

## Planning Implementation (DELWP)

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**From:** contact@engage.vic.gov.au  
**Sent:** Tuesday, 24 December 2019 11:18 AM  
**To:** Planning Implementation (DELWP)  
**Subject:** New Form submission on Planning for Melbourne's Industrial and Commercial Land



### **New Form submission on Planning for Melbourne's Industrial and Commercial Land**

Hi [planning.implementation@delwp.vic.gov.au](mailto:planning.implementation@delwp.vic.gov.au)

There has been a submission on [Planning for Melbourne's Industrial and Commercial Land](#) through Engage Victoria

A copy of the submission is provided as below:

#### **Planning principles and strategies for employment land.**

The draft Melbourne industrial and commercial land use plan includes principles and strategies to guide planning for industrial and commercial land. (page 32).

**Do you think the principles and strategies provide enough clarity and guidance to assist planning for industrial and commercial land?**

Yes

**If no, please let us know why and how they could be improved.**

### **Criteria to identify regionally-significant industrial precincts.**

Plan Melbourne identifies state-significant industrial precincts. The draft Melbourne industrial and commercial land use plan identifies regionally-significant industrial precincts and includes criteria used as the basis to identify these locations (page 34).

**Do you support the criteria developed to identify regionally-significant industrial precincts?**

**If no, please let us know why and how they could be improved.**

### **Purpose for regionally-significant industrial precincts and local industrial precincts.**

Plan Melbourne outlines a purpose for state-significant industrial precincts. The draft Melbourne industrial and commercial land use plan identifies a purpose for regionally-significant industrial precincts and local industrial precincts (page 35).

**Do you support the purpose developed for regionally-significant industrial precincts and local industrial precincts?**

**If no, please let us know why and how they could be improved.**

### **Developing local industrial land use strategies.**

Appendix 2 of the draft Melbourne industrial and commercial land use plan proposes guidance for developing local industrial land use strategies.

**Do you have any comments or suggestions to improve the guidance for developing local industrial land use strategies?**

### **Key industrial and commercial areas.**

The draft Melbourne industrial and commercial land use plan identifies and describes key industrial and commercial areas for each of the six metropolitan regions (refer to Part B of the plan).

**Have the key industrial and commercial areas been adequately identified and described across the regions?**

**If no, please let us know which other area we should identify or how the areas can be better described.**

**Would you like to comment on any other aspects of the plan?**

**If you would like to upload a submission, please do so here.**

**[Redacted]**

**I am making this submission:**

on behalf of an organisation

**Email address (Optional)**

████████████████████

**I agree to receive emails about my submission if required or project updates.**

Yes

## **Privacy Statement - Draft Melbourne Industrial and Commercial Land Use Plan**

### **What we will do with your submission**

The Department of Environment, Land, Water and Planning (DELWP) is committed to protecting personal information provided by you in accordance with the principles of the Victorian privacy laws. The submission you provide to DELWP will be used to inform the finalisation of the Melbourne Industrial and Commercial Land Use Plan.

The information you provide will be made available to DELWP to develop a consultation report. This report will be uploaded to the Melbourne Industrial and Commercial Land Use Plan page on the DELWP website.

The contact information you provide may be used to contact you should we need to clarify your submission or to provide you with project updates.

The submission you provide will be published on the DELWP website. To protect individual privacy, DELWP will remove your name and address from your submission when we receive it.

If you do not wish to be identified, please ensure there is no other information in your submission that could identify you or other individuals.

If you are making comment as an organisation, then your comments may be published, including the name of your organisation.

De-identified submissions may be used by DELWP, or its contracted service providers under confidentiality agreements, in preparing its recommendations to government.

Please note, if you do not provide your name/email address we will not be able to identify your submission if you wish to access it, make a correction, or require technical support.

Should you need to correct the information you provided or gain access to your submission, please contact us via email at [planning.implementation@delwp.vic.gov.au](mailto:planning.implementation@delwp.vic.gov.au)

**I agree to the privacy statement**

yes

To view all of the form's submissions, visit:

<https://engage.vic.gov.au/index.php/dashboard/reports/forms/viewDetail/2373>

Regards,

The Engage Victoria Team

This is not SPAM. You are receiving this message because you have submitted feedback or signed up to Engage Victoria. If you think you have been sent this by mistake please contact us at [contact@engage.vic.gov.au](mailto:contact@engage.vic.gov.au).

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24 December 2019

To whom it may concern,

**Submission: Draft Melbourne Industrial and Commercial Land Use Plan**

Charter Keck Cramer writes in relation to the study's floor space per worker assumptions as per the table below.

**Table 1: Floorspace per worker**

6-industry classifications	Australian and New Zealand Standard Industry Classification (ANZSIC)	Floor area sqm/employee
Business Service	Administrative and support services	25
	Financial and insurance services	19
	Information media and telecommunications	24
	Professional, scientific and technical services	22
	Public administration and safety	19
Retail, accommodation, food and other	Rental, hiring and real estate services	34
	Accommodation and food services	26
	Other services	43
	Retail trade	30

The floor space assumptions are crucial in determining future floor space requirements. As such, government needs to be confident that these assumptions are robust and applied in a way that reflects current and future land use practices.

Charter submits that:

- a) floor space assumptions should be further validated and tested
- b) the origins of the floor space assumptions need to be transparently documented; and
- c) the way in which the assumptions are applied to identify future floor space demand should be more sophisticated.

In relation to the ratios, there are many examples in which employment densities greatly exceed the study's floor space assumptions. Within Charter's Melbourne office, for instance, the gross floor space ratio per worker is 14.5 sqms per worker which is a significantly greater density than the 22 sqms per worker that the study assumes for professional service workers. Charter's use of space within the multi storey 8 Exhibition Street building is comparable to those of other tenants within the building which include Ernst and Young, Development Victoria and Amazon. Charter has extensive experience in organising accommodation solutions for corporate and institutional clients throughout Australia and can site numerous examples in which space is used more efficiently than has been assumed in the study – the co-working sector, for instance, typically provides space at between 8 to 12 sqms per worker.

Charter, therefore, advocates for further testing and review of the study's floor space assumptions.

It seems that assumptions have been applied via a straightforward mathematical approach in which projected numbers of future employees are associated with floor space demand (ie: future employees \* floor space ratio = future floor space demand). This formula, however, doesn't account for the variety of employment densities evident throughout Melbourne. It's therefore recommended that the Department consider revising the formula to apply a range of floor space ratios per worker. For example, in projecting floor space requirements for professional services the study might assume a proportion of workers at



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different employment densities – ie 10% of workers at 10sqms, 10% at 12 sqms, 15% at 14 sqms etc...rather than a blanket 22sqms per worker). The formula should be based on how space is currently used.

The study also doesn't account for the conversion and repurposing of space for new uses – across Collingwood, for instance, the past decade has seen the repurposing of former manufacturing and warehousing space into office use. The study, nonetheless, implies that floor space requirements will need to be achieved via the development of new space when within Melbourne's property markets, space is continually being repurposed and re-imagined.

Further to the above, it is not clear whether the ratios are gross or net floor space ratios per worker. Likewise, the origins of these assumptions have not been documented.

Charter can clarify and explain the above as required.

Yours Sincerely



National Director  
Research and Strategy