

Planning and Environment Act 1987

Issues Paper

Macedon Ranges Protection Advisory Committee

7 March 2015

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Brett Davis, Chair, Sarah Carlisle, Mandy Elliott & Lisa Kendal

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Glossary and abbreviations

Act	<i>Planning and Environment Act 1987</i>
CVLAS	Central Victoria Landscape Assessment Study
DELWP	Department of Environment, Land, Water and Planning
EMP	Environmental Management Plan
LPPF	Local Planning Policy Framework
MSS	Municipal Strategic Statement, a key part of the Local Planning Policy Framework, and found in clause 21 of the Macedon Ranges Planning Scheme
Peri-Urban	Areas on the urban fringe, outside the urban growth boundary
RSP	The Upper Yarra Valley and Dandenong Ranges Regional Strategy Plan, referred to in Part 3A of the Act
SPP8	Statement of Planning Policy No. 8, Macedon Ranges and Surrounds, 1975
SPPF	State Planning Policy Framework

The Advisory Committee

The Advisory Committee has been appointed by the Minister for Planning in accordance with Terms of Reference. The purpose of the Committee as set out in the Terms of Reference is to:

Provide advice on an appropriate policy to support changes to the legislative framework to achieve protection for the Macedon Ranges and its unique natural attributes, high environmental values and distinctive rural character and townships. The Advisory Committee will also consider and report on legislative options and statutory arrangements to achieve protection.

The Advisory Committee consists of:

- Brett Davis, Chair
- Sarah Carlisle
- Mandy Elliott
- Lisa Kendal

The Committee may also seek specialist advice as appropriate.

The Committee has been assisted by Elissa Bell.

The Issues Paper

The purpose of this Issues Paper is to inform submissions to the Advisory Committee. The Issues Paper is not a statement of the views of the Committee or any other parties, but is simply designed to ask questions and prompt discussions on relevant issues. The Committee will hold hearings the week beginning 2 May 2016 with the view to finalising its advice to the Minister by 15 July 2016.

Roundtable discussions

In order to inform this Issues Paper, the Committee conducted a number of roundtable discussions with various stakeholders. The purpose of these discussions was to assist the Committee in identifying issues only. The discussions were not a forum for submissions.

The first discussions were held in Gisborne on 9 and 10 February 2016, which provided the Committee with some invaluable insights into the issues. Participants in these discussions were:

- planning officers from the Macedon Ranges Shire Council
- Councillors of the Macedon Ranges Shire Council
- the Macedon Ranges Residents Association
- the Macedon Ranges Heritage Council
- representatives of the Macedon Ranges Accommodation Association
- representatives of the Ranges Equine Industry Network
- representatives of the Macedon Ranges Agribusiness Forum
- representatives of the Macedon Ranges Vignerons.

Members of the Committee also conducted discussions in Bendigo on 25 February 2016, including with:

- planning officers from the regional Department of Environment, Land, Water and Planning (DELWP)
- representatives of the Catchment Management Authority
- representatives of the Water Authorities
- representatives of the Registered Aboriginal Parties (RAPs).

Submissions to the Advisory Committee

Anyone with an interest in the protection of the Macedon Ranges is invited to consider the issues raised and make submission. It would assist the Committee if submitters presented their thoughts under the questions raised in this paper.

The Committee also welcomes submissions on issues that are not canvassed in this paper, but that are relevant to the Committee's Terms of Reference available at: www.delwp.vic.gov.au/macedon-ranges-protection

Understanding the planning and policy framework that applies to the Macedon Ranges is key to understanding the current protections for the Macedon Ranges, and to the options for additional protections. To assist potential submitters who are less familiar with the Victorian planning system and the planning and policy framework that applies, a brief explanation is provided in Appendix A.

Submissions can be made online at:

www.delwp.vic.gov.au/macedon-ranges-protection

Please forward your written submissions by close of business on **15 April 2015**.

It is anticipated that public hearings will commence the week beginning **2 May 2016**.

For any questions please contact Elissa Bell in Planning Panels Victoria on (03) 9223 5317 or planning.panels@delwp.vic.gov.au.

Executive Summary

This Issues Paper contains a discussion of the issues identified to date that the Committee considers should be addressed in responding to the Macedon Ranges Protection Advisory Committee Terms of Reference. It is based on background reading and research undertaken by the Committee, and on roundtable discussions held by the Committee on 9 and 10 February 2016 in Gisborne and 25 February 2016 in Bendigo.

The primary purpose of this Issues Paper is to help guide submissions to the Committee. Set out below are a number of propositions, in question form, on which the Committee invites submissions. These propositions relate to the matters on which the Committee is required to advise the Minister, as outlined in the Terms of Reference.

There may be issues that are relevant to the Terms of Reference that have not yet come to the Committee's attention, and are not dealt with in this Issues Paper. The Committee welcomes submissions on these issues.

Background

Chapter 1 of this Issues Paper provides the background and context to the decision to appoint an Advisory Committee to review protection for the Macedon Ranges. It provides an overview of the key geographic and environmental factors that contribute to the quality of life in the Macedon Ranges Shire.

Protections currently provided

Chapter 2 of this Issues Paper describes the current planning and policy framework for the Macedon Ranges Shire as reflected in the Macedon Ranges Planning Scheme, and the role it plays in protecting the key values and attributes of the Macedon Ranges. It discusses:

- the role and content of the various parts of the policy framework
- the role played by zones and overlays.

Key values and threats – why is protection needed?

Chapter 3 of this Issues Paper identifies the key values and attributes of the Macedon Ranges region and discusses why protection of the Macedon Ranges is needed. It also discusses the key threats to the Macedon Ranges that were identified through roundtable discussions.

Geographic Area

Chapter 4 of this Issues Paper addresses the geographic area that the policy and legislative controls should apply to. It discusses:

- some of the key geological features of the area
- current and past approaches to defining the policy area boundary
- options for defining the policy area boundary, including by reference to municipal boundaries, geological or natural features, or other approaches.

A key issue discussed in chapter 4 is whether particular areas within the Shire should be singled out for additional protection (as proposed in the draft Local Planning Statement, which proposes additional protections in the area covered by 'The Rock and the Ranges' Policy Area).

Options for further protection of the Macedon Ranges

Chapter 5 of this Issues Paper discusses the issues, challenges and opportunities for the protection of the key values and attributes of the Macedon Ranges, and outlines some options for strengthening the protections (should this be needed). The options include:

- providing legislative protection, through amendments to the Act
- strengthening the existing planning policy framework for the Macedon Ranges
- strengthening the existing zones and overlays for the Macedon Ranges
- establishing a body with specific responsibility for the Macedon Ranges
- requiring additional oversight in relation to planning decisions that affect the Macedon Ranges
- requiring additional consultation in relation to planning decisions that affect the Macedon Ranges.

Other studies and strategies

Contained within the Appendices of this report are:

- Appendix A – An overview of the Victorian Planning System
- Appendix B – Localised Planning Statement September 2014
- Appendix C – Summary of Relevant Planning Policies.

Propositions intended to guide submissions

It would assist the Committee if submissions could address the following questions. They are grouped under the broad headings above, and the table references those parts of the report in which the issues related to the question are discussed. If you are not interested in all issues, just respond to the questions that are of interest.

1. **Is the current policy and planning framework adequate to address protection of the Macedon Ranges?**
2. **Are there any aspects of policy relating to agricultural activities and protection of productive land that do not adequately protect the values of the region?**
3. **Is the protection of water supply, tourism and recreation, and nature conservation, as required by SPP8 adequately covered by current policy, zones and overlays?**
4. **What are the key values and attributes of the Macedon Ranges? Have they been adequately identified in the current policy framework?**
5. **Are there any gaps in the threats to those values and attributes identified in the current policy framework? If so, what is missing?**
6. **Is the protection of cultural heritage adequately covered by the current policy framework?**
7. **Is the geographic extent of the policy area in the draft Localised Planning Statement (2014) appropriate?**

8. Do you support the inclusion of The Rock and The Ranges Policy Area as a 'special area' warranting additional protection to the rest of the Shire?
9. What, if any, particular areas within the policy area are suitable for potential growth or development, and why? How should these areas be defined?
10. What, if any, particular areas within the policy area are not suitable for any further growth or development, and why? How should these areas be defined?
11. Is legislative protection required for the Macedon Ranges? Why?
12. What are the key principles that should underpin any legislative protection?
13. Is Statement of Planning Policy Number 8 still relevant, or does an updated policy need to be developed?
14. Are there any values identified in Statement of Planning Policy Number 8 that were not adequately reflected in Clause 22.01 or the draft Localised Planning Statement (2014)?
15. What are the benefits of using a Localised Planning Statement to protect the key values and attributes of the Macedon Ranges?
16. Should other zone or overlay controls be considered to achieve appropriate protection? Please specify where and why.
17. Should a body be established with specific responsibility for protecting the values and attributes of the Macedon Ranges from potential threats?
18. Should the body be a statutory authority or a non-statutory body?
19. What functions should the body have?
20. Are there other more appropriate ways of providing for additional oversight of planning decisions affecting the Macedon Ranges (for instance, by the Minister for Planning, or Parliament)?

1 Background

1.1 Macedon Ranges Protection Advisory Committee

The Terms of Reference require the Committee to:

...provide advice on an appropriate policy to achieve protection of the significant values, attributes and character of the Macedon Ranges and support changes to the legislative framework. The Advisory Committee will also report on potential legislative options and statutory arrangements available to implement the final policy.

1.2 Macedon Ranges

The Shire of Macedon Ranges is located in central Victoria approximately 60 kilometres north-west of Melbourne and spans approximately 1,747 square kilometres. It is part of an extensive peri-urban region that surrounds the more established areas of Melbourne.

The Shire is renowned for its scenic landscapes, native forests and unique natural features including Hanging Rock and Mount Macedon. The major towns and key geographical features of the Macedon Ranges are shown in Figure 1.

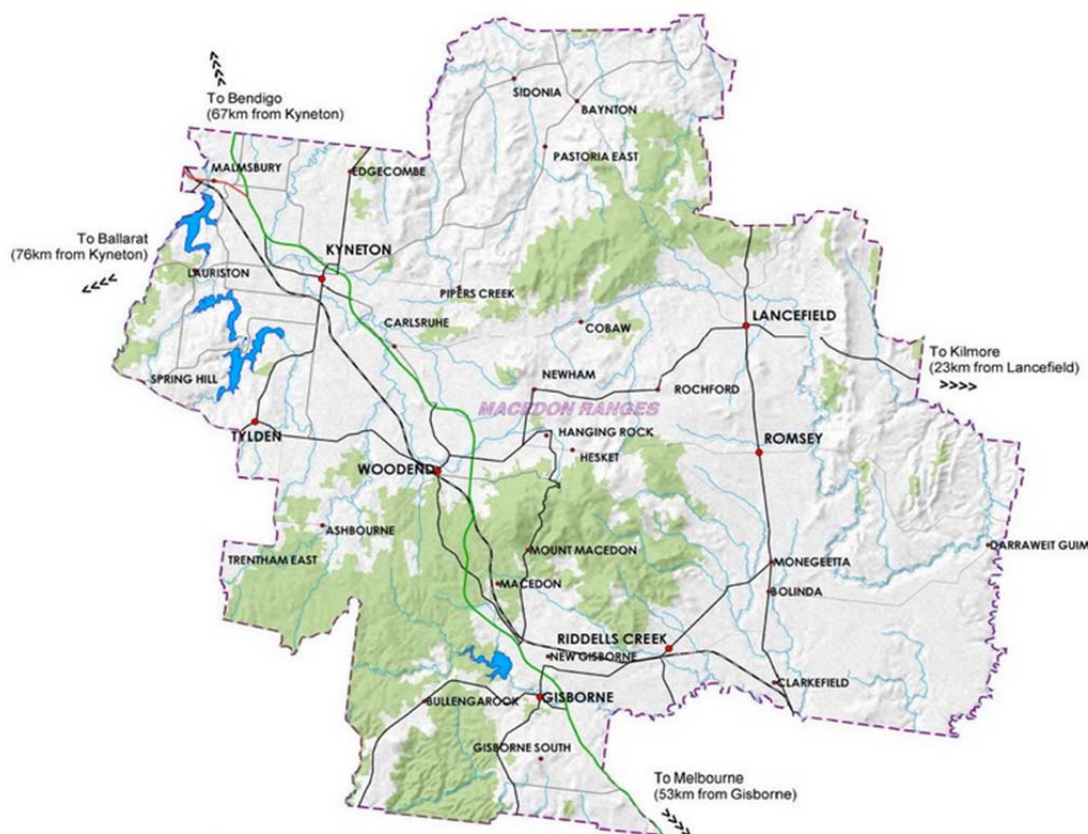


Figure 1 Macedon Ranges Geographic profile, Source: Macedon Ranges Shire Council website

1.3 Settlement patterns

Macedon Ranges Shire is a semi-rural area, with a number of distinct townships and settlements scattered across the Shire. The larger townships include Gisborne, Kyneton, Lancefield, Macedon, Malmsbury, Mount Macedon, Riddells Creek, Romsey and Woodend. Approximately 35 per cent of people in Macedon Ranges live outside a town boundary in a rural or rural living setting.

The current estimated population for the Shire is approximately 46,349 people¹. The population is forecast to grow to a total of 55,920 to 64,654 (20.64 per cent to 39.49 per cent increase respectively) by 2036. Council's recommended population projections identified in its *Settlement Strategy 2011* are to achieve the lower end of population growth of 55,920 by 2036. Macedon Ranges Shire has little diversity in housing stock. Approximately 95 per cent of dwellings are detached houses, and approximately 54 per cent of households are just one or two persons².

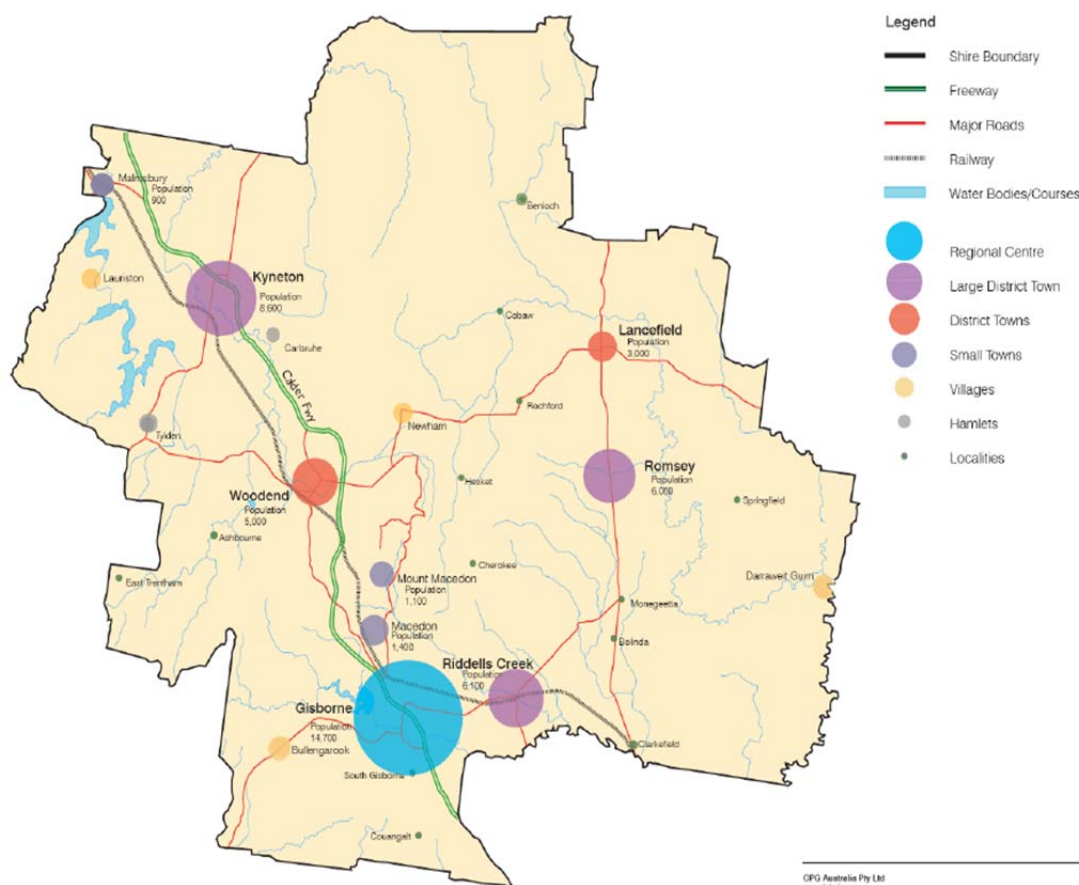


Figure 2 Settlement Plan (Source: Figure 1 of Macedon Ranges Shire Council Settlement Strategy, July 2011)

¹ <http://forecast.id.com.au/macedon-ranges>

² ABS Census 2011

2 What protection is currently provided?

This Chapter describes the existing policy framework, Chapter 5 discusses options for protection.

Terms of Reference 4(d) requires the Committee to advise on *the extent to which the current policy and framework addresses the identified threats issues and challenges to protecting the area and identification of gaps in policy.*

2.1 Evolution of Macedon Ranges policy and planning framework

The first comprehensive planning instruments for the Macedon Ranges were put in place in the 1960s, with Interim Development Orders for the former Shires of Gisborne, Newham and Woodend, Romsey and Kyneton.

The key developments in the policy and planning framework for the Macedon Ranges is shown in Figure 3.

2.2 Policies specifically related to the Macedon Ranges area

(i) The significance of SPP8 in the policy and planning framework

Statement of Planning Policy No. 8 (SPP8) could be described as a corner stone of the policy and planning framework for the Macedon Ranges. Although it no longer has any legislative force in its own right, it remains a strong influence. Clause 21.01 of the Macedon Ranges Planning Scheme states:

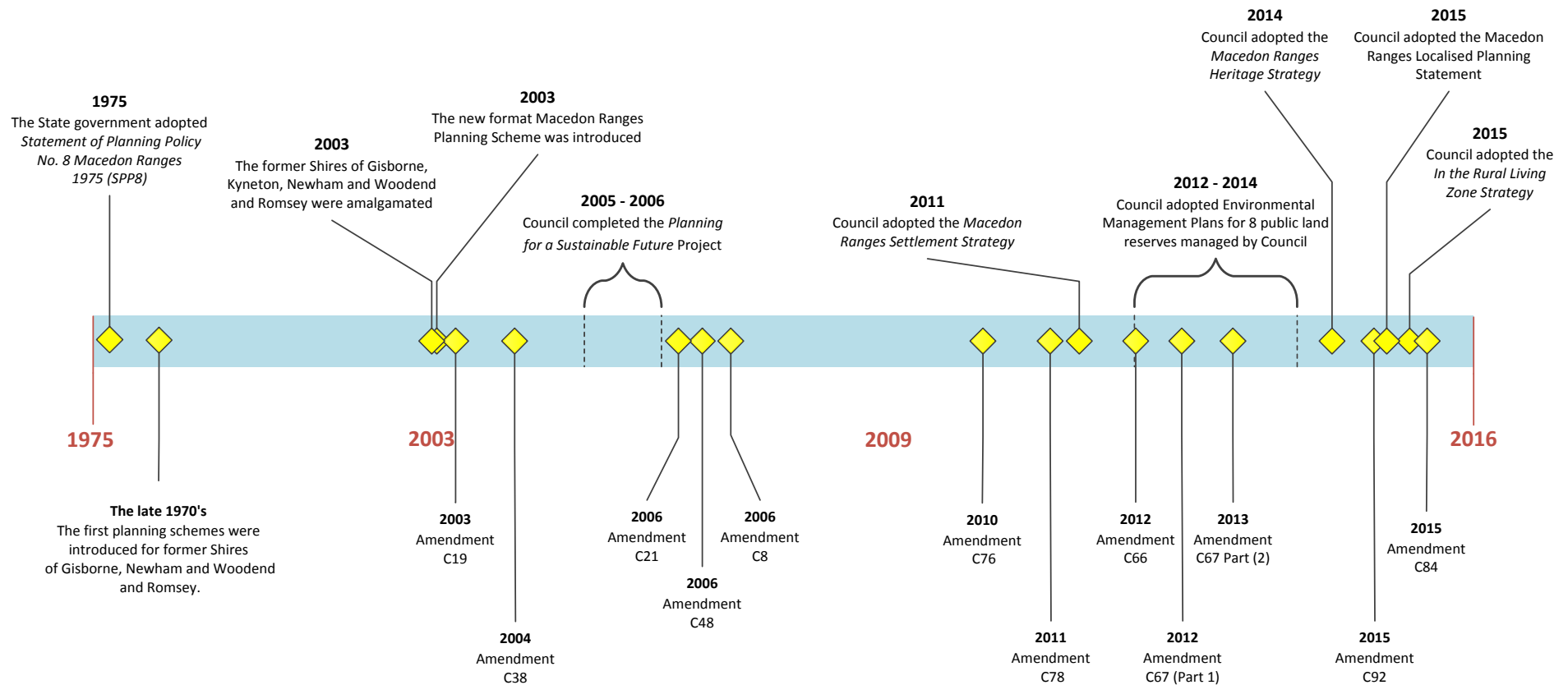
The Statement of Planning Policy No. 8 was adopted as State planning policy in 1975 and has provided the basis of strategic planning in the Macedon Ranges area since. Its provisions are as essential and relevant to the planning of the Macedon Ranges area today as they were when the policy was introduced.

(ii) The protections in SPP8

SPP8 prioritises the *'protection and utilisation of the resources of the Policy Area for water supply, tourism and recreation, and nature conservation'* (refer to clause 2.1 of SPP8). Secondary attention, where appropriate, is paid to *the value of the area for forestry and agriculture* (refer to clause 2.2 of SPP8).

SPP8 bans any *'further subdivision for outward urban extension of Mount Macedon settlement or for extension generally northerly of Macedon township'* (refer to clause 2.5 of SPP8).

To assist in reconciling the interests of the State and local communities, SPP8 requires special attention to be paid to *'the institution of adequate programs to foster public participation in the planning of the area'* (refer to clause 4.14 of SPP8).



Amendments

- C19** –Introduced heritage controls to various sites
- C38** –Updated residential development policy
- C21** –Implemented *Macedon Ranges Rural Land Review 2002*
- C48** – Introduced Farming and Rural Conservation Zones
- C8** –Implemented recommendations of the *Residential and Industrial Land Review*
- C76** –Interim heritage protection Lancefield Town Centre Precinct
- C78** –Interim heritage protection to Romsey Town Centre Precinct
- C66** –Implemented Romsey Outline Development Plan and *Residential Character Study & Design Guidelines*
- C67 (P1) & (P2)** – Implemented Gisborne/New Gisborne Outline Development Plan
- C92** –Introduced *Macedon Ranges Shire Restructure Area Plans, 1999 (revised 2014)*
- C84** –Incorporated recommendations from *Small Towns Study 2006, Report of Expert Review of Planning Policy 2008* and *Macedon Ranges Settlement Strategy 2012*

Figure 3 Evolution of Macedon Ranges Policy and Planning Framework

(iii) SPP8's transition from State level policy to local policy

Every responsible authority who was preparing or amending a planning scheme was required to 'have due regard to' any approved statement of planning policy, under section 8E of the *Town and Country Planning Act 1961*.

When the Town and Country Planning Act 1961 was repealed with the introduction of the *Planning and Environment Act 1987*, statements of planning policy lost their legislative force, as no transitional or savings provisions were included in the *Planning and Environment Act 1987*.

SPP8 remains part of the policy framework and is restated in clause 22.01 of the Macedon Ranges Planning Scheme. Overall, clause 22.01 (like SPP8) seeks to achieve balance between new developments and the existing natural features of the area, for the benefit of the State and the local community.

The Committee notes that statements of planning policy (including SPP8) were developed before the new format planning schemes were introduced in 2000. Many of the themes in statements of planning policy have now been adopted as State policy requirements through the State Planning Policy Framework (SPPF).

2.3 The Macedon Ranges Localised Planning Statement

(i) The role of Localised Planning Statements

Localised Planning Statements are a key tool for protecting distinctive areas in Victoria. They are dealt with in clause 11.14 of the SPPF, the objective of which is to protect and enhance the valued attributes of four specific areas, namely the Macedon Ranges, Bellarine Peninsula, Mornington Peninsula and the Yarra Valley.

Clause 11.14 envisages Localised Planning Statements being prepared for each of the four areas, which is also a key commitment of *Plan Melbourne*.

Clause 11.14 sets out a number of key strategies for all four areas:

- *Recognise the significant geographic and physical features of these areas*
- *Protect the identified key values and activities of these areas*
- *Support use and development where it enhances the valued characteristics of these areas*
- *Recognise the important role these areas play in the state as tourist destinations*
- *Avoid use and development that could undermine the long-term natural or non-urban use of land in these areas*
- *Protect areas that are important for food production.*

Once adopted, Localised Planning Statements become a reference document in all Victorian Planning Schemes. They carry significant weight in the planning policy framework.

Planning 'must consider' the Localised Planning Statements (refer to clause 11.14 of the Macedon Ranges Planning Scheme). Ministerial Direction No. 17 requires a planning

authority preparing an amendment affecting land identified in an adopted Localised Planning Statement to:

- have regard to the relevant adopted Localised Planning Statement
- include in the explanatory report a discussion of how the amendment implements the adopted Localised Planning Statement.

(ii) The draft Macedon Ranges Localised Planning Statement

The *Macedon Ranges Localised Planning Statement*, September 2014 (Appendix C) was prepared and endorsed by Macedon Ranges Shire Council on 24 September 2014. It has not yet proceeded past this point to be formally adopted by the Victorian Government and included in the Macedon Ranges Planning Scheme.

2.4 State Planning Policy Framework

Several provisions of the SPPF specifically mention the Macedon Ranges. However, there are many other provisions in the SPPF which, whilst not specifically naming the Macedon Ranges, nevertheless provide policy protection for the Macedon Ranges. These are listed at Appendix C.

2.5 Local Planning Policy Framework (LPPF)

The LPPF in the Macedon Ranges Planning Scheme is another key planning tool for the protection of the values and attributes of the Macedon Ranges.

The LPPF in the Macedon Ranges Planning Scheme consists of:

- the Municipal Strategic Statement (MSS) in clause 21, and
- local planning policies in clause 22.

These are listed at Appendix C.

2.6 Zone and overlays

Zones and overlays are an important planning tool in the protection of the key values and attributes of the Macedon Ranges. The zones and overlays that apply in the Macedon Ranges are many and varied. The discussion below highlights zones and overlays that protect some of the more significant attributes and values, and address some of the key threats of the Macedon Ranges.

2.7 Agriculture

Within the Macedon Ranges Shire, agricultural land is subject to a number of zone and overlay controls.

(i) Zones

A range of rural zones are applied, including:

- Farming Zone, which accounts for 48.6 per cent of Shire land
- Rural Conservation Zone, which accounts for 27.3 per cent of Shire land

- Rural Living Zone, which accounts for 9.2 per cent of Shire land³.

The intent of these rural zones is detailed below⁴.

The Farming Zone (FZ)

The Farming Zone (FZ) is the most commonly applied rural zone and is applied to **agricultural areas**. The purpose of the FZ is to ensure that non-agricultural uses, particularly dwellings, do not adversely affect the use of land for agriculture. The FZ is the most flexible zone in terms of agricultural uses, and many agricultural uses do not require a permit. Uses which do not require approval include agriculture, cattle feedlot (must be 1,000 head or less), timber production, intensive animal husbandry requires approval. A permit is required in the FZ for a single dwelling on lots less than 40 hectares (unless varied by a local schedule). As many lots are smaller than 40 hectares, a permit is often required for a dwelling in the FZ.

The Rural Conservation Zone (RCZ)

The Rural Conservation Zone (RCZ) is the main zone for **rural areas of environmental significance**. Agriculture is allowed in the RCZ provided it is consistent with the environmental and landscape values of the area. A planning permit is required for a dwelling and the condition contained within the RCZ is that it must be the only dwelling on the lot. This does not apply to the replacement of an existing dwelling, if the existing dwelling is removed or altered (so it can no longer be used as a dwelling) within one month of the occupation of the replacement dwelling.

The Rural Living Zone (RLZ)

The Rural Living Zone (RLZ) provides for **residential use** in rural areas and is typically applied on the outskirts of settlements or township areas. The RLZ provides for agricultural activities however emphasis is given to the protection of residential amenity.

The Rural Activity Zone (RAZ)

There are no areas of Rural Activity Zone (RAZ) in Macedon Ranges Shire. The Victorian Planning Provisions outlined that the purpose of the RAZ is:

To provide for the use of land for agriculture. To provide for other uses and development, in appropriate locations, which are compatible with agriculture and the environmental and landscape characteristics of the area. To ensure that use and development does not adversely affect surrounding land uses. To provide for the use and development of land for the specific purposes identified in a schedule to this zone.

To protect and enhance natural resources and the biodiversity of the area. To encourage use and development of land based on comprehensive and sustainable land management practices and infrastructure provision.

³ Albert Llausàs, Michael Buxton & Ruth Beilin (2015): *Spatial planning and changing landscapes: a failure of policy in peri-urban Victoria*, Australia, Journal of Environmental Planning and Management

⁴ <http://agriculture.vic.gov.au/agriculture/farm-management/business-management/planning-applications-in-rural-areas/rural-zones-explained>

Tourism, commercial and retail uses may be considered in the zone if they are compatible with the agricultural, environmental and landscape qualities of the area. Agricultural uses in the RAZ that require approval include: broiler farm; cattle feedlot lots (if more than 1,000 head); and intensive animal husbandry. A permit is required for a single dwelling in the RAZ⁵.

Overlays

Rural and agricultural land may be subject to a range of overlay controls that impact on land use and development in the Shire. These overlay controls are discussed in other sections of this report, and include:

- environmental and landscape overlays relating to protection of areas of environmental significance, vegetation and landscape significance
- heritage and built form overlays
- land management overlays relating to management of erosion management, land subject to inundation and bushfire.

2.8 Water

Water supply catchment areas are included in the Rural Conservation Zone, Schedule 1 or 3 (RCZ1 and RCZ3) to protect water supply catchments. Amongst others, these schedules identify the following values:

- *To ensure that land use within water supply catchments, most particularly proclaimed catchments, will not compromise water quality.*
- *To protect water quality in the proclaimed water supply catchments in the south of the Shire including Merrimu and Rosslynne.*

The minimum subdivision area for land zoned RCZ1 or RCZ3 is 40 hectares.

Water supply catchment areas may also be subject to the Environmental Significance Overlay, Schedules 4 or 5:

- The objective of Environmental Significance Overlay 4 – Eppalock Proclaimed Catchment is (Clause 42.01):
 - *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.*
- The objectives of Environmental Significance Overlay 5 – Other Water Supply Catchments are (Clause 42.01):
 - *To protect and utilise the resources of the area as a water catchment for urban and local supply.*
 - *To ensure the protection and maintenance of water quality and water yield within the catchment areas.*
 - *To ensure that land use activities and land management practices are consistent with the conservation of natural resources.*
 - *To control land use and development adjacent to water courses and water storages.*

⁵ <http://agriculture.vic.gov.au/agriculture/farm-management/business-management/planning-applications-in-rural-areas/rural-zones-explained>

- *To maintain and enhance the quantity and quality of water produced within the catchment.*
- *To minimise the threat of pest plants and pest animals to agricultural land and to water catchment areas.*

2.9 Heritage

Places of heritage significance may be located on land zoned for a variety of purposes, ranging from residential to rural.

The Heritage Overlay applies to specific sites or areas of local heritage significance, as well as places included in the Victorian Heritage Register. The Heritage Overlay requires a planning permit to subdivide land, alter, construct or demolish buildings or otherwise impact on the significance of the heritage place.

There are currently 279 places of heritage significance listed in the schedule to the Heritage Overlay of the Macedon Ranges Planning Scheme, including heritage precincts where multiple individual properties are grouped together. The schedule to the Heritage Overlay specifies the controls which may apply for each place.

Additional places may be included in the schedule once their heritage significance is established.

2.10 Recreation and tourism

Specific sites designated for recreation and tourism activities may be subject to a range of zone and overlay controls. The Public Conservation and Resource Zone is applied to the State owned and managed land in the Mount Macedon Ranges.

Recreation and tourism activities may also be undertaken on land zoned for other purposes. For example, bed and breakfast accommodation is allowable in the Farming Zone (subject to conditions).

2.11 Settlement/subdivision

Council's Municipal Strategic Statement (MSS) outlines:

...urban growth over the past decade has been the greatest in the south of the Shire (in Gisborne, Romsey and Riddells Creek), with more modest growth occurring in Woodend, Kyneton, Malmsbury, Lancefield, Macedon and Mount Macedon. Gisborne and Kyneton continue to be the major population and employment centres within the municipality. The Shire's rural areas provide important buffers between urban areas and the Melbourne metropolitan area.

In implementing the *Macedon Ranges Settlement Strategy 2011*, through Amendment C84 the following planning controls are applied in urban areas:

- the Township Zone in smaller settlements, and General Residential Zone in the larger settlements
- a range of overlays to achieve specified protection outcomes, for example the Significant Landscape Overlay in areas requiring landscape protection, and the Design and Development Overlay in areas where patterns of settlement require management and design controls

- the Development Plan Overlay is applied to new greenfield development areas to ensure coordinated development and high quality design responses
- the Restructure Overlay is used over settlements where consideration of environmental constraints and infrastructure is to be considered when determining lot layout and sizes
- the Development Contributions Plan Overlay is applied when planning is required to secure and deliver infrastructure.

Schedules to a number of zones that apply in the Macedon Ranges limit the minimum lot size for any further subdivision. Within the township settlement boundaries this includes the General Residential Zone and Low Density Residential Zone. Outside the township boundaries, this includes zones such as the Rural Living Zone, the Rural Conservation Zone and the Farming Zone.

In many cases, the minimum lot size outside the township settlement boundaries is 40 hectares.

Table 1 Summary of zone controls outside of townships

Zone control	Default minimum lot size (unless alternative is specified in schedule) (ha)	Lot sizes permitted under schedule (ha)
Rural Living Zone	2	0.4, 0.5, 1, 2, 8, 40
Rural Conservation Zone	40	40, 50
Farming Zone	40	40, 100
Rural Activity Zone	Nominated by the planning authority in schedule to the zone	n/a

2.12 Landscapes

Many areas within the Shire that include significant landscape features are included in the Rural Conservation Zone discussed above.

In addition, the following overlay controls are of particular relevance:

- Environmental Significance Overlay (clause 42.01)
- Vegetation Protection Overlays (clause 42.02)
- Significant Landscape Overlays (clause 42.03)

2.13 Current planning scheme amendments for Macedon Ranges

Macedon Ranges Shire Council has prepared several planning scheme amendments which are currently on exhibition, or have been referred to a panel. They are set out in Table 2. Some amendments propose to amend or add to the LPPF in the Macedon Ranges Planning Scheme, others propose to rezone land within the Shire or to apply additional overlay controls, and others propose the addition of further schedules to provide more detailed planning controls for land in some zones.

Table 2 Current Planning Scheme Amendments

Amendment	About	Status
C098	Implements recommendations of Woodend town structure plan and neighbourhood character study, 2014	Submissions closed 23 October Panel dates – DH 1 Feb, PH 29 Feb
C099	Kyneton Structure Plan	Directions Hearing 13 Jan
C103	Rezone land from PPRZ to GRZ1	Directions Hearing 13 Jan
C105	Establishes Kyneton Horse Training and Equine services precinct	Directions Hearing 13 Jan
C100	Implements recommendations of Riddles Creek structure plan and neighbourhood character study, 2014	Panel appointed, no dates set
C102	Rezoning Lot from Farm Zone to Low Density Residential Planning	Exhibition 14 Jan 2016
C107	Woodend Commercial Rezoning	Report submitted February 2016
C110	Implement the In the Rural Living Zone Strategy by amending schedules to the Rural Living Zone in selected locations to provide additional lots and apply the Development Plan Overlay	Exhibition 19 November 2015

2.14 Possible ways forward

The Committee invites submissions addressing the following questions:

- 1. Is the current policy and planning framework adequate to address protection of the Macedon Ranges?**
- 2. Are there any aspects of policy relating to agricultural activities and protection of productive land that do not adequately protect the values of the region?**
- 3. Is the protection of water supply, tourism and recreation, and nature conservation, as required by SPP8 adequately covered by current policy, zones and overlays?**

3 Why is protection needed?

This section of the Issues Paper discusses the key values and attributes of the Macedon Ranges, and the key threats and areas under threat that have been identified so far.

Terms of Reference 4(b) requires ‘an assessment of why protection is needed, including identification of key values and attributes that contribute to the significance of the Macedon Ranges and the key threats and areas that are under threat’.

3.1 General recognition of the area’s values and attributes

Planning policy has long recognised the special and unique values and attributes of the Macedon Ranges. Currently, *Plan Melbourne* states:

...the area contains valued environmental and cultural features. It has tourism assets such as the iconic Hanging Rock, historic townships, and equine and wine industries that attracted tourism and economic activity.

The recognition of the Macedon Ranges in *Plan Melbourne* reflects earlier statements in State level planning policy. The explanatory report to SPP8 states:

This range and its surrounds represent one of the most outstanding natural areas to the north west of Melbourne. The area’s importance derives principally from its proximity to Melbourne and its abundance of natural attributes.

3.2 Environmental assets and natural resources

Broadly, Macedon Ranges’ environmental assets natural resources are a key attribute. These environmental assets natural resources include significant water catchments (including extensive areas of declared special water supply catchments), high quality soils, significant biodiversity and distinctive landforms and geological features. As well as giving the area a unique sense of ‘place’, these natural resources provide the local and broader communities with water supply, recreational and tourist spaces, and opportunities for forestry and agriculture.

The variations in geology, landform, soil, sand and climate are reflected in the marked changes of vegetation throughout the policy area. Over very short distances, dry forests and woodland merge into wet open forest, providing for a diversity of fauna. The area retains rich native biodiversity with extensive areas of remnant native vegetation, including significant forested areas, which are an integral part of the area’s unique landscape. Key features include Mount Macedon and the Macedon Regional Park, the Wombat State Forest around Woodend and the Cobaw Ranges, Bald and Black Hill Reserves, and Mount William.

The area also features significant exotic vegetation, including boulevards of tree plantings in many towns, Avenues of Honour in Macedon and Woodend, and significant ornamental gardens on Mount Macedon that are fundamental to local landscape quality⁶.

⁶ www.mrsc.vic.gov.au

3.3 Geology and Landscapes

The Shire's high quality natural landscapes contribute significantly to the character of the area.

The Macedon Ranges form part of the Great Dividing Range and are the remainder of more extensive Upper Devonian volcanic granite formations, which overlook the surrounding region. Its maximum elevation is approximately 1000 metres at Mount Macedon and Camels Hump, with lower parts of the formation being at 600-770 metres in the Black Forest at the western foot of Mount Macedon, and 490-550 metres in areas north of Macedon Ranges.

The Cobaw Range and Mount William in the north and north-east reach elevations of over 750 metres, while the lowest point is at Deep Creek in the south east at an elevation of 160 metres.

The Department of Environment, Land, Water and Planning (DELWP) is currently preparing the Central Victoria Landscape Assessment Study (CVLAS). The study covers the Macedon Ranges Shire, and a draft report was issued for community comment in 2015.

According to the CVLAS – Community Newsletter 2, March 2015, two Landscape Character Types can be found in Macedon Ranges Shire:

- Victorian Volcanic Plains (VP) – defined by a flat to undulating basaltic plain scatter with volcanic features. The distinctive volcanic cones and rises that punctuate the horizon are key features; and
- Rolling Foothills (RF) – characterised by rolling pastures and volcanic hills, dissected by ridgelines and sharp crests.

The Macedon Ranges Shire includes three sites of regional significance and one of state significance:

- Mount Aitken, Mount Gisborne and Cobaw Ranges (regional significance)
- Mount Macedon, including Hanging Rock and Jim Jim (state significance).

3.4 Cultural Heritage and Traditional Land Ownership

The area has a rich aboriginal history. Many place names throughout the Shire relate to traditional ownership of the land; Barringo, Darraweit Guim, Jim Jim, Konagaderra Creek, Monegeetta, Willimigongon Creek and Wurundjeri Creek.

The *Aboriginal Heritage Act 2006* recognises Aboriginal people through Registered Aboriginal Parties as the primary guardians of Aboriginal cultural heritage. There are three Registered Aboriginal Parties in the Macedon Ranges Shire who have lived in the area for more than 25,000 years. These are the Dja Dja Wurrung, the Taungurung and Wurundjeri. The Advisory Committee has been able to meet in a preliminary discussion with representatives of Dja Dja Wurrung and Taungurung groups but has not yet been able to meet with the Wurundjeri.

Native title in Victoria is dealt with under the *Traditional Owner Settlement Act 2010*. This Act provides for out-of-court settlement of native title and allows the State Government to recognise traditional owner groups and their rights over Crown Land.

The Dja Dja Wurrung Clans Aboriginal Corporation represents the interests of the Dja Dja Wurrung traditional owner group, recognised by the 2013 settlement agreement. The Corporation has developed a 'Country Plan' which outlines the strategic goals of the Dja Dja Wurrung in the management of land and waters comprising their 'Country' as well as consultation principles for State or third parties.

Part of the 2013 settlement with the Dja Dja Wurrung includes an ongoing State commitment to engage with the Corporation in natural resource management (the 'participation strategies').

The Advisory Committee understands a key tenant of the agreement is for the State and Traditional Owners to work in partnership. The Committee understands the Taungurung and Wurundjeri are in various stages of the process of achieving their own such settlements.

The Committee invites the Registered Aboriginal Parties to make submission on the issues raised within this report.

3.5 Built form heritage

The Macedon Ranges has a significant collection of heritage towns, with largely intact streetscapes from the gold rush era of the early to mid-1800s. Many of the region's towns were established along historic transport corridors and played an important role in the Victorian gold rush, linking Melbourne to central and northern Victoria.

Typical of many towns are bluestone buildings, historic churches and fountains, old homesteads and stables, wool and flour mills, and hay and grain stores. Some towns are also known for their historic streetscapes, such as Piper Street in Kyneton and High Street in Woodend.

Historical monuments such as the Mount Macedon Memorial Cross pay tribute to significant events such as the Ash Wednesday bushfires, and tree-lined Avenues of Honour can be found in Woodend and Macedon in remembrance of those who fought or died at war. Botanic Gardens of heritage significance can be found in Malmsbury, Kyneton and Gisborne⁷.

3.6 Recreation and Tourism

Tourism is one of the main industries in the Shire, generating approximately \$275 million annually⁸. The Shire is located within close proximity to Melbourne and Tullamarine airport, and offers opportunities for day trips and overnight stays. In addition to natural and landscape features, the Shire also offers a range of cultural events that attract visitors.

3.7 Key threats

Population growth in the Macedon Ranges area brings with it the threat of increased development which can directly and indirectly impact natural assets.

The popularity of the area for tourism and recreation, coupled with improved transport links from Melbourne and Bendigo, has the potential to increase threats to the area's natural and

⁷ www.mrsc.vic.gov.au

⁸ www.mrsc.vic.gov.au

tourism assets. Visitor numbers are increasing, and there is an increasing pressure to provide additional access routes and visitor facilities within the Ranges.

Environmental risks (both human induced and natural) also pose a threat to the significant attributes and values of the Macedon Ranges.

Key environmental threats to the area include bushfire and flooding, the risks of which are anticipated to increase with the impacts of climate change, and with increasing population densities in the area. These present natural disaster/emergency management risks which must be carefully managed.

3.8 Threats identified in the consultation workshops

During the consultation workshops, participants identified various threats to the area, which the Committee has grouped into broad themes:

- *population growth and increased development*
- *threats to water catchments*
- *environmental/natural disaster threats*
- *gaps/changes in the policy environment and its implementation*
- *threats to the local economy*
- *'hidden' cultural heritage not captured by controls*
- *complex planning controls.*

3.9 Possible ways forward

The Committee invites submissions to address the following questions:

- 4. What are the key values and attributes of the Macedon Ranges? Have they been adequately identified in the current policy framework?**
- 5. Are there any gaps in the threats to those values and attributes identified in the current policy framework? If so, what is missing?**
- 6. Is the protection of cultural heritage adequately covered by the current policy framework?**

4 What geographic area should the policy and legislative controls apply to?

Terms of Reference 4(a) requires the Committee to advise on *'the extent of the geographic area the final policy and legislative controls should apply to'*.

4.1 Current policy area boundaries

When reviewing the current policy area boundaries, the Committee notes that the policy area of the draft Localised Planning Statement (2014) is significantly larger than the policy area of SPP8, and that the 'Rock and Ranges Policy Area' is not an exact match with any existing zone or overlay applied to the area, including the Significant Landscape Overlay 1 – Mountain Ranges and Features.

Figure 4 highlights the different extent of boundaries between the SPP8 and Localised Planning Statement (2014).

Statement of Planning Policy No. 8 (SPP8) used a combined approach, with consideration of land features and municipal boundaries. The explanatory report to SPP8 stated:

The Policy Area is bounded approximately by the Cobaw Range and Mount William Range in the north and northeast respectively, Mount Bullengarook in the south-west and Bulla Shire in the southeast. This area encompasses portions of the Shires of Kyneton, Bacchus Marsh, Gisborne, Romsey and Newham-Woodend, but by far the largest area of land falls within the latter three shires.

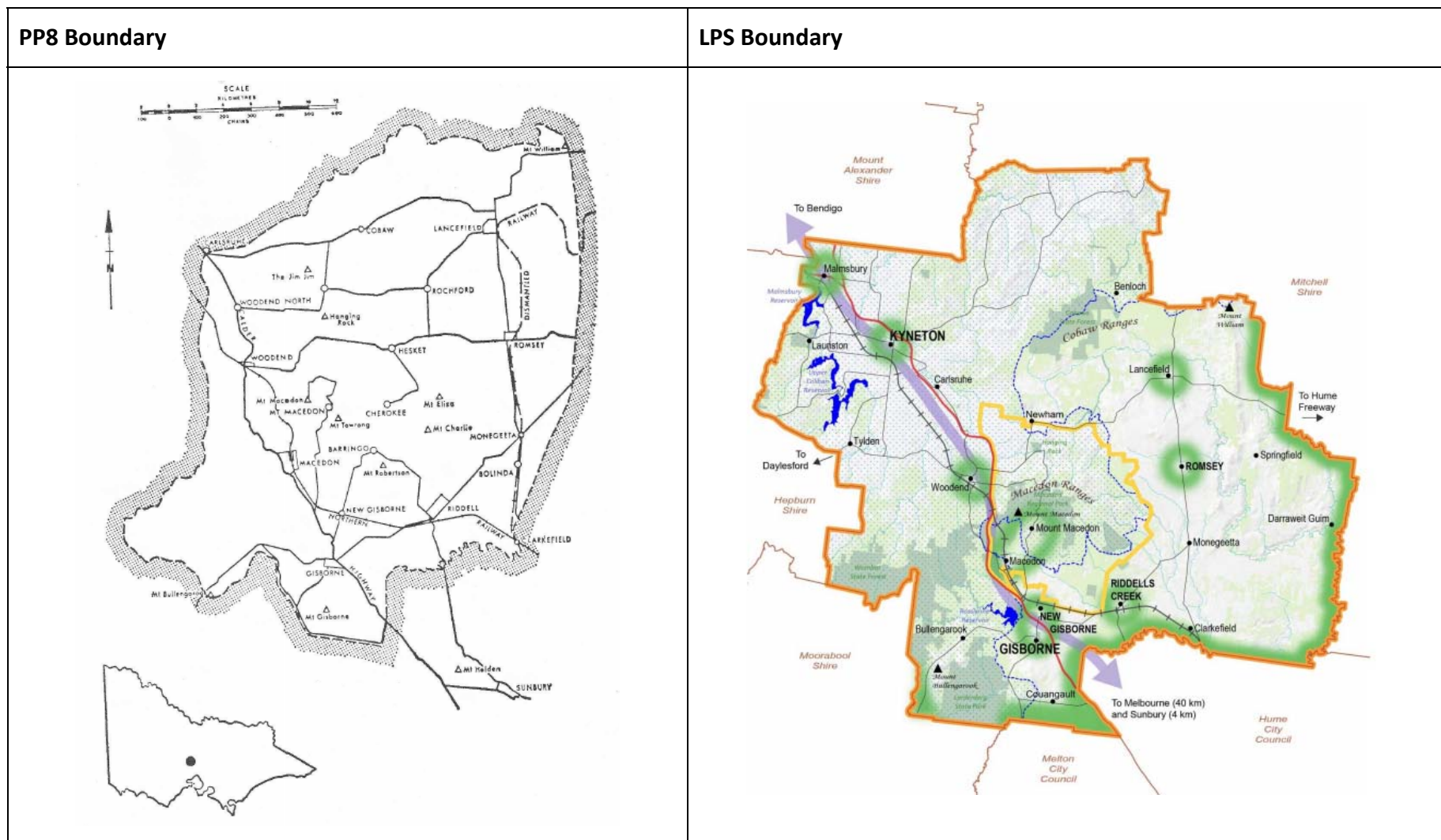


Figure 4 Statement of Planning Policy 8 Boundary (Source: Statement of Planning Policy No. 8, 1975) and Localised Planning Statement Boundary (Source: Macedon Ranges Localised Planning Statement, September 2014)

Under the draft Localised Planning Statement 2014, it is proposed to include the entire Shire within the policy area, with the Rock and Ranges Policy Area singled out for additional protection. A copy of the draft Localised Planning Statement (2014) is provided in Appendix B of this report.

Council's report to adopt the Localised Planning Statement in September 2014 stated:

The new policy statement includes all the natural assets in the Shire, rather than having areas such as the Wombat Forest split by a policy area line (as in the original SPP8 area). As some 40 years have passed, the natural assets within the now Shire boundaries are considered of equal importance. The only exceptions are the unique qualities of the Macedon Ranges and Hanging Rock and their immediately surrounding environs.

The Range and The Rock area has been included within the Statement map that has boundaries derived from a clear methodology which defines the Macedon Ranges and surrounding areas as being of particular significance. This new policy area is formulated on the following methodology:

- *The iconic geological and landscape significance of the Macedon Ranges and Hanging Rock; combined with*
- *The Rural Conservation Zone boundary surrounding these assets; combined with*
- *The high quality vegetation and biodiversity assets of the area; combined with*
- *The water supply assets of the Ranges and the need for careful management of water runoff and quality; combined with the high fire risk and need to manage this.*

4.2 Approaches to policy boundary definition

There are several ways in which policy area boundaries can be identified. For instance, it could be defined by reference to:

- municipal boundaries
- particular geographic or land feature boundaries
- planning control boundaries, for example existing protection overlays such as the Environmental Significance Overlay (as these identify key areas of significance requiring protection)
- natural assets mapping, for example landscape, visual or bioregional assessments
- built asset or management boundaries, for example roads
- community use and values.

Alternatively, a landscape, visual or bioregional assessment could be undertaken and form the basis of any boundary for area to which the final policy and legislative controls apply.

4.3 Possible ways forward

The Committee invites submissions to address the following questions:

- 7. Is the geographic extent of the policy area in the draft Localised Planning Statement (2014) appropriate?**
- 8. Do you support the inclusion of The Rock and The Ranges Policy Area as a 'special area' warranting additional protection to the rest of the Shire?**
- 9. What, if any, particular areas within the policy area are suitable for potential growth or development, and why? How should these areas be defined?**
- 10. What, if any, particular areas within the policy area are not suitable for any further growth or development, and why? How should these areas be defined?**

5 Options for protection of the Macedon Ranges

Terms of Reference 4(c) *‘the issues, challenges and opportunities for Victoria’s land use planning framework in protecting the significant values and attributes of the Macedon Ranges, and the key principles that should underpin legislative protection’.*

This Chapter outlines a number of potential options identified by the Committee to date for providing legislative protection and addressing potential gaps in the current policy framework. These options are intended to promote discussion. It is not intended to be an exhaustive list of options. The Committee welcomes options to be raised in submissions.

5.1 Providing legislative protection for the Macedon Ranges

One of the opportunities for Victoria’s land use planning framework to protect the significant values and attributes of the Macedon Ranges is to change the *Planning and Environment Act 1987* (the Act) to provide legislative protection for the area.

An example of how legislative protections might operate exists in Part 3A of the Act. Part 3A provides legislative protections for the Upper Yarra Valley and Dandenong Ranges region. Key protections provided under Part 3A are:

- *planning scheme amendments must be consistent with the Upper Yarra Valley and Dandenong Ranges Regional Strategy Plan (the RSP) (refer to section 46F)*
- *amendments to the RSP can only be prepared by the Minister for Planning, and must be ratified by Parliament in order to take effect (refer to sections 46C and 46D)*
- *public works in the region must be consistent with the RSP (except with the Premier’s approval) (refer to section 46G).*

It is rare for Parliamentary approval to be required for changes to planning policy and/or controls. The only other examples are:

- changes to the Urban Growth Boundary and certain changes to subdivision controls in green wedge areas (refer to Part 3AA of the Act)
- amendments to the Melbourne Airport Environs Strategy Plan and the Williamstown Shipyard Site Strategy Plan (refer to Parts 3C and 3D of the Act).

Examples of the types of legislative protections that could be considered for the Macedon Ranges could include:

- require Parliamentary approval of amendments to key parts of the policy framework, such as the Localised Planning Statement (2014)
- require planning scheme amendments to be consistent with key parts of the policy framework, such as the Localised Planning Statement (2014)
- require Parliamentary approval of certain types of planning scheme amendments, such as an amendment that facilitates a reduction in minimum lot sizes
- include other protections that are similar to Part 3A of the Act
- re-create protections that are similar to those that were in place in relation to SPP8.

5.2 Possible ways forward

The Committee invites submissions to address the following questions:

11. Is legislative protection required for the Macedon Ranges? Why?

12. What are the key principles that should underpin any legislative protection?

5.3 Strengthening the existing planning policy framework

Another potential option is to strengthen the existing policy framework.

(i) Reviewing the objectives, values and attributes to be protected

The existing policy framework (which is outlined in Chapter 2) recognises the need to balance the demands on the Macedon Ranges, and manage sometimes competing objectives (for example, balancing the demand for increased tourism and recreational use with the need to protect the region's unique natural assets).

Some objectives in the policy framework are clearly prioritised over others – for example, SPP8 and clause 22.01 of the LPPF give priority to the protection and utilisation of the resources of the area for water supply, tourism and recreation, and nature conservation.

Some of the ways in which the existing policy framework could be strengthened could include:

- identifying different or additional objectives, values or attributes to be protected
- revisiting the prioritisation of the various objectives in the policy framework.

(ii) Localised Planning Statement

If the Advisory Committee determines a Localised Planning Statement is the most appropriate tool, options could include:

- incorporating the Localised Planning Statement (2014) into the Scheme in its current form (i.e. the form adopted by Council)
- revising the Localised Planning Statement (2014) prior to being incorporated into the Scheme
- incorporating additional elements of SPP8 and clause 22.01 of the Scheme into the Localised Planning Statement (2014)
- amending the Act to incorporate legislative protections for the Localised Planning Statement (2014) (for instance, protections similar to those for the Upper Yarra Valley and Dandenong Ranges Regional Strategy Plan – see the discussion in section 5.1).

(iii) Statement of Planning Policy No. 8 and clause 22.01

Another key part of the policy framework for the protection of the Macedon Ranges is clause 22.01 of the Scheme, which restates SPP8. Options for clause 22.01 could include:

- reviewing and updating clause 22.01 to better reflect the pressures, demands and opportunities currently facing the Macedon Ranges, rather than those that applied in 1975 when SPP8 was developed
- elevating clause 22.01 to form part of the SPPF, rather than it remaining part of the LPPF (where it currently sits).

Alternatively, it may be that clause 22.01 is no longer required once the Localised Planning Statement) has been finalised and incorporated into the Scheme (particularly if the Localised Planning Statement is revised to incorporate elements from SPP8).

(iv) Reviewing other parts of the planning policy framework

The Committee notes the very detailed strategic work program underway and recently completed by Council. Once the key elements of the policy framework (including the LPS) have been finalised, it may be appropriate to review other parts of the planning policy framework, to ensure consistency with the LPS and any constraints on growth or development that are identified in the LPS.

Parts of the policy framework that may require review could include:

- the MSS
- current or draft town structure plans.

5.4 Possible ways forward

The Committee invites submissions to address the following questions:

- 13. Is Statement of Planning Policy Number 8 still relevant, or does an updated policy need to be developed?**
- 14. Are there any values identified in Statement of Planning Policy Number 8 that were not adequately reflected in Clause 22.01 or the draft Localised Planning Statement (2014)?**
- 15. What are the benefits of using a Localised Planning Statement to protect the key values and attributes of the Macedon Ranges?**

5.5 Strengthening the existing statutory planning framework

Another potential option is to strengthen the existing statutory planning framework for the Macedon Ranges.

Options for strengthening the statutory planning framework could include:

- reviewing the selection of zone and overlay controls that are currently in place and ensuring they are appropriate
- ensuring the key objectives for the Macedon Ranges are prioritised through the zone and overlay controls, the same way fire is prioritised in planning decisions – for example through the inclusion of appropriate decision guidelines in zones and overlays
- reviewing the application requirements that currently apply under the zone and overlay controls, and make certain application requirements mandatory where appropriate (for example, the submission of an Environmental Management Plan for any proposed development in a particularly sensitive area)
- exploring the need for mandatory planning controls, rather than discretionary or performance-based controls, in appropriate circumstances (for example, mandatory minimum lot sizes in areas that are identified as unsuitable for more intensive growth).

5.6 Possible ways forward

The Committee invites submissions to address the following questions:

16. Should other zone or overlay controls be considered to achieve appropriate protection? Please specify where and why.

5.7 A separate authority

Another option could be to establish a separate body with specific responsibilities for the Macedon Ranges, to provide additional oversight on policy or planning decisions relating to the Macedon Ranges.

The body could have functions such as:

- providing general advice to the Council and/or the Minister in relation to growth in the Macedon Ranges
- assisting the Council to prepare planning scheme amendments that affect the policy area (be they amendments to the planning policy framework or amendments to the zones and overlays that apply within the policy area)
- advising the Minister in relation to planning scheme amendments that affect the policy area
- providing an additional level of oversight for Council's decisions on certain types of planning permit applications in the policy area
- auditing planning approvals and enforcement matters.

More practical matters that would need to be considered could include:

- whether such a body should be established by statute (which would require amendments to the Act), or whether it could be non-statutory
- whether the body has a decision-making role, or an advisory role
- how the functions of the body would inter-relate with those of other key agencies in the planning decision-making processes (such as the Minister and VCAT).

An alternative to establishing a specific body with responsibility for the Macedon Ranges could be to provide for additional oversight of planning decision-making in the Macedon Ranges by existing agencies (for example, the Minister for Planning, or Parliament).

5.8 Possible ways forward

The Committee invites submissions to address the following questions:

17. Should a body be established with specific responsibility for protecting the values and attributes of the Macedon Ranges from potential threats?

18. Should the body be a statutory authority or a non-statutory body?

19. What functions should the body have?

5.9 Additional consultation for planning decisions in the Macedon Ranges

Another option could be to apply additional consultation requirements for planning decision-making in the Macedon Ranges, such as:

- establishing a committee made up of members from the Council, local authorities (such as the Catchment Management Authority), Registered Aboriginal Parties and the local community to input into certain permit decisions and/or planning scheme amendments in the policy area

- having a mandatory requirement (for instance, via a Ministerial Direction) for additional consultation prior to amending key parts of the policy framework, such as the Localised Planning Statement or clause 22.01.

5.10 Possible ways forward

The Committee invites submissions to address the following questions:

- 20. Are there other more appropriate ways of providing for additional oversight of planning decisions affecting the Macedon Ranges (for instance, by the Minister for Planning, or Parliament)?**

Appendix A Overview of the Victorian planning system

Some participants in the Macedon Ranges Protection Advisory Committee process will be less familiar with the Victorian planning system than others. This brief overview aims to help readers who are not overly familiar with the system to understand the various parts of the policy and planning framework, and the role that they play in the protection of the Macedon Ranges.

The policy and planning framework

The policy and planning framework that applies to the Macedon Ranges is contained in the Macedon Ranges Planning Scheme. The policy and planning framework guides all planning decision-making that affects the Macedon Ranges.

The key elements of the policy and planning policy framework are:

- planning policy, which is made up of:
 - the State Planning Policy Framework (of which Plan Melbourne is part)
 - the Local Planning Policy Framework
- land use and development controls, which are contained in:
 - zones
 - overlays
 - particular provisions
- other (non-statutory) policies and strategies developed by the Victorian governments and the Macedon Ranges Shire Council that do not form part of the Macedon Ranges Planning Scheme.

Some of the detail in the planning policy affecting the Macedon Ranges may also be contained in:

- incorporated documents – these are documents that are formally incorporated in the planning scheme and listed in clause 81.01
- reference documents – these are documents that are referred to in the planning scheme, but not formally incorporated.

For example, the various town structure plans that are being considered under the omnibus amendment will eventually be either incorporated documents or reference documents in the Macedon Ranges Planning Scheme (assuming they are adopted and approved).

State Planning Policy Framework (SPPF)

The SPPF is set out in every planning scheme. The SPPF is a set of State standard provisions comprising general principles for land use and development, and specific policies dealing with matters such as settlement, housing, protection of environmental values, economic development, infrastructure and transport.

The SPPF consists of:

- *Plan Melbourne* (which is an incorporated document)
- Specific policies on:

- Settlement
- Environment and Landscape Values
- Environmental Risks
- Natural Resource Management
- Built Environment and Heritage
- Housing
- Economic Development
- Transport
- Infrastructure

The SPPF has a special place in the planning and policy framework. Where there is any inconsistency between State provisions and local provisions in a planning scheme, the state provisions prevail (section 7 of the Act). When creating or amending a planning scheme, planning authorities cannot amend a state standard provision (section 10 of the Act).

In preparing an amendment, a planning authority must evaluate and include in the explanatory report a discussion about how the amendment supports or implements the SPPF and any adopted state policy (Ministerial Direction No. 11 – Strategic Assessment of Amendments).

The SPPF consists of state standard provisions which cannot be altered by a local Council. They can only be altered by a ‘V amendment’ (an amendment to the Victorian Planning Provisions), or a ‘VC amendment’ (an amendment to the Victorian Planning Provisions and all Victorian planning schemes). Generally, only the Minister for Planning prepared V amendments or VC amendments.

(i) Plan Melbourne

Plan Melbourne is the vision for Melbourne. It guides metropolitan Melbourne’s housing, commercial and industrial development through to 2050, and seeks to integrate long-term land-use, infrastructure and transport planning to meet the population, housing and employment needs of the future.

Although primarily focussed on metropolitan Melbourne, *Plan Melbourne* also addresses planning for growth and development in regional Victoria, and the inter-relationship between Melbourne and the regions. Chapter 6 of *Plan Melbourne* deals specifically with regional planning, including Melbourne’s peri-urban and green-wedge areas.

(ii) Regional Growth Plans

Regional Victoria (areas outside the urban growth boundary) is divided into eight regions. Each region has a Regional Growth Plan, which are referenced in clause 11 of the SPPF. The Regional Growth Plans provide broad planning policy direction for land use and development across regional Victoria, and more detailed planning frameworks for key regional centres.

Regional Growth Plans occupy a significant place in the planning policy hierarchy. Planning must consider the Regional Growth Plans.

(iii) Localised Planning Statements

Clause 11 of the SPPF recognises the need to plan for distinctive areas in Victorian. The objective of clause 11.14 is to protect and enhance the valued attributes of four specific areas, one of which is the Macedon Ranges. The other areas are Bellarine Peninsula, Mornington Peninsula and the Yarra Valley.

Once a Localised Planning Statement is adopted and referenced in clause 11 of the SPPF, it carries significant weight in the planning policy framework. All planning decisions affecting land in an area affected by a Localised Planning Statement must consider the Localised Planning Statement. Further, Ministerial Direction No. 17 requires any planning scheme amendment affecting land identified in an adopted Localised Planning Statement to have regard to the Localised Planning Statement, and a discussion of how the amendment implements the adopted Localised Planning Statement must be included in the explanatory report prepared for the amendment.

Local Planning Policy Framework

The LPPF in a planning scheme sets the local and regional strategic policy context for a municipality. It should demonstrate how the broader state planning policies set out in the SPPF will be achieved or implemented in a local context.

As mentioned above, where there are inconsistencies between the local and state planning policy frameworks, the SPPF prevails.

The LPPF in a planning scheme will generally consist of:

- the Municipal Strategic Statement (MSS)
- local planning policies.

In preparing an amendment, a planning authority must evaluate and include in the explanatory report a discussion about how the amendment supports or implements the Local Planning Policy Framework, specifically the Municipal Strategic Statement.

(i) Zone and overlays

Zones and overlays control the types of use and the form of development permitted on land. All land use and development must comply with the controls contained in the zones and overlays.

Decisions about the application of zones and overlays are guided by the planning policy framework.

Generally speaking, zones control both use and development of land, whereas overlays only control development.

Zones and overlays require planning permits to be obtained for many uses and developments. They can include application requirements that must be met for any permit application, and decision guidelines that must be taken into account by the responsible authority when considering a permit application.

Any permit that is issued must be assessed against the requirements of the zone and overlay controls, any relevant particular provisions in the planning scheme, the planning policy framework, and in accordance with the requirements of the Act.

(ii) Schedules to zones and overlays

Zones and overlays are state standard provisions which cannot be altered by a local Council. Like the SPPF, they can only be altered by a 'V amendment' or a 'VC amendment'. Generally, only the Minister for Planning prepares V amendments or VC amendments.

Some zones and overlays allow Councils to modify the state standard zone or overlay by adding local content by way of a schedule to the zone or overlay. Schedules can only include content that the 'head clause' (i.e. the zone or overlay itself) allows. If there is any inconsistency between a schedule and the head provision, the head provision prevails.

Planning decision-making framework

(i) The planning decision-making process

The key planning decisions that affect the Macedon Ranges are:

- decisions on planning permit applications
- decisions on planning scheme amendments.

Planning permit decisions are made by the responsible authority. This is generally the Macedon Ranges Shire Council, but clause 61.01 of the planning scheme may specify the Minister for Planning as a responsible authority for certain areas or purposes.

Planning scheme amendments can only be prepared by a planning authority. Planning authorities for the Macedon Ranges are the Macedon Ranges Shire Council and the Minister for Planning. The Minister can also authorise other Ministers or public authorities to prepare planning scheme amendments.

(ii) Oversight of planning decisions

Under the Planning and Environment Act, all planning decision-making is subject to oversight.

Oversight of planning scheme amendment decisions is summarised in the following table.

Who provides oversight?	How?
Minister for Planning	a planning authority (other than the Minister) must be authorised to prepare an amendment by the Minister all amendments that are adopted by the planning authority must be approved by the Minister to take effect
The public	planning scheme amendments must be publically exhibited, and any person may make a submission (although the Minister is able to exempt an amendment from these requirements in certain circumstances)
Planning panels	any submissions made in relation to an amendment must be referred to a panel (unless the planning authority changes the amendment in

	accordance with the submission)
Parliament	all approved planning scheme amendments must be laid before Parliament, and Parliament may disallow an amendment

Oversight of planning permit decisions is summarised in the following table (although note that exemptions may apply under the Act or the planning scheme in respect of some of these requirements).

Who provides oversight?	How?
The public	permit applications must generally be publically notified, and affected persons may object to the permit being granted or request conditions be included on the permit
Victorian Civil and Administrative Tribunal (VCAT)	most permit decisions are subject to review in VCAT
Minister for Planning	the Minister has the power to 'call in' permit applications and VCAT proceedings in certain circumstances

The Courts also play a role in overseeing planning decision-making, particularly in relation to planning scheme amendments.

Appendix B Localised Planning Statement September (2014)

Please refer to separate document.

Appendix C Relevant Planning Policies

State Policy Planning Framework

(iii) Plan Melbourne

Plan Melbourne emphasises the need to protect and enhance the value of non-urban regions or peri-urban regions by committing to defining a permanent boundary for urban Melbourne. *Plan Melbourne* also recognises the significant biodiversity, recreational and tourist values of non-urban and peri-urban areas, and the critical infrastructure and services they provide to the urban area.

Plan Melbourne specifically recognises the Macedon Ranges in the following initiatives:

Ensure localised planning statements for... Macedon Ranges... acknowledge areas that are important for food production (Initiative 5.3.1)

Work with local governments to finalise localised planning statements for the Bellarine Peninsula, Macedon Ranges, Mornington Peninsula and Yarra Valley (Initiative 6.2.4).

(iv) Regional policy in the SPPF

Planning policy for Victoria's regions is contained in clauses 11.05 to 11.13 of the SPPF. Clause 11.12 specifically addresses the Loddon Mallee South region, of which the Macedon Ranges forms part.

Clause 11.12 sets out objectives, strategies and policy guidelines that must be taken into account by planning and responsible authorities in the Loddon Mallee South region when making planning decisions.

(v) Protection of environmental and landscape values in the SPPF

One of the Macedon Ranges' key attributes is its environmental and landscape values. Environmental and landscape values are dealt with in clause 12 of the SPPF.

Key parts of clause 12 which are relevant to the Macedon Ranges include:

- clause 12.01 (Biodiversity), the objective of which is *to assist the protection and conservation of Victoria's biodiversity, including important habitat for Victoria's flora and fauna and other strategically valuable biodiversity sites*
- clause 12.04 (Significant environments and landscapes), the objective of which is *to protect and conserve environmentally sensitive areas.*

Macedon Ranges is specifically identified in clause 12.04 as one of several sensitive areas with significant recreational value that should be protected from development which would diminish its environmental conservation or recreation values.

Local Policy Planning Framework

Clause 21.01 of the Macedon Ranges Planning Scheme includes a municipal profile, which is based largely on data from the 2011 census. Clause 21.02 identifies key issues and

influences, which inform objectives, strategies and implementation measures set out in clauses 21.04 to 21.13.

A strategic framework plan and a rural framework plan for the municipality are included in clause 21.03.

Clause 22 includes six local policies for the Shire, relating to a range of issues (including dams, intensive animal husbandry, gaming, battle-axe allotments, and design of industrial and commercial development).

Of particular relevance is clause 22.01, which is the local policy that restates Statement of Planning Policy No. 8 (SPP8).

(vi) Protection of landscapes

The need for protection of areas of significant landscape character within the Macedon Ranges Shire is acknowledged in various parts of the Local Planning Policy Framework. A range of objectives and strategies are identified in relation to significant environment and landscapes.

Clause 21.02, Key Issues and Influences, is founded on SPP8, which recognises *the national and state significance of the Macedon Ranges, in particular the environmental and landscape significance of the Macedon Ranges and its surrounds*. It is noted that planning must comprehensively address landscape protection.

The Land Use Vision for the Shire (Clause 21.03-2) includes a vision to ensure that *development complements the nature and character of the rural landscapes of the Shire. Landscapes, in particular the landscapes around Mount Macedon and Woodend, are highly valued by residents and visitors and facilitate tourism which plays a key economic role in the Shire*. The vision includes a Strategic Framework Plan for Macedon Ranges Shire at 2036, which identifies areas of Significant Landscape Overlay (SLO 1 and 2), and a Rural Framework Plan, which identifies areas of agricultural landscape and states that agricultural landscapes contribute to the character and economy of the Shire.

(vii) Protection of the environment and natural resources

A number of strategies are provided in clause 21.05 of the LPPF to protect biodiversity and natural resources, including:

- encouraging consolidation of lots and re-subdivision where this better supports the area's vision with respect to biodiversity
- encouraging appropriate revegetation and discouraging inappropriate development in order to protect the living forest area identified in the rural framework plan.

Specific implementation tools include:

- applying the Rural Conservation Zone to the living forests and other specific areas
- ensuring minimum lot sizes are set to prevent the creation of additional lots.

(viii) Agriculture policy

Agriculture and productive land are identified in the LPPF as requiring protection. Clause 21.02, Key Issues and Influences recognises the need for planning to comprehensively address agriculture, amongst other matters.

Clause 22.01, Macedon Ranges and Surrounds, states that it is policy that *where appropriate, due account must be given to the value of the area for forestry and agriculture*. Major influencing factors relate to outstanding quality and range of natural resources in the Shire, the importance of water resources and the sensitive relationship between land use and water quality and the demand for land resulting in *escalating land prices which counter economic farming*.

The local policy relating to dams (clause 22.02) applies to the construction of dams where a permit applies. This policy aims to prevent construction of dams in environmentally sensitive areas and obstruction to environmental flows into the water catchment.

The local policy relating to intensive animal husbandry (clause 22.03) applies to applications for the use and development of land for intensive animal husbandry, except for cattle feedlots, piggeries or broiler farms. This policy aims to ensure intensive animal husbandry developments are suitably located, and will not have a negative impact on the environment or waterways.

(ix) Protection of water catchments

Protection of water catchments is also covered by clause 21.02, Key Issues and Influences.

The Land Use Vision for the Shire (clause 21.03-2) includes vision statements relating to water:

- *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.*

The Strategic Framework Plan for Macedon Ranges Shire at 2036, identifies water bodies/courses and Water Catchment Boundaries. The Rural Framework Plan shows the Northern and Southern Catchments and includes the statement:

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

Clause 21.04 Settlement, includes an objective to ensure that land use and development has regard for environmental assets, and includes a strategy to *avoid growth outside of township boundaries in Special Water Supply Catchment areas*.

Environmental risks are dealt with in clause 21.06. Clause 21.06-4, Flooding, identifies that some areas of the Shire are subject to periodic flooding, and that while flooding can impact negatively on land use and development, it can also have important environmental benefits. Objectives include:

- *To ensure the future use and development of land prone to flooding minimise the consequences of inundation.*
- *To maintain the role of floodways in the environment.*

Clause 21.07, Natural Resource Management, includes a section on Water (clause 21.07-3) which notes that there are 24 proclaimed water supply catchments in the Shire.

It is also necessary for the Shire to consider any relevant catchment management strategy when making a decision on an application to use or develop land in a Special Water Supply Catchment.

Clause 22.01 Macedon Ranges and Surrounds states that it *is policy that*:

- *Protection and utilisation of the resources of the policy area for water supply, tourism and recreation, and nature conservation must be the primary concern.*
- *All development in proclaimed water catchment areas and in elevated areas must be strictly limited and regulated to protect water quality, and maintain or enhance natural systems and landscape character.*

(x) Protection of heritage

A wide range of heritage features are found in the Macedon Ranges Shire. Clause 21.02, Key Issues and Influences, identifies the following key issues:

- Environment and landscape values (clause 21.02-2)
- Built environment and heritage (clause 21.02-4)

Clause 21.08, Built Environment and Heritage, specifically addresses heritage in the Shire. Heritage features include buildings, precincts, streetscapes, natural landforms, archaeological sites and landscapes and the objective is *to protect and enhance important heritage features and values for residents, visitors and future generations.*

(xi) Cultural Heritage

In relation to Aboriginal cultural heritage (clause 21.08-2), the Shire *recognises Aboriginal people as the primary guardians, keepers and knowledge holders of all Aboriginal cultural heritage in Macedon Ranges Shire*, and the objective is *to protect Aboriginal cultural heritage places and values within the Shire.*

In considering any proposed use or development that may impact on Aboriginal cultural heritage, the Shire is required to consider any Aboriginal Cultural Heritage Study, the Heritage Overlay, guidelines provided by Aboriginal Affairs Victoria, any relevant cultural heritage management plan and views of any Registered Aboriginal Parties.

(xii) Recreation and tourism

The significance of recreation and tourism is noted in several sections of the LPPF, including:

- Clause 21.02, Key Issues and Influences
- Clause 21.03-2, Strategic Framework Plan
- Clause 21.05, Environment and Landscape Values
- Clause 21.05-2, Significant environments and landscapes

- Clause 21.08-1, Heritage Conservation.

Of particular note is clause 22.01, Macedon Ranges and Surrounds, which states that it is policy that:

- *Protection and utilisation of the resources of the policy area for water supply, tourism and recreation, and nature conservation must be the primary concern.*
- *Planning for recreation and leisure must be directed predominantly towards activities, which require natural or semi-natural surroundings and must be integrated with planning for water catchment management and nature conservation so as to minimise conflicts.*

Other studies and strategies

Other studies and strategies which do not form part of the Macedon Ranges Planning Scheme include:

- Central Victoria Landscape Assessment Study
- The Planning for a Sustainable Future Project
- Macedon Ranges Cultural Heritage and Landscape Study
- Macedon Ranges Economic Development Strategy: The Way Forward 2009 – 2019
- Macedon Ranges Tourism Industry Strategic Plan 2011–2016
- Macedon Ranges Agribusiness Plan 2013-2018
- Macedon Ranges Equine Strategy 2012-2016
- Macedon Ranges Open Space Strategy 2013
- Macedon Ranges Shire Natural Environment Strategy 2009 – 2013 and A new environment strategy for Macedon Ranges Shire Discussion Paper: Background, Context and Scope
- Macedon Ranges Weed and Pest Animal Strategy 2014 – 2024
- Macedon Ranges Heritage Strategy 2014

Although some of these other studies and strategies may not be formally incorporated or referred to in the Macedon Ranges Planning Scheme (and may therefore not have statutory force), they nevertheless play a role in identifying and protecting some of the key values and attributes of the area.