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**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

ELEVENTH ASSEMBLY

**Standing Committee on Planning and Environment - Report No. 6 - Inquiry into DPA-04 Missing
Middle Housing Reform**

ACT Government Response

**Presented by
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Minister for Planning and Economic Development
26 May 2026**

Introduction

The ACT Government thanks the Legislative Assembly Standing Committee on Planning and Environment (the Committee) for [Report 6: Missing Middle Housing Report – Inquiry into Draft Major Plan Amendment to the Territory Plan 04](#) (the Report) and provides this response to the Report.

Draft Major Plan Amendment 04 (DPA-04) proposes to amend the Territory Plan to facilitate missing middle housing development across the residential zones, particularly in RZ1 and RZ2, by removing existing planning barriers and allowing a greater diversity of housing.

While not formally part of DPA-04, the ACT Government proposes to introduce a Missing Middle Housing Design Guide (the Design Guide) and changes to the relevant Technical Specifications (the Specifications) to support the amendments to the Territory Plan. The Design Guide and changes to the Specifications will guide proponents in the preparation of development applications and the Territory Planning Authority (the Authority) in assessing these applications for missing middle housing typologies now permitted under DPA-04.

The Report contains 18 recommendations of which only three (3) directly relate to DPA-04 (recommendations 9, 13 and 15) and two (2) relate to the Design Guide (recommendations 6 and 7). Other recommendations relate to matters that are not within the scope of DPA-04, including:

- increasing public housing stock
- reviewing the Lease Variation Charge
- upgrades to road infrastructure, public transport, active transport and open spaces, and
- urban heat island and tree canopy cover.

In accordance with Standing Order 254B, the ACT Government must table a response to the Report. The ACT Government's response to the eighteen recommendations of the Report are provided below. In addition, responses are provided to each of the Committee members' further findings and recommendations.

Of the 18 recommendations made by the Report, this ACT Government response:

- agrees to 7 recommendations
- agrees-in-principle to 5 recommendations, and
- notes 6 recommendations.

Under the process set out in the *Planning Act 2023*, the Minister has directed the Authority to revise DPA-04 and then prepare a final version for Ministerial approval. The Minister may then approve DPA-04. Once approved, the Minister must present the major plan amendment (MPA-04) in the Legislative Assembly. If a resolution rejecting MPA-04 is not made within five (5) sitting days of being presented, then MPA-04 will commence at a date fixed by the Minister by written notice.

It is important to provide a clarification to the Committee's summary of the statutory process for draft plan amendments at paragraph 1.3. Under Section 70 of the Act, the Minister must refer the draft amendment to the Committee, following which the draft amendment may be approved by the Minister under Section 75. The Minister's involvement before this step is procedural in nature and the Minister's power to approve DPA-04 comes only after the Committee conducts its inquiry and issues its report.

Response to Recommendations

Committee

Recommendation 1

The Committee recommends that the ACT Government undertake a review of the barriers to the uptake of the RZ2 reforms, put in place in 2003-2004, to increase density around local shops and group centres, to inform further improvements to the RZ2 zone and to identify incentives that encourage missing middle developments.

Government response

Existing Government policy

DPA-04 – Missing Middle Housing Reforms to the Territory Plan is directly aimed at addressing planning barriers within the RZ2 zone (as well as the RZ1 zone) for the development of missing middle housing.

The ACT Government has undertaken extensive engagement with community and industry throughout the scoping and later development of the Missing Middle Housing Reforms to understand key impediments and opportunities for RZ1 and RZ2 zoned land. Through this consultation and further commissioned work, the ACT Government has developed a robust understanding of key barriers to the development of missing middle housing including in the RZ2 zone. Where identified barriers were addressable within the scope of planning reforms, these barriers have been targeted and responded to in DPA04 and associated technical specifications, and through the introduction of the Missing Middle Housing Design Guide.

In 2023, the ACT Government commissioned consultant Purdon to undertake analysis to better understand the feasibility of integrating missing middle housing development in RZ1 and RZ2 areas. The project sought to assess opportunities and constraints to achieving missing middle housing. The [report](#) on this work has been publicly released.

This project was part of the implementation of the ACT District Strategies Action 2.3 to 'investigate the RZ2 Suburban Core Zone to determine why the existing built form does not demonstrate the intended variation of housing typologies between RZ1 and RZ2 zone'. While the report noted that the diversity of areas 'makes it difficult to offer generalised diagnostics on why some areas have or might develop and others have or may not develop', it highlighted several barriers to the uptake of missing middle housing.

Identified barriers included complex and rigid planning rules (for example height and minimum block size), process delays and financial factors that reduce the return on investment (ROI) such as lease variation charge (LVC) and construction costs. While some of these factors are outside Government control, the ACT Government has, and will continue to, progress a coordinated suite of policies and reforms extending beyond the current DPA-04 reforms to encourage missing middle housing development in the RZ2 zone. Further work is anticipated to consider

streamlining of approval pathways, reforms to the LVC framework and consideration of opportunities for additional housing near local, group and town centres.

Recommendation 2

The Committee recommends that the ACT Government:

- Increase its current target to provide additional public housing dwellings of 13,200 by 2030 to a target that meets the ACT's current and future needs;
- Increase public housing stock on an ongoing basis to meet our growing population needs rather than allowing public housing stock to decline in relation to population growth;
- Establish public, community and affordable housing targets for existing leased land that is redeveloped for residential purposes and establish the ACT Government funding and planning supports required to ensure these homes are provided.

Government Response

Noted

The ACT Government acknowledges the ongoing affordability challenges facing Canberrans and agrees a sustainable public housing system is an essential component of supporting vulnerable Canberrans.

The ACT Government has committed to enabling 30,000 homes by 2030, including the delivery of 5,000 public, community and affordable rentals. As part of these commitments, the ACT Government has undertaken to grow the Housing ACT-owned portfolio to 13,200 dwellings by 2030. This builds on the commitment to grow the portfolio by 400 dwellings under the Growing and Renewing Public Housing program, which will be delivered by 30 June 2027.

The ACT Government remains committed to increasing public housing supply and to ensuring the portfolio is fit for purpose through a combination of delivering stated growth targets, renewing existing stock, and improving utilisation of current dwellings.

The Government notes the Standing Committee's aspiration to grow the portfolio beyond the stated targets but does urge caution that population growth is not necessarily an accurate proxy measure for demand for public housing and any commitment to growth must be considered within the fiscal capacity of the Territory.

The ACT Government is also working with the housing sector to leverage Australian Government funding opportunities to increase the supply of social and affordable housing in the Territory.

In relation to the delivery of public, community and affordable housing on leased land, the ACT Government acknowledges that the ACT has only a limited amount of land available for new suburbs, which means existing mechanisms that rely on new suburban developments and release of ACT Government land cannot be relied upon in isolation to meet the demands of our growing population.

The ACT Government has commenced development of inclusionary zoning policy for precinct-scale redevelopments, responding to the Minister’s Statement of Planning Priorities. This will aim to achieve public, community and affordable housing in redevelopment of new housing precincts held under private leases. The Government notes feedback received during the Inquiry’s public hearings that applying public, community or affordable housing targets to smaller-scale developments is challenging as these types of development are less able to absorb impacts to feasibility.

Recommendation 3

The Committee recommends that the ACT Government establish an independent review of the LVC to investigate ways to best serve the public interest by balancing land value capture with encouraging missing middle development.

Government Response

Agreed in-principle

The ACT Government is conducting a broader review of the LVC framework. This review will investigate reform opportunities to provide greater certainty, efficiency and equity in LVC determinations and payments, including how the charge applies to different scales of development, including missing middle housing. Notably, while the review is being undertaken by the ACT Government, independent advice will be sought at key stages of the review process. Consultation with industry and community stakeholders will also be undertaken to support the review.

The ACT Government currently has a [RZ1 Lease Variation Charge \(LVC\) partial waiver](#) in place. Noting that this partial waiver expires on 30 June 2026, the ACT Government is considering LVC settings for missing middle housing from 1 July 2026 as part of the 2026/27 Budget process.

Recommendation 4

The Committee recommends that the ACT Government list and publish all service and infrastructure studies that have been undertaken in the past 5 years and undertake new regular assessments of the suburbs which are subject to densification through Missing Middle Housing Reforms. These assessments should be consistent with the Wellbeing Framework and associated indicators. These assessments should be used to inform infrastructure upgrades to improve the lives of all Canberrans, especially those who need it most.

Government Response

Agreed in-in principle

In relation to service and infrastructure studies, the ACT Government, through City and Environment Directorate, has prepared several infrastructure reports that relate to new and future development and redevelopment in existing areas which include:

- site-specific investigations for direct land sales and Government initiated developments

- district scale infrastructure studies in collaboration with utility infrastructure stakeholders.

District scale infrastructure studies for Woden, Belconnen and the Inner North Canberra are currently being prepared and anticipated to be completed in the second half of 2026. In addition, internal assessments for the traffic network to 2041 and 2051 are also currently being undertaken. These studies are technical in nature and are therefore not intended to be released to the public but are used to inform broader government policy and infrastructure planning.

In relation to undertaking new regular assessments of suburbs where Missing Middle Housing will be undertaken, DPA-04 proposes broadscale reforms with a focus on the two lower-density RZ1 and RZ2 residential zones that comprise the majority of residential land within the ACT (approximately 79.7% and 12.9% respectively). As such, development activity enabled through DPA-04 is likely to occur across a wide area and will occur over varying timescales, subject to site suitability and feasibility. Therefore, a combination of district-scale (using currently available and potential future studies) and site scale infrastructure considerations are anticipated to ensure our suburbs continue to provide appropriate infrastructure to support local resident populations.

In support of the latter consideration, development proposals envisaged by DPA-04 are directed to consider infrastructure through the Territory Plan's Residential Zones Policy that incorporates assessment outcomes (refer Assessment Outcomes 23 and 29). These assessment outcomes direct the proponent to consider and address infrastructure and utilities and to demonstrate that the site is adequately serviced by existing infrastructure to accommodate the development. Therefore, assessment of infrastructure capacity has and will be undertaken for each development application. This information can then be used by ACT Government/Authority:

- to assess cumulative impacts on and need for new/upgraded infrastructure
- when formulating new policy to determine which areas have capacity to increase density and how existing infrastructure may be upgraded or augmented.

Recommendation 5

The Committee recommends that the ACT Government improve access to public transport, active transport and paths, and parks, playgrounds, recreational and community spaces to ensure that those living in denser suburbs have access to the services they need.

Government Response

Existing Government policy

The Government agrees that access to public transport, active transport, open spaces employment and amenities are important factors for all Canberrans.

To achieve this, the ACT Planning Strategy sets a vision for Canberra as a compact and efficient city, including a target of 70% of new housing being delivered within the existing urban footprint.

DPA-04 supports this target by facilitating more development within existing urban areas that are well serviced by existing social and community infrastructure. This will aim to ensure that population growth is well located and will be serviced by existing and future planned infrastructure, amenities and services. The additional population that is anticipated to be provided by the uptake of development permitted under DPA-04 will:

- enable more efficient use of existing infrastructure
- strengthen the viability of existing local services
- allow for increased and better targeted public and private investment in community facilities, public and active transport, open space and other social infrastructure.

The ACT Government expects housing opportunities created through the reforms to be taken up progressively over time, noting uptake will be driven in a large part by the decisions of individual property owners and market conditions. As a result, change is anticipated to occur in a gradual, incremental way across many suburbs, with change emerging over the medium to long term. Importantly, infrastructure planning is intended to align with this incremental growth, ensuring services and capacity adapt in step with the pace of development rather than requiring immediate, large-scale upgrades.

The Government has existing work programs to maintain and upgrade public infrastructure and community facilities as outlined on the City Services website. This includes enhancing the provision and quality of parks, playgrounds, and recreational and community spaces in areas experiencing increased density. Beyond improving access, the Government is actively delivering targeted upgrades to support planned densification, including revitalising local and group shopping precincts and prioritising the enhancement of central play spaces. These actions ensure that growing communities are supported by high-quality, accessible public spaces that meet current and future needs.

Recommendation 6

The Committee recommends that the ACT Government review the Missing Middle Housing Design Guide to ensure that the block consolidation policy is purpose-led to enable better outcomes and make it clear that the issues to be considered are matters such as proximity to open space, footpaths and end of block location.

Government Response

Agreed

The Missing Middle Housing Design Guide is being revised to reinforce the desired planning outcomes for block consolidation. Additional guidance includes block conditions and proximity considerations that support high urban amenity, and cross references to other parts of the guide that address built form considerations such as interfaces with the public realm and neighbouring dwellings.

Block consolidation guidance is supported by additional diagrams that depict the block consolidation scenarios identified in the technical specifications (e.g. end of section, mid-section and development adjacent urban open space).

Recommendation 7

The Committee recommends that the ACT Government develop specific guidelines for mid-section block consolidations to reduce and manage detrimental impacts on neighbouring residential amenity and parking provision.

Government Response

Agreed

The Missing Middle Housing Design Guide has been revised to reinforce the desired planning outcomes for mid-section block consolidation.

The ACT Government notes considerations relevant to mid-section block consolidations, such as privacy, acoustic separation and building interfaces, apply to all forms of missing middle housing development. To strengthen guidance for block consolidation, additional guidance and cross-referencing has been added to ensure development interfaces form an integral consideration in the block consolidation process. This will assist in mitigating any detrimental impacts on neighbouring residential amenity and parking.

Recommendation 8

The Committee recommends that the ACT Government empower an existing ACT Government entity to act as an urbanising agent to consolidate and develop blocks, and to ensure community input into developments via early consultation on block consolidation by others, and to provide guidance to non-developers on undertaking small-scale block consolidation.

Government Response

Noted

The ACT Government acknowledges the Standing Committee's consideration of an 'urbanising agent', described as an existing government entity empowered to pursue a more active role in development.

The ACT Government does not intend to adopt an active land assembly role for block consolidation and has no intention to compulsorily acquire blocks en-masse for consolidation purposes. It is noted that existing ACT Government mechanisms and entities provide a legislative and institutional framework through which urbanising functions could be delivered, if required.

The *Planning Act 2023* establishes a contemporary system for coordinated environmental development, development approvals, and community engagement.

The City Renewal Authority (CRA) and Suburban Land Agency (SLA), established under the *City Renewal Authority and Suburban Land Agency Act 2017*, together provide an existing structure

capable of supporting clear urbanising functions, depending on location, scale and intent. It is noted that Housing ACT also has the capacity to provide urbanising agent functions, in the context of delivering the public housing program. Any such role would be limited, targeted, and consistent with existing statutory mandates, and does not preclude voluntary acquisition of land for consolidation or assembly where appropriate.

Block consolidation proposals will continue to be subject to development approval under the *Planning Act 2023*, including public notification requirements and the applicable provisions of the Territory Plan. The Government considers the development application (DA) stage to be the most appropriate point for community consultation, as it requires detailed documentation of a specific proposal and its impacts, enabling informed and meaningful community input. Developers are encouraged to engage early with local communities on major development proposals as outlined in the principles of good consultation under the Planning Act.

As an integral component of the Missing Middle Housing Reforms, the Missing Middle Housing Design Guide, will support block consolidation and redevelopment by providing clear design advice and illustration of good development outcomes (see responses to Recommendations 6 & 7).

Recommendation 9

The Committee recommends that:

- the assessment outcomes relating to parking be amended to recognise that in addition to a visual impact, parking on the street, including the verges could have an environmental, road safety and amenity impact;
- the cumulative impact of parking from multiple developments, especially for consolidated blocks on neighbourhood amenity be considered when assessing Development Applications;
- the ACT Government investigate ways to encourage the inclusion of underground parking particularly in RZ2 land and where topographically appropriate; and
- regular parking inspections be carried out in areas where there is a high volume of on-street parking to reduce the impact and to assist the community to problem solve regular parking concerns.

Government Response

Agreed

Revised assessment outcome

Noting the intent of the Standing Committee's recommendation to capture additional impacts related to parking provisions, the Government has incorporated this through an update to the Residential Zones Policy's Assessment Outcome 6 to ensure that potential public domain impacts are appropriately considered during the DA assessment process.

During the assessment of a development on-site and off-site parking will be assessed by the Authority in conjunction with the relevant entity (usually City and Environment Directorate). The relevant entity can provide comments on whether the parking solution meets the relevant standards and road safety.

Cumulative parking impacts

The cumulative impacts of parking are considered through the established Development Application (DA) assessment process. Where a development occurs in a residential zone, a proponent must, among other things, demonstrate that their proposal meets Assessment Outcome 27 of the Residential Zones Policy.

To support Assessment Outcome 27, the Technical Specifications also provide parking design and numerical parking provisions. Therefore, where a new development is proposed in an area where off-site parking is already heavily utilised, the proponent must demonstrate how their proposal's vehicle parking sufficiently caters for the development. In this way, cumulative impacts are already captured by the current Territory Plan and development assessment processes.

Encouraging underground parking

The current Territory Plan permits, but does not require, underground parking, acknowledging that underground parking can significantly influence overall development viability due to increased construction costs (as discussed further in a recent report by the Grattan Institute, [“Wasted space: Axe car-parking rules to ease the housing crisis”](#)). The Missing Middle Housing Design Guide also includes guidance on design of at-grade, underground and off-site parking. The provisions of the Territory Plan are written to apply generally across a wide variety of block sizes, types and locations and where parking is provided will have an impact on the housing typology. Therefore, the decision to provide underground parking will be a market decision, made by the proponent to best suit the needs of the market. In many instances, developers may elect to incorporate underground parking to increase floor area available for residential uses.

Parking inspection and enforcement

Where parking is undertaken on the verge or unsafely after the development has been approved, these matters are covered by the Road Transport (*Safety and Traffic Management Act 1999* (the RTM Act). The RTM Act is enforced by Access Canberra.

Access Canberra and ACT Policing are responsible for the enforcement of the road rules, which includes illegal parking. Access Canberra utilises both licence plate recognition technology from car-mounted cameras and physical parking officers to proactively target illegal parking. Access Canberra undertake parking enforcement activities on a risk based/harm prevention approach. Illegal parking can also be reported to Access Canberra via their website.

Recommendation 10

The Committee recommends that the ACT Government provide an assessment of the 'heat bank' impact of the proposed reforms as well as the current heat bank

assessment of the town centres and other residential zones and report back to the Assembly by 30 June 2027 and then on an ongoing basis with frequency to be informed by the Chief Health Officer on the basis of the risk of extreme heat events.

Government Response

Agreed in-principle

The Missing Middle Housing Design Guide places strong emphasis on integrating tree planting and permeable surfaces as core elements of environmentally responsive “living infrastructure,” recognising their combined role in enhancing amenity, resilience and environmental performance. Development of our urban canopy will also be guided by the *Urban Forest Act 2023* and Urban Forest Strategy that provides for the protection, management, and growth of Canberra’s trees on both public and private land to achieve a 30% tree canopy cover by 2045.

In addition, the ACT Government is currently finalising an urban heat mapping and analysis project in response to the actions identified in the ACT Climate Change Strategy 2019-2025 and the Living Infrastructure Plan for Canberra based on satellite data from the summer of 2025, with this work expected to be available by the end of 2026. This work will provide a city-wide assessment of the urban heat island effect and allow for the development of an Urban Heat Island Index (UHI) for Canberra as a whole and by ‘local climate zones’ which classify areas by the density of development, among other factors. The analysis will identify changes and trends across the city by land use type and discuss potential contributing factors.

The urban heat analysis will provide a robust baseline assessment of urban heat conditions in Canberra. However, it does not include specific evaluation of the impacts of individual planning policies or reforms, nor detailed analysis of how such measures operate at the block, precinct or city-wide scale.

For the purposes of this response, the ACT Government notes that the Committee’s reference to a “heat bank” is understood to mean assessment of the urban heat island effect across Canberra. The Government acknowledges the importance of ongoing risk-based consideration of extreme heat events and notes that future reporting frequency would need to be informed by both technical capability and advice from relevant agencies, including ACT Health and the Chief Health Officer.

Recommendation 11

The Committee recommends that the ACT Government establish a monitoring program to understand, and if needed mitigate, the cumulative impacts on the Canberra landscape and urban forest that result from the missing middle housing reforms, with the results used to guide individual assessment of development applications to ensure that cumulative impacts on tree canopy are considered.

Government Response

Agreed in-principle

The ACT Government has an established monitoring program, undertaken through five-yearly LiDAR data capture and analysis to monitor and assess tree canopy coverage across urban Canberra. This work also supports of actions in the ACT Climate Change Strategy 2019-2025 and Living Infrastructure Plan around mitigating urban heat. The information generated through the monitoring program supports ongoing understanding of tree canopy cover and has been used to guide understanding and assessment of individual development applications.

Work is also underway to model and understand the pathways for Canberra to meet the 30% tree canopy cover target by 2045, including consideration of the effects of policies such as the missing middle housing reforms. The ACT Government also has a project underway to model our capacity to meet the 30% canopy target. The project will include an assessment of the potential impacts of the Missing Middle Housing Reforms and will provide advice regarding achievement of canopy targets. The final report is anticipated to be delivered by the end of 2026.

Recommendation 12

The Committee recommends that the ACT Government, as part of the existing annual reporting about trees that already occurs, report against how many trees that have been removed and/or replaced under the Urban Forest Act, report against heat island data and changes and report against canopy and tree coverage data and changes on private land.

Government Response

Agreed in-principle

The ACT Government notes that the Living Infrastructure Plan establishes a city-wide objective to achieve the equivalent benefits of 30 per cent tree canopy cover across Canberra's urban footprint, rather than imposing a uniform target on individual blocks. This target is intended to be delivered collectively through contributions from both public and leased land, including parks, nature strips, streets and urban forests.

Within this framework, leased land plays an important role in supporting the overall canopy outcome. Accordingly, under the Missing Middle Housing Reforms, the Territory Planning Authority has proposed increasing the minimum tree canopy requirement on leased blocks from 15 per cent to 20 per cent, ensuring that private development contributes appropriately to the achievement of the broader, city-wide target.

As noted in the response to Recommendation 10, the ACT Government is finalising a project which will assist in conducting regular updates on urban heat island index (UHI) values for the whole of Canberra for local climate zones. However, annual climate variability will mean that these values change from year to year and so any annual reporting should be based on longer-scale multi-year trend analysis. Along with data on five-yearly LiDAR surveys on tree canopy cover, this information will support ongoing reporting about trees and urban heat changes across the city.

Reporting on the number of trees removed and replanted on leased land under the Urban Forest Act is scheduled to be provided in annual reporting as a requirement of the Act.

Recommendation 13

The Committee recommends that the ACT Government should either:

- Restore the percentage of communal or private open space for multi-unit housing to 40 per cent; or
- Include further technical specifications that set out the high level of amenity and design that needs to be undertaken to achieve high quality private open/communal spaces, such as areas that complement the aesthetics of the dwellings, gardens, veggie beds, exercise areas, use of materials, and pet friendly designs.

Government Response

Agreed

A change will be made to the proposed Residential Zones Technical Specification to confirm that private open space along with communal and principal private open space can contribute to the 30% site coverage where the private open space is a minimum dimension of 4 meters.

A change will also be made to Part G: Definitions of the Territory Plan to amend the definition for private open space to ensure it prioritises outdoor amenity of residents and can include living infrastructure.

These changes, along with the existing provisions of the Territory Plan and Technical Specifications, such as site coverage, deep soil zones, planting area, principal private open space and communal open space will improve the quality of these outdoor areas.

The Missing Middle Housing Design Guide also contains further qualitative guidance about how to provide high quality open space areas.

Recommendation 14

The Committee recommends that the ACT Government provide an evaluation of the options available for permeable surfaces to be included in new developments and report back to the Assembly by 30 June 2027.

Government Response

Noted

The ACT Government acknowledges the importance of permeable surfaces and living infrastructure in supporting sustainable, high-amenity living environments. Consideration of permeable surfaces is addressed through provisions of the Residential Zones Policy and further complemented by the Missing Middle Housing Design Guide which provides practical advice for the community to reduce hard surfaces within developments.

The Guide provides advice on how to reduce hard surfaces when considering new housing developments. This is principally covered by '7.1E Reduce Hard Surfaces' which provides design guidance and examples of permeable surfaces such as using gravel, permeable pavers and grass in driveways, along with images demonstrating these options. Additional sections of the Guide provide further guidance on maximising landscaping areas in developments by providing deep soil zones, planting areas and including planting between car parking and side yards to provide relief from hard surfaces. The relevant sections are:

- 4.1 Site Access and Connectivity,
- 4.2 Resident and Visitor Carparking,
- 7.1 Trees, Landscaping and Natural Features,
- 7.3 Natural Resource Capture and Management,
- 7.4 Climate Change Resilience.

The Guide is considered appropriate to address the principles of this recommendation and further evaluation and materials are not required.

Recommendation 15

The Committee recommends that the ACT Government amend the District Strategies to include:

- statements on local/neighbourhood/streetscape character, heritage character and relationship to the National Capital Plan to establish the context within which greater densities in RZ1 and RZ2 suburban zones, which is especially important for block consolidations;
- assessment of individual developments as well as allow consideration of cumulative impacts; and
- a requirement that Development Assessment Outcome reports respond to the character statements and amendments to the District Policy.

Government Response

Agreed in-principle

The ACT Government acknowledges the importance of contextually appropriate development and has reflected this through post-consultation revisions to the Missing Middle Housing Design Guide, including a new design element on Context and Character (Design Element 3.2), and the inclusion of an additional section providing guidance on heritage matters (pages 24-25). This will assist with character considerations of individual developments across Canberra. The Guide acknowledges the role new developments, including the intentional introduction of missing middle typologies into our existing suburbs, will play in the changing character of our suburbs over time.

In addition, changes have been made to Assessment Outcome 5 of the Residential Zones Policy to require consideration of desired zone policy outcomes and streetscape character as part of

development assessment. As part of the lodgement of a development application, proponents will be required to submit a design response against the elements of the Guide outlined above.

Recommendation 16

The Committee recommends that the ACT Government establish a process via which data on the uptake of missing middle housing construction is monitored with a view to understanding:

- the capacity of the Territory Planning Authority to effectively meet any workload changes;
- the geographic distribution of missing middle housing construction and its proximity to local amenities; and
- any adjustments or changes required to better target the reforms to meet the goals of achieving urban infill in established suburbs.

Government Response

Agreed

The ACT Government will monitor the uptake of the reforms including the geographic distribution and associated workload through established processes. This data will assist in evaluating the outcomes of the reforms and future policy work.

Recommendation 17

The Committee recommends that the ACT Government amend section 91(2) of the Planning Act 2023 to include 'whether the planning system is consistent with the goals of the missing middle housing reforms', and that consideration of missing middle housing be explicitly included in any future statutory review of the planning system.

Government Response

Noted

While acknowledging the Committee's recommendation to amend section 91(2) of the *Planning Act 2023*, the ACT Government considers that an amendment to the Act is not required as the goals of the missing middle reforms can be appropriately examined within the existing review framework without the need for legislative amendment.

It is noted that the missing middle housing reforms are derived from the principles and objectives of the existing planning framework, including the ACT Planning Strategy and District Strategies, the Minister's Statement of Planning Priorities and other associated strategies and policies and can therefore be considered as part of a broader review of the Territory Plan.

Notwithstanding this, the ACT Government will ensure that future statutory reviews of the planning system consider housing diversity, including missing middle housing, as part of a comprehensive assessment of planning outcomes.

Recommendation 18

The Committee recommends that the Minister for Planning and Sustainable Development approve DPA-04 with the recommendations in this report incorporated.

Government Response

Agreed

The ACT Government welcomes the Committee's support for DPA-04 and will revise DPA-04 as outlined in the above responses to recommendations 9, 13 and 15 before providing a final version for Ministerial approval.

Additional Comments by Ms Fiona Carrick

Recommendation 1

Align minimum dwelling sizes with accessibility by limiting very small apartments (around 35 m²) to locations with demonstrable walkable access to centres, services, parks and frequent public transport and explicitly recognise social connection and wellbeing as planning considerations.

Government Response

Agreed in-principle

Assessment outcome 17 of the Residential Zones Policy outlines requirements for appropriate multi-unit dwelling amenity, including dwelling mix. A development proposal must address and demonstrate consistency with this assessment outcome. Smaller dwellings, such as studio apartments assist with housing affordability and may be delivered where market demand exists. This type of housing is better suited to areas close to and within commercial centres, where people want to live close to where they work and study.

Recommendation 2

Strengthen statutory safeguards for privacy and solar access within outcomes-based planning.

Government Response

Agreed in-principle

The Residential Zones Policy includes assessment outcomes that must be comprehensively addressed by a development proposal.

Assessment outcome 15 outlines solar access requirements for a development site and neighbouring sites, and assessment outcome 16 defines privacy requirements between developments.

The assessment outcomes are supported by the Missing Middle Housing Design Guide and the Residential Zones Technical Specification that provide further detail on how the intended outcome can be achieved. Importantly, solar access specifications contained within the Residential Zones Specifications, consequential to the amendments proposed by DPA-04, were strengthened following community consultation to encourage missing middle housing development where impact to neighbours is limited.

Privacy is guided by building separation specifications, that differentiate setbacks for screened versus unscreened elements to prevent overlooking.

Recommendation 3

Provide adequate on-site parking provisions, particularly in RZI areas without pedestrian paths to maintain safety for all road users.

Government Response

Agreed

Car parking provisions are considered through the development assessment process, with the acceptable rate of parking considered on a case by-case basis. Considerations such as proximity to public transport and active travel corridors, and capacity of the existing street and parking network to support offsite car parking informs the assessment process.

Further discussion is provided in the response to recommendation 9.

Recommendation 4

Establish a formal mechanism to monitor and report post-development tree decline and mortality attributable to construction impacts, to inform future policy and regulation.

Government Response

Agreed in-principle

As noted in Recommendation Response 12, the ACT Government is committed to monitoring and analysis of urban tree canopy coverage. This work will inform policy decisions relating to the achievement of tree canopy targets. Direct attribution of tree mortality and decline to construction impacts is challenging due to inherent variability in individual site characteristics, the nature of construction, the design of constructed elements, tree (health, age, species and existing condition) and micro- and macro-climate factors. The tree protection processes under the *Urban Forest Act 2023* provide effective mechanisms to protect trees from construction impacts.

Recommendation 5

Maintain generous riparian setbacks and recognise urban creeks as essential environmental and biodiversity infrastructure that must be protected from development pressures to safely convey water and sustain connected ecosystems.

Government Response

Agreed in-principle

The ACT Government acknowledges the importance of our local waterways and has established policy to ensure protection of essential environmental and biodiversity infrastructure, including;

- The Biodiversity Sensitive Urban Design Guide that recognises the ecological importance of riparian zones and provides guidance for development in surrounding areas to conserve biodiversity values.
- ACT Aquatic and Riparian Conservation Strategy (2018) provides guidance on the conservation of aquatic and riparian areas and component species in the ACT, consistent with the ACT Nature Conservation Strategy, including;
 - Strategy 1: Protect aquatic and riparian areas and species. This includes “protecting aquatic and riparian areas from further degradation or modification.”
 - Strategy 2: Reduce threats to native diversity. This includes threat management concerning riparian zone modification.
- the ACT Water Strategy 2014-44 that articulates monitoring and review objectives pertaining to urban creeks and targets for reduction in the intensity and volume of urban stormwater flows to ensure that the runoff events are generally no larger than prior to development

The ACT Government acknowledges that further work may be required to ensure riparian setbacks are clearly and effectively defined to support policy objectives. The

ACT Government continues to monitor urban waterways to ensure they are protected from development pressures, including the application of robust monitoring and assessment measures—such as tracking runoff levels in line with the ACT Water Strategy, evaluating water quality, and considering the presence of aquatic fauna—to ensure environmental outcomes are achieved.

Recommendation 6

Protect heritage values by ensuring Missing Middle reforms promote sensitive infill, retain the Heritage Council’s independent role, and avoid conflicts between planning and heritage portfolios.

Government Response

Agreed

The Missing Middle Housing Design Guide was amended following community consultation to include a more comprehensive description of how missing middle housing may be sensitively incorporated within existing heritage areas. The Guide highlights the use of the ACT Heritage Application Guide when considering housing within these areas.

The Residential Zones Technical Specifications were also updated following community consultation to clarify requirements related to blocks registered or provisionally registered on the ACT Heritage Register, to support Assessment Outcome 23 of the Residential Zones Policy.

Additional Comments by Ms Caitlin Tough MLA

Recommendation 1

I recommend that the ACT Government reconsiders the solar access envelope specifications and engages with experts, including architects, about appropriate specifications to encourage good design.

Government Response

Noted

Technical specifications are non-mandatory; they provide guidance and clarity on how the Territory Plan assessment outcomes may be achieved. The solar envelope provisions provide a guide as to how a development may manage solar impact to neighbouring sites. Additional specifications have been added following consultation on DPA-04 to better articulate solar protections for neighbours. A design proposal may encroach beyond the solar envelope where it can be demonstrated the impact to a neighbour is limited.

The development of DPA-04, associated technical specifications and the Missing Middle Housing Design Guide has been informed by extensive industry and community consultation, including input from a pool of local design practitioners.