

**MACEDON RANGES SHIRE
RURAL LAND REVIEW
June 2002**



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Introduction and Executive Summary

Introduction

The Macedon Ranges Rural Review has been undertaken to provide an analysis of land use planning issues in the rural areas of the Shire, to provide a direction and vision for the future, and to provide recommendations for changes to the content and operation of the Macedon Ranges Planning Scheme in relation to rural areas.

This report provides details of the research, community perspectives and policy discussion that have formed the basis of the review. It also contains a set of *principles* for rural planning arising from community perspectives, research findings and the existing policy context, intended to provide a framework for current and future planning decisions and recommendations about the application of planning controls in various localities. Specifically, the report includes:

- i. A rationale and overview of the project;
- ii. A background to the rural land issues critical to planning in the Shire;
- iii. A review of the past and current planning controls and the effectiveness and deficiencies of these;
- iv. A analysis of community values as expressed through the project consultation;
- v. The vision and principles that are considered necessary to guide planning decisions into the future;
- vi. Recommendations for the application of concepts and specific planning controls to localities, including specific recommendations for changes to the Macedon Ranges Planning Scheme.

This report forms a part of the Macedon Ranges Rural Land Review . A planning scheme amendment will be prepared to implement its findings and recommendations and will be subject to public exhibition and submission.

Project Background

The Rural Review has emerged from a variety of planning and development issues in the Macedon Ranges Shire. These include:

- The need to address the land use change that is presently occurring as a consequence of a variety of social and economic pressures including the expanding metropolitan field, the declining viability of traditional farms in many sectors and increased interest in residential development in rural landscapes;
- The need to recognise the dynamic nature of change in the rural areas of the Shire, and to provide planning principles and a planning framework that articulate a core vision for the area's future, while responding to this reality and not presenting a static strategy;
- The need to develop a comprehensive and shared understanding of the future of rural land management and the role that the planning system plays in this, at a macro and micro level;

- The capacity of the Macedon Ranges Planning Scheme to adequately deliver on rural planning objectives, especially given the changes to some specific provisions contained in the planning schemes of the previous Shires and the standardised zone provisions of the Victoria Planning Provisions (VPPs);
- A number of specific planning policy and practice issues that emerged from the preparation, exhibition and review of the Macedon Ranges Planning Scheme.

The Rural Land Review is seen as a mechanism to draw together community views, research into critical rural land use issues and the principles and practice of planning strategy and policy in relation to the rural areas.

The review deals specifically with rural land in the Macedon Ranges Shire. That is, land currently within the Rural Zone, the Rural Living Zone and the Environmental Rural Zone. Clearly elements of the review also relate directly to the characteristics of development in urban areas, particularly the urban interface, and to the management of public lands in the rural areas.

The review aims to provide a concrete vision for planning in rural areas, as well as a context and framework for making day-to-day decisions. As well as providing a basis for the review of planning controls on rural land, the principles and directions arising from this review offer a context for consideration of individual development proposals, and of Council policy in areas beyond the planning system. Importantly, the review does not specifically address the appropriateness of individual proposals on individual sites, but rather sets parameters for considering planning proposals as they arise by providing direction to the Macedon Ranges Planning Scheme.

Critical Issues for the Future Planning of the Shire's Rural Areas

It is not an overstatement to suggest much of the rural area and many of the towns in the Macedon Ranges Shire are at a critical turning point. The competing forces for land; for urban and residential uses, resource use, environmental values, and tourism and recreation development are growing. These trends and demands have existed for some time in the area and have been well documented both in this review and other reports. What is now critical is the direction that is set for the future of the Shire in terms of land use, development and protection. As this review sets out the current trends and values are essentially to approve a wide range of uses and developments in the rural areas and at the same time have a widely supported goal to keep and preserve the inherent values of the Shire's rural areas. The actions are incompatible with the goal.

The pressures on the Shire for new and increased development are considerable. The quality of the Shire's rural areas both in their natural and cultural values and assets and the character of the Shire's towns ensures that there will be a strong attraction for new residents and for existing residents to seek to retain these qualities. The metropolitan area is getting closer and the improvements to transport links are reducing travel times. The appeal of the Shire as a recreational and tourist resource is increasing while the demands for the area to act as a water catchment and a high quality environment are major considerations.

Agriculture in the Shire has undergone a fundamental change. While the value and attributes of the area for a range of productive agricultural uses has not changed the economics and focus of agricultural use has changed dramatically. There are few full time commercial farms in most rural areas of the Shire but there is a lot of and a growing diversity of agricultural uses. The full potential of the Shire to realise the quality of the soils, the relatively high rainfall and the proximity to markets is largely unrealised. Yet at the same time large areas of the Shire's rural areas are being used for residential purposes with some agricultural uses.

The feedback the consultants have received from all consultations has been overwhelmingly consistent in a number of strong messages. It is encapsulated in the following statements that represent a clear consistent message:

- The unique combination of forested environments, of agricultural and cultural landscapes, of distinct towns and villages in such a setting is highly valued and must be maintained
- The prospect that the Shire is overtaken by metropolitan growth is rejected and there must be a clear separation from Melbourne
- Improving the quality of the land and water environment is paramount. It is simply not enough to maintain the environmental quality; the community should be striving to improve it.
- There should be a clear separation between urban and rural, much of the quality and the character that is so highly valued stems from the distinctiveness of the towns, their setting in a rural agricultural environment is fundamental
- The inherent value, quality and potential of the Shire's agricultural areas should not be lost, it is an asset for the future and it gives the Shire advantages over other areas
- The quality of approved development both urban and rural should be at a high level, there is no need to make compromises
- The quality of the rural environment is so important to all residents that the community through its Council should support initiatives that help to maintain it and wherever possible improve it

Many of these values do not directly relate to the content of a planning scheme. The planning scheme only comes into effect when someone proposes to do something that requires a permit. There are numerous means of pursuing and achieving these values and ideals. There are a range of social, economic, environmental and cultural initiatives and strategies that the community, various organisations, Council and relevant government agencies can take to assist in their pursuit and achievement. The planning scheme in its strategy and policy and particularly in its administration and implementation is one of the tools available. It goes without saying though that without a planning scheme that embodies these principles and provides for decisions consistent with this overall approach – there is a very limited chance in pursuing and achieving these overall goals.

The Shire is at a critical turning point because there are few large decisions that come along that set directions, the Shire is at the stage where the cumulative impact of a whole host of individual decisions is setting the direction. For instance decisions that provide for dispersed housing in rural areas, for developments dependent on septic tanks and that need further upgrading of rural roads. Other decisions place additional pressure on full time farming. Each contribute to an overall direction which very largely runs counter to the overall goal and values set out above. Most individual decisions on planning permit applications are often of little consequence in themselves, but the continual loss of elements of the vision mean that the current directions will actually produce a future that is fundamentally contrary to what the community generally supports.

How can this situation and likely future be redressed? This review suggests that there is a package of measures that Council can take. While the review focuses on the planning scheme (which was largely the brief) proposed changes in the planning scheme and its administration are only part of a total package and in it self will not produce the desired changes or lead to the realization of environmental or economic goals.

Turning to what should be done in respect of the planning scheme there are four critical principles that must be implemented. While each is important they are not options, they are a total package. They are;

- i. Create an urban growth boundary around each town. Inside is urban outside is rural.
- ii. Rural does not necessarily mean agricultural. Rural means it is for non-urban uses. Much of the rural area will function as non-commercial farms or rural living areas. Residential uses will be secondary to the maintenance and enhancement of a cultural and environmental rural landscape.
- iii. Changes of land use and new developments in the rural areas are supported only where they are consistent with the above two principles but only if they can also demonstrate and deliver a net gain in the condition of the Shire's land and water environment. Developments that do not deliver such gains will not be supported. But there is no presumption to support a development simply because it does achieve a net gain in the condition of the environment.
- iv. The Shire's planning scheme needs to spell out clearly what it is trying to achieve in respect to its rural areas.

Flowing from these four principles are three particular directions for change to the planning scheme and its administration:

- The Strategy and Policy base (the Municipal Strategic Statement and the Local Planning Policy) in respect to the Shire's rural areas needs to be rewritten to reflect the overall approach set out above and in the review's recommendations
- There needs to be some zone changes. In particular these changes need to recognise that a Rural (Agricultural) zone does not necessarily reflect the current and future land use of a number of areas of the Shire and that in some cases these areas may need to be rezoned Rural Living or Environmental Rural. These zones and their provisions actually limit a host of potential uses such as 'industrial' type developments that would be possible in the Rural Zone. These zones also need to set a high minimum lot sizes for new subdivision recognising the landscape and environmental values that the community wants to retain.
- The general approach to administering the planning scheme in the rural zones (Rural, Rural Living and Environmental Rural) needs to change. There is no presumption to support further subdivision or new residential developments. In particular, where proposals compromise the rural or environmental character of the area they will be refused and vigorously defended at appeal. In other words the onus of proof is on the applicant to demonstrate why the development should be approved, not on the Council to demonstrate that it is inappropriate.

The key tests for any proposal are – consistency with the MSS and Local Policies and that there will be demonstrable gains for the condition and quality of the Shires natural environment. Developments to be considered for approval must demonstrate that they are linked to an environmental management plan for their property and as part of an overall plan for the locality. That plan needs to address a host of issues such as environmental weed removal, replanting and fencing off riparian vegetation, development of wildlife corridors, water quality issues in creeks, salinity and erosion. The approval of the development would be linked to conditions or agreements addressing these issues and the final approval for the development would be conditional on the work being undertaken prior to the development being undertaken.

This is a whole new way of the Shire administering its planning scheme. It does mean that applicants will have to do more work on their proposals, and will also have to set aside funds for environmental works as part of any proposal. Standards required for approval will be higher and, initially at least, proposals will be refused by Council because they do not measure up.

Nothing short of the approach recommended above in respect of the planning scheme and its administration, will ensure that the goals for the Shire's rural areas that are so widely supported will be realised and that Shire's rural areas are maintained and enhanced and perform the role that the community so overwhelmingly wants to see for their future.

Recommendations.

Recommendation 1: Key Principles

The key principles for the future of the rural areas of the Macedon Ranges Shire are:

- The Shire will remain a rural shire with a number of villages and their communities set within an attractive rural environment, which includes a healthy natural resource base, soil based agricultural activity, native flora and fauna and dispersed rural dwellings.
- Agriculture is an important part of the character and economy of the Shire, and will be maintained and supported, especially on the high quality soils in the east of the Shire and in the north of the Shire where there has been less land fragmentation;
- Protection of water quality, especially potable water supply, is fundamental. Open potable water supply catchments must be managed to ensure water quality is not compromised. Development will be minimised in potable water supply catchments.
- Native vegetation is vital for the environmental health of the Shire and is a significant component in the Shire's character. Council will protect native vegetation and will strive for net gain of native vegetation in the Shire.
- The landscapes of the Shire are highly valued by residents and visitors. Development that compromises the nature and character of the rural landscapes of the Shire will not be supported.
- Rural residential development in its various forms is an important part of the lifestyle of the Shire and provides for population growth. There is already considerable supply offering a range of lifestyle opportunities. Creation of additional rural residential lots is likely to compromise the above principles. Development of existing rural lots for residential purposes must promote the above principles.

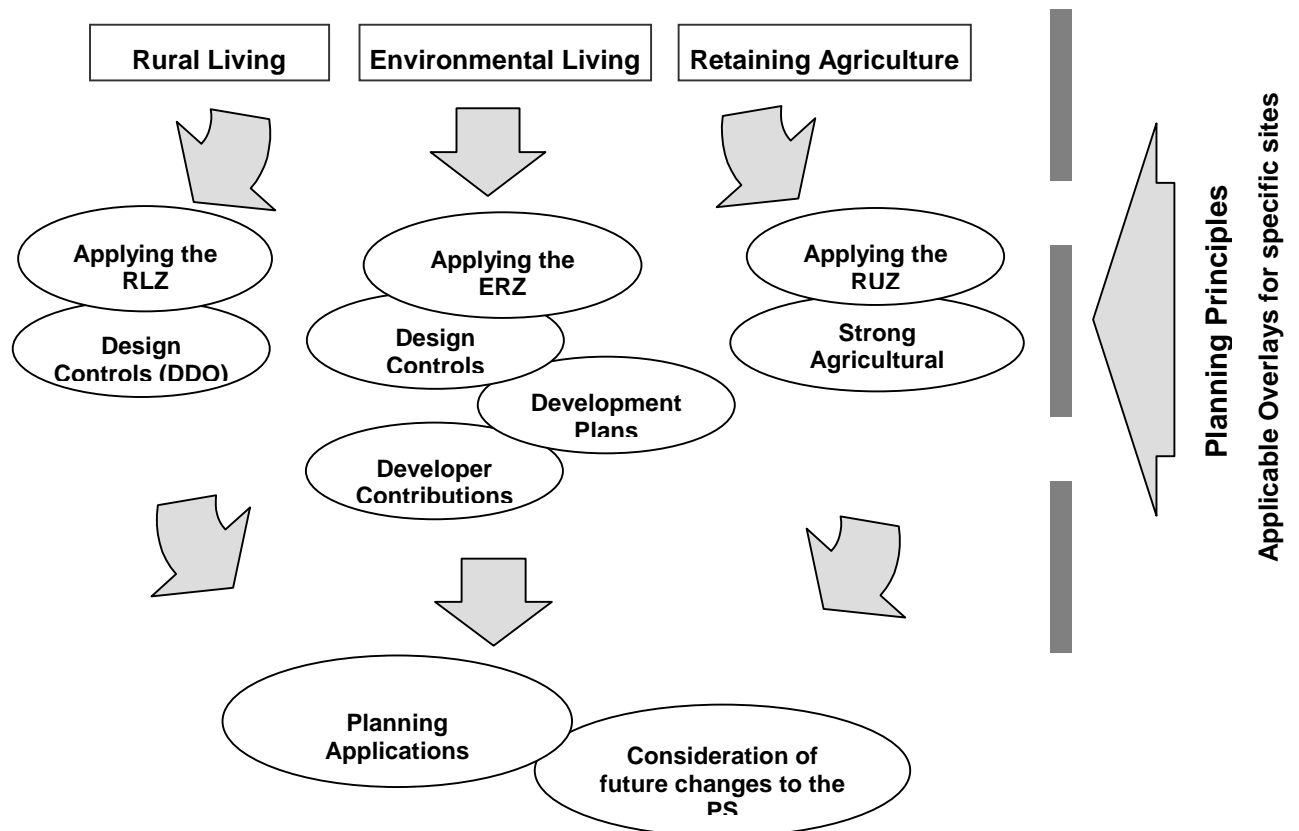
Recommendation 2: Directions for Future Land Use Change

Actions for implementing these principles and directions include the applications of planning provisions to different localities, as well as to non-planning tools, such as rating structures, economic development initiatives and infrastructure provision. Within the context of land use planning the general direction includes:

- A. Site-Focussed Planning:** applying the Rural Living Zone and Rural Zone, utilising broad policy objectives in relation to site management, land capability and general design criteria, limiting scope for additional subdivision of existing small lots.

- B. Environmental Living:** applying the Environmental Rural Zone and appropriate overlays to require appropriate landscape responsive subdivision and design. Innovative and appropriate subdivision will be the preferred to simply developing houses in the existing allotment patterns. Importantly the basis of development will relate to net environmental benefit. While circumstances will prescribe this, it is envisaged that concepts such as cluster subdivisions, reservation and enhancement of open space and habitat corridors and significant consideration for building design and siting will be components of this approach. It is envisaged that there will be significantly greater developer investment in landscape management and design within this model than currently occurs.
- C. Retaining Agricultural Landscapes:** applying the Rural Zone and a strong policy context to support ongoing agriculture and limit the expectation of future land use change. Primarily it is anticipated that within this vision proposals for a house will be considered where they support agricultural activity.

Recommendation 3: A Conceptual Framework for Linking Principles, Directions and Planning Provisions



Recommendation 4: Local Issues-Rural Living Proposal

The critical issue in relation to this proposal is to provide an incentive to develop land at densities that retain non-urban landscapes and provide a long-term barrier to metropolitan expansion. This concept is proposed to include the following:

- The application of the RLZ to all areas within the proposal, except where considerable environmental values are seen to require an ERZ, which will have consistent subdivision capacity.
- The continuation of the practice of granting permits on existing allotments where site-specific environmental and siting objectives and significant environmental improvements can be achieved can be met.
- The encouragement of well-planned proposals for development that can demonstrate contribution to the maintenance of non-urban landscapes and contribute to the capacity of the Macedon Ranges to maintain a separate spatial identity to that of Sunbury and metropolitan Melbourne.

Recommendation 5: Local Issues: Environmental Living Proposal

The critical issue in relation to the Environmental Living Scenario is achieving a net environmental benefit through limited development. This concept is proposed to include the following:

- The application of the ERZ to areas within the proposal
- The application of the separate ERZ schedules to local precincts which are based on biophysical boundaries (land systems, vegetation characteristics, topographic boundaries) and prescriptive outcomes for each precinct (eg. the revegetation of an identified biolink, protection of nominated ridgeline, retention of vegetated “balance” after subdivision, maintaining catchment-wide dwelling density – see map below)
- The inclusion of the precinct characteristics and desired outcomes within the Macedon Ranges MSS

Recommendation 6: Local Issues - Agriculture and Rural Landscapes Support Proposal

The critical issue in relation to the Agricultural Scenario is to support ongoing agriculture and prevent the ad hoc fragmentation of rural landscapes. This concept is proposed to include the following:

- The application of the RUZ to areas within the proposal
- The application of a lot size minima that prevents ongoing fragmentation of land
- The requirement of a planning permit for all new dwellings, even on larger lots, and the requirement to demonstrate that a dwelling is required to support agriculture- the primary purpose of the area and that it is consistent with the rural landscape protection objectives
- Development and land use change approved in the rural zone is linked to demonstrable improvements in the environmental condition
- The use of the Local Policy - *Agricultural Land* to support this position
- A presumption that (and if) non-agricultural development is seen as an appropriate future land use in any area that a process of strategic assessment and rezoning is undertaken in preference to supporting development that is at odds with the objective of this direction

Recommendation 7: Critical Steps to Implementation

Implementing the directions of the rural review requires, to some extent, a shift in the planning directions and practice. More importantly, the implementation requires considerable reconsideration of the role of development in the rural areas, and the way that planning and development may serve objectives beyond land use change and housing development on individual sites, but rather meet settlement objectives (such as developing a non-urban landscape barrier to metropolitan growth), environmental objectives (rebuilding the fragmented mosaic of remnant vegetation on freehold land) and economic objectives (developing a degree of long term certainty of ongoing agriculture and away from potential land use conflicts).

Critical steps along this path include:

- Clear enunciation of this strategy to the Macedon Ranges community, including newcomers to the Shire;
- The requirement of detailed planning proposals that acknowledge the framework and principles established in the review;
- Changing the expectations of the community for development opportunities in rural areas, specifically reducing the expectation that all rural properties are available for residential development;
- Refusing planning permits for proposals for development that do not meet these objectives (in particular contributing to agricultural or environmental objectives respectively);
- Further work to identify the specific and detailed locality outcomes desired in the Environmental Living area,
- Ongoing consideration of the appropriateness of the application of the Rural Zone. Clearly pressure to develop agricultural areas for rural residential use will continue, and at some junctures Council may consider this to be appropriate in some localities. However this should only be undertaken through a strategic process of rezoning, bringing an area into the Environmental Living region with an appropriate environmental enhancement goal.
- Additionally, individual proposals (a number of which were received in the process of undertaking this review) can be considered in the context of the principles and framework described. Clearly the majority of these do not, at present, address strategic issues, but proposals for development may be consistent with the directions if accompanied by proposals to meet broader planning objectives.

Principally, the implementation of this direction requires a reconsideration of the basis of rural development; its purpose and what broader outcomes might be achieved. Moreover, the process requires a commitment by Council to advocate for this process, and to create a community responsibility for monitoring and achieving this.

The Project Process

This review has been undertaken in the context of a number of changes to planning in Macedon Ranges Shire in recent years. These include the preparation and approval of the Macedon Ranges Planning Scheme in 2000, input and consideration of broader policy changes in catchment management, metropolitan growth and patterns of rural housing growth.

This report is part of a process that (to date) involved community meetings, submissions and research. The process will continue beyond the completion of this report, as will the opportunities for community input. From this point, the process will include:

- i. The preparation of amendments to the Macedon Ranges Planning Scheme;
- ii. The exhibition of these amendments, with an opportunity for submissions to be made;
- iii. If submissions are made, an independent panel will be appointed by the Minister for Planning and convened;

- iv. The Panel will invite submitters to be heard, and will report on the amendments, providing recommendations;
- v. The Minister for Planning may approve the amendments, and these will become part of the Macedon Ranges Planning Scheme.

2: Current Rural Land Use Issues

Rural Development Trends and Exurbia

As discussed, the nature of housing and population growth in the Macedon Ranges is largely a product of the growth (and the extent of growth) of metropolitan Melbourne. While trends in demand for rural land as a residential housing option reflect diverse preferences and land markets, the phenomena of the extending reach of metropolitan areas is common to most larger urban centres in Australia and elsewhere.

Australian and overseas literature exploring the relationships between lifestyle and patterns of urbanisation provide a context for understanding the relationship between urban and rural land use, and settlement change. While much of the recent discussion of urbanisation, at least in an Australian context (and certainly within Melbourne), has focussed on trends towards new and infill development in inner urban areas, the quantum of new growth beyond the suburban fringe has not abated.

Development of essentially urban land uses in rural areas is strongly associated with changes in the patterns of urbanisation (McKenzie 1997). At least throughout the 1970s and 1980s, rural residential areas came to form some of the fastest growing areas of Victoria (Jackson and O'Connor 1993: 84). Australia's rural-urban fringe is characterised by three key features - the role of 'development rights', consequent ad hoc rural residential development, and inadequate policy relating to agriculture and rural communities (Bunker and Houston 1992: 221).

Urban-Type Development in Rural Areas

Urban-type development in rural areas (essentially rural residential development¹) is driven by a range of factors that drive demand and create a supply of available land. Throughout the literature, a variety of environmental, economic and social factors seen as causal.

Three general theories discussed by Hugo and Smailes (1985) relate to:

- the expanding urban field approach which postulates a scaled-up continuation of the same basic processes of suburbanisation and extension of metropolitan commuting hinterlands as occurred in previous decades;
- the behavioural approach which places emphasis of changes to the residential and locational preferences of individuals; and
- the structural approach, one based on theory relating to economic transformation of the national economy, and the production of a wave of 'counter-urbanisation' as a consequence of this broad-scale change.

At an individual level, proximity and access can be seen to play a key role. McKenzie (1997: 84) identifies that the changing pattern of industrial location, together with locational flexibility of people brought about by affluence and car ownership have been key factors in allowing dispersed and decentralised settlement patterns to occur. She states that 'suburban

¹ "Rural residential" as a form of development has accrued specific meaning as a consequence of the names of zones and land uses in planning schemes. It is often considered to relate to small-block residential development on and beyond the fringes of towns. The present Macedon Ranges Planning Scheme does not specifically refer to rural residential development, although it does contain the Rural Living Zone. In the context of this discussion, "rural residential" is used to encompass all urban-type development in a rural area; development for primarily residential reasons on small, large, bushland or farmlet blocks.

employment location can fuel exurban development because exurban locations are relatively close to many outer suburban centres' (p91).

Within the context of exurban Melbourne, and particularly the Macedon Ranges, the expanding "field" or *footprint* of the metropolis is considered a prime factor in driving growth in both urban and rural areas. Structural and locational changes within Melbourne (including the ongoing decentralisation of employment opportunities) present increased opportunities for access to employment at the fringes of the metropolitan area. McKenzie describes this phenomena in Melbourne (1996:38), although indicating that Melbourne's north west offers better exurban commuter opportunities than the heavily urbanised eastern suburbs.

Importantly, however the notion that preference and choice, and general structural changes in the economy that allow a degree of *counter-urbanisation*, are components of the trend towards residential development in rural areas is also central to understanding the phenomena. Selwood et al (1996) suggests that landscape is an increasingly critical factor in locational preference. Coastal areas, areas with high landscape values, and areas proximate to major urban centres have become prime choices for population growth in Australia. Salt (2001) describes this as a third wave of population growth (beyond traditional rural and urban population shifts in the previous century), with areas such as coastal NSW and the picturesque hinterland of major urban centres becoming the focus on lifestyle growth. The impact of this change on the Macedon Ranges is manifest, with increasing populations in urban and rural areas and locational preferences being driven by landscape character.

Structural and Land Use Change in Agricultural Areas

The exploration of the causes and consequences of land use change on the metropolitan fringe includes another dimension, beyond residential preference; that of structural change in farming areas. While clearly these issues are related, with land values having significant influence in farm investment and restructure, a range of broader changes in traditional agriculture and new models of farming play a role in understanding change at the metropolitan fringe. These issues are critical as they provide a "supply-side" explanation to rural residential development, and approach policy-making concerns relating to farmland preservation and the retention of rural landscapes.

Long term declining trends in farm terms of trade have been identified across many sectors. In most sectors this has been largely offset by increased productivity at an industry level (SCARM, 1998: 11). These trends have generally resulted in farming at an increased scale, diversification, or increased reliance on off-farm income. In an area like the Macedon Ranges Shire where a number of development factors interplay, particularly the encroaching metropolitan field, opportunities exist for a further option - the sale of land for non-agricultural use.

Bunker and Houston (1992: 24) note an "impermanence syndrome" that pervades many fringe areas where landholders consider urban growth as inevitable and therefore make investment and management decisions with this in mind. Outcomes of this include reversion to low input farming systems, limited re-capitalisation and ultimately sale for sub-commercial or residential use (Bunker and Houston, 1992:25). Moreover, there is a strong expectation of development "rights" on the fringe of Australian cities and this flavours medium and long-term decision making on many farm enterprises on and near the fringe, introducing uncertainty to investment.

Nonetheless, significant public policy-making energy has been given to protecting farmland, especially "high quality" agricultural land. Within the Victorian planning system the need to protect high quality land from non-agricultural use is established as a State Policy. The need to prevent the fragmentation and loss of highly valuable agricultural land is seen as being in the interests of the community, and unable to be adequately addressed by the market (Office of Environment, 1990).

Bowie (1993) challenges the general understanding of “farmland loss” (and hence loss of production) as a critical basis for policy-making as, in a regional/national context, loss of prime land and production has not been a significant consequence of conversion of farmland. This position is somewhat reinforced in Victoria, where it is evident that loss of land on the fringe has been compensated by significantly increased investment and production levels elsewhere in the state, especially the Murray irrigation areas (TBA Planner, 1997:7). Importantly, however the loss of areas of highly valuable and highly *versatile* agricultural land in higher rainfall areas remains a challenge to a considered and strategic approach to future land use management at a statewide level, including a long term response to the management and expansion of irrigation areas. Moreover, the consideration of this issue remains a requirement of State Planning Policy.

Approaches to Policy and Planning Practice

Approaches to addressing exurban growth in Australian and overseas have had varying success. In general, policy approaches to managing land use change in peri-metropolitan areas include four themes:

- i. farmland preservation/protection policies, aimed at retaining productive farm uses;
- ii. landscape retention policies, focussed on the maintenance of rural landscape values;
- iii. policies aimed at addressing social and physical infrastructure costs associated with dispersed development;
- iv. policies aimed at managing environmental impacts associated with development, at both a broad regional level and site-specific level.

Farmland preservation and protection includes actively interventionist examples, such as the purchase of “development rights”² and active market or statutory planning intervention to prevent land use change. It also involves the establishment of a policy and legislative mechanism in support of ongoing farming, such as “right to farm” legislation (usually based on making changes to common nuisance torts or noise/odour pollution legislation), compensation and rate rebate models and industry support policy.

For example, in the state of Pennsylvania USA, the Lancaster Farmland Trust has had significant success in preserving and protecting farms through conservation easements that limit future non agricultural development of the land. The Trust works with farm families who, on a voluntary basis, wish to donate or sell an easement in order to both meet the family’s financial needs and preserved the farm. The farmer continues to own the land and farm it independently (Lancaster Farmland Trust, '97: 1). Farmland conservation easements are not used in Victoria, where zoning controls are theoretically at least, strong enough to prevent fragmentation. This is for good reason, since zoning control can be applied to set lot size and development standards without any recourse to compensation by landowners.

Policies of landscape protection are more strongly focussed on the need to protect the rural appearance of land and rural character, not necessarily rural land use. In many ways changing agriculture presents direct challenges to traditional concepts of rural landscapes. Intensive animal industries, large shedding and other features of many agricultural activities may be at odds with important landscape values, and are often the basis of much rural planning policy. Within this context a range of options that support landscape management,

² In many parts of the United States the “purchase” of “development rights” involves the community compensating landowners for the value of land over and above its productive value (the value which would be realised through sale for residential use) in return for

in relation to both development and the pattern of land ownership and fragmentation have emerged within the planning system.

Infrastructure and service provision to residential development in rural areas raises a number of considerations, especially in relation to equitable distribution of resources and the need to apportion costs and benefits of community expenditure. Issues include:

- what is the true cost of servicing rural residential lots?;
- who should pay for this?; and
- what level of cross-subsidisation, if any, is equitable for the whole community?

The literature generally acknowledges some basic facts regarding cost apportionment. Increases in residential population, however distributed, provide both the demand and the budgetary wherewithal for increasing services (Joseph and Smit, 1985). The budget does not always cover the costs of provision. In fact, it can be assumed that the extra rates generated by increased populations in rural residential settlements hardly ever cover the actual costs of service provision to such areas, simply because often the costs are much higher per lot than rates charged per lot.

The Department of Natural Resources and Environment suggests that: "the higher costs to service these areas (rural residential) should be borne by the land owners who should not only be made aware of these costs before choosing this lifestyle, but should be advised at the outset of any land management responsibilities" (Victorian Government, 1996b). It could be assumed that truly meeting the costs for each lot, especially where the form of development is significantly dispersed, would be difficult or impossible without some cross-subsidisation.

In relation to addressing the environmental impacts of development, a range of approaches have emerged within and beyond the planning system. Most relevant are the current provisions of the Victorian planning system that provide a policy framework and site specific land use and development controls with a focus on addressing environmental impacts.

Past approaches have included specific Land Use Determinations in proclaimed catchments and the use of Environmental Management Plans to require sophisticated and comprehensive consideration of the issues on specific development sites. For example in Bendigo and the area of the former Shire of Gisborne, an Environmental Management system has been in operation since the early 1990s. Critical issues in this type of approach include the need to ensure a high quality of application, and ensuring Council has the wherewithal to undertake and appropriate assessment. Bryant (1998) identifies a high proportion of poor to average Environmental Management Plans in Bendigo, while quality control and rigorous assessment were seen as limitations to the effectiveness of the process. Importantly, the present planning system provides a strong model for the inclusion of critical environmental issues at a site-specific level, through the use of policy and overlays.

What is largely lacking from the past and present models for environmental management within the planning context is the capacity to address incremental change and the effects of this at a regional or catchment level. With the advent of remote sensing and complex LIS/GIS capabilities scope exists to move towards modelling incremental change, however this is not an approach in operation in Victoria.

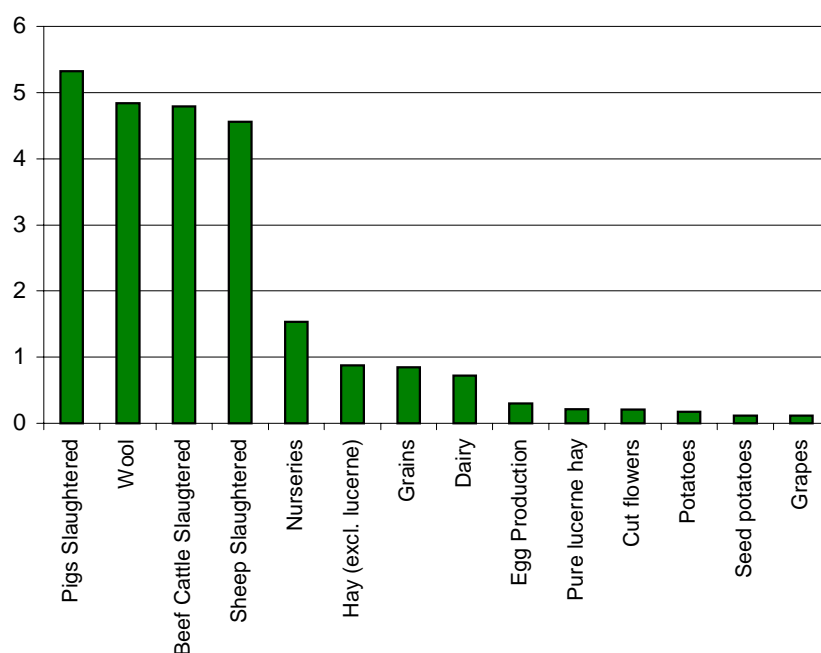
Agriculture and Rural Land

Agriculture, and particularly broadacre cropping and grazing, has traditionally formed the basis of most rural land use in the Macedon Ranges Shire. Increasingly, cropping and grazing at the scale undertaken in the Shire is comparatively less viable than in the past, and demand for rural lifestyle options has resulted in land use change across the region. Part time agriculture, new agricultural activities and the non-agricultural use of rural land increasingly typify agriculture in the Macedon Ranges. These sectors also play an important role in the local economy, both in terms of production, and the contribution to non-farm activities such as tourism and accommodation.

This does not however indicate that there are no viable and large-scale agricultural enterprises in the Shire. Macedon Ranges Shire is the location of a number of large intensive animal operations, large grazing operations (many with holdings within and beyond the Shire), and a range of enterprises such as viticulture that rely on location, proximity to markets and the benefits of the Shire's image.

At the last Agricultural Census in 1997 the Gross Value of Agricultural Production in the Shire was \$25.9m, or about 0.4% of the Victorian total. Of the local GVP, almost 75% was the result of the top four commodities; pigs, wool, beef and sheep meat.

Macedon Ranges: Agricultural GVP 1996-97 (\$m)



Source: ABS 1996-97 Census of Agriculture

Trends in Agriculture within the Shire

The shire's agricultural production is divided between a relatively few large scale intensive and extensive farming operations and a large number of small scale grazing and viticultural enterprises. Trends in the Shire suggest an increase in the proportion of smaller operations with low production and low turnover. For example, in 1997 92% of all beef producers had a turnover of less than \$50,000 - in 1994 the proportion was 82%.

Farm Numbers and Annual Turnover: Macedon Ranges 1997 (with 1994 Total)

Industry	<\$50,000	\$50-\$100K	\$100-\$200K	\$200-\$500K	>\$500K	Total
Beef	92%	5%	3%	0%	0%	168
Sheep	55%	30%	10%	4%	0%	96
Sheep-beef	62%	13%	20%	4%	0%	69
Horses	76%	12%	8%	4%	0%	25
Mixed	18%	47%	18%	12%	6%	17
Grapes	77%	23%	0%	0%	0%	13
Plant nurseries	38%	25%	13%	25%	0%	8
Dairy	50%	0%	50%	0%	0%	8
Livestock n.e.c.	38%	38%	13%	13%	0%	8
Vegetables	43%	29%	29%	0%	0%	7
Pigs	29%	0%	0%	57%	14%	7
Flowers	60%	40%	0%	0%	0%	5
Other Industries	100%	0%	0%	0%	0%	5
Crop and plant n.e.c.	50%	0%	50%	0%	0%	2
Stone fruit	0%	100%	0%	0%	0%	1
Fruit n.e.c.	100%	0%	0%	0%	0%	1
Poultry (meat)	0%	0%	0%	0%	100%	1
Poultry (eggs)	0%	0%	0%	100%	0%	1
Deer	100%	0%	0%	0%	0%	1
Total	308	71	43	18	3	443
<i>Total (1994)</i>	<i>324</i>	<i>85</i>	<i>32</i>	<i>13</i>	<i>4</i>	<i>458</i>

Source: ABS, (n.e.c. "not elsewhere classified") Turnover: Estimated Value of Agricultural Production. Industry classifications relates to main commodity of any farm.

The graph above describes the number of farms in each industry sector at the last Census, and the proportion of those with a farm turnover within each range shown. Very few of the 443 farms recorded in 1997 had a turnover of over \$200,000 per year, less than 1% had a turnover of over \$500,000. The intensive activities of poultry and pig keeping were noticeable in this top turnover range. Compared with 1994, farm numbers declined, and this would be expected to have continued. Overall trends in viability were generally similar overall, however as indicated in sectors dominated by small operations declining scale has continued.

The following discussion provides a summary of the trends in the key industry sectors.

Meat Production

The predominant agricultural land use in the Shire is beef production. Production levels have declined in recent years, and the local industry is dominated by a number of small, and probably part-time, operations. At the 1997 Census there was 168 beef cattle operations (and a further 69 mixed grazing operations) in the Shire and the gross value of beef production was \$4.79m.

This type of operation, while not competitive with the large scale pastoral operations in northern Australia, is relatively manageable and lends itself to small scale and part time farming. Recent prices have been advantageous to beef operations, although over the longer cycle high returns could not be expected in a low turnover operation.

Sheep meat production, and particularly prime lamb production, requires a higher level of farm management to achieve required growth rates and turnover. In this sense, viable lamb production is less suitable for part-time operations. At the 1997 Census the gross value of from sheep meat production in the Macedon Ranges Shire was \$4.5m.

Wool Production

At the 1997 Census the value of wool production in the Shire was \$4.8m. In the shire, as in much of Victoria, the majority of businesses were small to medium sized operations, relying on other income, both on and off farm³.

Generally in Victoria, the wool industry has experienced significant decline in value at a national and regional level in the past decade. This has been due to a combination of:

- i. decline in the underlying demand for wool
- ii. changes to wool marketing arrangements
- iii. strong competition from other fibres

More recent trends suggest that wool prices are becoming more favourable to producers.

Key factors in viability for wool producers include increasing inputs (to over \$110/ha to achieve a good operating surplus⁴) and adjusting stocking rates. Land values are not as indicative of productive capacity in the Macedon Ranges as some other regions (and as a result are a considerably inflated component of the cost of production), and options for improvements to wool production will include relocating to cheaper land, increasing stocking rates and considering options to lease land at a rate that is a better reflection of productive capacity.

Intensive Agriculture

Intensive animal keeping, specifically of pigs and poultry, forms an important component of the agricultural production of the Macedon Ranges Shire. At the 1997 Census, pig meat production had a value of \$5.3m and egg production \$303,000. Various poultry and intensive livestock keeping operations also operate at a local level.

While free-range keeping of pigs and poultry is a component of this production, the majority of production was undertaken in an intensive operation, and these enterprises have the more significant land use issues in the Shire.

In 1997 there were seven pig producers recorded and two poultry operations (that is those operations predominately keeping pigs or poultry, although as with other sectors many mixed farms produce a range of commodities). Unlike the grazing industries of the Shire, these operated with a high turnover (\$200,000 p.a. to in excess of \$1m p.a.).

Across Victoria, significant changes have occurred in these industries as a result of pressures from urbanisation, the impact of regulations, changes in domestic and export markets, and the increased scale of a number of operators. For example, in the chicken meat industry the number of contract growers in Victoria with a capacity of over 100,000 birds increased by 80% between 1989 and 1998⁵. This growing scale of operations coincides with a significant growth in poultry consumption in the Australian population as a whole. Consumption of beef and lamb have declined markedly, while poultry consumption has doubled since the 1970s⁶. Increased investment in pig production (and increased market share) has followed similar patterns.

³ Rendell McGuckian et al(1999) *Business Analysis for Wool Growers*, DNRE

⁴ Rendell McGuckian et al(1999)

⁵ Victorian Farmers Federation (1999)

⁶ Apparent Consumption of Foodstuffs, ABS, 1996-97

This means that large investment are being made, and long term decisions about location are significant factors in these. At this scale, risks of future land use conflict is a considerable deterrent to investment, even when proximity to labour and infrastructure is considered⁷.

Viticulture

The wineries and vineyards of the Macedon Ranges are a considerable part of the image and character of the rural areas of the Shire. While in comparative terms the value of grape production is low, the on-site value adding associated with winemaking and tourism is an important economic contributor with effective flow-on throughout the local economy.

Currently, there are in excess of 30 vineyard or winery operations in the Shire⁸, growing close to 160ha of grapes. Key varieties include Pinot Noir, Chardonnay and other white grape varieties (generally Burgundy and Champagne varieties) compared to prime Shiraz (and Bordeaux/Rhone varieties) growing areas to the north. A number of vineyards surveyed in 2000 recorded plans to plant additional grapes (over 80ha) in coming seasons, including varieties such as Malbec, Cabernet and Italian varieties including Dolcetto and other "new" cool climate varieties.

In addition to grape growing, annual wine production in the Shire was over 300,000 litres in 1999⁹, from a production capacity of over a million litres. Clearly much of this production includes grapes from other regions.

Currently the scale of operations is comparatively low, with no flagship brand or operation in the Shire. The small-scale and boutique nature of the existing local industry presents both opportunities and constraints to future growth and economic benefits. The proposed future plantings (up to 50% of existing levels) are much less significant in scale when compared to the large scale plantings in Sunraysia, Mount Camel Range and elsewhere. Nevertheless, they are a continuing contribution to an industry with important local economic connections beyond grape growing.

From a land use perspective, the emergence for the viticultural industry is challenging. Vineyards and associated activity are, on the surface, not only consistent with the character of the Shire, they in fact enhances the rural landscape and lifestyle characteristics sought by much of the community. However, practices such as spraying and high intensity yet seasonal production may not, in reality, suit the desired amenity of many new rural residents.

Other Agricultural Sectors

There is a range of smaller industries in the Shire. These include dairying, vegetable (and vegetable seed) growing, nurseries and cut flower growing and horse breeding and training.

Location, specifically proximity to Melbourne (and Tullamarine Airport) are important advantages to some of these industries. Others complement more significant sectors, such as broadacre cropping as a component of a grazing dominated mixed farm.

Industries such as horse breeding are important as they complement a strong sub-commercial rural land use – horse keeping and agistment. At the 1997 Census there were 1,067 horses kept by 25 commercial properties. As this only includes properties with a turnover of \$5,000 or more, it is only a small component of the many properties involved in this activity. The flow-on of this beyond the agricultural sector can be considered an important element of the local economy.

⁷ RPD Group & VIAS (2000) The Future of the Poultry Industry in North Central Victoria

⁸ RPD Group, Conceptz, Rendell McGuckian (2000) Central Victorian Regional Wine Study

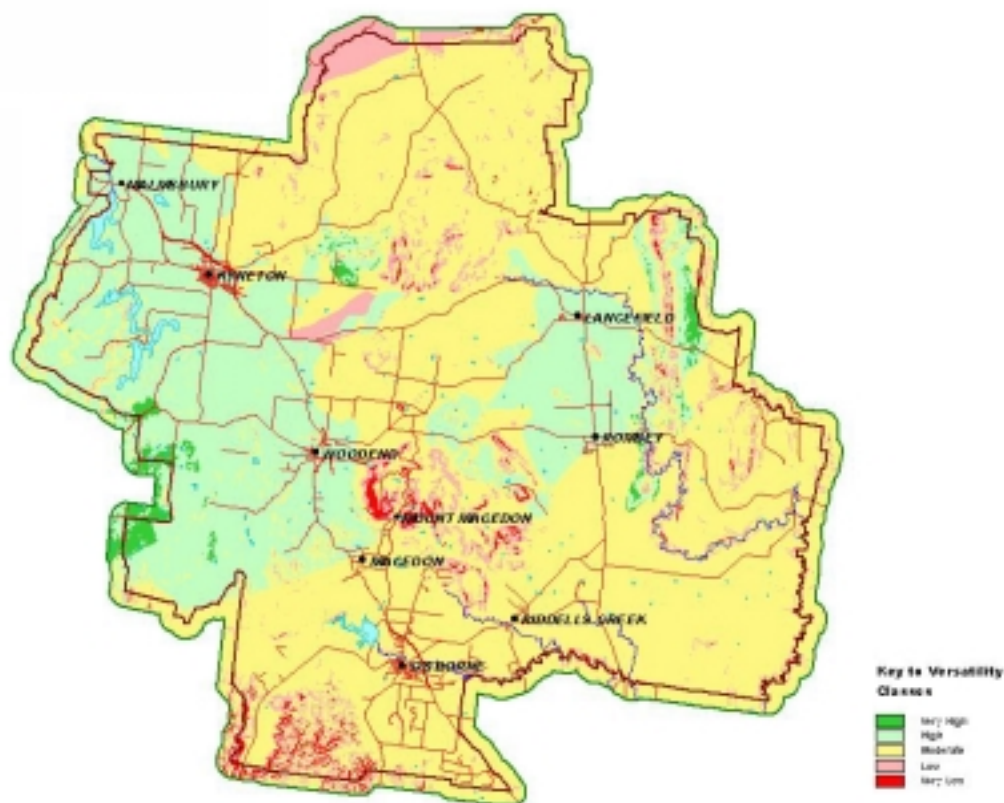
⁹ RPD Group, Conceptz, Rendell McGuckian (2000)

Physical Features of the Shire

The land in the Macedon Ranges Shire includes a mix of soil type sand landforms that offer a range of opportunities for primary production. This includes granitic soils, sedimentary hills and volcanic plains, each exhibiting varying characteristics and possibilities.

The following map provides an indicative land versatility based on slope, soil type and drainage, with limited climatic input.

Agricultural Versatility: Macedon Ranges¹⁰



Centre for Land Protection Research, 1:250,000 Land Systems Mapping

At this scale, the data suggests that land around Tylden and Trentham East has very high versatility, while a significant area of land to the west of the Calder corridor (and north of Macedon) and between Newham, Lancefield and Romsey exhibits high versatility. In addition, some highly versatile land is identified east of Lancefield at the southern extent of the land system that includes the Mount Camel Range and area of considerable viticultural activity at present. Land on the slopes of Mount Macedon, the Bullengarook area and west of Baynton is considered to be of low versatility, and associated risks of erosion and drainage limitations are land management challenges to farming in these areas.

¹⁰ This mapping ranks the inherent soil and topographic features associated with the current forms of agriculture undertaken in the Shire. While it is indicative, the general findings are consistent with the 1:25,000 land capability mapping undertaken in parts of the Shire, and the identified versatility is general consistent across a range of individual commodity types. More detailed mapping will be undertaken in the strategy development stage of this project.

Challenges for Rural Land Management

Key rural land management issues associated with agriculture include:

- Managing land use and landscape change. Increasingly there will be changes in land use as viable farm numbers in traditional industries decline, and demand for alternatives, whether productive agriculture such as viticulture, or rural residential land uses increases.
- Land use conflicts. At a local scale these might include dog attacks on stock, or spray drift affecting housing. More regionally this might be a driver in future investment decisions in the agricultural sector.
- Land value as a component of costs. Land values in the Shire are often associated with real or potential urban type markets, relegating productive capacity as a factor.
- Practical protection for high quality and highly versatile land. Not only is this State Planning Policy, but it provides a cautionary approach to future land use options.
- Promoting sustainable land management practices. While the scope for the planning system to do this is limited, it should be a focus when opportunities arise. Further, other opportunities outside of the planning system should also be considered.
- Recognising the benefits of sub-commercial or part time farming in supporting rural land retention.

Environment and Landscape Issues

The value of the environment plays a significant role at a personal, local and regional level. These values are not only important in maintaining biodiversity and the health of land and water, but they are, in many ways, the basis of the character of the Macedon Ranges Shire. The importance of addressing the environment and landscape in the review of rural land use is fundamental, and while the need for concerted action to remedy environmental challenges is essential, the capacity of any system (including the planning system) to manage this alone is limited.

This paper, as with the other background papers in the Rural Land Review, does not attempt to offer answers, but rather to briefly outline the range of issues associated with rural land management in the Macedon Ranges Shire, and to offer some scenarios for the way in which Council, through the Planning Scheme, can affect change.

An important consideration is the existing broad range of strategy, policy and legislation that relates to environmental management. Responsibility for the environment resides with a range of government bodies and agencies, as well as with community participants. In this paper the primary focus is on exploring environmental and landscape management as they relate to the future use of rural land (more specifically *private* rural land) in the Shire.

Key Environmental Issues

The key environmental issues for the rural areas of Macedon Ranges Shire include:

- The protection, maintenance and enhancement of remnant vegetation and the habitat it provides;
- The management of water quality, especially within proclaimed potable water supply catchments;
- The protection of land from environmental risks such as erosion and salinity;
- The promotion of sustainable land management and agricultural practices, and the promotion of sustainable residential development in a rural setting;
- The maintenance of rural landscapes and open space for aesthetic, recreational and economic benefits

Each of these matters are important influences in developing a strategic approach to future development in the rural areas of the Shire.

Habitat and Biodiversity

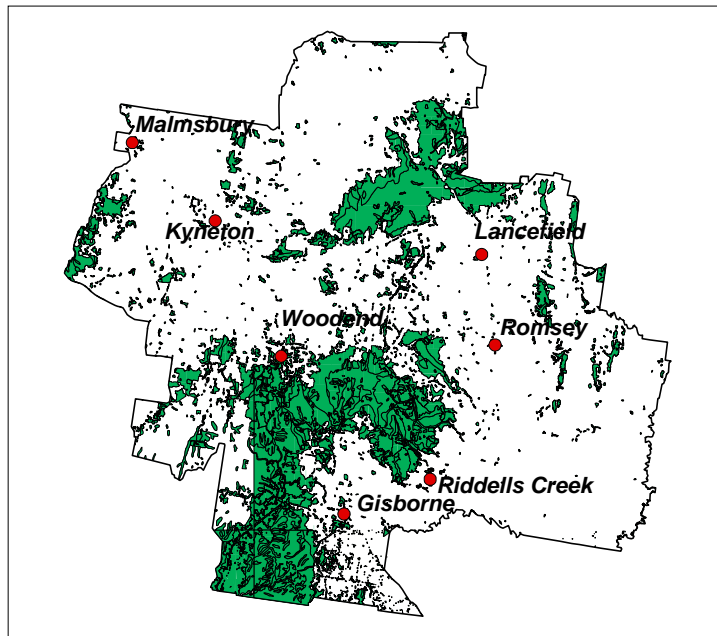
Macedon Ranges Shire includes considerable areas of forested hills and uplands, grasslands, waterways and scattered woodlands. While there has been considerable clearing and modification of the environment, especially since the 1850s, many significant areas remain, and capacity exists to further enhance these. The Macedon Ranges Shire, straddling the Great Divide, includes a range of landscapes and associated habitats from wet forests to open box woodlands in the north of the Shire and riparian woodlands crossing the Shire.

Past and current trends in rural land use present threats to habitat and the maintenance and enhancement of biodiversity associated within this habitat. Land clearing for broadacre farming, activity associated with urban and rural residential development and landscape modification as a consequence of activities such as damming watercourses are among those process that have reduced habitat values in the area. At a more local scale, pest plants and animals associated with the growing population of the Shire, and activities associated with practices on individual farms also threaten habitat value.

Challenges for improving habitat value on rural land include:

- Strategic planning to enhance the value of remaining vegetation;
- New works to enhance the linkages between remnants, creating linkages within the landscape;
- Addressing the potential cross-boundary conflicts between private and public land in relation to vegetation loss, pest plant and animal invasion and linkages between public land parcels;
- Addressing land management practices that affect terrestrial and aquatic habitat value;
- Addressing land use change and fragmented patterns of development.

Vegetation Cover (1992)



Source: DNRE Ecological Vegetation Classes (1:100)

From a land use planning perspective, each of these issues should form a part of the consideration of individual developments, applications for land use change, larger subdivisions and developments, and the overall strategic thinking associated with changes to the Planning Scheme. At a specific level, the planning process (at a statewide level) provides general vegetation protection objectives, and in many cases in Macedon Ranges Shire specific habitat and vegetation values are already identified for assessment in some circumstances.

Encouraging and promoting practices and works to enhance habitat and vegetation as a component of new development requires some consideration of the aspirations of the

landholders, trends and demand in different property markets and, importantly, the priorities for enhancing vegetation and habitat at a local and regional level. Moreover, the recognition of important habitat, and the scope to improve these areas, within the strategic planning process will provide important parameters for the consideration of issues such as demand for housing development. The (draft) *Natural Environment Strategy* provides useful directions for the management of vegetation, including the identification of biolinks and areas for vegetation management and revegetation in critical areas.

Land and Water

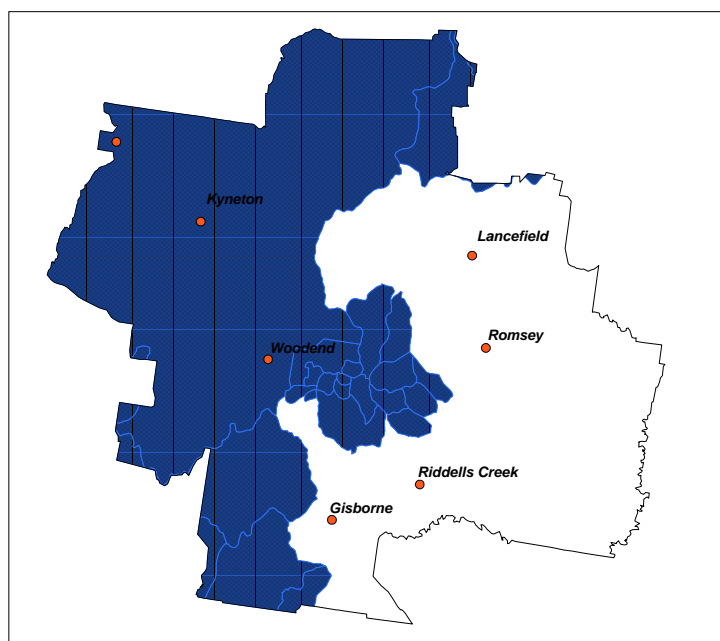
The management of land and water as a *resource* is another significant rural land planning issue at a local and regional level. Land clearing, housing development, drainage and landforming, the use of chemicals and other potential pollutants and grazing and cropping practice can all have an impact on the land and water resources in the region.

In the context of regional catchment management, while a significant area of the Macedon Ranges Shire is forested public land (approximately 10%), the majority of the Shire is private cleared land used for agricultural, residential and other purposes. As the Shire is at the “top” of catchments extending to Port Phillip Bay in the south and the River Murray to the north, many of the processes resulting from land management practices and development in Macedon Ranges do not result in noticeable problems at a local level. Well documented processes such as dryland salinity, water pollution and increased nutrient loads resulting in algal blooms are more symptomatic of areas further down the catchment, and therefore processes and practices across the catchment are important issues.

Among those threats to land and water quality in the Shire:

- The impacts of urban development processes, including stormwater run-off, land forming and pollution;
- The impacts of housing development in rural areas, including the impact of land clearing and waste water disposal;
- The potential for impact from farming practices, including land clearing;

Proclaimed Water Supply Catchments



There are many examples of these issues being addressed at a local and regional level. The activities of Landcare and "Friends" groups, increased analysis of land capability for effluent management and the individual land management activities of landholders are among those actions being taken to address land and water quality. The majority of activities sit beyond the parameters of the planning system (and often beyond the scope of local government), however the planning process does play an important role at the development and strategic planning stage. Presently, the planning process addresses these issues in a number of ways, for example:

- The application of specific planning controls over proclaimed catchments with the intention of more rigorous assessment of applications with potential to affect water quality;
- The application of controls over land subject to inundation and flooding;
- General and specific environmental provisions associated with the rural zones and local policies;
- Native vegetation retention controls in so far as they relate to resource management, rather than habitat protection.

The Rural Land Review process needs to consider the effectiveness of these provisions in addressing their objectives, and whether specific approaches suit the needs of specific localities.

Natural and Cultural Landscapes

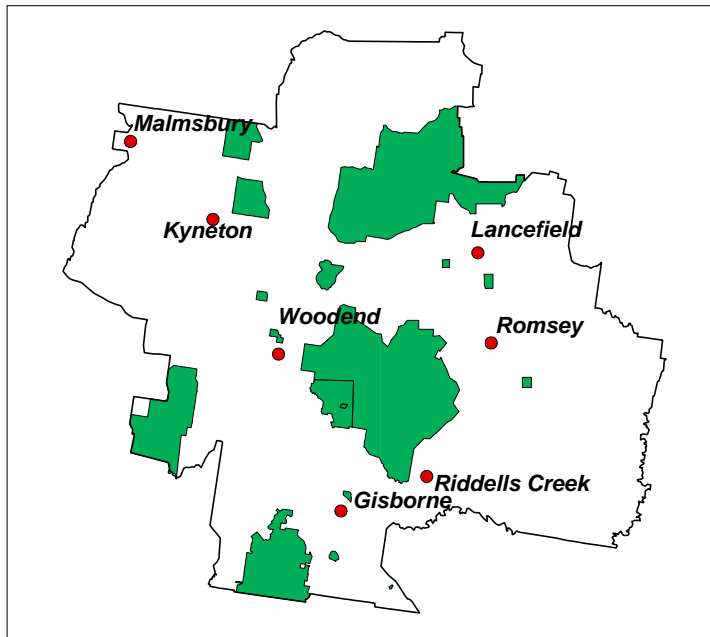
The landscapes of the shire, particularly in the Macedon Ranges, are of great significance to the character of the area. They are of importance to residents, visitors and the broader community outside of the Shire. The landscapes play an important part in the identity and character of the Macedon Ranges, and contribute to the living environment and visitor attraction.

The management of these landscapes, in the face of pressure for land use change at one level, and individual development issues at a more local level, is a significant component of the context of this study.

In particular, the landscapes of Mount Macedon and surrounds make an important contribution to the setting and livability of greater Melbourne. This landscape is considered to be one of the most significant and valuable landscapes in the State. The relative importance of the Macedon Ranges is recognised through State Planning Policy No. 8 *Macedon Ranges and Surrounds*. This planning policy was introduced in 1975 and pursues the protection of the landscape and environmental values of this area within the planning framework.

Macedon Ranges Cultural Heritage and Landscape Study (1994) provided for a comprehensive assessment of the range of landscapes in this area. The Study (which extended over the south and south east part of this Shire) documented thirty landscape units, identifying the attributes of these landscapes that should be protected or enhanced.

Existing Significant Landscape Overlay



Source: Macedon Ranges Planning Scheme

This study concluded that both the *bushland* and *pastoral landscapes* are a fundamental part of the character and amenity of the Shire and are increasingly threatened by urban and peri-urban development. It further concluded that the landscape units that comprise the Mount Macedon area are of national importance.

The study recommended that planning provisions should seek to recognise and protect the significance of the Macedon Ranges and surrounds, and landscape protection should also be a general, underlying principal in the future of land use and development in this part of the State.

Currently, a Significant Landscape Overlay has been applied widely across the Shire, on significant features such as Hanging Rock, bushland such as the Cobaw Forest and features within pastoral landscapes and open woodland including land north of Kyneton. In addition, a local policy (22.09) provides a framework for planning applications on steep hills and ridgelines.

Sustainability and Development

The scope for sustainable development is a core environmental issue for the Rural Land Review. Land use change, from rural land to rural living development, is a key planning consideration in the Shire at present. In addition, growth in low density settings on the fringe of urban areas is a large component of new development. Beyond the impacts associated with landscapes, water quality and vegetation removal, issues of the future sustainability of dispersed, car-dependent settlement is an important planning consideration. This is a broad scale issue which, while local in character, extends beyond the management of individual farms or rural residential blocks.

Issues of sustainability in a broad context of settlement are issues that are worth strategic consideration within this study. Issues include:

- The impact of dispersed settlement in rural areas on infrastructure and resource provision;
- The potential impact of increased settlement densities on land, vegetation and water, contrasting with the increased potential for intensive land management and improvement that may result from rural living development;
- The broad impacts of dispersed metropolitan-type settlement on transport efficiency, especially where car-dependence is high;
- The longer term challenges of scattered settlement on an ageing community, or on young people with few transport and employment options.

Clearly these issues are complex and do not have simple solutions. Personal choice and community costs are important elements of the debate. Moreover good and bad examples of dispersed rural living development exist in Macedon Ranges Shire and elsewhere.

Currently within the planning system there is a recognition of the need to consider infrastructure provisions and environmental costs associated with development beyond the urban fringe (and in fact within urban areas), however as evident in the Macedon Ranges, the choice of individuals often challenge this.

Within this study, scope exists to review the general principles of settlement, as they apply to local areas within the Shire, and to form a broad vision for future patterns of development and future population growth. Importantly, it offers a chance to reconsider the overall pattern of growth that occurs in the Shire as a consequence of the ongoing pressure for population growth experienced on and beyond the fringes of metropolitan Melbourne.

Key Issues for Rural Land Management

The management of the environment is a crucial element of the Rural Areas Review. Within the Macedon Ranges Shire the role of the environment is crucial both locally and regionally and forms a component of the characteristic identity of the localities within the Shire. A number of issues are specifically important for the management of rural land:

- Ensuring that new development protects important vegetation and the habitat it provides;
- Developing appropriate planning provisions to enhance the value of remnant vegetation;
- Protecting water quality by increasing an understanding of the risks associated with land management practices and new development;
- Increasing the emphasis on protection of water quality in potable water supply catchments and the liability associated with catchment management;
- Recognising the importance of the bushland and pastoral landscapes of the Shire;
- Developing a comprehensive vision for future patterns of development and settlement that has regard for ongoing sustainability and the impact of development on the local and regional environment.

Housing Development and Growth

Housing development and the trends and preferences associated with this development is a core planning issue for the future of rural land management. In recent years close to half of all new housing development has occurred outside of established urban areas. A significant proportion has occurred in rural areas and on rural landscapes. The implications of this are significant, especially as projected population growth in the Shire suggests ongoing demand for new residential growth.

The Macedon Ranges Shire caters for a wide variety of housing choices in both rural and urban areas. These include:

- Housing in an agricultural setting** on commercial and sub-commercial (farmlet) properties.
- Rural residential properties** on the fringe of townships in *bushland* or *pastoral* settings sought by families wishing for a rural lifestyle but relatively close to town services and without the significant land management costs of a farm or hobby farms.
- Large urban allotments** (up to 6,000 sq m) mainly on the fringe of townships, catering for families wishing for privacy, space and a large outdoor living area, but in proximity to town services.
- Medium sized urban allotments** (up to 2,000 sq m) which provide urban living on a much larger allotment than would normally be found in, say, metropolitan Melbourne, and in proximity to town services.
- Conventional urban allotments** (400 - 1,000 sq m), usually in the heart of townships, often based on the original sub-division pattern of the town, and catering for households requiring less land or who wish to be very close to town services.

The ability to offer a range of available housing choice is a significant asset for the Macedon Ranges Shire. The market in metropolitan Melbourne significantly influences demand for residential land in the Shire. A review of the available literature on the exurban market suggests that:

- A significant number of people moving to Gisborne, Woodend, Riddells Creek and Romsey come from the suburbs of Melbourne¹¹.
- A high share are seeking a rural lifestyle but with the advantages of urban opportunities and access to services.
- Good access to the services and employment opportunities offered by suburban areas is an important consideration.
- Population growth in exurban and rural towns is concentrated mainly in the family age groups¹².

It is also important to note that competition from other semi-rural areas is increasing, especially as transport improvements provide a growing commuter region centred on metropolitan Melbourne.

¹¹ i.d. consulting (1999) Macedon Ranges Residential and Industrial Strategy

¹² Department of Infrastructure (1999) *Town in Time*

Relationship to the Metropolitan Market

The following points provide an indication of changes occurring in the Melbourne housing market and which may, over time, impact on demand for urban and rural residential land in the Macedon Ranges.

- **A Growing Preference to Live Closer to the City:** The increased work hours of Melburnians, and a society which is oriented to dual incomes and delaying marriage and child-bearing until a later stage in their lifecycle, is driving a change of preference to live closer to the city centre, where they work and recreate.

In the early 1990s, 15% of all new housing was in the inner metropolitan area compared to 40% in the later 1990s. This has led to an increase in one to two person households requiring medium to high density living, such as flats and apartments.

- **Major Developments on the Fringe of Melbourne:** There are continuing and future plans for a number of major broad hectare land developments in the fringe suburbs of Melbourne, especially in the growth areas of Whittlesea, Casey, Wyndham, Melton and Hume.

Large developers such as *Delfin* and *Australand* are developing estates with a greater choice of housing and living styles with full amenities and services, located in close commuting distance from Melbourne. Increased quantity, diversity and quality of residential land supply and generally improved marketing of the residential product in the fringes of Melbourne, may constrain demand for land in the Macedon Ranges Shire.

- **Fringe Developments Aimed at Second and Third Home Buyers:** Many developers are now required to pay up-front costs to subsidise the infrastructure and servicing required for land developments. This increased cost has forced developers, looking for greater returns, to build for the second and third homebuyers markets.

In a general sense this may point to a slowing of the level of demand for housing beyond the urban fringe, compared to the experience of the past decades. However, in an absolute sense, the growth is still likely to be substantial and will continue to result in broad landscape and land use change.

Locational Trends in the Macedon Ranges Market

In order to provide a picture for the broader Macedon Ranges Shire, inclusive of the small townships and hamlets, we have reviewed building approvals data for the period 1991 to 2001.

Residential Building Approvals, Macedon Shire, 1991 to 2001

Town	1991 -1995		1996 -1998		1999 - 2001 (YTD)		1991 – 2001 (YTD)	
	Yearly Average	% of Total	Yearly Average	% of Total	Yearly Average	% of Total	Total Building Approvals	% of Total Approvals
Gisborne-New Gisborne	47	16%	58	21%	39	16%	507	18%
Kyneton	20	7%	13	5%	14	6%	172	6%
Woodend	26	9%	16	6%	13	5%	216	7%
Romsey	26	9%	23	8%	19	8%	246	9%
Lancefield	6	2%	6	2%	4	2%	60	2%
Riddells Creek	32	11%	10	4%	7	3%	208	7%
Major Town Total	157	55%	126	45%	97	40%	1406	49%
Other Towns	16	6%	12	4%	16	6%	155	5%
Rural	112	39%	139	50%	129	53%	1297	45%
Total	284	100%	277	100%	242	100%	2858	100%

Source: *Essential Economics 2001* based on i.d. consulting estimates provided as input to the Macedon Ranges Residential and Industrial Land Review and Macedon Ranges Shire Building Approvals data

Notes: **Other Towns** comprises Macedon, Mount Macedon, Malmsbury and Tylden.

The figures have been updated since the Residential and Industrial Land Review.

YTD = Year to date

- The share of total Shire residential building approvals for the **six main towns** has been on a steady decline since 1991 and is currently at only 40% of new residential building approvals for the whole shire.
- Approximately 50% of all the residential building approvals for Macedon Ranges in 1991 – 2001 (year to date) were located in rural areas and small towns.
- The rural areas of the Shire, including villages with less than 200 residents and rural residential areas outside of townships have increased their share of residential building approvals since the early 1990s to 53%, and this reflects the continuing popularity of the municipality as a rural lifestyle destination.
- Most of the urban growth has occurred in the main commuter townships in the southern part of the municipality.
- Gisborne has been the principal location of growth, and currently has an annual average of 39 residential building approvals, although Romsey and Woodend in the Southern part of the Shire are showing signs of growth as well.
- In the first half of the 1990s Riddells Creek was experiencing significant growth, but its growth has slowed considerably since that time.
- Over the period of 1991 to 2001 Kyneton and Lancefield, the northern towns of the shire, have experienced less robust growth.

Urban versus Rural Growth

While building approvals provide an indication of likely population levels, it is also important to note the impact of average household size and dwelling occupancy rates.

Table 3 shows the derived population forecasts for the six urban towns located in the Macedon Ranges. The forecasts have been calculated by applying an average household size and the forecast dwelling stock (number of dwellings) located in each of the townships. A vacancy allowance has also been applied. The population forecasts, however, do not take into account any potential development constraints, and therefore reflect an unconstrained demand for land in these townships.

Macedon Ranges Study Town Population Forecasts, 1996 to 2021 (Rounded)

Area	1996	2001	2006	2011	2016	2021	Annual Percentage Change 1996 -2001	Annual Percentage Change 2001 -2021
Gisborne	4,530	5,200	6,000	6,800	7,500	8,300	2.8%	2.4%
Kyneton	3,760	4,000	4,200	4,400	4,500	4,700	1.2%	0.8%
Lancefield	1,130	1,200	1,200	1,300	1,300	1,400	1.2%	0.8%
Riddells Creek	2,170	2,400	2,700	3,000	3,400	3,700	2.0%	2.2%
Romsey	2,370	2,600	2,800	3,100	3,300	3,600	1.9%	1.6%
Woodend	2,970	3,200	3,500	3,700	3,900	4,200	1.5%	1.4%
<i>Total Urban Area</i>	16,930	18,600	20,400	22,300	23,900	25,900	1.9%	1.7%
Total Shire	34,600	37,100	40,375	43,600	46,780	50,000	1.4%	1.5%

Source: *Essential Economics 2001* based *Macedon Ranges Residential and Industrial Land Review 1999*

Note: Balance of population refer to Table 4

The population projections shown in Table 3 confirm that the commuter towns of Gisborne and Riddells Creek could experience significant growth as described in the *Macedon Ranges Residential and Industrial Land Review*. Growth in small towns and rural areas is also a key consideration.

The *Macedon Ranges Residential and Industrial Land Review* noted that 45 – 50% of population growth would be accommodated in small towns and rural areas. Building approval data show that during the period 1991 to 2001, small towns and rural areas accounted for 49% of all building approvals (refer to Table 2).

Table 4 shows the population projections for the Shire's urban localities, small towns and rural areas. The projections for small towns and rural areas are based on the number of forecast dwellings located in each of the townships and localities, the average household size (2.9), and estimated vacancy rates. Urban town population projections are derived from Table 3.

Forecast Population by Locality, 2001 – 2021 (Rounded)

	Estimated Population 2001	Estimated Population 2006	Estimated Population 2011	Estimated Population 2016	Estimated Population 2021	Annual Percentage Change 2001 - 2021	Change % 2001 –Change 2021	of 2001 100%
Urban localities	18,600	20,400	22,300	23,900	25,900	1.7%	+7,300	57%
Small towns	2,950	3,135	3,330	3,520	3,740	1.2%	+790	6%
Rural	15,550	16,840	17,970	19,360	20,360	1.4%	+4,810	37%
Total	37,100	40,375	43,600	46,780	50,000	1.5%	+12,900	100%

Source: *Essential Economics 2001 based Macedon Ranges Residential and Industrial Land Review 1999*

Table 4 shows that urban localities in the Shire are forecast to account for 57% of net population growth in the period 2001 –2021, while smaller towns will account for 6% and the rural areas will account for 37%. At the year 2021, the main urban localities will account for 52% of all residential population, with the balance of 48% located in the smaller towns and rural areas. It should be noted that population projections shown in Table 3 and 4 are slightly higher than forecasted rates of growth provided by the Department of Infrastructure (DoI).

The Macedon Ranges Residential and Industrial Review

The *Macedon Ranges Residential and Industrial Land Review* (1999) was prepared for the Macedon Ranges Shire Council. Essential Economics, Connell Wagner and i.d. consulting in response to the Panel Hearing into the Macedon Ranges Planning Scheme prepared the report. The Ministerial Panel recommended further study into development pressures in Gisborne, Kyneton, Lancefield, Riddells Creek, Romsey and Woodend.

The report provides a strategic direction for the future residential and industrial development of the six towns and includes:

- (i) An overview of existing and future development in the Macedon Ranges, which includes discussion on the study towns, population trends and residential and industrial developments.
- (ii) A strategic plan for each town which involved a demand and supply analysis of residential lots and industrial land, a review of existing planning policies, community input and discussions with Council Officers.

The following issues from that report have relevance to the future management of rural areas in the Macedon Ranges Shire.

- Population Trends in the Shire** The area covered by the Macedon Ranges Shire has grown considerably in recent decades. Growth in the Shire was relatively rapid during the 1980s, with rates slowing in the early 1990s. The Shire's average annual rate of growth over the period 1981 to 2000 has been slightly higher than the average rate for Victoria.

Population trends are discussed in more detail in the *Population Trends* report accompanying this series of reports.

- Key Factors Influencing Population Growth** Population growth in the Shire has been driven by:
 - (i) The desire for a lifestyle change from an urban lifestyle to a lifestyle that is more engaged in rural and natural landscapes which encompass fresh air, space, security and a smaller, "knowable" community.
 - (ii) Growth in the number of jobs in suburban locations and improvements to road and rail infrastructure, which allows commuters easier access to metropolitan areas.

(iii) The availability of land for housing created by land-use planning and demand for subdivision from land holders (especially broad acre farmers who have experience declining returns in their principal occupation).

(iv) Increased affluence which allows a wider choice of housing types and locations.

□ **Location of Population Growth** In terms of the location of population growth in the Shire, the study showed that:

(i) the six main towns constituted 54% of houses built in the Shire between 1991 and 1998.

(ii) most the urban growth has occurred in the main commuter towns in the southern part of the Shire namely, Gisborne, Riddells Creek, Romsey and Woodend.

(iii) the northern towns of Kyneton and Lancefield have experienced much slower growth and this largely due to the distance of these centres from Melbourne.

Housing Development within Rural Areas

There has been significant housing growth in rural areas and beyond the established fringe of urban areas in the Shire. Research undertaken as part of the recent Macedon Ranges Residential and Industrial review (and verified as a component of this paper) suggested that 56% of new houses are built in rural areas and smaller towns.

Breaking this down further it is apparent that 40% of all building approvals for dwellings since 1996 (582 in total) have occurred in the Rural, Environmental Rural or Rural Living Zone. This trend has significant implications for the future of rural landscapes and rural land use in the Shire. Moreover, new housing development, while clustered in some areas, has occurred across the Shire.

Lot, Property and Housing Characteristics by Zone

	<i>Houses</i>	<i>Properties</i>	<i>Lots</i>	<i>Vacant Properties</i>	<i>Vacant Parcels</i>	<i>Building Permits 1996-2001</i>	<i>Building Permits 2000-2002</i>
RUZ1	71	107	412	36	341	10	4
RUZ2	114	165	3384	51	3272	147	68
RUZ3	884	1169	2157	285	1274	138	55
ERZ1	1167	1431	2465	264	1298	95	31
ERZ2	44	63	96	19	52	11	2
RLZ1	1018	1192	1374	174	356	82	35
RLZ2	54	672	866	618	812	81	32
RLZ3	1	1	1	0	0	0	0
RLZ4	78	87	93	9	15	18	6
Total	3431	4887	10848	1456	7420	582	127

Source: Macedon Ranges Shire Building Records

RUZ: Rural Zone, ERZ: Environmental Rural Zone, RLZ: Rural Living Zone (numbers refer to schedules)

Importantly, the level of existing land supply (through vacant properties and lots within properties) is high with perhaps 5 or more years supply in some areas. This suggests that without intervention this pattern of development will continue.

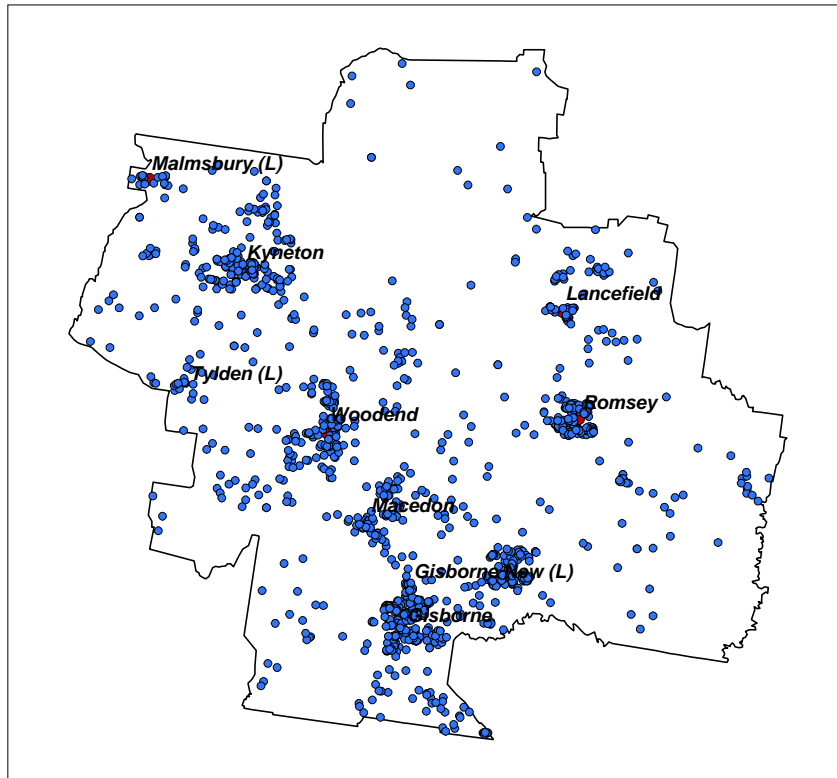
The trends also suggest that current zone provisions have not been a significant guide in the pattern of development. A greater proportion of new dwellings has occurred in the Rural Zone, even though the Rural Living Zone is explicitly intended to provide non-agricultural housing options in a rural setting. This assumption is reinforced by trends that indicate declining farm numbers.

The challenges that this creates include (among other issues):

- Managing the impact of growth on agricultural land, rural landscapes and environmental values;
- Addressing the costs associated with the provision of services and infrastructure to a dispersed community.

Clearly there is a strong preference for housing options in semi-rural and rural markets. Policy and planning approaches need to recognise this, but also to clearly address the associated impacts.

Building Approvals by Location 1996-2001



Challenges for Rural Land Management

Key rural land management issues associated with the trends and patterns of housing development include:

- Addressing the impact of housing growth on landscapes, environmental values and agricultural land uses.
- Recognising the costs (to individuals and the community) associated with service provision in a dispersed community.
- Understanding the need to meet the housing needs of a range of household types in urban and rural settings.
- Recognising the potential for ongoing housing growth and the impact of this on values and perceptions of the local area.
- Considering the impact of sprawling growth on the individual and separate identity of the communities within the Shire.
- Consideration of the scope to focus on high-quality design on non-urban residential land.

Demographic Characteristics

Macedon Ranges is a rapidly growing municipality and is increasingly within the economic and population influence of metropolitan Melbourne. Along with other fringe metropolitan (exurban) municipalities it has experienced population growth in the urban centres, along the key transport corridors, and dispersed across some rural areas.

This overview provides an analysis of key demographic issues with a focus on rural areas and rural land development issues. It is based on data sourced from the Australian Bureau of Statistics, and analysis contained within the *Macedon Ranges Statistical Profile 1998*¹³.

Population

The estimated resident population of Macedon Ranges Shire was 37,830 at the 2001 Census. This represents an increase of 2.1% per annum since 1996, almost double the 1976 population. The population increase has occurred in urban centres as well as in the Shire's rural areas.

Population Change, 1986-2001

	1986	1991	1996	2001	Average Annual Change 1991-2001
Gisborne/New G.	2,322	3,160	4,047	4,722	1.55%
Kyneton	4,010	3,940	3,737	4,121	0.98%
Lancefield	826	1,063	1,097	1,141	0.39%
Macedon/Mt M.	1,819	1,901	1,921	1,910	-0.06%
Malmsbury	458	518	509	494	-0.30%
Riddell's Creek	1,153	1,281	1,378	2,265	5.09%
Romsey	1,266	2,033	2,332	2,944	2.36%
Tylden	181	261	247	259	0.48%
Woodend	2,219	2,743	2,983	3,017	0.11%
Towns	14,254	16,900	18,251	20,873	1.35%
Rural areas	11,001	12,919	14,116	14,794	0.47%
Total	25,255	29,819	32,367	35,667	0.98%

Source: ABS Census of Population & Housing – Based on Enumerated Population. Estimated Resident Population at local levels not available at time of preparation.

The most significant recent growth has occurred in the southern part of the Shire, close to metropolitan Melbourne, although marked growth has occurred in the rural north, outside of the urban centres of Kyneton and Lancefield. Currently, most of the population of the Shire is urban based, and in the southern part of the Calder corridor. In 2001, the rural population formed 41.2% of the total population.

Population Change, Selected Regions 1986-1996

	1986	1991	1996	Change 1986-96
Macedon Ranges Shire	25,271	29,819	32,367	28.1%
Regional Urban Victoria ¹⁴	471,875	507,121	518,626	9.9%
Non-Metropolitan Victoria	1,151,680	1,221,241	1,234,611	7.2%
Metro. Corridors	110,796	128,308	131,103	18.3%
North Western Fringe	64,785	77,499	79,242	22.3%

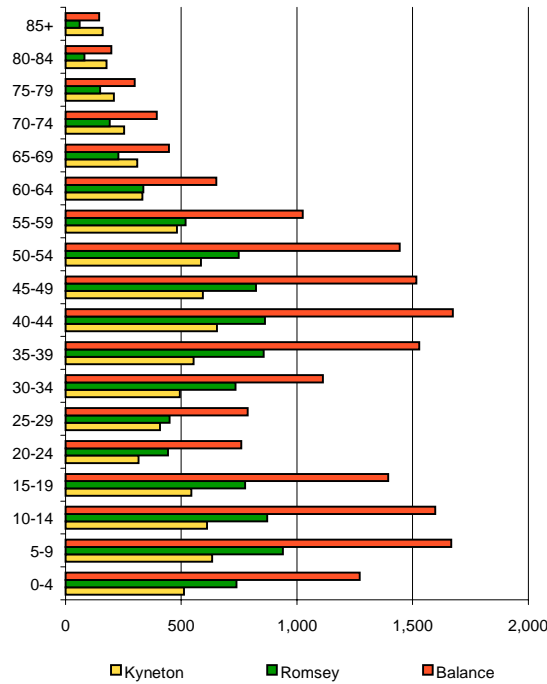
Source: ABS

¹³ TBA Planners (1998) *Macedon Ranges Statistical Profile*, Macedon Ranges Shire Council

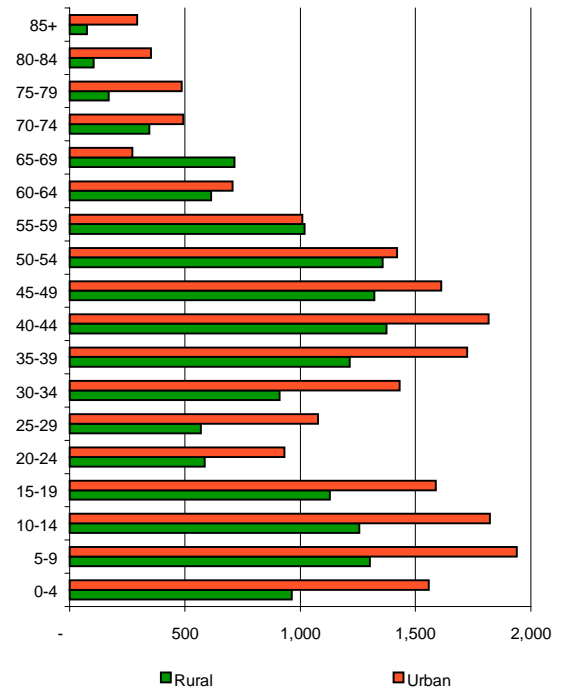
¹⁴ Those Victorian municipalities classified by the *Grants Commission* as having a substantial urban population.

The characteristics of the population have also changed. Increasing proportions of young people are present in the communities. This pattern of change is significantly different to other areas of Victoria (especially rural Victoria) where ageing populations have become more typical. Those areas closest to Melbourne are characterised by a higher proportion of younger people. The following graphs show a pattern of population and age dominated by people in “family” age groups, under 18 years and between 35 and 55 years. This is particularly noticeable in the Romsey Statistical Local Area, and the “Balance” (Gisborne/Woodend) Statistical Local Area¹⁵.

Age structure by SLA, 2001



Age Structure, Rural and Urban, 2001



Source: ABS

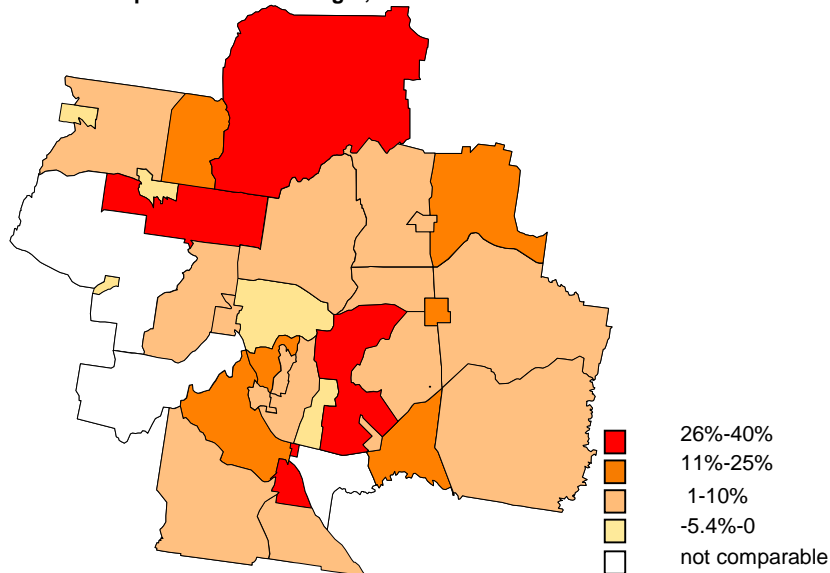
When comparing urban and rural areas within the Shire, it is apparent that the rural areas are characterised by proportionally less young people and less people in older age groups, although general age structure trends are not significantly dissimilar.

¹⁵ Romsey- SLA approximates the area of the former Shire of Romsey; Balance- SLA includes the former Shires of Gisborne and Newham and Woodend.

Local Trends

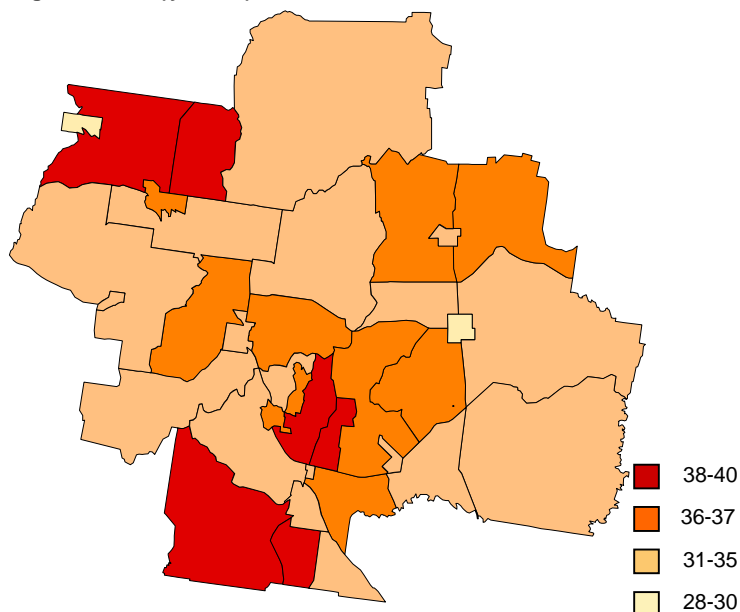
Significant population growth occurred in urban Gisborne, and on the fringes of Riddells Creek and Kyneton between the 1991 and 1996 Census. Urban Romsey also experienced significant growth over the period. Conversely, the established urban areas of Tylden, Kyneton and Malmesbury experienced population decline, as did the eastern fringe of Woodend. Significant growth occurred along the Calder Highway corridor between Woodend and Gisborne.

Proportional Population Change, 1991-1996



Consistent with patterns of population change, the median age of high growth areas is generally lower than those areas experiencing low rates of growth. Areas such as urban Gisborne, and the fringes of Kyneton, display concurrent patterns of high growth and lower median population age.

Median Age, 1996 (years)



Future Directions

The growth experienced in the Macedon Ranges has been significant, especially in those areas on the metropolitan fringe, but also beyond the fringe. As described, this growth is occurring in established urban areas and in the rural residential localities in the Shire. The growth is expected to continue.

Recent population projections suggest that by 2021 the population of the Shire will be close to 43,000¹⁶. The majority of this growth is expected to be in the Gisborne/Woodend area where the population is expected to reach 22,000. The population of the Kyneton area is expected to reach around 9,000 by 2021.

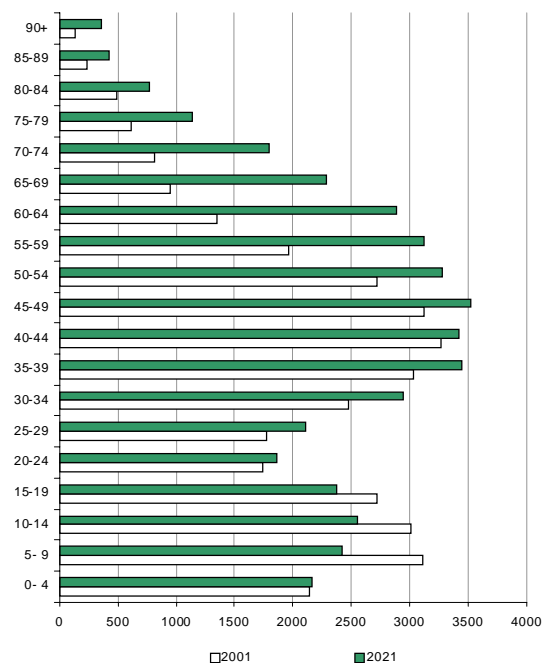
Population Projections 2001-2021 (Macedon Ranges Statistical Local Area)

	2001	2006	2011	2016	2021
Romsey SLA	9,565	9,937	10,386	10,971	11,646
Kyneton SLA	7,844	8,036	8,326	8,688	9,083
Balance SLA	18,272	19,125	20,039	21,085	22,198
Total	35,681	37,098	38,751	40,744	42,927

Source: Department of Infrastructure: Victoria in Future

The projected age structure in the Shire forecasts an overall population ageing, a trend consistent with much of Victoria. By 2021 it is forecast that 10.5% of the population will be aged over 70 years, while only 20% will be aged under 20 years, compared to the current level of 34% of the Shire's population.

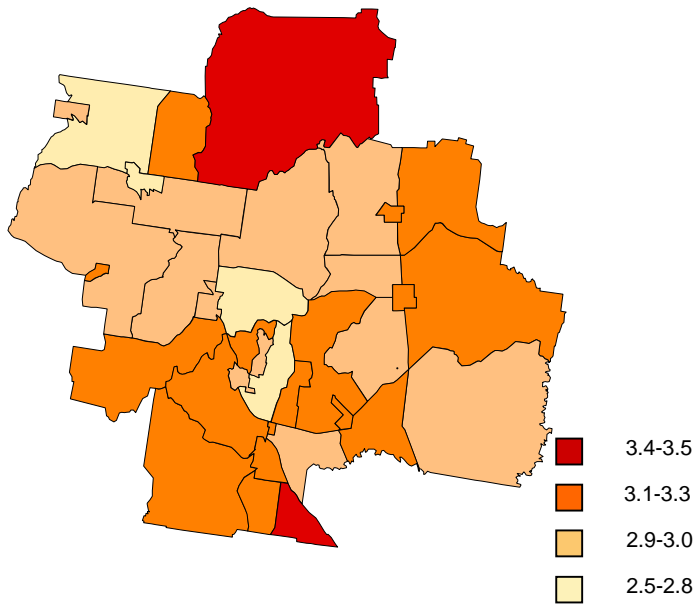
Projected Age Structure, 2001-2021



Source: Department of Infrastructure

¹⁶ Department of Infrastructure (2000) *Victoria in Future*

Average Household Size, 1996 (Persons)

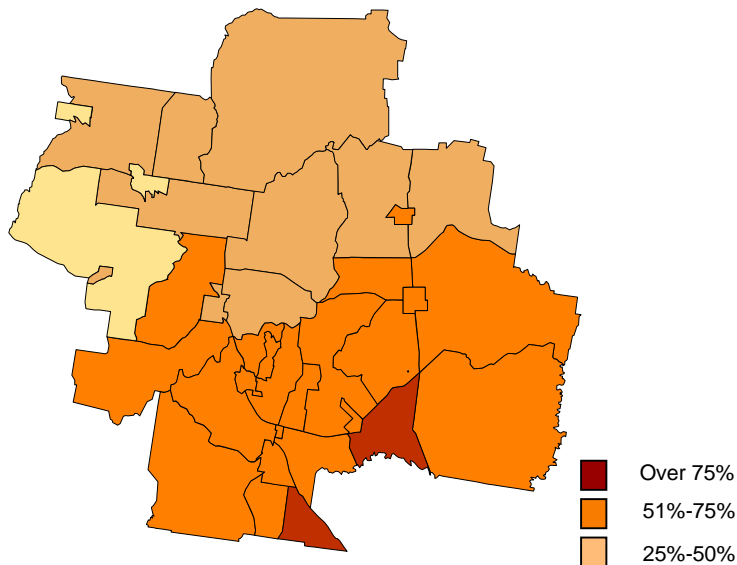


Generally areas characterised by younger populations and population growth also had larger household sizes. Those localities with an older population and little growth are characterised by higher levels of single person households and fewer family households. Clear differences emerged when the patterns of commuting were compared between different areas within the Shire. Upwards of 70% of the workforce in the south of the Shire worked in metropolitan Melbourne, while in some parts of the north of the Shire levels of commuting to Melbourne were negligible.

Employment

Employment in Macedon Ranges Shire is generally urban-based, with an increasingly significant component of metropolitan-based employment. Commuter destinations and industry of employment correspond with urban-based employment growing most rapidly. For example, the Macedon Ranges Balance SLA (including urban and rural areas) has the highest proportion of commuters to inner Melbourne, and the highest levels of employment in the Banking, Finance and Insurance sector.

Melbourne Commuting Area, 1996



At a Shire-wide level, metropolitan Melbourne and local work within the Shire form the bulk of destinations for journey to work records from 1996. Very little commuting extends to urban Bendigo, the Hume corridor or the Bacchus Marsh/Western Highway area.

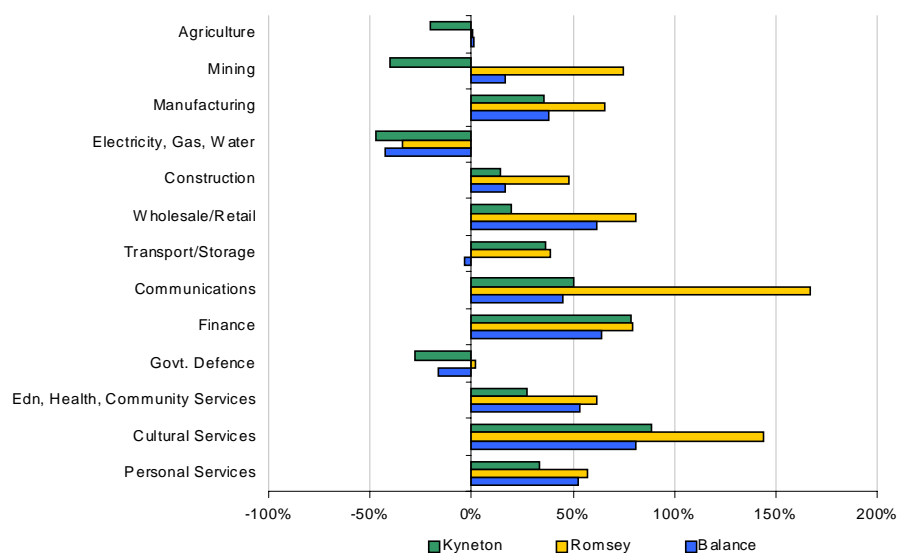
Commuter Destination Change, 1991-1996

	<i>Inner Melbourne</i>	<i>North/West Suburbs</i>	<i>Other Melbourne</i>
Kyneton SLA	37.7%	-9.6%	18.9%
Romsey SLA	5.1%	74.7%	-0.9%
Balance SLA	24.1%	15.9%	6.4%

Source: ABS

Changes that have occurred in the employment structure accord with changes in other parts of both urban and rural Victoria. Agriculture is a declining component of the employment structure of the Shire, as is *Government Administration* and involvement in utilities including water and electricity supply.

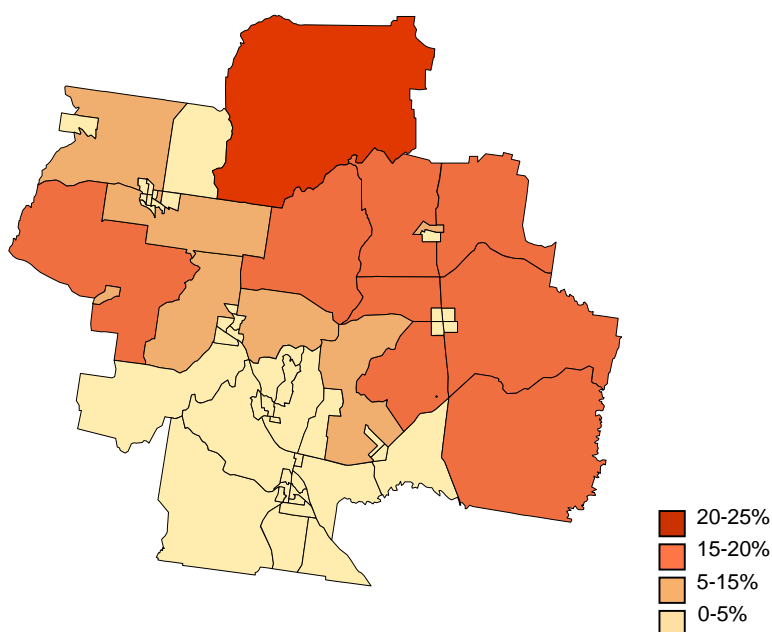
Change in Employment by Industry (Statistical Local Areas), 1991-1996



Source: ABS

The patterns of employment and commuting in Macedon Ranges broadly correspond to similar areas within peri-metropolitan Melbourne. Agriculture was more predominant as an employer in the eastern and north-eastern areas of the Shire.

Proportion of Workforce in Agriculture (1996)



Implications for Rural Areas

A number of significant demographic issues have a bearing on the future of rural land management in the Macedon Ranges Shire. In particular issues that need to be considered in this project include:

- The significant level of population growth that has been experienced can be expected to continue in both rural and urban areas.
- The trend towards an older population, and the increased service issues associated with this change. An older population in a dispersed rural setting has specific service needs.
- The trend away from agricultural employment, and the likelihood that full-time traditional farming will form a smaller component in the economy of the whole region.
- The trend towards commuting to metropolitan Melbourne will become an ongoing and increasing feature of the local economy of more or the Shire, including those areas currently beyond the commuter “zone”. Changes such as the Calder Highway upgrades and the proposed fast trains will add to this change.

The implications of these issues are important considerations for the likely character and form of future demand for new development. More importantly, the trends suggest some of the parameters for meeting strategic objectives that may differ for the circumstances that have resulted in the current trends and forecasts.

Tourism Activity in the Macedon Ranges

The Macedon Ranges Shire Council is located in the *Macedon Ranges and Spa Country Product Region*, as defined by Tourism Victoria. This product region is divided into two sub regions namely, the Macedon sub region and the Spa Country sub region.

In 1999, the Macedon sub region, which covers the geographic boundaries of the Macedon and Moorabool Shires, attracted an estimated 209,000 domestic overnight visitors and 1 million day trip visits (National Visitor Survey 1999). The majority of visitors to the sub-region are from Melbourne. The overall product region attracts only a small share of international visitors.

Based on the estimated visitor levels, direct visitor expenditure is in the order of \$94.4 million annually.

Product Overview

The Macedon region is actively marketed as a day and overnight visitor destination. The range of natural and built attractions in the region, as is described in the following section, indicates that tourism development has a historical connection to the area's rural landscapes. The region's high country views, native forests, wildlife, historic monuments, and substantial homes and gardens are among the key attractions in the Macedon region. In particular, the region's temperate climate continues to attract both visitors and residents alike.

The region's key product strengths are briefly described in the following.

Homesteads and Gardens

The Macedon region is rich in ornamental gardens and has one of the largest range of European style gardens in Victoria. Arguably, the area has one of the most important collections of colonial gardens in Australia. The temperate conditions and high rainfall of the southern slopes of Mount Macedon contribute considerably to the botanical and horticultural significance of the area. The region's homes and landscaped gardens also reflect the settlement patterns of the late nineteenth century.

Emerging from the region's array of gardens and homesteads is the active pursuit of garden tourism. The region has an annual program of public viewings for homes and landscaped gardens and there are several commercial nurseries in the area. There are also a small number of operators providing commercial tours of the region's gardens.

Nature Based Attractions

The Mount Macedon Regional Park covers some 2,379 hectares and attracts an estimated 211,000 visitors annually (based on Parks Victoria's annual average visits from 1997 – 2000). The Park offers a variety of visitor facilities including well-serviced picnic sites and a range of short and long walks. Commercial activities located in the Park include the Top of the Ranges Tearooms. In addition, there are 19 commercial adventure operators licensed to conduct a range of tours and outdoor activities in the Park.

The Park also includes the Hanging Rock Reserve which is a key tourism icon for the Macedon region and for Victoria. The Reserve includes picnic sites, a café with tourist retail, and a recently developed Discovery centre. A number of annual events, such as the New Year's Day picnic horse races, are held at the Reserve.

In addition, the Macedon Ranges offers an abundance of wildlife and habitat and as areas such as the Cobaw Forest and the Box Ironbark forests to the north of the Shire are

increasingly recognised for their natural values their contribution may increase. At a local scale, operations such as Barringo Wildlife Reserve provide a focussed tourist attraction.

Built Attractions

The region's culture and heritage are important for the development of tourism. Built attractions in the region are primarily based on the heritage buildings which characterise the Shire's townships. Townships such as Kyneton and Malmsbury provide examples of Victoria's early development and include a fine array of blue-stone buildings as well as reasonably well-preserved streetscapes. The role of built attractions in rural areas appears less significant.

Food and Wineries

Wine tourism is a significant growth sector for regional tourism destinations. Victoria has over 200 wineries with cellar door sales, and in 2000, these wineries attracted an estimated 2.9 million visits generating expenditure in the order of \$394 million (Victorian Wineries Tourism Council 2000). Cellar door sales are an important component of winery tourism. As an illustration, in 2000 cellar door sales generated \$168 million in spending, representing 42% of all wine tourism spending. Given the magnitude of the industry, Victoria is divided into six wine zones. The *Around Melbourne* zone, which includes the Yarra Valley, Macedon Ranges, Mornington Peninsula, Geelong and Sunbury, had the highest number of visits in 2000 and this reflects the accessibility of the winery region to a large population base such as Melbourne.

In 2000, the *Around Melbourne* winery zone attracted an estimated 1.5 million visits, equivalent to 51% of all Victorian winery visits. A high share of these visits were to Yarra Valley wineries (949,700). However, regions such as the Macedon Ranges are a significant component of the wine tourism sector, with 14 wineries in the Shire providing cellar doors sales. A number provide restaurant and other tourism related services.

In keeping with the positioning of the Macedon region as an indulgence experience, the provision of quality food and wines is an important component of the Macedon Range's product development process.

Accommodation

There are 27 commercial accommodation properties in the Macedon Ranges, based on reference to the RACV Accommodation Guide 2000/2001 and the regional promotional brochures. The average RACV rating for these properties is 3 stars.

A review of the region's promotional material indicates that visitor marketing is focused on highlighting the ready access of boutique accommodation properties to rural views and expansive landscape vistas. Several properties highlight the position and quantity of land associated with the accommodation offering. Importantly, this marketing focus reflects the on-going attempt to position the Macedon Ranges as a destination providing escape and relaxation.

Tourism Development Opportunities

In addition to the region's existing tourism product, there are several recent initiatives aimed at increasing the range of attractions in the Macedon Shire. The Macedon Ranges Shire Council has recently commissioned a feasibility assessment of the development of an internationally renowned sculpture trail. The outcomes of this assessment show that:

- Mt Macedon Memorial Cross and Hanging Rock Reserve are the most significant attractions in the Macedon Ranges;

- There is a limited supply of art galleries and studios available in the Macedon Ranges and surrounding areas;
- The Sculpture Trail Development will be a significant attractor for the Region providing a linkage between the area's diverse landscape and rich cultural environment. Visitation of around 113,000 *actual* independent visitors is forecast for the Sculpture Trail, once it is well established as a commercial attraction.

Key Issues for Rural Land Use

This section briefly provides an overview of the key issues for tourism development and the provision rural land in the Macedon Ranges. It includes a discussion on visitor perceptions of the Region and provides an overview of the significance of the rural land to the Region's product development process and the on-going marketing of the region as a visitor destination.

Visitor Perceptions

In assessing the importance of the region's rural land provision to tourism development it is also important to acknowledge the visitor perceptions of the area. The *Macedon Ranges and Spa Country Tourism Development Strategy* identifies the key elements of the visitor experience in the region as:

- Village atmosphere
- Relaxed country atmosphere
- Natural attractions and scenic beauty
- Clean, healthy environment
- Boutique experiences
- Climate (remains attractive in all seasons)
- Proximity to Melbourne

The Plan also notes that these elements are similar to those identified by residents when asked to describe key reasons for choosing to live in the region.

Product Attributes and Positioning of the Region

The Macedon Range's diverse environment, including ready access to a semi-rural landscape, is a key tourism strength of the region. Importantly, rural land is a primary requirement for the development of products such as wineries and local produced quality food. Likewise, accommodation provision in the region is closely linked to the region's landscape and rural environs.

In particular, the marketing effort of the region focuses sharply on the area's rural environment. This aspect is particularly evident in the positioning of the Ranges as a destination offering indulgence, escape and relaxation. In this context, access and availability to rural land is an important component of tourism development in the Macedon Ranges.

Implications for Rural Land

- Rural land is a key component of the Shire's attractiveness as a visitor destination and this is evidenced by the range of existing attractions which are primarily nature-based. The Shire's ready access to rural vistas and landscapes has influenced:
 - the marketing and positioning of the destination;
 - visitor perceptions of the destination; and
 - the range and style of new product development.
- It is important to note that built attractions in rural areas, while adding value to the visitor experience, do not feature as a **strong** attribute of the Shire's tourism product.
- Overtime the Shire's rich built heritage, located primarily in smaller townships, may contribute more significantly to the area's development as a tourism destination. This will require an active approach to product development including identification of appropriate buildings, sites and localities, and the development of infrastructure and investment strategies.
- The availability of rural land also influences the provision of locally produced food and wine. The Macedon Ranges has increased its popularity as a food and wine destination and this product is likely to strengthen over time.

3: Land Use Planning in Rural Areas

The management of rural land use and development is not a new issue in the Macedon Ranges region. The current and predecessor planning schemes have all sought to direct the character and function of rural land, although the direction sought and management adopted depended on the degree of pressure for land use change and the particular aspirations of the individual local governments. State Planning Policy No. 8 (*Macedon Ranges and Surrounds*) was adopted in 1975 and provided some common direction to former Councils within the Macedon Ranges area with respect to rural land management.

This Rural Land Strategy is the first policy framework to be developed for the rural areas of the Macedon Ranges Shire. It will define the future form and function of the rural areas of the Shire sought by the Macedon Ranges Shire Council. This “vision” will be pursued through a range of initiatives of the Shire, but primarily the vision will be implemented through the controls of the Macedon Ranges Planning Scheme. This strategy will provide the first solid strategic basis, decision-making framework and justification for the planning scheme controls applied to the rural areas of the Shire.

This chapter provides an overview of the existing planning response to the key rural land management issues along with some discussion about the success of these controls in achieving strategic objectives. It further addresses the possible role of these planning tools in delivering the outcomes required by the Rural Land Strategy. This overview will provide some understanding of what is an acceptable land management response in this Shire in terms of meeting strategic objectives and in community understanding and acceptance.

History of Planning in the Macedon Ranges

The Shire of Macedon Ranges came into being in 1995 as a result of local government amalgamation. It consisted of the former municipalities of Gisborne, Romsey, Newham and Woodend, and Kyneton (other than the Trentham area). Rural land management and the protection of farmland and sensitive environments from subdivision and housing were ongoing issues in all of these municipalities. The degree to which it threatened and subsequently compromised rural land use obviously differed depending on factors such as proximity to Melbourne, landscape quality and agricultural value. Subsequently, previous planning schemes within this area have all sought (to varying degrees) to address rural land management.

The management of rural land in the region has evolved over time and in response to emerging issues.

Following amalgamation the former planning schemes were consolidated into one document, although each former planning scheme merely formed a chapter of the new planning scheme and all former controls remained regardless of consistency.

Within the Macedon Ranges area, State Planning Policy No. 8 (*Macedon Ranges and Surrounds*) provided the basis for consistency in general direction of the planning schemes with respect to rural land management. As discussed elsewhere in this report, Statement of Planning Policy No. 8 sought protection and management of rural areas for their role in landscape, tourism, environment, water quality and agriculture. The approach between local government areas and the degree of control of rural land use and development differed greatly though.

- Gisborne Shire and Romsey Shire introduced subdivision controls that sought to accommodate landowner’s desire to capitalise on subdivision demand and at the same time preserve some large parcels of land. These controls were known as

“primary/secondary lot controls” and “clustering” and resulted in small lots created across the rural areas surrounded by larger lots that were intended for agricultural use.

- Kyneton Shire utilised tenement controls that set a minimum area required for a dwelling and linked patterns of ownership, not simply component allotments, to development rights.
- Newham and Woodend utilised a standard Rural Zone as well as a specific Environmental Rural Zones in location with landscape, vegetation and other environmental values.

Former controls were more prescriptive, with limited opportunity for Council discretion, and delivered certainty to rural areas about ongoing development.

Following local government amalgamation the State Government introduced a new planning regime to Victoria, which provided a standard package of planning controls, the Victoria Planning Provisions (VPPs). Macedon Ranges Shire (along with other Victorian municipalities) was required to prepare a new planning scheme in this new format over an eighteen-month timeframe. The requirement to prepare a new planning scheme in the VPP format within very tight time frames resulted in an attempt to translate the former controls into the VPP format with limited strategy development. This resulted in a number of issues:

- i. Firstly other than Statement of Planning Policy No. 8 there was no strategic basis or clear direction forming the basis of the VPP Macedon Ranges Planning Scheme (the current scheme).
- ii. Secondly, due to the lack of strategic basis, the controls adopted were a best-fit translation as opposed to directly responding to clear planning objectives. This best fit translation has resulted in a lack of consistency within the Shire in the way in which many rural land issues are addressed and an inadequate response to many of the strategic objectives of the planning scheme.
- iii. Finally, the VPP format relies on a strategic basis and clear decision making framework for all controls, as there is a great deal more need for assessment of planning permit applications on their merit as opposed to the prescriptive controls under the former schemes. As such assessment of applications has lacked clear focus and support through the scheme.

Rural land management in the Shire has been in limbo for the past 7 or so years. The translated controls have not fitted in well into the VPP format and there has been no clear decision-making framework to support the controls.

Victoria Planning Provisions

The Victoria Planning Provisions (VPPs) is the statutory land use planning instrument for Victoria. The VPPs deliver a structure and series of controls from which a municipality must construct its planning scheme.

The following is an overview of the key elements of the VPPs, the statutory instrument which will largely be used to provide for the desired future management of the rural areas of the Shire.

State Planning Policy Framework (SPPF): This section includes State Planning Policy. The balance of the scheme must sit within this policy context.

Municipal Strategic Statement (MSS): This section includes the Council's strategic objectives for the use and development of land in the Shire. It provides the context and justification for the controls included in the scheme.

Local Policies: Local policies provide for local relevant guidance in the assessment of planning permit applications triggered by zones and overlays. Local policies must sit within the parameters of State Policies, but are refined in response to local issues.

Zones: The zone controls provide the opportunity to regulate land use and development, consistent with the primary purpose of the zone. The rural zones are Rural Zone, Environmental Rural Zone and Rural Living Zone. Every parcel of private rural land will be included in one of these zones based on the intended future for that land. There is the ability to nominate different minimum subdivision sizes for different areas of the same zone as a further means of achieving a desired outcome.

The primary purpose of each of these zones is:

Rural Zone

To provide for the sustainable use of land for Extensive animal husbandry (including dairying and grazing) and Crop raising (including Horticulture and Timber production).

To encourage:

An integrated approach to land management.

Protection and creation of an effective rural infrastructure and land resource.

Improvement of existing agricultural techniques.

Protection and enhancement of the bio-diversity of the area.

value adding to agricultural products at source.

Promotion of economic development compatible with rural activities.

Development of new sustainable rural enterprises.

Environmental Rural Zone

To give effect to the environmental outcome specified in the schedule to this zone.

To conserve and permanently maintain flora and fauna species, soil and water quality and areas of historic, archaeological and scientific interest and areas of natural scenic beauty or importance so that the viability of natural eco-systems and the natural and historic environment is enhanced.

To encourage development and the use of the land which is in accordance with sound management and land capability practices, and which takes into account the environmental sensitivity and the bio-diversity of the locality.

Rural Living Zone

To provide for residential use in a rural environment.

To encourage:

An integrated approach to land management.

Protection and creation of an effective rural infrastructure and land resource.

Improvement of existing agricultural techniques.

Protection of the bio-diversity of the area.

Value adding to agricultural products at source.

Promotion of economic development compatible with rural living activities.

Development of new sustainable rural living enterprises.

Overlays: The overlay controls provide for additional regulation of development and subdivision. Overlays act to identify an issue, trigger further development approvals and introduce additional requirements and decision guidelines in response to particular issues including significant vegetation, important landscapes, heritage, design, salinity, erosion, flooding and wildfire risk.

Macedon Ranges Planning Scheme

In relation to rural land management, the existing Macedon Ranges Planning Scheme includes comprehensive provisions that seek to;

- Protect the landscapes and rural character of the Shire;
- Protect the natural resources and biodiversity of the Shire;
- Protect water quality in the Port Phillip and North Central Catchments, especially potable water supply catchments;
- Protect quality agricultural land for agricultural activities;
- Protect residents from wildfire;
- Encourage tourism based on the natural attributes of the Shire;
- Protect the character and identity of the Shire through preserving rural landscapes and maintaining a buffer between the Shire and metropolitan Melbourne.

These strategic objectives are expressed in the Macedon Ranges Municipal Strategic Statement.

Environment

Protection of the environmental quality of the Shire is a high priority of the planning scheme. The planning scheme recognises that land use and development must not compromise significant native vegetation, native fauna, water quality and landscape. The current planning scheme uses zones, overlays and local policies to recognise and respond to these various environmental issues of the Shire.

The Rural Zone and Rural Living Zone are applied to many environmentally significant areas, with the zone provisions supplemented by appropriate overlays. The Environmental Rural Zone has been applied to some of the most environmentally sensitive areas of the Shire. The Environmental Rural Zone has a strong emphasis on protecting the significant environment to which it has been applied and imposes an increased limitation on land use and development compared to the other rural zones, with even agricultural activity requiring a permit in certain circumstances.

The Macedon Ranges Planning Scheme presently manages the environmental assets of the Shire by;

- Applying the Environmental Rural Zone to environmentally sensitive areas such as the Cobaw Ranges, Northern Slopes of Mount Macedon, Einsporns Road, Hanging Rock surrounds, North Woodend, Cherokee, Barringo and Macedon West;

- Setting a number of different minimum subdivision sizes, 40ha and 8ha, for the Environmental Rural Zone to minimise development density;
- Requiring a permit for all dwellings;
- Although there are Environmental Management Guidelines to assist assessment of applications and ongoing management of land use, these guidelines are considered to be of minimal use due to complexity and limited relevance.

Native Flora and Fauna

Native vegetation is highly valued in the Shire for its contribution to biodiversity, habitat and landscape quality.

Significant vegetation is identified and given greater recognition and protection than other native vegetation in the Shire through the planning scheme by;

- Applying the Environmental Rural Zone to forested areas such as around Woodend, Cobaws, Macedon and Mount Macedon.
- Applying a Vegetation Protection Overlay (VPO) to;
 - Blackgum habitat around Woodend;*
 - Significant roadside vegetation;*
 - Significant grasslands at Woodend Racecourse and Carlsruhe Cemetery;*
 - Significant areas of Narrow Leaved Peppermint Gums;*
 - Significant wildlife corridors;*
 - Significant stand of Yarra Gums near Woodend.*
- Implementing the local policy *Vegetation Protection*.

The Planning Scheme includes controls for the removal of native vegetation that apply to all privately owned land in the State. These controls seek to limit native vegetation removal to the minimal amount required for essential activities such as fencing, weed and vermin control, fire control, dwelling construction, farming activities, emergency works and utility installation. Any other native vegetation removal requires planning approval.

The Vegetation Protection Overlay introduces the ability to protect non-native vegetation and removes some of the exemptions offered under the standard native vegetation protection controls (Clause 52.17) that apply to all land. The VPO also provides the opportunity to introduce locally relevant decision guidelines. The local policy largely duplicates the zone and overlay controls and does not significantly contribute to the decision making process.

Water Quality

The Shire includes a number of open potable water supply catchments and declared water supply catchments, including Eppalock, Rosslyn and Lake Merrimu. There is a fundamental need to manage land use and development in these catchments to protect the quality of water within the waterways and storages of these catchments.

The Council seeks to protect the quality of water within domestic storages in the Shire through the planning scheme by;

- Applying the Environmental Rural zone, with a 40ha minimum subdivision size, to the Rosslynne Catchment.
- Applying the Environmental Significance Overlay (ESO) over water catchment areas;
- Implementing the Catchment Management and Water Quality Protection policy.

The ESO introduces additional development approvals and assessment considerations relevant to the issue of water quality protection. The ESO Water Catchment controls trigger approvals for some developments that do not pose a risk to water quality, and a refinement of these controls is required to better target the purpose of the overlay and better use Council resources.

There is also a need to more effectively manage housing development in these catchments, consistent with the objectives of water authorities. In a regional sense, this requires the development of shared objectives (and clearer alignment of objectives and practices) between council and water authorities.

Landscapes

The forested and agricultural landscapes of this Shire are highly valued by residents and visitors for their contribution to character and amenity.

Through the planning scheme, Council seeks to protect significant landscapes of the Shire by;

- Use of the Environmental Rural Zone over significant landscapes such as Mount Macedon and around the Cobaws.
- Applying the Significant Landscape Overlay (SLO) to significant mountain ranges, ridges and escarpments including Mount Macedon, Cobaw Ranges, Mount Bullengarook, Hanging Rock, Jim Jim and Mount Gisborne.
- Implementing the *Steep Land and Ridge Lines* Local Policy

The SLO controls seek to protect the landscape and scenic qualities of prominent ridgelines, highly visible elevated areas, steep slopes, densely vegetated areas and the rural and landscape buffer to metropolitan Melbourne. The controls seek to ensure that any development permitted in these areas is sympathetic to the areas landscape character through requiring permits for most development activity and introducing relevant decision guidelines. The SLO overlays provide for assessment of any proposal against the "Macedon Ranges Cultural Heritage and Landscape Study." The local policy largely duplicates the zone and overlay controls and does not significantly contribute to the decision making process. The skills and expertise of Shire staff to assess such proposals in terms of landscape impact is also limited.

Wildfire Hazard

Minimising wildfire risk is an obvious concern in this Shire, given the significant number of residents living in areas of wildfire risk.

The Council seeks to minimise the risk of wildfire to residents of the Shire through the planning scheme by;

- Applying the Wildfire Management Overlay to areas defined by the CFA as being of high fire hazard.
- Implementing the *Wildfire Risk* Local Policy.

The controls triggered by this overlay provide for assessment of buildings and facilities that are occupied by people for significant periods of time to ensure they have adequate access, water supply, are of appropriate design and have appropriate buffers around them. The local policy largely duplicates the zone and overlay controls and does not significantly contribute to the decision making process.

Flood Risk

There are a number of areas in the Shire that are subject to flooding. These areas include land in and around Woodend and Lancefield. Controls have been imposed to ensure development that would be at risk from flood water, or development that would place people at risk from floods, or development that would threaten the integrity of the quality of water is not located in these areas.

The Council seeks to protect land subject to flooding through the planning scheme by applying the Land Subject to Inundation Overlay to areas of poor drainage and flood risk.

Supporting Agriculture

The Shire presently supports a range of agricultural activities including sheep, beef and horse raising, wool production, viticulture and some intensive industries such as pig raising. These activities, whether they are full or part time, make an important contribution to the economy of the region. Such agricultural activities are also very important to the character and amenity of the Shire and its landscapes.

In relation to agriculture and agricultural land, the MSS includes strategic objectives of protecting the productive capacity of agricultural areas from development pressure, providing protection for and encouragement of agricultural production and protecting agricultural land.

The Macedon Ranges Planning Scheme presently manages agriculture by;

- Applying the Rural Zone to areas where agriculture is to be encouraged such as in the north of the Shire and around Romsey and Lancefield;
- Setting a number of different minimum subdivision sizes for the Rural Zone (100ha, 40ha and 20ha), which seek to discourage non agricultural development;
- Applying a range of local planning policies that seek protection of the environment, natural resources, landscape and quality agricultural land.

The purpose of the Rural Zone is to provide for a full range of agricultural activities including broadacre cropping and grazing, intensive animal husbandry and some associate processing activities. Although the Rural Zone cannot force rural land to be used for agriculture, it can prevent it from being used or developed in such a way that it removes the opportunity for some one else to use it for agriculture, for example subdivision into small lots and housing development.

Council has sought to protect agricultural land and activity through use of the Rural Zone with a range of minimum subdivision sizes including 100ha, 40ha, 20ha and areas where cluster subdivisions are permitted. The subdivision controls attempt to hold the land in large enough parcels that are unattractive to non-agricultural land use as well as to control the density of development in the rural areas. There is very minimal opportunity for further subdivision in the rural areas of Macedon Ranges. Most large lots have already been subdivided under former controls or prior to planning controls and many existing Crown allotments that make up farms are below the minimum lot size. As such the primary challenge in the ongoing management of the rural areas will be managing the future use and development of these existing lots.

Generally, construction of a dwelling in the Rural Zone requires a planning permit. As the primary purpose of the Rural Zone is agricultural activity, whether this is commercial or sub-commercial, there should be no expectation that the development of a house in the Rural Zone will be supported. Presently, it would appear that the majority of planning permit applications for a house in the Rural Zone are being supported. This has resulted in many rural areas becoming pseudo rural living areas and is occurring because the existing planning

scheme lacks clear direction and appropriate supporting policy to assist to assess planning permit applications for dwellings in the Rural Zone. The Rural Zone provisions alone do not provide adequate guidance to determine the appropriateness of the house in the Rural Zone. The appropriateness of housing in the Rural Zone must be determined by the strategic context of the planning scheme and supported through appropriate policy to assist in the decision making process.

Rural Residential Development and Hobby Farms

Rural residential development and hobby farms are accepted as an important part of the Shire's character and lifestyle. Council supports them as a means of catering for population growth, while seeking to manage the extent of this type of development to minimise impact on the Shire's landscapes, environment and agricultural economy.

Rural residential development and hobby farms are located throughout the Shire, in both bushland and farmland settings, with an obvious concentration closer to Melbourne, close to transport links and around the larger townships of the Shire. There is a considerable demand for such development, largely related to the proximity to Melbourne and the attractive rural environment, and this has acted to displace and discourage continuing commercial agriculture and new agricultural investment from a lot of areas of the Shire. This demand has been the driver for a significant component of the Shire's population growth with almost 50% of all new dwellings being developed outside of established urban areas.

The Shire has sought to accommodate this development through use of the Rural Living Zone with a range of different subdivision options, ranging from 1ha through to 40ha. The Rural Living Zone has been applied in different areas of the Shire with these different subdivision sizes to deliver a range of different living environments from large residential lots, small farms and bush blocks. Subdivision size has been used to regulate the density of development and is intended to regulate the impact of such development on important aspects of the Shire, including water quality, native vegetation and landscapes.

The Macedon Ranges Planning Scheme presently manages rural residential development by;

- Applying the Rural Living Zone to areas where rural living is to be encouraged such as around Lancefield, Gisborne, Romsey and Riddells Creek;
- Setting a number of different minimum subdivision sizes for the Rural Living Zone;
- Applying a range of local planning policies that seek protection of the environment, natural resources, landscape and quality agricultural land.

The Rural Living Zone can provide for the use of rural land for primarily residential land use through to residential land use in conjunction with small scale, part time agricultural activities, such as grazing of livestock and viticulture. In comparison to the Rural Zone, in the Rural Living Zone there is a justified expectation that each lot can support a dwelling, and in the case of larger lots, the opportunity for some forms of rural activity. The Rural Living Zone seeks to provide an environment of a higher amenity than does the Rural Zone as it does not permit intensive animal husbandry and other potentially noxious forms of agriculture.

Despite areas being specifically set aside for rural residential land use and development, this type of land use has also been permitted extensively within the other rural zones. Permits have been granted for houses on existing lots within the Rural Zone and Environmental Rural Zone, without such development necessarily being consistent with the intention of those zones. If this trend were to continue there will be an increasing number of houses scattered across the rural areas of the Shire, altering landscapes, displacing agricultural activities and compromising the quality of the natural resources of the Shire, including native vegetation and water.

Rural residential development is presently occurring in a largely unregulated manner. Decisions need to be made about the extent of this development that the Shire can and will support and improved controls need to be developed to ensure it is located in accordance with the adopted strategy.

Policy Context of Planning in Rural Areas

In responding to rural land management issues within the Macedon Ranges Shire, the local, state and national policy context provides important guidance and parameters. It is not possible to consider a strategic approach to addressing rural land issues without having regard for the broader policy context and the implications of the strategy and policy of other tiers of government and their agencies. Many of these policies have been developed in response to issues facing non urban areas and lead this strategy to the need for, amongst other things, protection of native vegetation, water quality and high quality agricultural land.

This section of the report provides an overview of relevant policies that will, in part, frame the responses developed in the "Macedon Ranges Rural Strategy".

This chapter provides an overview of:

- Broad land use planning policy as it relates to the rural areas of the Macedon Ranges;
- Natural resource and environmental management policy of relevance to the study; and
- Policy and programs operating in Macedon Ranges Shire that have implications for the planning scheme in rural areas.

Land Use Planning

Within the framework of the planning system, a range of policies and initiatives have specific relevance to the rural areas in the Macedon Ranges. These include the State Planning Policy Framework, guidelines for the management of water supply areas and specific policy direction on the Macedon Ranges area.

State Planning Policy Framework

The State Planning Policy Framework is the policy basis of all planning schemes in Victoria. This framework requires;

- Protection of the Macedon Ranges as an environmentally sensitive area with significant recreational value from development which would diminish its environmental, conservation or recreation values;
- Management of land use and development in water catchments, especially domestic water supply catchments, to protect water quality;
- Minimisation of wildfire risk to life and property;
- Maintenance of native biodiversity;
- Conservation of significant places of cultural and natural heritage;
- Direction of rural living development to areas that are not environmentally sensitive, agriculturally valuable and that have access to appropriate services;

- Support for tourism;
- Protection of high quality productive agricultural land for agricultural use;
- Support for appropriately sited intensive animal industries;
- Facilitation of the establishment, management and harvesting of plantations, harvesting of timber from native forests and the development of forest based industries.

Interim Guideline for Planning Permit Applications in Open, Potable Water Supply Catchment Areas. August, 2000

The purpose of this Interim Guideline is to assist responsible authorities in their assessment of planning permit applications for use and development in all open, potable water supply catchments in Victoria.

Macedon Ranges contains twenty four open potable water supply catchments.

This guideline includes requirements that seek to minimise the risk of water supply contamination or water quality decline from domestic and stock effluent, sediment, fuel, herbicides, pesticides and dead stock. The guideline addresses;

- Dwelling and subdivision densities (1 dwelling per 40ha or minimum subdivision size of 40ha unless otherwise justified);
- Effluent disposal systems;
- Septic tank maintenance;
- Siting of effluent disposal systems;
- Vegetated buffers on waterways;
- Siting of buildings and works;
- Agricultural activities.

Ministerial Direction No. 6

Ministerial Direction No. 6 requires that any amendment that rezones land Low Density Residential to provide for rural residential development comply with Guidelines for Rural Residential Development, October, 1997, prepared by the Department of Infrastructure.

Amongst other things, these Guidelines require that any land to be rezoned for rural residential development;

- Does not cause a supply of rural residential land in excess of 10 years demand;
- Is not of high agricultural quality;
- Is integrated with an urban area;
- Is supplied with essential infrastructure including quality roads and water supply;
- Does not contain significant flora and fauna;

- Is not subject to flood and fire hazard;
- Does not threaten a significant landscape.

Statement of Planning Policy No. 8 - Macedon Ranges and Surrounds

Statement of Planning Policy No.8 was adopted the State Government on 30 September 1975. This policy recognises and seeks to protect the National and State environmental and landscape significance of the Macedon Ranges and surrounds.

This Policy has provided the basis of strategic planning in the Macedon Ranges area since 1975, although until 1995 the opportunity to manage this area as one entity under one planning scheme was not offered.

The policy directs the conservation and utilisation of the policy area both as a water catchment for urban and local supply and as a location of State, metropolitan and local importance for leisure activities and nature conservation.

Metropolitan Strategy

The State Government is presently preparing a strategy for the Melbourne metropolitan area.

At present, it is proposed that a Statement of Intent will be released in late 2002 and it is understood that, of relevance to this strategy, it will address the following matters;

- The need to protect Melbourne's water supply;
- The role and importance of green belts in the livability of a city;
- The need to define the urban edge to deliver certainty beyond;
- The appropriate use of non rural areas around the fringe of Melbourne;
- Consistency in management of the fringe between fringe municipalities;
- Impact of rural residential / rural living development.

The role and significance of these matters in the overall context of the Metropolitan Strategy remains unclear, although it is increasingly apparent that the broader regional development issues that initially formed a strong component of the Metropolitan Strategy are likely to be less significant in the final document.

Regional Context

Macedon Ranges Shire is surrounded by seven municipalities: Hume, Melton, Mitchell, Moorabool, Hepburn Mount Alexander and Bendigo. It is of interest and relevance, the approach of these municipalities to rural land management. All of these municipalities seek to maintain rural land for rural activities and preserve a rural appearance. In particular Hume and Melton, which separate Macedon Ranges from Melbourne, seek to maintain rural areas to contribute to the amenity and character of the municipality.

Conservation and Natural Resource Management

A range of conservation and resource management polices have particular relevance to the rural areas of Macedon Ranges Shire. The key strategic natural resource management bodies are the catchment management authorities. The Macedon Ranges Shire falls within two catchment management areas (North Central and Port Phillip) and, while there is some

consistency in terms of the policies on natural resource management between these areas, they differ in terms of priorities. The policies and strategies offered in these documents provide a regional perspective on some of the State level natural resource management policies.

North Central Regional Catchment Strategy (North Central Catchment and Land Protection Board, 1997)

The northern part of the Shire, beyond the Ranges, is located within the North Central Region. The vision for this region, as expressed in the Strategy, is:

“An informed and responsible community using integrated and sustainable natural resource management to enhance the environment, land productivity and economic and social well being of the North Central Region.”

The Regional Catchment Strategy identified six natural resource management priorities in the region:

- Salinity;
- Biological diversity – protect and enhance the genetic, species and ecosystem diversity of the region;
- Waterways and water resources – achieve an assured and adequate quality of water resources and a balanced and fair distribution between human and environmental uses;
- Soil health – enhance the productive potential of the soil to sustain desired land uses;
- Pest plants and animals;
- Regional development – a thriving regional economy based on sustainable land productivity and value adding industry.

Port Phillip and Westernport Regional Catchment Strategy (Port Phillip Regional Catchment and Land Protection Board, 1997).

The southern part of the Shire is located in the Port Phillip and Westernport Region. The Regional Catchment Strategy for this region has the following vision:

“The Port Phillip and Westernport Region will be a healthy, attractive and prosperous place for people to live, work and visit based on its productive land, habitat for native plants and animals and the clean water in its catchments, rivers and bays.”

This regional catchment strategy had five interrelated goals for catchment and land protection to under pin this vision.

Goal 1: To protect and improve the quality of water in our rivers and streams.

Goal 2: To protect the diversity and extent of natural ecosystems and species.

Goal 3: To achieve sustainable use of natural resources by primary industries.

Goal 4: To provide diverse and sustainable living environments, recreation and tourism.

Goal 5: To coordinate and monitor catchment and land protection activities.

The southern part of the Macedon Ranges Shire is in the Maribyrnong Catchment. This Regional Catchment Strategy nominates the following priority issues for this catchment;

- Pest plants and animal infestations;
- Incomplete waterway management;
- Soil degradation;
- Loss and degradation of native vegetation;
- Water pollution;
- Incompatible land management;
- Waterway degradation;
- Changing land use;
- Altered flood regime.

Draft North Central Native Vegetation Plan, NCCMA, July, 2000

The north west part of the Macedon Ranges Shire is located within the North Central Region.

The draft North Central Native Vegetation Plan establishes the following priorities;

- Protection and enhancement of existing remnant vegetation.
- Establishing networks and consolidating conservation reserves;
- Revegetation;
- Weed control.

It is anticipated that implementation of the priorities in this plan will result in a landscape that is ecologically balanced, aesthetically pleasing and will contribute to improved land, water and vegetation quality that sustains our regional communities.

Broader Environmental Policy

Broader principles and policy directions also play a role in the strategy and practice for planning in the Macedon Ranges. The principles of *Local Agenda 21*, particularly the need to undertake development in ways that do not limit the needs of future generations, the need to include environmental considerations across all elements of policy-making, and the need to actively involve communities in decision-making are central to building a sustainable process of change in the Macedon Ranges. Crucially, the principle of appropriately costing environmental impacts and pollution, and passing those costs to polluters, sits within a planning context alongside the notion of requiring environmental advantage from development.

Other Relevant Council Policies

Beyond the planning system, a range of policies and programs from within Macedon Ranges Shire Council have relevance to the future development of rural areas in the Shire. These include the Corporate Plan that governs the operation of Council and Staff, as well as departmental specific strategies, whose success is dependent on integration with all other areas of Council's activities.

Corporate Plan

The Corporate Plan of the Macedon Ranges Shire Council details four cornerstone themes;

- Partnership;
- People and Community;
- Environment and Heritage;
- Infrastructure.

Objectives from these themes, of relevance to the development of the Rural Land Strategy, are;

Partnership

- To develop active working relationships with our communities and with other service providers and contributors to our communities.
- To work to improve community participation in Councils decision making.
- To recognise and acknowledge the diversity of our communities and townships through all of our activities.
- To continue our support and development of our business and tourism sector.
- To recognise the rural/urban interface within our Shire and our relationship with metropolitan Melbourne.

People and Community

- To undertake our decision making in an informed, transparent and efficient fashion;
- To enhance community ownership of the Shire's direction and processes by encouraging citizen participation in decision making and promoting the role of citizens and the civic responsibilities of Council.
- To create an environment which promotes and sustains the health and social well being of our community.
- To promote sustainable local development that creates jobs for our community.

Environment and Heritage

- To acknowledge and respect the natural environment and cultural heritage values of the Shire.
- To recognise the Shire's Natural Environment Strategy as our predominant environment document and pursue the key directions it recommends.
- To further develop our open space and promote the enjoyment, use, care and recognition of the value of open space to residents and visitors.

Infrastructure

- To maintain a strategic decision making process for the planning, provision and maintenance of infrastructure that is integrated and responsive to the development of safe, livable communities.
- To allocate adequate funds to ensure that asset renewal and maintenance is well cared for.
- To upgrade the Shire road network that links our communities and work to improve other major transport infrastructure.

Positioning the Macedon Ranges- 2002

Council has recently consulted with its community with respect to the future direction of the Shire, in terms of both governance and land use and development. The document that came out of this consultation, *Positioning the Macedon Ranges 2002*, identifies what the community values most about the Shire and the stance the area must take to preserve those values.

The values statements in *Positioning the Macedon Ranges* are:

- 'Awareness.** *We are aware of all the attributes of our environment and the great potential that offers. We value our strong sense of community, our heritage, the air we breathe and the seasons that we experience.*
- 'The Rich Fabric.** *We value the rich fabric that makes our area what it is. We value our farmland and the biodiversity of our forests. We value the individual personalities of our towns and villages. We value our people. We value the significance of our heritage, rural landscapes, natural environment, gardens, Hanging Rock and Mount Macedon.*
- 'Our Home.** *The area provides everything that we need to live the life that we want. It is our place, our community. We feel safe here. We will protect and preserve it . It is our home.*
- 'Deep Connection.** *We feel connected, a sense of belonging. It is part of us and we are a part of it. The unique beauty, peace and tranquillity of the area continually nourish us.'*

Macedon Ranges Natural Environment Strategy (Draft - June, 2002)

Council has recently completed a Natural Environment Strategy. This strategy documents Council's position with respect to managing the natural environment and initiatives it will engage in over the next few years to protect and enhance the natural resources of the Shire.

This strategy pursues the following objectives;

- To protect and restore the Macedon Ranges Shire's soil, water and air quality.
- To conserve the indigenous biodiversity values of the Macedon Ranges Shire through protecting, enhancing and restoring our indigenous vegetation and habitat.
- To take responsibility for the Macedon Ranges Shire's external environmental impacts, particularly its contribution to global environmental issues.
- To strive for ecologically sustainable development and works through strategic land use planning, planning policies and the administration of statutory development controls.

It nominates a number of actions that Council will pursue in support of the above objectives including;

- Development of a Stormwater Management Plan;
- Landcare Facilitation;
- Council Water Conservation Program;
- Sewering Macedon Township;
- Community Education;
- Reflect objectives of NES in MSS;
- Vegetation Mapping;
- Ecological Assessment Process;
- Salinity Mapping;
- Weed Strategy;
- Biolink Wildlife Corridor;
- Net gain requirement for Indigenous Vegetation removal proposals.

This strategy specifically identifies the planning scheme as a key tool in management of the natural environment and in Council achieving the goals set out in the Natural Environment Strategy. The Natural Environment Strategy states that the key aim of this strategy, ecologically sustainable development, will become strongly reflected in the planning scheme. Policies and provisions such as overlays are to be used to ensure local environmental issues are considered in the assessment of land use change and development.

Open Space Strategy, 1999

The Shire's Open Space Strategy pursues the following objectives that are of relevance to the Rural Land Strategy;

- Reinforce the important nature-based open space opportunities;
- Build on opportunities for long distance trails;
- Retain important heritage and landscapes.

Leisure Strategy Plan for the Macedon Ranges Shire, June, 1996

The municipality's Leisure Strategy Plan recognises the role of natural bushland areas and other informal open space areas as a part of the Shire recreation infrastructure.

Policy Implications for the Rural Land Strategy

The provisions of the current planning scheme provide a basis for addressing many of the land use and development issues within the rural areas of the Macedon Ranges Shire. However, some limitations and inconsistencies are apparent, including:

- The need for accurate mapping to enable application of environmental overlays;
- Appropriately targeted overlay controls to meet objectives of the overlay and efficient use of Council resources;
- Local policies need enhance not duplicate decision making guidelines;
- The considerable demand for rural residential development needs to be managed and guided to protect the environment, landscape, character, amenity and economy of the Shire;
- Minimum subdivision size cannot solely be used to protect rural land from rural residential development;
- The Rural zone should be applied to areas where agriculture is to be supported;
- Appropriate assessment tools, including local policy, must be developed to support assessment of applications for use and development of Rural zoned land to ensure it is consistent with the purpose of the zone and the strategy for the area.

A broader policy framework requires;

- Protection of water quality, especially in proclaimed catchments;
- Protection and enhancement of native vegetation;
- Protection of significant landscapes and open space;
- Protection of high quality agricultural land;
- Enhancement of tourism opportunities;
- Community involvement in the development of the Strategy.

4: Community Consultation

The third element to frame the Rural Land Strategy is the community's aspirations and values. A consultation program was developed to enable a wide cross section of the community to provide input into the direction of the Rural Land Strategy.

The key purpose of the consultation phase of the project was;

- To engender ownership of the outcomes of the Strategy through informing the community about the project and the issues surrounding rural land use and involving them in the development of the final product.
- A tool for primary research through the exchange of information between the project team, Council and the broader community.

Consistent with this project aiming at the broader, conceptual and strategic level and being about defining principles for the future of the rural areas of the Shire, the consultation program sought to gain an understanding of the community's vision and values associated with the rural elements of the Shire. This is opposed to seeking an insight into individuals aspirations for their particular properties. Obviously individuals aspirations for their particular properties can inform our understanding of the community's ideas for the future of an area, but often aspirations at the property specific level lack an understanding of the implications for the future use or presentation of the broader area. Without an understanding of the particular direction sought for an area, the future of individual properties cannot be addressed. This project aims to provide Council with a vision, framework and context to deal with the ongoing use and development of individual properties and this community consultation was used to define the vision and the framework.

The consultation program was focussed around a series of meetings and discussion sessions conducted in the Shire during October, 2001.

The consultation program included;

- Information Papers;
- Information / Discussion Sessions;
- Community Ideas Paper;
- General Submissions;
- Individual Meetings.

Information Papers

A series of information papers was produced to provide the community an insight into the range of issues that needed to be addressed by the Rural Land Strategy. The papers sought to inform the community about the policy context of the strategy and the particular issues, values and trends of rural land use that were revealed in the initial research phase of this project. The key aim of the research papers was to trigger interest in the community and give them sufficient background to enable participation in the debate about the future of the rural areas of the Shire. The papers were widely distributed within the community and beyond by Council and were available on the Internet to further facilitate access and subsequent interest in the project.

The papers covered a range of topics including;

- i. Policy Context;
- ii. The Existing Planning Scheme Response;
- iii. Agriculture in Macedon Ranges;
- iv. Environment, Natural Resources and Rural Landscapes;
- v. The Role of Tourism in the Rural Areas;
- vi. Housing Growth and Development;
- vii. Population Trends and Their Impact in Rural Areas.

Most of this information is contained within this report.

Information / Discussion Sessions

Five Information / Discussion Sessions were conducted during October and November, 2001. These sessions were held at different locations around the Shire; Kyneton, Woodend, Romsey, Gisborne and Lancefield and although each included a generic information session about the project, each session also included a focussed discussion about a particular rural land issue of relevance to the area.

Meeting	Discussion Topic	Attendance
Kyneton	Tourism and Economic Development	21
Woodend	Environment and Landscape	17
Romsey	Agriculture	30
Gisborne	Rural Living and Urban Growth	40
Lancefield	Agriculture	71

Discussion sessions were not limited to these topics and given the interrelated nature of rural land use obviously other matters were raised but these topic provided a trigger and focus for the debate.

These meetings were advertised through the local press and were open for any one to attend. The Lancefield meeting was slightly different to the other meetings as it was specifically aimed at farmers and targeted them for attendance through invitations being sent to the larger land holders of the Shire.

Community Ideas Paper

A "Community Ideas Paper" was distributed along with the Information Papers and at the Information / Discussion Sessions. The "Community Ideas Paper" was a questionnaire that provided a framework for the community to express their values and aspirations about the rural areas of the Shire. The form triggered consideration about particular rural land use issues and offered them the opportunity to present their opinions and ideas. This aspect of the consultation was a key tool to inform the project about the community's vision for the rural areas as a whole and directing their focus away from their own ideas for their individual properties.

General Submissions

Council invited the public to make submissions about rural land use issues and what direction they felt the future of the rural areas of the Shire should take.

Individual Meetings

Council and the consultants held private discussions with many community members about particular rural land use issues.

Findings

Meetings

There were approximately 180 attendees at the five meetings held across the Shire.

A range of views was presented at the meetings including;

- Prevention of further development in rural areas;
- Promotion of rural residential development in the Shire to accommodate population growth;
- Rural residential development is compromising agricultural activity, the quality of the natural resource base and the environmental values of the Shire such as native vegetation and landscapes;
- The rural areas of the Shire make an important contribution to the economy through agriculture and tourism;
- The future for agriculture is limited so the land should be converted to rural residential use;
- Protect opportunities for agriculture;
- Need Shire support outside the regulatory system such as weed control, rate relief to better manage rural land;
- The Shire has a very unique character and the rural areas are the fundamental part of this character;
- Rural residential development can provide for sustainable management of rural land and environmental improvement;
- Conserve the environmental values of the Shire.

Community Ideas Paper

In all, 40 Community Ideas papers were completed and returned.

- All but one advised that the thing they valued most about the Shire and where they lived in the Shire were the rural characteristics including the rural environment and atmosphere, landscapes, peace and tranquillity, open space, forests, country lifestyle, small friendly communities, waterways, small villages and farms;
- The majority of respondents wish to retain the rural character of the Shire;
- Subdivision and housing development is seen by the community as the greatest threat to the character and environment of the rural part of the Shire;
- The majority of respondents wish to protect the native vegetation, waterways, landscapes and geological features of the Shire;
- The majority of respondents support the continuation of soil based agriculture, especially in the areas with high quality soils;

- Rural residential development is recognised by the majority of respondents as an important land use in the Shire. Importantly though, a significant number recognised the risks associated with the continuation of such development and did not support further rural residential development.

Individual Submissions

A total of 78 individual submissions were received.

- Few addressed the strategic element of the project and they generally sought site specific changes to the planning scheme to permit further subdivision – the vast majority sought changes to the planning scheme to enable subdivision of their land;
- The majority of demand for subdivision is in the southern part of the Shire, around Woodend and Gisborne;
- Five sought protection of the rural areas and activities, including 3 that sought to protect agriculture.

A summary of these submissions is presented in Appendix I.

In addition, 17 contributions were received that provided comment on the principles for planning that were released in May 2002. Again, many of these proposed development opportunities, while a number were supportive of the direction of the principles, or in fact considered that further development should be proscribed.

Discussion

The consultation program invited participation from all residents of the Shire and others who have an interest in this area. As expected, a full range of views were expressed about what the rural areas of the Shire look like and be used for in the future.

The most revealing and probably most expected finding was that there is an overwhelming preference by residents for retaining the rural character of the Shire. The rural amenity and lifestyle offered by the Shire appears to be highly valued by the majority of residents. There is also a high awareness of and desire for protection of the natural environment in this municipality.

The motives and motivations of many of the submitters, as well as those that attended the community meetings show the mismatch between expectations and realities of living in these areas. This, in many ways, is the core of the conflicts that are experienced in the Macedon Ranges. Central issues include:

- A conflict between a belief in demand led land provision opportunities and the belief that future development should be constrained or proscribed;
- A belief that land management issues on individual properties are the consequence of size and manageability (and that the solution to this is further, cascading subdivision). The current and proposed lot sizes to “enhance” manageability varied, but were generally half the existing size¹⁷.
- That small lots for development are seen to be the only solution to structural change in agriculture and individual farm business and farm succession issues.

¹⁷ This phenomena is also apparent in many other locations. In Manningham City, a survey undertaken in 2001 revealed a similar pattern (that “manageable” lots were generally half the size of existing lots) albeit on smaller rural residential holdings.

Agriculture is also seen as an important element in the future function of this Shire, by some for its role in the economy, but also by many for its role in the character of the area. Many farmers are conceding that the Shire's agricultural role is coming to an end, and this seems to be as a result of the changing rural land uses of the Shire and the impact of this on agriculture, as well as the considerable capital gains to be made by selling up. Others see considerable opportunities for agriculture in the area and seek support for this industry to continue through such initiatives as retaining larger holdings and rate relief. In line with the role of agriculture in the amenity and character of the area, there is a lack of support for agricultural industries with a history of offsite amenity impacts such as intensive animal husbandry. Residents particularly value the high quality soils in the east of the Shire for agricultural purposes.

As expected there are individuals who wish to capitalise on the considerable demand for small rural lots in the Shire, but most of these requests were made without any consideration of the strategic implications of such change. The Community Ideas Paper revealed that the majority of the community recognise that rural subdivision and rural housing development poses the greatest threat to the rural areas valued qualities - landscapes, forests and waterways, low density of development and agricultural activity. Although relative to the number of submissions received in relation to this project, the number seeking further subdivision was high, relative to the number of rural property owners in the Shire the desire for further subdivision is a small proportion of all rural land holders.

As discussed above, this project seeks to define the context for addressing the future of individual properties, rather than offering decisions on individual proposals. Community consultation has been used to inform the project about what the community seeks in terms of a rural environment in the Shire in the future. The consultation has revealed that the community position is that Macedon Ranges should retain a rural character and function and that development that would compromise this, largely subdivision and housing should be controlled.

Obviously, a number of land holders seek further development opportunities, and some may well be appropriate, but any change in the nature of rural land should be addressed in the context of the vision and framework offered by this rural land review. Clearly the submissions demonstrate that perspectives of all within the community cannot be met through the rural land review.

The process for the consideration of individual proposals, in the context of the principles and proposed planning directions, can be undertaken when detailed proposals are submitted and considered against the planning framework.

5: Options and Directions for Future Development

Forming a direction for the development of rural areas in Macedon Ranges is a challenge that relies on an understanding of future community needs, potential landscape change and economics of regional agriculture. Critically, the choices made will need to meet a range of land use needs in a pragmatic and achievable way, without losing the important opportunity to shape the future character of the rural areas of the Shire.

The Context for Change

As discussed, the present process of development in the rural areas has resulted in incremental land use change dispersed throughout the rural areas. Given the rate of change resulting from this pattern of development, it is apparent that potential exists for future problems, some of which are already in evidence. These include:

- Potential for land use conflict where agricultural and non-agricultural land uses adjoin;
- Future potential for pressure to develop rural "lifestyle" areas on agricultural lands;
- Increased pressure on water quality from effluent disposal systems;
- Potential for increased pressure to clear vegetation, and pressure on any adjoining public land;
- Increased service costs (both social and physical services) created by a dispersed community.

It is important to recognise that a number of drivers of residential development in rural areas exist, including economic pressures on traditional grazing activities on the metropolitan fringe and clearly expressed lifestyle preferences for rural living in this environment. Moreover, it is reasonable to consider that in many circumstances, opportunities exist for well-planned and appropriately developed housing in a rural setting, increasing the capacity for land management and supporting positive landscape change.

Given the trends and possibilities for future development in the Macedon Ranges, it is important to recognise that no specific path for rural development is the only legitimate direction for change, and that in fact a range of land uses and land development pressure will continue into the future. What is critical is that objectives which meet the aspirations of the community, the realities of the agricultural economy and promote positive environmental outcomes are developed and implemented. The means to do this cannot necessarily simply replicate past patterns of land use planning, and need to be innovative in *regulating* and *promoting* positive future change.

The process of promoting appropriate directions for future land use change includes consideration of the whole range of Council's activities; planning, education, rating, community services. While this review focuses on the planning process, and in particular the Macedon Ranges Planning Scheme, other matters deserve consideration, and options and issues are outlined below.

Principles for Planning

A set of principles for planning in the rural areas of Macedon Ranges Shire has been developed as a consequence of consideration of the policy context, input from the community and Council, and consideration of the key research findings. The key principles for the future of the rural areas of the Macedon Ranges Shire are:

- The Shire will remain a rural shire with a number of villages and their communities set within an attractive rural environment, which includes a healthy natural resource base, soil based agricultural activity, native flora and fauna and dispersed rural dwellings.
- Agriculture is an important part of the character and economy of the Shire, and will be maintained and supported, especially on the high quality soils in the east of the Shire and in the north of the Shire where there has been less land fragmentation;
- Protection of water quality, especially potable water supply, is fundamental. Open potable water supply catchments must be managed to ensure water quality is not compromised. Development will be minimised in potable water supply catchments.
- Native vegetation is vital for the environmental health of the Shire and is a significant component in the Shire's character. Council will protect native vegetation and will strive for net gain of native vegetation in the Shire.
- The landscapes of the Shire are highly valued by residents and visitors. Development that compromises the nature and character of the rural landscapes of the Shire will not be supported.
- Rural residential development in its various forms is an important part of the lifestyle of the Shire and provides for population growth. There is already considerable supply offering a range of lifestyle opportunities. Creation of additional rural residential lots is likely to compromise the above principles. Development of existing rural lots for residential purposes must promote the above principles.

Vision for Future Planning

The findings of research and community discussions present a range of future possibilities for planning in the Macedon Ranges. Broadly, however it appears there are three directions that encapsulate the agenda of aspirations and needs of the community, council and other stakeholders.

- A. Site-Focussed Planning:** the current focus of planning for housing in rural areas relies largely on the environmental constraints and capacity of individual sites. Generally new housing in rural areas (including the Rural Zone) is largely assessed on the basis of site issues such as capacity of land to meet effluent disposal requirements, the quality of access roads, the removal of vegetation and the like. While these are critical planning issues, the range of broader strategic settlement objectives are not central to the current assessment process. Enabling development to occur, within general site-focussed environmental parameters, has the potential to provide an effective settlement outcome by effecting land use change and fragmenting holdings, limiting potential for significant development at higher densities in the future.

- B. Environmental Living:** this proposal provides further opportunities for development. However, it places increased emphasis on local area and precinct planning to meet environmental objectives such as revegetation to meet local and catchment-wide objectives (such as habitat improvement or improved water quality), site improvement conditions at a level beyond individual developments and design and siting conditions that meet landscape objectives through well-defined building envelopes, innovative options such as clustering and appropriate building design. It is considered that providing an “up-front” message about strong environmental values, and the linkages between incremental developments in a locality will play a role in engendering longer-term responsibility for land stewardship. Moreover, it is considered that the development of an “environmental lifestyle” market is central to asserting the significance of natural resource management and ensuring ongoing investment capacity in environmental benefits.
- C. Retaining Agricultural Landscapes:** this proposal is directed at maintaining agricultural land uses. Clearly this objective runs counter to the trends that have dominated land use change in some parts of the shire, however this approach is largely consistent with the broad intent of the current context of land use planning. This approach would require agricultural development to be prioritised and supported, and may constrain other land use options. This option would continue to support appropriate management of habitat and land and water resources within the context of ongoing agricultural activity. Supporting this direction would require a strong policy basis and a commitment in planning decision-making to support an agricultural future. Importantly, a range of non-planning tools would need to support this process. Moreover, it is imperative that rural lifestyle development is not more easily achieved in these areas, thereby undermining the environmental benefits of the *Environmental Living* direction.

Clearly each of these options has some merit in different parts of the Shire. What is important is the way in which any distinctive approach is implemented – through planning and other policy directions. Setting a direction for the future of planning and development of the land in Macedon Ranges Shire should be driven by the desired future pattern of settlement and land use. While trends in demand for new residential land in rural areas is an important dimension to considering a desirable future, other factors should not be neglected, especially those that have a significant impact at a regional or catchment-wide level.

Importantly, the social, economic and environmental advantages and challenges presented by each direction for future development confirms that no option is applicable to all areas of the Shire, and that each has advantages and disadvantages in terms of delivering planning outcomes for a complex rural landscape.

Actions for implementing these directions include the applications of planning provisions to different localities, as well as to non-planning tools, such as rating structures, economic development initiatives and infrastructure provision. Within the context of land use planning, it general direction includes:

- D. Site-Focussed Planning:** applying the Rural Living Zone and Rural Zone, utilising broad policy objectives in relation to site management, land capability and general design criteria, limiting scope for additional subdivision of existing small lots.
- E. Environmental Living:** applying the Environmental Rural Zone and appropriate overlays to require appropriate landscape responsive subdivision and design. Innovative and appropriate subdivision will be the preferred to simply developing houses in the existing allotment patterns. Importantly the basis of development will relate to net environmental benefit. While circumstances will prescribe this, it is envisaged that concepts such as cluster subdivisions, reservation and enhancement of open space and habitat corridors and significant consideration for building design

and siting will be components of this approach. It is envisaged that there will be significantly greater developer investment in landscape management and design within this model than currently occurs.

- F. Retaining Agricultural Landscapes:** applying the Rural Zone and a strong policy context to support ongoing agriculture and limit the expectation of future land use change. Primarily it is anticipated that within this vision proposals for a house will be considered where they support agricultural activity.

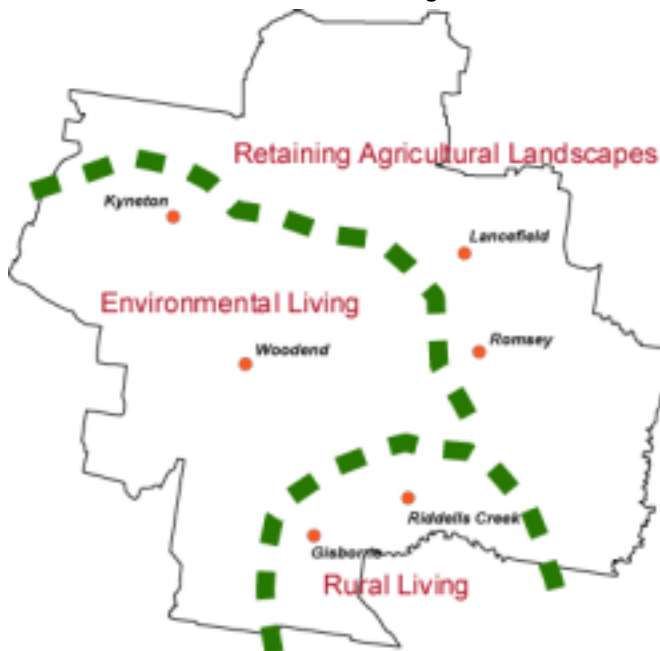
A range of policy issues from beyond the planning scheme also needs to be considered within each proposal. These include:

- A. Site-Focussed Planning:** Strong policy stand on metropolitan growth boundaries
- B. Environmental Living:** Environmentally focussed rate rebate system. Property planning and management programs.
- C. Retaining Agricultural Landscapes:** Farm-based rate rebate programs. Clear policy position from Council on the need to retain agricultural landscapes.

The general application of these proposals is described in the following map. Primarily this involves:

- i. The application of a strongly agriculture focussed direction for planning and development to areas in the north and east of the Shire;
- ii. Environmental focus (and net environmental gain) in those areas across the Macedon and Cobaw ranges and along the Calder corridor;
- iii. The recognition of the desirability of appropriate development for rural living purposes in the south of the Shire, acting as a buffer to development pressure for high densities emerging from the potential future expansion of metropolitan Melbourne.

Directions for Future Planning



Summary of Key Elements: Three Directions for Rural Settlement

	Key Features	Advantages	Disadvantages
Site-Based Planning	<p><i>Continued dispersed development</i></p> <p><i>Settlement patterns based on individual applications and the availability of lots (usually reflecting existing patterns of Crown Allotments)</i></p> <p><i>Limited subdivision</i></p> <p><i>Site-based environmental issues addressed</i></p>	<p><i>Increased rate revenue</i></p> <p><i>Increased population</i></p>	<p><i>Significant population growth (54% housing growth based on current trends)</i></p> <p><i>Increased service costs</i></p> <p><i>Decreased farming/ increased land use conflict</i></p> <p><i>Decreased landscape quality</i></p> <p><i>Inconsistent environmental outcomes</i></p>
Environmental Living	<p><i>Moving towards environmental focused rural living</i></p> <p><i>Increasing the hurdle for new development to proceed</i></p> <p><i>Requiring significant environmental and landscape benefits from development</i></p> <p><i>Development contributions to infrastructure and environmental improvements</i></p>	<p><i>Development of a long term land use stasis</i></p> <p><i>Increased rate revenue</i></p> <p><i>Region repositioned with lifestyle and environmental focus</i></p> <p><i>Capacity to drive environmental priorities through permit process</i></p> <p><i>Costs borne by developers</i></p>	<p><i>Increased costs to council in assessments</i></p> <p><i>Increased costs to developers (to be passed to buyers)</i></p> <p><i>Significant planning required in relation to access, siting, fire hazard etc</i></p>
Retaining Agricultural Landscapes	<p><i>Retain rural land use and rural landscapes through active support for ongoing agriculture and actively discouraging non-agricultural land uses.</i></p> <p><i>Planning, rates and other policy involvement in supporting productive land use.</i></p> <p><i>(This does not diminish the need to actively encourage sustainable management of land and water resources)</i></p>	<p><i>Commencing process of adjusting land values to better reflect productive values and reducing speculative values</i></p> <p><i>Reduction in fire risks, hazards and dispersed servicing needs</i></p> <p><i>Changed perceptions of support for farming community</i></p>	<p><i>Increased costs to Council through rate rebates etc.</i></p> <p><i>Short term conflict as planning system discourages residential development in rural areas</i></p>

Beyond the Planning Scheme: Directions for Support

The planning process is only one (albeit central) element to the process of affecting appropriate change to patterns of land use and development in Macedon Ranges. Complementary approaches include consideration of other areas of Council responsibility, particularly rating and environmental management. Moreover, the role of other policy-makers (particularly state government) and the role of Macedon Ranges Shire in advocating their vision is a significant ongoing consideration for managing longer-term development outcomes. Significant literature exists on the experience of Australian local government in utilising core and complementary functions of Council to achieve environmental management outcomes. Generally the capacity for local government to affect change would appear to relate to scale (budgetary), and its capacity to influence pre-existing market trends.

Rate Initiatives

Agricultural rates, environmental rates and rebates for environmental works are models used by a number of municipalities to support specific land uses and enterprises and to promote appropriate land management. Models include:

- A reduced rate for genuine agricultural land, where the demonstrated productive use of the land is supported through a subsidy;
- A reduced rate for properties undertaking environmental works, usually in accordance with an annual plan submitted to assert eligibility for the differential rate;
- Rebates for expenditure on appropriate environmental works (to a certain value), in an attempt to mitigate the cost burden of management expenditure.

Examples of this process (particularly for agricultural land) have existed in many parts of Australia for a number of years. In relation to environmental rates, regional examples include the Melton rate rebate for demonstrated pest plant and animal management works, the Mitchell Shire rebate for meeting environmental management targets, and the Manningham City rebate for the costs of works undertaken annually (to \$800).

Presently the Macedon Ranges Shire is undertaking a process of review in respect to rating issues. Clearly there is benefit in strategic use of the rating system. Not only do financial benefits provide a direct incentive, but they also send a message about the general commitment of Council to achieving specific land use outcomes.

Education and Active Assistance

Activities and education in relation to land management provide an active role in promoting landscape change, and the role of Macedon Ranges Shire in these areas is evidenced through their environmental assistance programs. These types of program also add to the cohesive, corporate approach of a municipality to effecting environmental change.

In relation to promoting appropriate land use management in rural residential settings, a number of options are already utilised in municipalities across Victoria. Examples include:

- Support for community based environmental groups, including direct funding, assistance in achieving funding, coordination roles etc.
- Education provision, including property management planning, education in specific land management techniques (either through Council or funded/part funded by Council).
- Direct funding of works and strategic land purchase.

Examples of these approaches include the Coorong Shire (SA) model of cost-sharing up to \$5,000 for targeted environmental works (largely funded through the MDBC), Manningham City, which operate Property Management Planning courses for rural land holders, and provide limited funding based on works undertaken within this plan.

Success and Limitations: Reflecting on the Planning Process

This review recognises the critical role played by the planning system in shaping the local government response to patterns of development and settlement in rural areas. While a range of non-planning policy decisions have a role to play in encouraging complementary outcomes, from the perspective of Macedon Ranges Shire, these are not central elements of effective policy-making. The limitations of proactive property rating and education as tools for effecting change include:

- That rate relief, while welcome, is minimal when compared to the anticipated value of land for sale in the rural residential market. This point was strongly made at a number of community sessions conducted for this project where participants all suggested that decisions such as selling their farm or developing land are intended to raise substantial capital (possibly for retirement income) and would not be influenced by the monies available through an annual rate rebate;
- That rate rebates or direct payments, while covering (some) costs of environmental works, are not in themselves a motivator, but rather a mechanism to ensure that land holders wishes to improve land management are recognised;
- That participants in educative programs are often those already responsive to land management messages¹⁸. While this does not diminish their usefulness, it presents challenges for moving to the next stage of extending coverage to less-willing participants.
- That any direct funding and land purchase is often beyond the budgetary capacity of local government.

Clearly the Macedon Ranges Shire approach to managing land use change in rural areas, particularly in achieving environmental enhancement, requires coordinated policy and decision-making beyond the operation of the planning scheme. Importantly, these have the capacity to further contribute to achieving broad-scale and site-specific outcomes for settlement and environmental management. However, the limitations of these activities needs to be considered, particularly if rebates, education and funding are actually at odds with planning outcomes.

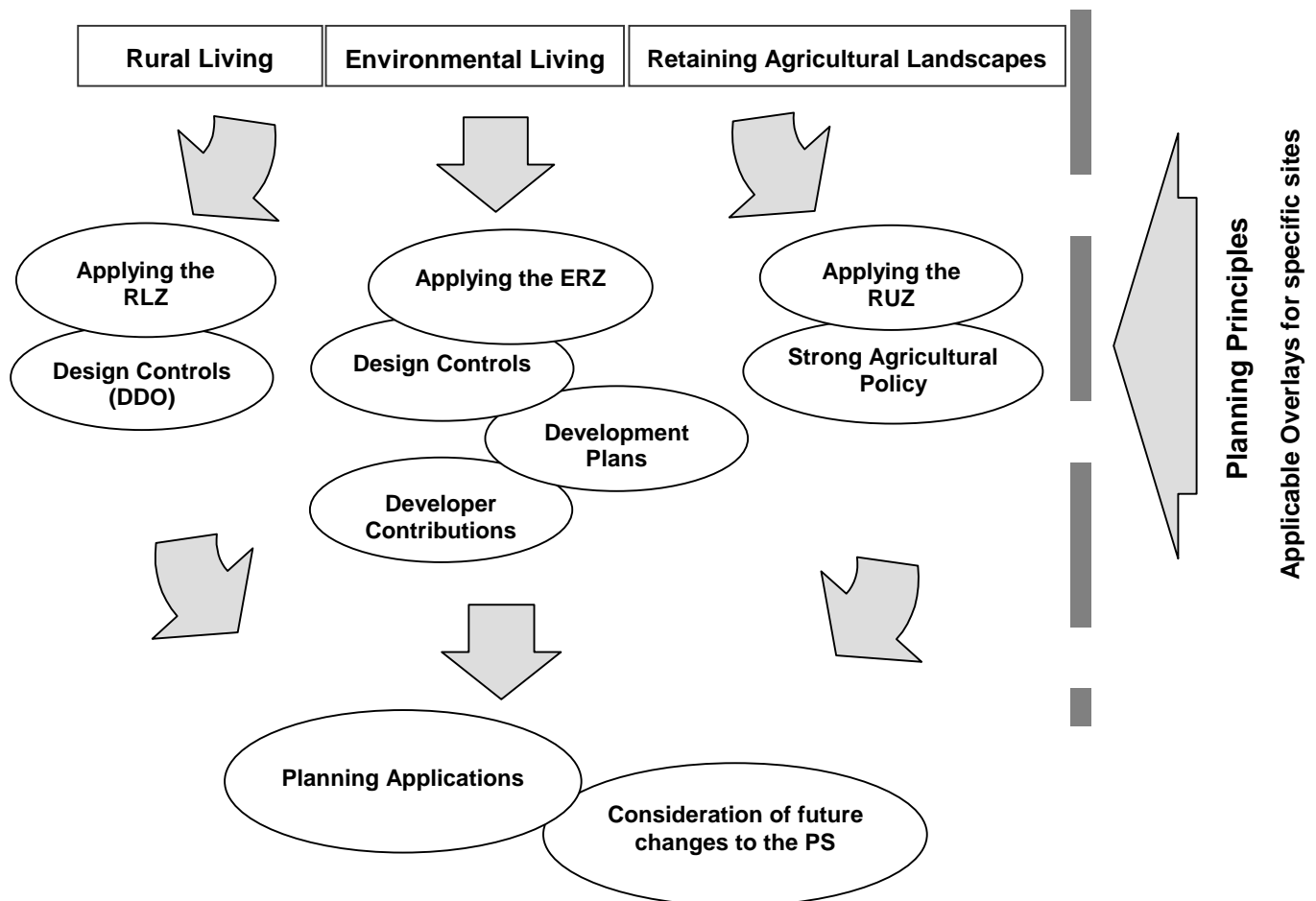
¹⁸ This phenomena was noted during the Manningham Non-Urban Areas Review and has been confirmed through personal communications with other local governments.

Implementing Principles and Preferred Outcomes

The set of planning principles and the locational directions are intended to guide planning strategy, the application of planning provisions and the consideration of planning proposals in relation to rural areas. Ideally, this model will inform consideration of all rural planning issues in rural areas, and will extend to thinking on other areas of Council policy-making.

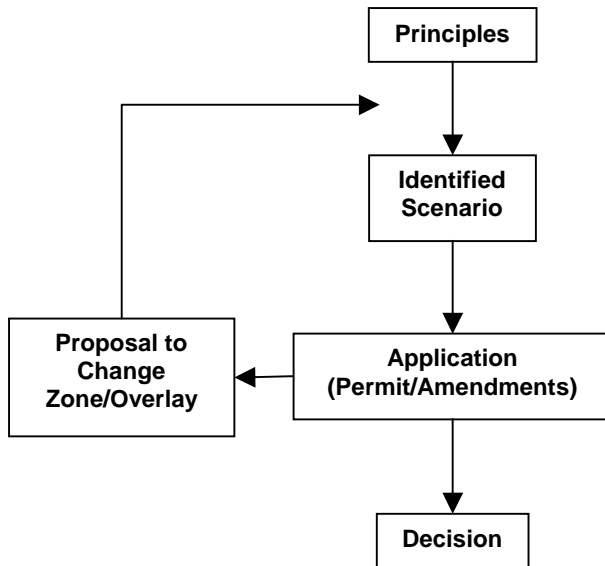
The following conceptual framework details the interaction between elements and stages in the planning process, with the planning principles being the foremost consideration throughout the process. The selection of a direction will result in a suite of planning responses being applied. Through the planning scheme, this will inform consideration of planning applications, and (in recognition of the dynamic nature of land use and development) will inform consideration of amendments to the Macedon Ranges Planning Scheme. A number of site-specific provisions, particularly overlays applying to particular land, will remain.

A Conceptual Framework for Linking Principles, Directions and Planning Provisions



The following process model describes the conceptual “flow” of planning principles, identified direction and the actual “planning process”.

A Process Model for Applying Principles and Directions



Implementing Directions for Change

The implementation of the principles and directions involves the following considerations:

- The principles are a concrete framework for planning in rural areas and are seen to continue to apply, even as appropriate amendments and decisions are made within this framework. This recognises the planning process as a dynamic process, but firmly grounds the principles and vision for future change.
- The directions are seen to be a response to the interplay between settlement pressure, preferred land use outcomes and the management of environmental outcomes. The proposed direction is both pragmatic and visionary and provides a means to utilise demonstrated demand as a tool for effecting long term planning outcomes.
- The structure of “principles” and “directions” reflects the need to retain a strong strategic basis, even recognising that the planning system is not static. Specifically, it is envisaged that this structure will respond to proposals for Planning Scheme Amendments, recognising that these are a component of the planning system. It is clear that often site-based provisions are seen as the core of the planning system, and therefore proposals to amend the planning scheme proceed within a strategic vacuum.
- There is a need to develop a shire-wide understanding of the future settlement pattern in the Macedon Ranges. Explicitly this requires a recognition that the development model provides (in the context of the entire municipality) additional opportunities for rural lifestyle development, albeit within a more rigorous framework. As a consequence, the spatial distribution is significantly constrained, and aberrations, either in terms of application quality or location should not be countenanced.
- Through the application of Local Policy, there should be no presumption towards granting a permit for a house on *any* existing lot in the Rural Zone or Environmental Rural Zone. Those lots created under a former planning scheme, or (preferably) the current planning scheme should be assumed as having greater merit in applications, while often the strategic objectives of the planning scheme will be directly challenged by proposals to develop old and inappropriate allotments. Importantly, the construction of a dwelling should only be considered where this meets the policy objectives of agricultural or environmental enhancement respectively. Building a greater community awareness of this policy position will, over time, alter the marketing and market for rural land to meet planning scheme objectives.
- Over time it is envisaged that ongoing pressure for development will occur, particularly in the area nominated for agricultural retention. This is legitimate, but should occur through the considered rezoning of land, and the application of the environmental standards and design criteria, not through ad hoc approval of development unassociated with agriculture.
- Through this review process many proposals have been received for development and rezoning of land, and these may be considered by Council within this framework, but onus should be placed on applicants to demonstrate consistency with the vision and objectives, and proposals should not be granted without considerable justification and the appropriate application of suitable planning provisions to those sites. If this process of justification reveals inconsistencies with the broader objectives of planning the proposal should not be supported.

A number of key elements are considered in the context of the directions posed within this study, they include:

- i. *Financial implications*, including costs and benefits to individuals and the broader community.
- ii. *Community acceptance*, specifically the capacity of any proposal to gain support, or at least to minimise possible social division.
- iii. *Political acceptance*, obviously related to the previous concept, but incorporating the idea that other agencies and bodies have a very strong interest in the future of the area.
- iv. *Environmental benefits*, the benefits that link most readily to the broad vision of the role and purpose of the area. While many of these are intangible and extend beyond the area they are a key consideration.
- v. *Risk assessment*, this is the likelihood of the planning direction actually being achieved. Some scenarios are high risk.

Local Issues: Rural Living Proposal

The critical issue in relation to this proposal is to provide an incentive to develop land at densities that retain non-urban landscapes and provide a long-term barrier to metropolitan expansion. This concept is proposed to include the following:

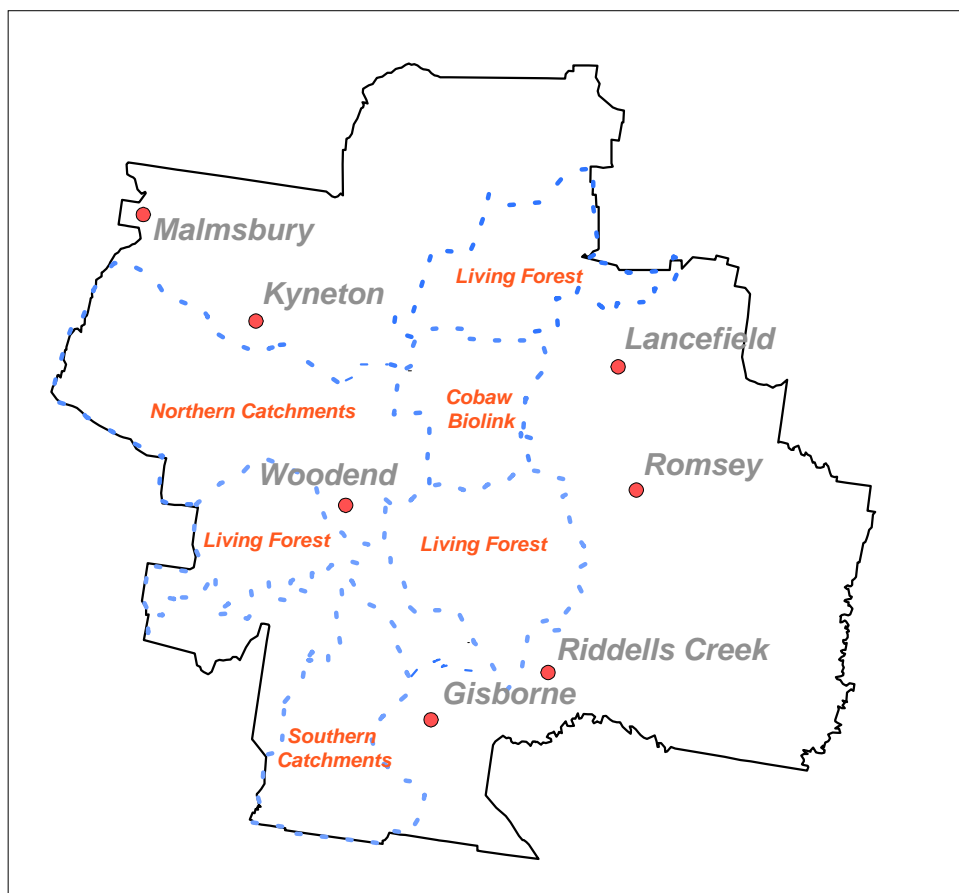
- The application of the RLZ to all areas within the proposal, except where considerable environmental values are seen to require an ERZ, which will have consistent subdivision capacity.
- The continuation of the practice of granting permits on existing allotments where site-specific environmental and siting objectives can be met.
- The encouragement of well-planned proposals for development that can demonstrate contribution to the maintenance of non-urban landscapes and contribute to the capacity of the Macedon Ranges to maintain a separate spatial identity to that of Sunbury and metropolitan Melbourne.

Local Issues: Environmental Living Proposal

The critical issue in relation to the Environmental Living Scenario is achieving a net environmental benefit through limited development. This concept is proposed to include the following:

- The application of the ERZ to areas within the proposal
- The application of the separate ERZ schedules to local precincts which are based on biophysical boundaries (land systems, vegetation characteristics, topographic boundaries) and prescriptive outcomes for each precinct (eg. the revegetation of an identified biolink, protection of nominated ridgeline, retention of vegetated "balance" after subdivision, maintaining catchment-wide dwelling density – see map below)
- The inclusion of the precinct characteristics and desired outcomes within the Macedon Ranges MSS

First Stage ERZ Precincts¹⁹



The ERZ precincts are reflected in the various ERZ Schedules (1, 2 and 3). The core principles for each include:

- i. Living Forest: The enhancement of the existing forest mosaic, through the enhancement of vegetation, particularly where this links existing stands and pockets of vegetation. The need to focus on rare or threatened communities and habitat is also a core consideration. A number of core revegetation outcomes are particularly desirable, such as linking remnant vegetation either side of the Heskett-Kerrie Road.
- ii. Cobaw Biolink: The development of a substantial forest biolink on freehold land between Heskett and Cobaw;
- iii. Catchments: Addressing catchment management objectives. In the south, meeting agreed density objectives.

Further use of the ERZ will occur beyond the boundaries of the Environmental Living area in relation to specific environmental features such as the grassland fragments between the Emu/Bolinda Creeks and Deep Creek.

¹⁹ It is intended that these will be refined as the environmental objectives of precincts become clearer through the process of mapping in greater detail, assessing proposals for development and completing the Macedon Ranges Natural Environment Strategy.

Local Issues: Agriculture and Rural Landscapes Support Proposal

The critical issue in relation to the Agricultural Scenario is to support ongoing agriculture and prevent the ad hoc fragmentation of rural landscapes. This concept is proposed to include the following:

- The application of the RUZ to areas within the proposal
- The application of a lot size minima that prevents ongoing fragmentation of land
- The requirement of a planning permit for all new dwellings, even on larger lots, and the requirement to demonstrate that a dwelling is required to support agriculture- the primary purpose of the area and that it is consistent with the rural landscape protection objectives
- Development and land use change approved in the rural zone is linked to demonstrable improvements in the environmental condition
- The use of the Local Policy - *Agricultural Land* to support this position
- A presumption that (and if) non-agricultural development is seen as an appropriate future land use in any area that a process of strategic assessment and rezoning is undertaken in preference to supporting development that is at odds with the objective of this direction

Conclusions: Moving Towards Change

Implementing the directions of the rural review requires, to some extent, a shift in the planning directions and practice. More importantly, the implementation requires considerable reconsideration of the role of development in the rural areas. This particularly includes the way that planning and development may serve objectives beyond land use change and housing development on individual sites to meet settlement objectives (such as developing a non-urban landscape barrier to metropolitan growth), environmental objectives (rebuilding the fragmented mosaic of remnant vegetation on freehold land) and economic objectives (developing a degree of long term certainty of ongoing agriculture).

Critical steps along this path include:

- Clear enunciation of this strategy to the Macedon Ranges community, including newcomers to the Shire;
- The requirement of detailed planning proposals that acknowledge the framework and principles established in the review;
- Changing the expectations of the community for development opportunities in rural areas, specifically reducing the expectation that all rural properties are available for residential development;
- Refusing planning permits for proposals for development that do not meet these objectives (in particular contributing to agricultural or environmental objectives respectively);
- Further work to identify the specific and detailed locality outcomes desired in the Environmental Living area,
- Ongoing consideration of the appropriateness of the application of the Rural Zone. Clearly pressure to develop agricultural areas for rural residential use will continue, and at some junctures Council may consider this to be appropriate in some localities. However this should only be undertaken through a strategic process of rezoning, bringing an area into the Environmental Living region with an appropriate environmental enhancement goal.
- Additionally, individual proposals (a number of which were received in the process of undertaking this review) can be considered in the context of the principles and framework described. Clearly the majority of these do not, at present, address strategic issues, but proposals for development may be consistent with the directions if accompanied by proposals to meet broader planning objectives.

Principally, the implementation of this direction requires a reconsideration of the basis of rural development; its purpose and what broader outcomes might be achieved. Moreover, the process requires a commitment by Council to advocate for this process, and to create a community responsibility for monitoring and achieving this.

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Appendix I: Submissions

	Submitter	Subject Property	Details of Submission	Response
1	M A Scott	166 Mt Gisborne Rd, Gisborne	Subdivision of property in Mt Gisborne Road More smaller acreage subdivision – 5 acres existing lot size 30ac	
2	Banon Consultants For S Pattinson	Cnr Red Gap Road and West Goldie Rd, Lancefield	Rezone Rural Living from Rural	
3	Banon Consultants For D & F Boegeck	3 Forbes Road, Macedon	Amend scheme to permit further subdivision (existing lot size 110ha)	
4	D & D Paull	91 Couangalt Rd, Gisborne Sth	Amend scheme to permit further subdivision (existing lot size 14ha)	
5	Tomkinson for G. Footit	Greens Lane, Romsey	Rezone land from Rural to Rural Living to permit creation of 2ha lots (existing lot size 18ha)	
6	Tomkinson for G. Footit	Ochiltrees Rd, Romsey	Rezone land to permit creation of 1ha lots (existing lot size 16ha)	
7	Tomkinson for G. Footit	Ochiltrees Rd, Romsey		
8	Tomkinson for M & E Rozen	Ashbourne Rd, Woodend (4 lots)	Rezone from Rural to permit subdivision into 4ha lots (4 lots – 15ha, 16ha, 17ha, 24ha)	
9	Tomkinson for R & G Honeywell	Whitelodge Rd, Woodend	Rezone from Rural to permit two lot subdivision 2x2.9ha (existing lot size approx 6ha)	
10	Tomkinson for L & J Almond	McBean Ave, Macedon	Rezone from Rural to permit subdivision into 1ha lots Existing lot size 25ha (in six lots?)	
11	Tomkinson for R. Carnegie	Boundary Rd, Woodend	Rezone from Rural , ESO 4 to enable creation of 1 ha lots (Existing size 350 acres)	

	Submitter	Subject Property	Details of Submission
12	Tomkinson for Bradbury Properties	Slatey Creek Rd Woodend	Rezone LDRZ from Rural, ESO 4, VPO 1 (existing size 30.35 ha in three lots)
13	Tomkinson for T. Quinlan	Spencer Rd, Woodend	Rezone from ERZ 2 to enable creation of 1 ha lots (Existing size 71ha)
14	Tomkinson for H. Saade and N. George	Mt Macedon Road, Macedon	Rezone from Rural 3 to Rural Living 2 (existing size 70.11ha)
15	Tomkinson for Mr and Mrs Alexander	Brooking Rd, Gisborne	Rezone from Rural 3 to permit creation of 2 – 5 acre lots (approx. 16ha currently)
16	Tomkinson for Monsborough	Kilmore Rd, Riddells Creek	Rezone from Rural to enable subdivision into 8ha lots (2 lots 60.8ha, 44.59ha)
17	Tomkinson for S and H Perkins	Taylors Rd, Woodend	Property supports conference centre. Rezone from ERZ to enable subdivision into approx. 1ha lots (existing 11 lots – 125 ha)
18	Tomkinson for J. Hopkins and P. Moon	Lancefield Rd, Woodend	Rezone from Rural 2 to enable subdivision into 0.4 ha lots (existing - 24.7 ha)
19	R. Ferrari	Hamilton Rd, New Gisborne	Rezone to permit further subdivision (existing 25ha)
20	P. Drever	Frith Rd, Gisborne	Rezone to permit two lot subdivision and construction of second dwelling
21	R and A Brown	Benson Rd, Sth Gisborne	Subdivide 11ac property into 2 lots
22	Michael Shield and Assoc. for Mr. Jackson	Riddells Creek Airfield	Rezone to permit creation of an “airpark”
23	L. Angus	Knox Rd, Romsey	Enable south west side of Know Rd to be subdivided into 1-4ha lots. Use Low Density Residential zone on town fringes where infrastructure is available.

	Submitter	Subject Property	Details of Submission
24	A. T Neal`	Gisborne	Protect the rural areas of the Shire for agriculture and environmental purposes. Provide supportive taxation / rating structure.
25	J. Morgan	Quirks La Chintin	Hobby farms compromising agricultural future of areas & rural amenity. Need to protect farms.
26	L. D'Andrea	Sutherlands Rd, Riddells Creek	Rezone to permit 2ha subdivision
27	S. Custance & Associates	Calder Hwy and Couangalt Rd, Gisborne	Rezone from Rural 3 to Rural Living to permit further subdivision (existing 56.5ha)
28	C. Graham	Grahams Rd, Lancefield	Rezone from Rural 3 to permit subdivision (existing 56ha)
29	A. Zdraveski & T. Tosevski	Mc Gregor Rd, Gisborne	Rezone to permit 2 lot subdivision (existing 11ha)
30	W. & R. Carter	Dixon Rd, Gisborne	Rezone to permit 2 lot subdivision (existing 15ac)
31	C. Newberry	Gisborne- Melton Rd, Gisborne	Rezone to permit subdivision (existing 40ac)
32	S. Rich	Tweddle Rd, Gisborne Sth	Rezone to permit subdivision (existing 34ac)
33	P. & E. White	Honeysuckle La, Woodend	Rezone to permit 1 acre lots (existing 6.5ac)
34	Fisher Stewart for R. Peavey	Saunders Rd, Gisborne	Rezone from Rural 3 to LDRZ (existing 12ha)

	Submitter	Subject Property	Details of Submission
35	Fisher Stewart for L. Moras	Bacchus Marsh Rd, Gisborne	Rezone LDRZ
36	K. Atlas	McGeorge Rd, Gisborne South	Permit subdivision into 2 5ac lots
37	D. & L. Barkell	Blackhill Rd, Gisborne South	Permit two lot subdivision
38	M. & M. Brown	Couangalt Rd. Gisborne South	Permit two lot subdivision (existing lot 6ha)
39	W. & K. Harding	Duggan Rd., Gisborne	Rezone to permit 2 lot subdivision (existing lot 4ha)
40	J. Bagada	Hamilton Rd. New Gisborne	Rezone to permit subdivision into 5 lots (existing lot 25ac)
41	D. Sandow	Tylden Rd., Tylden	Rezone to permit 5 lot subdivision (existing lots 10ac, 103ac)
42	Duggan Road Committee	Duggan Road, Gisborne	Rezone to permit 2ha subdivision (existing lots 4ha)
43	L. W. Burnside	Saunders Rd. New Gisborne	Rezone to permit 3 lot subdivision (existing lot 3ac)
44	J. & P. McQuade	Canning Park Rd, Woodend	Rezone to permit 3 lot subdivision (existing lot 34ac)
45	P. Nelson	Ochiltrees Rd Rochford	Rezone to permit further subdivision
46	S. Compton	Grahams Track Lancefield	Rezone to permit 2 lot subdivision (existing lot 60ac)

	Submitter	Subject Property	Details of Submission
47	I. & S. Wisniewski	Glenn Drouitt Rd Mt Macedon	Rezone to permit 3 lot subdivision (existing lot 50ac)
48	K. Kilgour	Couangalt Rd Gisborne	Rezone to permit subdivision (existing lot 10ac)
49	K. Kilgour H. & L. Johnson C. Willmott D. Matthews C. Murphett A. Murphett	Couangalt Rd Gisborne	Rezone to permit subdivision
50	D. Matthews	Couangalt Rd Gisborne	Rezone to permit subdivision (existing lot 12ac)
51	H. & L. White	Kilmore Rd Gisborne	Rezone to permit subdivision
52	L. Gilchrist F. Cartwright	Fraser Rd Lancefield	Rezone from Rural Living to Rural to permit agriculture
53	J. Thomson	Saunders Rd Gisborne	Rezone to permit further subdivision

	Submitter	Subject Property	Details of Submission
54	R. & D. Matthews	Duggan Road Gisborne	Rezone to permit further subdivision
55	B. Hogan	Lavender Farm Rd Woodend	Rezone to permit further subdivision
56	C. Caddaye	Hamilton Rd Riddells Creek	Rezone to permit further subdivision
57	F. Sorbello	Trovatello Way Riddells Creek	Rezone to permit further subdivision
58	L. Baehre	Bolinda	Permit 2 lot subdivision
59	F. Ferraro M. Tomosello	Redesdale Rd Kyneton	Rezone to permit further subdivision
60	W. Carter	Dixon Rd Gisborne	Rezone to permit further subdivision
61	C. Pullella	Ashworth's Rd Lancefield	Notice of intention to submit a proposal
62	S. Custance and Assoc. for L. Aquilina	Ashbourne Rd Woodend	Rezone from Rural 2 to LDRZ (existing area 14ha)

Submitter	Subject Property	Details of Submission
63	R. & S. Miller	<p>Protect landscapes of the Shire for residents and for those travelling through on the hwy.</p> <p>Need consistency with adjoining Shires, especially Hume eg. Green Wedge Policy and protection of volcanic hills.</p> <p>Need for more precise and mandatory requirements.</p> <p>Wastewater management needs to be more strictly monitored to ensure it remains on site and does not contaminate surrounding dams and waterways.</p> <p>Protection of agricultural land needs to recognise more than quality – some more recent viable pursuits do not need high quality agricultural land.</p> <p>Bunds should not be the sole answer to protect landscape – they can be an inappropriate development in themselves.</p> <p>Protect amenity of rural areas from inappropriate lighting.</p>
64	J. Dunham	<p>Critical of use of external consultants, back ground papers and consultation program.</p> <p>Planning regulation frequently fails to achieve its objectives.</p> <p>Shire does not enforce planning regulations.</p> <p>Councillors are not representative of rural areas.</p>
65	W. Green Wallermerriyong Pty Ltd	Romsey Rezone to permit further subdivision as agriculture is inhibited
66	C. Pruneau	Comprehensive list of suggestions to improve planning scheme to protect rural areas, including more mandatory controls, with less discretion, better protection of catchment areas (use of ERZ), better protection of vegetation, better protection of landscape, restriction on subdivision and dwelling construction in rural areas.
67	K & K Hendry	Kyneton Request rezoning to permit subdivision into 2-3 ha lots as farming is hindered by surrounding rural residential development.

	Submitter	Subject Property	Details of Submission
68	J. McNay	Garner Quadrant, Woodend	Further subdivision opportunities should be provided in this area, subject to protection of native vegetation and infrastructure provision.
69	P.Hall	Glenhaven Court, Gisborne	Seeks 2 lot subdivision of 10 ac property
70	J & S Burns	McGeorge Road, Gisborne	Properties in this area should be able to be subdivided into 3-5 acre lots
71	Ratio Consultants For J & R Duigan Kyneton-Trentham Road, Kyneton		Advising they intend to lodge submission
72	Roman Catholic Trusts Corporation	158 Hamilton Road, Gisborne	Requests rezoning of property to Residential
73	M. Phillips	Area bounded by Markhams Road and Campbells Road	The area bounded by Markhams Road and Campbells Road should be further subdivided as the residents are aging.
74	D. Bullen	Mc George Road, Gisborne South	Seeks to subdivide property into two 5 acre lots
75	N & C Ross	Stokes Lane West, Riddells Creek	Would like to subdivide to provide better land management
76	P. Scanlon		Rate structure can be used for better management of rural areas.
77	I. Boyle	Clarkefield	Develop Clarkefield into a serviced rural residential area. It is close to Melbourne and has rail access.
78	Grant Harries Chase Australia	Woodend Road, Lancefield	Develop 978 acre property into a prestige rural lifestyle estate. 3-12 acre lots

Appendix II: Response to Principles

Name & Address	Comments/Ideas/Suggestions	Response
K. Atlas 99 McGeorge Rd Gisborne South	Properties in South Gisborne should be 3-5acres as this would be more manageable and would maintain the rural environment	The findings recognise the future of this area as being rural residential development. Any proposals need to be justified, planned and designed in accordance with Councils principles and vision.
B. Stevens-Chambers Kyneton	<p>Subdivision of rural land has been detrimental to amenity of rural area and the environment</p> <p>Rural residential development leads to sealing of rural roads at expense of residents</p> <p>More and faster vehicles on rural roads decreasing safety for walkers and increasing noise</p> <p>Dangerous dogs attacking residents</p> <p>Residents living in sheds</p> <p>Accumulation of rubbish due to no garbage collection</p> <p>Unsightly buildings (eg. sheds) which do not respect landscape</p> <p>Inappropriate landscaping and tree planting using exotic species</p> <p>Use of 44 gallon drums as tree guards is unsightly</p> <p>Proliferation of bores to support rural residential properties rendering farm bores useless</p> <p>Parking of old cars on properties</p> <p>Proliferation of gorse</p> <p>New dwellings should use water tanks not bores</p> <p>Encourage planning of native vegetation</p> <p>Encourage respect of history of rural areas</p> <p>Educate new residents about living in rural areas</p> <p>Stop building on hill tops</p>	Hopefully this project will ensure better protection of rural areas and better planned and designed development where this is supported.

Name & Address	Comments/Ideas/Suggestions	Response
G & L Hall Howey Street Gisborne	Agree Key Attributes of Macedon Ranges are Space, Greenness, Heritage, Sense of Community and Safety and these should be protected.	
P. Drever Frith Road, Gisborne	Support principles, particularly protection of rural attributes. Planning controls should reflect landscape protection, zero net loss of native vegetation and protection of flora and fauna	
	Development should be permitted where principles are not compromised	
F. Tomesello	Would still like to subdivide land	
G. Monsbrough Kilmore Road Riddells Creek	Principles need to recognise future for sub commercial farming areas. They do not have resources to maintain and enhance landscape and environmental values they provide for the rest of the Shire and do not wish to move. Ability to expand farms is limited by land value. Should be able to subdivide to provide capital to improve financial position and improve environment etc.	
I and S Wisniewski Glen Drouit Road Mount Macedon	Agree the Shire should remain a rural shire and character and nature of rural landscapes should be protected. Larger properties should not be subdivided to form small villages Larger properties should be subdivided to improve management and maintenance, such as weed control Wish to subdivide their own property	Subdivision of rural areas increases development density and threatens environment and rural character. Property maintenance and weed controls can be addressed through other means such as weed management programs and grant and landowner education.
Not Provided	Rural aspect of the Shire is a wonderful thing and needs to be protected from urban sprawl Protect village feel of towns by keeping woodland and rural areas around them Support National Park in the area	
Not Provided	Environment is greatest asset and planning should protect it.	

Name & Address	Comments/Ideas/Suggestions	Response
Not Provided	<p>Keep rural and forest buffers around towns</p> <p>Residential development should meet environmental guidelines</p> <p>A National Park in the area would attract residents and visitors</p> <p>Building blocks in Kyneton are scarce. Should permit subdivision in Flynns Lane.</p>	<p>The findings paper and principles developed confirmed what many residents suspected. The final strategy will include the “guts” of how to get there.</p> <p>The rural strategy will provide initiatives for Council to manage activity in rural areas</p> <p>It is not considered that further consultation is required. A significant proportion of interested residents have participated either through meetings or individual submissions. This information has informed the findings of this project.</p> <p>Initiatives to manage rural land are likely to include protection of native vegetation and revegetation schemes.</p>
D & N Weretti	<p>Paper provided no new information</p> <p>Review states that the Macedon Ranges is a growth area and further subdivision is inevitable.</p> <p>Council must balance protecting rural character and growth through a tightly regulated rural strategy.</p> <p>Further consultation is required as not enough community input was provided to develop conclusive findings</p> <p>Percentage of new subdivisions should be set aside for native vegetation for wildlife links etc</p> <p>Subdivision sizes should reflect existing lot sizes</p> <p>Significant native trees should be protected</p> <p>Educate new residents about appropriate native tree planting</p> <p>Prohibit planting cypress hedges</p>	<p>The findings paper and principles developed confirmed what many residents suspected. The final strategy will include the “guts” of how to get there.</p> <p>The rural strategy will provide initiatives for Council to manage activity in rural areas</p> <p>It is not considered that further consultation is required. A significant proportion of interested residents have participated either through meetings or individual submissions. This information has informed the findings of this project.</p> <p>Initiatives to manage rural land are likely to include protection of native vegetation and revegetation schemes.</p>
W. Duncan	<p>Supportive of Key Principles.</p> <p>Concerned about impact of rural subdivision on amenity and character of Shire. Council must ensure that they reflect principles in their decisions. Council should introduce incentives for native vegetation protection/enhancement (eg. rate relief)</p>	
H & P Burton	<p>Questions clarity and biases of the document. Concerns with definition of Rural. Reaffirms previous position that there should be no further subdivision in the rural areas of the Shire. Agricultural land should be protected for agriculture. Environmental management should recognise wider context. Vegetation protection should seek “net gain”. Questions the differentiation between water catchments and proclaimed catchments</p>	<p>The paper and findings of the report recognise that there is a strong desire within the community to protect rural areas and the project has sought to provide Council with a context to manage the inevitable pressure it will continue to face. The reality of the future of the Macedon Ranges will be that people will continue to apply to Council to subdivide and will</p>

Name & Address	Comments/Ideas/Suggestions	Response
	<p>in terms of protecting water quality. Questions qualifications used in policy section – eg. especially proclaimed catchments, high quality agricultural land. Seeks Council to be proactive in protecting rural areas.</p> <p>Principles statements are too general and open to interpretation.</p> <p>More information is required to explain scenarios.</p> <p>This summary promotes the position of no development in rural areas.</p>	<p>continue to apply to build houses. The project has offered a number of principles that have come from the community and from a broader policy context. They are general and offer scope to recognise the different priorities of different areas. Different visions for different areas of the Shire have been developed based on these principles and planning tools and other initiatives will be used to achieve the visions. The principles and scenarios are open to some interpretation and the elected Council is responsible for interpreting and are answerable to their community. Qualifications used in the document with respect to water catchments and agricultural land come from State policy.</p>
<p>D. Tranter on behalf of G & C Stratford N & D Stratford P & R Patterson D & L Tranter</p>	<p>Supports key principles</p> <p>Requests land to the north east of Riddells Creek be rezoned Low Density Residential as a buffer between the town and the outlying rural area. The land is on the east side of the Kilmore Road up to Mullaleys Rd.</p>	<p><i>Change native vegetation principle to net gain.</i></p> <p>The vision for this area includes some opportunity for rural living development. Any proposal needs to be justified, planned and designed in accordance with Council's principles and vision.</p>
<p>Ratio Consultants for J & R Duigan</p>	<p>Rezone land at Trentham Road, Kyneton (1km south Kyneton) Low Density Residential</p>	
<p>Tomkinson for G. Footit</p>	<p>Submitter requests site visit to demonstrate new development can enhance landscapes. Further subdivision of these properties could provide for agricultural diversification, revegetation, and landscape enhancement. More rural residential development is required around Romsey.</p>	

