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29th April 2022

Land and Environment Court Proceedings 2021/00362068 Clause 4.6 variation request - Clause 40(4)(c) SEPP HSPD Proposed Seniors Housing 4 Alexander Street, Collaroy

1.0 Introduction

This clause 4.6 variation request has been prepared having regard to plans DA100(D), DA101(C) – DA103(C), DA200(C), DA201(C), DA300(C), DA301(A), DA504(C) - DA506(C) and DA532(A) prepared by PBD Architects.

Pursuant to clause 40(4)(c) of State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004 (SEPP HSPD) a building located in the rear 25% area of the site must not exceed 1 storey in height.

Storey is not defined within SEPP HSPD however Warringah Local Environmental Plan 2011 (WLEP) contains the following definition:

storey means a space within a building that is situated between one floor level and the floor level next above, or if there is no floor above, the ceiling or roof above, but does not include—

- (a) a space that contains only a lift shaft, stairway or meter room, or
- (b) a mezzanine, or
- (c) an attic.

In my opinion, this definition should also be read in the context of the commentary associated with the number of storeys control contained at clause B2 of Warringah Development Control Plan (WDCP) namely:

To measure the height in storeys:

The number of storeys of the building are those storeys which may be intersected by the same vertical line, not being a line which passes through any wall of the building; and Storeys that are used for the purposes of garages, workshops, store rooms, foundation spaces or the like, that do not project, at any point, more than 1 metre above ground level (existing) are not counted.

Clause 40(4) of SEPP HSPD does not contain any associate objectives. The implicit objective was considered by the Court in the matter of 'Manderrah Pty Ltd v Woollahra Municipal Council and Anor [2013] NSWLEC 1196 where the implicit objectives were considered by Tuor C. In considering the objective of the development standard, Tuor C concluded (at [70]) the following:

70 The primary objective of cl 40(4)(c) is to limit the bulk and scale of a building to protect the amenity of the rear of adjoining properties. Placing built form into the rear of a property which generally forms part of its open space and adjoins the open space of other properties to the side and rear can have significant impacts on amenity not only from loss of solar access, privacy and views but also from the presence of increased or new building bulk and the removal of landscaping.'

The conclusion reached by Tuor C has been adopted more recently by Dickson C in 'Jigari Pty Ltd v City of Parramatta Council [2018] NSWLEC 1568'. In this regard, given the consistency in the approach adopted by the Court to determining the objectives for the development standard, the primary objective adopted by Tuor C and Dickson C in the above matters has been adopted.

It has been determined that the south eastern corner of the Level 1 floor plate extends within the rear 25% area of the site by approximately 150mm with the south western corner of the level 1 floor plate extending within the rear 25% area of the site by a maximum of 1.2 metres. The extent of building breach is depicted in Figures 1, 2, 3 and 4 over page.

I note that the Level 1 floor plate is 2 stories as defined in this location given that is located over the ground floor car parking which projects more than 1 metre above ground level existing.

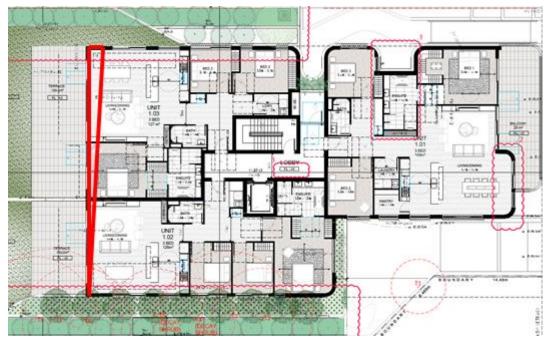


Figure 1 - Plan extract DA101(C) depicting the extent of the proposed 2 storey element extending into the rear 25% area of the subject site bounded by the red lines

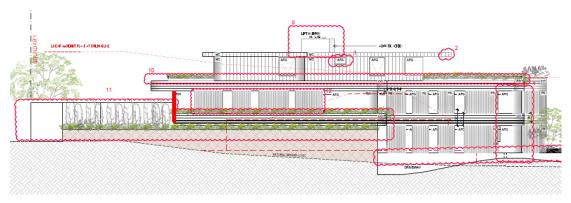


Figure 2 - Plan extract DA200(C) depicting the extent of the proposed 2 storey element extending into the rear 25% area of the subject site with only a small 150mm breach in the south-eastern corner of the building

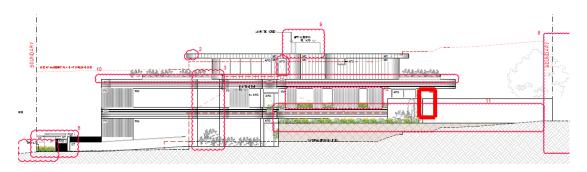


Figure 3 - Plan extract DA200(C) depicting the extent of the proposed 2 storey element extending into the rear 25% area of the subject site with a maximum 1.2 metre breach in the south-western corner of the building

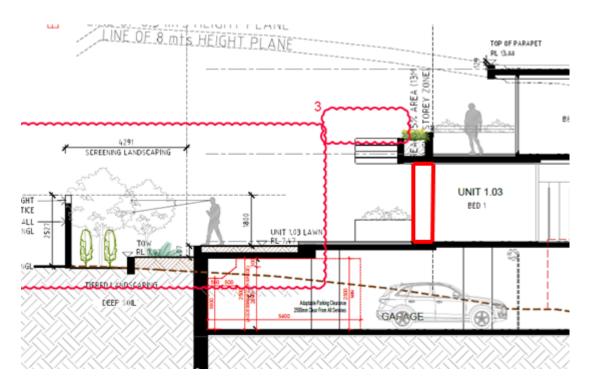


Figure 4 – Pan extract DA300(C) depicting the extent of the proposed 2 storey element extending into the rear 25% area of the subject site as measured at Section A

This clause 4.6 variation has been prepared having regard to the Land and Environment Court judgements in the matters of *Wehbe v Pittwater Council* [2007] NSWLEC 827 (*Wehbe*) at [42] – [48], *Four2Five Pty Ltd v Ashfield Council* [2015] NSWCA 248, *Initial Action Pty Ltd v Woollahra Municipal Council* [2018] NSWLEC 118, *Baron Corporation Pty Limited v Council of the City of Sydney* [2019] NSWLEC 61, and *RebelMH Neutral Bay Pty Limited v North Sydney Council* [2019] NSWCA 130.

2.0 Clause 4.6 – Exceptions to Development Standards

Clause 4.6(1) of WLEP provides:

- (1) The objectives of this clause are:
 - (a) to provide an appropriate degree of flexibility in applying certain development standards to particular development, and
 - (b) to achieve better outcomes for and from development by allowing flexibility in particular circumstances.

The decision of Chief Justice Preston in Initial Action Pty Ltd v Woollahra Municipal Council [2018] NSWLEC 118 ("Initial Action") provides guidance in respect of the operation of clause 4.6 subject to the clarification by the NSW Court of Appeal *in RebelMH Neutral Bay Pty Limited v North Sydney Council* [2019] NSWCA 130 at [1], [4] & [51] where the Court confirmed that properly construed, a consent authority has to be satisfied that an applicant's written request has in fact demonstrated the matters required to be demonstrated by cl 4.6(3).

Initial Action involved an appeal pursuant to s56A of the Land & Environment Court Act 1979 against the decision of a Commissioner.

At [90] of *Initial Action* the Court held that:

"In any event, cl 4.6 does not give substantive effect to the objectives of the clause in cl 4.6(1)(a) or (b). There is no provision that requires compliance with the objectives of the clause. In particular, neither cl 4.6(3) nor (4) expressly or impliedly requires that development that contravenes a development standard "achieve better outcomes for and from development". If objective (b) was the source of the Commissioner's test that non-compliant development should achieve a better environmental planning outcome for the site relative to a compliant development, the Commissioner was mistaken. Clause 4.6 does not impose that test."

The legal consequence of the decision in *Initial Action* is that clause 4.6(1) is not an operational provision and that the remaining clauses of clause 4.6 constitute the operational provisions.

Clause 4.6(2) of WLEP provides:

(2) Development consent may, subject to this clause, be granted for development even though the development would contravene a development standard imposed by this or any other environmental planning instrument. However, this clause does not apply to a development standard that is expressly excluded from the operation of this clause.

This clause applies to the clause 40(4)(c) height development standard contained within SEPP HSPD.

Clause 4.6(3) of WLEP provides:

(3) Development consent must not be granted for development that contravenes a development standard unless the consent authority has considered a written request from the applicant that seeks to justify the contravention of the development standard by demonstrating:

- (a) that compliance with the development standard is unreasonable or unnecessary in the circumstances of the case, and
- (b) that there are sufficient environmental planning grounds to justify contravening the development standard.

The proposed development does not comply with the height of buildings standard at clause 40(4)(c) of SEPP HSPD which specifies a maximum building height however strict compliance is considered to be unreasonable or unnecessary in the circumstances of this case and there are considered to be sufficient environmental planning grounds to justify contravening the development standard.

The relevant arguments are set out later in this written request.

Clause 4.6(4) of WLEP provides:

- (4) Development consent must not be granted for development that contravenes a development standard unless:
 - (a) the consent authority is satisfied that:
 - (i) the applicant's written request has adequately addressed the matters required to be demonstrated by subclause (3), and
 - (ii) the proposed development will be in the public interest because it is consistent with the objectives of the particular standard and the objectives for development within the zone in which the development is proposed to be carried out, and
 - (b) the concurrence of the Director-General has been obtained.

In *Initial Action* the Court found that clause 4.6(4) required the satisfaction of two preconditions ([14] & [28]). The first precondition is found in clause 4.6(4)(a). That precondition requires the formation of two positive opinions of satisfaction by the consent authority. The first positive opinion of satisfaction (cl 4.6(4)(a)(i)) is that the applicant's written request has adequately addressed the matters required to be demonstrated by clause 4.6(3)(a)(i) (*Initial Action* at [25]).

The second positive opinion of satisfaction (cl 4.6(4)(a)(ii)) is that the proposed development will be in the public interest **because** it is consistent with the objectives of the development standard and the objectives for development of the zone in which the development is proposed to be carried out (*Initial Action* at [27]).

The second precondition is found in clause 4.6(4)(b). The second precondition requires the consent authority to be satisfied that that the concurrence of the Secretary (of the Department of Planning and the Environment) has been obtained (*Initial Action* at [28]).

Under cl 64 of the *Environmental Planning and Assessment Regulation* 2000, the Secretary has given written notice dated 5th May 2020, attached to the Planning Circular PS 18-003 issued on 5th May 2020, to each consent authority, that it may assume the Secretary's concurrence for exceptions to development standards in respect of applications made under cl 4.6, subject to the conditions in the table in the notice.

Clause 4.6(5) of WLEP provides:

- (5) In deciding whether to grant concurrence, the Director-General must consider:
 - (a) whether contravention of the development standard raises any matter of significance for State or regional environmental planning, and
 - (b) the public benefit of maintaining the development standard, and
 - (c) any other matters required to be taken into consideration by the Director-General before granting concurrence.

As these proceedings are the subject of an appeal to the Land & Environment Court, the Court has the power under cl 4.6(2) to grant development consent for development that contravenes a development standard, if it is satisfied of the matters in cl 4.6(4)(a), without obtaining or assuming the concurrence of the Secretary under cl 4.6(4)(b), by reason of s 39(6) of the Court Act. Nevertheless, the Court should still consider the matters in cl 4.6(5) when exercising the power to grant development consent for development that contravenes a development standard: Fast Buck\$ v Byron Shire Council (1999) 103 LGERA 94 at 100; Wehbe v Pittwater Council at [41] (Initial Action at [29]).

Clause 4.6(6) relates to subdivision and is not relevant to the development. Clause 4.6(7) is administrative and requires the consent authority to keep a record of its assessment of the clause 4.6 variation. Clause 4.6(8) is only relevant so as to note that it does not exclude clause 40(4)(c) SEPP HSPD from the operation of clause 4.6.

3.0 Relevant Case Law

In *Initial Action* the Court summarised the legal requirements of clause 4.6 and confirmed the continuing relevance of previous case law at [13] to [29]. In particular the Court confirmed that the five common ways of establishing that compliance with a development standard might be unreasonable and unnecessary as identified in *Wehbe v Pittwater Council (2007) 156 LGERA 446; [2007] NSWLEC 827* continue to apply as follows:

- 17. The first and most commonly invoked way is to establish that compliance with the development standard is unreasonable or unnecessary because the objectives of the development standard are achieved notwithstanding non-compliance with the standard: Wehbe v Pittwater Council at [42] and [43].
- 18. A second way is to establish that the underlying objective or purpose is not relevant to the development with the consequence that compliance is unnecessary: Wehbe v Pittwater Council at [45].
- 19. A third way is to establish that the underlying objective or purpose would be defeated or thwarted if compliance was required with the consequence that compliance is unreasonable: Wehbe v Pittwater Council at [46].
- 20. A fourth way is to establish that the development standard has been virtually abandoned or destroyed by the Council's own decisions in granting development consents that depart from the standard and hence compliance with the standard is unnecessary and unreasonable: Wehbe v Pittwater Council at [47].
- 21. A fifth way is to establish that the zoning of the particular land on which the development is proposed to be carried out was unreasonable or inappropriate so that the development standard, which was appropriate for that zoning, was also unreasonable or unnecessary as it applied to that land and that compliance with the standard in the circumstances of the case would also be unreasonable or unnecessary: Wehbe v Pittwater Council at [48]. However, this fifth way of establishing that compliance with the development standard is unreasonable or unnecessary is limited, as explained in Wehbe v Pittwater Council at [49]-[51]. The power under cl 4.6 to dispense with compliance with the development standard is not a general planning power to determine the appropriateness of the development standard for the zoning or to effect general planning changes as an alternative to the strategic planning powers in Part 3 of the EPA Act.

22. These five ways are not exhaustive of the ways in which an applicant might demonstrate that compliance with a development standard is unreasonable or unnecessary; they are merely the most commonly invoked ways. An applicant does not need to establish all of the ways. It may be sufficient to establish only one way, although if more ways are applicable, an applicant can demonstrate that compliance is unreasonable or unnecessary in more than one way.

The relevant steps identified in *Initial Action* (and the case law referred to in *Initial Action*) can be summarised as follows:

- 1. Is clause 40(4)(c) SEPP HSPD a development standard?
- 2. Is the consent authority satisfied that this written request adequately addresses the matters required by clause 4.6(3) by demonstrating that:
 - (a) compliance is unreasonable or unnecessary; and
 - (b) there are sufficient environmental planning grounds to justify contravening the development standard
- 3. Is the consent authority satisfied that the proposed development will be in the public interest because it is consistent with the objectives of clause 40(4)(c) SEPP HSPD and the objectives for development for in the zone?
- 4. Has the concurrence of the Secretary of the Department of Planning and Environment been obtained?
- 5. Where the consent authority is the Court, has the Court considered the matters in clause 4.6(5) when exercising the power to grant development consent for the development that contravenes clause 40(4)(c) of SEPP HSPD?

4.0 Request for variation

4.1 Is clause 40(4)(c) SEPP HSPD a development standard?

The definition of "development standard" at clause 1.4 of the EP&A Act includes:

(c) the character, location, siting, bulk, scale, shape, size, height, density, design or external appearance of a building or work,

Clause 40(4)(c) of SEPP HSPD prescribes a height provision that relates to certain development. Accordingly, clause 40(4)(c) of SEPP HSPD is a development standard.

4.2A Clause 4.6(3)(a) – Whether compliance with the development standard is unreasonable or unnecessary

The common approach for an applicant to demonstrate that compliance with a development standard is unreasonable or unnecessary are set out in Wehbe v Pittwater Council [2007] NSWLEC 827.

The first option, which has been adopted in this case, is to establish that compliance with the development standard is unreasonable and unnecessary because the objectives of the development standard are achieved notwithstanding non-compliance with the standard.

Consistency with objectives of the height of buildings standard

An assessment as to the consistency of the proposal when assessed against the implicit objective of the standard is as follows:

The primary objective of cl 40(4)(c) is to limit the bulk and scale of a building to protect the amenity of the rear of adjoining properties. Placing built form into the rear of a property which generally forms part of its open space and adjoins the open space of other properties to the side and rear can have significant impacts on amenity not only from loss of solar access, privacy and views but also from the presence of increased or new building bulk and the removal of landscaping.

Response: Having regard to the implicit objective of the clause 40(4)(c) SEPP HSPD standard I make the following observations:

The Law Insider Dictionary defines Adjoining Properties as follows:

Adjoining Properties means any real property or properties the border of which is (are) shared in part or in whole with that of the Property, or that would be shared in part or in whole with that of the Property but for a street, road, or other public thoroughfare separating the properties.

- The adjoining properties to the east are zoned 2B Local Centre upon which mixed use buildings having a maximum height of 11 metres are anticipated.
- The adjoining properties to the rear (south) of the subject site, No's 5, 7 and 9 Eastbank Avenue, are occupied by 1 and 2 storey detached dwelling houses with frontage and address to Eastbank Avenue. The north facing rear yard of these properties adjoin the rear 25% area of the subject property.

The adjoining property to the west of the subject site, No. 6
 Alexander Street, is occupied by single storey detached dwelling
 houses with frontage and address to Alexander Street. The south
 facing rear yard of this property adjoins the rear 25% area of the
 subject site. The relationship of the rear 25% area of the subject site
 to the rear of the adjoining properties is depicted in Figure 5 below.



Figure 5 – Rear 25% area of subject site shown hatched together with its relationship to the rear of the adjoining properties

- I note that the rear 25% area of the subject site is completely overlapped by the existing shop top housing development to the east No. 1087 Pittwater Road with this adjoining development containing elevated balconies orientated to the west from which direct overlooking opportunities into the rear 25% area of the subject property are available.
- The shadow diagrams at Attachment 1 demonstrate that the noncompliant 2 storey element proposed within the rear 25% area of the subject property do not overshadow the rear 25% area of the adjoining properties at any time between 9am and 3pm on 21st June.

- Having identified potential view corridors from the rear 25% area
 of the adjoining property I have formed the considered opinion
 that the non-compliant 2 storey building element proposed will not
 give rise to any scenic view impacts from this portion of the
 adjoining site.
- In relation to privacy, given the relative levels of the non-compliant floor space and rear yards of the adjoining properties and the side and rear boundary setbacks and intervening landscape elements proposed on the subject site, I am satisfied that the non-compliant 2 storey building elements located within the rear 25% area of the subject property will not result in unacceptable privacy impacts with appropriate levels of visual and aural privacy maintained.

Having regard to the above, the proposed building form which is non-compliant with the height of building standard, as it relates to the rear 25% area of the site, will achieve the objectives of the standard to at least an equal degree as would be the case with a development that complied with the standard. Given the developments consistency with the objectives of the standard strict compliance has been found to be both unreasonable and unnecessary under the circumstances.

Consistency with zone objectives

The subject property is zoned Residential R2 Low Density Residential pursuant to WLEP. An assessment as to the consistency of the development against the zone objectives as follows:

• To provide for the housing needs of the community within a low density residential environment.

Response: The proposal provides housing which will meet the needs of seniors or people with a disability within the community within a low density residential environment. The proposal achieves this objective notwithstanding the variation sought.

 To enable other land uses that provide facilities or services to meet the day to day needs of residents.

Response: Not applicable.

• To ensure that low density residential environments are characterised by landscaped settings that are in harmony with the natural environment of Warringah.

Response: The proposal provides a compliant quantum of landscaped area, as defined, with the proposed landscaping achieving a setting that is in harmony with the natural environment of Warringah. The proposal achieves this objective notwithstanding the building height variation proposed.

The non-compliant component of the development, as it relates to development within the rear 25% area of the site, demonstrates consistency with objectives of the R2 Low Density Residential zone and the implicit objective of the building height standard. Adopting the first option in *Wehbe* strict compliance with the height of buildings standard has been demonstrated to be is unreasonable and unnecessary.

4.2B Clause 4.6(4)(b) – Are there sufficient environmental planning grounds to justify contravening the development standard?

In Initial Action the Court found at [23]-[24] that:

- 23. As to the second matter required by cl 4.6(3)(b), the grounds relied on by the applicant in the written request under cl 4.6 must be "environmental planning grounds" by their nature: see Four2Five Pty Ltd v Ashfield Council [2015] NSWLEC 90 at [26]. The adjectival phrase "environmental planning" is not defined, but would refer to grounds that relate to the subject matter, scope and purpose of the EPA Act, including the objects in s 1.3 of the EPA Act.
- 24. The environmental planning grounds relied on in the written request under cl 4.6 must be "sufficient". There are two respects in which the written request needs to be "sufficient". First, the environmental planning grounds advanced in the written request must be sufficient "to justify contravening the development standard". The focus of cl 4.6(3)(b) is on the aspect or element of the development that contravenes the development standard, not on the development as a whole, and why that contravention is justified on environmental planning grounds.

The environmental planning grounds advanced in the written request must justify the contravention of the development standard, not simply promote the benefits of carrying out the development as a whole: see Four2Five Pty Ltd v Ashfield Council [2015] NSWCA 248 at [15]. Second, the written request must demonstrate that there are sufficient environmental planning grounds to justify contravening the development standard so as to enable the consent authority to be satisfied under cl 4.6(4)(a)(i) that the written request has adequately addressed this matter: see Four2Five Pty Ltd v Ashfield Council [2015] NSWLEC 90 at [31].

Sufficient environmental planning grounds

Sufficient environmental planning grounds exist to justify the variation to the height of buildings standard. Those grounds are as follows:

Ground 1 – Topography and flooding

The topography of the land falls approximately 4 metres across its surface in a north easterly direction. The ability to lower the development or provide a stepped floor plate to ensure a single storey building, as defined, within the rear 25% area of the site is frustrated by localised flooding which occurs adjacent to the north eastern corner of the property. This has necessitated the raising of the ground floor apartment to achieve necessary flood mitigation outcomes with a corresponding increase in the floor levels of the apartments above.

The combination of site topography and flooding contribute to making strict compliance with the building height standard more difficult to achieve and to that extent are environmental planning grounds put forward in support of the extent of the building height breach proposed.

Ground 2 - Achievement of aims of SEPP HSPD

I note that the North District Plan indicates that there will be a 47% increase in the number of people aged 65 years and older in the next 15 years. In this regard, the proposal will meet a clear and increasing demand for seniors housing on the Northern Beaches enabling existing residents to age in place.

A variation to the building height standard facilitates approval of the development which will achieve the aims of SEPP HSPD being to encourage the provision of housing that will:

- (a) increase the supply and diversity of residences that meet the needs of seniors or people with a disability, and
- (b) make efficient use of existing infrastructure and services, and
- (c) be of good design.

Ground 3 - Objective (g) of the Act - To promote good design and amenity of the built environment

The building is of exceptional design quality with the variation facilitating a quantum of floor space that provides for contextual built form and streetscape compatibility, the maintenance of appropriate residential amenity in terms of views, privacy and solar access and the delivery of housing for seniors and people with a disability consistent with objective (g) of the Act.

Consistent with the findings of Commissioner Walsh in *Eather v Randwick City Council* [2021] NSWLEC 1075 and Commissioner Grey in *Petrovic v Randwick City Council* [202] NSW LEC 1242, the particularly small departure from the actual numerical standard and absence of impacts consequential of the departure constitute environmental planning grounds, as it promotes the good design and amenity of the development in accordance with the objects of the EP&A Act.

For the above reasons there are sufficient environmental planning grounds to justify contravening the development standard.

4.3 Clause 4.6(a)(iii) – Is the proposed development in the public interest because it is consistent with the objectives of clause 40(4)(c) of the SEPP HSPD and the objectives of the R2 Low Density Residential zone

The consent authority needs to be satisfied that the proposed development will be in the public interest if the standard is varied because it is consistent with the objectives of the standard and the objectives of the zone.

Preston CJ in Initial Action (Para 27) described the relevant test for this as follows:

"The matter in cl 4.6(4)(a)(ii), with which the consent authority or the Court on appeal must be satisfied, is not merely that the proposed development will be in the public interest but that it will be in the public interest because it is consistent with the objectives of the development standard and the objectives for development of the zone in which the development is proposed to be carried out. It is the proposed development's consistency with the objectives of the development standard and the objectives of the zone that make the proposed development in the public interest. If the proposed development is inconsistent with either the objectives of the development standard or the objectives of the zone or both, the consent authority, or the Court on appeal, cannot be satisfied that the development will be in the public interest for the purposes of cl 4.6(4)(a)(ii)."

As demonstrated in this request, the proposed development it is consistent with the objectives of the development standard and the objectives for development of the zone in which the development is proposed to be carried out.

Accordingly, the consent authority can be satisfied that the proposed development will be in the public interest if the standard is varied because it is consistent with the objectives of the standard and the objectives of the zone.

4.4 Secretary's concurrence

By Planning Circular dated 5th May 2020, the Secretary of the Department of Planning & Environment advised that consent authorities can assume the concurrence to clause 4.6 request except in the circumstances set out below:

- Lot size standards for rural dwellings;
- Variations exceeding 10%; and
- Variations to non-numerical development standards.

Notwithstanding that the Court can stand in the shoes of the consent authority and assume the concurrence of the Secretary, the Court would be satisfied that the matters in clause 4.6(5) are addressed because the contravention does not raise any matter of significance for regional or state planning given that the height breach does not result in a building form that will give rise to inappropriate or jarring streetscape or residential amenity consequences with the result that there is no public benefit in maintaining the standard in the particular circumstances of this case.

5.0 Conclusion

Pursuant to clause 4.6(4)(a), the consent authority is satisfied that the applicant's written request has adequately addressed the matters required to be demonstrated by subclause (3) being:

- (a) that compliance with the development standard is unreasonable or unnecessary in the circumstances of the case. and
- (b) that there are sufficient environmental planning grounds to justify contravening the development standard.

As such, I have formed the highly considered opinion that there is no statutory or environmental planning impediment to the granting of a height of buildings variation in this instance.

Boston Blyth Fleming Pty Limited

Greg Boston

B Urb & Reg Plan (UNE) MPIA

Director

Attachment 1 Shadow diagrams

