

Applying the rural zones

VPP PRACTICE NOTE

MARCH 2007

The purpose of this Practice Note is to provide guidance to planning authorities about:

- the strategic work required to apply the Farming Zone, Rural Activity Zone, Rural Conservation Zone and Rural Living Zone, and
- the purposes and features of each zone and where they may be applied.

The Practice Note seeks to ensure that the most appropriate rural zones are used to achieve a planning authority's rural strategic planning objectives.

New zones for rural Victoria

The rural areas of Victoria accommodate a range of farming, residential and commercial uses and contain many of the State's significant natural resources, such as native vegetation, minerals and water. They also provide important resources for recreation, tourism and timber production.

In 2004, new zones for rural Victoria were introduced into the *Victoria Planning Provisions* (VPP) that:

- recognise the State, regional and local importance of farming as an industry and provide greater protection for productive agricultural land
- provide a wider choice of zones with clear purposes and controls to match
- discourage ad hoc and incompatible use and development
- recognise the changing nature of farming and reduce the potential for conflict between farming and other, more sensitive, land uses
- recognise that rural areas are places where people live and work
- recognise and protect rural areas that are environmentally sensitive.

The new zones were introduced:

- in response to concern that the existing rural zones do not adequately recognise the importance of farming and have led to increased land use conflicts by allowing a range of non-farming uses in rural areas
- to enable important strategic objectives relating to agriculture and rural land to be met more effectively.

The new zones are the Farming Zone, Rural Activity Zone and Rural Conservation Zone and a revised Rural Living Zone.

The changing nature of farming

The nature of farming in Victoria is changing in ways that require careful consideration. It is:

- Becoming more diverse. Farming in Victoria is constantly changing and expanding in response to changing world and domestic consumption patterns and the need to remain profitable and sustainable.
- Becoming more industrialised. Modern farming practices may involve the use of heavy machinery and large scale irrigation and plant equipment, all-hours operation, and the application of chemicals and fertilizers.
- Intensifying. Intensive farming enterprises, such as aquaculture, poultry farms and horticulture are growing in numbers and in their contribution to the economy.
- Aggregating. In western Victoria particularly, farms are becoming bigger to achieve the economies of scale for farm investment and to maintain productivity.
- Undergoing social change. More farmers are taking on off-farm work, the economic value of off-farm work is increasing, and there is a shift from full-time to part-time farming in some rural areas.

More changes in farming structures and practices are expected due to drier climatic conditions and growing community pressure for more efficient water use by all industries.

At the same time, more people are seeking to live in rural areas for a range of social, environmental and economic reasons. As a result, in some rural areas:

- There is more competition for rural land, which is affecting rural land prices and the capacity of farmers to expand their businesses and maintain productivity.
- There is renewed interest in part-time small-scale farming.
- More people are living in rural areas for lifestyle reasons not related to farming. This increases the potential for land use conflicts because people pursuing a rural lifestyle often have amenity expectations that conflict with modern farming practices.
- Local rural economies are diversifying, as rural land is used for more diverse purposes (such as tourism or recreation).

For a more detailed analysis of the changing social structure of rural Victoria, refer to the report *Understanding Rural Victoria* (Neil Barr et. al, Department of Primary Industries, April 2005).

Victoria's changing rural landscape requires planning authorities to think strategically about their farming areas and rural settlement patterns, so that sustainable farming is promoted and potential conflicts between farming and other land uses are avoided.

Strategic planning for rural areas

Sound strategic planning for rural areas is essential to ensuring that land use and development achieves the planning authority's vision, objectives and desired outcomes for an area. It can help ensure that:

- Use and development in rural areas fits into the overall strategic planning of the municipality.
- Farmland and farming industries of State, regional or local significance are protected.
- Housing development in rural areas is consistent with the housing needs and settlement strategy of an area.
- Future use of existing natural resources, including productive agricultural land, water, and mineral and energy resources, is sustainable.
- Scarce resources, such as water, are protected.
- Social networks and infrastructure essential to rural communities are maintained.
- Existing visual and environmental qualities of rural areas are protected.
- Conflicts between farming and other land uses are avoided.
- The most appropriate planning scheme tools (for example, the right rural zone) are used to achieve strategic planning objectives.

State Planning Policy Framework

The State Planning Policy Framework (SPPF) provides the broad framework for rural policies and provisions in the planning scheme. Relevant policies in the SPPF include:

Clause 11.03-3 Management of resources

- Planning is to assist in the conservation and wise use of natural resources including...land...to support both environmental quality and sustainable development over the long term through judicious decisions on the location, pattern and timing of development.

Clause 16.03 Rural living and rural residential development

- Rural living zoned land should be located close to existing towns and urban centres, but not in areas required for fully serviced urban development, and be provided with appropriate infrastructure.
- Land should not be zoned for rural living if it will encroach on high quality productive farmland or adversely affect waterways or other natural resources.

Clause 17.04 Tourism

- Tourism development that maximises employment opportunities and long-term economic, social and cultural benefits to the State is encouraged.
- Tourist facilities should have suitable transport access and be compatible with the assets and qualities of surrounding urban and rural activities and cultural and natural attractions.

Clause 17.05 Agriculture

- Productive farmland of strategic significance in the local or regional context should be protected.
- The unplanned loss of productive farmland due to permanent changes of land use should be avoided.
- Permanent removal of productive agricultural land from the State's agricultural base must not be undertaken without consideration of its economic importance for the agricultural production and processing sectors.
- Planning should support effective agricultural production and processing infrastructure, rural industry and farm-related retailing.
- Subdivision of productive agricultural land should not detract from the long-term productive capacity of the land.

Clause 17.06 Intensive animal industries

- The establishment and expansion of intensive animal industries should be facilitated in a manner consistent with orderly and proper planning and protection of the environment.

Clause 17.07 Forestry and timber production

- The establishment, management and harvesting of plantations, harvesting of timber from native forests and the development of forest based industries are to be facilitated.
- Timber production activities should be environmentally sustainable.

A range of other policies in the SPPF may be relevant to strategic planning for rural land depending on the natural resources and land use characteristics of the area. These include *protection of catchments, waterways and groundwater* (Clause 15.01), *salinity* (Clause 15.03), *coastal areas* (Clause 15.08), and *conservation of native flora and fauna* (Clause 15.09).

Applying a new rural zone or making adjustments to an existing rural zone should be underpinned by clearly expressed planning policies in the planning scheme. If a proposed change is at odds with the existing policy framework, either a different planning tool or approach should be used or the policy framework itself might need re-assessment.

The existing SPPF and Local Planning Policy Framework (LPPF) in the planning scheme should be the starting point for deciding whether the council's strategic objectives are still valid and sound, or whether new strategic work is required. Many councils have already undertaken strategic planning, policies and resource management studies for their rural areas and used this work to articulate rural strategic objectives in their Municipal Strategic Statements (MSS).

New strategic work may not be required if the existing MSS addresses the key rural land use issues and adequately reflects the planning outcomes that the council wants to achieve. The scheme may already contain a sufficient strategic basis for applying a new rural zone or making adjustments to an existing rural zone.

However, if the MSS objectives are no longer relevant, they do not provide clear guidance for decision-making, or there are strategic gaps, new strategic work for a part or parts of the municipality may be required.

Before commencing new strategic work, the council should review the policy components of its planning scheme, past and present council strategic work, relevant studies prepared by government departments and agencies, relevant recommendations of planning panels and past planning scheme review recommendations. This will help to establish whether new strategic work is required, the scope of the strategic work and the main issues to be focussed on.

There is no prescribed content or format for a rural strategy or study, however it should:

- Develop a vision, role and purpose for the rural area.
- Identify the values and features within the rural area.
- Identify the key opportunities and constraints.
- Establish a strategic direction for land use and development within the rural area.
- Articulate how the strategic vision for the rural area is to be implemented through the planning scheme.

The information used to develop the strategy should be tailored to suit the area. In general it should include an assessment of:

- The State, regional and local strategic planning policies and objectives for the area. This should include relevant regional strategies, such as the *Great Ocean Road Region Strategy 2004* and regional catchment strategies.
- The housing needs of the municipality and likely future trends. This is particularly relevant if one of the aims of the strategy is to provide for rural living development.
- The physical attributes of the land and its capacity to support productive agricultural uses. These attributes include soil type, climate, vegetation cover, access to water, slope and drainage.
- Agricultural trends in the area, including agricultural productivity, changes in farming practices and processes, and farm investment patterns.
- The natural resources and environmental features in the area and their importance. These features include flora and fauna, significant habitats, wetlands, scenic landscapes and sites of archaeological or cultural significance.
- Environmental hazards that could affect how the land is used and developed, such as erosion, salinity, flooding and wildfire risk.
- The existing lot size and land use patterns.
- Infrastructure available for agriculture and other relevant land uses.
- Settlement patterns in the area.

Implementing rural strategic objectives

A planning authority may need to use a number of VPP tools to successfully implement its rural strategic objectives. There are circumstances where more than one zone or overlay will be needed to deliver the desired outcome. Councils should think laterally about the mix of policies and controls required to achieve their objectives, and be prepared to consider using a range of tools.

In deciding which rural zone should apply, the following principles should be considered:

- The zone should support and give effect to the SPPF.
- The zone should broadly support all policy areas in the MSS (for example, economic, housing, environmental and infrastructure policy).
- The rationale for applying the zone should be clearly discernible in the LPPF.
- The zone should be applied in a way that is consistent with its purpose.
- The requirements of any applicable Minister's Direction must be met.

The existing size or pattern of allotments in an area should not be the sole basis for deciding to apply a particular zone. For example, it is not appropriate to decide that the Rural Living Zone should be applied to an area simply because it comprises small lots. Traditionally, farms have comprised multiple allotments, sometimes contiguous, sometimes in different locations. The fact that an area may comprise many lots does not mean that it cannot be used productively or should not be included in a zone that supports and protects farming. Many factors will determine the suitability of an area for farming, rural living, rural industry or rural conservation.

Local planning policy

Wide discretion is available in the rural zones, particularly the Rural Activity Zone and Rural Living Zone. To guide the exercise of this discretion and fully implement their strategic objectives, the planning authority should consider whether a Local Planning Policy (LPP) is necessary. An LPP can help to establish realistic expectations about how land in an area may be used and developed, and provide the responsible authority with a sound basis for making consistent, strategic decisions. Refer to the *Planning Practice Note Writing a Local Planning Policy* (1999) for more guidance on using local planning policies.

The zones in detail

The four zones may be summarised as follows:

- Farming Zone – a zone that is strongly focussed on protecting and promoting farming.
- Rural Activity Zone – a mixed use rural zone that caters for farming and other compatible land uses.
- Rural Conservation Zone – a conservation zone that caters for rural areas with special environmental characteristics.
- Rural Living Zone – a zone that caters for residential use in a rural setting.

The Zone Purposes

Although the purposes of the four rural zones are similar in some respects, there are differences between them. The zone purposes are set out over the page. All of the zones provide for the use of land for agriculture; however while it is implicit in the purpose of the Farming Zone and Rural Activity Zone that farming will be a primary land use activity, in the Rural Conservation Zone and Rural Living Zone, farming is subordinate to other land uses or the environmental values of the land.

Farming Zone Purpose

- To implement the SPPF and the LPPF, including the MSS and local planning policies.
- To provide for the use of land for agriculture.
- To encourage the retention of productive agricultural land.
- To ensure that non-agricultural uses, particularly dwellings, do not adversely affect the use of land for agriculture.
- To encourage use and development of land based on comprehensive and sustainable land management practices and infrastructure provision.
- To protect and enhance natural resources and the biodiversity of the area.

Rural Activity Zone Purpose

- To implement the SPPF and the LPPF, including the MSS and local planning policies.
- 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 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.

Rural Conservation Zone Purpose

- To implement the SPPF and the LPPF, including the MSS and local planning policies.
- To provide for agricultural use consistent with the conservation of environmental and landscape values of the area.
- To protect and enhance natural resources and the biodiversity of the area.
- To protect and enhance the natural environment and natural processes for their historic, archaeological and scientific interest, landscape, faunal habitat and cultural values.
- To conserve and enhance the cultural significance and character of open rural and scenic non urban landscapes.

Rural Living Zone Purpose

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

What are the main features of each zone?

Farming Zone

The Farming Zone is primarily concerned with keeping land in agricultural production and avoiding land uses that could limit future farming or constrain agricultural activities. In this zone:

- Farming is the dominant land use and all other land uses are subordinate to farming.
- Farming uses are encouraged to establish and expand with as little restriction as possible, subject to proper safeguards for the environment.
- Non-farm dwellings and land uses not related to farming are discouraged, to reduce their impact on decision-making by farmers to make land purchases for farm investment.
- Farm-related tourism and retailing uses may be considered.
- Uses that could lead to the loss or fragmentation of productive agricultural land, or which could be adversely affected by farming activities, are prohibited.
- Land subdivision that could take farmland out of production or limit future farming productivity is discouraged.
- The minimum lot size for subdivision may be tailored to suit the farming practices and productivity of the land.

Productive agricultural land

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

- suitable soil type
- suitable climatic conditions
- suitable agricultural infrastructure, in particular irrigation and drainage systems
- a present pattern of subdivision favourable for sustainable agricultural production.

The basic physical characteristics of the land, such as soil type and climate, access to water, and infrastructure are critical to determining the agricultural use of land and whether agricultural productivity can be sustained in the future. However, productivity is also affected by many other factors, including market demand, access to suitable storage and transport facilities, access to efficient processing and value adding capability, availability of technology, the skills of the farmer, research and development, access to capital, marketing, effective industry support, availability of land for expansion and farm labour costs.

Productive agricultural land is a finite resource that makes a significant contribution to the economy of the State and individual municipalities. Its significance is recognised in Clause 17.05 of the SPPF which seeks to:

- ensure that the State's agricultural base is protected from the unplanned loss of *productive agricultural land* due to permanent changes of land use; and
- enable protection of *productive farmland* which is of strategic significance in the local or regional context (emphasis added).

Productive agricultural land should be clearly identified and protected in the planning scheme. If the protection and retention of this land for agricultural production is of primary strategic importance, then it should be included in the Farming Zone.

The Farming Zone is designed to encourage diverse farming practices, some of which can have significant off-site impacts. For this reason, the level of amenity that can be expected in this zone will usually not be compatible with sensitive uses, particularly housing.

Land uses are strictly controlled in the zone to avoid potentially incompatible uses establishing in farming areas, and to limit the proliferation of non-farming uses. Some non-farming uses may be considered if they are *in conjunction with* a specified farming activity (see box below) or meet certain limitations on size or scale (such as Group accommodation, Residential hotel and Restaurant). However, in general, there is an expectation that a non-farming use will only be permitted if it has a functional nexus with the agricultural use on the land, is compatible with agricultural uses in the immediate area, and will not remove land from agricultural production.

Land used 'in conjunction with' another use

Under Clause 64.02 of the planning scheme, if a provision of the scheme provides that a use must be used 'in conjunction with' another use of the land:

- there must be an essential association between the two uses; and
- the use must have a genuine, close and continuing functional relationship in its operation with the other use.

Industrial uses other than Rural industry, Warehouse uses other than Store, and most types of Retail premises are prohibited in the zone. Any use that is not specifically included in Sections 1 or 2 of the table of uses in the zone is also prohibited.

In reaching a decision on proposals in this zone, the responsible authority must give significant weight to the farming productivity of the land and the relevance of the proposal to farming. There is an expectation that decisions will be made in favour of protecting and supporting farming. In relation to agricultural issues, the responsible authority must consider:

- whether the use or development will support and enhance agricultural production
- whether the use or development will permanently remove land from agricultural production
- the potential for the use or development to limit the operation and expansion of adjoining and nearby agricultural uses
- the capacity of the site to sustain the agricultural use
- the agricultural qualities of the land, such as soil quality, access to water and access to rural infrastructure
- any integrated land management plan prepared for the site.

In relation to dwellings, the responsible authority must also consider:

- whether the dwelling will result in the loss or fragmentation of productive agricultural land
- whether the dwelling is reasonably required for the operation of the agricultural activity conducted on the land
- whether the dwelling will be adversely affected by agricultural activities on adjacent and nearby land due to dust, noise, odour, use of chemicals and farm machinery, traffic and hours of operation
- whether the dwelling will adversely affect the operation and expansion of adjoining and nearby agricultural uses
- the potential for the proposal to lead to a concentration or proliferation of dwellings in the area and the impact of this on the use of the land for agriculture.

The zone's strong focus on farming does not mean that there should be little or no consideration of the impact of farming on the environment. The zone encourages farming based on comprehensive and sustainable land management practices and a planning permit is required to establish or expand certain farming enterprises. However, in these cases, the focus of the responsible authority's decision will usually be on whether off-site impacts that may result from the proposal are reasonable for a farming area.

Rural Activity Zone

The main feature of the Rural Activity Zone is the flexibility that it provides for farming and other land uses to co-exist. In this zone:

- The zone purpose and provisions support the continuation and growth of farming but provide the opportunity for non-farming uses to be considered in appropriate locations.
- A wider range of tourism, commercial and retail uses may be considered, compared to the Farming Zone and Rural Conservation Zone.
- Farming uses are encouraged to establish and expand, subject to proper safeguards for the environment and amenity considerations.
- A planning permit is always required to use land for a dwelling.

Because the mix of uses that may be considered in the Rural Activity Zone is wide-ranging, the planning scheme should be clear about:

- what the planning authority wants to achieve in the area where the zone is to be applied, and
- how discretion in the zone will be exercised.

This can be done by:

- setting out clear objectives for the zone and explaining how discretion in the zone will be exercised in the LPPF, or
- including a purpose statement in the schedule to the zone. If this option is chosen, the statement should be inserted above the table setting out minimum and maximum areas, it should not repeat or contradict the SPPF and LPPF, and it should be more specific than the zone purpose.

If the planning scheme is clear about what is to be achieved in the zone, this will enable the responsible authority to make decisions on a consistent, strategic basis and avoid land use conflicts in the future.

A purpose statement in the schedule to the zone may describe:

- desired or preferred mix of land uses
- desired or preferred locations for particular land uses
- preferred approaches for managing off-site land use impacts
- a specific need that a proposal should meet.

A good purpose statement should have local colour, be grounded in reality, and help the responsible authority to make planning decisions, for example:

To achieve a mix of nature-based recreation facilities and tourist accommodation that complements the wilderness values of Gumnut National Park and is compatible with organic food production activities in the area.

The mix of uses that a planning authority may want to encourage in the zone could include:

- farming, rural industry and associated agribusiness uses
- farming and tourist facilities
- intensive animal husbandry and associated rural processing industries
- nature-based tourism and recreation facilities
- agricultural and environmental education and research facilities.

The application of the Rural Activity Zone does not mean that protecting or maintaining farming activities will be of low importance. The zone caters for a wide range of farming activities, including intensive animal husbandry, rural processing industries and timber production, and a planning authority may want to apply the zone to encourage a particular mix of farming and non-farming activities. However, the needs of farmers will need to be balanced with the council's other planning objectives for the area.

The mix of uses that is encouraged in the zone should complement the environmental and landscape values of the land, and support the council's overall urban and rural settlement strategies. It would be inappropriate to apply the zone to encourage a rural mixed use area if the land is required for urban development in the future, or if the particular uses would be better located in an existing town, where there is access to a wider range of urban services and infrastructure.

The zone should not be mistaken for a quasi rural residential zone. Housing is only one of a number of uses that may be considered in the zone, and, in some circumstances, it may be incompatible with the particular mix of uses that the planning authority is seeking to achieve.

Tourism

Rural Victoria is home to many trails, transport routes and nature-based attractions that have strong tourist appeal and create demand for recreation and tourism facilities and services. Tourism can promote and facilitate economic activity that supports aspects of regional and rural life. For example, farm stays, cellar door sales and the sales of local produce support agriculture.

A range of small to medium sized farming-related tourism uses may be considered in the Farming Zone (such as farm stays, restaurants, taverns, and farm produce sales). However, if a planning authority is keen to facilitate the establishment of larger scale tourism uses or a more diverse mix of tourism and recreation uses, the Rural Activity Zone may be the most appropriate zone to apply.

In deciding to apply the Rural Activity Zone to facilitate tourism in an area, matters to be considered include:

- the need to protect the agricultural, environmental and cultural values of the area
- the scale and mix of tourism and recreation uses to be encouraged
- whether there are opportunities to build alliances between tourism business operators, farmers, food and wine producers and trail network managers
- the product and infrastructure needs of tourists and the local community
- requirements for the siting, planning and design of tourism facilities.

In reaching a decision on proposals in the Rural Activity Zone, the responsible authority must consider whether the use or development will support and enhance agricultural production and other matters relating to protecting and enhancing farming. However, the weight that is given to these considerations will need to be balanced with other social, environmental or economic objectives and policies identified for the land in the scheme.

The schedule to the Rural Activity Zone requires the planning authority to nominate an appropriate minimum lot size. This will vary depending on the physical attributes of the land, the type of agricultural activities being encouraged and the mix of non-farming land uses being sought. The minimum lot size should promote effective land management practices and infrastructure provision and could be large or small.

Rural Conservation Zone

The Rural Conservation Zone is primarily concerned with protecting and conserving rural land for its environmental features or attributes. The conservation values of the land must be identified in the schedule to the zone and could be historic, archaeological, landscape, ecological, cultural or scientific values. In this zone:

- All uses are subordinate to the environmental values of the land.
- Farming is allowed provided that it is consistent with the environmental values of the area.
- The minimum lot size for subdivision is tailored to suit the environmental features and values of the land.

Land use and development is strictly controlled in the zone to safeguard the natural environment and conserve the identified environmental qualities of the land. Some uses may only be considered if they are in conjunction with a specified farming activity or meet certain limitations on size or scale (such as Group accommodation, Residential hotel and Restaurant). Most agricultural uses require a planning permit. In general, there is an expectation that a proposal will only be permitted if it conserves the values identified for the land, the site is environmentally capable of sustaining the proposal, and it is compatible with surrounding land uses.

Industrial uses other than Rural industry, Warehouse uses other than Store, most types of Retail premises, and Intensive animal husbandry are prohibited in the zone. Any use that is not specifically included in Sections 1 or 2 of the table of uses in the zone is also prohibited.

Rural Living Zone

This zone provides for residential use in a rural environment. It is designed to cater for lots in a rural setting that are large enough to accommodate a dwelling and a farming use. The farming use is likely to be carried on for reasons other than the need to provide a significant source of household income.

The requirements of *Minister's Direction No. 6 Rural Residential Development* must be met when applying this zone.

In this zone:

- It is not essential that a dwelling be genuinely associated with a farming use of the land.
- Some farming may take place on the land, however this will not always be the case.
- Residents have a reasonable expectation that their amenity will be protected.
- A wider range of tourism, commercial and retail uses may be considered in the zone.

Although the Rural Living Zone is catering primarily for residential use, the allotment size and subdivision layout should provide the opportunity for farming activities to occur, without adversely affecting the natural environment or the amenity of surrounding land uses. This means that the minimum lot size could be quite large.

If the planning authority's objective is to encourage rural residential development at densities that are defacto large residential lots or which would preclude farming activities, then it should consider applying the Low Density Residential Zone.

Because of the zone's primarily residential function, a planning authority must be able to show that using the Rural Living Zone is part of its strategy to provide appropriate housing diversity and choice to meet housing needs.

In the Rural Living Zone, development must be provided with certain community infrastructure and services normally expected for residential areas. This is why land uses that are normally located in urban areas may be considered in the zone. These uses need to be considered carefully, to ensure that the zone does not become an unplanned urban area and farming on adjacent land is not compromised.

For more information about the key strategic and land capability requirements that a proposed Rural Living rezoning must meet refer to *General Practice Note Rural Residential Development Guidelines* (October 2006).

Potable water supply catchment areas

A potable water supply catchment provides water resources to a reservoir used primarily for domestic water supply purposes. Special water supply catchment areas are listed in Schedule 5 of the *Catchment and Land Protection Act 1994*.

There are two types of potable water supply catchments. An 'open' catchment is where part or all of the catchment area is in private ownership and access to the catchment is unrestricted. A 'closed' catchment means that the whole of the catchment area is publicly owned and public access is prohibited.

Water authorities do not have direct control over land use and development in open, potable water supply catchments, however because of the risks to public health, all use and development should be sited and managed to protect the quality of water collected from the catchment. Residential development and agriculture particularly have the potential to impact adversely on water quality through the discharge of contaminated run-off and wastes, nutrient contributions or sediment to waterways.

To protect water quality in open, potable water supply catchments, the preferred approach is to apply the Rural Conservation Zone. However, in deciding to apply this zone to these areas, a planning authority should carefully consider the type and extent of development expected in the area, the potential sources of pollutants, and the conditions or standards that new use and development would be required to meet to maintain an acceptable water quality.

Where should the zones be applied?

The differences between the zones' purposes and provisions decide where they should be applied. Examples of candidate areas for each zone are provided below, however these are indicative only. The decision about which zone is applied should be driven by the strategic objectives in the scheme.

The **Farming Zone** is designed to be applied to rural areas where:

- Farmers require certainty about undertaking normal farming practices and need the flexibility to change farming practices in the future.
- Farming is the principal activity in the area and the protection of productive farmland is of primary strategic importance.
- The farmland is of State, regional or local significance in terms of agricultural production or employment.
- The farmland has physical attributes that are scarce or essential to sustaining particular agricultural activities.
- Pressures to use and develop land for non-farming purposes pose a significant threat to the supply and productivity of farmland in the area.
- The scale, nature and intensity of farming uses in the area have the potential to significantly impact upon sensitive land uses, such as housing.
- The efficient and effective use of agricultural infrastructure will be maximised.

Possible **Farming Zone** areas

- Horticulture areas.
- Intensive animal husbandry areas.
- Irrigated areas.
- Dairying areas.
- Forestry plantation areas.
- Other broad hectare cropping areas.
- Areas where the consolidation, intensification or aggregation of farming activities is encouraged.
- Areas where non-farming uses and development need to be strictly controlled so that potential land use conflicts can be avoided.

The **Rural Activity Zone** is designed to be applied to rural areas where:

- Farming is an important activity in the area but the planning objectives identified for the land support the establishment of other land uses.
- A mixed-use function would support farming activities in the area, assist in preventing the unplanned loss of productive agricultural land elsewhere, or allow for the logical and efficient provision of infrastructure.
- The use of land in the area for non-farming purposes would not compromise the long term productivity of surrounding farmland.
- Appropriate buffers can be provided between different land uses so that land use conflicts are avoided.
- The planning authority has developed a clear policy about how discretion in the zone will be exercised.

Possible **Rural Activity Zone** areas

- An existing mixed use rural area where the mix of uses complements the agricultural, environmental and landscape values of the area and supports the council's urban settlement objectives.
- Rural areas where commercial, tourism or recreation development will complement and benefit the particular agricultural pursuits, landscape features or natural attractions of the area.
- Farming areas where complementary rural industry, agribusiness uses, and rural research facilities are encouraged.

The **Rural Conservation Zone** is designed to be applied to rural areas where:

- The protection of the environmental features of the land is of primary strategic importance. These features could include native vegetation, flora and fauna, significant habitats, or they could relate to the visual qualities of the land.
- The environmental features of the land are scarce and strict controls are required to prevent the further loss or decline of those features.
- Land use and development could directly or indirectly threaten the environmental values of the land and strict controls are required to manage this.

If the environmental or landscape features cover a large rural area, the Rural Conservation Zone is likely to be suitable. However, if the features are widely dispersed or fragmented and the surrounding land has been substantially altered (for example, broadacre farming areas with wildlife corridors), the other rural zones may be more appropriate, supplemented with overlays.

Possible **Rural Conservation Zone** areas

- Relatively intact natural areas where land use and development could result in the loss of important environmental features or values.
- Areas of biodiversity or ecological significance.
- Rural areas that contain threatened species habitat, such as wetlands, water catchments and grasslands.
- Rural areas of high scenic or landscape value.
- Environmentally degraded areas where a cautious approach to land use and development is required to avoid further environmental damage.
- Rural areas that are unstable or prone to erosion or salinity.
- Open, potable water supply catchment areas.

The **Rural Living Zone** is designed to be applied to areas where:

- The rural land has a mainly residential function.
- Farming may take place on the land but this is subordinate to the residential use.
- Residents require certainty about the residential amenity of the area and are protected from potentially incompatible land uses.
- Farming is of a nature or scale that will not conflict with housing.
- Residents will have access to most of the normal services and infrastructure provided in urban areas.

Possible **Rural Living Zone** areas

- Rural areas that have been substantially subdivided and developed for dwellings in proximity to an urban area or township with a range of urban services and infrastructure.
- Rural land adjacent to an urban area or township which meets the key strategic and land capability requirements of Minister's Direction No. 6.

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