

Rural Residential Development Guidelines

GENERAL PRACTICE NOTE

OCTOBER 2006

The purpose of this practice note is to provide planning authorities and developers with a strategic framework and guidelines for planning and evaluating sustainable rural residential use and development.

It outlines the strategic and land capability requirements that need to be demonstrated, to comply with the requirements of Minister's Direction No 6 (made under Section 12 of the *Planning and Environment Act 1987*).

Responsible authorities and applicants can also use the guidelines to prepare or assess a planning permit for rural residential use and development (including subdivision proposals).

The guidelines seek to ensure that new rural residential development is a sustainable use of the land.

What is 'rural residential' development?

Rural residential development refers to land in a rural setting, used and developed for dwellings that are not primarily associated with agriculture. Some agriculture may take place on the land, however, it will be ancillary to the use for a dwelling. It is likely to be carried on for 'lifestyle' reasons and is unlikely to provide a significant source of household income. Rural residential land is typically also used for non-agricultural home occupations or for large gardens. These lots are larger than typical residential lots, but are usually too small for agricultural use.

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

The zones usually applied to rural residential land are:

- The **Low Density Residential Zone (LDRZ)** is a 'residential' zone. It comprises lots above 0.4 hectares used for residential purposes.
- The **Rural Living Zone (RLZ)** is a 'rural' zone. It normally applies to lot sizes around eight hectares and provides opportunities for some rural uses to occur.
- The **Green Wedge A Zone (GWAZ)** is a 'rural' zone. It provides for lot sizes of eight hectares and above. It applies to non-urban land outside the Urban Growth Boundary to protect and recognise the area's agricultural, environmental, historic or recreational values or mineral and stone resources.

Rural residential development can also occur in other rural zones when the minimum lot size is less than eight hectares.

Generally, land proposed for rural residential development should be included in the Low Density Residential Zone or the Rural Living Zone.

Farm dwellings

Farm workers and their families may need to live in farm dwellings, close to stock, crops or plants that require regular supervision. Farm dwellings that are genuinely required to support an agricultural use are not a form of rural residential development.

Small lot agriculture

High value crops, (eg grapes, olives, flowers, fruit or tobacco) can be cultivated on small lots. Some intensive agricultural uses can also take place on small lots. Dwellings on these lots will normally be farm dwellings. However, new small lot agriculture proposals need to be considered carefully, to ensure that they do not become unplanned rural residential development.

When do these guidelines apply?

These guidelines apply to an amendment to a planning scheme that provides for:

- The rezoning of land to the Low Density Residential Zone, Rural Living Zone or the Green Wedge A Zone.
- Introduction of a lot size less than eight hectares in the schedule to the Farming Zone, Rural Activity Zone, Green Wedge Zone, Green Wedge A Zone, Rural Conservation Zone, Rural Zone or Environmental Rural Zone for the purposes of rural residential use and development.

Small lot rural subdivision for rural activity

These guidelines apply to any amendment proposing small lot subdivision of rural land for rural uses. Some criteria may not be relevant to small lot subdivision proposals that provide primarily for rural uses, however they must also be justified within a strategic context and consideration should be given to the general principles covered in these guidelines.

Although the guidelines have been prepared to address amendment proposals for rural residential development, the range and type of information contained in the guidelines is relevant for the preparation and evaluation of planning permit applications for rural residential development. The guidelines should assist applicants in preparing planning applications for rural residential development and responsible authorities in assessing planning permit applications.

Why does rural residential development require special consideration?

Living in rural areas is a popular alternative to urban living and a legitimate lifestyle choice. The planning scheme should ensure that reasonable opportunities are found for rural residential development, as part of providing for housing diversity and choice.

However, rural residential development can have environmental, social and economic costs that are significantly higher than those of standard residential development.

Land use conflicts between agricultural activities and the amenity expectations of rural residential dwellers should be minimised. Significant impacts to primary production or to the environmental or cultural values of a rural area should be avoided. Finite and valuable natural resources present on the land should not be lost.

The local environment and landscape should have the capacity to absorb this more intensive use and development without significant or irreversible harm to its values or to the new use and development. Demand for costly or inefficient community services or infrastructure should not be generated.

These considerations mean that the following broad questions should be answered in sequence:

- **Strategy:** Does rural residential development fit into the overall strategic planning of the municipality?
- **Housing need:** How much rural residential development is required to provide appropriate housing diversity and choice to meet housing needs?
- **Location:** Where should new rural residential development take place?
- **Subdivision and design:** Is the new rural residential development subdivided and designed in an attractive setting, offering high amenity and efficient infrastructure?

Minister's Direction No 6 is intended to ensure that all new rural residential development is broadly sustainable in these terms.

Minister's Direction No. 6 – What should be considered?

Minister's Direction No 6 requires a planning authority to demonstrate that the proposed rural residential development:

- is consistent with the housing needs and settlement strategy of the area
- is supported by and supports sustainable and viable settlements and communities
- does not compromise the sustainable future use of existing natural resources, including productive agricultural land, water, mineral and energy resources
- protects existing visual and environmental qualities of the area, such as landscape, water quality, native vegetation, habitat and biodiversity values
- avoids predictable adverse environmental processes and effects, such as flooding, erosion, landslip, salinity or wildfire
- can efficiently be serviced by social and physical infrastructure, at an acceptable and sustainable community cost.

A proposed amendment must satisfy the strategic and land capability matters contained in this practice note.

Generally, final detailed subdivision and design matters can be considered as part of the permit application process. However the responsible authority must be satisfied the strategic considerations and land capability matters outlined in this practice note have been met when assessing a permit application for the creation of additional rural residential allotments.

All proposals must be accompanied by a site and context description.

Site and context description

The proposal must be accompanied by a site analysis, documenting the opportunities and constraints of the site in terms of landform, vegetation coverage and surrounding land uses and an explanation of how the proposal responds to the site analysis.

A site analysis should include where relevant:

- topography of the land (including ridgelines, landscape, geography, slope gradients and erosion areas)
- soil capability
- vegetation (ecological vegetation class), quality (habitat hectare assessment) and location
- any significant environmental features including habitat corridors, threatened species, wetlands, watercourses, fire or flood prone and saline areas
- drainage lines and dams
- land liable to inundation by floodwaters
- weather conditions including wind patterns
- views
- road access
- available infrastructure including power, water and telecommunications
- existing buildings and works
- adjoining land uses and neighbouring buildings and works
- any other matter relevant to the site and its environment.

Strategy

Does rural residential development fit into the overall strategic directions and planning of the municipality?

It is important to consider a proposal for rural residential development as part of the broader strategic context.

A proposal for rural residential development must be considered against the State, regional and local strategic planning policies and objectives for the area.

These include:

- the need to protect agricultural land and natural resources and the encouragement of urban consolidation
- regional strategies such as *Melbourne 2030*, the *Great Ocean Road Region Strategy 2004*, the *Victorian Coastal Strategy 2002*, *Coastal Spaces Recommendation Report 2006* and regional catchment strategies
- the objectives and strategies in the Municipal Strategic Statement, and any adopted land use strategy such as a Green Wedge Management Plan or a housing strategy.

A rural residential development should be capable of broad strategic support across all relevant policy areas.

Housing need

How much rural residential development is required to provide appropriate housing diversity and choice to meet housing needs?

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

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

The Department of Sustainability and Environment provides useful demographic analysis such as 'Know Your Area', 'Towns in Time', 'Victoria in Future' and related interim and updated population projections.

Generally, the municipal area will form the best and simplest area on which to base the analysis of local housing need. However if there are several service catchments in one municipality, smaller strategy areas might be appropriate.

A local housing analysis should:

- identify demographic trends, including changes in household structure and composition
- identify housing market trends, including dwelling type
- identify projected population and household increases and housing needs over a 10 year period for the area
- identify the number and types of additional houses required including the proportion of new housing that would be in the form of rural residential development.

- What is Council's projected population for the next 10 years?
- How many new households will be required?
- Given the existing number of dwellings, how many additional dwellings will be required to meet population and household projections?
- How many of these additional dwellings will be in the form of rural residential?

It is important to demonstrate that the proposed rural residential development meets the housing needs of the municipality and takes into account the need to maintain housing choice and diversity including a realistic mix of lot sizes.

Location

Having established that there is a basic need for additional rural residential development to serve strategic objectives, an appropriate site or sites must be identified. Alternatively, it must be determined whether specific sites brought forward by private proponents are appropriate. A broad range of location-specific criteria provide a framework for identifying land suitable for rural residential development and eliminating unsuitable land from further consideration.

Integration with existing urban areas

Rural residential development must be planned to show how it relates to, or is supported by, existing urban development.

It must not impede the proper long-term growth of an urban area based on fully serviced residential development at normal urban densities. Where there is an adopted settlement strategy (such as a local structure plan), it is clearly preferable that rural residential development should not compromise its implementation.

Where there is no adopted settlement strategy, or it is proposed that an existing strategy be changed, the likely future growth and structure of the urban area, based on analysis of physical and social infrastructure and service provision must be considered.

Rural residential development is inappropriate on land that is suitable and required for present or future residential use at normal urban density. For example, if a town has limited supplies of development land at urban densities, but has unused town water and waste water treatment capacity, land that can easily be served by this infrastructure should normally be considered first as a candidate for development at urban densities.

Protection of natural resources

The protection of natural resources is a State Planning Policy and is of fundamental importance to local and State economies. It is important to ensure that the location of rural residential use and development does not prejudice the long-term availability and management of Victoria's natural resources, of land, water, energy, wind, stone and minerals.

Rural residential development is not appropriate on land that:

- is productive agricultural land
- is in a special water supply catchment area under the *Catchment and Land Protection Act 1994*
- has identified potential to be used for commercial forestry
- has identified potential for mineral and stone production
- has potential for wind energy development as identified in the Victorian Wind Atlas.

Productive agricultural land generally has one or more of the following characteristics:

- a present pattern of subdivision favourable for sustainable agricultural production
- can be used for a variety of agricultural pursuits
- suitable soil type
- suitable climatic conditions
- suitable water supply
- suitable agricultural infrastructure, in particular irrigation and drainage systems.

Issues such as tenure and infrastructure may change to support agricultural use in the future.

The proposal must include an assessment of the locality's natural resources, the impact of the proposal on these resources and the measures to be taken to protect those resources, including a description of:

- agricultural quality
- geology
- mineral and stone resources (as defined in the *Mineral Resources Development Act 1990* and the *Extractive Industries Development Act 1995* respectively)
- soil types
- water resources (including groundwater).

Land resource information and various land capability studies are available for parts of Victoria.

Check with State government departments such as the Department of Primary Industries, Department of Sustainability and Environment and with Catchment Management Authorities and councils about what information is available.

If the proposal is to use agricultural land, State Planning Policy requires consideration of the following issues:

- the desirability and impacts of removing the land from primary production, given its agricultural quality and productivity
- the impacts of the proposed subdivision or development on the continuation of primary production on adjacent land, with particular regard to land values and to the viability of infrastructure for such production
- the compatibility between the proposed or likely development and the existing uses of the surrounding land
- assessment of the land capability.

Protection of environmental areas and biodiversity

Rural residential development should be located in areas where any adverse impact on the environment, native vegetation and biodiversity is avoided.

Where a proposal affects native vegetation, consideration must be given to *Victoria's Native Vegetation Management – a Framework for Action*. The document sets out an approach to retaining and managing native vegetation to achieve a Net Gain outcome.

Consideration should also be given to the likelihood of whether a planning permit would be granted under Clause 52.17 of the planning scheme for the removal of native vegetation.

The proposal must include an assessment of the locality's environmental features and how these features could affect, or be affected by, rural residential development. The assessment of the environmental features must include native vegetation, flora and fauna, significant habitat and wildlife corridors or any other biodiversity assets. Natural physical features including topography, slope, waterways, drainage lines and wetlands must also be identified.

The *Biodiversity Strategy 1997* provides mechanisms for achieving the objectives of flora and fauna conservation and management to prevent further loss of habitat.

In addition, the following matters should be considered as relevant:

- fire hazard
- flood propensity
- incidence of land salinity
- soil contamination with regard to past uses of the land
- landslip and other erosion-related hazard or other areas of environmental significance
- the effect of the topography, including slope of the land, to support rural residential development
- appropriate riparian corridors and vegetation buffers along waterways and other areas of environmental significance.

Relevant public authorities have mapping of issues such as fire and flooding.

Planning schemes may indicate areas of environmental significance such as salinity, wetlands, or areas of conservation significance.

In some cases, the preparation of a land management plan may be appropriate to show how the impact can be remedial or minimised and protected.

A land management plan should address the environmental and natural resource issues relevant to the site and may include:

- protection and enhancement of native vegetation
- protection and enhancement of waterways
- protection and stabilisation of soil
- pest plants and domestic feral animal control
- protection of areas of environmental significance
- fire protection measures.

A land management plan can be implemented through the use of a section 173 agreement, a requirement on an appropriate overlay or through a combined amendment-permit process.

Landscape and heritage values

The proposal must include an adequate assessment of the locality's landscape and heritage values and the potential impacts of rural residential development on those values including:

- areas or features of aesthetic, archaeological, architectural, historical, scientific, social or other special cultural value
- areas of natural scenic beauty or importance, areas of valued landscape character and any significant views.

Areas and places of cultural and landscape significance are also identified in planning schemes.

A proposal must demonstrate that it will not impact on the cultural or natural heritage values of the land.

Landscapes or places classified by the National Trust or included in a register maintained by Heritage Victoria, Aboriginal Affairs Victoria or the Australian Heritage Council must not be proposed for rural residential use or development without consultation with those organisations.

Provision of social and physical infrastructure

Because rural residential development is a type of residential land use, it must be provided with certain community infrastructure and services normally expected for residential areas. If those services are not provided by the developer from the outset, the expectations and future requirements of residents can lead to cost and disruption for communities as services are provided at a later time.

A proposal for rural residential development must be efficiently serviced by social and physical infrastructure at an acceptable and sustainable community cost.

The proposal must include an assessment of the public costs of providing social services, community facilities and physical infrastructure for the proposed rural residential development.

The assessment must adequately describe and discuss:

- The availability of existing infrastructure (i.e. social facilities and services, schools, public transport, roads and waste disposal).
- The level and range of services which will need to be supplied or upgraded to meet the needs of the proposed population.
- The costs of additional services and infrastructure and the options for meeting those costs, services or infrastructure.

Land use compatibility

The proposed rural residential land use and development must be compatible with the existing and likely land uses of the locality.

Consideration should be given to the availability of alternative sites that could meet the same housing demand. Consideration of suitable alternative sites should also include those in the neighbouring local municipalities.

The nature of existing and possible uses of land adjacent to the land proposed to be rezoned must be documented in the report. A map showing site context must be provided.

The report must also include assessment of the potential impacts of the proposal on adjoining and nearby land.

Rural residential development should not be provided on land that is:

- within the separation requirements of an amenity reducing land use as described in the Environment Protection Authority's *Recommended Buffer Distances for Industrial Residual Air Emissions*

Rural residential development is a 'sensitive' land use in applying the EPA guidelines.

- within the separation requirements from other *offensive* uses such as Intensive animal husbandry and sewage treatment plants. (This also includes certain agricultural activities, such as poultry farming, piggeries and feedlots). Codes of Practices for certain activities have separation distances from sensitive land uses that must be complied with.
- adversely affected by noise levels generated by adjoining land uses
- within the 20 Aircraft Noise Exposure Forecast (ANEF) contour of an airport
- affected by agricultural spraying and aerial spraying of neighbouring agricultural land
- adversely affected by contamination
- within 500 metres of a National Park, Reference Area, Wilderness, Marine Park or State Park unless the Department of Sustainability and Environment agrees to a lesser distance
- located in close proximity to public land that is of environmental significance, including land that is fire prone, unless a suitable buffer zone and/or a land management plan are provided in consultation with the public land manager. The width and nature of the buffer zone will vary depending on local circumstances. The buffer zone and/or land management plan should address issues such as fire, amenity, pest plants and animals, drainage and access.
- located in close proximity to land that uses treated wastewater from sewerage for agricultural and horticultural irrigation
- within the separation distance prescribed in the Industrial 1 Zone, Industrial 2 Zone and Industrial 3 Zone between industrial activity and a sensitive use.

Land servicing capability

The proposal must include an assessment of the land's physical capability to sustain rural residential development, and where appropriate a land capability assessment, addressing:

- Whether the land has been found to have satisfactory physical characteristics for sustainable on-site wastewater management and can meet the *Guidelines for Environmental Management-Septic Tanks Code of Practice, 2003* or can be connected to a reticulated sewerage system.
- Whether the land can be provided with an adequate water supply of an acceptable quality to service the development.
- Whether the land is accessible by properly formed and constructed roads.
- Whether the land can be connected to or provided with drainage that effectively removes storm water from each house and lot, prevents inundation of effluent disposal fields, and is designed to handle the one in 100 year storm event where required.
- The availability and provision of other normal residential services (electricity, telephone).

Where the land can easily be connected to existing infrastructure and services, it may be suitable for development at standard urban densities.

The cost of providing the services to the land must be at the developer's cost.

Subdivision and lot design

How can new rural residential development be subdivided and designed in an attractive setting, offering high amenity and efficient infrastructure?

Subdivision layouts should respond to the physical features of the land and the environmental, landscape, infrastructure and servicing features and constraints of the land.

Neighbourhood principles that apply to new urban areas should be applied to rural residential use and development, where possible, to create liveable and sustainable neighbourhoods.

These principles include:

- Subdivision layouts that allow easy movement through and between neighbourhoods.
- A strong sense of place emphasising existing cultural heritage values, attractive built form and landscape character.
- Environmentally friendly development that includes energy efficient lots, water conservation, stormwater management, waste management and management of wildfire hazard.
- Protection and enhancement of native habitat.

In designing subdivisions and the location of buildings and works, consideration should include:

- identifying remnant native vegetation and any fauna habitat for protection
- retaining and providing riparian corridors along waterways and providing riparian corridor links to other areas of local and regional significance
- identifying and controlling existing and potential erosion prone areas
- identifying land liable to inundation by floodwaters
- identifying fire protection measures
- locating buildings off ridgelines to protect sensitive landscapes and preserve views from roads and other land
- including building and effluent disposal envelopes or building exclusion zones to guide the location of buildings and works within subdivisions

- avoiding buildings and works on slopes greater than 15 percent or when buildings and works would protrude above significant ridgelines
- establishing landscaping with subdivision, buildings and works to protect and restore rural landscapes and significant ridgelines
- using building materials that do not visually impact on the rural landscape
- providing public road access in preference to the creation of carriageway easements or common property
- providing adequate supply of domestic and stock water to individual properties and ensuring that existing water entitlements are not impacted upon by dams
- implementing policies of the relevant water or drainage authority
- any other matter relevant to the site and its environment.

The proposal must:

- show the layout of the proposed subdivision, how the subdivision relates to the landform and vegetation and how it responds to the site analysis
- show how the proposed subdivision relates to the existing or likely use and development of adjoining and nearby land
- demonstrate that each lot is capable of treating and retaining all waste water in accordance with the State Environment Protection Policy (Waters of Victoria) under the *Environment Protection Act 1970*
- show for each lot:
 - a building envelope and driveway to the envelope
 - existing vegetation
 - areas of active vegetation management or re-vegetation or other environmental improvement works eg soil stabilisation, erosion management
 - an area suitable for the location of any future dam
 - an effluent disposal area.

Who should be consulted?

Consultation should occur with relevant agencies, including the following where appropriate:

Agency	Issue
Roads Corporation (Vic Roads)	Where the site gains access from a Road Zone or a declared road under the <i>Transport Act 1983</i> .
Relevant Catchment Management Authority or water authority	Where the land is in a special water supply catchment area. Where land is liable to inundation to floodwaters.
Department of Primary Industries	Where the land is: <ul style="list-style-type: none">• Currently used for agriculture.• Within 500m of an existing extractive industry work authority.• Within an Extractive Industry Interest Area.• Within an area that has been identified with potential for mineral production.
Department of Sustainability and Environment	Where the removal of native vegetation may be required, where there may be an impact on fauna habitat, where the land is prone to erosion or the land adjoins Crown land.
Servicing agencies (eg water authorities)	Servicing of land for water supply, sewerage, drainage, electricity and telephone.
Water authorities	Where the use can impact on ground or surface water resources and infrastructure (including irrigation channels or drains, waterways or storages). Where the land is located within an irrigation district.
Environment Protection Authority	Where the land is within the recommended buffer distance for an industrial residual air emission.
Country Fire Authority	Where the land is fire prone.
Airport operator	Where the land is affected by an Airport Environs Overlay.
Adjoining municipal councils	Where land is close to an adjoining municipality.

Consultation with peak interest groups, for example key farming groups, should also be considered as well as neighbouring property owners and occupiers.

Documenting a proposal

An amendment proposal for a rural residential development must address all the considerations required under Minister's Direction No. 6 and be supported by the following information:

1. A site and context description.
2. A report explaining:
 - the proposal
 - how the proposal supports the strategic framework
 - how the proposal meets housing needs and the housing objectives of the area
 - why the proposed location is suitable for rural residential development. This should include an assessment, where appropriate, of:
 - how the proposal is supported by existing urban development
 - the land's capability for agricultural use and how the proposal will impact the long term continuation of agriculture in the area
 - the locality's natural resources and the measures that may be taken to protect those resources
 - the locality's environmental features and biodiversity and how these could be protected and enhanced
 - the locality's landscape and heritage values and how these could be protected
 - the proposal's social and physical infrastructure requirements and the community cost of providing these services
 - the proposal's compatibility or impact on the surrounding land uses
 - the land's servicing capability.
3. A summary of relevant agency comments and any other comments from peak groups or known affected persons.

A planning application for subdivision for rural residential development must be supported by:

1. A site and context description.
2. A development plan responding to the site and context description and showing details of the proposal. This should show and provide a description of how the proposal has been designed to avoid or minimise any adverse impacts on the environment (including native vegetation, natural physical features, fire or flood hazards and landscape character, where appropriate).

General Practice Notes provide practical advice on general planning and urban design matters.

For copies of other practice notes in the series contact:
www.dse.vic.gov.au/planning

Planning Information Centre
Department of Sustainability and Environment
e-mail: planning.info@dse.vic.gov.au

ISBN 1 74152 658 2

© State of Victoria, Department of Sustainability and Environment 2006

This publication is copyright. No part may be reproduced by any process except in accordance with the provisions of the *Copyright Act 1968*.

Authorised by the Victorian Government,
8 Nicholson Street, East Melbourne.

This publication may be of assistance to you but the State of Victoria and its employees do not guarantee that the publication is without flaw of any kind or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence which may arise from you relying on any information in this publication.

Find more information about the Department on the Internet at **www.dse.vic.gov.au**

For general information about DSE please contact:
Customer Service Centre
Phone: 136 186

