



Strategic Assessment Report

Prepared for Coliban Water C/- Holding Redlich

Quality Assurance

Environmental Significance Overlay Schedule 4 – Eppalock Special Water Supply Catchment & Upper Coliban Catchment

Strategic Assessment Report

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Contents

1	BACKGROUND	4
1.1	Background and Purpose	4
1.2	Limitations	4
2	THE CATCHMENT	5
2.1	Upper Coliban Catchment	5
2.2	Risks to the Catchment	5
2.3	Catchment Management -An integrated approach	5
3	PROPOSAL	7
3.1	Overview	7
3.2	Proposed Environmental Significance Overlay (ESO4)	7
4	PLANNING FRAMEWORK	8
4.1	Ministerial Directions	8
4.2	Planning Policy Framework	8
4.3	Local Planning Policy Framework	9
4.4	Existing Zones	10
4.5	Existing Overlays	10
4.6	Practice Notes	11
5	PLANNING ASSESSMENT	12
5.1	Strategic Assessment Guidelines	12
6	CONCLUSION	16

Introduction

1 BACKGROUND

1.1 Background and Purpose

This report has been prepared by Tract Consultants on the instructions of Holding Redlich for Coliban Water. The purpose of the report is to provide a summary of relevant background information and planning considerations to provide strategic justification in relation to a proposed Planning Scheme Amendment to revise and update the existing Environmental Significance Overlay Schedule 4 relating to protection and enhancement of the Upper Coliban Catchment and the wider Eppalock Special Water Supply Catchment.

1.2 Limitations

This report has considered the following documents:

- Victoria Planning Provisions
- Macedon Ranges Planning Schemes
- *Upper Coliban Integrated Catchment Management Plan*, North Central Catchment Management Authority and Coliban Water Region Water Corporation, 2018
- *Pathogen Risk in the Upper Coliban Drinking Water Catchments*, Natural Logic, 2016
- *Riparian Land and Bushfire Resource Document* (Department of Environment Land Water and Planning, Country Fire Authority 2014 updated 2017)
- Draft Environmental Significance Overlay (ESO4)
- Ministerial Direction - Form and Content of Planning Schemes
- Ministerial Direction No. 11 Strategic Assessment Guidelines
- Ministerial Direction No. 17 Localised Planning Statements
- Planning Practice Note 37 Rural Residential Development,
- Planning Practice Note 46 Strategic Assessment Guidelines
- Planning Practice Note 55 Planning in Open Drinking Water Catchments
- Planning Practice Note 64 Local Planning for Bushfire Protection
- A Practitioner's Guide to Victorian Planning Schemes

2 THE CATCHMENT

2.1 Upper Coliban Catchment

The Upper Coliban catchment (the Catchment) is in the southwest part of the Campaspe River basin on the northern slopes of the Great Dividing Range in central Victoria. The Catchment covers approximately 27,750 hectares spanning two municipalities (Hepburn Shire and Macedon Ranges Shire). It is contained within the Eppalock Special Water Supply Catchment (ESWSC).

The Catchment is a major source of potable water servicing around 130,000 people. It also provides water for irrigation, stock, commercial purposes and environmental flows. The townships of Trentham, Tylden, Drummond, Spring Hill, and Lauriston are located within the catchment. The Dja Dja Wurrung people are the traditional owners of the land.

The Catchment is significant in terms of its environmental and cultural values and importance to human health.

The Catchment contains the Lauriston, Malmsbury and Upper Coliban Reservoirs and is the source water supply for treated drinking water to the townships of Trentham and Tylden within the catchment itself. It also supplies regional centres beyond the immediate catchment including Kyneton, Bendigo and Castlemaine.

The organisations responsible for managing the Catchment and its natural resources, are the North Central Catchment Management Authority and Coliban Water.

2.2 Risks to the Catchment

Contaminants that pose a significant risk to human health in water supply catchments come from faecal matter. The Catchment is susceptible to pollution from both human and animal waste. Human faecal matter is a potent source of pathogens that have been known to cause harm to humans occasionally resulting in death. Risks are also posed by pathogens that affect humans resulting from animal faecal matter. For instance, grazing animals pose a greater risk of contaminating water supplies with *Cryptosporidium* than humans due to the greater numbers of the parasite contained in animal waste (*Pathogen Risk in the Upper Coliban Drinking Water Catchments* Pg9).

The main sources of contaminants in the Catchment are:

- On-site Waste Water Treatment Systems i.e. septic systems. These systems can be effective if working as designed, however, there is a high failure rate that results in overflows that contaminate waterways.
- Unrestricted access of livestock to water sources. Livestock contribute to both contamination of waterways and damage to the riparian environment.

Macedon Ranges Shire is a sought after location providing a mixture of rural lifestyle with reasonable proximity to Melbourne. As a result it is experiencing growth in residential development. Currently there is a high density of unsewered dwellings existing in the Catchment (*Upper Coliban Integrated Catchment Management Plan* Pg9). The potential for further development, including disposal of domestic wastewater and a broad range of diffuse pollutants associated with development will put further pressure on the resources of the Catchment. (*Upper Coliban Integrated Catchment Management Plan* Pg7)

All of these risks are further exacerbated by the increased extreme weather events brought on by climate change both in the form of both flooding and drought.

2.3 Catchment Management -An integrated approach

The North Central Catchment Management Authority and Coliban Water have collaborated to achieve a coordinated approach to catchment management. As part of this approach they have created the *Upper Coliban Integrated Catchment Management Plan* (ICMP).

The ICMP sets out the key issues facing and the actions required to effectively manage the catchment and its resources. The ICMP states:

Coliban Water's duty of care to its customers is the need to supply safe and secure drinking water sourced from open water supply catchments, manage associated risks and maintain sustainability of the resource. The North Central CMA is primarily focused on waterway, riparian and catchment health outcomes. The aspiration of the two organisations is a shared vision and approach to improving the catchment and waterway health over coming decades through a combination of public and private investment and community engagement. P6

The Integrated Catchment Management Plan aims to protect future supplies of drinking water as well as ecosystem and cultural values including the sense of place and wellbeing gained from living in the region. P6

...Implementation of the Plan will:

- *provide reliable and safe supplies of raw water for drinking water purposes,*
- *ensure greater sustainability of the water resource for communities throughout central and northern Victoria,*
- *facilitate sustainable approaches to use and development within the catchment whilst [sic]*
- *avoiding detrimental impacts to natural resources and community liveability values,*
- *provide the local community the opportunity to develop whilst minimising the risks to*
- *natural resources,*
- *improve river health and*
- *provide broader biodiversity outcomes for the catchment. P6*

As part of the research supporting the ICMP the two water authorities commissioned the following report: *Pathogen Risk in the Upper Coliban Drinking Water Catchments (PRDWC)* to better understand the risks to human health from contamination in the Catchment.

Both the ICMP & PRDWC stress the importance of the 'multiple barrier approach' for protecting the health of the Catchment.

The PRDWC describes it as: *The multiple barrier approach is universally recognised as foundation for ensuring safe drinking water. No single barrier is effective against all conceivable sources of contamination, nor are they effective 100 per cent of the time or constantly function at a maximum efficiency. Prevention of contamination provides greater surety than removal of contaminants by treatment, so the most effective barrier is protection of source waters to the maximum degree practicable. Pg10*

The ICMP acknowledges that protecting water quality and environmental qualities of the Catchment is a multi-disciplinary approach that requires *a complementary suite of on-ground actions, planning controls, community education...* and *A parallel program of research and monitoring is also required to fill knowledge gaps and assess the effectiveness and efficiency of implementation...* Pg11.

It goes on to state that:

Managing risks by keeping contamination out of source waters is inherently more reliable than attempting to remove contamination through fallible water treatment processes and should be the first line of defence in protection of water quality in drinking water catchments... It also means that water treatment is likely to be more effective and efficient (using less chemicals) and future costs can be avoided in terms of expensive water treatment plant upgrades. Avoiding these costs means customers (both present and future), don't pay as much as they would have to otherwise... Pg10

This is where the planning system can play an integral role in protecting and enhancing the Catchment as part of the 'multiple barrier approach' through the management of use and development. Although not the only measure, effective use of planning scheme provisions can assist in preventing or controlling use or development that may have detrimental effects on the Catchment improving overall outcomes and minimising the resources needed to manage the health of the Catchment.

3 PROPOSAL

3.1 Overview

Given the importance of the Catchment and the wider ESWSC to the local environment, culture and wellbeing the existing Environmental Significance Overlay Schedule 4 (ESO4) is proposed to be revised and updated to assist in its protection.

The Catchment is not solely confined within Macedon Ranges Shire. The catchment is also part of Hepburn Shire where a similar process was undertaken to update and revise the ESO Schedule 1 via Amendment C80hepb (currently pending consideration and approval by DELWP).

Although this amendment has originated from the Agencies most affected by the proposed ESO4 being North Central Catchment Management Authority and Coliban Water, the work underpinning the amendment (such as the ICMP) was undertaken in consultation with key stakeholders. These include Macedon Ranges Shire Council, Victorian Government agencies, Goulburn Murray Water, local land owners and community groups all of whom understand the importance of the nature of the work.

The proposed amendment will not change the area affected by the current overlay and the work has been undertaken with the intention of drafting the revised control to provide guidance for the entire catchment area affected by the ESO4.

3.2 Proposed Environmental Significance Overlay (ESO4)

The proposed ESO4 seeks to implement a targeted and effective control for the wider ESWSC area including:

- Statement of environmental significance – This has been revised to emphasise that the cumulative impacts of development in the catchment has the potential to degrade the quality and quantity of water in the Catchment and that protecting waterways from inappropriate development is essential to enhancing and protecting the health of the catchment environment, habitat, vegetation and the community.
- Objective – This has been revised to better identify outcomes to be achieved i.e. development that protects and enhances the Catchment and mitigates any detrimental impacts on water quality and quantity.
- Permit requirements – A permit requirement has been added to require a permit for fences other than those specified as exempt.
- Permit exemptions – Permit exemptions have been fully revised to exempt development that will not adversely affect the health and environmental values of the catchment.
- Application requirements – These have been revised to better reflect the information necessary to determine applications.
- Decision guidelines – These have been revised to better reflect the considerations necessary to determine applications to achieve the outcomes identified in the Statement of Significance and Objective.

Coliban Water will continue to be the determining referral authority for the ESO4 under schedule to Clause 66.04 (Referral of permit applications under local provisions) of the Macedon Ranges Planning Scheme.

4 PLANNING FRAMEWORK

The following directions, planning provisions and guidance are considered relevant to the proposed Amendment.

4.1 Ministerial Directions

A Planning Scheme Amendment must respond to any relevant Ministerial Direction. The following Ministerial Directions are relevant to this amendment:

- Ministerial Direction – The Form and Content of Planning Schemes
- Ministerial Direction No. 11 – Strategic Assessment Guidelines
- Ministerial Direction No.17 – Localised Planning Statements

An assessment against the relevant Ministerial Directions is provided at Section 5 of this Report.

4.2 Planning Policy Framework

13.02-1S Bushfire Planning

The objective of this policy is: *To strengthen the resilience of settlements and communities to bushfire through risk-based planning that prioritises the protection of human life.*

The focus of this policy relates to settlement planning. The policy generally seeks to avoid use and development that would lead to a concentration of people to the point where bushfire risk is unacceptably increased with priority given to protecting human life.

However it does also contain the following strategy related to biodiversity:

Ensure settlement growth and development approvals can implement bushfire protection measures without unacceptable biodiversity impacts by discouraging settlement growth and development in bushfire affected areas that are important areas of biodiversity.

14.02-1S Catchment management and planning

The objective of this policy is: *To assist the protection and restoration of catchments, water bodies, groundwater, and the marine environment.*

Some of the most relevant strategies supporting this objective (amongst others) are:

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

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

14.02-2S Water quality

The objective of this policy is: *To protect water quality.*

Some of the most relevant strategies supporting this objective (amongst others) are:

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

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

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

Policies on the protection of biodiversity (12.01-1) and integrated water management (19.03-3) are also relevant to both the protection of Victoria's biodiversity and the management of water supply and water resources through an integrated approach.

Clause 11.03-5 (Distinctive areas and landscapes) protects the valued attributes of identified distinctive areas and landscapes. Macedon Ranges Shire is identified in the policy as a distinctive area that is subject to a Localised Planning Statement.

4.3 Local Planning Policy Framework

Municipal Strategic Statement

21.03-2 Vision

Development and land use planning will be guided by the following vision: (amongst others)

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

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

21.05-1 Biodiversity and native vegetation management

Objective 1 of this policy is to:

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

Strategy 1.6 supporting this objective seeks to:

Enhance vegetation links, habitat corridors and stabilise waterways through encouraging revegetation.

21.07-3 Water

The objective of this policy is:

To retain and improve water quality and yield in the Special Water Supply Catchments, waterways and groundwater.

The following strategies support this objective: (among others)

Strategy 1.3 Discourage uses and development in Special Water Supply Catchments and elevated areas that have the potential to reduce water quality.

Strategy 1.4 Ensure use and development, including dwellings, on land which cannot be serviced by a reticulated sewerage system is designed, sited, managed and maintained to prevent the contamination of water supplies in the catchment.

Strategy 1.5 Ensure the design of effluent disposal systems is suitable to the soil type and topography of the site and land capability assessments demonstrate development and use will not compromise water quality.

Strategy 1.7 Require on site property works that enhance water quality. These works may include fencing of gullies and waterways and revegetation of gullies and waterways.

Strategy 1.9 Protect waterways from erosion and other water pollution sources, such as intensive animal husbandry, by the provision of appropriate buffers.

Local Planning Policies

While Clauses 22.02 (Dams) and 22.03 (Intensive Animal Husbandry) are not specifically aimed towards water supply catchment management each policy contains strategies that seek to maintain the health of waterways and minimise any detrimental impacts on waterways from use or development (including from effluent).

4.4 Existing Zones

The Catchment covers an area of approximately 27,750 ha that includes farmland, towns as well as the rivers and reservoirs supplying the Catchment.

Under the Macedon Ranges Planning Scheme the primary zones in the ESWSC area are:

Farming Zone – this zone affects the majority of land in the Catchment.

Public Use Zone 1 – covers the Coliban, Lauriston and Malmsbury reservoirs in the Upper Coliban Catchment

Rural Living Zone – the most prevalent zone allowing residential use in the catchment.

Low Density Residential Zone and General Residential Zone – the other main residential zones in the catchment.

The Public Conservation and Resource Zone, Rural Conservation Zone, Public Parks and Recreation Zone, Public Use Zones 2, 4 and 5, Commercial 1 Zone and Road Zone also affect land in the catchment.

4.5 Existing Overlays

The ESWSC is affected by the following overlays in the Macedon Ranges Planning Scheme:

- Environmental Significance Overlay - Schedule 4.
- Vegetation Protection Overlay – Schedules 2 and 6
- Heritage Overlay – Schedule 21, 57, 135, 137, 148, 149 & 150.
- Land Subject to Inundation Overlay
- Bushfire Management Overlay

The Environmental Significance Overlay Schedule 4 (ESO4) was applied to protect the ESWSC from the potential detrimental effects of development. The current ESO has a number of shortcomings that include:

- The ESO4 not necessarily capturing all of the matters necessary to protect catchment health.
- Objectives, statements of environmental significance and decision guidelines that need to be revised to focus on the specific needs of the catchment as relevant to the specific needs of the local area.

The proposed amendments to the ESO4 seek to address these issues.

The Vegetation Protection Overlays have been applied to parts of the catchment protect roadside vegetation and wildlife corridors. The proposed changes to the ESO4 will not affect the operation of this overlay.

The Heritage Overlay has been applied to protect the heritage significance of individually significant properties, precinct areas infrastructure elements such a bridges and gutters, and dry stone walls. The proposed changes to the ESO4 will not affect the operation of this overlay.

The Land Subject to Inundation Overlay has been applied to a number of rivers and waterbodies throughout the ESWSC area including the Coliban, Lauriston and Malmsbury reservoirs to protect flood plains, protect water quality and waterways and to minimise the potential flood risk to life, health and safety associated with development. The proposed changes to the ESO4 shares similar objectives particularly with respect to protecting water quality and waterways and will not affect the operation of this overlay.

The Bushfire Management Overlay (BMO) has been applied to parts of the Catchment that have been identified as warranting the implementation of bushfire protection measures. The overlay works in concert with the provisions of Clause 53.02 (Bushfire Planning) which sets out siting, defendable space areas, separation distances from vegetation and other measures to mitigate bushfire risk. The proposed changes to the ESO4 do not override any requirements of the BMO or Clause 53.02 in relation to siting, creating defendable space or other measures that would affect the operation of these clauses or the outcomes sought.

4.6 Practice Notes

4.6.1 PPN37 Rural Residential Development

This practice note acknowledges that there is demand and a need to allow residential development in rural areas. It does however also emphasise the need for protection of natural resources and states that residential development should be discouraged in special water supply catchment areas.

The ESWSC covers existing towns and is in an area that is sought after for its rural lifestyle and proximity to Melbourne. It is not practical to completely discourage residential development in the catchment.

As a result it is critical to ensure that development is assessed to mitigate any potential impacts on the catchment.

4.6.2 PPN46 Strategic Assessment Guidelines

See Section 5 of this Report.

4.6.3 PPN64 Local Planning for Bushfire Protection

This practice note sets out the steps for considering bushfire risk when (amongst others) preparing planning scheme amendments. The practice note also provides details relating to bushfire in local policies and creating a schedule to the Bushfire Management Overlay.

4.6.4 PPN55 Planning in Open Drinking Water Catchments

This practice note sets out relevant considerations for determining planning applications in open water catchments and for changing a planning scheme to implement a strategic plan. In particular it recommends the introduction of the Environmental Significance Overlay to tailor environmental objectives, permit requirements, referrals and decision guidelines in open drinking water catchments.

5 PLANNING ASSESSMENT

5.1 Strategic Assessment Guidelines

An assessment of the Amendment against the Strategic Assessment Guidelines is provided as follows:

5.1.1 Why is an amendment required?

The ESWSC is an important source of potable water for the region as well as being of environmental and cultural significance.

The amendment is required to provide a consistent approach to assessing the potential impacts of development in the catchment, balancing the reasonable needs of development with the effective protection, enhancement and management of the catchment.

5.1.2 How does the Amendment implement the objectives of planning in Victoria?

The Amendment implements the objectives of planning in Victoria, contained in Section 4 of the Planning & Environment Act 1987, in the following ways:

- Objective A: the amendment provides for the fair, orderly, economic and sustainable use and development of land as balances the protection of a vital water asset for the region with the reasonable need for development in the area.
- Objective B: the amendment will assist in the protection and enhancement of the natural resource that is the catchment.
- Objective C: the amendment will assist to secure and provide a pleasant, amenable, and safe living environment.
- Objective D: the amendment assists in protecting a place of special cultural value.
- Objective E: the amendment will assist in protecting and enhancing the catchment enabling the provision of water for the benefit of the community.
- Objective F: the application of the ESO will facilitate development that does not compromise the objectives set out above.
- Objective G: the amendment seeks to balance the present and future interests of all Victorians by protecting and enhancing water quality and the environmental qualities of the catchment.

5.1.3 How does the amendment address the environmental effects and any relevant social and economic effects?

The amendment positively addresses environmental effects by:

- Prioritising human health and wellbeing.
- Protecting environmental and cultural values of the catchment.

The amendment positively addresses social effects by:

- Prioritising human health through the application of the ESO, in order to manage development with the potential to adversely affect water quality.
- Protecting the environmental values of the catchment that in turn will also protect its cultural values and contribute to social wellbeing. As the catchment is an open catchment it has recreational as well as environmental and cultural value.

With respect to economic effects, the amendment is expected to:

- Reduce the potential costs to the region by protecting water quality in the catchment rather than having to spend additional resources in treating water that has been contaminated.
- In a broader sense, reduce health costs associated with treating preventable water-borne illnesses through the provision of clean drinking water.

- Not place significant financial burden on landowners beyond that which is expected in developing land in an environmentally sensitive area. The permit exemptions in the ESO4 have been targeted so that only matters that are directly relevant to waterway health and enhancement are considered. Many of the requirements relating to drainage and land capability are already a requirement under other planning scheme provisions and legislation when developing land in rural areas. Any additional cost in relation to the protection or enhancement of the waterway and riparian areas are offset against the overall benefit to the wider community (that includes landowners).

5.1.4 How does the amendment address any relevant bushfire risk?

Clause 71.02-3 (Integrated decision making) states that the role of planning and responsible authorities is to *...balance conflicting objectives in favour of net community benefit and sustainable development for the benefit of present and future generations*. It then goes on to state that in bushfire affected areas the protection of human life must be prioritised over all other policy considerations.

As mentioned in Section 4.2 while the objective of Clause 13.02-1S (Bushfire planning) relates (rightly) to the protection of human life one of the underpinning strategies also seeks to: *Ensure settlement growth and development approvals can implement bushfire protection measures without unacceptable biodiversity impacts...*

The protection and regeneration of riparian areas is significant in protecting both the health of waterways and as habitat. Riparian land is often the only area of remnant vegetation in predominantly cleared agricultural landscapes (*Riparian Land and Bushfire Resource Document* pg 6). In a special water supply catchment the protection of waterway/body health is vital in maintaining a clean water supply which protects human health.

The *Riparian Land and Bushfire Resource Document* states that given the nature of riparian areas fire is less likely to start in those areas as they tend to have higher moisture levels and are sheltered from wind and sun (Pg 26). However, it is noted that this may not apply in extreme bushfire events, as in those events, all vegetation can burn.

While the ESO4 affects a significant area of the Shire the provisions within Schedule 4 exempts most buildings and works other than where they are within 30 metres of a waterway (buildings) or within 10 metres of a waterway (fencing). Therefore the ESO has been specifically targeted to the locations that need protection and guidance. This greatly minimises the area where riparian and waterway health need to be considered in relation to bushfire risk.

In addition, Clause 42.01 (ESO) specifically exempts the removal of vegetation for fire protection purposes (author's emphasis) and the decision guidelines in the revised ESO4 specifically ask the decision maker to consider:

The need to retain and increase native vegetation to prevent or limit adverse effects on waterways, drainage lines and water supply reservoirs other than where works are necessary for fire protection. (author's emphasis)

On balance, given the clear priority placed on the protection of human life in the provisions of the planning scheme (that this amendment will not alter), the importance of maintaining and enhancing riparian areas to protect waterway health and the targeted nature of the revised control with specific exemptions and considerations in relation to fire protection measures this amendment has adequately addressed bushfire risk.

5.1.5 Does the Amendment comply **with the requirements of any Minister's Direction applicable to the amendment?**

The proposed ESO4 is consistent with the Ministerial Direction - The Form and Content of Planning Schemes under Section 7(5) of the *Planning and Environment Act 1987* and meets the requirements of other relevant Ministerial Directions as follows:

Ministerial Direction No. 11 – Strategic Assessment Guidelines

See this section of the Report.

Ministerial Direction No.17 – Localised Planning Statements (Statement of Planning Policy)

One of the most relevant objectives of the Macedon Ranges Localised Planning Statement (Statement of Planning Policy 2019) is:

To prioritise the conservation and use of the declared area's water catchments to ensure a sustainable local, regional and state water supply, and healthy environment.

The revision of the ESO4 implements the relevant objectives of the Macedon Ranges Localised Planning Statement (Statement of Planning Policy) by seeking to better protect water quality and the environmental values of the catchment.

5.1.6 How does the Amendment support or implement the Planning Policy Framework and any adopted State policy?

The Amendment upholds the principles and objectives of the Planning Policy Framework (PPF).

In particular, the amendment implements key policy directions of the PPF by:

- Ensuring proper consideration of bushfire risk.

Clause 13.02-1S (Bushfire planning).

- Protecting water quality.

Clauses 14.02-1S (Catchment management and planning), 14.02-2S (Water quality) & 19.03-1S (Integrated water management), 11.03-5S (Identified distinctive areas and landscapes).

- Protecting and enhancing the environmental and ecological qualities of the catchment.

Clauses 12.01-1S (Biodiversity), 14.02-1S (Catchment management and planning), 11.03-5S (Identified distinctive areas and landscapes).

5.1.7 How does the Amendment support or implement the Local Planning Policy Framework, and specifically the Municipal Strategic Statement?

The amendment implements the objectives and strategies of the Macedon Ranges Local Planning Policy Framework.

Local policy in the Macedon Ranges Planning Scheme places a strong emphasis on protecting the environmental and ecological qualities of the catchment and well as water quality. It further contains strategies that relate to the regulation of use and development and support the regeneration of riparian areas all for the protection of catchment and waterway health.

5.1.8 Does the Amendment make proper use of the Victoria Planning Provisions?

The Upper Coliban Integrated Catchment Management Plan (North Central Catchment Management Authority & Coliban Water, 2017 p 7) notes that activities that pose the greatest risk to the catchment are:

- Agriculture - in particular, uncontrolled livestock access.
- Unmanaged development that includes the disposal of domestic wastewater and other pollutants associated with development.

Where a permit is required for use, existing policy emphasises the need for the protection of both water quality and the catchment itself. However, the majority of the catchment is contained within the Farming Zone where the use of land for agriculture is as-of-right. The most prevalent zones in the catchment that allow residential uses are the Rural Living Zone and Low Density Residential Zone. In those zones dwellings are also as-of-right (subject to conditions).

Therefore the introduction of a control (ESO) tailored to the specific requirements of the catchment is the most appropriate mechanism. It allows for the control of relevant buildings and works regardless of whether the use itself is as-of-right.

In addition to existing policy, targeted drafting of the objective, statement of significance and decision guidelines in the proposed ESO will direct decision makers to consider the most relevant matters for the protection of the catchment.

As mentioned in Section 4.6 of this report PPN55 Planning in Open Drinking Water Catchments recommends the introduction of the Environmental Significance Overlay to tailor environmental objectives, permit requirements referrals and decision guidelines in open drinking water catchments.

5.1.9 How does the Amendment address the views of any relevant agency?

This amendment has originated from the Agencies most affected by the proposed ESO being North Central Catchment Management Authority and Coliban Water. The work underpinning the amendment however (such as the ICMP) was undertaken in consultation with key stakeholders such as the Hepburn and Macedon Ranges Shire Councils, Victorian

Government agencies, Goulburn Murray Water, local land owners and community groups all of whom understand the importance of the nature of the work.

The ICMP recognises that *'Working in collaboration with other catchment stakeholders is crucial to protecting the catchments values into the future. Collaborative partnerships with landholders and community groups such as local Landcare networks are critical to achieve integrated catchment management outcomes.'* P6

5.1.10 Does the Amendment address relevant requirements of the Transport Integration Act 2010?

The amendment does not have any significant impact on the transport system and does not trigger any requirements of the Transport Integration Act 2010.

5.1.11 What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?

The implementation of the amendment is not anticipated to give rise to any unreasonable resource or administrative costs for the responsible authority.

The catchment area is already affected by an ESO in the Macedon Ranges Planning Schemes.

The proposed modifications to the ESO may result in some additional permit applications being assessed by the responsible authority. However, the risk to human health and potential costs to the community from the consequences of not approving the amendment outweigh any potential, minor, additional cost to the responsible authority.

The ESO has been drafted so that matters that will not adversely affect the health of the catchment are exempt, minimising any potential burden. Additionally, both the Integrated Catchment Management Plan that underpins this amendment and the drafting of the changes to the ESO4 were prepared in consultation with Macedon Ranges Shire Council (as well as other relevant stakeholders).

6 CONCLUSION

The Upper Coliban Catchment and the wider Eppalock Special Supply Water Catchment is a significant resource for central Victoria. It is a major source of water for the region and provides environmental, recreational and cultural benefits to the community.

Uncontrolled development and activities associated with land use have the potential to detrimentally affect the health of the wider catchment both from an ecological/environmental and human health perspective.

The proposed ESO is part of a wider effort being undertaken by the North Central Catchment Management Authority and Coliban Water to effectively protect, enhance and manage the catchment.

The proposed ESO furthers the objectives of state and local planning policies and will provide a targeted approach focusing on development that has the potential to detrimentally affect the catchment.

The ESO will:

- Assist in protecting and enhancing the overall health of the catchment as part of a wider effort.
- Not impede affect bushfire protection measures.
- Allow for the reasonable needs of development in the catchment.
- Reduce unnecessary regulatory burden through exempting development that would not detrimentally affect the catchment.