



BETWEEN SETTLEMENTS STRATEGIC FRAMEWORK EAST GIPPSLAND & WELLINGTON SHIRES

COASTAL TOWNS DESIGN FRAMEWORK VOLUME 2

MARCH 2007



Copyright © Meinhardt Infrastructure & Environment Pty Ltd 2007

Disclaimer

Information in this document is current as of March 2007. While all professional care has been undertaken in preparing the document, Meinhardt accepts no liability for loss or damages incurred as a result of reliance placed upon its content.

The mention of any company, product or process in this report does not constitute or imply endorsement by Meinhardt.

CONTENTS

1.	INTRODUCTION	1
2.	PROJECT SCOPE AND APPROACH	2
3.	CONTEXT–COASTAL NON-URBAN AREAS UNDER PRESSURE	5
4.	GENERAL CHARACTERISTICS OF IDENTIFIED OUTSIDE SETTLEMENT AREAS	7
4.1	AREA 1. LAKE VICTORIA NORTH SHORE (PAYNESVILLE TO GOON NURE)	7
4.2	AREA 2. LAKE KING NORTH SHORE (MITCHELL RIVER TO TAMBO RIVER)	7
4.3	AREA 3. METUNG HINTERLAND (TAMBO RIVER TO NUNGURNER)	7
4.4	AREA 4. NUNGURNER TO LAKES ENTRANCE	8
5.	CURRENT PLANNING CONTROLS	9
5.1	EAST GIPPSLAND PLANNING SCHEME	9
5.2	WELLINGTON PLANNING SCHEME	13
6.	NATURE OF THE PROBLEM AND THE NEED FOR ACTION	14
6.1	EVALUATION OF CURRENT CONTROLS	14
6.2	LOW DENSITY RESIDENTIAL DEVELOPMENT	14
6.3	TOURISM RELATED DEVELOPMENT	15
6.4	POTENTIAL DIRECTIONS	15
6.5	CONCLUSION	16
7.	BETWEEN SETTLEMENTS STRATEGIC FRAMEWORK	17
7.1	CONTEXT FOR THE FRAMEWORK	17
7.2	RECOMMENDED STRATEGIC FRAMEWORK	19

COASTAL TOWNS DESIGN FRAMEWORK

BETWEEN SETTLEMENTS STRATEGIC FRAMEWORK

This final report, Volume 2 of the Coastal Towns Design Framework project, examines planning policy for areas outside of 19 coastal settlements in East Gippsland and Wellington Shires and evaluates the adequacy of existing policy to manage development pressures in those areas. This research has assisted the preparation of Urban Design Frameworks for these towns, which are intended to guide their development over the next 15 – 20 years.

The establishment of this project was initiated jointly by the Department of Sustainability and Environment, East Gippsland Shire Council, Wellington Shire Council and the Gippsland Coastal Board.

This document is the result of the combined contributions of:

- The communities of the 19 coastal towns in East Gippsland and Wellington Shires.
- Project Steering Committee

Kate Nelson,
East Gippsland Shire

Alan Freitag,
Department of Sustainability &
Environment

Kim Phillips,
Wellington Shire

Barry Hearsey, Department of
Sustainability & Environment

Brett Millington,
Gippsland Coastal Board

Peter Boyle, Department of
Sustainability & Environment

- East Gippsland Shire Councillors & officers
- Wellington Shire Councillors & officers
- Consultant Team

David Fetterplace,
Meinhardt Infrastructure & Environment

Lidia Orsini,
Meinhardt Infrastructure & Environment

Sarah Davison,
Meinhardt Infrastructure & Environment

Dominique Miot,
Meinhardt Infrastructure & Environment

David Hudson,
Meinhardt Infrastructure & Environment

Bertha Polianlis,
Meinhardt Infrastructure & Environment

Christine Wallis,
Urban Futures Consulting

Stephen Axford,
Urban Futures Consulting

Bill Unkles,
Saturn Corporate Resources

Emma Moysey,
Ecology Australia

Geoff Carr,
Ecology Australia

Darren Quin,
Ecology Australia

Bruce Echberg,
Urban Initiatives

Leila Heggie,
Urban Initiatives

Jen Petrie,
Urban Initiatives

Sally Malone,
Urban Initiatives

Thomas Sichelkow,
Urban Initiatives

1. INTRODUCTION

Meinhardt Infrastructure & Environment Pty Ltd heads a planning consortium that was engaged by the East Gippsland and Wellington Shire Councils, in association with the Department of Sustainability and Environment and the Gippsland Coastal Board to prepare a Coastal Towns Design Framework for 19 towns within East Gippsland and Wellington Shires.

The project team comprised Meinhardt Infrastructure & Environment Pty Ltd, Urban Initiatives Pty Ltd, Urban Futures Consulting, Saturn Corporate Resources Pty Ltd and Ecology Australia Pty Ltd.

What is an Urban Design Framework (UDF)?

An Urban Design Framework provides strategic guidance for the future development of urban areas (which can range from specific sites to small townships and metropolitan suburbs). It establishes an integrated design vision that involves the generation of ideas and the preparation of realistic design concepts based on community consultation, research and analysis. The vision is realised through tools such as planning scheme changes, capital works projects and guidelines for private development.

In preparing a UDF it is critical to:

- Adopt a long term view (15-25 years);
- Identify strategic goals and actions;
- Examine social, cultural and economic opportunities as they affect physical form; and
- Examine and identify synergies with neighbouring towns and the region.

Project Objectives

The objective of the Coastal Towns Design Framework Project is:

“To provide a sustainable vision for the future form, image and function of these settlements and give greater certainty to the local communities and investors about what is possible and appropriate in terms of future development.”

Particular project objectives are:

- Assist the implementation of the Victorian Coastal Strategy and the Integrated Coastal Planning for Gippsland Coastal Action Plan.
- The preparation of objectives, strategies, policies and plans to support the vision for each town.
- The provision of detailed design guidance and planning provisions for the settlements and development pressure areas.
- The identification of priority actions and an implementation program that respond to identified needs.

2. PROJECT SCOPE AND APPROACH

The Coastal Towns Design Framework project is aimed at providing guidance on the location, type and extent of future development along the coast of the Wellington and East Gippsland Shires, with specific emphasis on nominated settlements. The project covers approximately 40% of the Victorian coastline from the NSW/Victorian border in the east and almost to Wilsons Promontory in the west (refer Figure 1 Regional Context Plan). The individual towns for which a UDF is being prepared are:

Wellington Shire	East Gippsland Shire
<ul style="list-style-type: none"> Robertsons Beach Manns Beach McLoughlins Beach Woodside Beach Seaspray The Honeysuckles Golden Beach/Paradise Beach Loch Sport 	<ul style="list-style-type: none"> Paynesville Raymond Island Eagle Point Metung Nungurner Lakes Entrance Lake Tyers Beach Marlo Bemm River Mallacoota Gipsy Point

The project is part of a suite of studies being undertaken in the region, including the Coastal Spaces Initiative, which aims to improve strategic planning for sustainable development in coastal Victoria. The Initiative includes the Coastal Spaces Landscape Assessment Study (September 2006), which is a key strategy document commissioned by the Department of Sustainability and Environment. The study focuses on the coastal areas of Gippsland (Bass Coast to the NSW border), the Bellarine Peninsula and the coast west of Warrnambool to the South Australian border. The project identifies and maps individual landscape characteristics within these coastal regions, identifies significant landscapes and provides an implementation framework to assist local government and other agencies in managing development impacts within coastal landscapes.

The Coastal Spaces Initiative also includes the Recreational Nodes Study, work on Coastal Acid Sulphate Soils, the Geelong Corridor Strategy and Bellarine Strategic Plan, Urban Design Frameworks for South Gippsland, as well as the Urban Design Frameworks in this project.

Each project will be informed by complementary work from other projects, as appropriate, including the Domestic Waste Water Management Plan in the Gippsland region, the Tourism Strategy in East Gippsland Shire and the Subdivision Strategy in Wellington Shire.

There are a number of regional studies that will also inform the development of the coastal towns in this project, including the Integrated Coastal Planning for Gippsland Coastal Action Plan (CAP), Gippsland Lakes CAP and Gippsland Estuaries CAP. The Integrated Coastal Planning for Gippsland CAP provides for an integrated approach to coastal planning policy and management in Gippsland and will help ensure that coastal development occurs in a sustainable manner. The Gippsland Lakes CAP recognises

that the region faces increasing development pressures and seeks to provide for and direct development that respects environmental values. The Gippsland Estuaries CAP aims to develop a strategic framework that will support planning and management processes for estuaries across Gippsland, whilst providing for the protection and enhancement of significant features (environmental, economic, social and cultural) of Gippsland's estuaries.

The final output from the Coastal Towns Design Framework project comprises three volumes: Volume 1 contains the Strategic Regional Background Report; Volume 2 contains the Between Settlements Strategic Framework; and Volume 3 contains the 19 individual Urban Design Frameworks.

This report (Volume 2) is an ancillary component of the Coastal Towns Design Framework project. Its preparation has been based on the research associated with the regional assessment and settlements being investigated, both desk top and in the field. No additional consultation has been undertaken specifically for this component of the project. The Project Control Group reviewed an initial Discussion Paper for this component. It should be noted that during the conduct of this project the Coastal Spaces project was carried out and resulted in recommendations for the introduction of a Significant Landscape Overlay to areas outside of coastal settlements that possess highly valued landscape settings.

Figure 1 Regional Context Plan



Report Structure

The Between Settlements Strategic Framework Report provides background and context for the project in Section 2. Section 3 examines the pressures on coastal non-urban areas and identifies particular parts of the project area ('hot spots') in East Gippsland Shire that have been analysed. Section 4 identifies the primary characteristics of the 'hot spots'. Section 5 assesses the effectiveness of the East Gippsland Shire planning policies that apply to the 'hot spots'. It also reviews briefly, the non-urban policies that apply in the coastal areas of Wellington Shire. Section 6 discusses the development management issues and considers options. Section 7 provides an overall framework for the preparation of appropriate policy to achieve the desired State coastal policy outcomes. In the management of development in non-urban coastal areas.

3. CONTEXT– COASTAL NON-URBAN AREAS UNDER PRESSURE

The Victorian Coastal Strategy 2002 (VCS) is the primary Victorian State Government policy aimed at achieving coordinated protection, conservation, management and development of the Victorian coastline. The protection of significant environmental features and the sustainable use of natural coastal resources are key principles of the VCS. While highly valued natural and cultural resources occur within and on the fringes of the existing developed areas along the coast, the undeveloped areas between each settlement and in the coastal hinterland provide an important landscape setting - often an essential part of the character of a town. They also contain areas of high ecological importance and in many areas also provide for productive rural activities.

In relation to new development along the coast, the VCS seeks to focus activity within the defined boundaries of existing settlements and retain non-urban landscapes and land uses between settlements.

The availability of views, particularly water views, the ability to access water, the availability of road access and the accessibility of existing reticulated services are key factors in the generation of development proposals for land outside of coastal urban settlements. Other factors at play in these processes include the presence of a high quality landscape, the viability of the land for rural activities and the life cycle phase of current owners. Projects are also generated as a spin-off of market demand occurring for certain product types within existing urban areas. Leap frogging an urban boundary provides access to lower cost land. Broad acre sites also provide opportunities for a distinctive identity or character to be provided in the product, which may be artificially created or may build on local assets or attributes. Constraints imposed by the requirements of, or impacts on neighbouring uses may be more manageable in locations beyond urban boundaries.

Within the eastern Victorian coastal sub-region that is part of this project, the following areas have been identified through discussion with the Project Control Group as subject to existing outside settlement development interest or with potential for such proposals in the future.

- Area 1: Lake Victoria North Shore (from Paynesville to Goon Nure/Steel Bay including the Paynesville hinterland, the Banksia Peninsula and Newlands Backwater).
- Area 2: Lake King North Shore (Mitchell River to Tambo River).
- Area 3: Metung Hinterland (Tambo River to Nungurner).
- Area 4: Nungurner to Lakes Entrance.

See Figure 2 – Outside Settlement Areas.

Large portions of these areas are comprised of elevated land with good access to services and facilities and close water access proximity (particularly for boats). There is less development pressure on areas further to the west as these attributes are not generally present and new development has occurred at lower rates (see Strategic Regional Background Paper). An exception is the Wellington Waters project on the southern shores of Lake Wellington, which is currently subject to Environmental Effects Statement processes.

The following sections provide information on those parts of the sub region that are currently attracting some development interest. Planning controls applicable to these areas are examined in detail to identify the adequacy of the decision making

basis. These areas are all within East Gippsland Shire and subject to the provisions of the East Gippsland Planning Scheme. A brief analysis of the primary planning scheme controls applicable to coastal areas outside of existing settlements under the Wellington Planning Scheme is also provided to identify the effectiveness of current planning provisions elsewhere in the project area should development for residential or related purposes expand in that municipality.

4. GENERAL CHARACTERISTICS OF IDENTIFIED OUTSIDE SETTLEMENT AREAS

4.1 AREA 1. LAKE VICTORIA NORTH SHORE (PAYNESVILLE TO GOON NURE)

The principal characteristics of this area include the following:

- Prominent east-west ridge line from Goon Nure to Lady Bay provides views over Lake Victoria. Elevated ridge line fringes Newlands Backwater.
- Flat to undulating open farm land in hinterland of lake edge.
- Land holdings larger in size in western parts, some smaller holdings at Goon Nure and Banksia Peninsula.
- Creek valleys cut through hinterland (Forge Creek, Tom Roberts Creek etc) providing topographical interest and areas of valuable remnant vegetation.
- Most land holdings are cleared of vegetation although road reserves contain attractive and important remnant vegetation. Banksia Peninsula is of particular natural interest.
- Areas closer to Paynesville can be sewerred.
- Significant urbanization has occurred on the fringes of Newlands Backwater.

4.2 AREA 2. LAKE KING NORTH SHORE (MITCHELL RIVER TO TAMBO RIVER)

The principal characteristics of this area include the following:

- Open, flat farming land, cleared of vegetation with significant low lying areas and areas subject to inundation.
- Nicholson and Tambo Rivers are important fishing areas.
- Mitchell River Silt jetties are of scientific and natural interest.
- Jones Bay and adjacent wetland areas are important breeding/feeding areas for birds, particularly migratory waterfowl.
- Some areas are visible from the Princes Highway and good road access is generally available.
- Land holdings generally large with smaller holdings around villages along the Princes Highway (Nicholson, Johnsonville, Swan Reach). Sewerage is available in each of these towns.
- Close proximity to Bairnsdale expansion at the western end.

4.3 AREA 3. METUNG HINTERLAND (TAMBO RIVER TO NUNGURNER)

The principal characteristics of this area include the following:

- Undulating open farming land in the western portion, rising to more dissected and partially vegetated rural land in the Nungurner hinterland.
- Several ridge lines within the area provide a mix of long and short view lines. Most are internal but on higher points and outer edges some views to the lake

(Lake King) and mountain ranges to the north are available.

- Mix of smaller and larger holdings. Numerous smaller allotments on lake/river edge and along scenic roads.
- Attractive remnant roadside vegetation and in drainage lines, which are important wildlife corridors.
- Close proximity to Metung and rural residential areas south of Nungurner Road.

4.4 AREA 4. NUNGURNER TO LAKES ENTRANCE

The principal characteristics of this area include the following:

- Dissected higher elevation land with substantial areas of remnant vegetation.
- Important natural vegetation in road reserves.
- Roads follow ridgelines.
- High ridgeline overlooks Reeve Channel, good lake views in some locations but views are more localized within the hinterland.
- Access to water generally constrained by topography.
- Mix of rural residential and farming uses.
- Close proximity to fringe of Lakes Entrance.

5. CURRENT PLANNING CONTROLS

5.1 EAST GIPPSLAND PLANNING SCHEME

5.1.1 State Planning Policy

The fundamental principles of the Victorian Coastal Strategy (including focusing urban development within established urban centres and retention of non-urban landscapes between settlements) are incorporated by reference in the State Planning Policy Framework (SPPF). The SPPF states that coastal planning must also be consistent with Coastal Action Plans and management plans.

The Gippsland Lakes Coastal Action Plan (1999) and the Integrated Coastal Planning for Gippsland – Coastal Action Plan (2002) are important policy documents for the region.

The Gippsland Lakes Coastal Action Plan includes the following key policies:

- Prevent commercial development, which is not coastal dependent, from locating on shoreline sites (3.10.1).
- Discourage resorts from becoming quasi-residential settlements (5.3.11).
- Develop criteria to define suitable sites for large tourism developments. Criteria will include a requirement for development to occur within existing activity nodes, or nodes identified by municipalities in conjunction with the Board (6.3.2).

Tourism opportunities are identified on the fringe of several activity nodes and minor expansion of tourism development in several locations is provided for in policy, eg Wattle Point, Newlands Arm, Paynesville, Nicholson, Swan Reach, Metung and North Arm Lakes Entrance.

Integrated Coastal Planning for Gippsland – Coastal Action Plan (2002) (IGCAP) seeks to provide for an integrated approach to coastal planning in Gippsland within the framework of the VCS. It provides a Coastal Policy for Local Government that includes consideration of the issue of development beyond the extent of existing coastal settlements.

The recommended policy reinforces the concept of activity nodes on the coast. The principle of overall community benefit is advocated as the basis for considering development outside of existing settlements. A development rating system is proposed that expressly evaluates the appropriateness of expanding existing settlements. Decision criteria for coastal development outside of settlements are also provided. These criteria include:

- Ecological sustainability
- Impact on the surrounding landscape
- Infrastructure capacity
- Retention of adequate access to the public foreshore and coastal land
- Meets a demonstrated need
- Economic viability.

The IGCAP recommends that each planning scheme in the Gippsland region consider coastal development in a consistent manner.

5.1.2 East Gippsland Policy

The Municipal Strategic Statement (MSS) and Local Planning Policy Framework (LPPF) for East Gippsland provides a multitude of objectives, strategies, policy statements and considerations relevant to the management of tourism, commercial and related urban proposals outside of urban areas.

Important clauses in the MSS and LPPF are:

- 21.05-3 Conservation & natural resource management - Coastal Management
- 21.05-4 Land use & development – Urban Centres
- 21.05-4 Land use & development – Use of non-urban land for residential, recreational & tourist purposes.

Key policy elements in the East Gippsland MSS include:

- Protection of high quality agricultural land.
- Encouragement of nature based tourism development.
- Direct development to activity nodes to protect the natural values of the coastal areas.
- Minimise the environmental impacts of tourist related development in non-urban areas and maintain rural character.
- Protect areas of high landscape quality

The 'Use of non-urban land for residential, recreational & tourist purposes' policy in the MSS gives support to the consideration of new 'freestanding' tourist developments in accordance with Clause 22.06 of the LPPF. The policy however, does not support significant components of private residential use in such development. In relation to coastal planning and development, this component of the MSS generally identifies undesirable locations for development, based primarily on environmental considerations.

The MSS and LPPF also seek to implement the Gippsland Lakes Strategy Plan and the Gippsland Lakes Coastal Action Plan.

Clause 22.06 Tourist, Commercial or Industrial Developments in Non-Urban Areas, provides a basis for the approval of freestanding tourist development outside of existing urban areas provided that they "should generally not contain a major component of private residential use".

Council's planning department advise that this policy was intended to manage proposals for relatively small scale development in more remote locations. Its provisions however, apply much more broadly.

Clause 22.06 applies to all low density and rural zoned land in the Shire. It provides a small number of considerations in relation to applications for tourist related or commercial activities in non-urban areas. They are:

- The need to encourage diversification of economic activities in rural areas.
- The potential for the development to provide for improved management of high environmental value land.
- Whether special conditions related to subdivision are appropriate.
- Whether an agreement under Section 173 is required.
- Satisfactory water supply and waste water disposal must be provided.

It is considered that the combined effect of these policy provisions is a series of clear

principles for tourist/urban development at the State level, which are reinforced by some aspects of local policy, but simultaneously weakened by generalized policy that attempts to address the flexibility provided in the non-urban zones of the VPP. There is no positive guidance provided in Council policy as to suitable locations, rather statements of circumstances that constrain the desirability of new tourist development outside of settlements whilst contemplating the acceptability of some proposals.

Clause 22.12 Significant Landscapes Policy applies to most of the land included in Figure 2. The policy seeks to protect broadly based high value landscapes – National Trust designated landscapes are an important information source. Views, visual amenity and landscape significance are to be considered in decision making. The policy is not based on detailed landscape quality evaluation, but such assessment may be required of development proponents.

5.1.3 East Gippsland Detailed Zones & Overlays

A summary of the principal zones and overlays applicable to the East Gippsland areas under investigation is provided for context. The details of the zones and overlays referred to below are as follows:

Zones	Overlays
RUZ – Rural Zone	VPO – Vegetation Protection Overlay
ERZ – Environmental Rural Zone	LSIO – Land Subject to Inundation Overlay
LDRZ – Low Density Residential Zone	ESO – Environmental Significance Overlay
RLZ – Rural Living Zone	EMO – Erosion Management Overlay
CDZ – Comprehensive Development Zone	SMO – Salinity Management Overlay
	RFO – Rural Floodway Overlay

Area 1. Lake Victoria North Shore (including Paynesville hinterland) (Planning Scheme Maps 49 & 50)

Zoning

- Predominantly RUZ1 along most of northern shore and hinterland (40 ha lots).
- ERZ3 on Banksia Peninsula and land adjacent (100 ha parcels, min 0.4 ha lots).
- LDRZ on southern edge of Newlands Backwater (0.4 ha lots).
- RLZ3 on north side of Newlands Backwater extending in a band to southern edge of Eagle Point (8 ha lots).

See Figure 3 for details.

Overlays

- VPO1 along road reserves in rural areas.
- LSIO affects limited creekside and lake edge areas relating to Forge Creek and Tom Roberts Creek and also Waddy Point, Blond Bay and other low areas.
- ESO43 applies to limited road and creek reserves.
- EMO applies to creek edges and associated valleys, especially Forge Creek.
- SMO applies to limited areas north of Blond Bay

Area 2. Lake King North Shore (Mitchell River to Tambo River) (maps 31 & 34)

Zoning

- All land zoned RUZ1
- CDZ1 site on east side of Nicholson River with links to the Princes Highway.
- LDRZ extends south from Johnsonville to the Tambo River.

See Figure 4 for details.

Overlays

- Limited area of VPO1 to the east of Nicholson.
- LSIO applies to extensive areas to east and west of Nicholson River and into areas south of Broadlands Road. Also applies to the edges of Slaughterhouse Creek. Extensive areas to north of Tambo River near Johnsonville and Swan Reach are included in the LSIO.
- SMO applies to land on the east and west side of Nicholson River and west side of Tambo River.
- Very limited areas of ESO (44 & 58) apply.
- EMO applies to most land between Nicholson and Tambo Rivers excluding LSIO areas.

Area 3. Metung Hinterland (Tambo River to Nungurner) (Maps 52 & 53)

Zoning

- All land zoned RUZ1

See Figure 4 for details.

Overlays

- VPO1 provided along major road reserves. Rural land containing trees between Metung and Nungurner contained in VPO3.
- ESO applies also to similar areas as above (57 & 63).
- EMO applies to most of this area.

Area 4. Nungurner to Lakes Entrance (Map 52)

Zoning

- All land zoned RUZ1

See Figure 4 for details.

Overlays

- VPO1 provided along major road reserves.
- ESO applies also to similar area as above (63). ESO 46 applies to Reeve Channel edge to east of Nungurner.
- EMO applies to most of this area.

5.1.4 Summary Assessment – East Gippsland Planning Scheme

The majority of the land identified in Figure 2 is zoned Rural. This zone provides for a range of uses and development to be established subject to a planning permit. The various overlays applied ensure consideration is given to locally significant factors in the design and approval detail of projects. Current strategic policy does not provide specific guidance in relation to suitable areas for tourist related development.

5.2 WELLINGTON PLANNING SCHEME

5.2.1 Wellington Policy

The principal MSS provisions governing tourist/residential development outside of urban areas are provided in:

- Clause 21.04 Settlement, which emphasises the provision of infrastructure to protect environmental values and the restriction of urban development in environmentally sensitive areas. New commercial and tourism development outside of existing centres is discouraged but applications for major developments will be considered where there is demonstrated need and subject to a full assessment of their environmental and social impacts.
- Clause 21.05 Environment, which in relation to Rural areas includes discouraging residential expansion and associated uses into areas of high agricultural, environmental or scenic significance.
- Clause 21.06 Economic Development, which in relation to Tourism seeks to concentrate urban type tourist development in established centres and to assess sites for tourist developments on the coast and lakes on the basis of their environmental capability and suitability.

5.2.2 Wellington Zones & Overlays

The majority of the land outside settlements is also within the Rural Zone. The Environmental Rural Zone (ERZ) is used in more sensitive rural areas. Overlays include ESO1, ESO2, LSIO, and RFO and these are applied where local physical factors may be a constraint to development.

5.2.3 Summary Assessment – Wellington Planning Scheme

The Wellington Planning Scheme states general principles to be addressed in relation to the location of urban development and the use and development of non-urban areas. Rural zone provisions are applicable in most areas and the overlay provisions ensure identified local factors are addressed. The potential for tourism related development in rural areas is acknowledged in policy, and key matters that must be addressed by proponents are demonstrated demand for the project and a minimal adverse impact in relation to environmental and social impact assessments. There is no guidance provided in relation to areas that may be more suitable to consider or likely to produce a net benefit due to a relationship with other development or other factors.

6. NATURE OF THE PROBLEM AND THE NEED FOR ACTION

6.1 EVALUATION OF CURRENT CONTROLS

The East Gippsland Planning Scheme contains a variety of policy provisions that may be used to support or oppose an argument for a tourist resort or other forms of intense development in essentially rural areas. At present there is little policy clarity on development outside of the activity nodes save for the need for a range of issues to be considered.

The Wellington Planning Scheme states in policy important strategic objectives and principles of focussing development in existing centres and protection of the environment. Development outside of existing centres will be considered based on demonstrated demand and minimal adverse social and environmental impacts when proposals are put forward. Economic impacts are not expressly included as a key aspect of evaluation. The criteria for consideration are much more limited than are recommended in the IGCAP.

Considering the major elements of both State and local policy the following key aspects can be identified in relation to the future of land between settlements:

- Good quality agricultural land must be protected.
- Direct more intense development to existing activity nodes – essentially fully serviced urban areas.
- Protect the natural resources and environmental values of the coastal/lake edge zone.
- Protect significant landscapes and areas of high landscape quality.
- Tourism development should be directed to activity nodes.
- Low density/rural residential development should be accessible, not adversely affect agricultural activities and have access to services.

The East Gippsland Planning Scheme in several local policies identifies tourism opportunities on the fringe of a number of existing development nodes and minor expansion of other areas is also provided for, eg Wattle Point, Newlands Arm, Paynesville, Nicholson, Swan Reach, Metung, North Arm. There are existing low density residential zones within all these areas that are not fully developed.

The zoning of the land provides the principal control on future land use. The form and detail of development is largely controlled through the overlays and some policy provisions.

6.2 LOW DENSITY RESIDENTIAL DEVELOPMENT

There are few policy arguments to support isolated low density residential development zones. High development standards should be applied to ensure acceptable environmental and landscape impacts. Low allotment yields from large holdings limit the capacity of developments to incorporate significant infrastructure and environmental protection measures.

Considering:

- farming land quality;
- the ability of the landscape to absorb development, and
- access to services,

the Rural zoned areas to the east of Metung (Area 4) have some potential for this form of development as has occurred around Nungurner. Subdivision and development proposals must be based on a detailed land capability analysis and evaluation of the natural attributes of the site. Prescriptive development plans are required to ensure optimum building location, design and site development.

6.3 TOURISM RELATED DEVELOPMENT

Major issues for development in rural areas close to the Gippsland Lakes relate to the stand alone proposals for tourist/residential development. Second guessing locations where development is sought to be directed, without a strong strategic basis is fraught with problems – land may not be on the market, land may not have the right attributes for the market, targeting limited areas of land puts an immediate premium on its price.

How real is demand for these facilities?

Where no track record exists in a given locality for the successful development of tourism/lifestyle projects, a market must be created. Most stand alone rural tourism/lifestyle projects require the support of successful marketing. The initial request for a rezoning is usually not based on completed market analysis that demonstrates demand. Projects often proceed to planning approval based on notional market demand analysis (or less) and little or no commitment to funding for development. It is often based on an idea, enthusiasm and a little cash up front.

If the project does get through the planning approval process funding for urban/resort projects in rural areas will be more difficult than for those in closer proximity to urban areas – as there is likely to be a smaller potential market and greater revenue uncertainty. To make the project work a high proportion of the capital outlaid may need to be obtained up front or recovered in the short term. This is usually done through a sell off of part or the entire project. This would need to have been contemplated at the planning approval stage and subdivision is a usual part of this process (although long term leases are now being used more often).

If funding is obtained and the development does actually proceed, the product must deliver the promise. Rural areas frequently have difficulty in sustaining high standards of quality due to lack of skilled personnel, supply market network problems, inadequate management, poor marketing and similar operational problems. Unsuccessful projects may then (need to) be converted into something other than what was promised as the outcome with few of the expected benefits realized.

6.4 POTENTIAL DIRECTIONS

Where might such projects be located?

Desirable attributes for tourist projects in coastal areas include – water views, water access, potential for service connections (or package treatment plant required), good accessibility (predominantly existing sealed roads and relatively close proximity to activity nodes), manageable environmental impacts (minimal natural vegetation disturbance and able to satisfy net gain legislation, no acid sulphate soil disturbance, no or manageable impacts on wetland areas) and have acceptable impact on future

use/development of the land surrounding.

Without the benefit of detailed analysis to identify some of these factors, it is considered that parts of Areas 2, 3 and 4 would be capable of providing good investment opportunities for various forms of tourism/residential development. East Gippsland Council should give consideration to localities where such investment will also provide sustainable community benefits.

Some additional guidance may be drawn from the Bass Coast Planning Scheme and the control of development outside of urban areas on Phillip Island. Clause 22.05 Tourist Development in the Bass Coast Planning Scheme provides particular clarity for this form of land use. Whilst encouraging the utilisation of existing infrastructure and the protection of environmental values, the policy is also quite specific on locations where new tourist development is to be encouraged. These areas include some Rural zoned land. The policy also states that tourist development will be 'strongly discouraged' along major tourist routes and 'discouraged' on high quality agricultural land and areas of high environmental and landscape quality. This policy references several strategic studies in relation to Phillip Island as a whole, rural areas, tourism and economic development.

Some of these issues are addressed in current policy, but knowledge and policy gaps exist in relation to various factors. For example, the East Gippsland Planning Scheme calls for a Significant Landscape Overlay for the Gippsland Lakes peripheral areas in Clause 21.05-4. This is a starting point but landscape quality evaluation base work needs to be prepared to address this issue.

Decisions on areas that may be potential tourist development localities need to be based on a strategic analysis of the region including:

- Agricultural quality
- Physical land capability
- Service networks
- Landscape quality assessment
- Environmental sensitivity, and importantly, be based on a
- Tourism strategy – that identifies desirable recreation links and opportunities, builds on market strengths and provides an indication of potential economic and social benefits.

6.5 CONCLUSION

The broadly based policies that deal with tourist development outside of urban areas, in the current planning schemes of the region are not a definitive basis for effective management. The East Gippsland Planning Scheme provisions lack clarity and the zoning structure of the VPPs provides opportunity for proposals to be put forward in most localities. There is less detail on this form of land use in the Wellington Planning Scheme, limited criteria for evaluation of proposals and little strategy as to preferred locations likely to provide maximum community benefit.

7. BETWEEN SETTLEMENTS STRATEGIC FRAMEWORK

The preceding analysis of planning policy identifies policy and development management gaps at the local level in relation to the coastal areas within the East Gippsland Shire regarded as development 'hot spots'. This section provides a recommended approach to the refinement of local controls to enable State and regional policy to be more effectively implemented and to respond to local environmental, economic and social values.

7.1 CONTEXT FOR THE FRAMEWORK

State and regional policy for coastal areas has several clear elements:

- Urban forms of development in coastal areas should be focused in activity nodes.
- Coastal dependent industrial/commercial uses must satisfy a range of environmental, economic and social criteria.
- Environmentally sensitive areas and areas of high recreation value should be protected from development.
- Good quality agricultural land should be protected.
- Significant landscape values should be protected.

Local policy embodies similar principles but does not then interpret policy or provide useful tools for decision making. Local policy (for example Clause 22.06, East Gippsland Planning Scheme, Clause 21.04 Wellington Planning Scheme) also contains provisions that provide a basis for tourist or similar forms of development to be considered throughout the whole of the rural areas.

Under the VPP's local policy must be constructed within the State framework. Current zoning provisions for rural areas enable the development of a broad range of non-agricultural uses. For example, both the Rural Zone and Rural Living Zones provide for 'hotel', 'motel' and most other forms of accommodation development as a permit required use.

Regional and local policy provides a measure of siting, design and development guidance. This guidance is primarily based on the protection of existing character, landscape values or environmental values. Particularly relevant policies in the East Gippsland Planning Scheme in this regard are Clauses 21.05.4 – Use of non-urban land for residential, recreational & tourist purposes; 22.06 – Tourist, Commercial or Industrial Developments in Non-Urban Areas and 22.12 – Significant Landscapes Policy. Interpretation of these policies to enable 'visual and environmental qualities to be protected' or for a development to 'contribute to the landscape significance of an area' has little basis without a better information and analysis data base. What are the impacts to be measured against? What is the relative significance of a site's environmental, cultural, recreational, agricultural or landscape qualities? Clause 22.12 notes the analysis gap in relation to the implementation of the policy by indicating a landscape quality evaluation will be prepared to enable Significant Landscape Overlays to be prepared.

The coastal landscape assessment undertaken as part of the Coastal Spaces project has provided an analysis of landscape character and significance for all of the Victorian coast (excepting the Great Ocean Road region and Port Phillip Bay), including the full length of the Coastal Towns Design Framework project. Landscape management objectives and landscape management guidelines for each landscape character area have been provided. This project has provided statements that describe the character

and significance of landscapes along the Victorian coast. These statements form the basis for the preparation of draft Significant Landscape Overlays for the identified high value areas.

Other factors that will influence policy outcomes are cultural heritage values in non-urban areas and climate change/sea level rise.

The region contains substantial Aboriginal heritage values as coastal and lakeside environments were preferred occupational areas for Aboriginal people. Comprehensive cultural heritage surveys are limited and it should be ensured that cultural heritage investigations are a pre-requisite prior to decisions being made on any significant development.

In relation to climate change, the CSIRO has recently prepared a series of reports identifying some of the key factors influencing climate and weather events along the Gippsland coast. Further work on this issue is being carried out by the Gippsland Coastal Board to model the vulnerability and risk for the Gippsland Coast. The outcomes from these studies will inform future coastal policy generally and assist in the consideration of development in non-urban coastal areas.

The Department of Sustainability and Environment introduced a suite of new rural zones into the VPP in June 2004. Of most relevance to this project is that the Farming Zone replaces the Rural Zone. A new Rural Activity Zone is provided and the Rural Conservation Zone replaces the Environmental Rural Zone. The Rural Living Zone has been upgraded in relation to rural residential development.

The Farming Zone recognises that agriculture is the dominant land use in that zone. In this zone some non-agricultural uses are now prohibited, eg hotel and others are now permitted within more restrictive limitations. For example, 'Group Accommodation' must be used in conjunction with agriculture, outdoor recreation facility, rural industry or a winery and is limited to no more than 6 dwellings. A 'Residential Hotel' and a 'Restaurant' also must be used in conjunction with agriculture, outdoor recreation facility, rural industry or a winery. Accommodation, other than identified exceptions is a prohibited use.

The Rural Activity Zone is to be applied to selected areas where agricultural activities and other land uses can co-exist. While agriculture is the primary use in this zone it is intended that a wider range of tourism, commercial and retail uses may be considered in this zone. A key purpose of this zone is "To provide for other uses and development, in appropriate locations, which are compatible with agriculture and the environmental and landscape characteristics of the area." Decision guidelines in this zone include environmental and design and siting issues.

The Rural Conservation Zone is to be applied to areas with identified conservation values. It is the primary rural zone for areas with significant environmental considerations. The zone is more restrictive than the Environmental Rural Zone and contains a similar approach to tourism accommodation related development as is provided for in the Farming Zone. The conservation values of the area must be identified in the schedule to the zone. Decision considerations have been strengthened in relation to environmental and landscape factors.

The Rural Living Zone provides for residential use in a rural environment. A range of accommodation, tourism, recreation and commercial uses may be permitted in this zone. A permit is not required for a dwelling on a site that satisfies the minimum lot size (generally 8 ha or as specified).

While these zones are available within the VPP, incorporation of the zones in municipal planning schemes is a matter for responsible authorities. The Rural Zones Advisory Note indicates the Farming Zone and the Rural Conservation Zone may be

introduced by amendment with little strategic justification to replace existing Rural and Environmental Rural zones. Councils are encouraged to apply the new provisions following their introduction. The Rural Activity Zone will require more extensive strategic justification to be incorporated in an amendment. The designation of suitable areas for the Rural Activity Zone would be expected to flow from a range of strategic studies. The Advisory Note indicates that Councils are expected to apply the zones (at the least) as part of the required three yearly review of their Municipal Strategic Statement (now a review each five years of the whole of the planning scheme as a result of recent amendments to the Planning & Environment Act 1987). The introduction of these zones into the East Gippsland Planning Scheme would need to be accompanied by significant local policy review and modification to ensure local policy consistency with the land uses permitted under these zones. Similarly, less extensive modifications would be required to Wellington local policy.

7.2 RECOMMENDED STRATEGIC FRAMEWORK

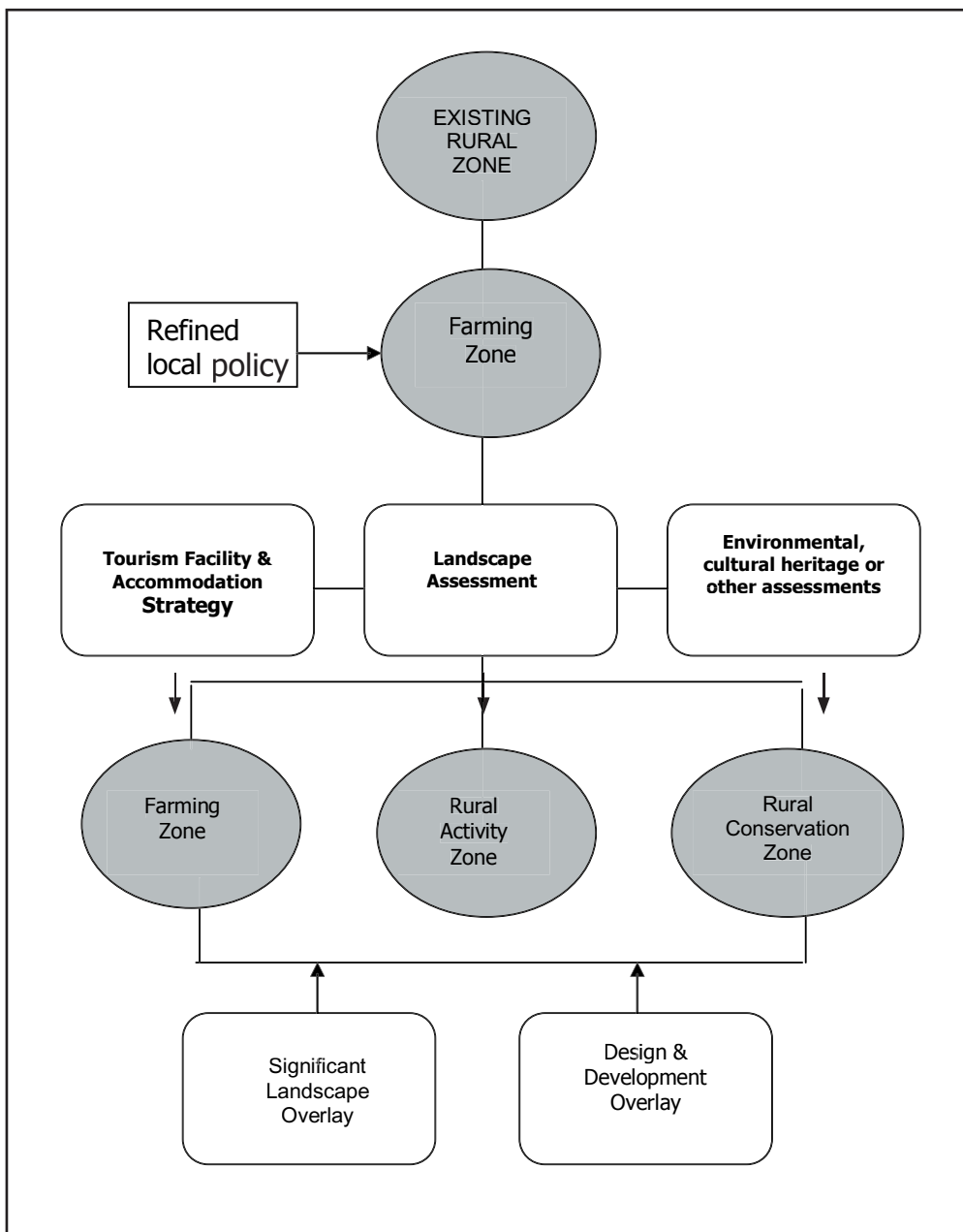
Based on the above policy and planning control context and the nature of the development management issues within the areas under investigation identified in Section 4, the following process has been developed to address those issues. The proposed approach focuses on the treatment of the identified 'hot spots' in East Gippsland Shire, although the principles have equal application for Wellington Shire.

1. Prepare an amendment to introduce the Farming Zone to all land zoned Rural. This recommendation is made in the context of the land within the scope of the Coastal Towns Design Framework project. The implications of the application of the zone to the balance of the Shire would require additional consideration. The impact of this amendment will be reduced opportunity for non-agricultural development, including tourism and accommodation related development.
2. Concurrent with this amendment would be proposals to amend existing policy relating to non-agricultural development in rural areas. The provisions in Clause 21.05-4 that relate to 'Use of non-urban land for residential, recreational & tourist purposes' and 'Rural land use' and Clause 22.06 'Tourist, Commercial or Industrial Developments in Non-Urban Areas' would be reviewed and amended as part of this process. The criteria for assessment of development outside of urban contained in the IGCAP should be considered in this process.
3. A tourism facility and accommodation strategy for the Shire should be prepared. East Gippsland Shire commenced the preparation of a Strategic Tourism Plan for the Shire in 2006. This plan should provide the basis for a specific tourism facility and accommodation strategy. This strategy should include or provide the basis for the establishment of a planning scheme policy and other actions that will facilitate tourism accommodation investment in selected and preferred locations in the Shire. The tourism facility and accommodation strategy would:
 - Identify market opportunities for tourism facility and accommodation investment.
 - Identify settlements where such development opportunities should be promoted.
 - Relate accommodation investment to major attractions, experiences, destinations or touring routes.
 - Support and facilitate the development of tourism products to serve target market segments, eg adventure or water based activities, nature based experiences, cultural heritage experiences.
 - Take into account the availability of existing infrastructure and access to preferred localities.

- Avoid high quality agricultural land.

A local policy related to tourism facility and accommodation establishment would be an expected outcome from this research, eg as per Bass Coast Tourist Development Policy. Other actions from such a project would relate to data support services for investors, the marketing of investment opportunities and public infrastructure investment programs to encourage private investment in targeted areas.

Figure 5: Between Settlements Strategic Framework



4. The Coastal Spaces Landscape Assessment Study has identified significant landscape character areas and made policy and Significant Landscape Overlay recommendations. Further refinement of these products should take place to resolve the local area detail.
5. On the basis of these assessments, and other similar assessments that might be required to refine current understandings in relation to cultural heritage or environmental issues, the Rural Activity Zone could be introduced for rural areas where tourism facilities and accommodation or other specific non-agricultural uses may be established. A local policy would be desirable to support the introduction of this zone. The recommendations of the Coastal Spaces Landscape Assessment Study in relation to Best Practice Policies for coastal areas, particularly in relation to 'Between Settlements – Coastal Locations' and also 'Hinterland Locations', should be taken into account in the preparation of the local policy. As a complementary action, rural areas of high conservation value should be identified and the provisions of the Rural Conservation Zone applied.
6. To provide detailed tools for the management of the Rural Activity Zone and the Rural Conservation Zone, a Significant Landscape Overlay and a Design and Development Overlay are recommended. Each overlay would be related to the particular landscape character type and provide specific guidance to protect significant landscape values and design and siting within particular landscapes respectively.

The recommended Between Settlements Strategic Framework process is illustrated in Figure 5.

Although non-agricultural development pressures are less intense in Wellington Shire a similar process is appropriate. Through such a process high value agricultural land would be identified and protected and significant landscapes would be protected. It would also assist in the protection of rural areas of high environmental or cultural heritage value and focus non-urban investment attention into areas that support strategic tourism development objectives.