Frequently Asked Questions

Climate change consideration in land use planning decisions



September 2025

MINISTERIAL DIRECTION 22

How do climate change matters apply to different types of amendments?

The new consideration applies different matters to different types of planning scheme amendments.

Minimising greenhouse gas (GHG) emissions must be considered for amendments that enable non-urban land to be used and development for urban purposes and the significant change and or intensification of urban land. Increasing resilience to climate change risks must be considered for new land use and development that may be exposed to natural hazards.

Assessment and responses to the impact of climate change on natural hazards must be based on best available science and information on the potential for increased climate-related hazards for Victoria.

Multiple considerations will apply in many locations and for different categories of amendments.

What is the extent or scope of matters relating to climate change under the Ministerial Direction?

The Ministerial Direction specifies the climate change matters that a planning authority must consider, which are set out as key considerations in the <u>Climate change consideration guidelines</u> (Department of Transport and Planning DTP, September 2025) (Guidelines).

A planning authority must also have regard to the relevant climate related policies in the planning policy framework of the planning scheme. DTP's webpage includes a <u>Climate change policy and resources</u> (DTP, September 2025) document that assembles and explains the key state planning policies on GHG emissions reduction and climate risks. This will be updated as new information and resources become available.

What will these changes mean for major transport projects that need to be authorised by planning scheme amendments?

Planning authorities will need to consider climate change as set out in the new section 12(2A) of the *Planning* and *Environment Act 1987* (the Act) and in accordance with the Ministerial Direction when preparing planning scheme amendments to facilitate major transport projects or similar.

The planning authority will be required to consider climate change in the context of the particular amendment, but the legislation does not dictate how a planning scheme amendment should respond to these considerations. That will be a matter for the planning authority.

Do proponent-led planning scheme amendments need to meet the Ministerial Direction?

Yes. The requirement applies to planning scheme amendments prepared by a council or other planning authority directly, or an amendment proposal initiated by a landowner or other person.

If an amendment is prepared at the request of a landowner or other person, the planning authority should discuss the Ministerial Direction with the proponent, so they understand the requirements, including the preparation of relevant documentation.

How are the requirements of the Ministerial Direction to be satisfied?

The minimising GHG emissions requirement is satisfied by analysing the envisaged use and development relevant to the proposed planning scheme amendment against the planning policies and strategies that contribute to GHG emissions reduction and implementing these policies.

The increasing resilience to climate change risks requirement is satisfied by analysing the impact of climate change on the envisaged use and development and evaluating whether it will exacerbate risk to existing residents, property and infrastructure, as well as future uses that would be enabled by the amendment. The envisaged use and development should be analysed against the planning policies on natural hazards and apply these policies.

To demonstrate that a new planning scheme and relevant amendments have undertaken a climate change assessment, a planning authority or proponent should consolidate this information in a Climate change consideration report.

Is a Climate change consideration report required for all amendments?

A Climate change consideration report (or suitable equivalent) will be expected for all amendments. Compiling suitable documentation, such as a Climate change consideration report, provides assurance that an assessment against the Ministerial Direction has been undertaken.

For significant amendment proposals a suitable equivalent report may be acceptable where it can consolidate the necessary information from other relevant technical reports. For simple amendments with less potential impacts, a more abbreviated report will suffice.

Is there a standard format for the Climate change consideration report?

The <u>Climate change consideration report template</u> (DTP, September 2025) is available on the DTP website, which will assist planning authorities to undertake in-house preparation of the report. In most cases outsourcing of this reporting documentation should not be necessary, even for major land use change proposals.

Can I use the example template for the Climate change consideration report?

The <u>Climate change consideration report template</u> (DTP, September 2025) provides a basic format that can be used for completing a Climate change consideration report. When populated with the relevant information, it should be suitable for most amendments. Planning authorities can amend or expand the template, typically for more complex proposals, or to tailor responses for place specific circumstances. The assessment should not expand considerations or responses beyond the matters outlined in the scope of the Ministerial Direction.

Will the same level of detail be required in the Climate change consideration report for all amendments?

No. The Climate change consideration reports will differ in the degree of information or detail they provide, depending on the specific amendment proposal and its geographic location.

Do I need to include in the explanatory report that I have satisfied the Ministerial Direction?

Yes. The explanatory report prepared for the proposed planning scheme or amendment must provide a statement of how the requirements of the Ministerial Direction have been satisfied.

The statement should be drawn from the prepared Climate change consideration report or other technical reports associated with the proposed planning scheme or amendment.

GUIDANCE AND OTHER SUPPORTING MATERIAL

What resources are available to support planning authorities meet the Ministerial Direction?

The Climate change consideration guidelines (DTP, September 2025) (Guidelines) have been prepared by the Department of Transport and Planning with the Department of Energy, Environment and Climate Action to support planning authorities to comply with the Ministerial Direction.

A <u>Climate change policy and resources</u> (DTP, September 2025) document is also available listing relevant government policy, Victoria Planning Provisions (VPP) clauses and resources to support assessment of climate change considerations. This includes links to <u>Victoria's Future Climate Tool</u>, that planning authorities can use to help identify the risks arising or likely to arise from the impacts of climate change.

The Climate change consideration report template (DTP, September 2025) is also available to assist planning authorities and proponents to document how a proposed planning scheme or amendment has been assessed against the Ministerial Direction.

Do all the key considerations set out in the Guidelines need to be applied for every planning scheme amendment?

The prompts in the Guidelines are examples or suggestions and not mandated requirements, as the extent and scope of responses will vary with the type of proposal and location of the land use change enabled by the proposed planning scheme amendment.

Planning authorities should document what choices, options or assessments have been made that help contribute to GHG emissions reduction and support climate resilience, as relevant, in the Climate change consideration report, or equivalent.

Will the Ministerial Direction, guidance and supporting material be updated in the future?

The Ministerial Direction, guidance and supporting material will be updated as new tools, further evidence or information becomes available to inform decision-making.

What are the implications of this Ministerial Direction from introduction of the new deemed to comply standards in planning schemes?

Infrastructure and design responses at precinct and subdivision planning stage will help enhance the performance outcomes of the non-discretionary, deemed to comply (DTC) standards in the planning scheme. For instance, an urban layout enabling more lots with good solar orientation, will help achieve improved outcomes from application of the new lot-scale planning standards (e.g. increasing scope to locate future solar panels in an optimal position on a new building).

The new DTC approach also provides greater certainty about development approval requirements and this information can be factored into precinct planning assumptions. For example, the townhouse standards (VPP clause 55) now specify canopy tree provision requirements, so a known contribution to the precinct scale tree canopy target can be determined. Other response options not included through the DTC standards such as response to bushfire or flood risk, will need to be considered as part of responding to any overlays or particular provisions that apply to a site, or through precinct and subdivision planning.

MINIMISING GHG EMISSIONS

Is there a requirement to quantify GHG emissions generated by the envisaged use and development?

No. There is no requirement to do so under the Ministerial Direction.

Section 12(2A)(a) of the Act only requires a planning authority to have regard to GHG emissions reduction targets. Quantifying the direct or indirect GHG emissions likely to be generated by the use and development is not required. However, amendments should demonstrate that the envisaged use and development will minimise emissions (compared to not considering climate change). Where quantitative information is available about the relative difference in GHG emissions between different use or development options, then this may be presented, but it is not required.

What responses are expected on urban structure, layout and density to support GHG emissions reduction?

Key responses encompass:

- land use and transport integrated development
- precinct-scale planning to support readiness for growth of renewable energy, including zero emissions vehicles and
- orientation of roads and lots to support passive solar design.

What is land use and transport integrated development?

Greater housing density around public transport nodes and activity centres can help reduce transport related GHG emissions through mode shift and reduced travel distances.

These urban design measures support later subdivision planning to meet current standards, which have the objective to provide for 95 per cent of dwellings to be located no more than 800 metres street walking distance from the nearest existing or proposed railway station, 400 metres street walking distance from the nearest existing or proposed bus stop, and 600 metres street walking distance from the nearest existing or proposed tram stop unless, constrained by existing site conditions or topographic features.

These goals are also supported by a 20-minute neighbourhood approach to urban design.

How is planning for renewable energy and zero emissions vehicles relevant at a precinct-scale?

Planning responses at this scale are generally only possible where a service provider can supply additional advice or forward development plans. Precinct planning processes are well-suited to seeking such advice as part of utility services plan development and transport planning.

Where third party energy service providers can commit to neighbourhood battery storage, there may be a need to make allowances for the space (footprint) for these facilities and any necessary easements.

Advice from the Distribution and Network Service Provider may also be needed about electricity grid infrastructure readiness capacity linked to potential increases in rooftop solar output and charging of electric vehicles within the relevant development area.

What is good solar orientation?

Attention to major road and street alignment influences orientation of lots and scope for siting homes to achieve passive solar benefits. Aligning roads and streets so they are oriented east-west and north-south will support subsequent residential subdivision.

Current planning requirements for residential subdivision require at least 70 percent of lots with appropriate solar orientation, unless the precinct is constrained by topography or other site conditions.

Should planning authorities apply the Ministerial Direction to control direct GHG emissions for specific developments or categories of development?

No. It is not the function of the Ministerial Direction to require planning authorities to apply development restrictions or conditions for use of land for industrial purposes (due to potential for release of GHGs that may be associated with combustion processes such as waste to energy plants, or materials storage or breakdown including, landfills and composting). These are land uses and developments subject to separate regulatory processes, including the *Environment Protection Act 2017*.

Planning authorities should not interpret this Ministerial Direction as enabling the limiting of land uses otherwise permitted on zoned land in preference to land uses with lower emissions potential.

INCREASING RESILIENCE TO CLIMATE CHANGE RISKS

What information should be used to inform the assessment of resilience to climate change risks on use and development exposed to natural hazards?

Hazard and risk assessments, benchmarks and standards need to be based on best available science and information on the potential for increased climate-related hazards for Victoria. Assessments should be undertaken using methods, data and climate science issued or endorsed by relevant State and Commonwealth authorities, with reference to any climate science reports issued under the *Climate Action Act 2017*. On a case-by-case basis, standards issued by Standards Australia may also be suitable, where adopted by a relevant Victorian Government or Commonwealth Agency.

New tools or further evidence or information can be used when it is endorsed and made available by the Victorian or Commonwealth Government.

Advice from the relevant agency also helps fulfill the state planning policy requirement under the VPP to 'Identify at risk areas using the best available data and climate change science' (clause 13.01-15 Natural hazards and climate change).

What are key climate change impacts from natural hazards?

Climate change has the potential to exacerbate damage and disruption from natural hazards to:

- physical structures and assets (for example, buildings and infrastructure, including urban parks and sports fields)
- built and natural values (for example, places with cultural or heritage significance)
- activities and services that people and communities depend upon (for example, telecommunications or access to community and medical services).

Considerations include impacts on existing assets and values, as well as projected climate change impacts on planned development subject to the new planning scheme or amendment.

Not all impacts are significant, and some significant hazards can be managed to allow land use change and development. The Climate change consideration report provides a means of documenting the basis of decisions. Where suitable standards are available, the VPP provide planning benchmarks that trigger specific responses to particular hazards, most notably for flooding and sea level rise.

Why is it important to seek early input from relevant emergency management and natural resource management agencies?

To assist planning authorities to meet requirements under this Ministerial Direction, advice from the relevant agency responsible for responses to specific natural hazards will be important to support resilient outcomes for the community.

Early advice and views of relevant agencies particularly in the preliminary assessment stage of strategic work prior to commencement of the amendment process is recommended. This assists in identifying relevant information such as hazard related data, confirming the scale of potential impacts, existing hazard and risk assessment information, clarifying the applicability and constraints of technical assessments and gaining an initial understanding of the climate change implications of the proposed land use change.

The Guidelines provide information on designated state agencies for relevant natural hazards.

What responses to reduce urban heat exposure should be applied at this scale of planning?

Relevant strategies are outlined in planning policy and complementary particular provisions. For example, planning standards on integrated water management support cooling and greening the urban environment at the precinct planning and residential subdivision scale. Planning standards for canopy tree also contribute to reducing urban heat over the summer period. The <u>Precinct Structure Planning Guidelines: New Communities in Victoria</u> (Victorian Planning Authority, October 2021) provides general principles and performance targets for canopy trees.