

Amendment VC242 – fact sheet

[Amendment VC242](#), gazetted on 20 September 2023, makes changes to the Victoria Planning Provisions (VPP) and all planning schemes by introducing two new particular provisions to facilitate developments that:

- provide a significant level of housing, which may include affordable housing (Clause 53.23),
- or make a significant contribution to Victoria’s economy and provide substantial public benefit, including new jobs (Clause 53.22)

The Amendment makes the Minister for Planning the responsible authority for developments to which clause 52.22 or clause 52.23 apply.

In addition to being able to waive the affordable housing requirement, the Minister may also waive any building height, setback, or garden area requirements that would otherwise apply. The Minister’s discretion also extends to waiving conditions that would otherwise make a use prohibited, such as maximum floorspace requirements for some commercial uses in residential zones.

Applications made under these clauses are exempt from third party review.

The justification given for the amendment is to expedite new development that supports economic activity, provision of services and improves housing choice and affordability. While the Premier has stated these applications will be processed within 120 days this does not appear to be enacted formally in the provisions and is still twice as long as the 60-day decision timeframe the Premier has criticised councils for not meeting.

This amendment accompanied the government’s [Housing Statement](#) and is the first major change to Victorian planning schemes associated with the statement. See our separate fact sheet on [Amendment VC243](#) for information on subsequent changes made to all planning schemes.

Clause 52.22 Significant Economic Development

In order to be eligible for assessment under this clause, the proposed development must fall under one of the following three categories:

Category	Condition
1	At least one of the uses in an application must exceed the size thresholds specified for that use in the table below. An application must have written advice from Invest Victoria confirming the likely financial feasibility of the proposal.
2	The use must be specified in the table below and be carried out on behalf, in partnership, or funded in part by the Victorian Government or a public authority, or be carried out on Crown land.
3	The use must be specified in the table below and the responsible authority deems it significant having regard to the purposes of this provision, the cost of development, and written advice from Invest Victoria.

We understand that category 3 is referring to the Minister as the responsible authority, essentially providing her with broad discretion to determine that an application qualifies for assessment under clause 53.22.

Uses	Metropolitan Threshold	Regional Threshold
Camping and caravan park Group accommodation Food and drink premises (other than bar, convenience restaurant and take away food premises) Leisure and recreation Place of assembly Recreational boat facility Residential hotel Winery	\$10 million	\$5 million
Agriculture Data centre Industry Research centre	\$20 million	\$10 million
Hospital Medical centre Warehouse	\$30 million	\$10 million
Tertiary institution	\$30 million	\$20 million
Retail premises (other than food and drink premises)	\$100 million	\$20 million
Earth and energy resources (other than extractive industry, mineral exploration, petroleum exploration, petroleum production and stone exploration)	\$30 million	
Extractive industry	Estimated value of the resource to be extracted must be at least \$30 million	
Mining and mineral exploration	\$10 million	
Office	Gross floor area 10,000 sqm	Gross floor area 5,000 sqm

Clause 53.23 Significant Residential Development with Affordable Housing

In order to be eligible for assessment under this clause, the proposed development must fall under one of the following three categories:

Category	Condition
1	<p>The estimated cost of the development must be at least:</p> <ul style="list-style-type: none"> • \$50 million if any part of the land is in metropolitan Melbourne; or • \$15 million if the land is not in metropolitan Melbourne. <p>At least 10% of the total number of dwellings in the development must be affordable housing (<i>note: this requirement can be waived altogether by the Minister</i>)</p> <p>Must have written advice Invest Victoria confirming the likely financial feasibility of the proposal</p>
2	<p>The development will be:</p> <ul style="list-style-type: none"> • carried out by or on behalf of, or jointly or in partnership with, the State of Victoria or a public authority; or • funded, or partly funded, by the State of Victoria or a public authority; or • carried out on Crown land.

	<p>At least 10% of the total number of dwellings in the development must be affordable housing (<i>note: this requirement can be waived altogether by the Minister</i>)</p>
3	<p>The responsible authority has advised in that the development is of significance having regard to:</p> <ul style="list-style-type: none"> • The proposed provision of affordable housing within the development • The estimated cost of development • The location of the development and whether it has convenient access to jobs, services, infrastructure and community facilities. • Whether the design, liveability and sustainability of the development is exemplary. • Whether the development will be owned and operated by a community housing provider. <p>Must have written advice from Invest Victoria confirming the likely financial feasibility of the proposal.</p>

We understand that category 3 is referring to the Minister as the responsible authority, essentially providing her with broad discretion to determine that an application qualifies for assessment under clause 53.23.

You can read the MAV's initial response to Amendment VC242 [here](#).