Clause 02.03-7 Transport
  - Clause 02.03-8 Infrastructure
  - Clause 02.04 Residential Strategic Framework Plan
  - Clause 11.03-1L-09 Small Neighbourhood Activity Centres
  - Clause 11.03-6L Bayside Business District
  - Clause 13.07-1L-02 Discretionary uses in residential areas`
  - Clause 15.01-5L Bayside preferred neighbourhood character
  - Clause 16.01-1L Housing supply
  - Clause 18.01-1L Land use and transport planning
  - Clause 18.02-3L Public transport
  - Clause 18.02-4L Car parking
  - Clause 19.02-6L-01 Open space
  - Schedule 14 to Clause 43.02 Design and Development Overlay (DDO14)
  - Schedule to Clause 72.03 What Does This Planning Scheme Consist Of?
  - Schedule to Clause 72.08 Background documents
  - Schedule to Clause 74.01 Application of zones, overlays and provisions
- Rezones:
  - Land within the Cheltenham Structure Plan Area from Commercial 1 Zone (C1Z), Commercial 2 Zone (C2Z), General Residential Zone Schedule 1 (GRZ1), GRZ12, GRZ13, GRZ14, GRZ15, GRZ16, GRZ17, GRZ18, Mixed Use Zone (MUZ), Neighbourhood Residential Zone Schedule 1 (NRZ1), NRZ3 and Residential Growth Zone Scheule 3 (RGZ3) to PRZ1

- Applies:
  - Clause 43.03 Environmental Audit Overlay (EAO) to properties listed in Attachment 1 to this explanatory report
- Deletes:
  - Clause 11.03-1L-06 Highett
  - Schedule 4 (DDO4) to Clause 43.02 Design and Development Overlay
  - Schedule 14 (DDO14) to Clause 43.02 Design and Development Overlay from the Cheltenham Structure Plan Area
  - Schedule 1 to Clause 43.04 Development Plan Overlay (DPO1) from the planning scheme

### ***Kingston Planning Scheme***

- Inserts the following background documents into the Schedule to Clause 72.08:
  - *SRL East Structure Plan – Cheltenham* (SRLA, 2025)
  - *SRL East Implementation Plan – Cheltenham* (SRLA, 2025)
  - *Precinct Parking Plan – Cheltenham* (AJM, 2025)
- Inserts:
  - Clause 11.03-6L-01 SRL East Structure Plan Areas
  - Clause 11.03-6L-02 Cheltenham SRL East Structure Plan Area
  - Clause 37.10 Precinct Zone and Schedule 1 (PRZ1), Schedule 2 (PRZ2), Schedule 3 (PRZ3) and Schedule 4 (PRZ4) to Clause 37.10 Precinct Zone
  - Clause 43.06 Built Form Overlay and Schedule 1 (BFO1), Schedule 2 (BFO2), Schedule 3 (BFO3) and Schedule 4 (BFO4) to Clause 43.06 Built Form Overlay
  - Schedule 2 (PO2) and Schedule 3 (PO3) to Clause 45.09 Parking Overlay
- Amends:
  - Clause 02.01 Context
  - Clause 02.03-1 Settlement
  - Clause 02.03-5 Built environment and heritage
  - Clause 02.03-6 Housing
  - Clause 02.03-7 Economic development
  - Clause 02.03-9 Infrastructure
  - Clause 02.04 Residential Strategic Framework Plan
  - Clause 11.03-1L-01 Activity centres – Kingston
  - Clause 15.01-1L-04 Landscape design - Kingston
  - Clause 15.01-5L-01 Neighbourhood character – Kingston
  - Clause 18.02-4L Car parking – Kingston
  - Schedule 25 (DDO25) and Schedule 26 (DDO26) to Clause 43.02 Design and Development Overlay
  - Schedule to Clause 53.01 Public open space contribution and subdivision
  - Schedule to Clause 66.06 Notice of permit applications under local provisions
  - Schedule to Clause 72.03 What Does This Planning Scheme Consist Of?
  - Schedule to Clause 72.04 Incorporated document
  - Schedule to Clause 72.08 Background documents

- Schedule to Clause 74.01 Application of zones, overlays and provisions
- Applies:
  - The Environmental Audit Overlay to properties listed in Attachment 1 to this explanatory report
- Rezones:
  - Land within the Cheltenham Structure Plan Area from Activity Centre Zone Schedule 1 (ACZ1), C1Z, C2Z, GRZ5, MUZ, NRZ7 and RGZ1, RGZ2 and RGZ3 to PRZ1
  - Land immediately north of Bay Road, between Nepean Highway and Frankston Rail Line, from C2Z and Public Park and Recreation Zone (PPRZ) to PRZ2
  - The Southland Shopping Centre from C1Z to PRZ3
  - The former Highett Gasworks from RGZ2 to PRZ4
- Deletes:
  - Clause 11.03-1L-02 Cheltenham Southland Major Activity Centre
  - Clause 11.03-1L-05 Highett Neighbourhood Activity Centre
  - Schedule 12 (DDO12) and Schedule 21 (DDO21) to Clause 43.02 Design and Development Overlay from the planning scheme
  - Schedule 25 (DDO25) and Schedule 26 (DDO26) from land within the Cheltenham Structure Plan Area
  - Schedule 1 to Clause 43.03 Incorporated Plan Overlay (IPO1) from the planning scheme
  - Schedule 7 to Clause 43.04 Development Plan Overlay (DPO7) from the planning scheme.

## **Strategic assessment of the amendment**

### **Why is the amendment required?**

The amendment is required to introduce planning policies and controls which will guide the development of land within the Cheltenham Structure Plan Area for the next 15 years in line with the vision and objectives of the Structure Plan. The Structure Plan builds on the existing strengths of the area, with an emphasis on the priorities of more homes and greater housing choice, more jobs closer to where people live, and liveable and sustainable communities. It focuses health and medical services around existing health and medical clusters. Changes to the planning schemes reflect this vision.

#### *Rezoning of land*

The majority of land within the Cheltenham Structure Plan Area will be rezoned to a Precinct Zone. This will enable such land to be used and developed in a manner consistent with what the Structure Plan envisions.

### *Application of Built Form Overlay*

A BFO will be applied to the majority of land within the Cheltenham Structure Plan Area. The overlay will help guide development within the area so that it is consistent with the objectives and outcomes sought by the Structure Plan.

### *Application of Environmental Audit Overlay*

The overlay will be applied to land within the Cheltenham Structure Plan Area where new sensitive uses will be permitted under the Precinct Zone (where those uses would previously have been prohibited) and the land has been identified as potentially contaminated.

### *Application of Parking Overlay*

The overlay will be applied to land within the Cheltenham Structure Plan Area, excluding publicly zoned land, to encourage sustainable transport patterns and alternative forms of parking throughout the precinct.

## **How does the amendment implement the objectives of planning in Victoria?**

The amendment implements the objectives of planning in Victoria as outlined in section 4(1) of the *Planning and Environment 1987 Act* (the Act) by introducing a land use and development framework for the Cheltenham Structure Plan Area.

The amendment will apply policy, zone and overlay controls and update particular, general and operational provisions to implement the Objectives, Strategies and Actions within the Structure Plan. The Structure Plan forms the strategic basis for the amendment and is supported by technical investigations covering topics such as traffic and transport, urban design, housing needs, employment and climate resilience.

## **How does the amendment address any environmental, social and economic effects?**

### Environmental effects

The amendment introduces policy and applies tailored schedules to the Precinct Zone and Built Form Overlay to encourage land use and development around the SRL station, increasing opportunities for walking, cycling, and public transport use. This will reduce car use to generate social and environmental benefits.

The new planning controls also make provisions for new development to contribute to increasing tree canopy. They set Green Star sustainability rating requirements for specified larger developments and require Sustainable Management Plans for other new development.

The Environmental Audit Overlay (EAO) will be applied to land that has been identified as potentially contaminated and proposed to be rezoned to allow for a

sensitive use for the first time, where that use would have previously been prohibited. This allows for current uses to continue to operate and ensures any future sensitive use is protected from potentially contaminated land.

### Social effects

The amendment introduces planning policy and controls to capitalise on the improved public transport access and connectivity that SRL East will provide to generate social benefits and opportunities.

New and amended planning controls will enable development of a greater range of housing types, sizes and tenures in residential areas; delivery good amenity outcomes in growing neighbourhoods; and incentivise affordable housing in areas of greater housing growth.

A Voluntary Public Benefit Uplift Framework, enacted through the Precinct Zone schedules, incentivises the delivery of nominated public benefits. These include:

- Affordable housing.
- Public realm works.
- Open space.
- Strategic land use.

This framework is designed to encourage the delivery of a nominated 'public benefit' in exchange for development rights. These benefits will result in social benefits.

### Economic effects

The amendment seeks to reinforce the role of Cheltenham as a major employment centre in Melbourne's south-east region.

It will facilitate new investment and diverse job opportunities, with Southland Shopping Centre and the Bayside Business District remaining centres of economic activity and employment.

New and amended planning policy will facilitate mixed-use development around the SRL station to create new jobs and housing.

The amendment seeks to:

- Encourage more office space in new developments, and a mix of commercial, retail, dining and entertainment uses to create a vibrant night-time economy in and around the Southland Shopping Centre.
- Support employment uses along Bay Road, including office space, with worker amenity uses such as retail, entertainment and housing.
- Promote housing development and employment growth within the Highett Neighbourhood Activity Centre.
- Encourage new residential and retail uses within the Bayside Business District.
- Encourage the intensification of land use and development in existing mixed-use areas along Nepean Highway.

## **Does the amendment address relevant bushfire risk?**

The amendment does not increase the risk to life, property, community infrastructure and the natural environment from bushfire.

## **Does the amendment comply with the requirements of any other Minister's Direction applicable to the amendment?**

### *Ministerial Direction - Form and Content of Planning Schemes*

The amendment complies with the requirements of *Ministerial Direction on the Form and Content of Planning Schemes* under section 7(5) of the Act.

### *Ministerial Direction 1 - Potentially Contaminated Land*

The amendment consistent with *Ministerial Direction 1: Potentially Contaminated Land* through its recognition of the historical context of the area as a mixture of housing, employment and industry uses. This amendment introduces the Environmental Audit Overlay over land recognised as having a high or medium likelihood of contamination, which is proposed to be rezoned to allow for sensitive uses for the first time, where those uses would have previously been prohibited. This will ensure that a preliminary risk screen assessment statement or an environmental audit statement is obtained prior to the commencement of sensitive uses where this is required.

### *Ministerial Direction 9 - Metropolitan Strategy*

The amendment aligns with the Metropolitan Planning Strategy, *Plan Melbourne 2017-2050*, achieving Policies and Directions across Outcomes 1-6 of Plan Melbourne. The amendment responds to the requirement to undertake a precinct-wide approach to planning for new development and investment opportunities on the existing and planned public transport network. Plan Melbourne identifies a hierarchy of places throughout the city that will accommodate different levels of change. State-significant precincts, such as the area around the SRL station, are expected to grow and flourish as liveable, productive and connected neighbourhoods in line with Plan Melbourne's objectives.

### *Ministerial Direction 11 - Strategic Assessment of Amendments*

The amendment complies with *Ministerial Direction 11 - Strategic Assessment of Amendments* under section 12 of the *Planning and Environment Act 1987*. The amendment is consistent with this direction which ensures a comprehensive strategic evaluation of a planning scheme amendment and the outcomes it produces.

### *Ministerial Direction 19 - Preparation and Content of Amendments that may significantly impact the environment, amenity and human health*

The Ministerial Direction (MD19) requires planning authorities to seek the views of the Environment Protection Authority (EPA) in the preparation of a planning scheme



that could result in use or development of land that may result in significant impacts on the environment, amenity and human health due to potentially contaminated land.

Discussions with EPA on MD19 matters commenced in late 2023. As required by MD19, SRLA sought the written views of the EPA in December 2024 about the potential impacts of the draft amendment and structure plan on the environment, amenity and human health.

The documents provided to the EPA included SRLA's response to potentially contaminated land, noting that matters associated with potentially contaminated land are discussed above in relation to Ministerial Direction 1.

SRLA and the EPA met on 21 January 2025 to discuss the EPA's preliminary views, which were then provided in writing to SRLA on 31 January 2025. The EPA confirmed that further information is required from SRLA before written views can be provided by the EPA. The requested information was provided to EPA in January 2025, and SRLA will continue to work with EPA to resolve any outstanding issues.

## **How does the amendment support or implement the Planning Policy Framework and any adopted state policy?**

The amendment is consistent with the following clauses of the Planning Policy Framework and will assist in achieving objectives of these clauses.

### ***State and Regional Policy***

#### ***Clause 11.01-1S – Settlement***

The amendment is consistent with the strategy to *“develop sustainable communities through a settlement framework offering convenient access to jobs, services, infrastructure and community facilities”*.

#### ***Clause 11.01-1R – Settlement – Metropolitan Melbourne***

The amendment is a key result of the strategy to *“develop the Suburban Rail Loop through Melbourne's middle suburbs”* and will *“facilitate substantial growth and change in major employment, health and education precincts and activity centres beyond the central city at an appropriate scale to address the needs of Melbourne's rapidly growing population”*.

The amendment also aligns with strategy to *“create mixed-use neighbourhoods at varying densities, including through the development of urban-renewal precincts, that offer more choice in housing, create jobs and opportunities for local businesses and deliver better access to services and facilities”*.

#### ***Clause 11.02-2S Structure planning***

The amendment supports this policy by implementing a land use and development framework based on comprehensive strategic planning undertaken for the Cheltenham Structure Plan Area.

#### ***Clause 13 Environmental risks and amenity***

The amendment supports these clauses by applying decision guidelines within the zone schedules to require consideration where an industry or warehouse use is proposed, the effect that the proposed use may have on the amenity of nearby residential areas or other uses which are sensitive to industrial off-site effects.

*Clause 15.01-1S/R Urban design*

Built form controls support the strategy to “*create urban environments that are safe, healthy, functional and enjoyable and that contribute to a sense of place and cultural identity*”.

*Clause 15.01-2S Building design*

Built form controls respond to strategy to deliver “*building design and siting outcomes that contribute positively to the local context, enhance the public realm and support environmentally sustainable development*”.

*Clause 16.01-1R Housing supply – Metropolitan Melbourne*

The amendment supports this clause to deliver increased housing supply within an urban renewal precinct, activity centres, and areas near existing and proposed railway stations that can support transit-oriented development.

*Clause 16.01-2S Housing affordability*

Increased housing closer to jobs, transport and services enabled by the amendment will help to improve housing affordability.

*Clause 16.01-5S Residential aged care facilities*

New local policy encourages residential aged care and independent living development within the Southland and Highett neighbourhoods to allow people to age in place.

*Clause 17.01-1R Diversified economy - Metropolitan Melbourne -Inner South East Metro Region*

Controls to be applied to the Bayside Business District will not inhibit its envisaged growth.

*Clause 17.02-1S Business*

The new planning controls encourage development that will meet the community's needs for retail, entertainment, office and other commercial services.

*Clause 18.01-1S Land use and transport integration*

The amendment facilitates access to social, cultural and economic opportunities by leveraging the opportunity for increased development intensity associated with the accessibility afforded by the new SRL station at Cheltenham and integration with the existing Southland metro station.

*Clause 18.02 Movement networks*

This clause is broadly supported through the provision of active transport links within

the Cheltenham Structure Plan Area, as well as in policy and development application requirements relevant to reduced car parking and provision of sustainable transport initiatives.

### ***Bayside Planning Scheme***

#### ***Clause 15.01-1L Urban Design***

The new built form controls consider visual impact and solar access.

#### ***Clause 16.01-1L Housing supply***

The new planning controls aim to deliver increased diversity and density of housing to meet the needs of the community.

#### ***Clause 16.01-2L Housing affordability***

Affordable housing is supported in proposed local policy.

#### ***Clause 18.01-1L Land use and transport planning***

Land use and development is concentrated around locations with the greatest access to public transport, and will be supported by active transport opportunities.

### ***Kingston Planning Scheme***

#### ***Clause 15.01-1L-01 Urban Design - Kingston***

Built form controls consider visual impact and solar access.

#### ***Clause 15.01-3L Building Design - Kingston***

Built form controls have been designed to “*support well-designed development that makes a positive contribution to the streetscape and public realm*”.

## **How does the amendment support or implement the Municipal Planning Strategy?**

The amendment makes changes to the strategic directions in the Municipal Planning Strategy (MPS) to include the Suburban Rail Loop (East) – Cheltenham Precinct. These changes include the insertion of specific strategic directions for the SRL Cheltenham Precinct.

The amendment is consistent with the existing MPS of the Bayside and Kingston Planning Schemes by implementing planning controls which facilitate the coordinated and staged planning and delivery of the Structure Plan, in a manner which will enhance the vision of the municipality.

The amendment will help realise the municipal vision set out in Clause 02.02 of the Bayside Planning Scheme to

*be a city which protects and enhances the quality and character of the natural and built environment through environmentally sustainable development and management of land*

by applying planning controls to deliver high-quality land use and built form

outcomes while supporting significantly increased development intensity.

The amendment supports the strategic directions within Clause 02.03 in the Bayside Planning Scheme *to maintain the individual strengths of each centre; plan for development that contributes to the economic viability of activity centres; encourage both daytime and evening activities; encourage increase to commercial floorspace; support higher density and diverse residential developments with active uses at ground floor level; and establish a built form that provides a transition to adjoining residential areas.*

The amendment supports the municipal vision set out in Clause 02.02 in the Kingston Planning Scheme to achieve an *inclusive, resilient community with a thriving economy, where we all share a safe, sustainable environment* by delivering increased housing opportunity and diversity and enhanced local economies.

The amendment implements the strategic directions set out within Clause 02.03 of the Kingston Planning Scheme to accommodate increased urban growth in established areas and facilitate ongoing renewal in activity centres to integrate land use and transport, and promote health and wellbeing by introducing planning controls are implemented by the amendment.

Changes will be made to local policy in the Bayside and Kingston Planning Scheme to give effect to and implement the Cheltenham Structure Plan.

## **Does the amendment make proper use of the Victoria Planning Provisions?**

The amendment makes proper use of the Victoria Planning Provisions by updating and amending the Planning Policy Framework to implement the objectives and strategies to achieve the strategic directions set by the Structure Plan.

The PRZ is the most appropriate zone in the VPP to facilitate substantial urban change, public benefits and a new urban form that reflects the role of the precinct. The zone facilitates land uses and subdivision patterns in accordance with a use and development framework plan and supports sustainable outcomes that maximise public and active transport.

The BFO is the most appropriate tool in the VPP to provide for the outcomes in the structure plan area to which it applies. Using a BFO allows the planning controls to be focused on built form controls including building height and building setbacks with clear benchmarks for good quality built form outcomes.

The application of the PO is the appropriate tool in the VPP to manage car parking in a precinct and specify variations to the standard requirements in clause 52.06 (Car parking).

The application of the EAO is the appropriate tool in the VPP to manage potentially contaminated land.

The amendment modifies existing controls in the planning schemes to remove

duplication or avoid conflict with the new planning controls and to reflect the Structure Plan.

The Structure Plan and Implementation Plan will be referenced as background documents, providing the long-term strategic framework which has guided the controls.

### **How does the amendment address the views of any relevant agency?**

The amendment has been prepared in consultation with relevant agencies including Bayside and Kingston City Councils, Department of Transport and Planning, Melbourne Water and Environment Protection Authority.

The views of relevant agencies will be further sought during the public notification process of the amendment.

### **Does the amendment address relevant requirements of the Transport Integration Act 2010?**

The Suburban Rail Loop Authority in itself and acting as a planning authority is an 'interface body' under the *Transport Integration Act 2010*. Under Section 25 of that Act:

- (1) An interface body must have regard to the transport system objectives when exercising powers and performing functions under any interface legislation which are likely to have a significant impact on the transport system.
- (2) An interface body must have regard to the decision making principles in making decision under any interface legislation which are likely to have a significant impact on the transport system.

The amendment is likely to have a significant impact on the transport system at a local level. The amendment introduces planning controls into the planning schemes based on the Structure Plan, which has been prepared to reflect the urban renewal opportunity afforded by the SRL station at Cheltenham. The amendment allows a significant intensification of development in the area and consequent increased use of the transport system.

The amendment responds to this impact by:

- Promoting social inclusion and economic prosperity by developing residential and employment areas close to the transport network, including the SRL station at Cheltenham, which is accessible by all in the community.
- Enhancing local and regional connectivity in line with environmentally sustainable travel policy and integrated transport and land use principles contained within state planning policy documents.
- Introducing car parking controls to encourage limited vehicle use, supported by the development of strong active transport links and supporting innovative

modes which can have a positive impact on the transport system, safety and wellbeing.

- Requiring development applications above a certain size to prepare Green Travel Plans to manage transport demand.
- Requiring the consideration of bicycle parking in development applications to encourage healthy travel outcomes.

## **Resource and administrative costs**

### **What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?**

The amendment may have an impact on the responsible authority resources. The introduction of new planning controls will increase the development capacity throughout the structure plan area, which could result in an increase in permit applications.

It is considered that any impact on resources will be supported by a streamlined decision making process, enabled in the PRZ and BFO, public notice and third-party exemptions and 'deemed to comply' built form requirements.