

RMCG

JUNE 2020

Rural Conservation Zone – Research and Investigation Report

Final Report

Macedon Ranges Shire

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Executive Summary

INTRODUCTION

In 2017, Macedon Ranges commenced a review of land in the Farming Zone. The purpose of the review was to:

- Articulate a vision, role and purpose for rural land within the Farming Zone
- Identify the values and features of rural land within the Farming Zone to be protected and enhanced
- Identify key opportunities and constraints of rural land use and development within the Farming Zone
- Respond to land use changes occurring because of social and economic pressures including the decline in traditional agriculture and increased interest in residential development and emerging rural industries
- Identify options to improve the quality of land management activities and water conservation while encouraging rural farming activities.

At the time it was acknowledged that ideally the review would encompass all land in the Farming Zone and Rural Conservation Zone, however there was not the resources available at the time to do so. An initial version of this Farming Zone Research and Investigation Report was prepared in 2017. In 2019 Macedon Ranges widened the scope of the Farming Zone review to include land within the Rural Conservation Zone. A companion Rural Conservation Zone Research and Investigation Report was prepared, and the Farming Zone Research and Investigation Report was updated.

This draft Research and Investigation Report was prepared documenting the findings of a desktop review of strategies, plans and data of the current land use and development circumstances of the Rural Conservation Zone in Macedon Ranges. A similar report was prepared for land in the Farming Zone.

The findings of the Research and Investigation Report and consultation will be combined with the findings of the Farming Zone review to prepare a consolidated Rural Land Use Strategy. A review of land in the Rural Living Zone is not within the scope of this study.

The draft Rural Conservation Zone Research and Investigation Report was also informed by a survey of all owners of land in the Rural Conservation Zone.

MACEDON RANGES

Macedon Ranges Shire is located in the rural peri-urban region of Melbourne and on the main transport corridor to north-west Victoria. The Shire's population and economy is strongly influenced by metropolitan Melbourne. While historically a farming area, the Shire's economy and employment is now primarily focused on services, manufacturing and construction with agriculture less than 5% of local output and employment.

The rural areas of the Shire comprise valued natural assets such as the Macedon Ranges State Park, important community infrastructure, biodiversity and recreation values. Macedon Ranges' rural areas are attracting new residents seeking a rural lifestyle.

STRATEGIC CONTEXT

Land use and development in Macedon Ranges' rural areas is influenced by state and local government strategies and plans. These reports highlight population growth, the desire to live in a rural area and the Shire's proximity and commutability to Melbourne and regional centres as key drivers of rural land use change within Macedon Ranges. These plans address consistent themes and set out high level principles and strategic objectives relevant to this review of the Rural Conservation Zone including:

Settlement and population growth

- Maintain non-urban breaks between urban areas
- Accommodate housing and employment in established towns
- Manage settlement and rural living to avoid negative impacts on agriculture, biodiversity, landscape, infrastructure and service delivery
- Clearly define settlement boundaries within which settlement and rural living are contained
- Ensuring people and property are protected from natural hazards and the impacts of climate change.

Agriculture

- Ensure settlement avoids areas of productive agricultural land or land with potential for agricultural production

Protection of productive agricultural land and promotion of agriculture and other rural industries

Facilitate investment in new opportunities and high value agriculture

Facilitate industry adaptation to climate change

Landscape

Protect landscape qualities

Maintain non-urban breaks between settlements

Environment

Protection and restoration of environmental values and landscape qualities

Protect and improve the condition of environmental assets

Protect water quality and quantity as an important environmental and economic asset

Identify and support re-establishment of ecological connectivity and biolinks

Tourism

Support for tourism that takes advantage of the Shire's natural settings and value adds to agriculture such as nature based accommodation, cycling and walking trails, farm gate sales.

Economy

Encourage economic diversification such as tourism and new energy opportunities

Protect declared water supply catchments

Cultural heritage

Acknowledgement and consideration of cultural heritage

The major planning issues for Macedon Ranges relevant to the Rural Conservation Zone:

Managing growth in Macedon Ranges while conserving and enhancing significant environmental, landscape and cultural features.

Supporting the tourism industry while managing the impact on the environment and the amenity of the area.

The desirability of the rural living environment, and how to manage issues relating to native vegetation, water, bushfire, erosion, flooding and provision of services and infrastructure.

The adequacy of planning policies to protect native vegetation, biodiversity and significant landscapes in the Shire.

The adequacy of the planning scheme in managing use and development within Special Water Catchments.

Climate change mitigation and adaptation.

The Macedon Ranges Landscape Assessment Study recommends an additional Schedule, Schedule 5 to protect landscape and views from road corridors, that are being progressed through a separate planning scheme amendment.

POLICY CONTEXT

The state and local objectives set out in the Macedon Ranges Planning Scheme address consistent themes for use and development of rural land. These are broadly consistent with the themes identified in the Section 3 review of the strategic context and include:

Supporting agriculture

Protection of potable water supplies and catchments

Protection and enhancement of native vegetation and other biodiversity values

Orderly and sustainable economic and population growth

Maintaining separation between settlements.

These themes and desired land use outcomes are represented spatially in strategic framework plans. These plans require updating to reflect current trends and provide clear direction for use and development of rural land.

The 2002 Rural Land Strategy, which underpins the current rural policies, found that competing forces for rural land were growing and that:

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 state where the cumulative impact of a whole host of individual decisions is setting the direction.

The competing forces for rural land have not abated. The Shire's location within the peri-urban region of metropolitan Melbourne and the Calder corridor between Melbourne and Bendigo has, and will continue to have, a significant influence on its population and economy. Population and employment growth in nearby settlements within the Urban Growth Boundary and increased accessibility arising from the proposed Outer Melbourne Ring Road will have significant flow-on effects into Macedon Ranges. The Loddon Mallee South Regional Growth Plan noted with regard the peri-urban area of the region that:

If not managed, development pressures and sprawling growth can increase risks from bushfire, sea level rise and flood, add to infrastructure costs and lead to a loss of important non-urban assets including productive farmland, water catchments, earth resources, biodiversity and natural ecosystems. Retaining the economic and community value of these assets is a key consideration in planning for this area.

The 2002 Rural Land Review sought to draw “a line in the sand” and put in place a policy framework to protect the inherent values of the rural areas.

The 2004 Planning Panel report that reviewed submissions to Amendment C21 and implementation of the 2020 Rural Land Strategy report recommended a review of the Cobaw Biolink boundaries to respond to the variety of land uses, lot sizes, extent of existing vegetation, preferred area for revegetation and potential impacts on the productive use of agricultural land and potential wildfire implications and threat and that a Cobaw Biolink Implementation Strategy be prepared as a supporting action. It is understood that no review of the zone boundaries was undertaken or that a Cobaw Biolink Implementation Strategy was prepared. A review of the extent of the Cobaw Biolink is documented in Chapter 8 of this report.

A review of the planning scheme performance identified issues that require further consideration in the preparation of the rural strategy:

Managing growth in Macedon Ranges while conserving and enhancing significant environmental, landscape and cultural features.

Supporting the tourism industry while managing the impact on the environment and the amenity of the area.

The desirability of the rural living environment, and how to manage issues relating to native vegetation, water, bushfire, erosion, flooding and provision of services and infrastructure.

The adequacy of planning policies to protect native vegetation, biodiversity and significant landscapes in the Shire.

The adequacy of the planning scheme in managing use and development within Special Water Catchments.

Consideration of the range of non-discretionary uses and clarification of the circumstances and locations where these uses may or may not be supported

Substantial supply of small lots particularly south of the Calder Freeway around Macedon and Woodend and in water supply catchments, and land holder expectations of a dwelling and achieving environmental benefits.

Further policy guidance for assessing planning permit applications for re-subdivision, boundary realignments and two-lot subdivision

Preparation of an Environmental Significance Overlay that will apply to all land in the Rural Conservation and identified biolinks based on objectives, strategies, application requirements and decision guidelines as set out in Clause 21.05-1 Biodiversity and Native Vegetation, to ensure development contributes to enhancement of native vegetation and biodiversity.

While there is a substantial supply of vacant lots in the Rural Conservation Zone, the annual rate of permit approvals for dwellings is low. This suggests that the policy tools are appropriate in terms of testing whether a dwelling meets the policy tests. However, there is no data to assess whether the native vegetation enhancement outcomes of Rural Conservation Zone Schedule 1 and Schedule 2 are being achieved.

While outside the scope of the rural land strategy, Council could consider approaching state government to identify options to address issues arising from place of assembly being a prohibited use in the Rural Conservation Zone.

BIODIVERSITY STRATEGY

Macedon Ranges has recently completed a Biodiversity Strategy which identifies a number of policy and planning initiatives. Assessment of investigation areas for rezoning from Farming Zone to Rural Conservation Zone have been identified and should be progressed through the preparation of the Rural Land Use Strategy. Other recommendations that should be progressed or acknowledged by the Rural Land Use Strategy include:

Undertake further investigations to revise Council’s current VPOs and apply new VPOs for Scoria Cone Woodland and Plains Sedgy Wetland Vegetation communities as outlined in this strategy

Support Melbourne Water and Coliban Water’s efforts to introduce a new ESO for high value waterways (covering Deep Creek and the Upper Coliban).

As part of the planning permit process, continue to utilise Section 173 agreements where appropriate to protect significant native vegetation to ensure protection into perpetuity.

LAND USE

The landholder survey suggests that rural lifestyle or environmental living is the dominant land use in the Rural Conservation Zone. This is consistent with the recommendations of the 2002 Rural Land Review, planning scheme objectives and rural framework plan.

Agriculture in the Rural Conservation Zone appears to comprise mainly hobby or part-time farms and accommodation appears to be the main tourism activity. Larger holdings and commercial scale agriculture is confined mainly to northern parts of the Shire.

There is land in the Rural Conservation Zone that is Farmland of Strategic Significance. Mapping of Farmland of Strategic Significance will inform the review of the boundaries of the Cobaw Biolink and Rural Conservation Zone Schedule 2.

There is an opportunity to improve the planning scheme performance with tourism and assist landholders by providing greater clarity regarding non-discretionary suitable for the Rural Conservation Zone and clarification of the circumstances and locations where these uses may or may not be supported.

BUSHFIRE AND WATER SUPPLY CATCHMENTS

Macedon Ranges straddles the top of Dividing Range and a large proportion of the rural areas lie within Designated Water Supply Catchments. The current policies contain clear support for water quality protection. The Upper Campaspe Integrated Catchment Management Plan includes recommendations to improve catchment protection. The Rural Land Use Strategy should align with and support the Plan recommendations.

Good rural land management practices are essential in reducing the risk of bushfire. Council will need to consider non-policy responses such as education and capacity building of rural landholders and incentives to encourage optimal land management targeting absentee and inexperienced rural landholders.

COBAW BIOLINK

There is land within the Cobaw Biolink that is predominantly cleared, being used for livestock grazing, held in larger lots and properties and falls within land identified as Strategic Agricultural Land. A suite of overlays ensures that new development is consistent with the environmental objectives of the area, in particular protection of native vegetation and water supply catchments. It is recommended this land is rezoned from Rural Conservation Schedule 2, to Farming Schedule 1. The objectives of the Farming Zone better aligns with the current land use, agricultural attributes and preferred outcomes which includes agriculture and enhancement of the Cobaw Biolink. Rezoning should be accompanied by introduction of an Environmental Significance Overlay that applies to the area incorporates objectives, strategies, application requirements and decision guidelines set out in Clause 21.05-1 Biodiversity and native vegetation management to ensure development contributes to enhancement of native vegetation and ecological connectivity.

1 Introduction

BACKGROUND

In 2017, Macedon Ranges commenced a review of land in the Farming Zone. The purpose of the review was to:

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- Identify key opportunities and constraints of rural land use and development within the Farming Zone
- Respond to land use changes occurring because of social and economic pressures including the decline in traditional agriculture and increased interest in residential development and emerging rural industries
- Identify options to improve the quality of land management activities and water conservation while encouraging rural farming activities.

At the time it was acknowledged that ideally the review would encompass all land in the Farming Zone and Rural Conservation Zone, however there was not the resources available at the time to do so. Since 2017, Macedon Ranges has completed other strategic work including a planning scheme review and Biodiversity Strategy. Gazettal of the Macedon Ranges Statement of Planning Policy occurred in late 2019. In response to this strategic work and a review of the draft Farming Zone Strategy, Macedon Ranges widened the scope of the Farming Zone review to include land within the Rural Conservation Zone.

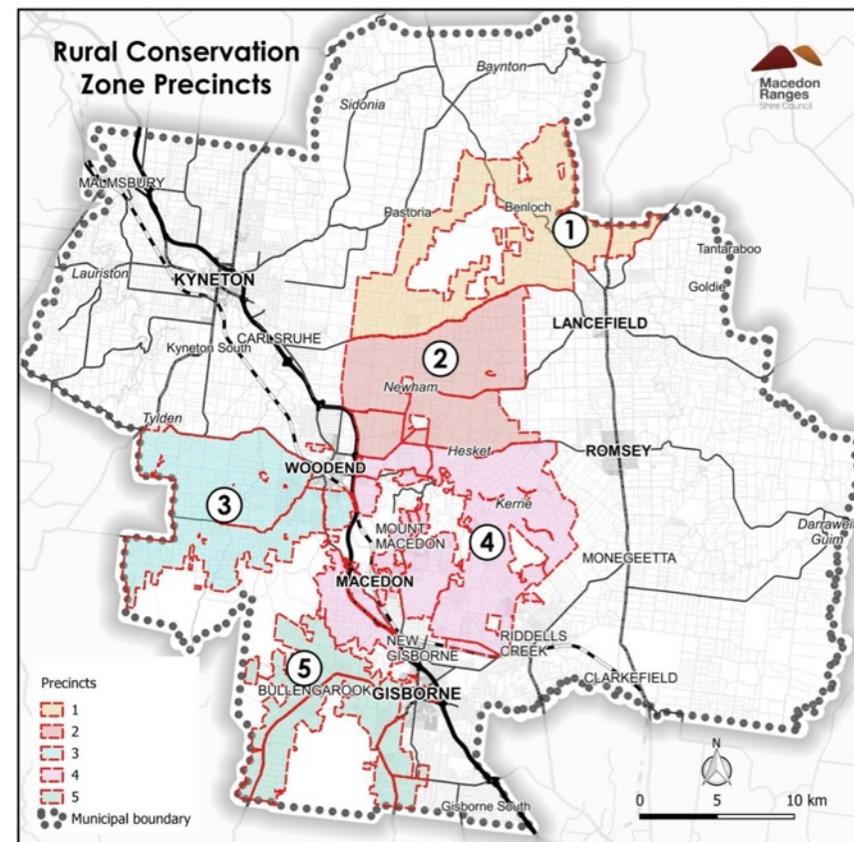
This draft Research and Investigation Report was prepared documenting the findings of a desktop review of strategies, plans and data of the current land use and development circumstances of the Rural Conservation Zone in Macedon Ranges. A similar report was prepared for land in the Farming Zone.

The findings of the Research and Investigation Report and consultation will be combined with the findings of the Farming Zone review to prepare a consolidated Rural Land Use Strategy. A review of land in the Rural Living Zone is not within the scope of this study.

The draft Rural Conservation Zone Research and Investigation Report was also informed by a survey of all owners of land in the Rural Conservation Zone. The survey was

conducted as a mail-out and reply paid self-completion survey and was open for completion for approximately three weeks. A total of 799 of the 3,327 surveys mailed to landowners were returned to providing a response rate of 24%. Survey respondents were asked to identify and areas where their rural land is located in the Shire according to Figure 1.

FIGURE 1: RURAL CONSERVATION ZONE LANDHOLDER SURVEY PRECINCTS



2 Overview

Macedon Ranges Shire is situated in Central Victoria, about 60 kilometres north-west of Melbourne and covers an area of 1,747 square kilometres. Aboriginal people have lived in the Macedon Ranges area for at least 26,000 years and the Wurundjeri, Dja Dja Wurrung and Taungurung communities are still active.

Settlement by pastoralists in the 1830s, timber milling and the discovery of gold in and around Bendigo in the 1850's were significant influences on the Shire's early development. Mount Macedon became a popular summer retreat for Melbourne families and subsequently a popular tourist resort. The Shire's rural landscapes, network of towns and villages and proximity to Melbourne are highly valued by today's residents and visitors.

In 2016, Macedon Ranges had an estimated residential population of around 46,000 up from nearly 40,000 in 2006. The population is forecast to grow by another 19,405 people to reach 65,405 by 2036. There are nine major townships within the Shire, namely Gisborne (including New Gisborne), Kyneton, Woodend, Romsey, Riddells Creek, Macedon, Lancefield, Mount Macedon, and Malmsbury. Of these, Gisborne, Kyneton, Woodend and Romsey are the main service centres.

Macedon Ranges' rural areas (land outside townships) include a diversity of landscapes and extensive areas of public land such as the Macedon Regional Park, Hanging Rock Reserve and the Cobaw State Forest. These areas are extensively vegetated and are valued for their biodiversity values, as well as recreation and tourism opportunities. Important community infrastructure in the rural areas of the Shire include the Malmsbury, Lauriston, Upper Coliban and Rosslynne reservoirs supplying water to towns from Gisborne through to Bendigo, and the Calder Freeway and VLine railway line connecting Melbourne to north-west Victoria.

Private rural land covers around 132,500 hectares or 76% of the Shire. The Rural Conservation Zone covers an area of 47,500 hectares or 27% of the Shire (the Farming Zone covers the majority of rural land, 85,000 hectares or 49% of the Shire). Thirty five% of the Shire's population live outside a town boundary in a rural setting¹.

¹ <http://www.mrsc.vic.gov.au/See-Do/Our-Region/Population-Profile> accessed 21.8.2019

The Shire's location within the peri-urban region of metropolitan Melbourne and the Calder corridor between Melbourne and Bendigo has, and will continue to have, a significant influence on its population and economy. For example, 47% of the Shire's working residents travel outside of the area to work due to the proximity of and transport networks with Melbourne and other centres such as Geelong and Bendigo²

LANDHOLDER SURVEY

73% of respondents purchased land for rural lifestyle

88% have holdings that are less than 40 ha

63% of respondents that purchased land in the last 5 years had not previously managed farmland

92% of respondents have a dwelling on their property and for 88% of this group, it is their primary place of residence

KEY FINDINGS

Macedon Ranges Shire is located in the rural peri-urban region of Melbourne and on the main transport corridor to north-west Victoria. The Shire's population and economy is strongly influenced by metropolitan Melbourne. While historically a farming area, the Shire's economy and employment is now primarily focused on services, manufacturing and construction with agriculture less than 5% of local output and employment.

The rural areas of the Shire comprise valued natural assets such as the Macedon Ranges State Park, important community infrastructure, biodiversity and recreation values. Macedon Ranges' rural areas are attracting new residents seeking a rural lifestyle.

² <http://forecast.id.com.au/macedon-ranges> accessed 20.3.2019

3 Strategic Context

This section of the report details the strategic context set out in State and Local plans and strategies relevant to use and development in the Rural Conservation Zone in Macedon Ranges.

LAND USE AND DEVELOPMENT

Plan Melbourne 2017 - 2050³

Plan Melbourne is the State Government's planning strategy for metropolitan Melbourne. The Plan sets out a vision for Melbourne's growth to 2050 and integrates with planning for Victoria's regional and peri-urban areas, including Macedon Ranges. Direction 4.5 of Plan Melbourne sets out objectives and strategies for Melbourne's peri-urban areas including:

Future growth in the green wedges and peri-urban areas will be managed to protect productive land, strategic economic resources, heritage and biodiversity assets, while accommodating additional housing and employment in established towns in the outer peri-urban areas that have the capacity for growth. Consistent with Plan Melbourne and the Regional Growth Plans, planning for green wedge and peri-urban areas should:

Define and protect areas that are strategically important to the metropolitan area and the state, for the environment, biodiversity, landscape, open space, water, agriculture, energy, recreation, tourism, environment, cultural heritage, infrastructure, extractive and other natural resources

Avoid development in locations where there is risk to life, property, the natural environment and infrastructure from natural hazards such as bushfire and flooding

Accommodate additional housing and employment in established towns that have the capacity for growth.

Provide for non-urban breaks between urban areas.

Policy 4.5.2 of the Plan seeks to *Protect and enhance valued attributes of distinctive areas and landscapes*. Macedon Ranges is declared a distinctive area and landscape under the *Planning and Environment Act 1987*.

Loddon Mallee South Regional Growth Plan (2014)

The Loddon Mallee South Regional Growth Plan is the strategic land use plan for the region to guide growth and change for the next 30 years. The Plan has identified the region's strategic assets, drivers of change and challenges for growth and sets out a vision and principles and future directions to achieve the vision. Principles and directions relevant to this study include:

Manage our population growth and settlements

- Focus growth to the region's existing settlements with capacity for growth
- Target new growth to settlements including Gisborne and Kyneton
- Manage settlement growth to limit the impact on agricultural productivity, natural resources and ecological values.

Strengthen our communities, especially in our small towns

- Support the ongoing role of the region's small towns and settlements

Strengthen and diversify our economy

- Enable residents to work and participate in the region by continuing to expand the region's diverse economy
- Support and develop emerging and potential growth sectors such as tourism, renewable energy, resource recovery and other green industries

Improve our infrastructure

- Protect water quality and quantity

Protect and enhance our natural and built environment

- Protect and improve the condition of the region's important environmental assets such as the forests, wetlands and rivers

³ Department of Environment, Land, Water and Planning (2017) Plan Melbourne 2017 - 2050

- Protect identified visually important landscapes, and cultural and built heritage places
- Manage settlement growth to limit the impact on agricultural productivity, natural resources and environmental assets
- Maintain the non-urban breaks between settlements
- Minimise the impacts of land use change and development on areas with significant environmental assets

Ensure our food, water and energy security

- Facilitate ongoing agricultural productivity and investment in high value agriculture
- Support ongoing adaptation and flexibility for the agricultural sector
- Facilitate ongoing agricultural productivity and new opportunities that respond to the potential impacts of climate change
- Encourage and facilitate development in renewable energy, waste to energy, carbon sequestration and other new energy opportunities
- Protect water quality and quantity.

The Regional Growth Plan strategic framework identifies areas in Macedon Ranges with high value terrestrial habitat (Figure 2). This review of the Rural Conservation Zone will need to consider and align with these strategic principles and directions.

REGIONAL

Port Phillip and Westernport and North Central Regional Catchment Strategies 2013-2019

The Regional Catchment Strategies sets regional priorities for the management of natural assets, sets overall direction for investment and coordination of effort by landholders, partner organisations and the wider community. The Strategies identifies local government as a key implementation partner. While specific actions for local government are not detailed, the planning schemes are recognized as a tool to ensure that significant environmental assets are identified and where appropriate planning policy prepared to support their protection and enhancement.

North Central Waterway Strategy 2014-2022

The North Central Waterway Strategy 2014-2022 provides a framework for the CMA in partnership with other stakeholders to manage rivers and wetlands and delivers key elements of the state-wide management approach outlined in the Victorian Waterway Management Strategy.

FIGURE 2: LODDON MALLEE SOUTH REGIONAL GROWTH PLAN



Upper Coliban Integrated Catchment Management Plan

The Upper Coliban catchment is a designated open water supply catchment in the southwest portion of the Campaspe River basin. The catchment contains the Lauriston, Malmsbury and Upper Coliban Reservoirs and supplies raw water for distribution and treatment to the townships of Trentham and Tylden and the major regional centres beyond the catchment including Kyneton, Bendigo, Castlemaine and associated townships. These reservoirs provide potable water for around 130,000 people, a figure expected to grow significantly over the life of the Integrated Catchment Management Plan. Additionally, they supply water for other domestic and commercial purposes both within and downstream of the catchment. The catchment faces a range of threats from existing and future developments, uncontrolled livestock access to waterways and riparian areas and from climate change.

The three goals underpinning the Integrated Catchment Management Plan are:

Future development: From 2018 all proposed developments in the catchment require the implementation of appropriate actions to mitigate risks to the supply of high quality raw water for the drinking water supply, through offsetting impacts from stormwater runoff quality and quantity in rural living and town zones. This goal can only be achieved through amendments to the Municipal Planning scheme recommended as an additional Environmental Significance Overlay.

Waterway protection: By 2037 there is no uncontrolled livestock access to Kangaroo Creek, Upper Coliban River and Little Coliban Rivers as well as additional nominated waterways and the Malmsbury, Lauriston and Upper Coliban Reservoirs.

Connectivity: By 2037 there is a continuous vegetated riparian corridor of at least an average of 20m wide each side of Kangaroo Creek, Upper Coliban River and Little Coliban Rivers where land availability permits and for the Malmsbury, Lauriston and Upper Coliban Reservoirs. Other nominated unnamed waterways will be revegetated to 10m each side.

Coliban Water will lead preparation of the Environmental Significance Overlay, in conjunction with Macedon Ranges Shire and Hepburn Shire.

MACEDON RANGES

Macedon Ranges Settlement Strategy⁴

The Strategy provides the overall direction for urban growth – consistent with environmental constraints, community aspirations and government policy – until 2036. Key principles of the Strategy relevant to this study include:

Facilitate intensification of residential development within a 400m radius of town centres, while respecting heritage and town character

Make a clear distinction between urban and semi-urban areas and land used for agriculture involving dwellings associated with farming activities

Facilitate appropriate economic development in areas of the Shire that have tourism, recreation or environmental attractions.

Protect land used for agriculture activities which remains a significant land use and economic function in the Shire.

Ensure residential development is directed away from locations of higher quality productive agricultural land

Provide protection to declared water supply catchments through guiding development to settlements where reticulated sewer systems are available.

In the Rural Living Zone: Strategic Directions for the Rural Living Zone⁵

The Rural Living Zone is Council's preferred location for rural residential style development and hobby/small farm activities. In 2015, Council adopted the In the Rural Living Zone strategy which provides a strategic basis for planning the future use and development of land within the Zone and for managing different areas of rural living zoned land across the shire. The key objective of the Strategy is to provide for a finite 30 years supply of rural living zoned land across the Shire. The Strategy is being implemented in two parts. Part 1 of Amendment C110 was approved by the Minister for Planning on 9 April 2017 and Gazetted on 27 April 2017. Council is currently undertaking further work to investigate the issues raised through the Panel process regarding C110 (Part 2). Additional supply of land for rural living will not be a consideration of the review of rural land.

The Rural Living study was informed by factors and principles relevant to this study. These are included here to ensure strategic alignment between the two strategies:

⁴ CPG (2011) Macedon Ranges Settlement Strategy

⁵ Macedon Ranges Shire Council (2015) In the Rural Living Zone

While rural living is a legitimate lifestyle option, the qualities of the Shire's rural areas (in terms of their economic, natural and cultural attributes) and the character of the Shire's townships and rural areas must be protected from the negative impacts of uncontrolled development in rural areas; and

Strategic principles that guided development of the strategy that are also relevant to this study include:

Contain rural living areas: focus rural living development within or adjacent to the existing Rural Living Zone where potential exists and manage supply of rural living opportunities accordingly

Agriculture: protect productive agricultural land across the Shire

Social infrastructure: locate new rural living development within proximity and accessibility to existing community facilities and services

Viable Rural living areas: protect residential amenity in the Rural Living Zone.

Sustainable Towns: protect the potential for townships to expand

Natural Environment: ensure there is no or limited impact on the natural environment such as biodiversity and habitat; water catchments and water quality

Infrastructure Needs: minimise the costs to Council of providing and maintaining infrastructure such as roads, drainage, waste treatment, etc.

Tourism and Business: support the operation and development of tourism and business uses that are compatible with the local environment and existing residential amenity

Environmental Hazards: Minimise the risk to people and property from environmental hazards such as flood and fire.

Biodiversity Strategy 2018⁶

The Biodiversity Strategy considers the natural values of biodiversity in the Macedon Ranges Shire, the threats to these values, and actions Council can take to protect and enhance biodiversity (both directly and by working with others).

The purpose of the Biodiversity Strategy is to establish a shared vision between Council, community, Traditional Owners and other stakeholders for the protection and enhancement of biodiversity values across the shire. The strategy identifies a number of

policy and planning initiatives as well as priorities for community engagement, on ground action and monitoring change.

To achieve this vision, the Macedon Ranges Biodiversity Strategy has the following objectives:

Objective 1: protect existing biodiversity and native vegetation

Objective 2: improve existing biodiversity and native vegetation across public and private land

Objective 3: increase the extent of native vegetation cover for connectivity

Objective 4: improve Council and the community's understanding and connection to biodiversity

Objective 5: enhance the capacity of community groups to undertake conservation activities

Objective 6: develop a shire-wide biodiversity monitoring program that assesses the health of the broader ecosystem.

Macedon Ranges Landscape Assessment 2019

The Macedon Ranges Landscape Assessment report, adopted by Council in 2019, provides a comprehensive assessment of landscapes. The assessment included a number of recommendations that are relevant to this review including:

Introducing a new local policy titled: 'Protection of Significant Views from Road Corridors' to apply to the 'Newham Rises' landscape area, bound by the Calder Freeway, Three Chain Road, Melbourne-Lancefield Road and Hamilton Road/Kilmore Road, as well as development within 100 metres of the following designated roads within the 'Spring Hill and Reservoirs' landscape area:

- Springhill Road between Coliban Road and Kyneton-Trentham Road
- Kyneton-Springhill Road between Shepherds Hill Road and Harts Lane
- Keegan Road between Lauriston Road and Lauriston Reservoir Road
- Lauriston Reservoir Road between Keegan Road and Harts Lane
- Shepherds Hill Road between Lauriston Road and Springhill Road

⁶ Macedon Ranges Shire Council (2018) Biodiversity Strategy 2018

Including a requirement in the existing schedule to the Farming Zone that triggers a permit for a building within 100 metres of the aforementioned roads in the 'Spring Hill and Reservoirs' landscape area.

Introducing an additional schedule to the Rural Conservation Zone (RCZ5) to apply to the areas currently zoned RCZ1 that are located between the Calder Freeway, Three Chain Road, Melbourne-Lancefield Road and Hamilton Road/Kilmore Road. Including the following conservation values in RCZ5:

- To protect the views available from road corridors throughout the area to the significant landscape features of the Macedon Ranges, Cobaw Ranges, Hanging Rock, and Mt Jim Jim.
- To ensure that development in the foreground of identified significant views is sited and designed to minimise visual intrusion.

In RCZ5, retaining the conservation values that are currently included in RCZ1, with some rationalisation to avoid repetition.

Retaining RCZ2 (Cobaw biolink) but also including the conservation values proposed for RCZ5.

Applying the Significant Landscape Overlay (SLO) to nineteen (19) separate landscape areas across the Shire, with six (6) new SLO schedules as follows:

- SLO1 Macedon Ranges and Hanging Rock
- SLO2 Lerderderg and Wombat Forests
- SLO3 Cobaw Ranges
- SLO4 McHarg Ranges and Granitic Uplands
- SLO5 Mt William Ridge and Deep Creek
- SLO6 Volcanic Cones and Rises.

The recommendation to retain the RCZ2 from a landscape perspective will need to be considered in the review of the boundaries of the RCZ2 in Section 8.

Macedon Ranges Visitor Economy Strategy 2019-2029

The Macedon Ranges Visitor Economy Strategy sets the long-term vision and strategic direction to support the sustainable growth of the future visitor economy. The Strategy noted the following challenges and opportunities relevant to the Rural Land Use Strategy to support development of the emerging tourism products and experiences (weddings, Aboriginal cultural heritage experiences, wellness, mineral springs, agritourism and accommodation). An overarching recommendation was to review local planning policies

related to tourism and consider amendments that provide clearer tourism objectives and decision guidelines for appropriate tourism experiences aligned with this strategy.

Challenges

- The rural zones (Farming Zone and Rural Conservation Zones) are restrictive and do not consider modern farming practices, including production of alternative crops (flowers, hemp) or opportunity for innovative tourism related activities such as open days, workshops, farm gate sales, experiential and immersive getaways, accommodation and weddings.
- All events/workshops are currently interpreted as Place of Assembly and achieving the permit is both onerous and costly.
- Planning regulations can be a limiting factor in the development of the wine industry and cellar doors.

Opportunities

- Identify current policy issues and potential solutions through Council's review of the Farming Zone and Rural Conservation Zone.
- Consider an amendment to the Macedon Ranges Planning Scheme to include guidelines on the appropriate location and design for tourism uses in rural areas of the Shire.
- Collaborate with surrounding shires and regional tourism boards to establish food and beverage touring routes, e.g. craft beer, gin or whisky.
- Establish clear guidelines on planning controls and processes relevant to the food and wine industry to educate on possibilities for development.
- Investigate options for accommodation in the Farm Zone to support diversification and sustainability of the farming sector.

2019 Planning Scheme Review

The Planning Scheme summarised the major planning issues for Macedon Ranges relevant to the Rural Conservation Zone:

Managing growth in Macedon Ranges while conserving and enhancing significant environmental, landscape and cultural features.

Supporting the tourism industry while managing the impact on the environment and the amenity of the area.

The desirability of the rural living environment, and how to manage issues relating to native vegetation, water, bushfire, erosion, flooding and provision of services and infrastructure.

The adequacy of planning policies to protect native vegetation, biodiversity and significant landscapes in the Shire.

The adequacy of the planning scheme in managing use and development within Special Water Catchments.

Climate change mitigation and adaptation.

Landcare Strategies

Local land networks and groups have prepared strategies to guide investment in landcare activities, including the Cobaw Campaspe Connections Action Plan and the Coliban Connections Action Plan.

KEY FINDINGS

Land use and development in Macedon Ranges' rural areas is influenced by state and local government strategies and plans. These reports highlight population growth, the desire to live in a rural area and the Shire's proximity and commutability to Melbourne and regional centres as key drivers of rural land use change within Macedon Ranges. These plans address consistent themes and set out high level principles and strategic objectives relevant to this review of the Rural Conservation Zone including:

Settlement and population growth

- Maintain non-urban breaks between urban areas
- Accommodate housing and employment in established towns
- Manage settlement and rural living to avoid negative impacts on agriculture, biodiversity, landscape, infrastructure and service delivery
- Clearly define settlement boundaries within which settlement and rural living are contained
- Ensuring people and property are protected from natural hazards and the impacts of climate change.

Agriculture

- Ensure settlement avoids areas of productive agricultural land or land with potential for agricultural production
- Protection of productive agricultural land and promotion of agriculture and other rural industries
- Facilitate investment in new opportunities and high value agriculture
- Facilitate industry adaptation to climate change

Landscape

- Protect landscape qualities
- Maintain non-urban breaks between settlements

Environment

- Protection and restoration of environmental values and landscape qualities
- Protect and improve the condition of environmental assets
- Protect water quality and quantity as an important environmental and economic asset
- Identify and support re-establishment of ecological connectivity and biolinks

Tourism

- Support for tourism that takes advantage of the Shire's natural settings and value adds to agriculture such as nature based accommodation, cycling and walking trails, farm gate sales.

Economy

- Encourage economic diversification such as tourism and new energy opportunities
- Protect declared water supply catchments

Cultural heritage

- Acknowledgement and consideration of cultural heritage

The major planning issues for Macedon Ranges relevant to the Rural Conservation Zone:

Managing growth in Macedon Ranges while conserving and enhancing significant environmental, landscape and cultural features.

Supporting the tourism industry while managing the impact on the environment and the amenity of the area.

The desirability of the rural living environment, and how to manage issues relating to native vegetation, water, bushfire, erosion, flooding and provision of services and infrastructure.

The adequacy of planning policies to protect native vegetation, biodiversity and significant landscapes in the Shire.

The adequacy of the planning scheme in managing use and development within Special Water Catchments.

Climate change mitigation and adaptation.

The Macedon Ranges Landscape Assessment Study recommends an additional Schedule, Schedule 5 to protect landscape and views from road corridors, that are being progressed through a separate planning scheme amendment.

4 Policy Context

This section of the report provides a summary of the current policy context for land in the Rural Conservation Zone

PLANNING POLICY FRAMEWORK

The following state policy objectives relevant to use and development of land within the Rural Conservation Zone are summarised here and in further detail in Appendix 1

- 11.03-3S Peri-urban areas
- 11.03-5S Distinctive areas of state significance
- 11.03-6S Regional and local places
- 12.01-1S Protection of Biodiversity
- 12.01-2S Native vegetation management
- 12.05-1S Environmentally sensitive areas
- 12.05-2S Landscapes
- 13.01-1S Natural hazards and climate change
- 13.02-1S Bushfire planning
- 13.03-1S Floodplain management
- 14.01-1S Protection of agricultural land
- 14.01-2S Sustainable agricultural land use
- 14.01-3S Forestry and timber production
- 14.02-1S Catchment planning and management
- 14.02-2S Water quality
- 15.03.2S Aboriginal cultural heritage
- 17.04-1S Facilitating tourism
- 17.04-1R Tourism – Loddon Mallee South.

Macedon Ranges Statement of Planning Policy (2019)

The Statement of Planning Policy provides a framework to ensure outstanding landscapes, settlement history, significant landforms, and natural environment of Macedon Ranges are protected and conserved. The Statement includes a Framework and objectives and strategies to achieve the following outcomes:

- Conservation and enhancement of natural and cultural landscapes, significant biodiversity, ecological and environmental values

- Conservation and sustainable use of water catchments

- Recognition, protection, conservation and enhancement of Aboriginal cultural and spiritual heritage values and significant post-contact cultural heritage values.

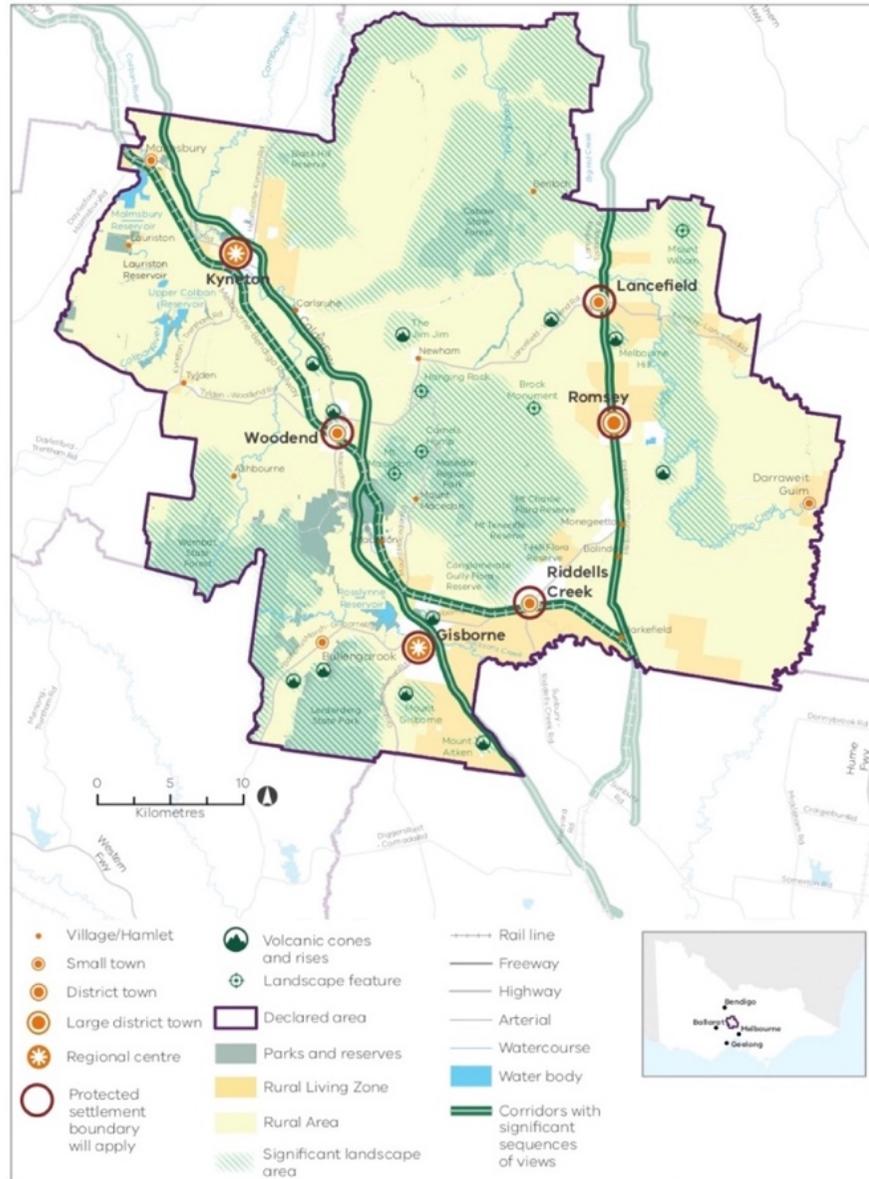
- Agricultural land uses and tourism uses, compatible with the natural and cultural values of the area, that strengthen the economy and contribute to the rural landscape

- Settlement growth planned to be consistent with the outcomes above and the unique character, role and function of each settlement

- Planning and mitigation strategies have been put in place to respond to the challenges and threats of climate change and natural hazards.

The Statement of Planning Policy is an incorporated document in the Macedon Ranges Planning Scheme and embedded in the State Planning Policy Framework. Existing state and local planning policies, zones, overlays and particular provisions continuing to apply to land within the declared area. The Rural Land Use Strategy will need to align with the Statement of Planning Policy, including the strategic framework (Figure 3).

FIGURE 3: MACEDON RANGES STATEMENT OF PLANNING POLICY FRAMEWORK



* The Macedon Ranges Significant Landscape Study will further refine the significant landscape areas shown.

LOCAL PLANNING POLICY FRAMEWORK

2002 RURAL LAND USE STRATEGY

The 2002 Rural Land Strategy underpins the current directions for rural land including the vision statement, objectives and strategies incorporated in the Macedon Ranges Planning Scheme at Clause 21.03-2 – Land use vision, 21.03-3 Strategic framework plans and 21.05 - Environment and landscape values.

The 2002 Rural Land Strategy included the following situation statement:

It is not an overstatement to suggest that 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 existing for some time. 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 pressure 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 ensure that there will be 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.

The strategy goes on to state:

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 state where the cumulative impact of a whole host of individual decision is setting the direction.

The Strategy recommended a package of measures based on the following four principles:

Create an urban growth boundary around each town. Inside is urban and outside is rural

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.

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 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.

The Shire's planning scheme needs to spell out clearly what it is trying to achieve in respect of its rural areas.

The 2002 Rural Land Strategy recommended:

Applying the Environmental Rural Zone and appropriate overlays to require appropriate landscape responsive subdivision and design. Innovative and appropriate subdivision will be 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 development within this model than currently occurs.

Gazettal of Amendment C21, the initial amendment that sought to implement the recommendations of the 2002 Rural Land Strategy, was refused by the Minister for Planning. The recommendations were subsequently introduced to the Macedon Ranges Planning Scheme via Amendment C48 in 2006.

The report⁷ prepared by the Panel hearing submissions to Amendment C21 made the following comments regarding the Rural framework plan:

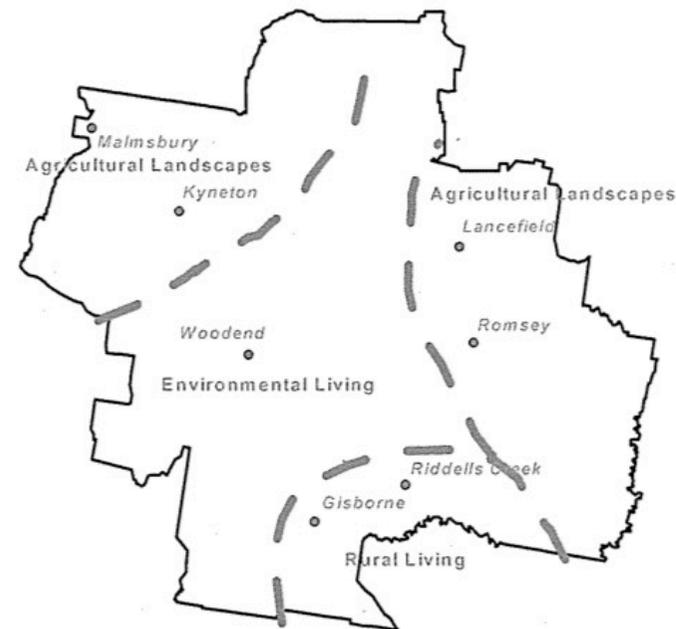
While the Panel supports the general intent of the Review and acknowledges the research and analysis that underpins its

recommendations, it found the Review difficult to navigate and is not entirely satisfied that it adequately analysed and documented all of the matters that led to the development of the key land use themes, and ultimately to the definition of zone and overlay provisions and boundaries.

In particular, the Panel considers that the Review would have benefited from a more detailed analysis of the Shire's physiographic land units or land systems, as a basis for overlaying and considering other issues.

.....By considering more issues, in greater detail, the Review could have provided a more considered basis for the subsequent definition of preferred land uses and planning tools.

FIGURE 4: DIRECTIONS FOR FUTURE PLANNING



7 Report of a Panel (2004) Macedon Ranges Planning Scheme Amendment C21 Rural Areas Review

The 2004 Planning Panel report made a number of conclusions and recommendations relevant to this strategy:

General support for the application and extent of the Environmental Rural Zone to the Living Forests Policy Area

Strong support for the Cobaw Biolink concept but that the zone boundaries be modified to respond to the variety of land uses, lot sizes, extent of existing vegetation, preferred area for revegetation and potential impacts on the productive use of agricultural land and potential wildfire implications and threat and that a Cobaw Biolink Implementation Strategy be prepared as a supporting action.

It is understood that no review of the zone boundaries was undertaken or that a Cobaw Biolink Implementation Strategy was prepared. A review of the extent of the Cobaw Biolink is documented in Section 8 of this report.

MUNICIPAL STRATEGIC STATEMENT

21.03 Vision – Strategic Framework Plan

We aspire to provide leadership in this inspiring region by providing the opportunity for all to live a fulfilling life, while continuing to protect our heritage, environment and sense of community through our shared commitment to a sustainable Macedon Ranges.

21.03-2 Land use vision

Development and land use planning will be guided by the following vision:

The Shire remains predominantly rural, with a hierarchy of settlements set in an attractive and productive rural environment.

Agriculture remains an important part of the character and economy of the Shire, especially the high quality soils in the east of the Shire and in the north where there has been less land fragmentation. Effective land management is a key priority.

Protection of water quality, especially potable water supply, is fundamental. Land use and development, particularly un-serviced development in open water supply catchments, is minimised and managed to ensure water quality is not compromised.

Native vegetation is retained and enhanced, balanced with fire protection considerations. Native vegetation is vital for the environmental health of the Shire and is a significant component of the Shire's character.

Development complements the nature and character of the rural landscapes of the Shire. Landscapes, in particular the landscapes around Mount Macedon and Woodend, are highly valued by residents and visitors and facilitate tourism which plays a key economic role in the Shire.

Development occurs in an orderly and sustainable manner, maintaining clear distinctions and separations between settlements. A diverse range of residential and commercial opportunities are provided in appropriate locations, including appropriately zoned and serviced land to meet the needs of the Shire's changing demographic. Growth is generally directed to the transport corridors, in-line with infrastructure provision and cognisant of constraints.

Economic growth and development is encouraged to deliver jobs and reduce escape expenditure. This occurs in appropriate locations within the settlement boundaries, apart from agriculture based business.

Rural living areas will be planned for well in advance and areas will be identified to achieve a fixed supply up to 2045 in well serviced areas with good internal connectivity and integration with external road and path networks.

21.03-3 Strategic framework plans

The Macedon Ranges strategic framework plan (Figure 5) interprets the land use vision and identifies the vision's key elements influencing land use planning up to 2036. This plan indicates the high quality agricultural land, key transport infrastructure, significant landscapes; land at risk of bushfire, water courses and a settlement hierarchy.

Rural framework plan

The vision and strategic direction for the identified rural area types shown on the rural framework plan (Figure 6) is:

Agricultural landscapes: Continue to use agricultural landscapes for stock raising (including sheep, cattle and horses) and intensive and extensive cropping. Development should not prejudice these agricultural activities because they contribute to the character and economy of the Shire.

Living forests: Enhance the significant and sensitive environmental assets - including Mount Macedon, forested areas around Woodend, the Cobaw Ranges and special water supply catchments. Limit residential development on existing lots where positive environmental outcomes are achieved and existing vegetation will not be compromised by requirements for dwelling sites, fire protection buffers and other associated infrastructure.

Cobaw biolink: Establish a biolink between the areas of significant vegetation of the Macedon and Cobaw Ranges. Housing that provides revegetation and environmental improvement works will be permitted in these areas to achieve this environmental goal.

Northern and southern catchments: Protect water quality and quantity, agricultural productivity in the northern catchment and encourage rural residential only in the more fragmented southern catchment where detailed land capability studies demonstrate there is no negative impact on water quality or agricultural uses.

Rural living area: Encourage and support rural living development in Rural Living Zone areas. The vision for these areas is a rural area with a range of property sizes offering different lifestyle opportunities and landscapes from low density residential to part time farming. Any new development including housing, subdivision or re- subdivision is to preserve the existing rural character.

These areas are not mutually exclusive and overlap; where conflicts are present, the catchment provisions prevail.

The strategic framework plan and rural framework are out of date and provide limited direction for rural areas. The plans should be revised in light of the findings of this review.

FIGURE 5: STRATEGIC FRAMEWORK PLAN

Strategic Framework Plan Macedon Ranges Shire at 2036

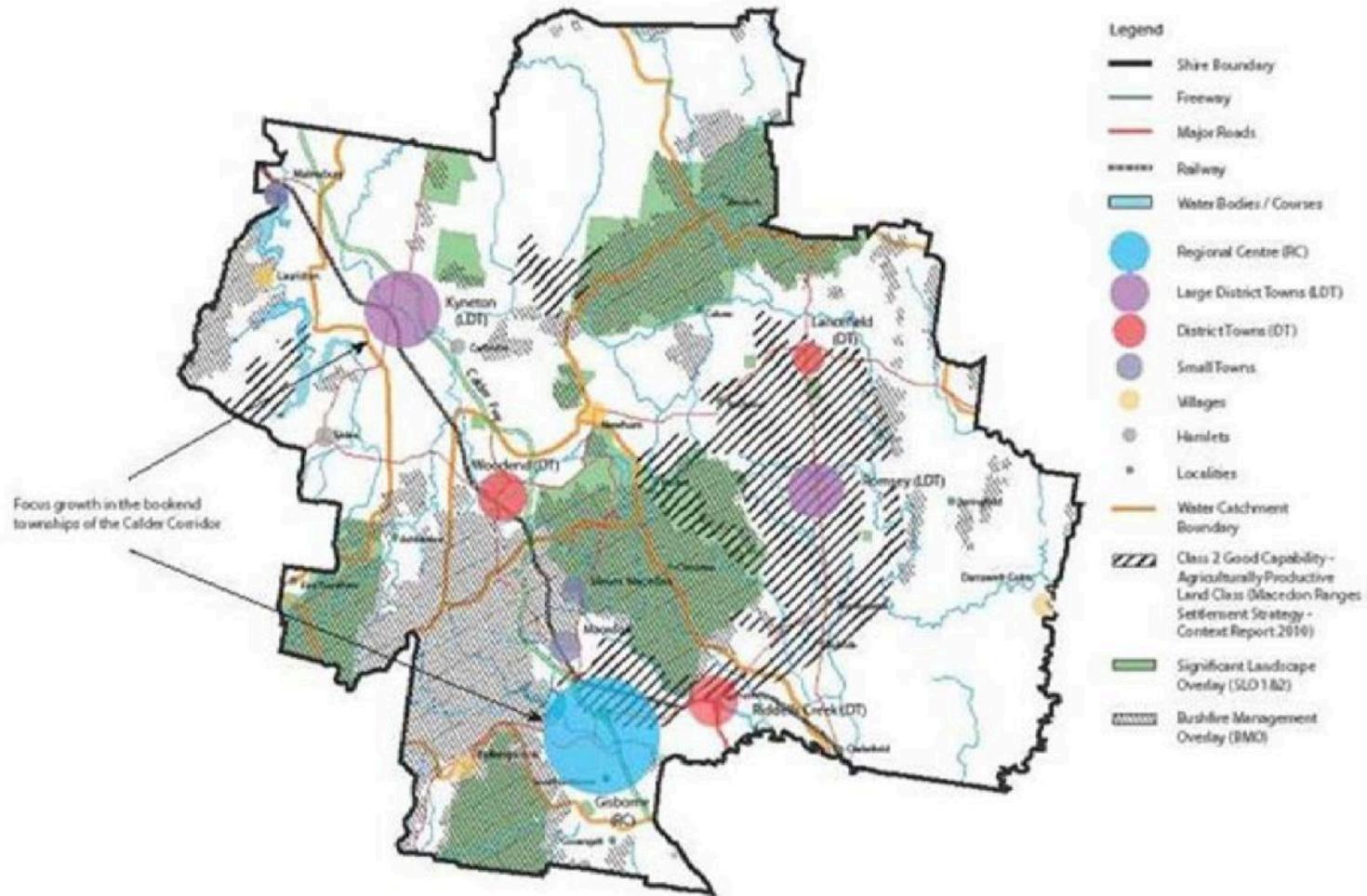
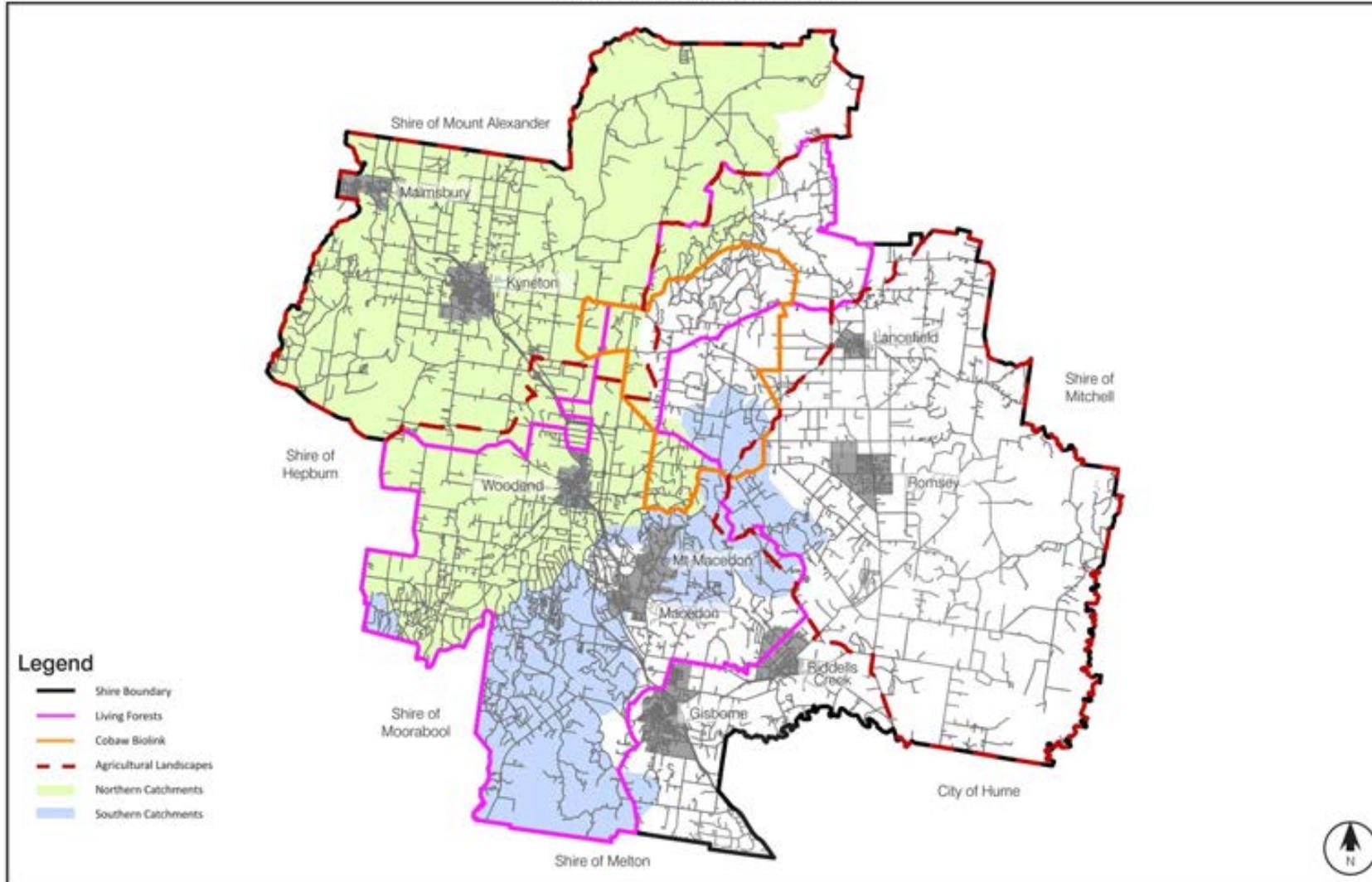


FIGURE 6: RURAL FRAMEWORK PLAN

Macedon Ranges Rural Framework Plan



Clauses 21.05, 21.06, 21.07 and 21.10 set out objectives, strategies and in some cases application requirements and decision guidelines relevant to land use and development in the Rural Conservation Zone. Objectives relevant to the Rural Conservation Zone are summarised here.

21.05 Environment and Landscape Values

Conserve the biodiversity values of the Shire by protecting, enhancing, managing and restoring indigenous vegetation and fauna habitat

Develop a substantial biolink between the Macedon and Cobaw Ranges in the area identified as 'Cobaw biolink' in Clause 21.03-3 Rural Framework Plan and protect the character and landscapes of the area

Protect and enhance the existing forest mosaic in the Living Forest area identified on the Rural Framework Plan in Clause 21.03-3 for its environmental, character and landscape values

Maintain and enhance the existing rural landscapes

Maintain and enhance the open character of the plains area of the south east

Protect and enhance the farming character of the Agricultural Landscapes area

Maintain and enhance the ranges, major hills and ridges as significant visual backdrops to the Shire

Protect and enhance sites of geological significance

Preserve significant exotic and native vegetation as a fundamental component of the Shire's character and landscape.

The 2019 Planning Scheme Review noted with regard this clause:

There is a lack of logical order to this clause, and the layout of the various sub clauses varies.

Consultations with Council staff identified that:

- There is a need to review objectives against the relevant clause in the PPF;
- The dot points under 'specific implementation' should be reviewed, as many of these items do not align appropriately as implementation mechanisms.
- There are a number of objectives that refer to areas that are either not mapped or poorly defined (for example 'major hills and ridges' and 'sites of geological significance')

Clause 21.05 includes application requirements and decision guidelines for assessment of planning permits for subdivision and dwellings, that are inconsistent with Amendment VC148 and the Ministerial Direction – Form and Content of Planning Schemes. The

Their purpose is to:

Require environmental improvement works in approvals for dwelling construction or land subdivision to contribute to local environmental goals, as appropriate.

Limit residential development on existing lots will only be permitted in the Living Forests and Cobaw biolink areas where revegetation and environmental improvement works will achieve positive environmental outcomes.

It is recommended that the relevant objectives, strategies, application requirements and decision guidelines inform preparation of an Environmental Significance Overlay that will apply to all land in the Rural Conservation and identified biolinks.

21.07 Natural Resource Management

- Retain and improve water quality and yield in the Special Water Supply Catchments, waterways and groundwater
- Ensure the development and use of agricultural land does not adversely impact water quality in the catchments

21.10 Economic Development and Tourism

Enhance the tourism potential of towns within the municipality

Encourage sustainable tourism growth compatible with the cultural and natural values of the Shire.

LOCAL POLICIES

There are two local policies relevant to the land use and development in the Rural Conservation Zone.

22.01 Macedon Ranges and Surrounds

The policy is directed primarily to the planning and management necessary for 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. (Note that this Policy is a restatement of "Statement of Planning Policy No. 8 – Macedon Ranges and Surrounds" as approved by the Victorian Government in 1975.)

The 2019 Planning Scheme Review suggested, and this review agrees that this policy may become redundant as the Statement of Planning Policy for the Macedon Ranges is gazetted.

It is recognised that the State Government will be releasing a Statement of Planning Policy for the Macedon Ranges in the near future. Liaison with DELWP will be required in order to understand the future role of Clause 22.01 within the PPF structure and having regard to the Statement of Planning Policy.

It is recommended that this local policy be deleted from the Planning Scheme

22.02 Dams

This policy applies to the construction of dams and to ensure catchment and environmental values are protected. The 2019 Planning Scheme Review recommended that the availability and the currency of the Reference Documents in Clause 22.02 be confirmed. Digital versions of the land capability studies of Woodend, Romsey and Kyneton are available on line (<http://vro.agriculture.vic.gov>) and are considered to be current for their intended use. The farms dams reference document could not be located.

ZONE

The Rural Conservation Zone has been applied to extensive areas of the Shire (Figure 7). There are four schedules to the Rural Conservation Zone:

Schedule 1 – Conservation Values (40 ha minimum lot size for subdivision)

- To ensure that the existing forest mosaic is protected and that any development does not compromise native vegetation but provides for its enhancement.
- To ensure that land use within water supply catchments, most particularly proclaimed catchments, will not compromise water quality
- To protect the unique flora, fauna and landscapes that are fundamental to the character and biodiversity of the area from inappropriate land use and development.
- To protect the conservation and landscape values of adjoining public land.
- To ensure that the character and landscape values of the area are protected.
- To achieve sustainable agricultural practice.

Schedule 2 – Conservation Values (40 ha minimum lot size for subdivision)

- To contribute to the existing remnant native vegetation to create a bio link between the Macedon and Cobaw Ranges.
- To protect the character and landscape of the area.

- To achieve sustainable agricultural practice.

Schedule 3 – Conservation Values (40 ha minimum lot size for subdivision)

- To protect water quality in the proclaimed water supply catchments in the south of the Shire including Merrimu and Rosslynne.
- To protect the character and landscape of the area.
- To achieve sustainable agricultural practice.

Schedule 4 – Conservation Values (40 ha minimum lot size for subdivision)

- To protect the character and landscape of the Gisborne Escarpment

The maximum floor area for which no permit is required to alter or extend an existing building used for agriculture (square metres) is 20m² in Schedules 1, 2 and 3 and 3m² in Schedule 4.

The main difference between the zone schedules relates to the conservation values to be protected.

MINISTERIAL AMENDMENT OF THE RURAL ZONES

Amendment VC103 in 2013 introduced a number of reforms to the rural zones, including the Rural Conservation Zone (Table 1). The reformed zone retains the purpose of conserving identified natural and environmental assets and resources; however, it includes much greater flexibility in the range of uses permitted, which is a significant departure from the former RCZ (Table 2). This includes:

Reducing the restrictions for alterations and extensions to dwellings and farm buildings

Removing the requirement for a mandatory section 173 agreement which restricts future subdivision after an initial subdivision is approved

Making less uses prohibited and more uses discretionary including some accommodation, retail and commercial uses

Removing the prohibition on primary and secondary schools

Increasing the threshold for persons that can be accommodated in a bed and breakfast from six to 10 without a permit

Removing the 'in conjunction' requirement and other conditions for uses such as group accommodation, residential hotel and restaurant

Removing other conditions which restrict uses such as freezing and cool storage, group accommodation, residential hotel and restaurant.

Amending the schedule to the Rural Conservation Zone to remove the ability for councils to limit the number of bedrooms to a residential hotel and number of patrons to a restaurant.

This review provides an opportunity to consider the implications arising from these changes and consider the need for additional policy guidance.

FIGURE 7: RURAL CONSERVATION ZONE AND FARMING ZONE

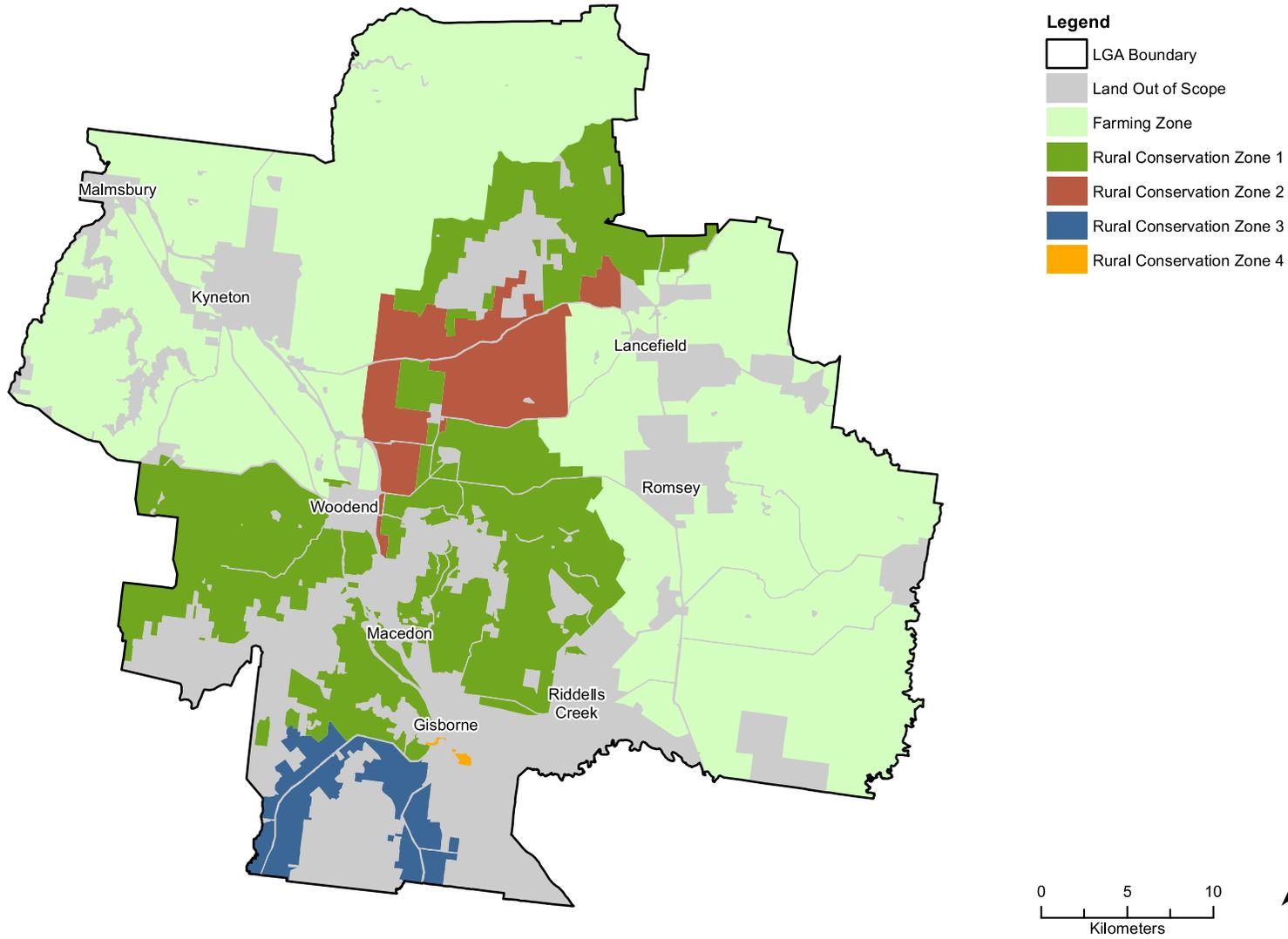


TABLE 1: CHANGES TO THE RURAL CONSERVATION ZONE (VC103)

RCZ
Reducing the restrictions for alterations and extensions to dwellings and farm buildings
Removing the requirement for a mandatory section 173 agreement which restricts future subdivision after an initial subdivision is approved
Increasing the threshold for persons that can be accommodated in a bed and breakfast from six to 10 without a permit
Removing the 'in conjunction' requirement and other conditions for uses such as group accommodation, residential hotel and restaurant
Removing other conditions which restrict uses such as freezing and cool storage, group accommodation, residential hotel and restaurant.

TABLE 2: LAND USES MADE DISCRETIONARY IN THE RURAL CONSERVATION ZONE (VC103)

RCZ
Group accommodation
Residential hotel
Restaurant
Landscape gardening supplies
Warehouse (Freezing and cool storage only)
Primary and secondary school
Helicopter landing
Hospital
Natural systems
Research centre
Service station
Saleyard
Veterinary centre

LANDHOLDER SURVEY

45% of respondents have holdings that are less than 4 ha

90% reported that they have only a single land holding

63% of those that purchased land in the last 5 years had not previously managed farmland

92% of respondents have a dwelling on their property and for 88% of this group, it is their primary place of residence.

8% have no dwelling on their land and just over half of these live in Metropolitan Melbourne

53% of respondents that do not have a dwelling on the property intend to build a dwelling in the next 10 years

OVERLAYS

The overlays that apply to land in the Rural Conservation Zone (Figure 8) include:

Bushfire Management Overlay

Heritage Overlay

Land Subject to Inundation Overlay

Significant Landscape Overlay

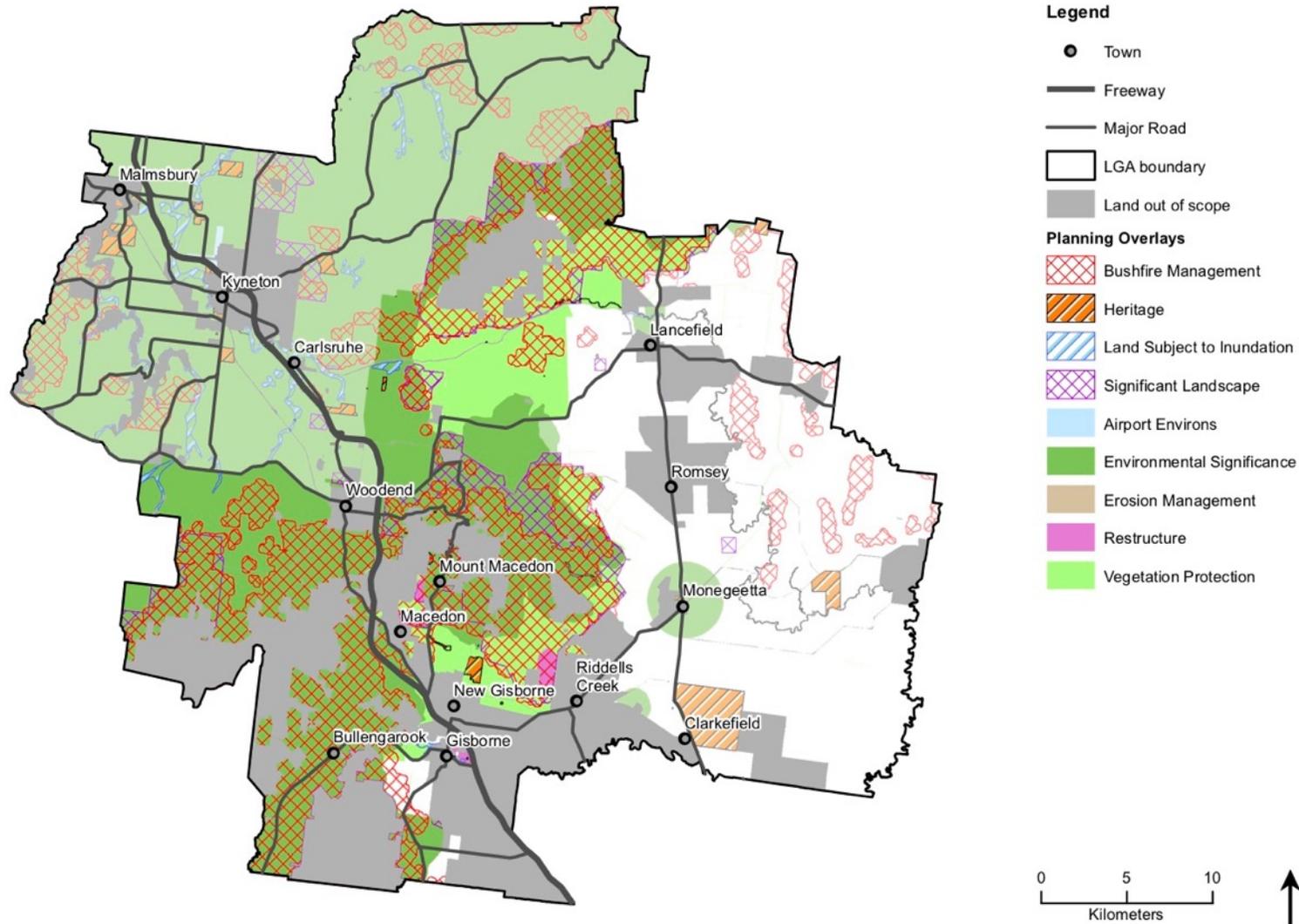
Environmental Significance Overlay

- Schedule 4 – Eppalock Proclaimed Catchment - protect and maintain the water quality and water yield within the Eppalock Water Supply Catchment Area as listed under Section 5 of the Catchment and Land Protection Act 1994.
- Schedule 5 – Other Water Supply Catchments - protect and utilise the resources of the area as a water catchment for urban and local supply; ensure the protection and maintenance of water quality and water yield within the catchment areas; ensure that land use activities and land management practices are consistent with the conservation of natural resources; control land use and development adjacent to water courses and water storages; maintain and enhance the quantity and quality of water

produced within the catchment; minimise the threat of pest plants and pest animals to agricultural land and to water catchment areas.

The 2019 Planning Scheme Review recommended that the application of the Development Contribution Plan Overlay to land in the Rural Conservation Zone be reviewed.

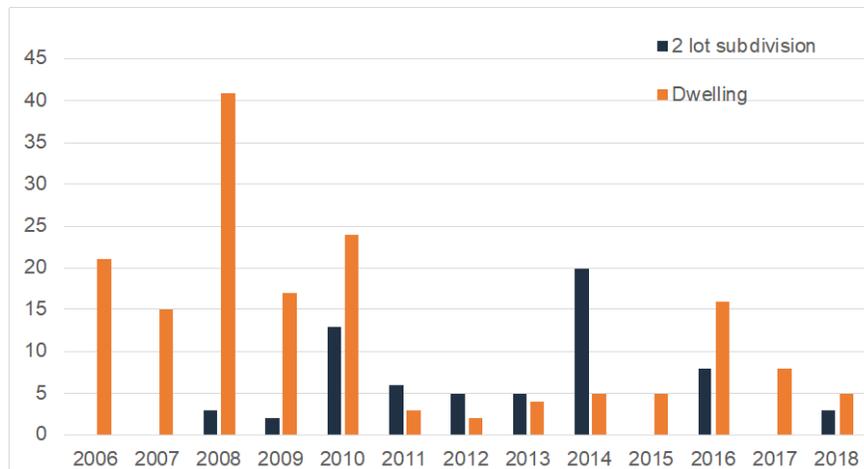
FIGURE 8: OVERLAYS



PLANNING PERMIT APPROVALS

An analysis of planning and building permit data was undertaken to test the performance of the Rural Conservation Zone and relevant policies. Figure 9 provides a breakdown of dwelling and two-lot subdivision in the Rural Conservation Zone since 2006. This shows that the number of planning permits granted annually for dwellings has reduced over time. Most planning permits for dwellings in the Rural Conservation Zone were issued for land around Mount Macedon and Woodend (Figure 10). The number of two-lot subdivisions has fluctuated. Most planning permits for subdivision have been issued for land around Trentham East (Figure 11).

FIGURE 9: PLANNING PERMIT APPROVALS DWELLINGS AND 2 LOT SUBDIVISION



VCAT AND PANEL REPORTS

Planning Panel reports for recent planning scheme amendments, including Amendment C84, C98, C99, C105 and C110 were reviewed and there were no material recommendations or directions relevant to the Farming Zone or Rural Conservation Zone.

VCAT hearings relevant to the Rural Conservation Zone in Macedon Ranges are summarised in Table 3. In half the cases, Council's decision was affirmed. The 2019 Planning Scheme Review included analysis of the outcomes of planning permit decisions made by VCAT and planning reports from Planning Panels. The review identified

dwellings in water supply catchments and dwellings in environmentally sensitive areas as themes relevant to the rural areas review. The report concluded:

The Macedon Ranges Planning Scheme seeks to regulate activities within catchment areas to protect water quality. The need to limit dwelling densities within catchments has been supported by the Tribunal that has considered applications for development within catchment areas.

These decisions demonstrate that the current policies within the Macedon Ranges contain clear support for water quality protection. The importance of ensuring the cumulative impact of development proposals does not compromise the quality of potable water is contained in Clause 21.07 and ESOs which seeks to reinforce the importance of limiting development which poses a risk to catchments.

With regard development in environmentally sensitive areas the review concluded:

is little benefit from applying a Development Contribution Plan Overlay to a Rural Conservation Zone which generally discourages development.

TABLE 3: SUMMARY OF VCAT CASES

	COUNCIL DECISION	COUNCIL DECISION AFFIRMED	REASONS
P314/2017 Building in the Rural Conservation Zone 1; ESO5; SLO1; VPO9; BMO	Permit refused	No	Building siting and size will not overly impact landscape.
P1797/2018 Building in the Rural Conservation Zone 1; ESO5; SLO1; VPO9; BMO, RO	Permit refused	No	Proposal generally consistent with policy. Issues could be addressed through design changes.
P2208/2011 Dwelling in the Rural Conservation Zone 1; ESO5; VPO9; WMO	Permit refused	Yes	Refused based on objections from water authorities.
P1759/2017 Building in the Rural Conservation Zone 1; SLO1; VPO9; BMO, RO7	Permit refused	Yes	Could not demonstrate that there would be net environmental benefit consistent with policy objectives

There are 4,863 lots in the Rural Conservation Zone of which around 55% are under 4ha in size. Lots under 4 hectares and between 4 and 40 hectares are clustered south of Woodend and Mount Macedon. Larger lots over 40 ha in size are found mainly in the northern Rural Conservation Zone

Around 48% of lots in the Rural Conservation Zone are vacant and most are under 40ha in size (Table 4) and found around Trentham East and Riddells Creek (Figure 13). All dwellings in the Rural Conservation Zone require a planning permit.

While there is a substantial supply of vacant lots in the Rural Conservation Zone, the annual rate of permit approvals for dwellings is low. This suggests that the policy tools are appropriate in terms of testing whether a dwelling meets the policy tests. However, there is no data to assess whether the native vegetation enhancement outcomes of Rural Conservation Zone Schedule 1 and Schedule 2 are being achieved.

TABLE 4: LOT SIZES

Lot size	<4ha	4ha to 40 ha	40ha to 100ha	>100ha
Lots with dwellings	1,560	646	171	10
Vacant lots	1,142	1,188	116	30
Total lots	2,702	1,834	287	40

LANDHOLDER SURVEY

Of note with regard landholder survey and the performance of the planning scheme and the Rural Conservation Zone are the following comments:

Many respondents felt that planning is becoming “too controlling” or “over regulated”

While some respondents sought to subdivide and develop land in the RCZ, others were strongly opposed to further subdivision or development

Strong support for protection of biodiversity and development, including tourism development, that is compatible with and enhances biodiversity

Some frustration with the Zone table of uses, particularly place of assembly being a prohibited use and preventing some tourism development in the RCZ.

LANDHOLDER SURVEY

53% of respondents that do not currently have a dwelling on the property intend to build within the next 10 years. Of these just over 70% currently reside in metropolitan Melbourne

Overall there was moderate to strong agreement with the following statements:

Dwellings should only be allowed if they don't prejudice the environmental values of the land

Property owners should be free to manage their land as they see fit

There was strong agreement with the following statements:

New development on rural land should minimise impacts on biodiversity and environmental values

The rural landscape should be protected as one of the defining visual characteristics of the Shire

New developments on rural land should minimise visual impact, particularly from key landscape vantage points

New development on rural land should result in improved biodiversity and environmental values

Owners of land in the Rural Conservation Zone should be encouraged to undertake land management activities including fencing of waterways, revegetation of degraded areas and weed control

Support rural land being used for innovative or niche production activities

Respondents were split approximately 50:50 agree:disagree with the following statements

It is inappropriate to use land in the Rural Conservation Zone for tourism activities

FIGURE 10: DWELLING PLANING PERMITS

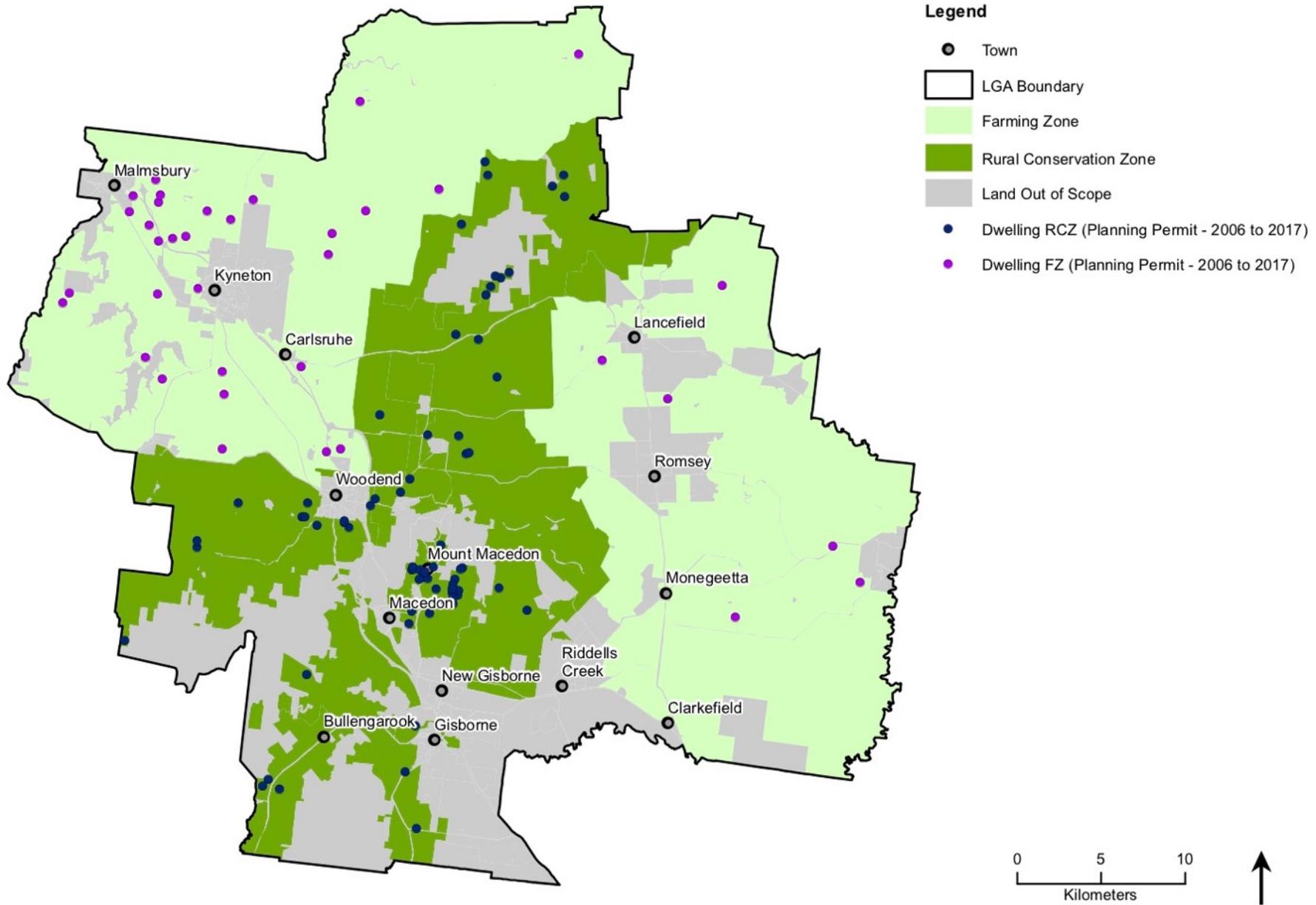


FIGURE 11: SUBDIVISION PERMITS

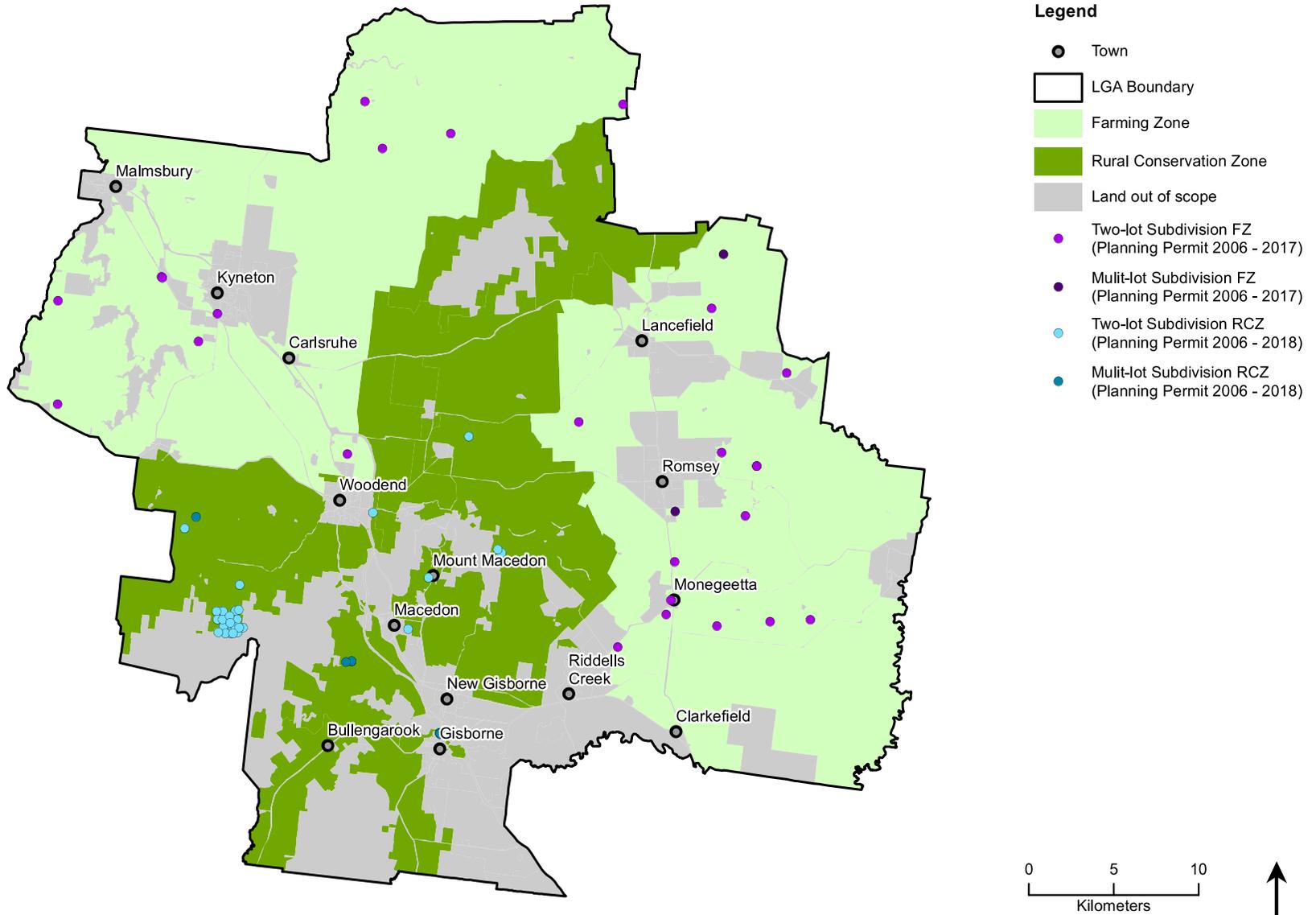


FIGURE 12: LOT SIZES IN THE RURAL CONSERVATION ZONE

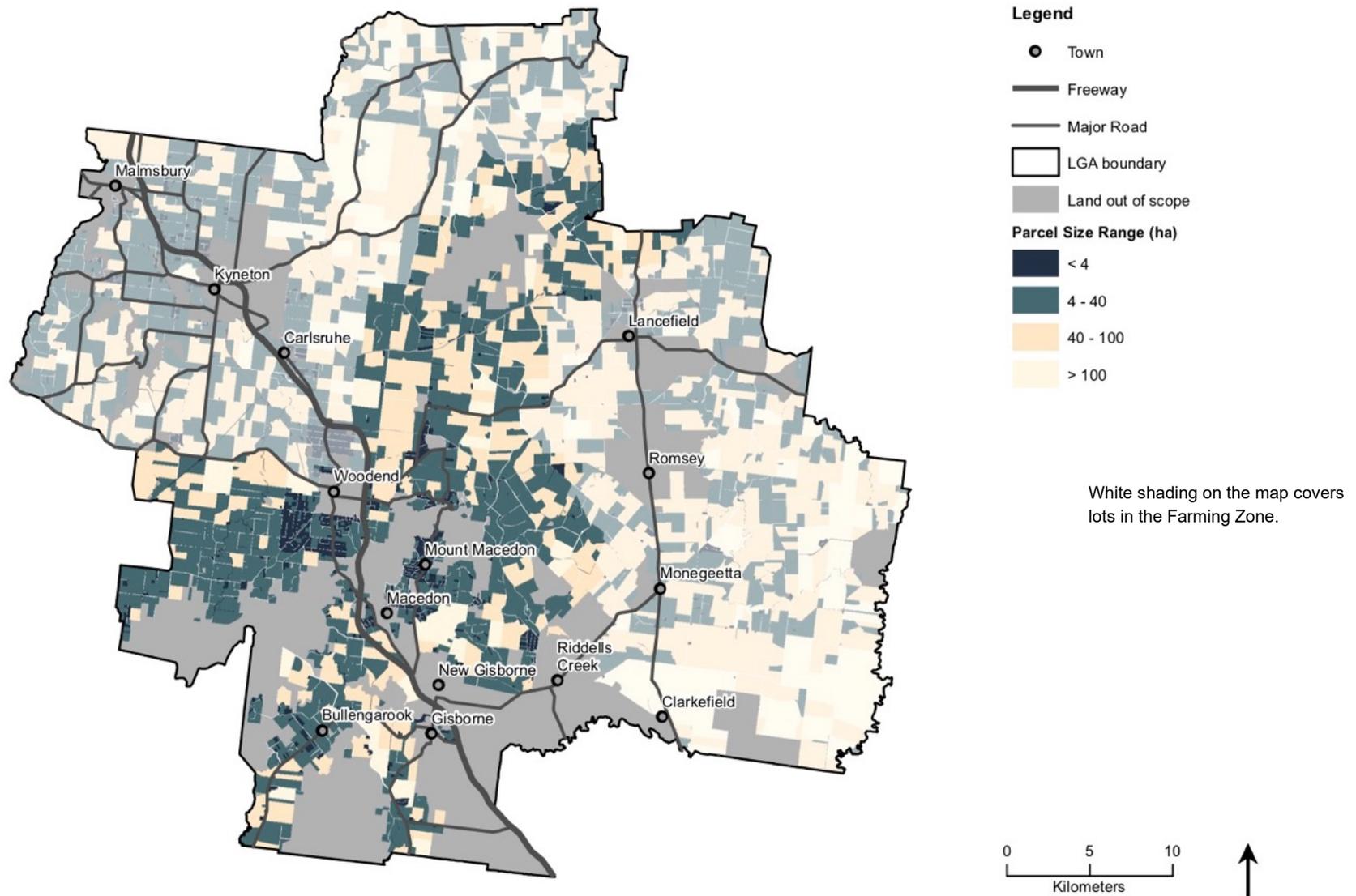
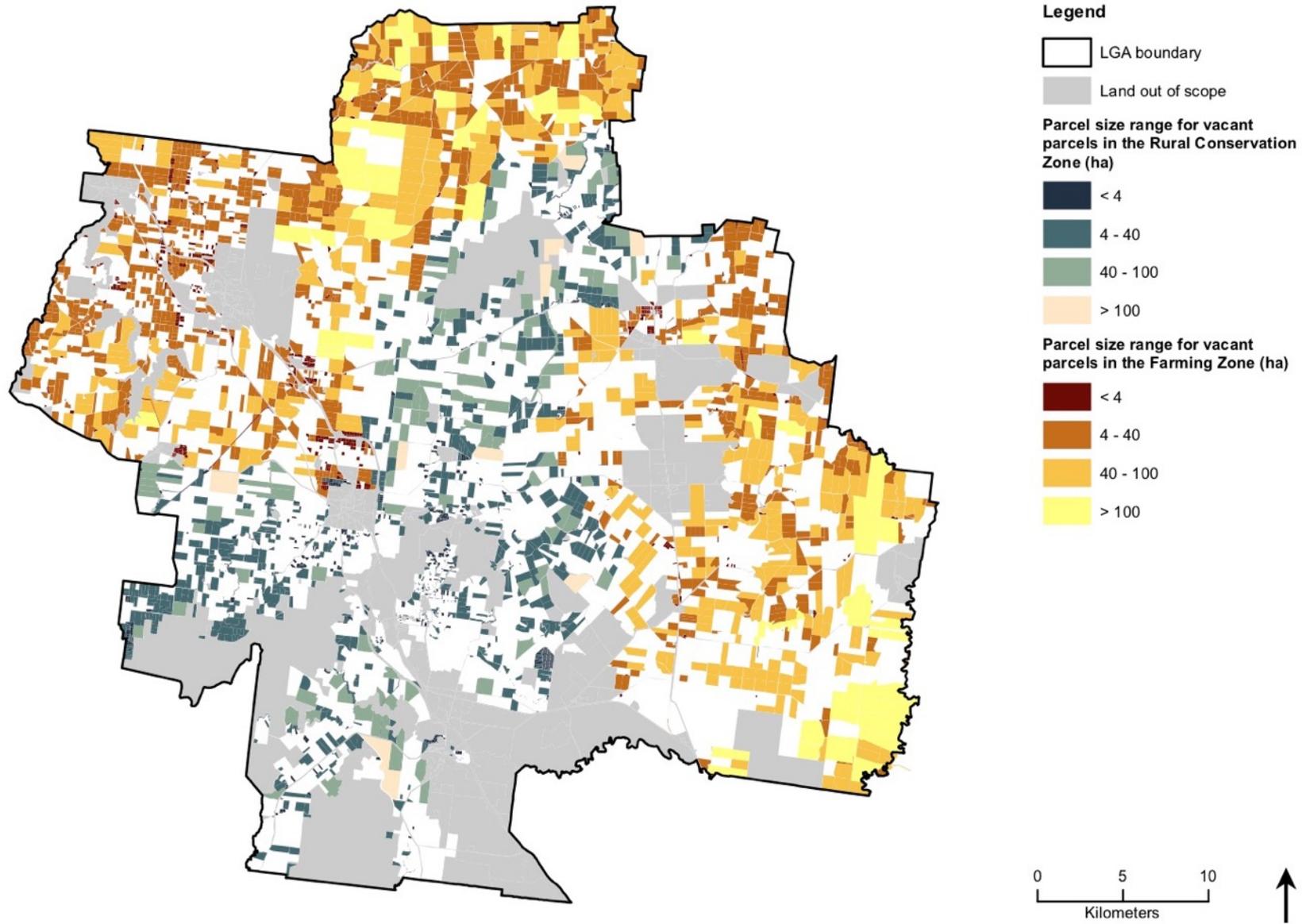


FIGURE 13: VACANT LOTS IN THE RURAL CONSERVATION ZONE AND FARMING ZONE



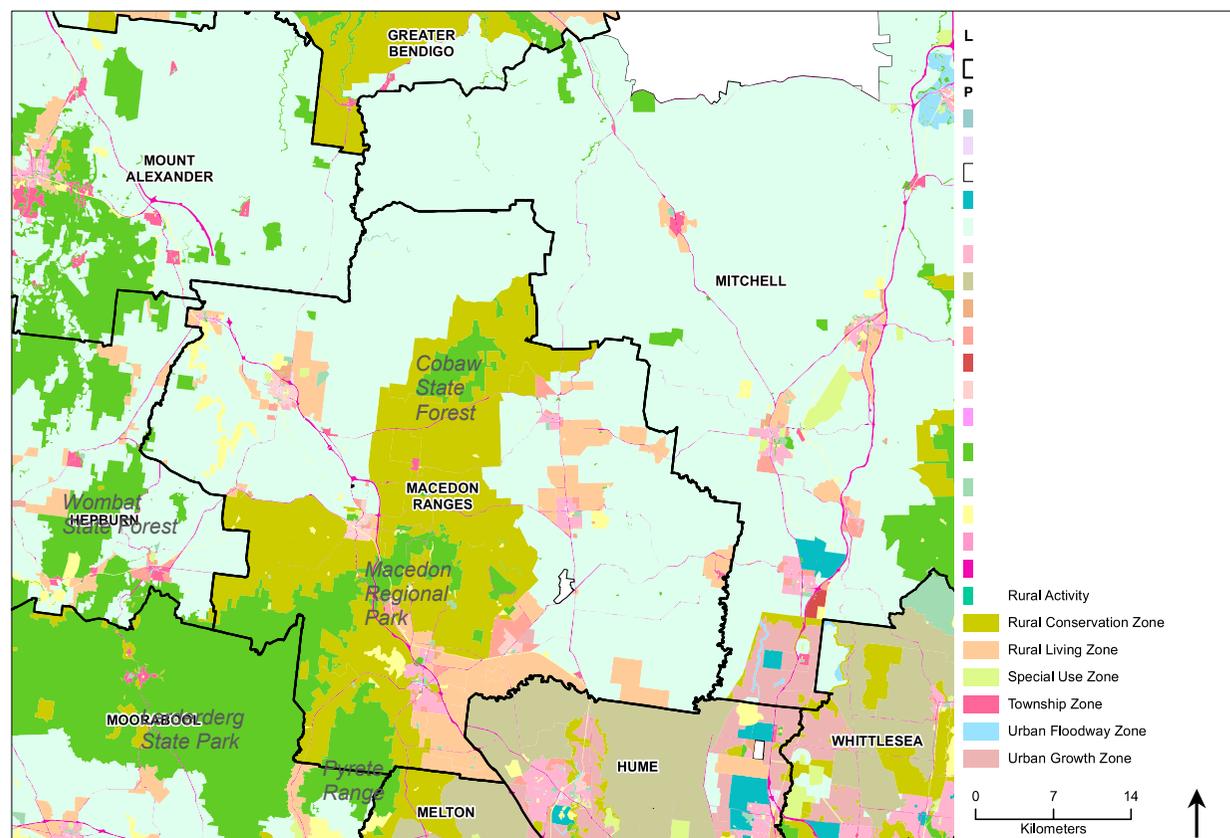
INTERFACE WITH ADJOINING COUNCILS

The Rural Conservation Zone in Macedon Ranges adjoins the Farming Zone in Hepburn, Mount Alexander, and Mitchell Shires and the Rural Living Zone and public land in Moorabool. To the south, the Rural Conservation Zone adjoins similarly zoned land in Melton (Figure 14).

Use and development of rural land in Melton is guided by the Western Plains North Green Wedge Management Plan which seek to maintain land for rural activities, preserve the rural landscapes and protection of biodiversity values. Hume City is currently preparing the Rural Areas Hume Integrated Growth Area Plan, which will confirm directions for rural land use and development of green wedge land adjoining Macedon Ranges. Mitchell Shire are currently undertaking a review of their rural areas. The Farming Zone has a minimum lot size of 40ha and there is no local policy relevant to rural areas.

The Mount Alexander and Greater Bendigo Planning Schemes seek to protect agriculture through local policies and the Farming Zone with schedules specifying a minimum lot size of 40ha.

FIGURE 14: ZONES IN SURROUNDING LGAS



KEY FINDINGS

The state and local objectives set out in the Macedon Ranges Planning Scheme address consistent themes for use and development of rural land. These are broadly consistent with the themes identified in the Section 3 review of the strategic context and include:

- Supporting agriculture
- Protection of potable water supplies and catchments
- Protection and enhancement of native vegetation and other biodiversity values
- Orderly and sustainable economic and population growth
- Maintaining separation between settlements.

These themes and desired land use outcomes are represented spatially in strategic framework plans. These plans require updating to reflect current trends and provide clear direction for use and development of rural land.

The 2002 Rural Land Strategy, which underpins the current rural policies, found that competing forces for rural land were growing and that:

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 state where the cumulative impact of a whole host of individual decisions is setting the direction.

The competing forces for rural land have not abated. The Shire's location within the peri-urban region of metropolitan Melbourne and the Calder corridor between Melbourne and Bendigo has, and will continue to have, a significant influence on its population and economy. Population and employment growth in nearby settlements within the Urban Growth Boundary and increased accessibility arising from the proposed Outer Melbourne Ring Road will have significant flow-on effects into Macedon Ranges. The Loddon Mallee South Regional Growth Plan noted with regard the peri-urban area of the region that:

If not managed, development pressures and sprawling growth can increase risks from bushfire, sea level rise and flood, add to infrastructure costs and lead to a loss of important non-urban assets including productive farmland, water catchments, earth resources, biodiversity and natural ecosystems. Retaining the economic and community value of these assets is a key consideration in planning for this area.

The 2002 Rural Land Review sought to draw "a line in the sand" and put in place a policy framework to protect the inherent values of the rural areas.

The 2004 Planning Panel report that reviewed submissions to Amendment C21 and implementation of the 2002 Rural Land Review report recommended a review of the Cobaw Biolink boundaries to respond to the variety of land uses, lot sizes, extent of existing vegetation, preferred area for revegetation and potential impacts on the productive use of agricultural land and potential wildfire implications and threat and that a Cobaw Biolink Implementation Strategy be prepared as a supporting action. It is understood that no review of the zone boundaries was undertaken or that a Cobaw Biolink Implementation Strategy was prepared. A review of the extent of the Cobaw Biolink is documented in Chapter 8 of this report.

A review of the planning scheme performance identified issues that require further consideration in the preparation of the rural strategy:

Managing growth in Macedon Ranges while conserving and enhancing significant environmental, landscape and cultural features.

Supporting the tourism industry while managing the impact on the environment and the amenity of the area.

The desirability of the rural living environment, and how to manage issues relating to native vegetation, water, bushfire, erosion, flooding and provision of services and infrastructure.

The adequacy of planning policies to protect native vegetation, biodiversity and significant landscapes in the Shire.

The adequacy of the planning scheme in managing use and development within Special Water Catchments.

Consideration of the range of non-discretionary uses and clarification of the circumstances and locations where these uses may or may not be supported

Substantial supply of small lots particularly south of the Calder Freeway around Macedon and Woodend and in water supply catchments, and land holder expectations of a dwelling and achieving environmental benefits.

Further policy guidance is required for assessing planning permit applications for dwellings including:

- Clarification of the environmental outcomes to be achieved, particularly in the Cobaw Biolink policy area

Further policy guidance for assessing planning permit applications for re-subdivision, boundary realignments and two-lot subdivision.

Preparation of an Environmental Significance Overlay that will apply to all land in the Rural Conservation and identified biolinks based on objectives, strategies,

application requirements and decision guidelines as set out in Clause 21.05-1 Biodiversity and Native Vegetation, to ensure development contributes to enhancement of native vegetation and biodiversity.

While there is a substantial supply of vacant lots in the Rural Conservation Zone, the annual rate of permit approvals for dwellings is low. This suggests that the policy tools are appropriate in terms of testing whether a dwelling meets the policy tests. However, there is no data to assess whether the native vegetation enhancement outcomes of Rural Conservation Zone Schedule 1 and Schedule 2 are being achieved.

While outside the scope of the rural land strategy, Council could consider approaching state government to identify options to address issues arising from place of assembly being a prohibited use in the Rural Conservation Zone.

5 Biodiversity

BIODIVERSITY STRATEGY

In 2018, Macedon Ranges adopted a Biodiversity Strategy which establishes a shared vision between Council, community, Traditional Owners and other stakeholders for the protection and enhancement of biodiversity values across the shire. The strategy identifies a number of policy and planning initiatives as well as priorities for community engagement, on ground action and monitoring change. Policy initiatives include:

Investigate rezoning identified areas with significant native vegetation currently in the Farming Zone to ensure their protection.

Rezone the following Council managed bushland reserves to "PCRZ" - Hobbs Road Reserve, Mount Gisborne, Magnet Hill, Malmsbury Common, Bald Hill, Stanley Park, Sandy Creek and Barringo Reserve.

Undertake further investigations to revise Council's current VPOs and apply new VPOs for Scoria Cone Woodland and Plains Sedgy Wetland Vegetation communities as outlined in this strategy

Support Melbourne Water and Coliban Water's efforts to introduce a new ESO for high value waterways (covering Deep Creek and the Upper Coliban).

Review MRSC's Property Management Plan template & guidelines required for planning permits to ensure they place significant emphasis on biodiversity enhancement and expected minimum standards (e.g. protecting remnant vegetation, pest plant and animal control, revegetation, wildlife friendly fencing).

As part of the planning permit process, continue to utilise Section 173 agreements where appropriate to protect significant native vegetation to ensure protection into perpetuity.

Review the local policy content within the Macedon Ranges Planning Scheme to include the policy directions outlined in the strategy.

RMCG undertook the assessment of areas with significant native vegetation currently in the Farming Zone and recommended three areas for rezoning to Rural Conservation Zone:

INVESTIGATION AREAS FOR REZONING TO RCZ

The Biodiversity Strategy identified four investigation areas where it was considered there was a mis-match between the land's environmental characteristics and its inclusion in the Farming Zone. An assessment of these areas recommended that three of the investigation areas be rezoned to Rural Conservation Zone. The policy recommendations for each investigation area are summarised here:

Lauriston Investigation Area (Figure 15).

The environmental and land use and development outcomes desired for land within the Lauriston Investigation Area include:

Primary purpose is to function as a biolink

Agriculture and dwelling development will be ancillary to the primary environmental purpose

To achieve this planning policy should:

Prevent vegetation removal

Prevent agricultural uses of land with intact native vegetation.

Facilitate vegetation and enhancement as part of preparation of land management plans.

The following suite of policy controls and actions is therefore recommended:

Rural Conservation Zone to facilitate assessment and control of agriculture

Vegetation Protection Overlay to increase permit triggers for native vegetation removal and facilitate rehabilitation through preparation of land management plans

Implement actions recommended in the Biodiversity Strategy for the Upper Coliban Biolink.

Carlsruhe Investigation Area (Figure 16)

The environmental and land use and development outcomes desired for land within the investigation area include:

Primary purpose is to function as a biolink

Agriculture and dwelling development will be ancillary to the primary environmental purpose

To achieve this planning policy should:

Prevent vegetation removal

Prevent agricultural uses of land with intact native vegetation.

Facilitate vegetation and enhancement as part of preparation of land management plans.

The following suite of policy controls and actions is therefore recommended:

Conservation Zone to facilitate assessment and control of agriculture

Vegetation Protection Overlay to increase permit triggers for native vegetation removal and facilitate rehabilitation through preparation of land management plans

Implement actions recommended in the Biodiversity Strategy for strategic habitat biolinks and the Cobaw Biolink.

Glenhope Investigation Area (Figure 17).

The environmental and land use and development outcomes desired for land within the investigation area include:

Primary purpose is to function as a biolink

Agriculture and dwelling development will be ancillary to the primary environmental purpose

To achieve this planning policy should:

Prevent vegetation removal

Prevent agricultural uses of land with intact native vegetation.

Facilitate vegetation and enhancement as part of preparation of land management plans.

The following suite of policy controls and actions is therefore recommended:

Rural Conservation Zone to facilitate assessment and control of agriculture
Vegetation Protection Overlay to increase permit triggers for native vegetation removal and facilitate rehabilitation through preparation of land management plans

Implement actions recommended in the Biodiversity Strategy for strategic habitat biolinks and the Cobaw Biolink.

KEY FINDINGS

Macedon Ranges has recently completed a Biodiversity Strategy which identifies a number of policy and planning initiatives. Assessment of investigation areas for rezoning from Farming Zone to Rural Conservation Zone have been identified and should be progressed through the preparation of the Rural Land Use Strategy. Other recommendations that should be progressed or acknowledged by the Rural Land Use Strategy include:

Undertake further investigations to revise Council's current VPOs and apply new VPOs for Scoria Cone Woodland and Plains Sedgy Wetland Vegetation communities as outlined in this strategy

Support Melbourne Water and Coliban Water's efforts to introduce a new ESO for high value waterways (covering Deep Creek and the Upper Coliban).

As part of the planning permit process, continue to utilise Section 173 agreements where appropriate to protect significant native vegetation to ensure protection into perpetuity.

FIGURE 15: LAURISTON INVESTIGATION AREA (BOUNDARIES OF CANDIDATE RURAL CONSERVATION ZONE SHOWN AS DOTTED YELLOW LINE)

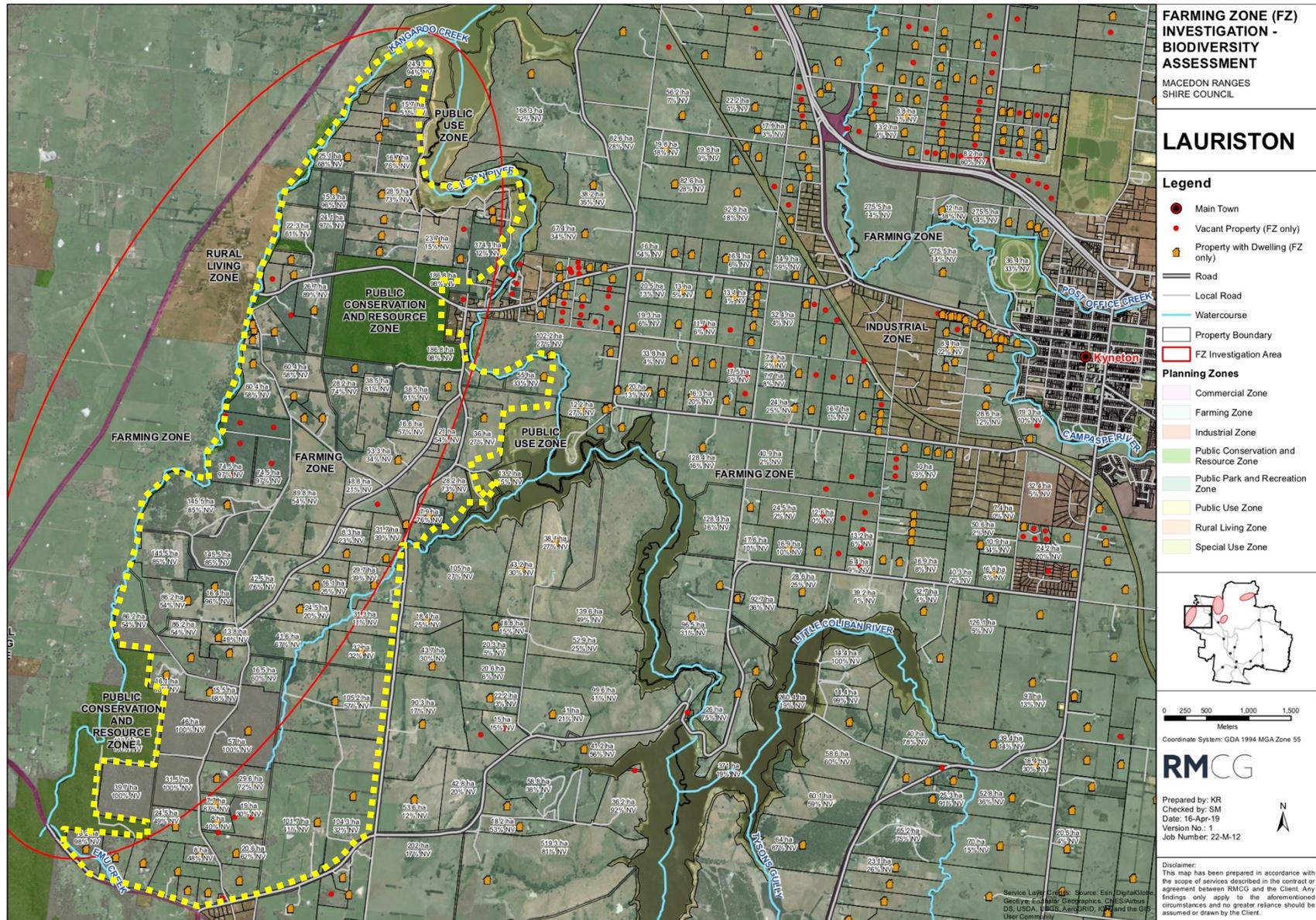
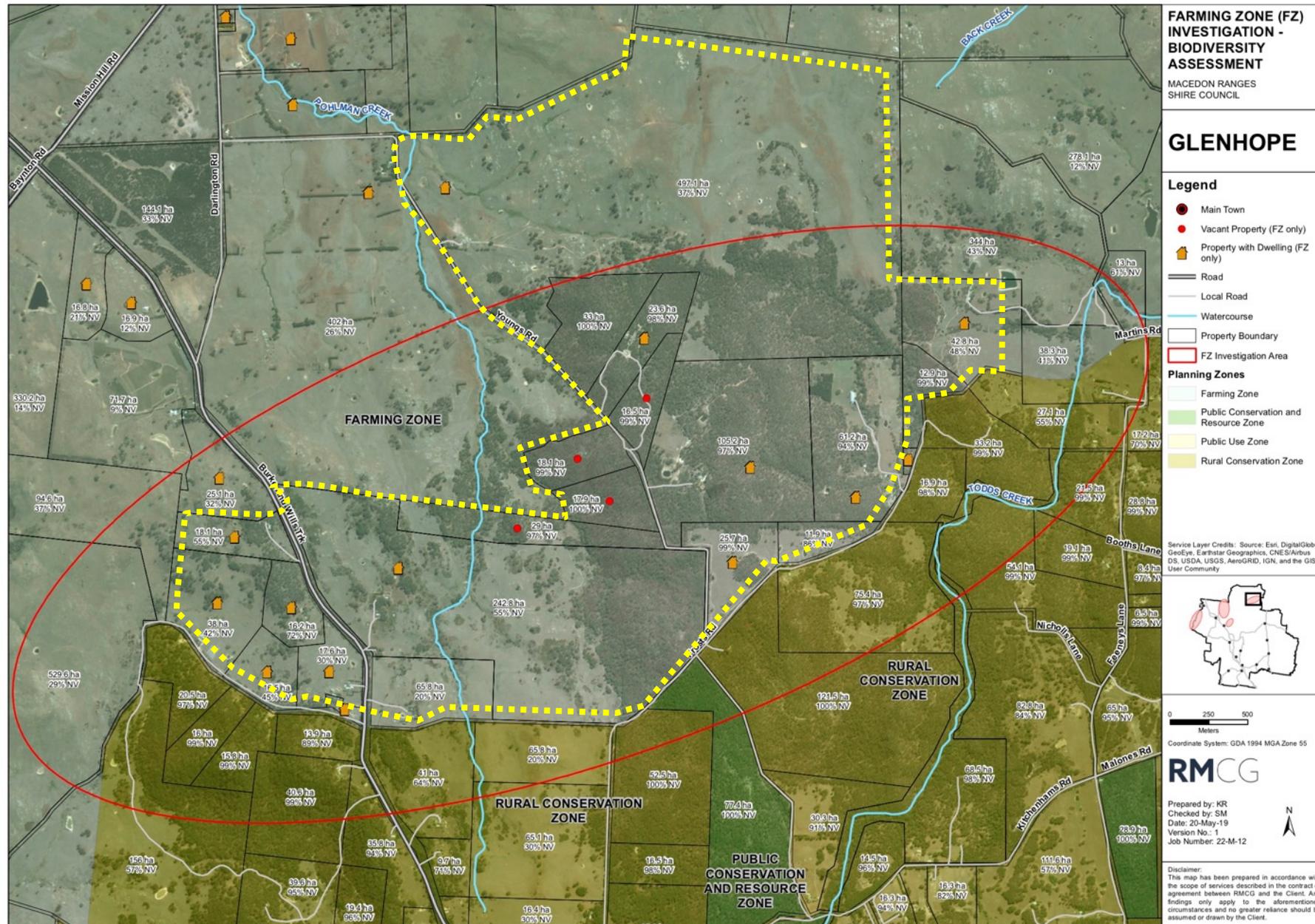


FIGURE 16: CARLSRUHE INVESTIGATION AREA (BOUNDARIES OF CANDIDATE RURAL CONSERVATION ZONE SHOWN AS DOTTED YELLOW LINE)



FIGURE 17: GLENHOPE INVESTIGATION AREA (BOUNDARIES OF CANDIDATE RURAL CONSERVATION ZONE SHOWN AS DOTTED YELLOW LINE)



6 Land Use

AGRICULTURE

A detailed review of agriculture in Macedon Ranges Shire is provided in the Farming Zone Research and Investigation Report and included agricultural uses within the Rural Conservation Zone. The key findings are summarised here.

Agriculture is a small economic sector that plays a significant role in the landscape character and identity of Macedon Ranges and its attraction as a tourism destination. While the sector contracted up until 2006, it has steadied with stronger livestock prices, and livestock businesses are optimistic about the industry's future in the Shire and are investing in business improvements. Viticulture and the equine industry have increased in importance over the last 15 years. While expansion of vineyard plantations is likely to be limited, there is opportunity for value-add in the form of tourism activities, noting however that some activities fall within the definition of place of assembly and are therefore prohibited in the Rural Conservation Zone. The equine industry is also optimistic that there is opportunity for further industry growth in breeding and husbandry, as well as horse education, training and services.

The future of the industry in Macedon Ranges faces a number of challenges:

- Rapid change in land use and the flow on effect on land prices has and will constrain industry investment and expansion

- Along with fragmentation, land use change has resulted in traditional broadacre farming contracting to the northern and eastern parts of the Shire and a trend towards production of high value or premium commodities such as superfine wool.

- Rural land use conflict at the neighbour and landscape scale is hampering farm operation and increasing farm running costs

- Investment in industry infrastructure and farm services has not kept pace with industry needs (e.g. road widths for moving farm machinery, farm supplies, farm machinery repair, banking and insurance services)

There is industry optimism and opportunity for growth through:

- Value adding to primary production

- Alternative farming models such as land leasing, production of high value, specialised products, diversification and intensification of production.

There is an opportunity to support agriculture with additional policy support by clearly identifying locations where commercial scale agriculture will be supported over rural lifestyle or hobby farming. Council will also need to consider non-policy responses such as:

- Infrastructure planning to accommodate a range of users

- Education and capacity building of rural landholders

- Incentives to encourage optimal and productive land management.

The landholder survey found that while there is general support for agriculture, there is little commercial scale agriculture in the Rural Conservation Zone, with most properties being used for a rural residential purpose. Some respondents identified challenges of farming in Macedon Ranges including financial constraints and conversion of farming land to rural residential use. Five respondents commented that the RCZ was restricting agriculture.

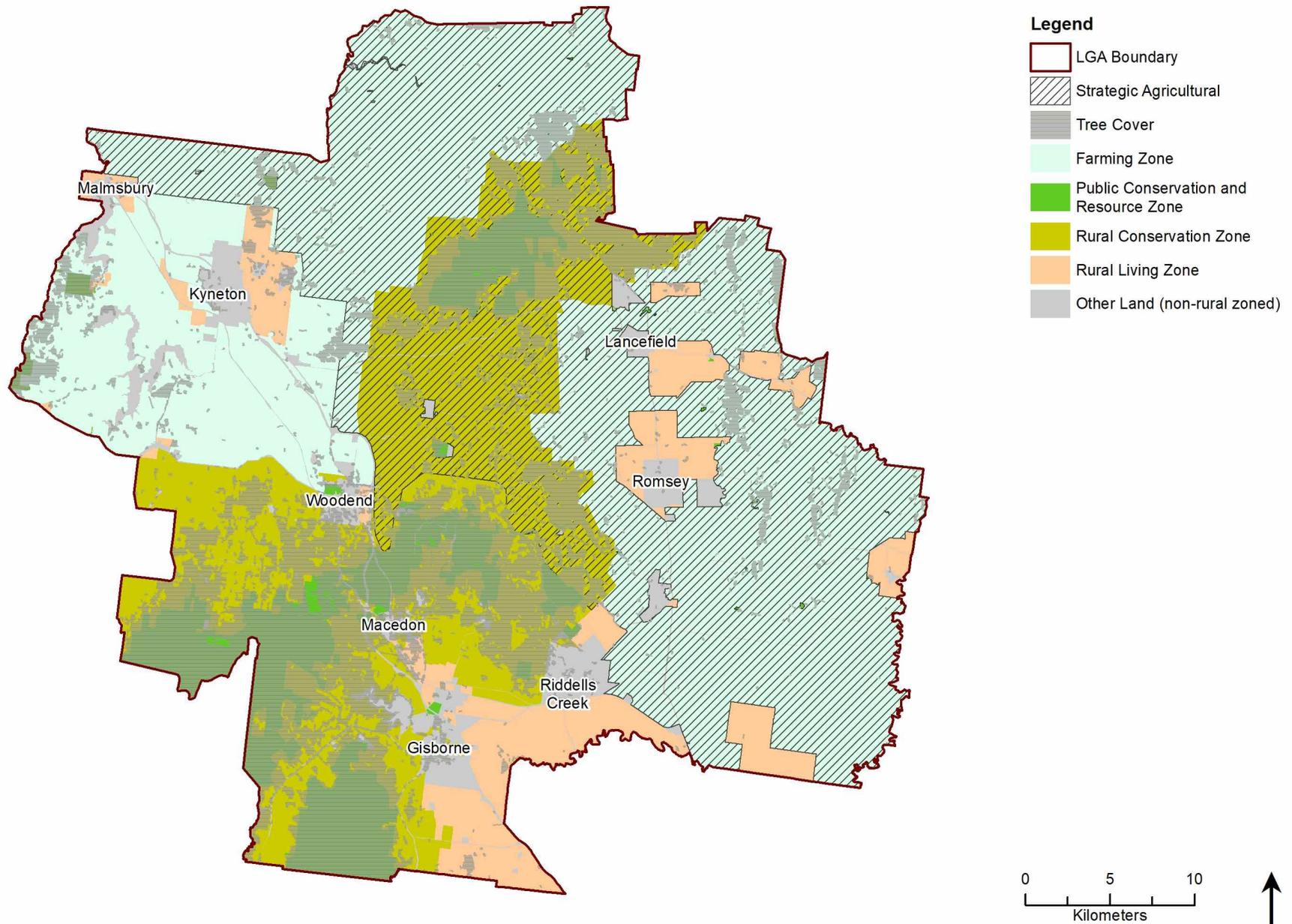
Agriculture in the Rural Conservation Zone is mixed and includes hobby farms and commercial scale farming. Commercial scale farming is mainly undertaken in northern parts of the Shire on larger holdings.

FARMLAND OF STRATEGIC SIGNIFICANCE

State policy requires protection of productive farmland that is of local or regional strategic significance. The Planning Practice Note: Applying the Rural Zones defines productive agricultural land as generally having one or more of the following characteristics: suitable soil type, suitable climate, suitable agricultural infrastructure and present pattern of subdivision favourable for sustainable agricultural production. An assessment of farmland of strategic significance in the Rural Conservation Zone and Farming Zone was undertaken and documented in the Farming Zone Research and Investigation Report. Mapping of Farmland of Strategic Significance is shown in

The mapping shows that there is land within the Rural Conservation Zone that is Farmland of Strategic Significance. The mapping will inform the review of the boundaries of the Rural Conservation Zone in Chapter 8.

FIGURE 18: FARMLAND OF STRATEGIC SIGNIFICANCE



TOURISM

A detailed review of tourism in Macedon Ranges is provided in the Farming Zone Research and Investigation Report and included tourism uses within the Rural Conservation Zone. The key findings included:

Tourism is an important economic sector in Macedon Ranges based primarily on the area's natural attractions including Mount Macedon, Hanging Rock, attractive rural landscapes, outdoor recreation and paddock to plate experiences. There is an opportunity to grow the rural tourism sector and diversify the tourism offer and value add to agriculture and established attractions such as Mount Macedon and Hanging Rock.

Tourism development should generally be focused in areas that align with established tourism attractions and nodes.

Review of planning permits granted for tourism in the Rural Conservation Zone shows that most have been for accommodation (Figure 19) around Mount Macedon and Hanging Rock. Currently, the planning scheme provides limited guidance on appropriate locations for accommodation uses in the rural areas of the Shire. While the landholder survey found that tourism was generally supported in the Rural Conservation Zone, respondents mostly felt that it should not occur at the expense of biodiversity environmental or landscape values.

KEY FINDINGS

The landholder survey suggests that rural lifestyle or environmental living is the dominant land use in the Rural Conservation Zone. This is consistent with the recommendations of the 2002 Rural Land Review, planning scheme objectives and rural framework plan. Agriculture in the Rural Conservation Zone appears to comprise mainly hobby or part-time farms and accommodation appears to be the main tourism activity. Larger holdings and commercial scale agriculture is confined mainly to northern parts of the Shire.

There is land in the Rural Conservation Zone that is Farmland of Strategic Significance. Mapping of Farmland of Strategic Significance will inform the review of the boundaries of the Cobaw Biolink and Rural Conservation Zone Schedule 2.

There is an opportunity to improve the planning scheme performance with tourism and assist landholders by providing greater clarity regarding non-discretionary suitable for the Rural Conservation Zone and clarification of the circumstances and locations where these uses may or may not be supported.

LANDHOLDER SURVEY

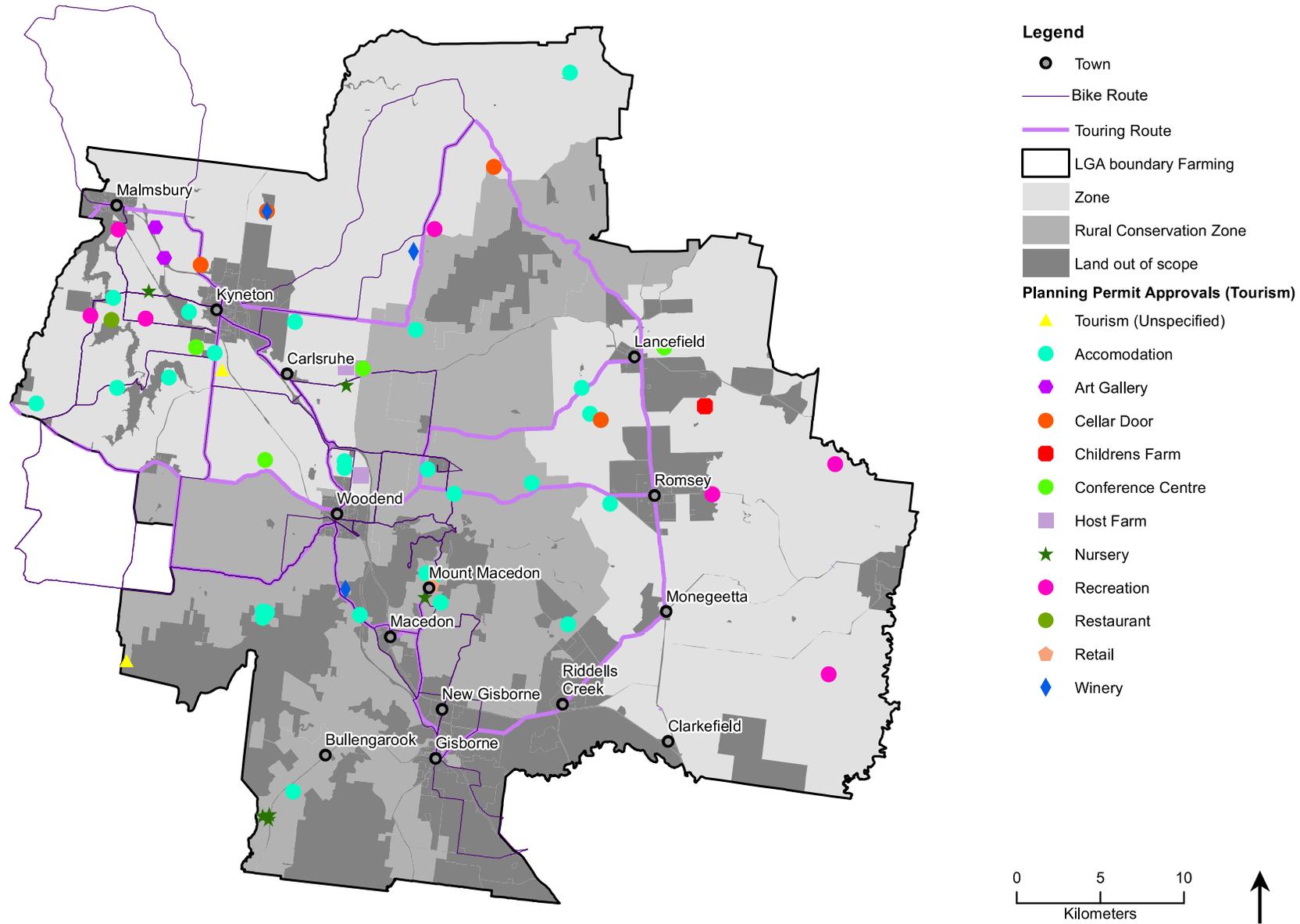
18% of respondents earn agricultural or other business income from their land: 76% from livestock; 26% from hay and silage; 12% from tourism accommodation

61% of respondents do not farm their land and most managed their land themselves

70% of respondents earning business income from their land earned less than \$50,000 from their land in the last financial year.

59 respondents were considering a new or expansion of an existing business including: agriculture, accommodation, wedding reception venue; winery.

FIGURE 19: TOURISM PLANNING PERMITS



7 Bushfire and Water Supply Catchments

BUSHFIRE AND WATER SUPPLY CATCHMENTS

A detailed review of bushfire and water supply catchments is provided in the Farming Zone Research and Investigation Report. Additional findings relevant to the Rural Conservation are summarised here.

Macedon Ranges straddles the top of Dividing Range and a large proportion of the rural areas lie within Designated Water Supply Catchments. These catchments are protected under the Catchment and Land Protection Act 1994. Development in rural areas can impact water quality and stream inflows. Planning permit applications in rural areas are commonly referred to the responsible land management authority. Referral authorities include: Western Water, Goulburn Murray Water, Southern Rural Water, Coliban Water, Melbourne Water, Port Phillip and Westernport Catchment Management Authority and North Central Catchment Management Authority. The review of the policy context in Chapter 4 of this report found the current policies within the Macedon Ranges contain clear support for water quality protection. Coliban Water has been preparing the Upper Campaspe Integrated Catchment Management Plan which includes recommendations for a number of catchment protection measures and preparation of an Environmental Significance Overlay for the Upper Campaspe Catchment.

There is a long history of bushfire in Macedon Ranges and high risk areas are identified in regional bushfire assessment and the Bushfire Management Overlay. While these are operating effectively from a planning perspective, bushfire prevention practices of rural landholders are not uniformly optimal. Absentee landholders and inexperienced rural landholders, anecdotally do not understand their responsibilities or have the skills and knowledge to ensure adequate standards of fire prevention. Council will need to consider non-policy responses such as:

- Education and capacity building of rural landholders
- Incentives to encourage optimal land management for fire prevention.

LANDHOLDER SURVEY

84% of respondents commonly undertake fire preparedness

82% undertake weed control

48% engaged in protection of native vegetation

Respondents that earned income from the land were marginally more likely to engage in fire preparedness and weed control and significantly more likely to be engaged in all other land management practices than those not earning business income from the land

Respondents that do not earn business income from the land rated the equipment required a greater challenge to implementing best practice land management

KEY FINDINGS

Macedon Ranges straddles the top of Dividing Range and a large proportion of the rural areas lie within Designated Water Supply Catchments. The current policies contain clear support for water quality protection. The Upper Campaspe Integrated Catchment Management Plan includes recommendations to improve catchment protection. The Rural Land Use Strategy should align with and support the Plan recommendations.

Good rural land management practices are essential in reducing the risk of bushfire. Council will need to consider non-policy responses such as education and capacity building of rural landholders and incentives to encourage optimal land management targeting absentee and inexperienced rural landholders.

8 Review of RCZ boundaries

BACKGROUND

The Cobaw Biolink first appeared in the 2002 Rural Land Review as a broad area between the Macedon Ranges and Cobaw Ranges (Figure 20) and was identified on the basis of broadscale mapping of native vegetation (Figure 21). The Review stated that the boundaries of the ERZ precincts would be refined through a more detailed mapping process.

The 2004 Planning Panel report recommended that, while the Cobaw Biolink concept was strongly supported, the zone boundaries be modified to respond to the variety of land uses, lot sizes, extent of existing vegetation, preferred area for revegetation and potential impacts on the productive use of agricultural land and potential wildfire implications and threat and that a Cobaw Biolink Implementation Strategy be prepared as a supporting action. Neither of these recommendations were undertaken. This section of the report sets out the review of the Cobaw Biolink boundaries.

POLICY CONTEXT

The policy context for the Cobaw Biolink comprises:

21.03-3 Strategic framework plans – The rural framework plans identifies the Cobaw biolink with the objective to:

Establish a biolink between the areas of significant vegetation of the Macedon and Cobaw Ranges. Housing that provides revegetation and environmental improvement works will be permitted in these areas to achieve this environmental goal.

21.05-1 Biodiversity and native vegetation management

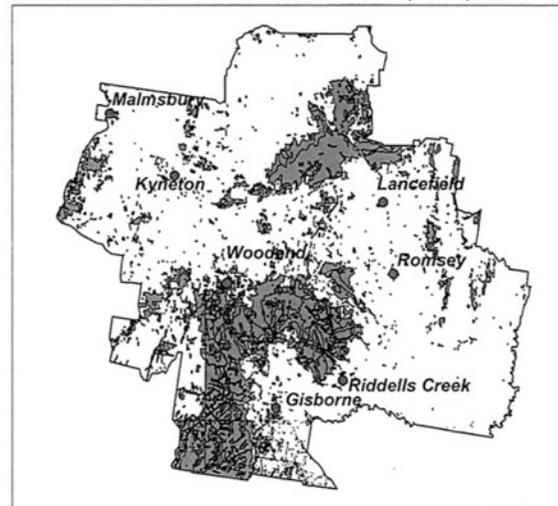
Council aims to establish a biolink between areas of significant vegetation in the Macedon and Cobaw Ranges – the Cobaw biolink - as the first stage of a progressive program to establish a coordinated network of biolinks. The protection and enhancement of native vegetation and habitat in residential development will be used as a tool to achieve this environmental goal.

Develop a substantial biolink between the Macedon and Cobaw Ranges in the area identified as 'Cobaw biolink' in Clause 21.03-3 Rural Framework Plan and protect the character and landscapes of the area by:

FIGURE 20: ENVIRONMENTAL RURAL ZONE PRECINCTS, 2002 RURAL LAND REVIEW



FIGURE 21: VEGETATION COVER (1992), 2002 RURAL LAND REVIEW



Source: DNRE Ecological Vegetation Classes (1:100)

Encouraging revegetation in locations where it can best contribute to the Cobaw biolink.

Specific implementation

Apply the Rural Conservation Zone to parts of the Cobaw Biolink that are environmentally constrained or sensitive, particularly private land with remnant vegetation.

Apply the Vegetation Protection Overlay to maintain and enhance wildlife corridors (VPO6) and the Cobaw Biolink (VPO8).

Develop programs (such as the Cobaw biolink) and partnerships to protect the Shire's biodiversity values, on both Council-managed and private land.

Develop and implement programs to facilitate linking significant areas of vegetation.

Require environmental improvement works in approvals for dwelling construction or land subdivision to contribute to local environmental goals, as appropriate.

Limit residential development on existing lots will only be permitted in the Cobaw biolink areas where revegetation and environmental improvement works will achieve positive environmental outcomes.

Application requirements

A comprehensive assessment demonstrating that the lot can support a dwelling, associated infrastructure and appropriate fire protection buffers without requiring the removal or destruction of existing native vegetation.

An environmental management plan for new use and development. This may be registered by the responsible authority as part of an application for subdivision, use or development of land.

An application to use, develop or subdivide land or carry out works in the Cobaw biolink area must be accompanied by the following information, as appropriate:

Proposals for a dwelling must include plans for revegetation of an area of 1 hectare or 10 per cent of the property area, up to 5 hectares, whichever is greater. This requirement may not apply if the property already contains 5 hectares of remnant native vegetation that can be incorporated into the biolink.

Revegetation species to the satisfaction of responsible authority.

An ongoing management plan for revegetated areas or areas of remnant native vegetation. This ongoing management plan may provide for weed management and fencing. This management plan may be tied to the property through a Section 173 Agreement.

Decision guideline

When deciding on an application to use, develop or subdivide land, the responsible authority may consider whether on-property works are required to enhance existing native vegetation, as appropriate. These works may include fencing of remnant vegetation, revegetation of critical areas such as contributing to vegetation links or enhancing the sustainability of existing stands.

Clause 21.09-2 Rural residential:

Encourage re-subdivision of lots within the Cobaw biolink area identified on the Rural Framework Plan at Clause 21.03-3 only where the proposed development will not compromise existing native vegetation.

Encourage consolidation of lots within the Cobaw biolink area only where the proposed development will not compromise existing native vegetation.

Rural Conservation Zone Schedule 2

The zones and overlays that apply to land within the broader Cobaw Biolink area are shown in Figure 22.

The Rural Conservation Zone Schedule 2 – Conservation Values (40 ha minimum lot size for subdivision) has been applied to land to:

- Contribute to the existing remnant native vegetation to create a bio link between the Macedon and Cobaw Ranges.
- Protect the character and landscape of the area.
- Achieve sustainable agricultural practice.

VPO Schedule 8 – Cobaw Biolink Identifies areas with remnant vegetation to ensure its protection and contribution to the establishment of the biolink. The main effect of the Overlay is to protect existing vegetation through the requirement for a planning permit to remove, destroy or lop vegetation. Before deciding on an application, Council must consider:

The need to protect all native vegetation in this area to pursue the “Cobaw Biolink” vision.

The relative value of the vegetation in terms of the surrounding vegetation community and at a regional level.

The threat of soil erosion and land slip resulting from loss of vegetation.

The need to locate access roads across slope to minimise visual intrusion of the road on land where slope is greater than 20 per cent.

The Environmental Significance Overlays that apply to land include:

ESO Schedule 4 – Eppalock Proclaimed Catchment – identifies land within the Eppalock Water Supply Catchment and seeks to maintain the catchment water quality and water yield

ESO Schedule 5 – Other water supply catchment – identifies other supply catchment areas and seeks to maintain the catchment water quality and water yield.

The Bushfire Management Overlay also applies to land within the Biolink.

The policy context has a heavy focus on protection of existing native vegetation. Increasing ecological connectivity through vegetation enhancement and establishment is achieved primarily through the zone schedule. Schedule 2 to Rural Conservation Zone states:

Conservation values:

- Contribute to the existing remnant native vegetation to create a bio link between the Macedon and Cobaw Ranges.
- Protect the character and landscape of the area.
- Achieve sustainable agricultural practice.

BOUNDARY REVIEW

Land in the Rural Conservation Zone Schedule 2 within the Cobaw Biolink was reviewed against the following criteria:

Land use

Extent of existing vegetation and biodiversity values

Lot / property size

Potential impacts on the productive use of agricultural land

Potential wildfire implications

LAND USE

Land use within the Cobaw Biolink (Figure 22, Figure 23)

Is predominantly broadacre grazing.

Falls within the Macedon Ranges Wine Region

Rural /environmental living is found off Three Chain Road and along Dons Road and a cluster tourism uses such as accommodation, Christmas tree farm and wineries are located along Romsey Road around Hesket.

NATIVE VEGETATION AND BIODIVERSITY

Intact and extensive vegetation patches are found on roadsides, the foothills of the Cobaw State Forest and between Deep Creek, Hennebergs Road and Three Chain Road (Figure 23). Shire-wide mapping of biodiversity values (Figure 24) for the Biodiversity Strategy highlights that there is native vegetation identified by modelling to be of high conservation values and sightings of Threatened Species have been recorded in the area. There is no evidence or data to determine if the extent of native vegetation is increasing or decreasing or whether the quality of the native vegetation is improving or declining.

LOT AND PROPERTY SIZE

There is a mix of lot sizes throughout the Cobaw Biolink area (Figure 25). There are clusters of lots under 4ha that are used for rural /or environmental living and these are mostly in single ownerships (Figure 26). Most lots are over 20ha in area and many larger are held as part of larger properties over 40ha in area.

PRODUCTIVE USE OF AGRICULTURAL LAND

Land within the Cobaw Biolink has been mapped as Strategic Agricultural Land associated with its pattern of lots, land capability and inclusion in an Industry Cluster (Figure 27). The area also falls within the Macedon Ranges Wine Region and there a number of wineries in the area.

POTENTIAL WILDFIRE IMPLICATIONS

The Bushfire Management Overlay has been applied to land adjoining the Cobaw Range and Macedon Regional Park within the Cobaw Biolink (Figure 22).

KEY FINDINGS

There is land within the Cobaw Biolink that is predominantly cleared, being used for livestock grazing, held in larger lots and properties and falls within land identified as Strategic Agricultural Land. A suite of overlays ensures that new development is consistent with the environmental objectives of the area, in particular protection of native vegetation and water supply catchments. It is recommended this land is rezoned from Rural Conservation Schedule 2, to Farming Schedule 1. The objectives of the Farming Zone better aligns with the current land use, agricultural attributes and preferred outcomes which includes agriculture and enhancement of the Cobaw Biolink. . Rezoning should be accompanied by introduction of an Environmental Significance Overlay that applies to the area incorporates objectives, strategies, application requirements and decision guidelines set out in Clause 21.05-1 Biodiversity and native vegetation management to ensure development contributes to enhancement of native vegetation and ecological connectivity.

FIGURE 22: ZONES AND OVERLAYS

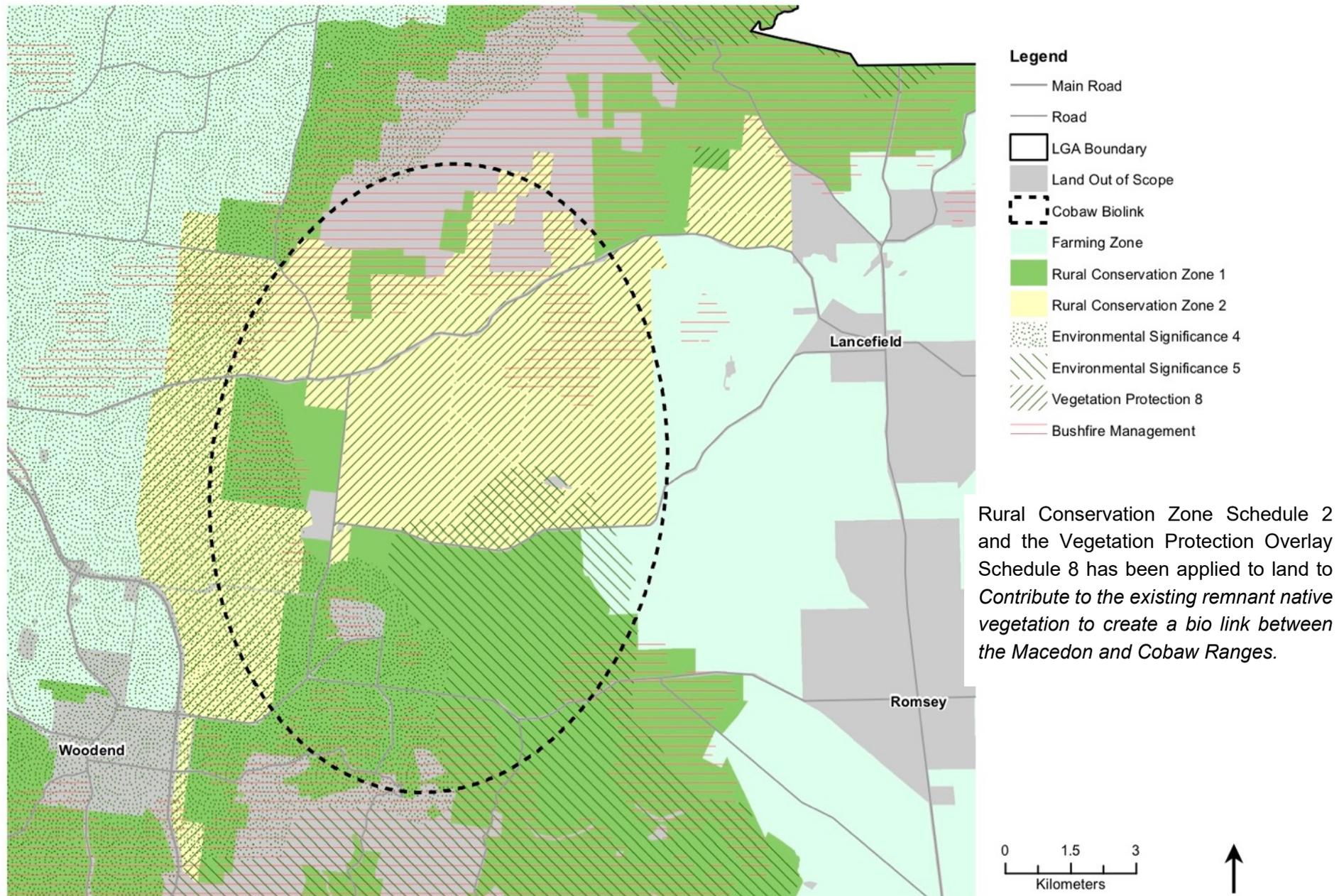
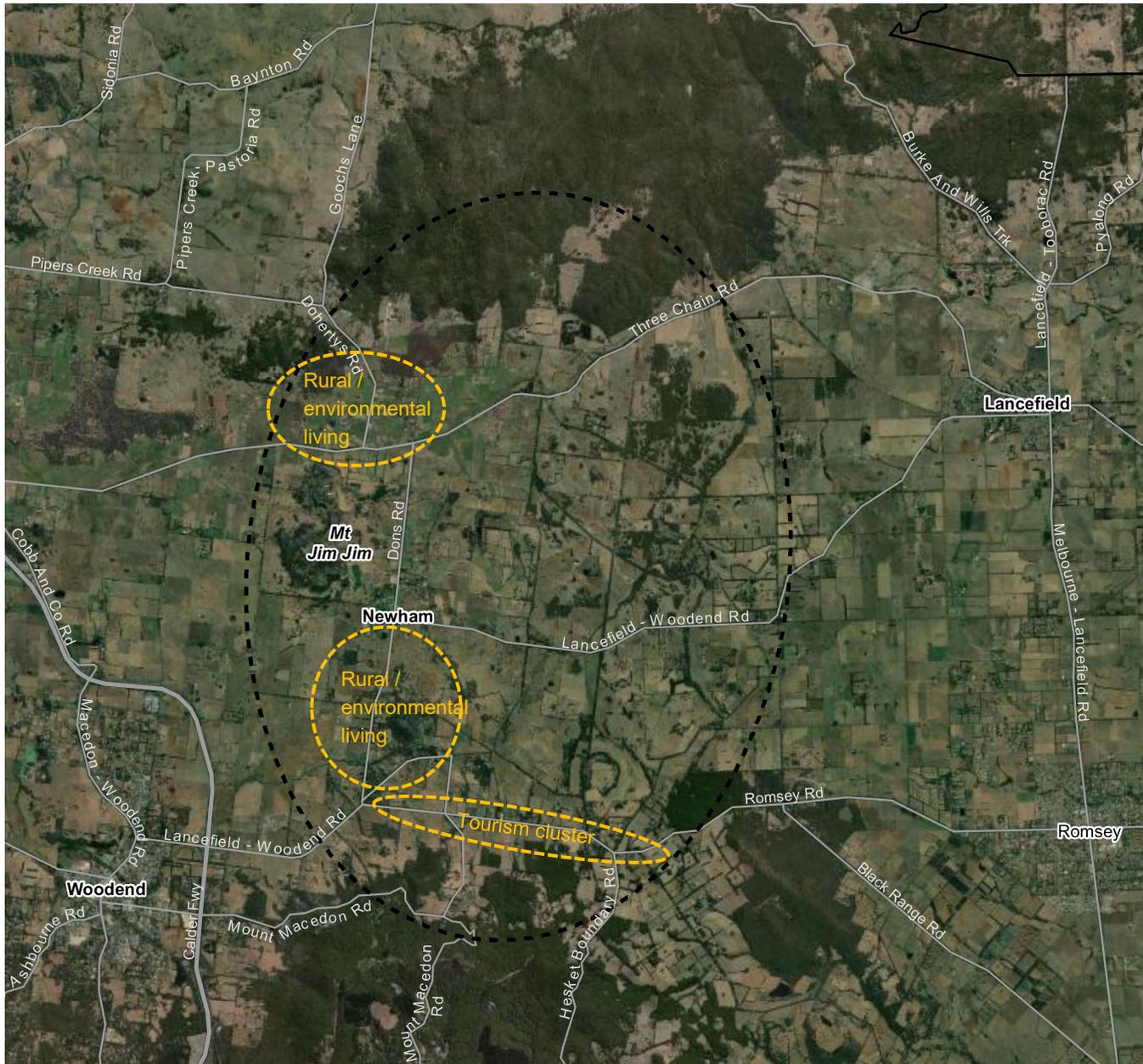


FIGURE 23: LAND USE



Land use is predominantly broadacre grazing with some rural / environmental living and tourism uses.

FIGURE 24: ABZECO MODELLED DISTRIBUTION OF HIGH CONSERVATION AREAS (BASED ON DELWP STRATEGIC BIODIVERSITY VALUE AND THREATENED SPECIES RECORDS (BIODIVERSITY STRATEGY))

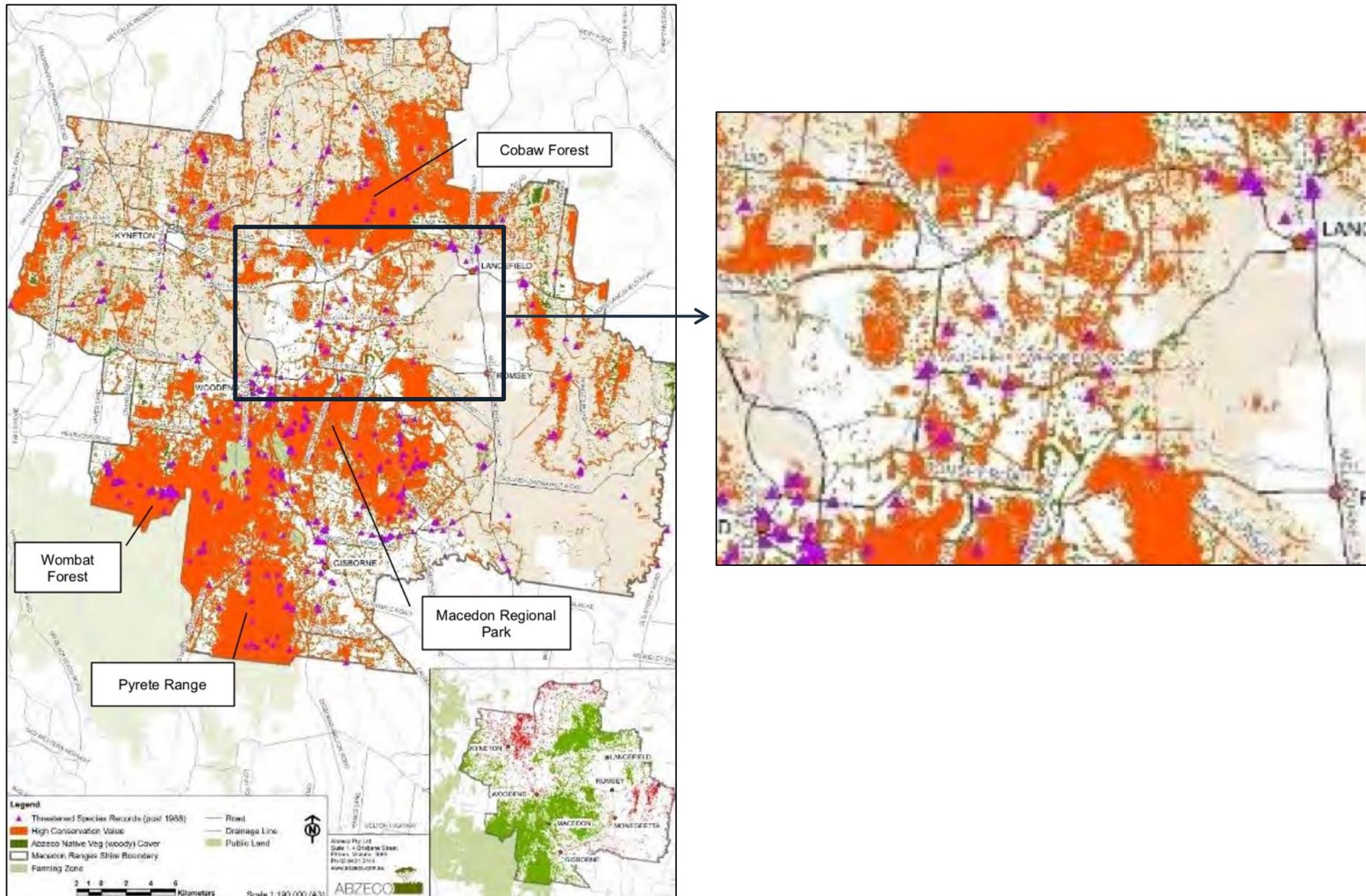
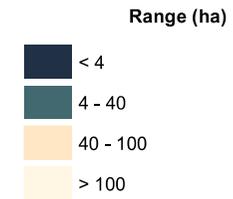
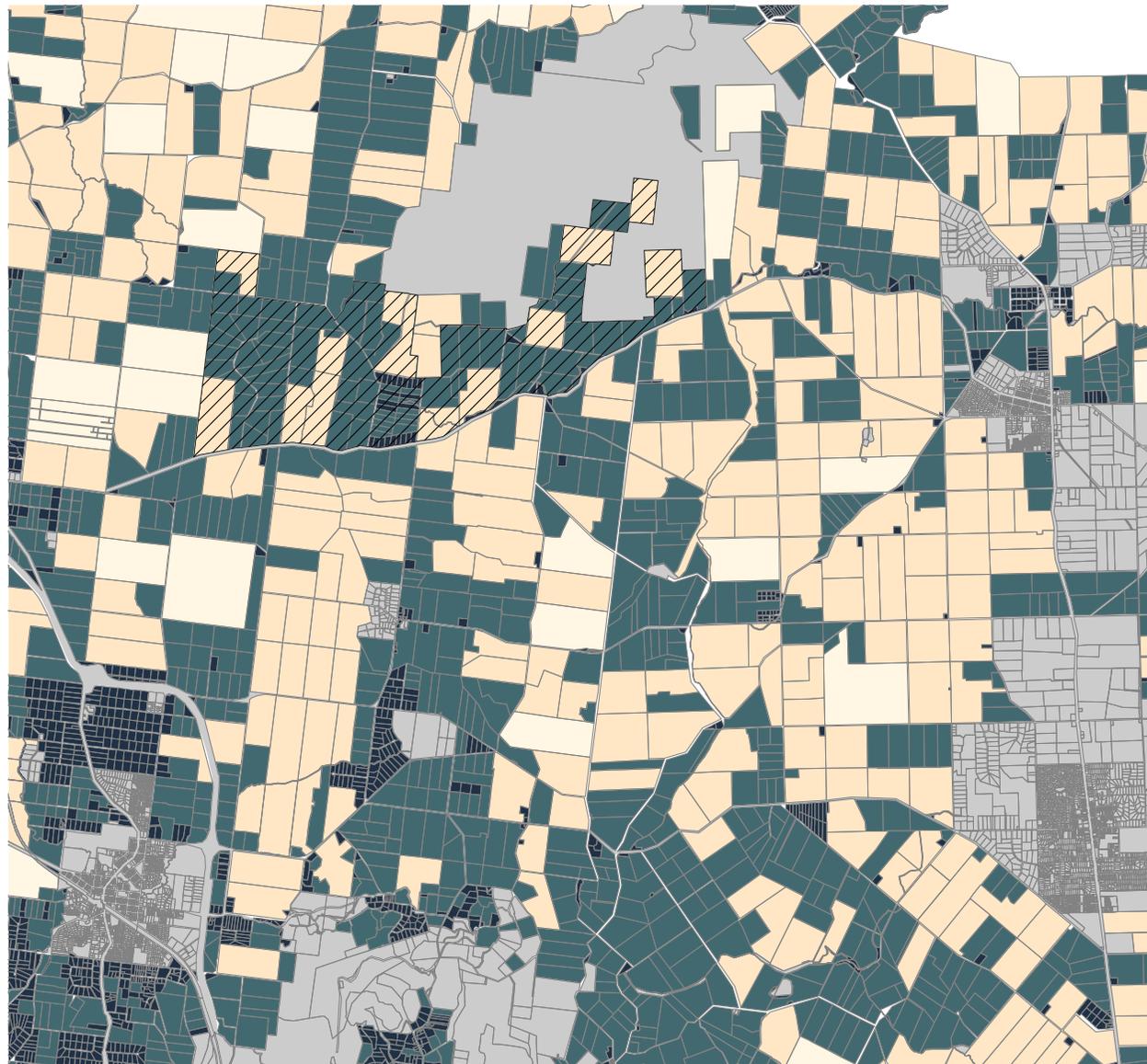


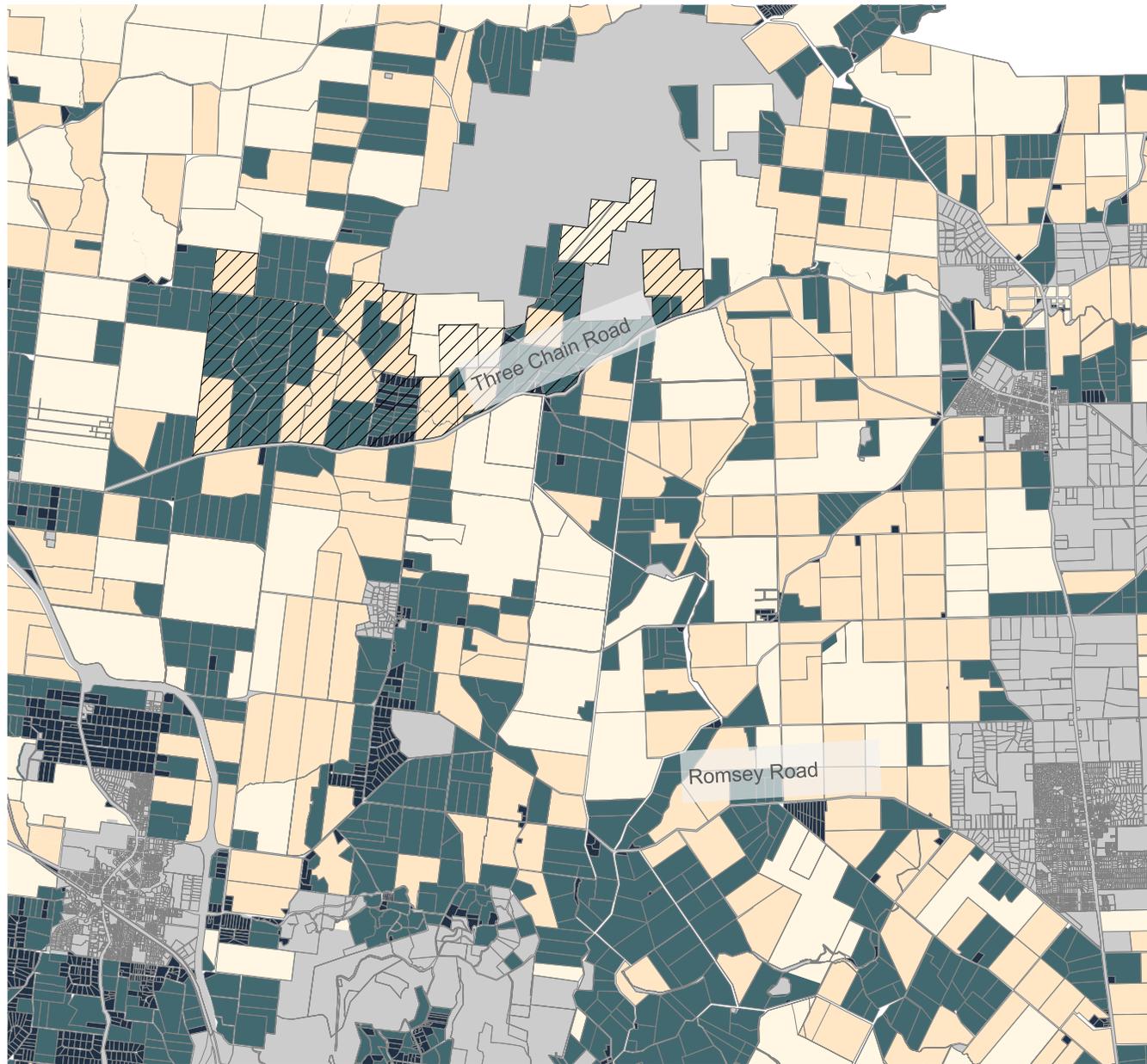
FIGURE 25: LOT SIZES



Lots under 4ha are clustered, and associated with rural / environmental living

Most lots are over 20ha in area

FIGURE 26:PROPERTY SIZES



Lots under 4ha are held in single ownership

Many larger lots, particularly between Three Chain Road and Romsey Road and held as part of larger properties

FIGURE 27: STRATEGIC AGRICULTURAL LAND

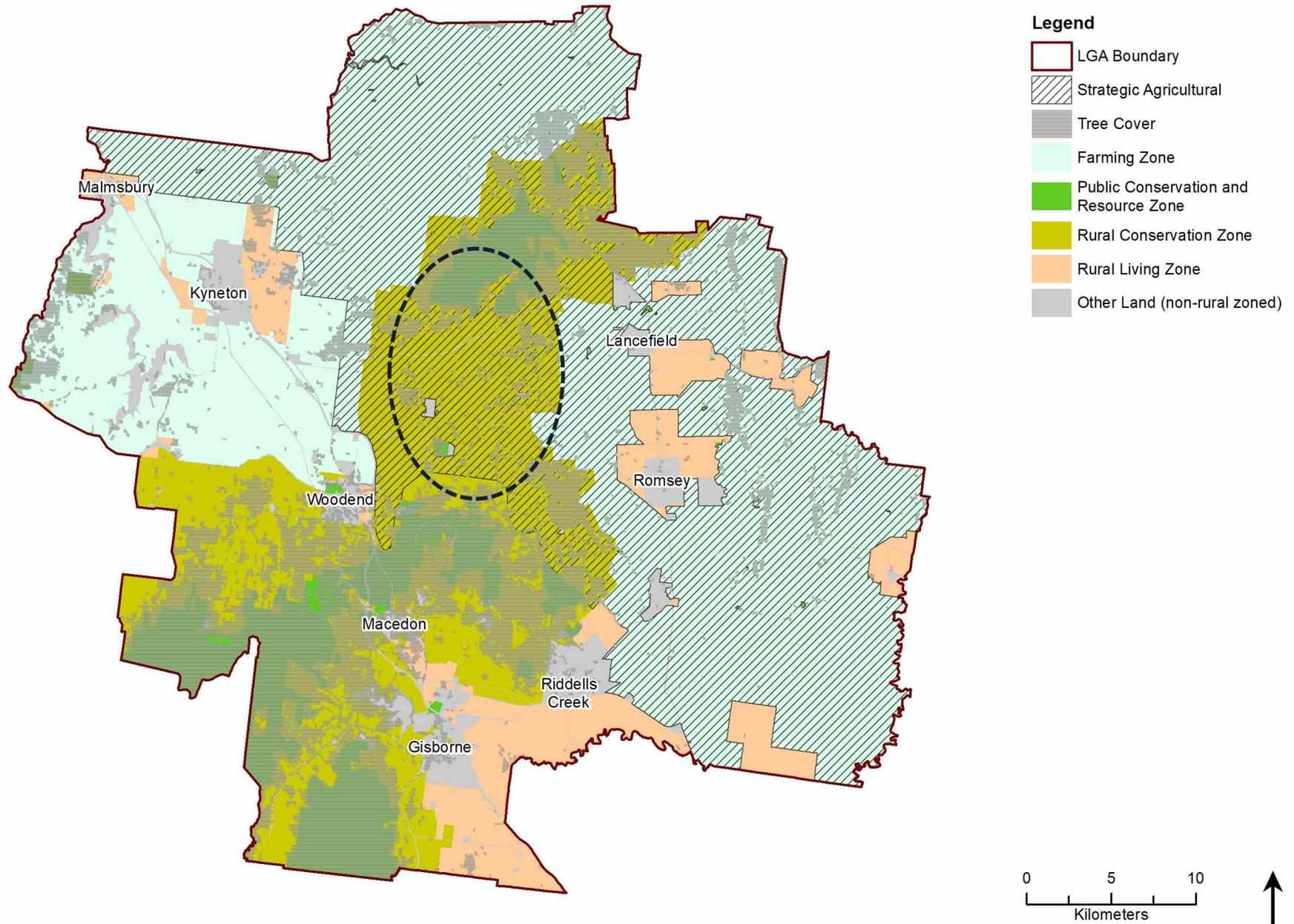
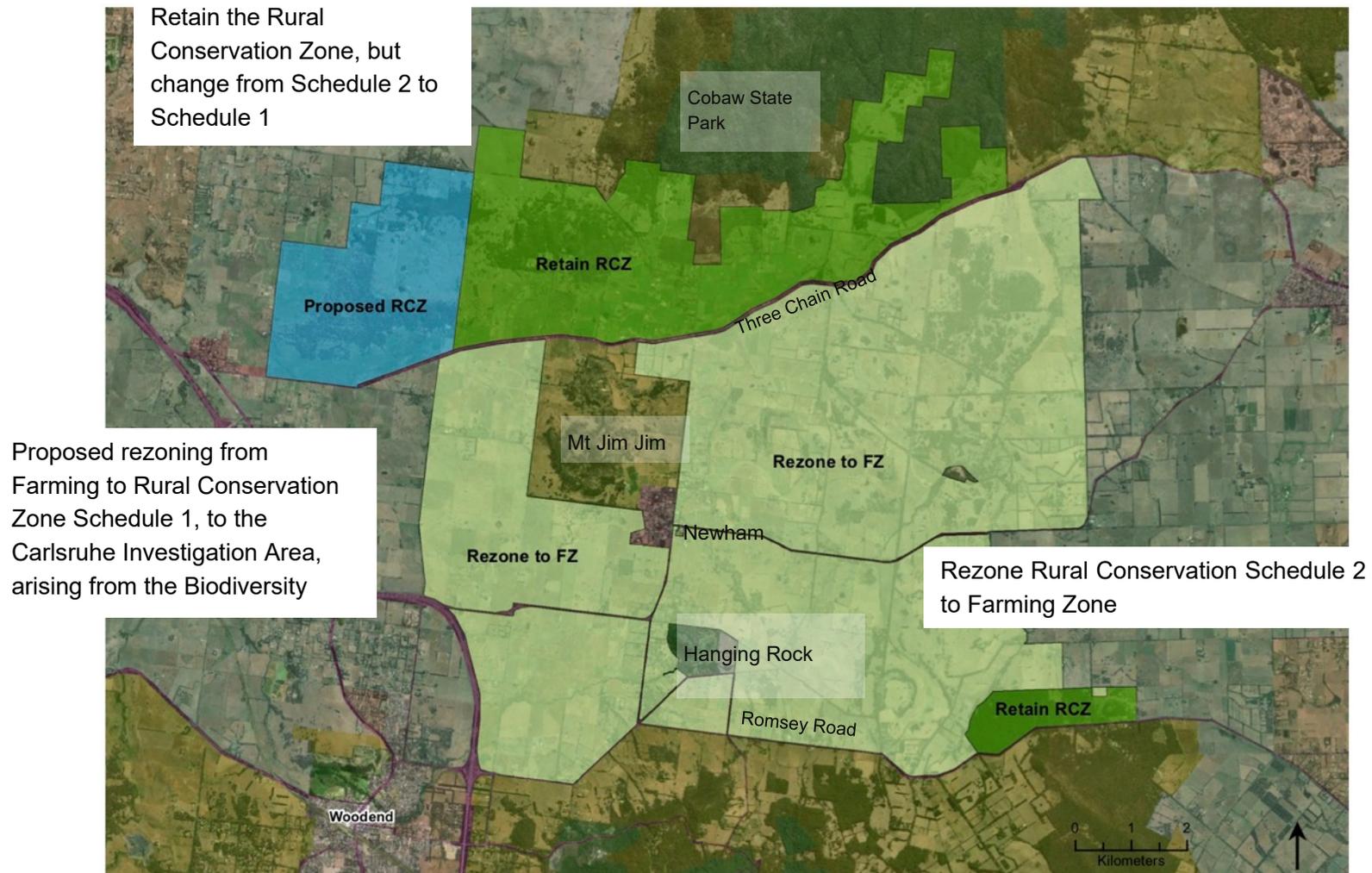


FIGURE 28: PROPOSED ZONING CHANGES



Appendix 1 – Policy context

11 SETTLEMENT

11.03-3S Peri-urban areas

Manage growth in peri-urban areas to protect and enhance their identified valued attributes.

Identify and protect areas that are strategically important for the environment, biodiversity, landscape, open space, water, agriculture, energy, recreation, tourism, environment, cultural heritage, infrastructure, extractive and other natural resources.

Provide for development in established settlements that have capacity for growth having regard to complex ecosystems, landscapes, agricultural and recreational activities in the area. These settlements include Gisborne and Kyneton.

Establish growth boundaries for peri-urban towns to avoid urban sprawl and protect agricultural land and environmental assets.

Enhance the character, identity, attractiveness and amenity of peri-urban towns.

Prevent dispersed settlement and provide for non-urban breaks between urban areas.

Ensure development is linked to the timely and viable provision of physical and social infrastructure.

Improve connections to regional and metropolitan transport services.

11.03-5S Distinctive areas of state significance

Protect and enhance the valued attributes of identified distinctive areas and landscapes by

Recognise the significant geographic and physical features of these areas.

Recognise the important role these areas play in the state as tourist destinations.

Protect the identified key values and activities of these areas.

Support use and development where it enhances the valued characteristics of these areas.

Avoid use and development that could undermine the long-term natural or non-urban use of land in these areas.

Protect areas that are important for food production.

Develop Localised Planning Statements for the Bellarine Peninsula, Macedon Ranges, Mornington Peninsula and the Yarra Valley and Dandenong Ranges.

11.03-6S Regional and local places

Facilitate integrated place-based planning by

Integrate relevant planning considerations to provide specific direction for the planning of sites, places, neighbourhoods and towns.

Consider the distinctive characteristics and needs of regional and local places in planning for future land use and development.

12 ENVIRONMENTAL AND LANDSCAPE VALUES

12.01-1S Protection of Biodiversity

Assist the protection and conservation of Victoria's biodiversity by

Use biodiversity information to identify important areas of biodiversity, including key habitat for rare or threatened species and communities, and strategically valuable biodiversity sites.

Strategically plan for the protection and conservation of Victoria's important areas of biodiversity.

Ensure that decision making takes into account the impacts of land use and development on Victoria's biodiversity, including consideration of:

- Cumulative impacts.
- Fragmentation of habitat.
- The spread of pest plants, animals and pathogens into natural ecosystems.

Avoid impacts of land use and development on important areas of biodiversity.

Consider impacts of any change in land use or development that may affect the biodiversity value of national parks and conservation reserves or nationally and internationally significant sites; including wetlands and wetland wildlife habitat designated under the Convention on Wetlands of International Importance (the Ramsar Convention) and sites utilised by species listed under the Japan-Australia Migratory Birds Agreement (JAMBA), the China-Australia Migratory

Birds Agreement (CAMBA), or the Republic of Korea-Australia Migratory Bird Agreement (ROKAMBA).

Assist in the identification, protection and management of important areas of biodiversity.

Assist in the establishment, protection and re-establishment of links between important areas of biodiversity, including through a network of green spaces and large-scale native vegetation corridor projects.

12.01-2S Native vegetation management

Ensure that there is no net loss to biodiversity as a result of the removal, destruction or lopping of native vegetation by:

Ensure decisions that involve, or will lead to, the removal, destruction or lopping of native vegetation, apply the three-step approach in accordance with the Guidelines for the removal, destruction or lopping of native vegetation (Department of Environment, Land, Water and Planning, 2017):

- Avoid the removal, destruction or lopping of native vegetation.
- Minimise impacts from the removal, destruction or lopping of native vegetation that cannot be avoided.
- Provide an offset to compensate for the biodiversity impact from the removal, destruction or lopping of native vegetation.

12.05-1S Environmentally sensitive areas

Protect and conserve environmentally sensitive areas by:

Protect environmentally sensitive areas with significant recreational value from development that would diminish their environmental conservation or recreational values. These areas include the Dandenong and Macedon Ranges, the Upper Yarra Valley, Western Port and Port Phillip Bay and their foreshores, the Mornington Peninsula, the Yarra and Maribyrnong Rivers and the Merri Creek, the Grampians, the Gippsland Lakes and its foreshore, the coastal areas and their foreshores, Alpine areas and nominated urban conservation areas, historic buildings and precincts.

12.05-2S Landscapes

Protect and enhance significant landscapes and open spaces that contribute to character, identity and sustainable environments by

Ensure significant landscape areas such as forests, the bays and coastlines are protected. Ensure development does not detract from the natural qualities of significant landscape areas.

Improve the landscape qualities, open space linkages and environmental performance in significant landscapes and open spaces, including green wedges, conservation areas and non-urban areas.

Recognise the natural landscape for its aesthetic value and as a fully functioning system.

Ensure important natural features are protected and enhanced.

13 ENVIRONMENTAL RISKS AND AMENITY

13.01-1S Natural hazards and climate change

Minimise the impacts of natural hazards and adapt to the impacts of climate change through risk-based planning by:

Consider the risks associated with climate change in planning and management decision making processes.

Identify at risk areas using the best available data and climate change science.

Integrate strategic land use planning with emergency management decision making.

Direct population growth and development to low risk locations.

Develop adaptation response strategies for existing settlements in risk areas to accommodate change over time.

Ensure planning controls allow for risk mitigation or risk adaptation strategies to be implemented.

Site and design development to minimise risk to life, property, the natural environment and community infrastructure from natural hazards.

13.02-1S Bushfire planning

Strengthen the resilience of settlements and communities to bushfire through risk-based planning that prioritises the protection of human life.

13.03-1S Floodplain management

Assist the protection of:

Life, property and community infrastructure from flood hazard.

The natural flood carrying capacity of rivers, streams and floodways.

The flood storage function of floodplains and waterways.

Floodplain areas of environmental significance or of importance to river health.

14 NATURAL RESOURCE MANAGEMENT

14.01-1S Protection of agricultural land

Protect the state's agricultural base by preserving productive farmland by

Identify areas of productive agricultural land, including land for primary production and intensive agriculture.

Consider state, regional and local, issues and characteristics when assessing agricultural quality and productivity.

Avoid permanent removal of productive agricultural land from the state's agricultural base without consideration of the economic importance of the land for the agricultural production and processing sectors.

Protect productive farmland that is of strategic significance in the local or regional context.

Protect productive agricultural land from unplanned loss due to permanent changes in land use.

Prevent inappropriately dispersed urban activities in rural areas.

Protect strategically important agricultural and primary production land from incompatible uses

Limit new housing development in rural areas by:

- Directing housing growth into existing settlements.
- Discouraging development of isolated small lots in the rural zones from use for dwellings or other incompatible uses.
- Encouraging consolidation of existing isolated small lots in rural zones.

Identify areas of productive agricultural land by consulting with the Department of Economic Development, Jobs, Transport and Resources and using available information.

In considering a proposal to use, subdivide or develop agricultural land, consider the:

- Desirability and impacts of removing the land from primary production, given its agricultural productivity.

- Impacts on the continuation of primary production on adjacent land, with particular regard to land values and the viability of infrastructure for such production.
- Compatibility between the proposed or likely development and the existing use of the surrounding land.
- The potential impacts of land use and development on the spread of plant and animal pests from areas of known infestation into agricultural areas.
- Land capability.

Avoid the subdivision of productive agricultural land from diminishing the long-term productive capacity of the land.

Give priority to the re-structure of inappropriate subdivisions where they exist on productive agricultural land.

Balance the potential off-site effects of a use or development proposal (such as degradation of soil or water quality and land salinisation) against the benefits of the proposal.

14.01-2S Sustainable agricultural land use

Encourage sustainable agricultural land use by

Ensure agricultural and productive rural land use activities are managed to maintain the long-term sustainable use and management of existing natural resources.

Support the development of innovative and sustainable approaches to agricultural and associated rural land use practices.

Support adaptation of the agricultural sector to respond to the potential risks arising from climate change.

Encourage diversification and value-adding of agriculture through effective agricultural production and processing, rural industry and farm-related retailing.

Assist genuine farming enterprises to embrace opportunities and adjust flexibly to market changes.

Support agricultural investment through the protection and enhancement of appropriate infrastructure.

Facilitate ongoing productivity and investment in high value agriculture.

Facilitate the establishment and expansion of cattle feedlots, pig farms, poultry farms and other intensive animal industries in a manner consistent with orderly and proper planning and protection of the environment.

Ensure that the use and development of land for animal keeping or training is appropriately located and does not detrimentally impact the environment, the operation of surrounding land uses and the amenity of the surrounding area.

14.01-3S Forestry and timber production

Facilitate the establishment, management and harvesting of plantations and the harvesting of timber from native forests by:

Identify areas that may be suitably used and developed for plantation timber production.

Promote the establishment of softwood and hardwood plantations on predominantly cleared land, as well as other areas that are subject to or contributing to land and water degradation.

Ensure protection of water quality and soil.

Ensure timber production in native forests is conducted in a sustainable manner.

Conduct timber production (except agroforestry, windbreaks and commercial plantations of 5 hectares or less) in accordance with the Code of Practice for Timber Production (Department of Environment and Primary Industries, 2014).

Ensure Victoria's greenhouse sinks are protected and enhanced by controlling land clearing, containing the growth of urban areas and supporting revegetation programs.

14.02-1S Catchment planning and management

Assist the protection and restoration of catchments, water bodies, groundwater, and the marine environment by

Ensure the continued availability of clean, high-quality drinking water by protecting water catchments and water supply facilities.

Consider the impacts of catchment management on downstream water quality and freshwater, coastal and marine environments.

Retain natural drainage corridors with vegetated buffer zones at least 30 metres wide along each side of a waterway to:

- Maintain the natural drainage function, stream habitat and wildlife corridors and landscape values,
- Minimise erosion of stream banks and verges, and
- Reduce polluted surface runoff from adjacent land uses.

Undertake measures to minimise the quantity and retard the flow of stormwater from developed areas.

Require appropriate measures to filter sediment and wastes from stormwater prior to its discharge into waterways, including the preservation of floodplain or other land for wetlands and retention basins.

Ensure that development at or near waterways provide for the protection and enhancement of the environmental qualities of waterways and their instream uses.

Ensure land use and development minimises nutrient contributions to water bodies and the potential for the development of algal blooms.

Require appropriate measures to restrict sediment discharges from construction sites.

Ensure planning is coordinated with the activities of catchment management authorities.

14.02-2S Water quality

Protect water quality by

Protect reservoirs, water mains and local storage facilities from potential contamination.

Ensure that land use activities potentially discharging contaminated runoff or wastes to waterways are sited and managed to minimise such discharges and to protect the quality of surface water and groundwater resources, rivers, streams, wetlands, estuaries and marine environments.

Discourage incompatible land use activities in areas subject to flooding, severe soil degradation, groundwater salinity or geotechnical hazards where the land cannot be sustainably managed to ensure minimum impact on downstream water quality or flow volumes.

Prevent the establishment of incompatible land uses in aquifer recharge or saline discharge areas and in potable water catchments.

Encourage the siting, design, operation and rehabilitation of landfills to reduce impact on groundwater and surface water.

Use the mapped information available from the Department of Environment, Land, Water and Planning to identify the beneficial uses of groundwater resources and have regard to potential impacts on these resources from proposed land use or development.

15 BUILT ENVIRONMENT AND HERITAGE

15.03.2S Aboriginal cultural heritage

Ensure the protection and conservation of places of Aboriginal cultural heritage significance by

Identify, assess and document places of Aboriginal cultural heritage significance, in consultation with relevant Registered Aboriginal Parties, as a basis for their inclusion in the planning scheme.

Provide for the protection and conservation of pre-contact and post-contact Aboriginal cultural heritage places.

Ensure that permit approvals align with the recommendations of any relevant Cultural Heritage Management Plan approved under the Aboriginal Heritage Act 2006.

16 HOUSING

16.01-5S Rural residential development

Identify land suitable for rural residential development by

Manage development in rural areas to protect agriculture and avoid inappropriate rural residential development.

Encourage the consolidation of new housing in existing settlements where investment in physical and community infrastructure and services has already been made.

Demonstrate need and identify locations for rural residential development through a housing and settlement strategy.

Ensure planning for rural residential development avoids or significantly reduces adverse economic, social and environmental impacts by:

- Maintaining the long-term sustainable use and management of existing natural resource attributes in activities including agricultural production, water, mineral and energy resources.
- Protecting existing landscape values and environmental qualities such as water quality, native vegetation, biodiversity and habitat.
- Minimising or avoiding property servicing costs carried by local and state governments.
- Maintaining an adequate buffer distance between rural residential development and animal production.

Ensure land is not zoned for rural residential development if it will encroach on high quality productive agricultural land or adversely impact on waterways or other natural resources.

Discourage development of small lots in rural zones for residential use or other incompatible uses.

Encourage consolidation of existing isolated small lots in rural zones.

Ensure land is only zoned for rural residential development where it:

- Is located close to existing towns and urban centres, but not in areas that will be required for fully serviced urban development.
- Can be supplied with electricity, water and good quality road access.

17 ECONOMIC DEVELOPMENT

17.01-1S Diversified economy

Strengthen and diversify the economy by

Protect and strengthen existing and planned employment areas and plan for new employment areas.

Facilitate regional, cross-border and inter-regional relationships to harness emerging economic opportunities.

Facilitate growth in a range of employment sectors, including health, education, retail, tourism, knowledge industries and professional and technical services based on the emerging and existing strengths of each region.

Improve access to jobs closer to where people live.

Support rural economies to grow and diversify.

17.01-1R Diversified economy – Loddon Mallee South

Support the ongoing role and contribution of the region's small towns, settlements and non-urban areas through investment and diversification of their economies.

Support and develop emerging and potential growth sectors such as tourism, renewable energy, resource recovery and other green industries.

Facilitate new manufacturing and food processing industries that build on supply chains and take advantage of well-located and affordable land.

Facilitate access to natural resources where appropriate, including sand and stone, minerals, timber and renewable energy potential.

17.04-1S Facilitating tourism

Encourage tourism development to maximise the economic, social and cultural benefits of developing the state as a competitive domestic and international tourist destination by

Encourage the development of a range of well-designed and sited tourist facilities, including integrated resorts, accommodation, host farm, bed and breakfast and retail opportunities.

Seek to ensure that tourism facilities have access to suitable transport.

Promote tourism facilities that preserve, are compatible with and build on the assets and qualities of surrounding activities and attractions.

Create innovative tourism experiences.

Encourage investment that meets demand and supports growth in tourism.

17.04-1R Tourism – Loddon Mallee South

Support the designation of Castlemaine Diggings National Heritage Park as a World Heritage place to underpin tourism.

Facilitate tourism opportunities in appropriate locations near heritage places and natural environments.

RM Consulting Group Pty Ltd trading as RMCG

Level 1 East, 1100-1102 Toorak Road, Camberwell Victoria 3124

(03) 9882 2670 — rmcg.com.au — ABN 73 613 135 247

Offices in Bendigo, Melbourne, Torquay and Warragul (Victoria) and
Penguin and Hobart (Tasmania)



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