



**Macedon
Ranges**
Shire Council

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

September 2015

Amendment C110 Exhibition Version

Report updated following Council resolution of 23 September 2015

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1. Introduction

1.1. Structure of the Report

The Strategy report is made up of:

- An Introduction (Chapter 1) with Project Overview and Study Area information.
- Part 1 (Chapters 2 to 4) – is the Strategy. The Strategy includes a Vision and Principles as well as Strategic Steps and Implementation Actions to achieve the Vision and Principles.
- Part 2 (Chapters 5 & 6) – the Background Section has two components. Firstly, the projected supply needs for the Rural Living Zone into the future are discussed. This projected supply has been established on evidence based analysis of supply at 31 July 2014 and demand trends for the last 13 years (2000 to 2013). The second component of Part 2 discusses a range of issues to be considered and balanced in the Rural Living Zone. These issues have informed a set of key implications/recommendations under the themes of Environment; Land Use Compatibility; Infrastructure; and Economy. These key implications/recommendations underpin the Strategy.
- Part 3 (Chapters 7 & 8) – provides the context. The context includes details about the study area and discusses the relevant policy, zoning and overlay controls,
- A Background and Strategic Recommendations Context Report accompanies Council's In the Rural Living Zone Strategy and provides detailed discussion and recommendations

Glossary – A list of terms used in the report.

1.2. Project Overview

Within Macedon Ranges, land used for rural living purposes is located throughout the Shire in locations generally close to townships (refer to Section 3 for more details on the location of land in the Rural Living Zone).

The official population of the Shire, as of the 30th June 2013, was 44,098 (Australian Bureau of Statistics, Regional Population Growth) and the Shire has been experiencing steady growth over recent years. Between 2003 and 2013 the Shire's population increased by 15 per cent (growth of 1.5 per cent per annum). The population of the Shire is projected to grow to 56,020, or approximately 12,000 additional people by 2036 (Macedon Ranges Settlement Strategy, MRSC 2011). As the population has grown, demand for use and development of rural living land has increased throughout the Shire. This strategy provides a framework for sustainable use and development of rural living land in Macedon Ranges Shire over the next 30 years.

The need for a strategic framework is supported by the following factors:

- The Shire contains many areas of State, regional and local environmental and landscape significance. Significant remnant vegetation, regionally important water supply catchments, areas of productive agricultural land and scenic landscapes are all important qualities of the Shire;
- 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
- A need to assess the appropriateness and supply of current zonings and whether new rural living opportunities may be required to meet strategic objectives and identified housing needs.

The objectives of the Rural Living Supply and Demand Analysis are to:

- Determine the theoretical supply of rural living zoned land across the Shire, defined by 3 regions. (See Chapter 5)
- Determine the demand for rural living zoned land based on analysis of dwelling and subdivision permit trends, population data and growth projections.
- Identify the projected supply of each region (see Chapter 5) based on the current level of demand.
- Identify turnover trends of rural living land.
- Provide recommendations to manage rural living land supply and demand in the future.



1. Introduction

1.3. Study Area and Project Scope

The draft Strategy report focused exclusively on land in the Rural Living Zone (RLZ). The final Strategy report and background report have considered options for change in the Farming Zone around Kyneton based on the declining supply of RLZ land in that part of the Shire (refer Section 3.3 and Chapter 3 of the Context Report). In the Macedon Ranges Planning Scheme the RLZ has been applied via five Schedules in locations generally close to townships or villages.

The Rural Living Zone is designed to cater for residential use in a rural setting of lots that are large enough to accommodate a dwelling and a hobby farming use. The hobby farming use is likely to be carried on for reasons other than the need to provide a significant source of household income. In this zone:

- A dwelling does not need to be associated with a farming use of the land.
- Some farming may take place on the land, however this will not always be the case.
- Residents have a reasonable expectation that their amenity will be protected.
- A wider range of tourism and business uses may be considered in the zone. (DEWLP, Planning Practice Note 42)

There are several distinct clusters of the RLZ in the Shire. Their location generally relates to towns and transport corridors:

- In the south of the Shire the RLZ is clustered around Gisborne, New Gisborne, Macedon and Riddells Creek. This area abuts the Shire's interface with the City of Hume and its green wedge to the urban growth boundary;
- In the east, rural living land use and development is clustered around Lancefield and Romsey, including pockets of land in the RLZ along Kilmore Lancefield Road heading towards Kilmore; and

- To the north-west, the RLZ is clustered around the townships of Kyneton, Malmsbury and Lauriston.

Other areas of RLZ are located at Woodend, Tylden, Darraweit Guim and Fenton Hill.











This strategy is not a review of the Farming or Rural Conservation Zones and does not provide any recommendations for land in these zones except where recommended supply cannot be achieved within existing rural living areas.

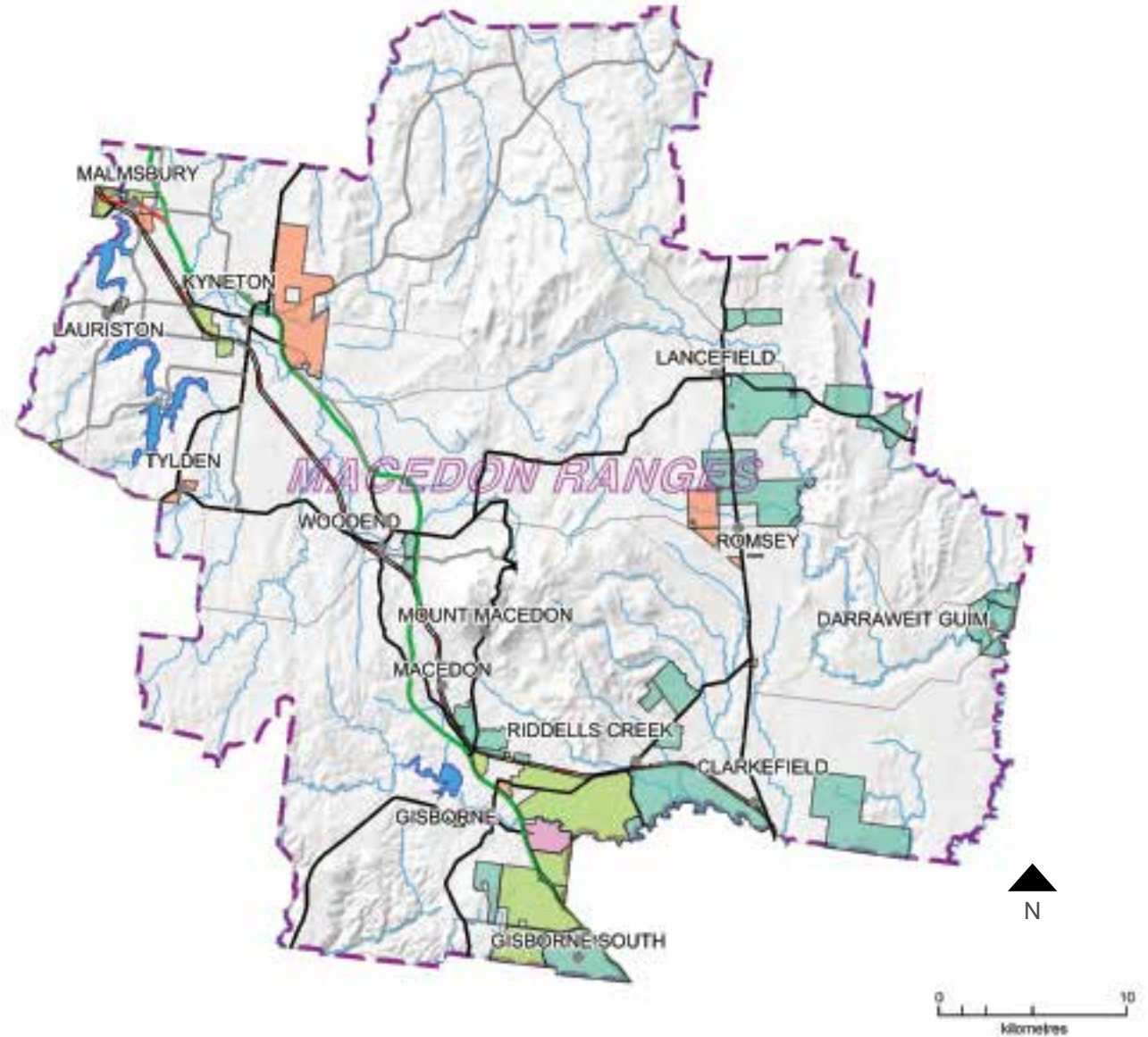


1. Introduction

Figure 1 : The Rural Living Zone in Macedon Ranges Shire

Map Legend

-  Rural Living Zone 1 (40ha min)
-  Rural Living Zone 2 (2ha min)
-  Rural Living Zone 3 (8ha min)
-  Rural Living Zone 4 (1ha min)
-  Rural Living Living Zone 5 (8ha min)
-  Shire Boundary
-  Bendigo-Melbourne rail link Roads
-  Calder freeway Reservoirs
-  Waterways
-  Township



Part One—In the Rural Living Zone

The Strategy



2. Strategic Vision & Principles

The Vision guides the direction for rural living areas into the future. The Vision considers the findings of the Strategic Considerations in Chapter 6. The Vision will provide the strategic and implementation guidance for the Strategic Options and Strategic Directions over the next 30 years.

The strategic principles (below) set the criteria to measure the strategic options and achieve the Shire's Vision for rural living areas.

Vision

Provide living options outside of townships in well planned, managed and contained locations that provide desirable living choices to 2040.



Strategic Principles

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 flooding and fire.



3. The Strategy

3.1 Strategic Criteria

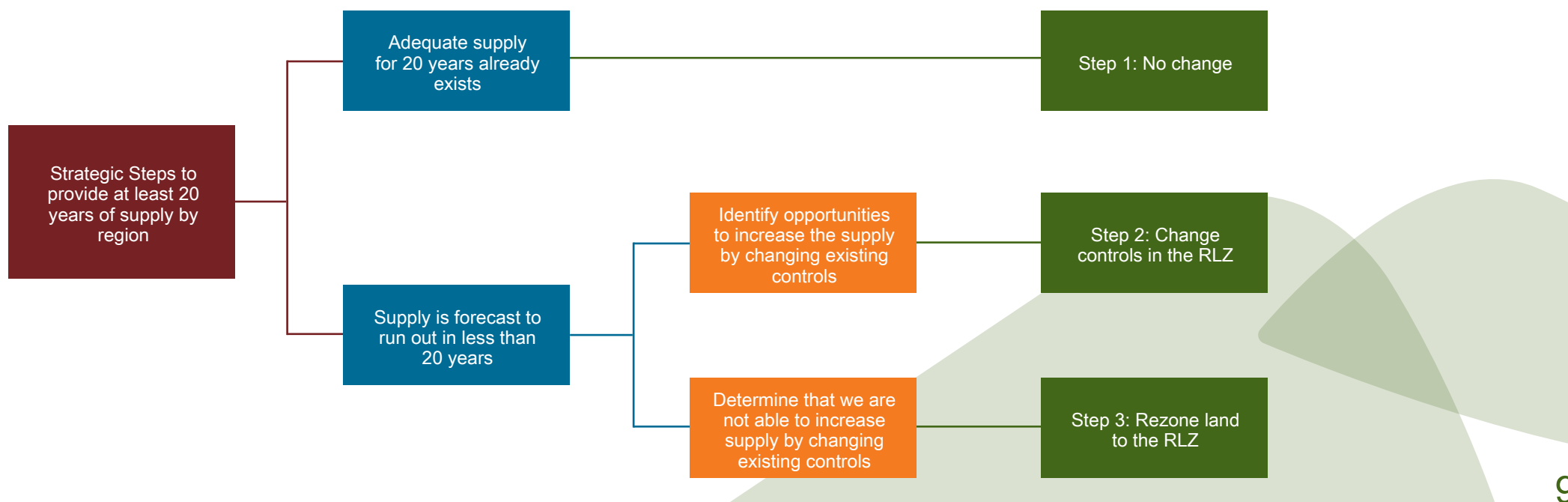
The following key strategic criteria influencing the Strategy have been informed by background issues discussed in Chapters 5 and 6:

1. Council will provide for around 30 years of projected supply in the Rural Living Zone across the Shire with around 20 years of projected supply in each region (refer Section 5.4).
2. A range of lot size options will be provided in the Rural Living Zone.
3. Projected supply will be distributed across the Shire based on the Strategic Considerations (refer Chapter 6).

There are essentially 3 strategic steps that are proposed to meet these criteria:

1. No Change.
2. Changes to existing Rural Living Zone controls.
3. Rezoning land to Rural Living Zone.

Figure 2: Strategic Steps for the Rural Living Zone



3. The Strategy

3.1 Step 1: No Change

The 'no change' step is to do nothing and continue using the existing controls in making decisions. This is a feasible option where there is adequate supply under the existing controls to meet the projected demand for 20 years for each region. This step is recommended for the majority of the Eastern Region where there is 27 years of available supply in the Rural Living Zone. However, some change is proposed in the eastern region to provide for smaller lots and maintain a diversity in the supply to this region (refer Section 3.2 and Chapter 3 of the Context Report).

Applying this step is inappropriate in the Northern and Central Regions where the supply of rural living zoned land is projected to run out in the short to medium term.

As this land runs out it is likely that purchasers will look to the Farming and Rural Conservation Zones for rural living/ lifestyle development opportunities. This will result in ad hoc development instead of sound decisions based on strategic principles and analysis. This option may have some attraction but is unrealistic and untenable given the identified market preferences for lifestyle opportunities, current growth trends and State-wide growth projections.

In summary the benefits and risks of the 'no change' step are:

Benefits

- Existing statutory obligations can be met.
- Maximises opportunities to provide rural living opportunities within the existing Rural Living Zone footprint where there is adequate medium-long term supply.
- No need for additional infrastructure investment

Risks/Costs

- Will increase pressure to develop lifestyle dwellings in other non-urban zones (the Farming Zone and Rural Conservation Zone) where supply of rural living zoned land will be exhausted in the short to medium term.
- Pressure in the Farming Zone increases property values, rates and increases conflict between farming and lifestyle residents.
- Ad hoc outcomes with no or limited plan of where best to develop in non-urban areas.
- Lacks clarity and has potential to create confusion, conflict and frustration with decision making.



3. The Strategy

3.2. Step 2: Changes to existing Rural Living Zone controls

Currently 9 per cent of the Shire is in the Rural Living Zone. This is a significant allocation given that these areas are planned primarily for residential development, albeit on larger lifestyle lots. Maintaining rural living areas within this existing footprint of the Rural Living Zone is preferred the preferred approach. There may be potential to increase the supply of vacant rural living lots without rezoning land elsewhere in the Shire by making changes to the current controls in the Rural Living Zone (refer to Chapter 4 for a discussion of potential strategies and actions).



The largest proportion of rural living zoned land is in the south of the Shire where large areas were set aside to provide a permanent urban break and barrier to metropolitan expansion. Large primary or balance lots in this area are currently constrained by the planning scheme or land title restrictions preventing them from further subdivision.

These constraints can be removed to allow for subdivision and increase the supply of available lots in the Rural Living Zone in the south of the Shire. The objective of managing an urban break in this area will be maintained and important landscape features in these areas can be protected while allowing for smaller rural living lots to be created on these large, balance lots.

Similarly, the minimum lot size controls in the Schedules to the Rural Living Zone can be reviewed to provide for a more diverse range of rural living lot sizes, particularly smaller lots, which match the preferred demand for 2-4 hectare lots. This strategic option has significant potential to increase supply without rezoning land outside of existing rural living zoned areas.

It is recommended that this step be used in the Eastern Region to allow smaller lots to be created resulting in

more diverse rural living choices in this area. Currently much of the supply in the Eastern Region is in the Rural Living 1 Zone where 72% of lots have an area greater than 7 hectares and this zone has virtually no subdivision opportunities. Furthermore, there are three large lots within the Rural Living Zone 2 that could be subdivided to 2 hectares. These lots account for 36 lots or 30% of the theoretical supply for the Eastern region. It has been anecdotally confirmed that owners of these large lots are not proposing subdivision in the short to medium term (5-10 year timeframe) thereby denying the market of actual supply.

Changes have been considered in the Northern Region to increase supply in the medium to long term. The Rural Living Zone 2 and 5 applying in this area have respective minimum lot sizes of 2 and 8 hectares. A reduction of the 2 hectare minimum is not feasible given the existing pattern of development with dwellings often sited centrally on a block and outbuildings and dams constraining further subdivision. Most of the lots in the RLZ5 with an 8 hectare minimum are currently less than this minimum lot size and a reduction to the minimum lot size would not generate a significant additional supply.

The benefits and risks or costs of Step 2 are:

Benefits

- Increases supply of rural living opportunities.
- Maintains current distribution of zones in the Shire. Concentrates rural living activity.
- Creates more diversity in lot sizes that are more consistent with market demands.
- Utilises existing infrastructure and services. Potential to seek developer upgrades to local road construction and maintenance.
- Reinforces the boundary between metropolitan Melbourne and the Shire.

Risks/Costs

- If it is not carefully planned increasing the density of rural living opportunities may:
- Negatively impact biodiversity, water quality and important landscapes. Undermine residential amenity.
- Inhibit the operation of non-residential uses.
- Create additional costs to Council (eg. For road maintenance).

3. The Strategy

3.3. Step 3: Rezoning to Rural Living Zone

A limited supply of land in the rural living zone may suggest a need to look outside of the current Rural Living Zone and rezone land to provide for further rural living opportunities. This approach would boost supply and further direct where residents seeking a rural living lifestyle are encouraged to buy land and homes. This option would be most appropriate if supply is significantly constrained and there are limited other options to create additional supply of lots in the Rural Living Zone.

In this scenario, some areas of the Farming Zone may be considered suitable for rezoning. Farmland in the Shire is generally cleared, has minimal slope and is generally free from other environmental and development constraints.

The Rural Conservation Zone is less appropriate as it is more likely to have biodiversity values (such as native vegetation and habitat), slope and a higher level of bushfire risk. In either case, some of these areas are the most isolated parts of the Shire unlike the areas zoned for Rural Living that are close to existing townships.

Importantly, rezoning land to the Rural Living Zone will have a permanent, irreversible impact on subdivision and development patterns. Residents of these areas will rely heavily on private cars, further native vegetation removal is likely and the agricultural role of this land will be lost or reduced. The landscape values of any change would also require careful consideration.

This option is proposed for the northern region where there is up to 13 years of supply and Step 2 has not provided sufficient opportunities to create additional supply. The Strategic Considerations outlined in Chapter 6 should be applied to determine an appropriate area to rezone land in the Farming Zone to Rural Living Zone.

The following benefits and risks of Step 3 have been considered in determining where change is most appropriate in the northern region:

Benefits

- Increases supply where there are no other options to create supply are available.
- Does not change the landscape of land currently in the Rural Living Zone.
- Allows new rural living opportunities to be located and designed based on current strategic opportunities such as: access to the Calder Freeway; ability to connect to reticulated potable water; and master planning of large, contiguous areas with multiple landowners.

Risks/Costs

- Potentially expands non-urban residential areas away from townships.
- Disperses demand for development infrastructure particularly community facilities; road construction and maintenance; waste collection; and bushfire management.
- Reduces supply of land for agriculture.
- Potential negative impacts on environmental values.
- Increases the edge of the Rural Living Zone and associated interface conflict.



4. Implementing the Strategy: Strategies and Actions

A set of strategies and actions have been developed to achieve the vision, principles and strategic steps outlined earlier in the report and would:

- increase supply of vacant rural living lots;
- manage use and development in the Rural Living Zone;
- clarify how the Rural Living Zone functions; and
- keep track of development trends in the Rural Living Zone.

Minor changes may also be required to the MSS and LPPF.



4.1. Subdividing Land

Analysis of rural living land supply estimates the Shire has up to 17 years of supply that could be made available through subdivision of vacant and developed land based on the current planning scheme controls. It is important to note that this is a theoretical supply. In reality landowners may not release lots counted in this supply for a number of reasons. Landowners may intend to develop land themselves in the future on land banked properties speculating on changes to the development controls. Alternatively, subdivision may conflict with the continuation of existing or commencement of future agricultural use of a lot. It may also conflict with a landowners' desires to maintain a buffer from adjoining development. The implications of these personal and individual decisions are not possible to determine or account for in analysing available supply.

Generally a supply and demand assessment would discount supply based on a degree of uncertainty about the release of land. A discount has not been established for rural living situations due to the dispersed ownership and the unmeasurable factor of individual decisions. In any case the rate of take up is likely to vary from one area to another much more than for urban situations where standard discounts are more commonly applied.

A conservative approach to managing these uncertainties could increase the supply, particularly the supply of lots of around 2-4 hectares in strategic locations. This approach would increase the location and lot size options and provide for a variety of needs. Pressure for rural housing development in the Farming and Rural Conservation Zones should also be redirected to the Rural Living Zone via the improved land supply and lot size options.

A number of implementation options to improve land supply in the Rural Living Zone are discussed below.

4.1.1. Lot Size

Many landowners are managing larger lots than they want or are capable of maintaining due to the minimum lot sizes under the current schedules. There is potential to reduce the minimum lot sizes in strategic locations to meet the strategic criteria of providing about 20 years of supply in each region.

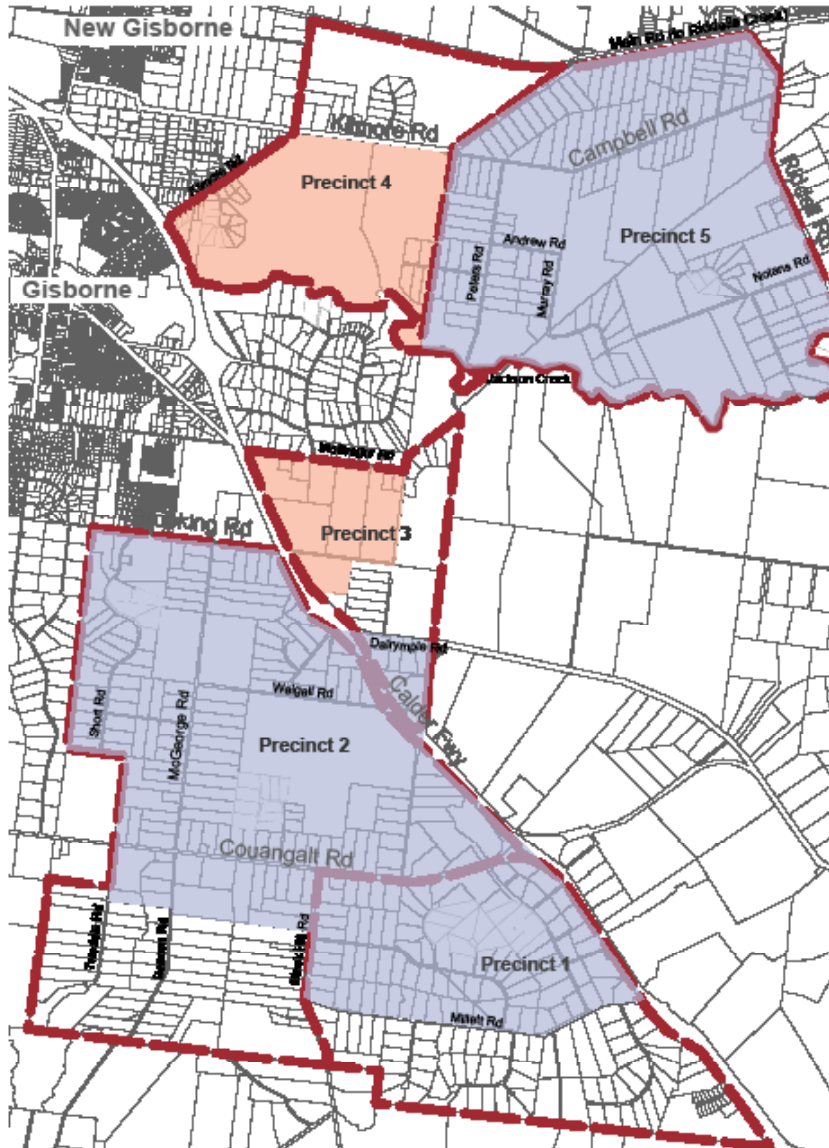
Past studies have found that 8 hectare lots are an inefficient size. An 8 hectare lot provides more land than most prospective residents need and require a greater degree of land management than new landowners residing on these sized lots will usually be able to provide. Rural Living Zones 3 and 5 currently set an 8 hectare minimum lot size and are located around Gisborne, Riddells Creek and Gisborne South. These areas correspond with the location where the strategic criteria support increasing supply of rural living lots.

There is currently no schedule with a minimum lot size between 2 hectares and 8 hectares. Infill of some existing areas with lots around 8-15 hectares can be achieved by amending the relevant RLZ schedule to allow for 2 and 4 hectare minimum lot sizes. The additional supply of lots would be contained within existing rural living areas and would not consume land in the Farming Zone except for a small area in the North region. This action will result in additional lots in the short term and provides environmental benefits to landowners who will be better able to manage these smaller lots.




Both Rural Living Zone 3 and 5 have a minimum lot size of 8 hectares although RLZ3 only applies to one site in the Shire. Utilising these two schedules to retain the 8 hectare minimum lot size where appropriate and creating a 4 hectare minimum lot size can be achieved without increasing the number of schedules and adding complexity to the planning scheme. As such, an amendment would be necessary to change the applicable minimum lot size in the schedule not to increase the overall footprint of the RLZ and rezone 200 ha in the North region (refer to detailed discussion at Chapter 7 of Context Report).

4. Implementing the Strategy: Strategies and Actions

Figure 3a Rural Living Change Areas - Central Region Zone changes



Map Legend

-  Rural Living Zone 2 (proposed 2ha min)
-  Rural Living Zone 3 (proposed 4ha min)
-  Region Boundary

4. Implementing the Strategy: Strategies and Actions

Figure 3b: Rural Living Change Areas: Northern Region Change Area

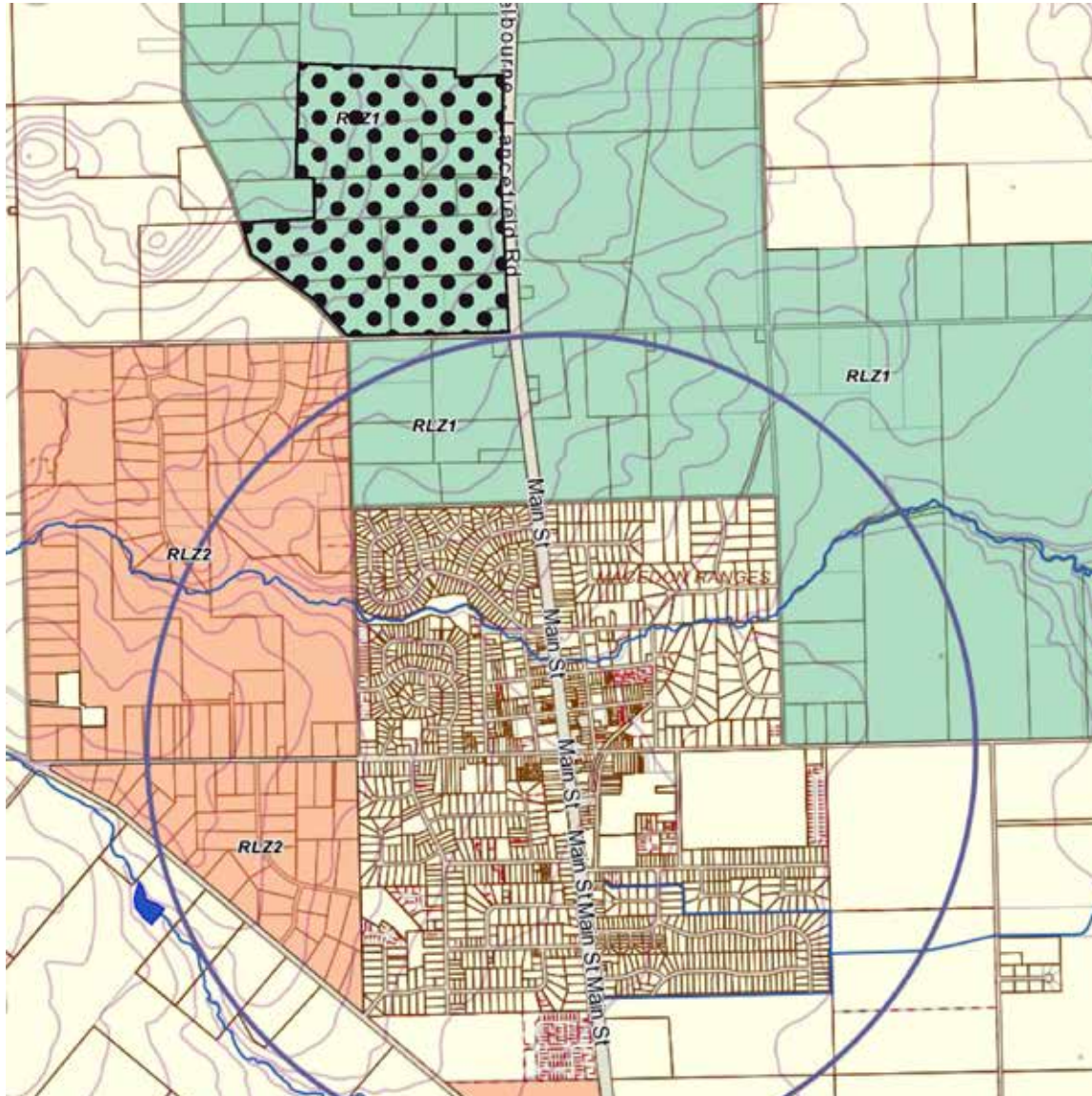


Map Legend

 Proposed RLZ2

4. Implementing the Strategy: Strategies and Actions

Figure 3c: Rural Living Change Areas - Eastern Region Zone Changes



Map Legend



Proposed RLZ2

4. Implementing the Strategy: Strategies and Actions

4.1.2. Primary and Balance Lots of Past Subdivisions

Large primary lots have been created through previous planning controls in the south of the Shire around Riddells Creek and Gisborne. They are generally more than 50 hectares each and are excess in size to the needs of rural living uses. Some balance lots contain land that was considered inappropriate/unsuitable for rural living use, including land close to waterways or providing a visual non-urban break from major roads in the Shire.

The size of these lots has historically been controlled through subdivision controls and on title restrictions which were imposed when subdividing smaller lots out of a 'primary lot'. Currently, Design and Development Overlay Schedule 13 (DDO13) restricts subdivision of 8 of these primary lots around Gisborne and Riddells Creek. In the same area, other large lots have a Section 173 Agreement on title that restricts further subdivision. The removal of DDO13 and where possible the cancellation of Section 173 agreements, may allow for the creation of opportunities for more appropriately sized rural living lots located where a need has been demonstrated (refer to Figure 4). It is estimated that these changes could allow for up to 150 additional lots in the Gisborne and Riddells Creek area or approximately 4.5 years of additional supply for the Shire.

The State Government removed the requirement for a mandatory Section 173 agreement to restrict future subdivision from the Rural Living Zone in September 2013 (under VC103). Deleting DDO13 and associated Section 173 agreements is consistent with these standard Statewide planning controls.

The area affected by primary lot controls is located to access Gisborne and Riddells Creek services and has excellent access to metropolitan Melbourne and Sunbury via Calder Freeway or V/Line train services. Further subdivision of these lots would be subject to managing

the landscape and other constraints of this area. An integrated approach to managing these areas is needed, for example by utilising a Development Plan Overlay (DPO) that can require landscape, environmental and other constraints to be managed across multiple sites and landholdings within a wide area. This approach can share the cost of new and upgraded infrastructure such as roads, potable water, electricity and other infrastructure connections, as required.

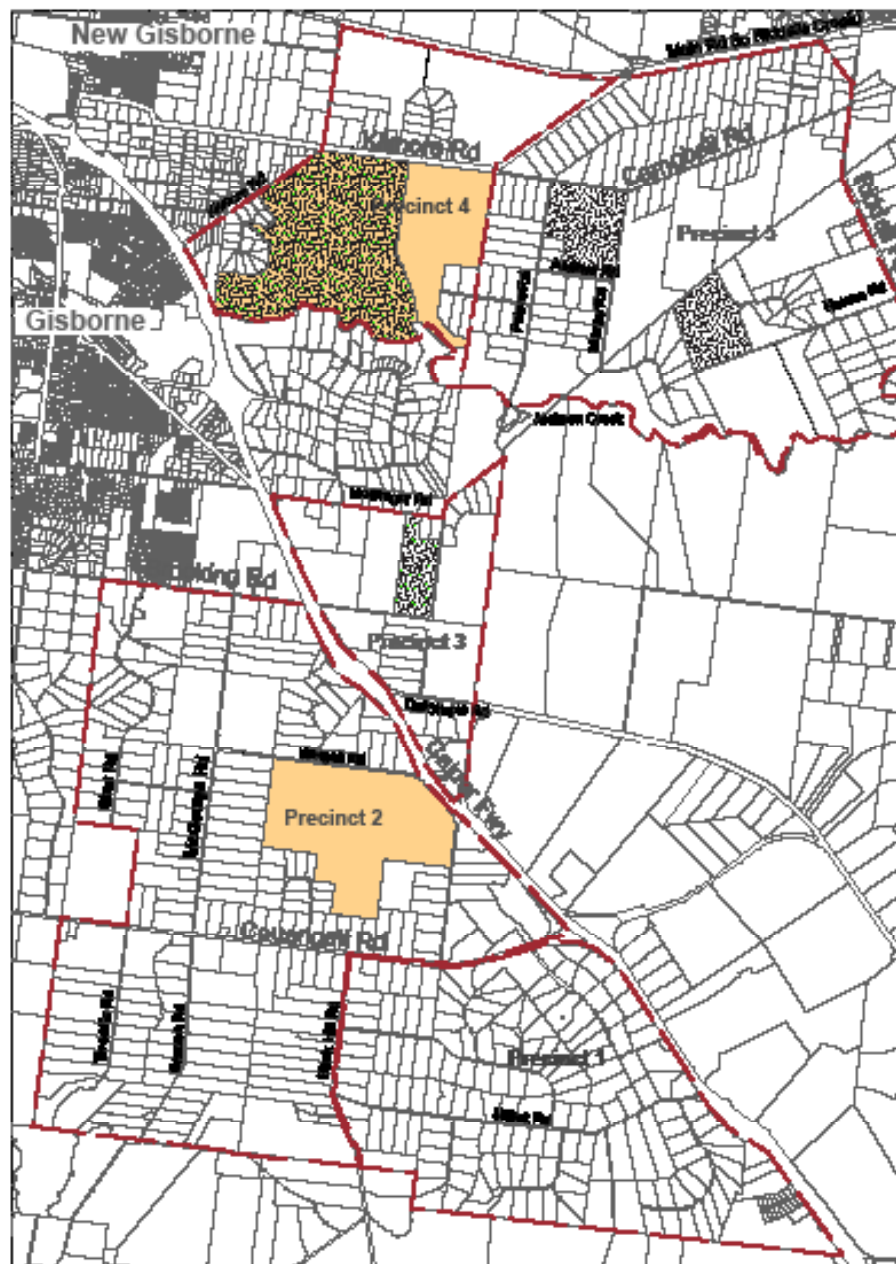


4. Implementing the Strategy: Strategies and Actions

Figure 4: Proposed Lots for Deletion of DD013 and Removal of Section 173 Agreements

Map Legend

- Precinct boundary
- Proposed deletion of DD013
- Proposed removal of section 173 Agreements



4. Implementing the Strategy: Strategies and Actions

4.1.3. Averaging Provisions

The current controls also allow large primary lots to be created through the averaging provisions of Clause 35.02 where “the number of lots is no more than the number the land could be subdivided into in accordance with a schedule to this zone”.

This provision allows for lots of virtually any size to be created from a landholding (e.g. a lot of 80 hectares in a RLZ with a 8 hectare minimum subdivision control has the ability to be subdivided into 10 lots but the averaging provisions allows for subdivision of 10 x 8 hectare lots; or 9 x 1 hectare lots and a 71 hectare balance lot).

The Rural Living Zone schedule could provide for a maximum lot size to prevent the creation of further large primary lots. This approach is used in Yarra Ranges Shire where the minimum lot size is “1 hectare with an average lot yield not exceeding 1 lot to each 2 hectares of site area and a maximum lot size of 3 hectares”. This has several advantages:

- Flexibility is retained, allowing lot sizes and orientation based on suitable building envelopes better matched to demand;
- Greater consistency of lot sizes are achieved;
- Allows major constraints and features, such as remnant native vegetation, creek lines or areas subject to flooding, to be designed into larger lots to limit multiple ownership and the related fragmentation of management responsibilities;
- The need for section 173 agreements is removed; and
- Future land owner pressure to subdivide a balance lot is negated.

Land that is constrained by environmental risks or features such as flooding or landscape buffers should generally not be permitted to be used to create a larger number of lots through the averaging tool as these areas are too inaccessible or otherwise constrained for development. In these situations, there would be pressure for development

to be clustered in any unconstrained portion of the lot, creating an undesirable visual outcome. This is based on the premise that the constrained area is unavailable for development and it is unjustified to count this land in the equation for averaging provisions.

4.1.4. Subdividing Land - Strategies & Actions

- Consider the strategic principles in implementing the following actions:
- Apply 2 and 4 hectare minimum lot sizes to existing rural living zoned land between Gisborne and Riddells Creek and in Gisborne South and Romsey.
- Delete DDO13 from lots within Change Areas (refer Figure 4) and remove other restrictions on large balance lots.
- Apply a Development Plan Overlay (DPO) to where Change Areas that would benefit from integrated master planning.
- Change the Schedules to the Rural Living Zone to clarify the local averaging rule to achieve uniform subdivision pattern. E.g. a minimum lot size of 2 hectares with an average not exceeding 1 lot for each 4 hectares with no lot being greater than 8 hectares.
- Align the MSS and LPPF with the changes and strategies proposed for the Rural Living Zone.

4.2. Developing Land

Rural living areas maintain a more open landscape than built up urban areas. The larger lot sizes provide generous areas for siting buildings with landscape buffers as well as space for hobby farms, sheds, etc. However, in decreasing minimum lot sizes it becomes more important to manage buffers or setbacks within individual lots to define the pattern of development and protect the amenity of adjacent land.

The development of outbuildings and sheds are often essential to the maintenance of land in rural living areas. Outbuildings serve a variety of purposes such as garages, sheds, hobby rooms, studios, greenhouses or large storage areas. For example, a 100m² shed can accommodate 4 vehicles, and approximately 20m² of storage space. Large sheds are becoming more common in non-urban areas and their siting and scale is generally unregulated.

There is a greater imperative to managing the pattern of development on the landscape and protect the amenity of adjacent land where lot sizes are smaller. In the Rural Living Zone, buffers or setbacks within individual lots are important to managing the landscape and amenity.

Views of an area from major roads create a prominent impression. Development set further away from major roads is less obtrusive and provides a more graduated view firstly of open paddocks, trees, windbreaks; then in the middle distance scattered development appears; with distant hills and mountains often visible beyond.

4.2.1. Rural Living Zone Schedules – Managing Development Outcomes

The Schedule to the Rural Living Zone can create locally specific controls for:

- Maximum floor area for which no permit is required to alter or extend an existing dwelling (in square metres).
- Maximum floor area for which no permit is required to construct an out-building associated with an existing dwelling (in square metres)
- Maximum floor area for which no permit is required to alter or extend an existing building used for agriculture (in square metres)
- Minimum setback from a road (in metres).
- Minimum setback from a boundary (in metres).
- Minimum setback from a dwelling not in the same ownership (in metres).

4. Implementing the Strategy: Strategies and Actions

It is proposed to apply appropriate standards for development in the Rural Living Zone to manage the visual and amenity impacts of development.

More specific controls may also be considered for land adjacent to main roads and highway corridors and to protect hilltops.

4.2.2. Developing Land - Strategies & Actions

- Implement controls to provide setbacks from lot boundaries
- Consider controls to manage open view lines from main road and highway corridors.
- Align the MSS and LPPF with the changes and strategies proposed for the Rural Living Zone.

4.3. Using land

4.3.1. Business Uses in the Rural Living Zone

The larger land sizes in rural living areas provide space to pursue a range of personal and business interests. Tourist accommodation, small hobby farms, wineries and farm gate sales are often found in these areas.

Council supports business uses in the Rural Living Zone and supports decisions that allows the continued operation and viability of existing businesses. Where a use has been operating prior to the construction of nearby dwellings, new residents moving into these areas are responsible for making themselves aware of nearby uses and activities that might impact on their expectations. Alternatively, where a new business use is proposed near existing housing, the business use will be responsible for managing its impact on existing residential amenity.

Where new business uses are proposed and a planning permit is required, the Victorian Planning Provisions (VPPs) provide some general, statewide guidance. Local guidance can be developed to clarify Council's objectives for these areas, such as:

- business uses that generate visitor, delivery and other non-residential traffic to be accessible via sealed roads.
- business buildings should be setback from roads and other boundaries and softened by generous landscape buffers.
- identification of business uses is important and signage should be clear, legible and unobtrusive.

4.3.2. Using Land – Strategies & Actions

- Develop guidance to support the development of business uses in appropriate locations.
- Encourage opportunities to provide tourist accommodation in the Rural Living Zone.



4. Implementing the Strategy: Strategies and Actions

4.4. Engaging Stakeholders

Macedon Ranges Shire provides a wide range of opportunities for living outside of townships.

These include:

- large and moderate sized farms suitable for a range of broadacre farming activities such as grazing, cropping, horse breeding and training, viticulture and other horticultural uses.
- Larger lots with extensive areas of conservation values;
- Rural living lots with high aesthetic amenity.
- Smaller rural living and low density living areas ideal for horse enthusiasts; hobby farmers; gardening enthusiasts or if a bit more space is preferred.

Locations for these different opportunities have been recognised in planning policies and controls. It is understood that the planning system is dense with detail and complex to navigate. It's not always straightforward to understand what is intended for an area or where different living opportunities are encouraged. Better ways to convey this information is recommended. This will be valuable for existing residents and businesses, as well as people looking to move into the Shire.

4.4.1. Engaging Stakeholders - Strategies & Actions

- Provide guidance relating to non-urban issues such as land options; allowable activities; and landowners' responsibilities.

4.5. Monitoring

The Strategy provides for opportunities to maintain adequate supply of rural living zoned land for the next 30 years. It will be beneficial to continue to track the supply of rural living land over this period to understand how this supply is released and ensure that adequate supply is maintained. Ongoing monitoring of supply is proposed to:

- Provide clarity to Council in considering any proposals that change the Rural Living Zone;
- Ensure supply is meeting market needs;
- Maximise the availability of rural living opportunities; and
- and reduce pressure to develop houses in other non-urban areas.

4.5.1. Monitoring – Strategies & Actions

- Record dwelling approvals to determine changes to development trends every 5 years.
- Record subdivision approvals to determine changes to development trends every 5 years.
- Identify opportunities to consider rural living trends in updates to Council's population forecasting projects.
- Report to Council every 5 years. or where significant demand becomes evident, on land development and subdivision trends in the Rural Living Zone.
- Review Strategies and Actions of this report in work planning for the Strategic Planning team.
- Monitor the provision and take up of smaller lots in the Eastern Region Change Area and review the need to reduce the minimum lot size in this Region based on orderly planning principles.



4. Implementing the Strategy: Strategies and Actions

4.6. Implementing the Strategy – Summary of Strategies and Actions

Recommended strategies and actions to meet the Vision for the Rural Living Zone:

4.6.1. Subdividing Land - Strategies and Actions

Consider the strategic principles in implementing the following actions:

- Apply 2 and 4 hectare minimum lot sizes to existing rural living zoned land between Gisborne and Riddells Creek and in Gisborne South.
- Delete DDO13 from lots within Change Areas (refer Figure 4) and remove other restrictions on large balance lots.
- Apply a Development Plan Overlay (DPO) to Change Areas that would benefit from integrated master planning.
- Change the Schedules to the Rural Living Zone to clarify the local averaging rule to achieve uniform subdivision pattern. E.g. a minimum lot size of 2 hectares with an average not exceeding 1 lot for each 4 hectares with no lot being greater than 8 hectares.
- Align the MSS and LPPF with the changes and strategies proposed for the Rural Living Zone.

4.6.2. Developing Land - Strategies and Actions

- Implement controls to provide setbacks from lot boundaries
- Consider controls to manage open view lines from main road and highway corridors.
- Align the MSS and LPPF with the changes and strategies proposed for the Rural Living Zone.

4.6.3. Using Land – Strategies and Actions

- Develop guidance to support the development of business uses in appropriate locations
- Encourage opportunities to provide tourist accommodation in the Rural Living Zone.

4.6.4. Engaging Stakeholders – Strategies and Actions

- Provide guidance relating to non-urban issues such as land options; allowable activities; and landowners' responsibilities.

4.6.5. Monitoring – Strategies and Actions

- Record subdivision approvals to determine changes to development trends every 5 years.
- Identify opportunities to consider rural living trends in updates to Council's population forecasting projects.
- Report to Council every 5 years, or where significant demand becomes evident, on land development and subdivision trends in the Rural Living Zone.
- Review Strategies and Actions of this report in work planning for the Strategic Planning team.
- Monitor the provision and take up of smaller lots in the Eastern Region Change Area and review the need to reduce the minimum lot size in this Region based on orderly planning principles.



Part Two—In the Rural Living Zone

Background Issues



5. Rural Living Land Supply

A Supply and Demand Assessment of land in the Rural Living Zone in Macedon Ranges Shire was prepared by Urban Enterprise to inform this Strategy.

This work draws upon a range of data sources being primarily Council's GIS and rates databases, as well as the State Government's population projections (Victoria in Future or VIF, 2014) and also discussions with local real estate agents about market expectations and trends.

The Rural Living Supply and Demand Assessment divided the Shire into 3 geographic regions for this analysis (refer to figure 5):

The Rural Living Supply and Demand Assessment for the Shire was divided into 3 geographic regions for this analysis (refer to figure 5):

- Northern Region: Kyneton, Malmsbury and Lauriston Rural Living Zone Areas.
- Central Region: Gisborne, Gisborne South, Riddells Creek, Clarkefield, Macedon and Woodend Rural Living Zone Areas.
- Eastern Region: Lancefield, Romsey and Darraweit Guim Rural Living Zone Areas.



5.1. Supply Assessment

A detailed analysis of land within the Shire's Rural Living Zone was undertaken in order to clarify the amount of supply that could be put on the market based on current subdivision controls. This assessment is current to 31 July 2014 and has considered:

- Vacant lots.
- Additional lots that could be created by subdividing vacant and developed lots, i.e. lots with potential to be subdivided into 2 or more lots based on the current minimum lot sizes.
- Constraints that exclude land from realistically providing subdivision and development opportunities (such as poor access, significant slope as examples).

The assessment found that overall, there are 3,147 lots in the Shire's Rural Living Zone, of which 487 are vacant and 2,660 are occupied by existing development (i.e. dwellings).

This analysis has indicated that there is a potential supply of 773 additional rural living lots that could be created across the Shire via the subdivision of these existing vacant and occupied lots. A desktop review and site inspections were undertaken of these lots to determine the level of constraint. 199 lots have been excluded from the potential supply providing a final theoretical supply of 574 lots available as vacant lots or lots able to be created by subdivision under the current minimum lot sizes.

The following constraints have been considered in the exclusion of lots from the final theoretical supply:

1. Minimum subdivision size in zones and overlays:
 - Where a lot or part of a lot was considered to be fully constrained by:
 - significant vegetation

- flood risk or Land Subject to Inundation Overlay (LSIO) and other overlays or controls including Design and Development Overlay 13 (DDO13) or lots with restrictions on further subdivision
2. Limited accessibility to roads, including land locked sites and battle axe lots
 3. Lots comprised of large dams
 4. Lots with significant slope
 5. Lots less than 10,000 square metres (or 1 hectare) as these lots may be difficult to develop due to waste water treatment requirements and are inadequate in size to meet the expectations of the rural living market.

Appendix 2 incorporates maps of rural living supply identifying individual properties with constraints as well as those available as supply as either vacant lots or lots with potential to be subdivided.

Once these fully constrained and undevelopable lots have been removed from the potential supply, there is an overall theoretical supply of 574 rural living zoned lots across the Shire. This figure is comprised of:

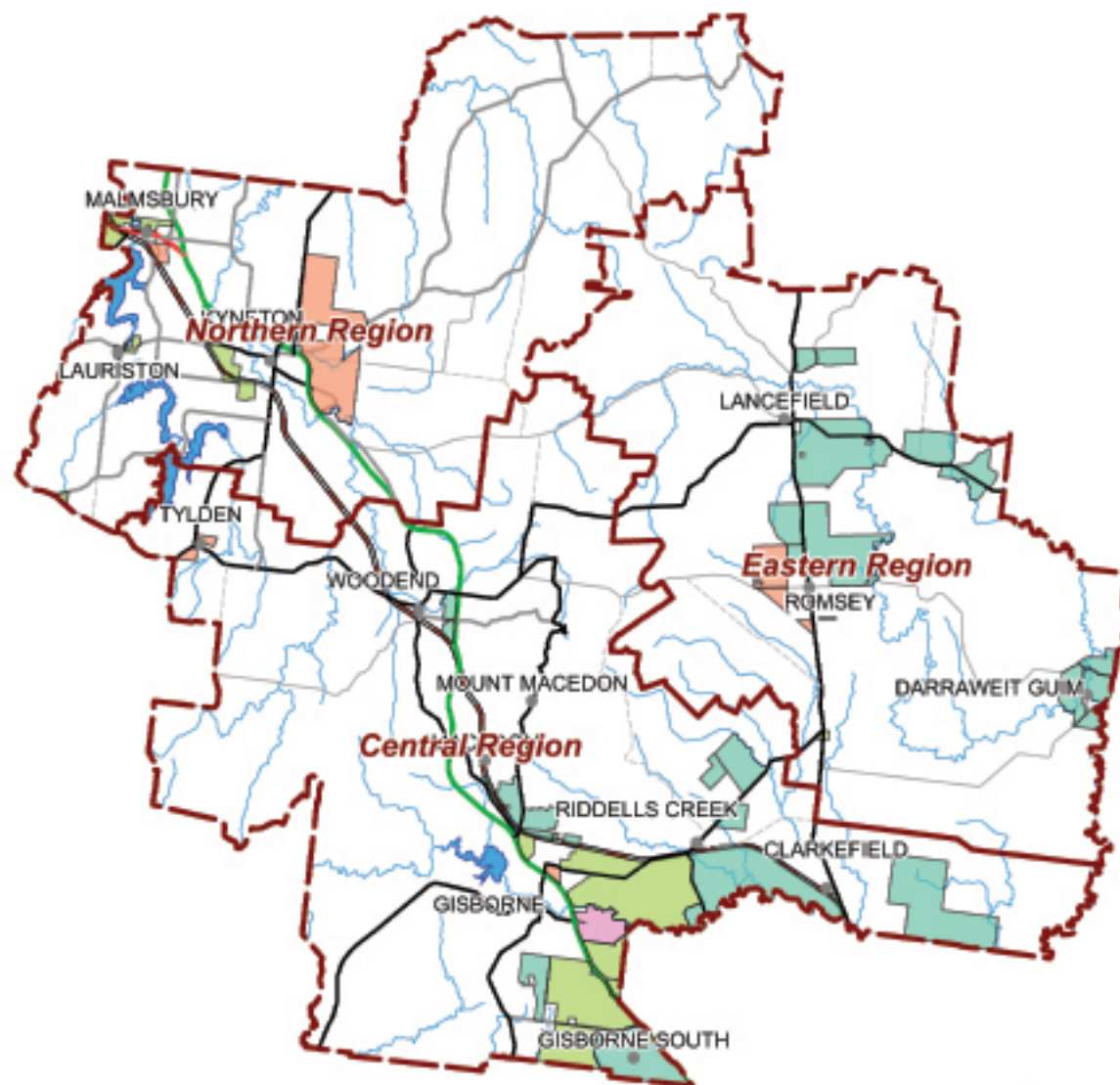
- 215 lots in the northern region;
- 202 lots in the central region; and
- 157 lots in the eastern region.

5. Rural Living Land Supply

Figure 5: Rural Living Regions

Map Legend

- Rural Living Zone 1 (40ha min)
- Rural Living Zone 2 (2ha min)
- Rural Living Zone 3 (8ha min)
- Rural Living Zone 4 (1ha min)
- Rural Living Zone 5 (8ha min)
- Shire Boundary
- Calder freeway
- Roads
- Bendigo-Melbourne rail link
- Reservoirs
- Waterways
- Township



5. Rural Living Land Supply

5.2. Demand Assessment

Victoria in Future (VIF, 2014) population projections and the historic rate of new dwellings approvals (between 2000 and 2013) indicate that there is a demand for approximately 33-34 new dwellings in the Rural Living Zone each year. This demand has also been further analysed to determine the annual demand for new rural living dwellings in each subregion as:

- 15.7 dwellings in the northern region;
- 11.6 dwellings in the central region and
- 5.7 dwellings in the eastern region.

In terms of the demand for specific types of rural living land, anecdotal discussions with real estate agents indicate there is a stronger demand for lots between 1 and 2 hectares, with high amenity land being more sought after. Also, Council's Equine Strategy notes that 2-5 hectare blocks are preferred for leisure horse enthusiasts in appropriate locations. The available supply is generally on lots greater than 2 hectares.

The supply and demand assessment has also indicated that between January 2008 and July 2014 there was a relatively high turnover of lots in the Rural Living Zone, with 23 per cent of lots being sold at least once during that time.

5.3. Projected Lot Requirements

At the projected rate of lot consumption, vacant land in the Rural Living Zone currently provides for an average of approximately 17 years of supply across the Shire. This average supply from vacant lots is comprised of 17 years in the Northern region, 12 years in the Central Region and 16 years in the Eastern Region. When the capacity of unconstrained larger occupied lots is also considered, there is an additional 2 years of average supply provided across the Shire.

As such, at the projected rate of development of 33-34 lots per year, the current supply including vacant and occupied lots that can be further subdivided, provide a maximum of 17 years of rural living zoned land supply across the Shire. Based on the individual annual demand and supply, the supply is projected to provide a maximum of

- 17 years theoretical supply in the Central Region.
- 13 years theoretical supply in the Northern Region.
- 27 years theoretical supply in the Eastern Region.

Table 1: Summary of Supply, Annual Demand and Years of Theoretical Supply

Region	Supply of Unconstrained Land	Annual Demand (lots per year)	Years of Theoretical Supply
Northern	215	15.7	13
Central	202	11.6	17
Eastern	157	5.7	27
Shire	574	33.4	17

It is important to note that this is a theoretical supply. In reality landowners may not release lots counted in this supply for a number of reasons, such as an intention

to develop it themselves at a later stage, the desire to maintain existing agricultural use occurring on site or pursue future agricultural activity, or a desire to maintain a buffer from adjoining development. The implications of these personal and individual decisions create uncertainty in determining actual supply.

Generally a supply and demand assessment would also discount supply based on a degree of uncertainty about the release of available land. However, the amount of this discount has not been established for rural living situations and is likely to vary from one area to another much more than within an urban context. This degree of uncertainty around actual supply is also particularly relevant in the Shire given the relatively high rate of turnover of lots in the Rural Living Zone.



5. Rural Living Land Supply

5.4. Supply and Demand Discussion

From this analysis it appears that there is a mismatch between demand and supply relating to lot size and amenity, with smaller high amenity lots being sought after by the market and larger lots with more management requirements being less favoured. This trend could further accentuate the need for additional rural living zoned land and subdivision opportunities in the future. However, if the projected rate of lot consumption continues and significant subdivision activity does not occur in larger vacant and/or occupied lots, there is likely to be less than 15 years supply of land in the short term.

The supply of developable land within the Shire's regions is of key concern for Council. State planning policy requires that Councils provide clear direction on accommodating projected population growth over at least a 15 year period. It is considered that Council should plan for 30 years of growth in the Rural Living Zone to:

- Protect agricultural and minimise the pressure of rural living style development in the Farming Zone;
- Manage constraints of the theoretical supply resulting from fragmented ownership of lots, which contributes to the level of uncertainty around the actual land supply that will be provided to the market; and
- Ensure adequate supply remains available into the medium-long term.

This analysis indicates that there is a theoretical supply of 17 years across the Shire, although this supply varies between the regions. Both the central and eastern regions currently have in excess of 15 years of supply but the northern region has slightly less than 14 years of supply.

As such, Council needs to investigate options for bringing further smaller lots of rural living land to the market to address this projected demand, meet the

State government's expectations and offset pressure on development of land within other areas of the Shire.

Key implications/recommendations:

- Rural living opportunities are limited and provides less than 20 years of supply in the north and central regions.
- Fragmented land ownership creates uncertainty around how much and when rural living opportunities will be created and put on the market.
- A diversity of lot sizes, including a greater supply of smaller lots between 2 and 4 hectares would better match market demands and more effectively utilize land in the RLZ.



6. Strategic Considerations

Planning for rural living land use and development is a significant challenge. A wide variety of issues affect how this land can best provide for non-urban living choices and reduce the pressure on other non-urban areas that are reserved for farming or environmental protection.

6.1. Environment

6.1.1. Floods

Floods are part of the natural water cycle. Floodplains are low-lying areas located near waterways (such as rivers), where water flows during flood periods. Floodplains can either be permanently or temporarily inundated and include a variety of habitats including swamps, channels, wetlands and waterholes.

Floodplains are usually defined as the land that has a 1 per cent chance of flood or as determined by the floodplain management authority. This data is based on hydrological modelling and mapping, and is used in the revision and development of the Land Subject to Inundation Overlay (LSIO) and other planning controls.

Flooding can occur outside of floodplains during prolonged rain periods where water collects on flat or low lying areas.

Given the dispersed nature of development in non-urban areas flood modelling and flood data analysis for rural living zoned land is incomplete.

Flood risk must be considered in the preparation of planning schemes and land use planning decisions to avoid intensifying the impacts of flooding through inappropriately located uses and developments. Council may require detailed contour mapping and hydrologic assessments to consider whether potential flood risk affects a proposal.

Defined buffers to major creeks and waterways could be identified in consultation with water catchment authorities.

Key implications/recommendations:

- Flood risk must be considered in decision making in the Rural Living Zone.

6.1.2. Fire

A significant proportion of the Shire is subject to high bushfire risk. These areas are primarily located around the Cobaw and Macedon Ranges, in the Shire's heavily forested and grassland areas. The Macedon Ranges also has a history of severe bushfires, including the Ash Wednesday fires in 1983 and more recently fires in South Gisborne, Riddells Creek and Darraweit Guim in February 2014.

The Bushfire Management Overlay (BMO) is used to identify areas where the intensity of bushfire is significant and likely to pose a threat to life and property in Victorian planning schemes.

Figure 8 shows the extent of current BMO overlaid on land in the Rural Living Zone.

The aim of both State and Local Planning Policies is to minimise the risk to life, property, the natural environment and community infrastructure from bushfire. As such the key issue to be addressed in planning decisions affecting bushfire risk environments is to avoid intensifying the risk through inappropriately located or designed uses and developments.

The SPPF and LPPF also seek to encourage rural-residential development in areas with low vulnerability to fire (Clause 16.01-1 and 21.07-1).

Fire behaviour is unpredictable and risk management principles are applied where new development is proposed in the Shire. All weather road access and preferably multiple access roads are important to manage safety in rural living areas.

Key implications/recommendations:

- Increased densities should be located outside of Bushfire Management Overlay.
- Through road and multiple road accesses should be encouraged in new subdivisions in the Rural Living Zone.

6.1.3. Landscape Values

Important landscapes within the Rural Living Zone include Mt Gisborne, Mt Aitken, Mt Magnet, Fenton Hill and Melbourne Hill providing topographic variety and relief. These high points are contrasted with the deeply dissecting river and creek valleys of Campaspe River in the north, and Jacksons and Deep Creeks on the eastern volcanic plains. Gentle creek valleys of File Mile Creek, Emu Creek, Riddells Creek and Pipers Creek and other tributaries feed into these catchments. The Coliban River, and the Malmsbury and Lauriston Reservoirs it flows into, are significant landscape features in the north-west of the Shire.

Parts of the Rural Living Zone are visible from major roads including the Calder Freeway, Saunders/Kilmore Road, Riddell Road and Melbourne-Lancefield Road. Views of the Shire's iconic features including Mt Macedon, Hanging Rock and the Cobaw Ranges as well as farm land are an appreciated part of the Shire's aesthetic value from land in rural living areas and public roads. Due to pressure for development, the Shire's various landscape types face specific challenges and threats to their visual and landscape quality. The visual characteristics of the landscape or the ability of the landscape to sustain change without compromising its visual integrity must be a key consideration in planning future rural living land use and development.

Protection of important landscapes and prominent rural views is a fundamental principle of managing rural living areas.

Key implications/recommendations:

- Development should be sited and designed to respect key landscape features using larger lots, design guidelines and setbacks away from key vistas.
- Important landscapes should be identified and protected using appropriate planning tools such as Significant Landscape, Vegetation Protection or Design and Development Overlays.

6. Strategic Considerations

6.1.4. Water catchments

The Shire is an important part of the Port Phillip and Westernport Catchment Management Authority (CMA) and the North Central Catchment Management Authority regions.

The Shire also contains 24 water supply catchments which include the headwaters or the top of the Campaspe, Maribyrnong and Werribee Rivers. Most of these areas are open catchments. This means the impacts of land management in the Shire has an impact along the entire length of these waterways extending south to Port Phillip Bay and north to the Murray River.

Major reservoirs including Rosslynne, Eppalock, Malmsbury, Lauriston, and Upper Coliban supply drinking water to communities within the Shire as well as Sunbury, Melton, Bacchus Marsh, Castlemaine and Bendigo (refer figure 6). Consequently large areas of the Shire are within special water supply catchments and land use determination areas.

There are also significant ground water resources in the Shire. These resources are used for horticulture and by the mineral spring's industry.

The Planning Scheme recognises the importance of the catchments as a source of water for various Victorian communities and states that 'the integrity of these waterways must be protected and enhanced'.

The integrity of the water supply, including both surface and ground water resources is threatened by inappropriate development and pressure from increased urban development (stormwater run-off, land forming and pollution). In addition, the impacts of rural living development, particularly wastewater disposal, construction of dams and land clearing, within water supply catchments have also threatened the Shire's catchments and water resources.

Key implications/recommendations:

- Increased rural living densities should be directed to areas outside of water catchments.

6.1.5. Biodiversity

Threats to the Shire's biodiversity include the loss of native vegetation and habitat through clearing for urban development; cropping and infrastructure; weed invasion; inappropriate fire regimes; predation by pest and domestic animals; pressures of recreational use; changes in hydrological regimes; firewood collection; soil disturbance and vandalism.

The most significant threat results from residential expansion that has led to a loss of native vegetation, increased fire risk, drainage problems, habitat loss and fragmentation, destruction of habitat links, land erosion, and weed problems. New roads, access, outbuildings, effluent disposal systems, services, the need for bushfire protection and other activities associated with new residential development also have a detrimental impact on native vegetation and biodiversity.

There is potential for land use conflict at the interface of public and private land where vegetated public land is adjacent to urban areas. Consideration needs to be given to establishing buffer areas and adequate setback distances on freehold land as a means to enhance and protect significant vegetation.

Individual planning proposals will be considered for their impact on biodiversity. Promoting responsible land management through information and education for landowners can also assist in protecting habitat and biodiversity.

Key implications/recommendations:

- Consider protection of important biodiversity using appropriate overlays such as Vegetation Protection, Environmental Significance Overlays or Native Vegetation Precinct Plans.

6.2. Land use compatibility

6.2.1. Amenity considerations

Common to all State's planning policies is the notion that there is conflict between the nature and impacts of rural production and residents' perception of rural amenity. This was well described in the State Rural Zones Review as "the location of dwellings, particularly non-farm dwellings, in a farming area is a source of land use conflicts. Not only does it lead to complaints about farming activities by residents who have concepts about country lifestyle and amenity which may be inappropriate in a farming environment, but the presence of dwellings can lead to constraints on new, expanding or changing rural enterprises – particularly related to potential smell, noise, dust and crop spraying."

Managing the location of dwellings in rural areas is important to avoid potential conflicts between business, tourism and agricultural activities.

The key purposes of the Rural Living Zone support residential uses in a rural environment and the zone allows a variety of other activities including business, tourism and agricultural activities.

Key implications/recommendations:

- Development within the Rural Living Zone must manage the expectations and responsibilities of both residential and other allowable activities within the Rural Living Zone.

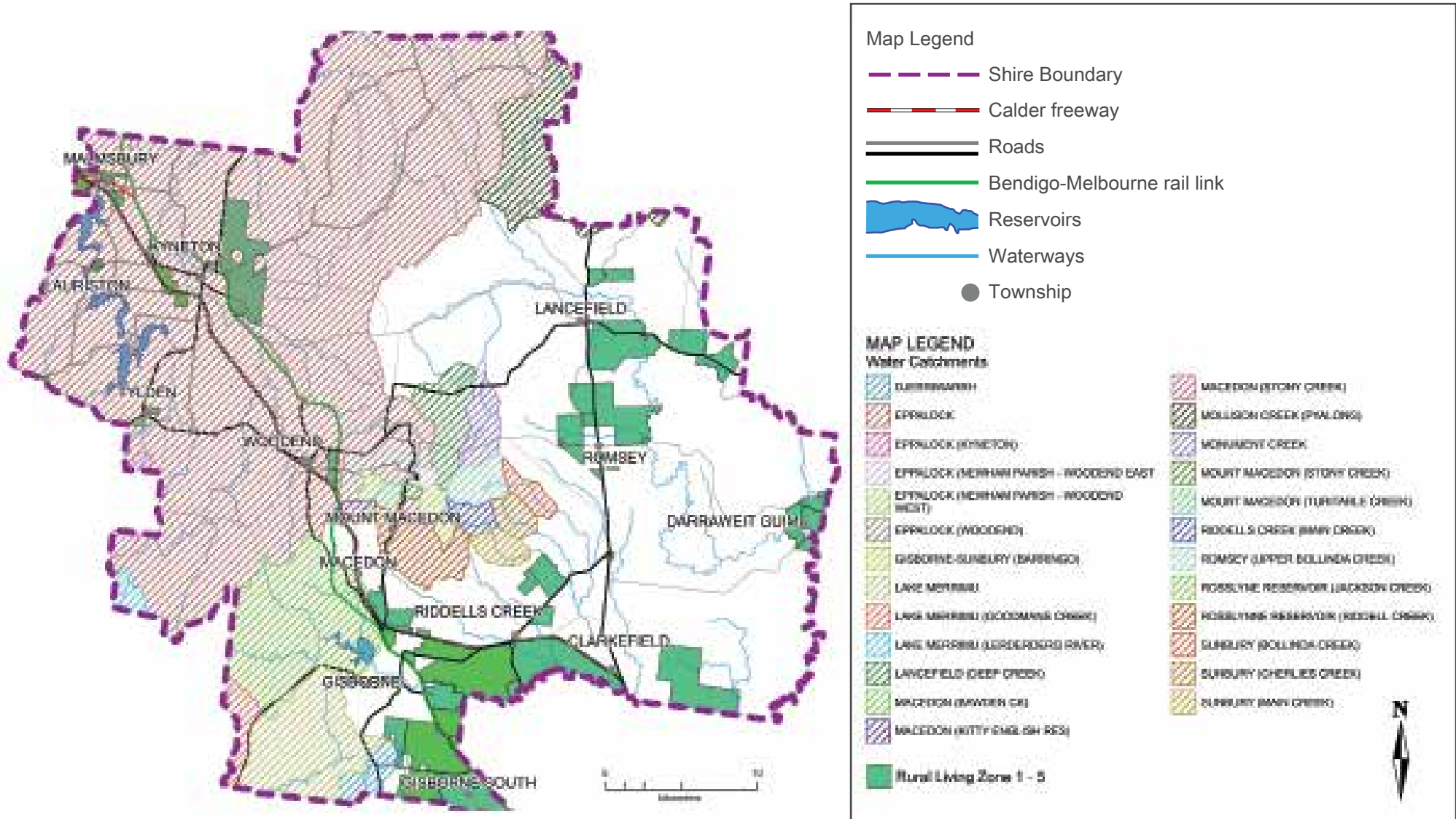
6.2.2. Rural/Residential interface

Macedon Ranges Shire continues to experience sustained population growth. Much of that growth has occurred on the fringes of the existing urban areas resulting in pressure on adjoining rural areas and land uses. Urban (and other non-agricultural) encroachment often places pressure on farm businesses through:

- Upward pressure on agricultural land prices
- Hampering some farm operations, e.g. stock and machinery movement

6. Strategic Considerations

Figure 6: Water supply catchments



6. Strategic Considerations

- Conflict between urban and rural neighbours arising from farm activities, e.g. noise, odour, hours of operating machinery
- Broad perceptions of future land use change

Without suitable and active land use strategies and policies aiming to limit conflict between urban and rural activities, Council will be called on to resolve an increasing number of disputes, while farm businesses may consider relocation in the longer term. Design of residential areas adjoining farming areas should seek to minimise impact on farming operations.

Key implications/recommendations:

- Buffers and setbacks should be created in the Rural Living Zone at the interface with the Farming Zone to protect residential amenity and allow for adjoining uses and businesses to continue to operate and adapt without constraint.

6.2.3. Community Aspirations

Community attitudes/aspirations on rural living development in Macedon Ranges Shire vary widely and are often in conflict. The diversity of views expressed vary from the position that: all (or most) lots in the Shire should be entitled to a dwelling (as of right); to the provision of further dwellings should be prohibited in certain areas so as to protect environmental, agricultural and landscape values.

Council's New Ratepayer Survey is posted to all new ratepayers in Macedon Ranges Shire – this includes both people moving into the Shire and people moving within the Shire. The survey has a response rate of approximately 24 per cent representing a small selection of the community and provides some useful insights:

- Over 60 per cent of respondents moved to a house on ½ an acre or on ½ to 5 acres.
- 13 per cent of respondents had purchased vacant land particularly in and around Gisborne (38 per cent).

- Top 2 main reasons for moving into the Shire are: for a rural lifestyle and beauty of the area. Proximity to Melbourne was also a key motivation.
- The majority of respondents had previously lived in a rural area (58 per cent) and of these the proportion from Macedon Ranges Shire, or another rural area, were similar. Most of those who had not lived in a rural area before had previously lived in Melbourne prior to moving to the Shire (72.3 per cent).
- More than 70 per cent of respondents intended to live in the Shire for more than 15 years or the rest of their life.

Key implications/recommendations:

- Clarify landowners responsibilities and manage expectations for the diverse living opportunities in the Shire.

6.2.4. Demand for dwellings in other Rural Zones

Considerable research has been undertaken through this project and over the last 35 years that highlights the need to protect the natural resources and assets, significant landscapes, heritage significance, water catchments and rural character of the Shire. It has been found that incremental development in rural areas and the development of all existing lots within the Shire would jeopardise these very assets, which have State significance and are valued by both the local community and metropolitan Melbourne.

In the past this demand has been taken up in rural areas, often in inappropriate locations with poor design, siting and land management outcomes. Examples of this type of development can be seen around most of the Shire's townships where small parcels of land have been developed and a proliferation of dwellings has resulted completely changing the rural landscape.

In accordance with the Panel's findings in assessing Amendment C21 and the Rural Land Review in 2006 'this level of development cannot continue without causing significant and irreparable damage to the fabric of the rural areas and the many features that are valued by the community'.

Council wishes to uphold the community's desire to protect the natural environment and the landscape values of the Shire. This Strategy identifies areas and actions to accommodate lifestyle rural living. Development will be directed to these areas and development in the Farming and Rural Conservation Zone will be required to uphold the objectives for these areas.

Key implications/recommendations:

- Rural living areas should be maintained close to major towns and increased densities supported where existing services and facilities have most efficient access.



6. Strategic Considerations

6.3. Infrastructure

6.3.1. Waste and Community Facilities

The dispersed nature of rural living development also requires dispersed and extended infrastructure services in these areas. Some infrastructure such as power, telecommunications, waste treatment and on site drainage is provided by each landowner as they develop their land.

Local government's main responsibilities in rural living areas are the provision of road access (see below), hard waste collection and community facilities, which are generally located in nearby towns. Further costs may be incurred where dispersed development reaches a threshold to necessitate infrastructure upgrades, such as sealing of gravel roads.

The per household cost of waste services and social services in rural living areas is much greater than for urban areas due to the fewer recipients and longer distances being travelled.

Key implications/recommendations:

- Rural living areas should be maintained close to major towns and increased densities supported where existing services and facilities have most efficient access.

6.3.2. Road access

Roads in the Shire are of varying condition ranging from fully sealed road networks in town centres to unmade tracks in rural areas. In particular, many rural living areas are currently served by unsealed roads, which often raise amenity issues with residents and expectations of a higher standard of maintenance.

Ongoing maintenance for unsealed roads is a major cost to Council and is over and above the costs associated with sealed roads. Road upgrades are generally a cost borne by Council although they may also be part funded through a local road scheme or development contribution.

Within its 2012 report 'Where and How Should We Grow?' The Municipal Association of Victoria (MAV) investigated the impacts of different settlement patterns from a 'triple bottom line' perspective and a 'local government fiscal' perspective over the short, medium and longer term. This report indicates that while there are different ongoing costs associated with different settlement types, in rural locations the costs to local government associated with more dispersed development are more likely to relate to road and drain maintenance.

Road access in rural areas that are at risk of bushfire must be capable of providing all weather access for emergency vehicles and safe evacuation by residents. Rural living areas also require adequate road alignment and safe design for the extent of traffic generated by the dispersed development in these locations. Where possible, tourism and commercial uses and increased lot density in rural areas will be encouraged on or close to sealed roads. A Special Charge Scheme or developer contributions for rural living areas to address these issues and road upgrades for new uses and subdivisions could be considered.

Key implications/recommendations:

- Sealed roads should be a requirement for subdivisions in the Rural Living Zone where minimum lot sizes are below 6 hectares or where commercial /tourist development significantly increases local traffic.

6.3.3. Water Supply and Waste Treatment

Land in the Rural Living Zone is generally not connected to reticulated water or sewerage (with very limited exceptions around Malmsbury and Kyneton).

Individual lot owners are required to provide a septic tank (waste management) system designed for the size of their dwelling and based on their unique site conditions. Landowners are required to show that a waste management system will work in a sustainable manner at a particular site.

The construction of a dam requires a permit within the Rural Living Zone. These dams and lakes are highly inefficient due to evaporation and reduce environmental flows to catchments which therefore impacts on water quantity in the local waterways and reservoirs. In addition, prolonged droughts have driven landowners within catchments to build more dams to capture additional water preventing these flows from entering catchments.

Local planning policy at Clause 22.08 relating to new dam construction will continue to apply with regard to any dam built in the Rural Living Zone. This process directs Council to refer any application for a new dam to the water authority if the proposal will significantly impact on water flows in a catchment.

Key implications/recommendations:

- All developable lots in the Rural Living Zone must be able to treat their own waste water on site.
- Connection to potable water will be encouraged in new subdivisions.
- Construction of new dams will be discouraged on lots less than 3 hectares.
- Water catchment authorities and current State guidelines and regulations will influence the density and location of development within open water catchments.



6. Strategic Considerations

6.4. Economy

6.4.1. Agriculture

Rural living land forms part of the 85 per cent of land in the Macedon Ranges Shire zoned for non-urban uses. Agribusiness is an important part of the Shire's economy, with over 500 people employed directly in agricultural related industries and more than \$73 million in Gross Regional Product (GRP). Any changes in the industry have ramifications for the entire community.

The loss of land used for agricultural production to dwellings not only impacts on the total value of production but can impact on rural industries when required production levels are not met. It may also impact on local retailing, particularly rural service industries, if new residents are commuting to Melbourne or another major regional centre for work resulting in escape expenditure.

In 2013 Council sent an Agribusiness Survey to landholders in the Farming, Rural Conservation and Rural Living Zones. The results of the survey indicate that land price and land availability are acknowledged as the main constraint to agribusiness expansion by over 25 per cent of respondents with 50 per cent of respondents ranking these issues as their 1, 2 or 3 highest constraint to expansion.

High quality land is recognised as a limited resource. The Macedon Ranges has relatively reliable rainfall and the highest quality land is located in the east of the Shire.

Being close to Melbourne, the Shire has capitalised on its location, soils and water resources to enhance the productivity of land through the on-going development of niche rural activities that supplement traditional grazing and broad acre uses. If this process is to continue and these uses remain viable in the Shire, fragmentation of existing agricultural land and conflicting uses needs to be avoided. Providing adequate rural living opportunities particularly on land of lower agricultural quality, is vital to reduce the pressure for housing within the Farming Zone.

Key implications/recommendations:

- Provide for non-urban lifestyle residential opportunities within the Rural Living Zone that allow a mix of lot sizes in locations close to major towns.

6.4.2. Managing Future Township Growth

The larger townships in the Macedon Ranges Shire have structure plans providing clarity about direction for urban growth over the next 15 years or more. Planning for township growth beyond this 15 year timeframe has not been undertaken and it is essential to maintain potential growth options for the long term. In some areas, such as Romsey, Gisborne and Riddells Creek; Rural living zoned land directly abuts town boundaries, where existing urban infrastructure and services are located. These growth fronts are the natural location for accommodating potential long term town expansion options.

However, township expansion is made extremely difficult where subdivision and development patterns have fragmented the ownership of adjoining land into smaller holdings with substantial homes. In this situation urban redevelopment is dependent on the cooperation of a number of landowners with mixed attitudes and expectations and staging of any development in these areas is likely to be sporadic and unpredictable. The application of appropriate zoning controls combined with large minimum lot sizes can preserve areas of potential long term growth on the fringes of townships so that urban style development can be easily accommodated in the future.

Key implications/recommendations:

- Existing large lots on the edges of urban centres should not be further subdivided in order to maintain options for future urban growth.

6.4.3. Tourism

Tourism is a major economic industry for the Shire and provides both direct and indirect employment for a significant percentage of the locally employed labour force (7 per cent). In 2009, over 1 million visitors stayed at least one night in the region. Council policies encourage the sustainable growth of this industry.

The Macedon Ranges Shire is very accessible and is a popular day trip destination from metropolitan Melbourne providing a valuable market to the Shire. The Shire's natural attractions, quality wineries, historic gardens and heritage precincts are also acknowledged as significant attractions for tourism, retailing and visitors.

Amendment C84 (gazette on 10 September 2015) includes content from Council's adopted Tourism Policy, which states:

There is an acknowledged shortage of accommodation in the Macedon Ranges. An increase in the supply of appropriate accommodation would be required to deliver increased potential for the region to capitalise on the tourist market.

Rural living areas are preferred locations for tourism accommodation and businesses outside of townships. These uses and associated developments are supported in the Rural Living Zone where residential amenity and visual impacts are managed.

Key implications/recommendations:

- Tourism and other business uses are supported in the Rural Living Zone where impacts on neighbours and the landscape can be minimized.

6. Strategic Considerations

6.5. Key implications/ recommendations

Strategic considerations have informed a set of key implications and recommendations that Council will refer to in strategic planning decisions in the Rural Living Zone.

6.5.1. Supply and Demand

- Rural living opportunities are limited and provides less than 20 years of supply in the north and central regions.
- Fragmented land ownership creates uncertainty around how much and when rural living opportunities will be created and put on the market.
- A diversity of lot sizes, including a greater supply of smaller lots between 2 and 4 hectares would better match market demands and more effectively utilize land in the RLZ.
- Development should be sited and designed to respect key landscape features using larger lots, design guidelines and setbacks away from key vistas.
- Important landscapes should be identified and protected using appropriate planning tools such as Significant Landscape, Vegetation Protection or Design and Development Overlays.
- Increased rural living densities should be directed to areas outside of water catchments.
- Consider protection of important biodiversity using appropriate overlays such as Vegetation Protection, Environmental Significance Overlays or Native Vegetation Precinct Plans.

6.5.2. Environment

- Flood risk must be considered in decision making in the Rural Living Zone.
- Increased densities should be located outside of Bushfire Management Overlay.
- Through road and multiple road accesses should be encouraged in new subdivisions in the Rural Living Zone.

6.5.3. Land Use Compatibility

- Development within the Rural Living Zone must manage the expectations and responsibilities of both residential and other allowable activities within the Rural Living Zone.
- Buffers and setbacks should be created in the Rural Living Zone at the interface with the Farming Zone to protect residential amenity and allow for adjoining uses and businesses to continue to operate and adapt without constraint.
- Clarify landowners responsibilities and manage expectations for the diverse living opportunities in the Shire.
- Rural living areas should be maintained close to major towns and increased densities supported where existing services and facilities have most efficient access.

6.5.4. Infrastructure

- Rural living areas should be maintained close to major towns and increased densities supported where existing services and facilities have most efficient access.

- Sealed roads should be a requirement for subdivisions in the Rural Living Zone where minimum lot sizes are below 6 hectares or where commercial /tourist development significantly increases local traffic.
- All developable lots in the Rural Living Zone must be able to treat their own waste water on site.
- Connection to potable water will be encouraged in new subdivisions.
- Construction of new dams will be discouraged on lots less than 3 hectares.
- Water catchment authorities and current State guidelines and regulations will influence the density and location of development within open water catchments.

6.5.5. Economy

- Provide for non-urban lifestyle residential opportunities within the Rural Living Zone that allow a mix of lot sizes in locations close to major towns.
- Existing large lots on the edges of urban centres should not be further subdivided in order to maintain options for future urban growth.
- Tourism and other business uses are supported in the Rural Living Zone where impacts on neighbours and the landscape can be minimized.

Part Three

Context



7. Planning Policy & Controls

7.1. Planning and Regulatory Framework

7.1.1. Macedon Ranges Settlement Strategy

The 2011 Macedon Ranges Settlement Strategy provides a long term plan for managing growth and development within the Shire. Land in the Rural Living Zone has been calculated in the lot yields for their respective towns with the exceptions of Darraweit Guim, Clarkefield (at Fenton Hill), Tylden and Lauriston. The growth projections in the Settlement Strategy incorporate land in townships as well as these surrounding rural living areas. However, it doesn't stipulate where the components of growth should be located in respect of the Residential 1 (now General Residential), Low Density and Rural Living Zones. Notwithstanding that the settlement boundaries in the Settlement Strategy include rural living areas around the main townships, the Rural Living Zone is within the suite of Rural Zones in the State VPPs.

Outside of the town boundaries the strategy states that:

The Strategy does not provide for population growth in the non-urban areas of the Shire – the land outside the study area boundaries of the major towns and the smaller settlements.

Growth is not provided for in this area because:

- State planning policy and current local policy discourages sporadic residential development in rural areas.
- Much of the Shire faces significant environmental constraints to dispersed residential development, including potable water supply catchments and wildfire risk.
- Dispersed residential development is likely to compromise the agricultural potential of farming land.
- Any increase in rural living development in high fire risk

areas should be discouraged, as per the settlement principles outlined in Clause 11 of the SPPF.

The overall population of the rural areas is expected to remain relatively constant over time. Achieving the recommended outcome for non-urban areas is likely to require some further tightening of planning scheme policy and/or implementation.

The decreasing household size projected would likely result in an additional 195 dwellings in the rural balance by 2036. This represents an average annual growth of 0.3 per cent which is less than the recent growth in the Macedon Ranges Shire in the rural balance but has regard for State direction to consolidate future growth in existing settlements. (Settlement Strategy, MRSC 2011, page 25)

7.1.2. State Planning Policy Framework

The issue of rural living land is dealt with in State planning policy, principally under clauses 11.02 (Urban Growth) and 16 (Housing).

Clause 11.02-1 (Supply of Urban Land) seeks to ensure a sufficient supply of land is available for residential and other uses by ensuring the ongoing provision of land and supporting infrastructure is available to meet forecast demand. This objective is to be addressed by planning for projected population growth on a municipal basis over at least a 15 year period and providing clear direction on locations where growth should occur while restricting low-density rural residential development that would compromise future development at higher densities.

Clause 16.02-1 (Rural Residential Development) seeks to support the identification of land suitable for rural living and rural residential development and the management of development in rural areas to protect agriculture and avoid inappropriate rural residential development. These objectives are to be achieved via the consolidation of new housing in existing settlements where investment in physical and community infrastructure and services has already been made, identify locations for rural

residential development through a housing and settlement strategy and ensure that planning for rural living avoids or significantly reduces adverse economic, social and environmental impacts.

7.1.3. Local Planning Policy Framework

Within the LPPF, Council's Municipal Strategic Statement (MSS) at Clause 21 of the Scheme, provides specific policy direction regarding rural living land use and development within the Shire. A revised MSS has been prepared based on the strategies and growth projections of the Settlement Strategy and is proposed to be implemented through Amendment C84. (Amendment C84 was adopted by Council in May 2014 and is currently being considered by the Minister for Planning).

The Shire's Strategic Vision as proposed under Amendment C84 states that:

- 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.
- Since the Shire has a considerable supply of rural residential land, further creation of such lots is restricted. Development of existing lots for rural residential purposes recognises the importance of surrounding agricultural land and protects water supply, native vegetation and landscape characteristics.

Clause 21.01 (Municipal Profile) describes the Shire as being predominantly rural in character with settlement and urban growth concentrated in a number of towns that are linked by transport corridors with rural areas providing important buffers of farmland and natural vegetation between towns and the metropolitan area.

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Additionally, Clause 21.02 (Key Issues and Influences) indicates that with regard to Environment and Landscape Values inappropriate subdivision and development of rural land for rural living purposes is the major cause of fragmentation and loss of landscape values and that with regard to Housing, clear strategies are needed to manage pressures for rural residential development.

Clause 21.05 (Environment and Landscape Values) articulates Council's approach to managing its rural landscapes and seeks to ensure that development and works complement the Shire's rural landscape character by protecting the landscape, environmental and scenic qualities, encouraging sensitive subdivision designs which use larger lots and building envelopes to minimise landscape and environmental impacts and applying density and vegetation controls to retain and enhance the environmental and landscape features of forest residential areas. This clause also seeks to protect and enhance the farming character of the agricultural and rural landscapes by ensuring rural living subdivisions are designed to promote the rural character of the area, protect existing remnant native vegetation, provide for productive use of higher quality soils and minimise impact on significant landscapes and view-sheds.

Clause 21.09 (Housing) describes Council's approach to managing housing within the rural residential context, which is described as providing 'a range of property sizes offering a range of lifestyle opportunities and landscapes.' Subclause 21.09-2 deals specifically with rural residential housing and aims to ensure that rural residential development is sustainable and gives priority to the environment and landscape by avoiding further creation of rural residential lots, particularly in catchment areas, due to the potential impact on water quality, ensuring that rural residential development promotes and reflects the rural character and activities of the area and does not adversely impact current and future agricultural and economic activities. This Clause also seeks to avoid the subdivision of primary or balance lots that have resulted from cluster subdivisions undertaken under former planning controls and to ensure that subdivisions minimise the number

of additional roads required by utilising existing roads and generally encourage rural residential subdivisions to provide a range of lot sizes consistent with the vision for the area.

Clause 21.09-2 under Housing deals specifically with Rural Residential housing and offers the following strategic policy directions:

Objective 1

To ensure rural residential development is sustainable and gives priority to the environment and landscape.

Strategies

- Avoid further creation of rural residential lots, particularly in catchment areas, due to the potential impact on water quality.
- Ensure any rural residential development promotes and reflects the rural character and activities of the area.
- Ensure rural residential development does not adversely impact current and future agricultural and economic activities.
- Encourage appropriately located rural residential development that responds to landscape values and environmental constraints, including the Special Water Supply Catchments, whilst protecting the right to farm.
- Encourage rural residential development that adds to the attractiveness of the area by minimising the visual prominence of buildings in the landscape.
- Encourage rural residential developments to demonstrate site specific sustainability, including waste water treatment.
- Avoid the subdivision of primary or balance lots that have resulted from cluster subdivisions undertaken under former planning controls.
- Ensure subdivisions seek to utilise existing good quality roads and minimise the number of additional roads created.

Objective 2

To provide for a range of rural residential opportunities.

Strategies

- Encourage rural residential subdivisions to provide a range of lot sizes, with access via the local road network. These subdivisions must be consistent with the vision for the area.
- Specific Implementation
- Apply the Rural Living Zone to areas where it is appropriate to provide for residential use in a rural environment.
- Apply the Rural Conservation Zone.

7.1.4. Rural Living Zone

As described above, areas of Rural Living Zone (RLZ) are found throughout the Shire. The location of land in the RLZ is shown in Figures 1, 11, 12 and 13.

The purposes of the RLZ are:

- To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.
- To provide for residential use in a rural environment.
- To provide for agricultural land uses which do not adversely affect the amenity of surrounding land uses.
- To protect and enhance the natural resources, biodiversity and landscape and heritage values of the area.
- To encourage use and development of land based on comprehensive and sustainable land management practices and infrastructure provision.

Subdivision of land in the RLZ is controlled by the various schedules to the zone. Subdivision restrictions vary widely, as shown in Table 2. Areas specified in terms of hectares

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in the planning scheme have also been converted to acres for additional reference, given that many community members and property industry professionals also refer to lot sizes in terms of acres.

In addition, to these minimum lot sizes, Clause 35.03-3 allows a permit to be granted to create smaller lots if any of the following apply:

- The subdivision is the re-subdivision of existing lots and the number of lots is not increased.
- The number of lots is no more than the number the land could be subdivided into in accordance with a schedule to this zone.
- The subdivision is by a public authority or utility service provider to create a lot for a utility installation.

Based on the above provisions, lots may be created by subdivision that are smaller than the required minimum subdivision area on the condition that the average lot size of the subdivision meets the minimum subdivision area specified in each Zone Schedule. In practice, this has resulted in a number of subdivisions with most new lots

smaller than the indicative minimum subdivision area in the relevant schedule, with a single large 'balance' lot.

7.1.5. Overlays

Various overlays apply throughout land in the Rural Living Zone and include:

- Design and Development Overlay (DDO) : DDO13 – includes Gisborne, Gisborne South and Riddells Creek and is included as Figure 10; DDO15 – east of Kyneton; DDO5 – Panaroma Drive and surrounds in Gisborne; DDO7 – Lancefield north; Ochiltrees and Embley Courts, Romsey
- Development Plan Overlay (DPO8) – Romsey around Five Mile Creek including large lots to its north
- Erosion Management Overlay (EMO) – Malmesbury
- Environmental Significance Overlay – ESO4 – Figure 13; ESO2 – Monegeetta

- Heritage Overlay (HO) – HO134 - north of Kyneton; HO148 – Malmesbury; HO251 - north of Kyneton; HO272 – Woodend; HO63 Gisborne South
- Land Subject to Inundation Overlay (LSIO) – Parkes Dve Kyneton; Lauriston; Darraweit Guim; Malmesbury
- Significant Landscape Overlay : SLO1 – Kyneton Bald Hill; SLO2 – Lancefield (Melbourne Hill)
- Vegetation Protection Overlay : VPO1 – Woodend; VPO9 - Woodend
- Bushfire Management Overlay (WMO) – refer Figure 13

Of these overlays, DDO13, ESO4, SLO2 and the BMO have the most impact on development in the Rural Living Zone.

Design and Development Overlay (DDO13)

This overlay applies to 8 lots in the Gisborne and Gisborne South area in the RLZ and RCZ (refer figure 7). The overlay sets a minimum lot size of 100 hectares and has an objective:

To protect the primary lots created from former subdivisions from further fragmentation as these lots contribute to the variety of lot sizes in this area and preserve the rural landscape.

Environmental Significance Overlay Schedule 4 (ESO4)

This overlay applies to land within the Campaspe River Catchments (refer figure 8) and has as its' objective:

To ensure the protection and maintenance of 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.

Any new dwelling within this catchment requires a planning permit. Goulburn Murray Water and Coliban Water have interests in this catchment and are referral authorities under Clause 66 of the Macedon Ranges Planning Scheme.












Table 2: Rural Living Zone Schedules

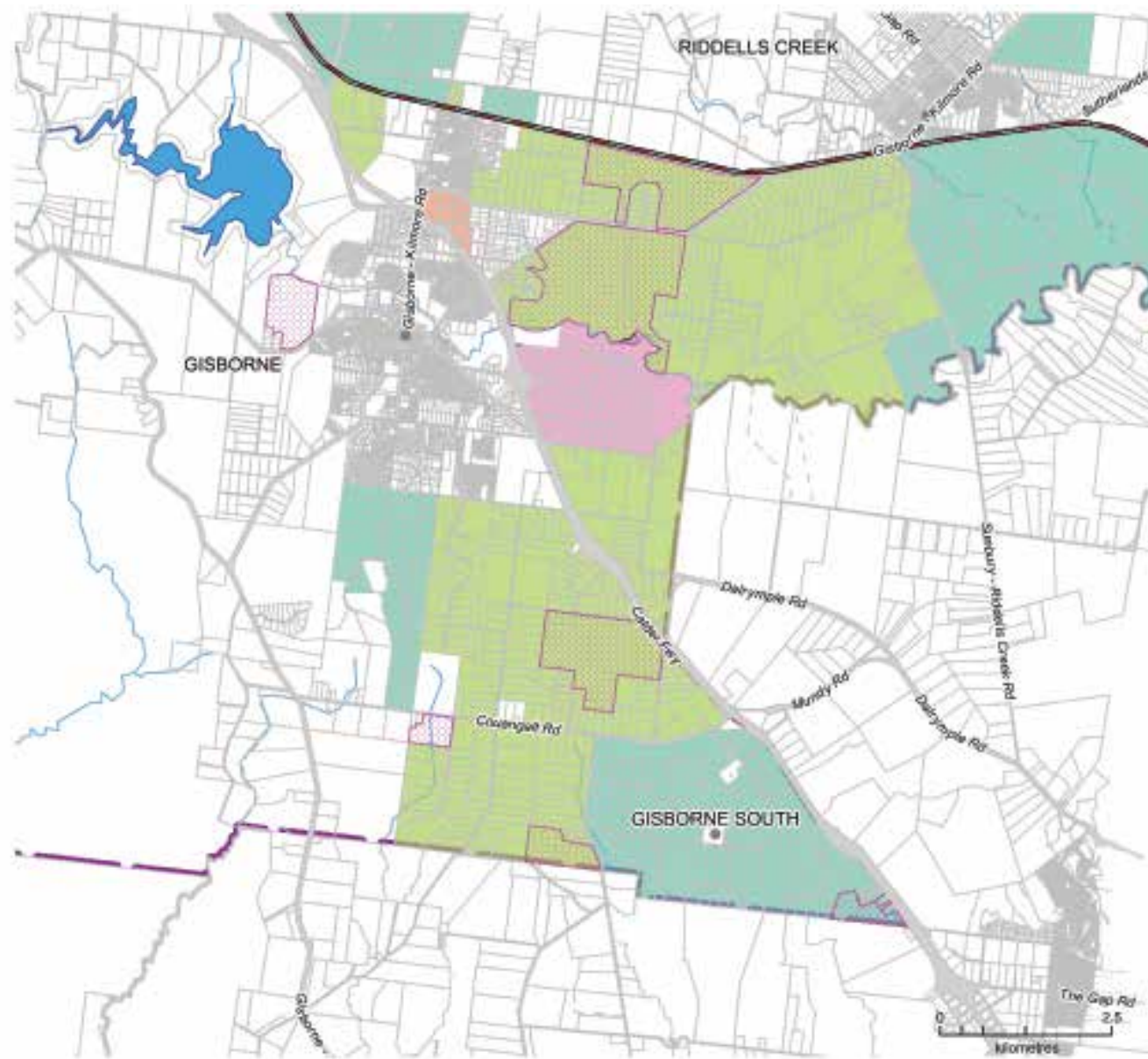
Rural Living Zone Schedule	Minimum lot size (ha)	Minimum lot size (acres)	Total Area (ha)	Percentage of Rural Living Zone under each Schedule	Percentage of total Shire within each Schedule
Schedule 1	40	100	8,830.94	56.76%	5.05%
Schedule 2	2	5	2,268.74	14.58%	1.30%
Schedule 3	8	20	11.04	0.07%	0.01%
Schedule 4	1	2.5	366.01	2.35%	0.21%
Schedule 5	8	20	4,082.47	26.24%	2.33%
TOTAL			15,559.20	100.00%	8.90%

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Figure 7: Design and Development Overlay 13

Map Legend

-  Design and Development Overlay Schedule 13 (DDO13)
-  Rural Living Zone 1 (40ha min)
-  Rural Living Zone 2 (2ha min)
-  Rural Living Zone 3 (8ha min)
-  Rural Living Zone 4 (1ha min)
-  Rural Living Zone 5 (8ha min)
-  Shire Boundary
-  Roads
-  Reservoirs
-  Waterways
-  Township



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Some of the ridges and escarpments in the Shire are covered by Significant Landscape Overlay Schedule 2 including Mount Gisborne, Mount Aitken, Magnet Hill (all surrounding Gisborne) and Melbourne Hill between Romsey and Lancefield. Generally a permit is required for the construction of a building under this Overlay and the landscape objectives to be considered are:

To ensure that the siting and design of buildings and works in rural areas (including the choice of building materials) is responsive to the landscape character of the Macedon Ranges Shire.

To maintain vegetation on escarpments and ridgelines for its landscape value.

To control the location and visual impact of buildings by requiring adequate setbacks from cliff tops, ridgelines and other prominent areas.

Bushfire Management Overlay (BMO)

The Bushfire Management Overlay (BMO/WMO) is generally outside of the Rural Living Zone except for small areas generally at the fringes of the Rural Living Zone.

Figure 8 illustrates the extent of the BMO and shows areas of the Rural Living Zone affected by the BMO. Most of the lots within the BMO are developed with a dwelling except for some sites in in Gisborne South; north of Riddells Creek; Macedon; within and surrounding Kyneton Bushland Resort; north Kyneton between South Lane and Foxes Lane; and Lauriston west.

7.1.6. Rural Residential Development, Practice Note 37, November 2013

This practice note provides guidance for rural residential use and development. It acknowledges that “rural residential refers to land in a rural setting used and developed for dwellings that are not primarily associated with agriculture”. Noting that:

Because of its primarily residential function, rural residential development requires access to most of the normal services and infrastructure provided in urban settlements. Typically it also generates urban residential amenity expectations.

The Practice Note acknowledges that:

A planning authority must be able to show that a rural residential rezoning is part of its strategy to provide appropriate housing for forecast increases in population and changes in household structure and composition.

A rural residential rezoning must be supported with evidence that the proposed use and development supports and implements the housing needs of the municipality as identified in the MSS. This includes understanding the demographic and housing needs of the area and likely future trends.

In response to this, Council has undertaken a supply and demand analysis of rural living zoned land to understand and anticipate the demand for this type of development into the future.

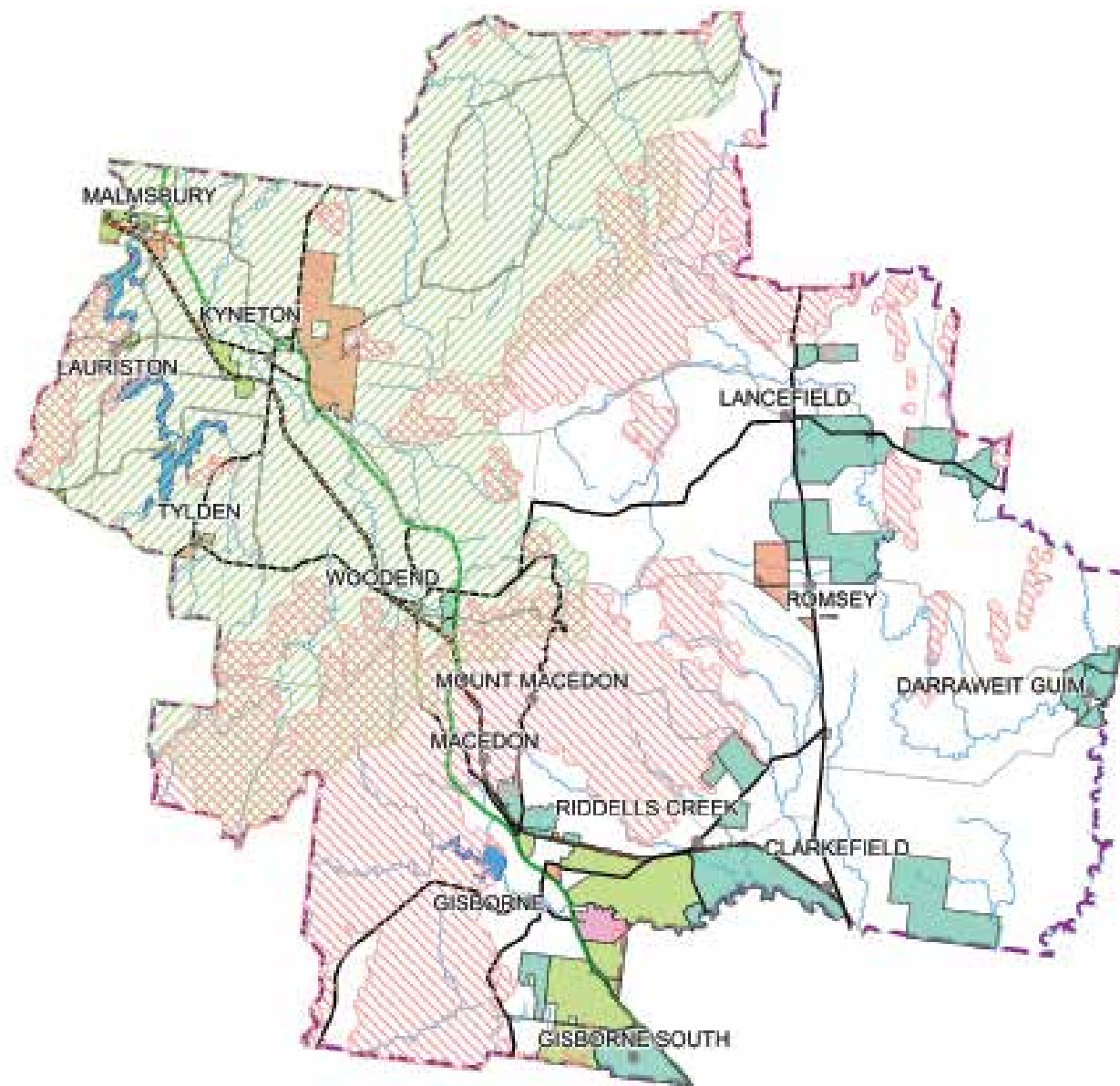


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Figure 8: Environmental Significance Overlay Schedule 4 & Bushfire Management Overlay

Map Legend

- Rural Living Zone 1
- Rural Living Zone 2
- Rural Living Zone 3
- Rural Living Zone 4
- Rural Living Zone 5
- Bushfire Management Overlay (BMO)
- Environmental Significance Overlay Schedule 4 (ESO4)
- Shire Boundary
- Region boundary
- Bendigo-Melbourne rail link
- Roads
- Calder Freeway
- Reservoirs
- Waterways
- Township



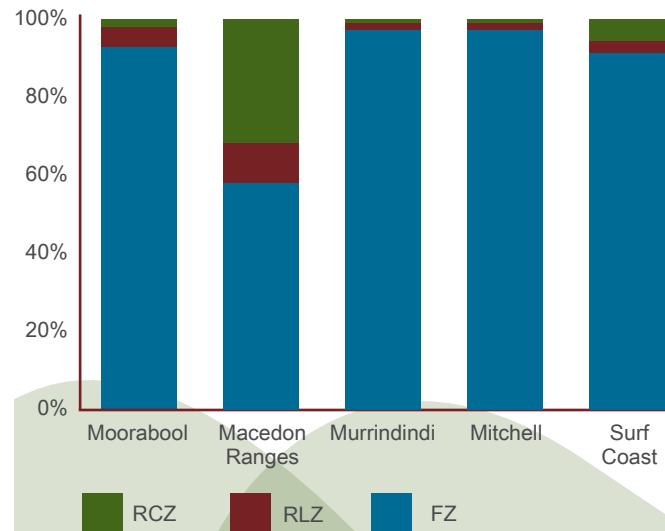
8. Rural Living Zone in Macedon Ranges Shire

Land in the Rural Living Zone comprises 9 per cent of all land within Macedon Ranges Shire.

Non-urban zones cover 85 per cent of land. Of this land, 50 per cent is within the Farming Zone, 29 per cent is within the Rural Conservation Zone and 21% is in the Rural Living Zone.

Council's current LPPF acknowledges rural living as an appropriate land use outcome. Within other peri-urban Shires most rural land is under the Farming Zone with very limited use of the Rural Conservation and Rural Living Zones (refer Figure 9).

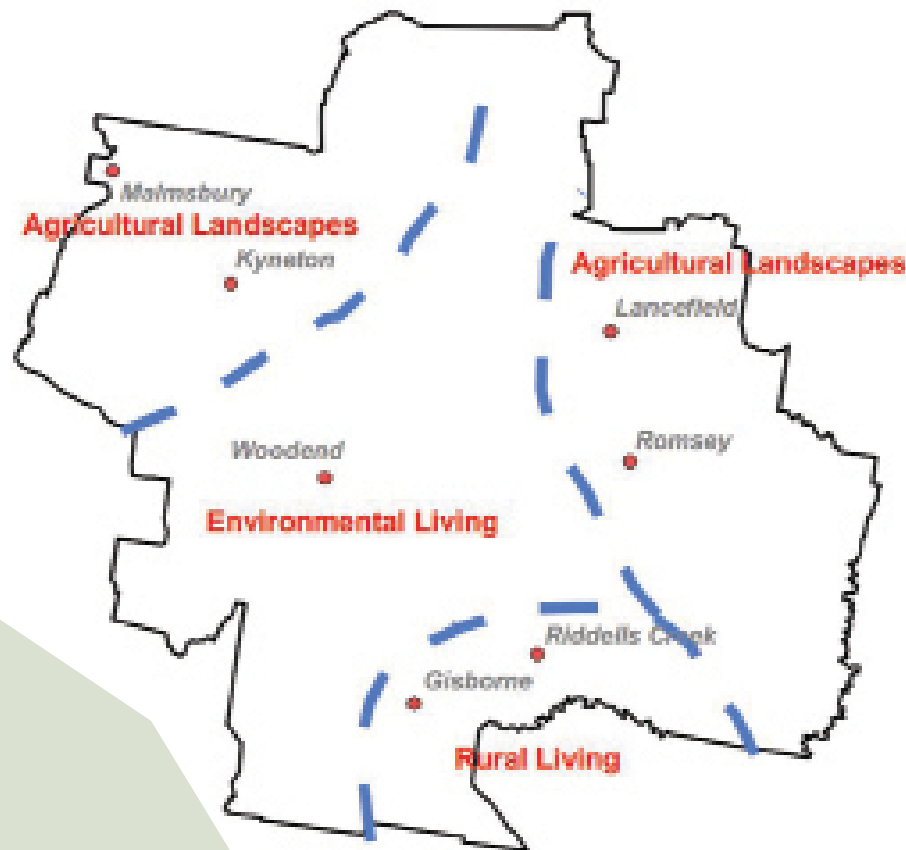
Figure 9: Proportion of Rural Zone by Peri Urban Local Government Areas



Source: Buxton et al (2008) Planning Sustainable Futures for Melbourne's Peri-urban Region

The LPPF in the Macedon Ranges Planning Scheme clearly differentiates the priorities in its policy and allocation of non-urban zones by including almost 10 per cent of the Shire in the Rural Living Zone. This structure is useful to give clarity and certainty to landowners and the community about where different uses should be located and what level of development and change can be expected within each area.

Figure 10: Rural Land Use Strategy Plan at Clause 21.07-3 of LPPF



8. Rural Living Zone in Macedon Ranges Shire

The location of rural living zoned land and the 5 schedules to the Zone are shown in Figures 1, 11, 12 and 13.

The Rural Living Zone 1 comprises approximately 57 per cent of the total land within the zone. It sets a minimum lot size of 40 hectares. Schedule 1 is the main schedule attached to the Rural Living Zone in the east and south of the Shire and:

1. Extends along Lancefield-Melbourne Road between Romsey and Lancefield;
2. Extends east of Lancefield along Kilmore Road;
3. Encircles the Darraweit Guim township;
4. Includes an area between Mount Macedon Road and Romsey Road in Woodend abutting the Calder Freeway;
5. Incorporates a large area north of Havelock Road, Clarkefield;
6. Covers all land south of the railway line and the southern Shire boundary between Clarkefield and Riddell Road to the west, including an area south of the railway line in Riddells Creek which is proposed as a Priority Residential Development Precinct in the Riddells Creek Structure Plan;
7. An area in Riddells Creek north of Amess Road which is proposed as a Priority Residential Development Precinct in the Riddells Creek Structure Plan;
8. The area north of New Gisborne and generally north of the railway line extending to the Macedon Low Density Residential area;
9. Land along either side of Mount Gisborne Road between Brooking Road and Couangalt Road; and
10. The South Gisborne area bound by Couangalt Road to the north, Blackhill Road to the east and the Shire boundaries to the south and east.

The Rural Living Zone 2 comprises approximately 15 per cent of the total land within the Zone setting a minimum lot size of 2 hectares and is located in four areas:

1. In 3 pockets on the outskirts of Kyneton including a large area on either side of Blackhill Road extending up to Foxes Lane;
2. Surrounding the Tylden hamlet;
3. To the east of Romsey township and in the triangle between Knox Road and Melbourne-Lancefield Road; and
4. The Magnet Hill area between Gisborne and New Gisborne.

The Rural Living Zone 3 applies to only one property which is located immediately south of the Romsey town boundary on the east side of Main Street. It has a minimum lot size of 8 hectares. The land is a battle-axe lot which is approximately 2/3 within the General Residential Zone and the remaining 1/3 in the Rural Living Zone, which is approximately 11.04 hectares in size. The Romsey Outline Development Plan recommends no change to the role or zoning of this part of the site and notes that a sewerage buffer encroaches on the east.

Rural Living Zone 4 comprises approximately 2 per cent of the total land within the Zone and is isolated to one area east of the Calder Freeway and south of Jacksons Creek, including Panorama Drive and adjoining streets. The RLZ Schedule allows a minimum lot size of 1 hectare and a DDO control (DDO5) allows a density of 2 lots per 4 hectares with a minimum lot size of 1 hectare.

The Rural Living Zone 5 comprises approximately 26 per cent of the total land within the Zone, with a minimum lot size of 8 hectares and is in 2 parts:

1. East of Gisborne township extending in a band south of the railway line to the Shire's southern boundary; and
2. In the north of the Shire to the north and east of Malmsbury, covering the Lauriston hamlet and an



Glossary & Appendicies



Glossary

DDO	Design and Development Overlay
DPO	Development Plan Overlay
LPPF	Local Planning Policy Framework
LSIO	Land Subject to Inundation Overlay
MSS	Municipal Strategic Statement
Occupied (multiple) lots	Lots occupied by a single dwelling (i.e. not vacant) but of an area sufficient to be subdivided into 2 or more lots under the relevant zone schedule.
RLZ	Rural Living Zone
SPPF	State Planning Policy Framework
Vacant lot	A lot in the RLZ shown in Council's rates database as unimproved AND shown to be vacant on aerial imagery.
Vacant (single) lots	Vacant lots that are not permitted to be subdivided under the current planning controls and are deemed to have capacity for a single dwelling.
Vacant (multiple) lots	Vacant lots that are of sufficient size to be subdivided under the relevant RLZ Schedule.
VIF	Victoria in Future: Official population and household projections published by the State Government of Victoria.
VPPs	Victoria Planning Provisions

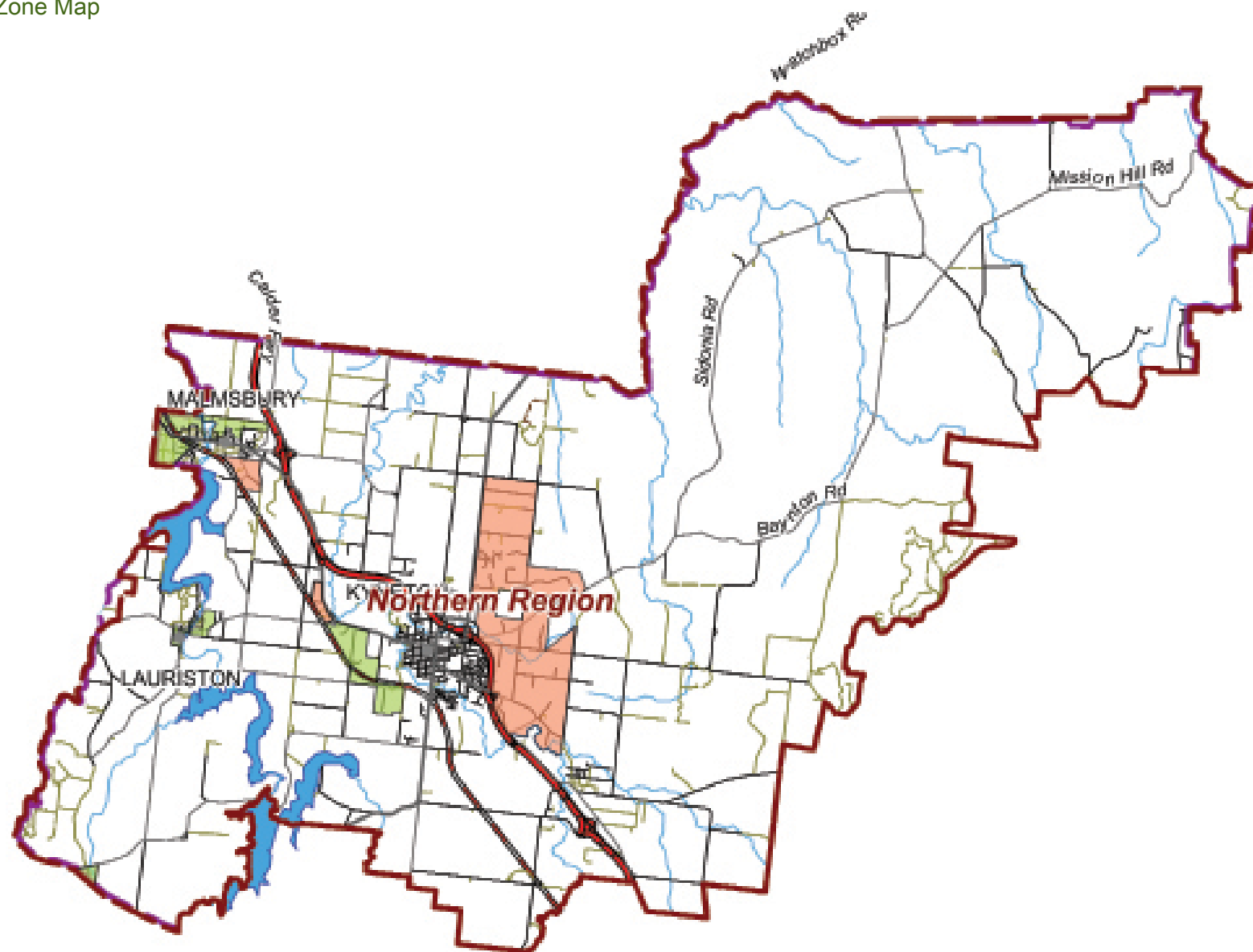


Appendix 1–Maps of Rural Living Zones and Regions

Figure 11: Northern Region Rural Living Zone Map

Map Legend

- Rural Living Zone 1 (40ha min)
- Rural Living Zone 2 (2ha min)
- Rural Living Zone 3 (8ha min)
- Rural Living Zone 4 (1ha min)
- Rural Living Zone 5 (8ha min)
- Region Boundary
- Bendigo-Melbourne rail link
- Roads
- Calder freeway
- Reservoirs
- Waterways
- Township

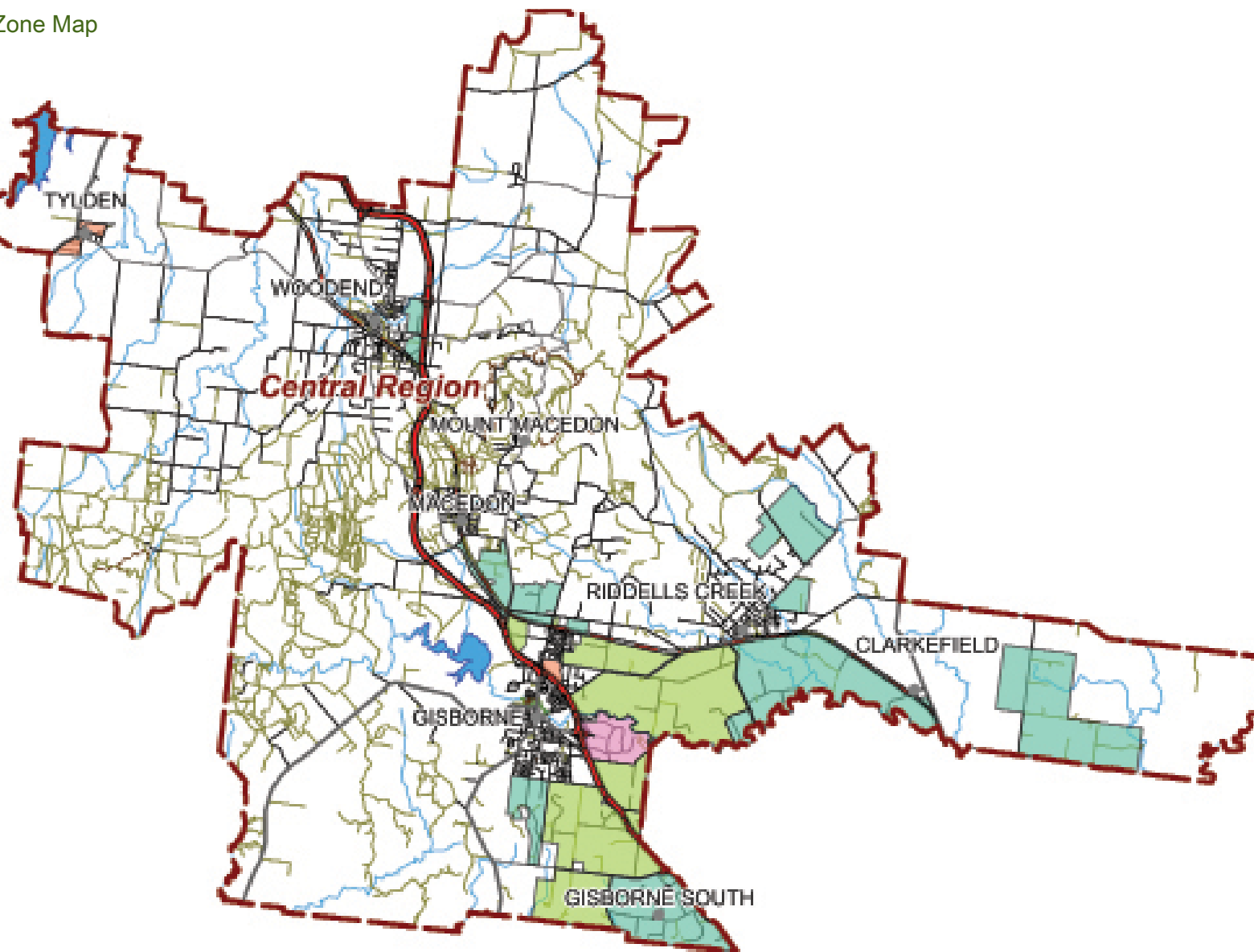


Appendix 1–Maps of Rural Living Zones and Regions

Figure 12: Central Region Rural Living Zone Map

Map Legend











- Rural Living Zone 1 (40ha min)
- Rural Living Zone 2 (2ha min)
- Rural Living Zone 3 (8ha min)
- Rural Living Zone 4 (1ha min)
- Rural Living Zone 5 (8ha min)
- Region Boundary
- Bendigo-Melbourne rail link
- Roads
- Calder freeway
- Reservoirs
- Waterways
- Township



Appendix 1–Maps of Rural Living Zones and Regions

Figure 13 : Eastern Region Rural Living Zone Map

Map Legend

-  Rural Living Zone 1 (40ha min)
-  Rural Living Zone 2 (2ha min)
-  Rural Living Zone 3 (8ha min)
-  Rural Living Zone 4 (1ha min)
-  Rural Living Zone 5 (8ha min)
-  Region Boundary
-  Roads
-  Reservoirs
-  Waterways
-  Township





**Macedon
Ranges**
Shire Council

