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Executive Summary

Introduction

In 2010 Bass Coast initiated the preparation of a Rural Land Use Strategy triggered by the translation of the new suite of rural zones to the Bass Coast Planning Scheme in 2006 and completion of a number of Council studies.

To inform development of the Rural Land Strategy, Council undertook preparation of a Rural Strategy Background Paper in 2010 and in 2012 consultation on a Directions Paper.

This Rural Land Strategy builds on strategic planning and consultation completed to date, reviews the current rural land use and development circumstances, including issues, opportunities and trends and sets out a long term vision for the Shire’s rural areas. Objectives, strategies, policy and planning controls to achieve this vision are also detailed.

The Rural Land Use Strategy comprises two reports:

Part 1 Rural Land Analysis and Investigations
Part 2 Bass Coast Rural Land Use Strategy

The key findings of Part 1 are summarised here.

Current planning and strategic context

The current planning and strategic context for Bass Coast sets out a strong position to ensure:

- Land use and development is managed to promote agriculture
- Tourism is encouraged in appropriate locations in rural areas
- That the landscape, coastal and environmental values of Bass Coast are recognised and protected.

The current suite of rural zones was introduced to the Bass Coast Planning Scheme in 2006 by direct translation. The preparation of the Rural Land Use Strategy provides an opportunity to review the application of the zones, as well as incorporate directions from a number of State Government and local strategies. State Government is currently reviewing all zones within the Victoria Planning Provisions. The preparation of this Strategy will provide for consideration of any changes to rural zones when they are announced.

Agriculture

Agriculture is an important part of the local economy generating around 7% of total economic output and 8% of all jobs. The largest commodity groups by value of production are dairy ($52 million) and meat ($28 million).

Much of the rural land in Bass Coast is considered productive agricultural land with areas west of the Bass Highway considered land of strategic significance due to its contribution to the nationally significant Gippsland dairy industry.

The future outlook for agriculture is strong, however, land affordability and urban encroachment are issues for agriculture in some areas of Bass Coast.
Tourism

Tourism is the pillar of the Bass Coast economy with internationally recognised tourism attractions particularly on Phillip Island. Tourism is annually estimated to generate around $620 million in direct expenditure, over $1 billion in value added and support around 1,400 jobs.

There is potential for further development of tourism in the Shire’s rural areas, but this should not come at the expense of the landscape, amenity, environmental, agricultural values and liveability of the Shire.

Environment and landscape

Bass Coast has environmental and landscape values of regional and national significance, including Ramsar listed wetlands, marine parks and remnant native vegetation. Land hazards such as erosion and coastal acid sulphate soils are issues in some locations. The Rural Land Use Strategy provides an opportunity to recognise and protect environmental assets and minimise the impacts of hazards on future development and values.

Part 2: of the Bass Coast Rural Land Use Strategy responds to the analysis and investigations documented in Part 1, and sets out the new rural strategy. Key elements of the strategy are summarised here.

Vision for Bass Coast rural areas

The Rural Land Use Strategy sets out a long term vision for the Shire’s rural areas to:

- Protect the opportunity for agriculture
- Protect rural landscape and maintain green breaks between towns
- Provide for rural based tourism
- Ensure that environmental values are protected and enhanced
- Protect the livability of Bass Coasts’ rural areas.

Key strategic directions

The key strategic directions of the Rural Land Use Strategy are to:

- Detail planning controls that will provide clear direction for use and development in the rural areas of the Shire
- Support agriculture and not prejudice the ability of future generations to productively farm the land
- Support agricultural activities and associated rural industries that will maintain and build on the economic base of the Shire
- Balance demand for rural lifestyle and protection of agricultural values by discouraging fragmentation of land in rural areas as well as additional dwellings unrelated to the agricultural use of the land
- Encourage the use of existing small lots for innovative uses or niche production activities that are not dependent upon or associated with the development of a dwelling on the lot
- Broaden the basis for establishing minimum lot sizes from a consideration of land units to support agriculture to include protection of the rural farmed landscape
- Protect and maintain the existing rural character of the Shire by providing clear definitions and distinctions between rural and urban areas
- Protect and maintain areas of environmental and landscape significance by strongly discouraging inappropriate development and uses
- Provide for a range of tourism uses in appropriate areas.

**Implementation**

The desired future rural land use outcomes vary across the Shire. Therefore implementation of the vision and strategic objectives is achieved by segmenting the rural areas of the Shire into a number of Rural Precincts (Figure E1) and tailoring planning policy to the specific land use outcomes desired in each precinct. The identification of Bass Coast’s rural precincts included consideration of:

- Current land use and settlement patterns
- Productive agricultural land
- Land of strategic significance for agriculture
- Logical and easily identifiable boundaries.

![Figure E1 Bass Coast Rural Precincts](image)
Implementation of the vision and strategic objectives will be achieved by the adoption of the following recommendations for planning policy.

**Farming Zone**

It is recommended that:

- The Farming Zone be retained in the rural areas of the Shire currently zoned Farming
- A revised minimum lot size schedule for the Farming Zone is tailored to the three rural precincts as set out in Table E1.
- A local policy be prepared to provide additional guidance on subdivision and dwellings in the Farming Zone

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**Rural Activity Zone**

It is recommended that the:

- Rural Activity Zone is retained in locations where it currently applies.
- Rural Activity Zone be applied to land in Coronet-Bay / Corinella (Figure E2), The Gurdies (Figure E3), Newhaven (Figure E4) and Cape-Paterson / Inverloch (Figure E5) to provide for agriculture and rural based tourism.
- Lot size minima for subdivision within proposed Rural Activity Zone vary by locality:
  - Coronet Bay – Corinella 40 ha
  - The Gurdies 40 ha
  - Newhaven 40 ha
  - Inverloch to Cape Paterson 260ha
- A local policy is prepared to provide additional guidance on subdivision, dwellings and tourism facilities and activities in the Rural Activity Zone.
Figure E2  Proposed Corinella- Coronet Bay Rural Activity Zone

Figure E3  Proposed The Gurdies Rural Activity Zone

Figure E4  Proposed Newhaven Rural Activity Zone
Rural Conservation Zone

It is recommended that the Rural Conservation Zone be retained in locations currently zoned Rural Conservation.

Further Strategic Work

The Rural Land Use Strategy identified further strategic work including:

1. Areas for Rural Activity Zone from submissions

Submissions to the draft Rural Land Use Strategy nominated additional locations for application of the Rural Activity Zone during exhibition of the draft Rural Land Use Strategy. It is recommended that these locations be assessed and considered as part of preparation of the planning scheme amendment arising from this Rural Land Use Strategy. Locations included: Anderson, Bass, Cowes, Ventnor, Corinella, Kernot as well as land adjacent to or near the proposed Rural Activity Zone at Corinella – Coronet Bay, The Gurdies, Newhaven and Inverloch – Cape Paterson.

2. Rhyll Inlet Ramsar Wetland

The Rhyll Inlet is a Ramsar listed wetland providing important habitat for migratory wading birds. The inlet is also identified in the Victoria Coastal Inundation Dataset, as an area at risk of inundation due to climate change. It is recommended that Council undertake further investigation to determine if the Rural Conservation Zone is appropriate for land abutting the Rhyll Inlet.

3. Housing and Settlement Strategy

Submissions to the draft Rural Land Use Strategy raised a number of issues and opportunities that would be more appropriately addressed through a Housing and Settlement Strategy. These include:

- Historic villages - There are a number of rural villages across the Shire, some of these exist only as a subdivision and a cluster of houses, others such as Kernot, has a store, CFA shed, hall, church and houses. The land is currently zoned Farming meaning that owners of vacant lots would need to get a permit for a dwelling, which would be difficult to achieve due to the small size of the lots and the need to demonstrate the need for the dwelling for an agricultural purpose. Some submitters wanted land considered for application of the Rural Activity Zone for rural industry and tourism, particularly towns along the Wonthaggi – Nyora railway line.
Future directions for these villages should be considered as part of a Housing and Settlement Strategy for the Shire.

- Rural living - The desire to live in a rural location and a lack of land zoned for rural residential purposes was noted by a number of submitters. A supply and demand analysis of land zoned Rural Living, as part of a Housing and Settlement Strategy will establish whether additional land should be identified for this use.

- Small rural lots - Across the Shire, there is a substantial supply of small rural lots (less than 1.25 ha). These are ‘legacy’ lots created through excisions, road realignments etc. A number of submitters sought clarification as to how Council would view a permit application for a dwelling on such lots, given the need to demonstrate the need for the dwelling for an agricultural purpose. It is recommended that Bass Coast undertake further analysis of the number and location of vacant small lots and prepare a local policy to provide clarity on future use and development of small rural lots.

4. Landscape assessment

The landscape values and amenity of the Shire are consistently recognised as important to the liveability and tourism industry of Bass Coast. Landscape assessment of the coastal areas was completed as part of the Coastal Spaces Landscape Assessment Study. It is recommended that an assessment of the Shire rural areas, not covered by the Coastal Spaces Landscape Assessment Study be undertaken to ensure that important views and landscapes are appropriately protected.

5. Extractive industries

Quarrying and extractive industries is an important local industry with the sand resources around Grantville and Nyora of state significance. The Bass Coast Planning Scheme supports development of the industry. It was noted in part 1 of this Strategy that there is no policy guidance for management of spoil, site rehabilitation and landscape impact. Community concern was expressed during exhibition of the draft Strategy as to the impacts of extractive industries. It is recommended that a local policy be prepared to provide guidance on development of extractive industries including consideration of site rehabilitation, management of spoil, dust and noise mitigation and landscape impacts.
1 Introduction

The rural areas of the Bass Coast Shire are diverse with attractive rural and coastal landscapes, significant biodiversity and environmental values, productive agricultural industries and a network of rural settlements. The Shire covers 864 square kilometres and in 2011 had a permanent population of 30,000, though this can triple during peak holiday periods. Wonthaggi is the main service centre.


Preparation of the Rural Land Use Strategy was to build on the strategic planning and consultations completed to date and review the current rural land use and development circumstances, including issues, opportunities and trends. The Rural Land Use Strategy was required to:

- Set out a long term vision for the Shire’s rural areas
- Respond to the automatic translation of the 2006 suite of Rural Zones
- Recommend objectives, strategies, policy and planning controls to achieve Council’s vision for the Shire’s rural areas.

The development of the Rural Land Use Strategy included the following key steps:

1. Review of the planning and policy context and current rural land circumstances
2. Targeted consultation with key stakeholders including agencies, authorities, rural industries, key rural businesses
3. Preparation of a draft Rural Land Use Strategy
4. Public exhibition and comment on the draft Rural Land Use Strategy
5. Preparation of a Final Rural Land Use Strategy.
2 Bass Coast Rural Land Use Strategy

Based on the findings of the rural strategy review investigations, detailed in Part 1: Rural Land Analysis and Investigations, including community and stakeholder consultation, it is recommended that the following elements be embraced as the Shire's Rural Land Use Strategy.

2.1 Key strategic elements

The review of rural land in Bass Coast concluded the following:

- Tourism is a significant economic driver in Bass Coast which has nationally significant tourism attractions and the industry is important to the regional and local economy and employment.
- There are opportunities for rural areas of the Shire to benefit from tourism, however this should not come at the expense of environmental, landscape, social and agricultural values.
- Agriculture is also a significant economic driver and the dairy industry is part of the nationally significant Gippsland dairy region comprising producers, processors and manufacturers of dairy products.
- The rural farmed landscape combined with coastal views and beach access is a significant element in the identity, image and liveability of Bass Coast.
- Agriculture and rural landscapes establish non-urban breaks and are a critical element in the settlement strategy, tourism role and lifestyle of the Shire.
- The Shire’s rural areas contain important environmental assets that contribute to the amenity and landscape of the Shire and are important to Bass Coast tourism.

2.2 Vision

The Bass Coast Rural Land Use Strategy sets out a long term vision for the Shire’s rural areas that aims to:

- Protect the opportunity for agriculture.
- Protect rural landscape and maintain green breaks between towns.
- Provide for rural based tourism.
- Ensure that environmental values are protected and enhanced.
- Protect the livability of Bass Coasts’ rural areas.

The rural areas of Bass Coast are highly valued as a place to live, work and for recreation. The Bass Coast rural communities are diverse and include people involved in commercial agriculture and tourism or living in the rural areas for the lifestyle and amenity. Further complexity is added by the seasonal influx of holiday makers to a number of locations.

Tourism and agriculture make a significant contribution to the local and state economy and employment. Agriculture has defined the rural landscape and the character of many of the Shire’s communities. The rural, farmed landscape together with the natural attractions, underpin the tourism industry. Supporting a diverse agricultural sector will contribute to the growth and prosperity of rural communities as well as protecting and maintaining the landscape and liveability of the Shire.
2.3 **Key strategic directions**

The key strategic directions of the Rural Land Use Strategy include:

- Detail planning controls that will provide clear direction for use and development in the rural areas of the Shire
- Support agriculture and not prejudice the ability of future generations to productively farm the land
- Support agricultural activities and associated rural industries that will maintain and build on the economic base of the Shire
- Balance demand for rural lifestyle and protection of agricultural values by discouraging fragmentation of land in rural areas as well as additional dwellings unrelated to the agricultural use of the land
- Encourage the use of existing small lots for innovative uses or niche production activities that are not dependent upon or associated with the development of a dwelling on the lot
- Broaden the basis for establishing minimum lot sizes from a consideration of land units to support agriculture to include protection of the rural farmed landscape
- Protect and maintain the existing rural character of the Shire by providing clear definitions and distinctions between rural and urban areas
- Protect and maintain areas of environmental and landscape significance by strongly discouraging inappropriate development and uses
- Provide for a range of tourism uses in appropriate areas.

2.4 **Tourism**

Tourism is a major economic sector in Bass Coast with the main focus being Phillip Island and the coastal areas. Tourism in Bass Coast is broadening its focus and seeks to capitalize on established visitation and offer a wider tourism product based around the agricultural, environmental and landscape values of the rural hinterland for nature based and rural based tourism.

The Rural Tourism Development Strategy identifies Tourism Investigation Precincts for consideration of rural based tourism. These Tourism Investigation Precincts were assessed and appropriate locations for the application of the Rural Activity Zone were identified at:

- Coronet Bay – Corinella
- The Gurdies
- Inverloch-Cape Paterson
- Phillip Island.

Chapter 4 details the approach to the assessment of the Tourism Investigation Precincts and identification of locations for the application of the Rural Activity Zone.

The preferred mix of uses in the Rural Activity Zone in these localities includes:

- Agriculture
- Tourist and recreational activities
- Accommodation.

All development should be:

- Of modest scale, relevant to the land size, surrounding uses and the ability to nestle into the landscape
- Subservient to the landscape so as not to detract from the quality of the landscape
- Capable of net gain environmental outcomes
- Self-sufficient in the provision of relevant infrastructure and associated development costs.

Uses that would not be supported include a convenience shop, equestrian supplies, motor racing track, hotel, landscape gardening supplies, tavern and similar uses.

While this section of the Strategy has clearly articulated the preferred approach to tourism in rural areas of the municipality, it is acknowledged that there may be one-off proposals of a substantial size not associated with agriculture that may have significant regional benefits. Such proposals would be subject to a rezoning proposal.

It is recommended that Council investigate:
- Whether any large-scale one-off proposals are appropriate in the Shire and particularly on Phillip Island?
- How such proposals link with the townships?
- Develop appropriate policy around these issues including guidelines for large scale development such as:
  - Why such development requires a rural location and why it cannot be located within a town?
  - What are the site selection criteria that would make a site suitable for tourist development?
  - What are the necessary or minimum benefits any proposal should be capable of demonstrating to warrant consideration of a non-urban location?

2.5 Agriculture

Agriculture has maintained its economic contribution to the Shire. In terms of commodities, dairy is the most significant sector, with production focused in the Bass Valley, on the Strzelecki Ranges and in the Powlett River valley north of Wonthaggi. This area is part of the wider, nationally important Gippsland dairy industry supporting significant investment in milk processing and manufacturing. Future outlook for the industry is strong. Meat production and horticulture are also locally important and takes place across the Shire.

The rural farmed landscape is important to the Shire’s identity and amenity and is a major attraction for visitors. This is especially so along the Bass Highway, the gateway and major thoroughfare through the Shire and on Phillip Island. Demand for rural lifestyle and tourism development in these areas has driven up land values above productive value.

In recognition of the strategic setting, agricultural opportunities, aspirations to reside in rural areas and to provide for rural based tourism, a differentiated policy position is recommended. A land use planning framework is required that will provide flexibility for appropriate development in some locations balanced against the need to protect opportunities for rural industries and environmental values.

2.6 Environment and landscape

Bass Coast has significant environmental and landscape assets. These make a significant contribution to the liveability of the Shire and its attractiveness for tourism. Planning policy should be clearly focused on ensuring that development is in accordance with the principles
of Ecologically Sustainable Development and that environmental and landscape values are protected.

2.7 Minimum lot size

The Victoria Planning Provisions (VPP) requires Councils to set a minimum lot size for subdivision and a minimum lot size for dwellings below which a planning permit is required. If Councils choose not to specify a minimum lot size then a default setting of 40ha applies to both subdivision and dwellings in the Farming Zone. In the Rural Activity Zone and Rural Conservation Zone all dwellings require a permit and Council can specify a minimum lot size for subdivision.

2.7.1 Farming Zone

The VPP Planning Practice Note: Applying the rural zones notes with respect to the Farming Zone that “the minimum lot size for subdivision may be tailored to suit the farming practices and productivity of the land.” The schedule to the Farming Zone allows municipalities to set a minimum lot size for subdivision and dwellings that reflects the agricultural uses of the land.

There is no established methodology for determining the minimum lot size in rural areas and in reality the minimum lot size is often a translation of former outdated controls or is the State default of 40ha.

The findings of the review found that in terms of supporting agriculture the lot size minima in the Farming Zone should aim to:

- Facilitate farm growth and expansion
- Prevent proliferation of dwellings not associated with agriculture
- Maintain land in parcels with productive and management potential
- Recognise that most farm units are comprised of multiple lots.

In order to break the nexus between subdivision and dwellings and in recognition of dot point 4, it is recommended that different lot size minima be specified for subdivision and dwellings. In most cases, the minimum lot size below which a permit is required for a dwelling will be substantially higher than the minimum lot size for subdivision.

This review has also found that in some parts of the Shire, the past regime of lot size has left a legacy of rural-farmed landscapes that are highly valued by the community and visitors. The Bass Valley, Phillip Island, Bass Highway and Bunurong Coastal Drive are locations and corridors where the rural farmed landscape and coastal views are key elements of the landscape character. Preventing ribbon development between towns, development at township and landscape edges, along corridors were identified by the Coastal Spaces Landscape Assessment Study as critical to maintaining landscape character and values. Reducing the minimum lot size has the potential to have significant negative impacts on landscape character. Therefore, is it recommended that in these locations, the basis for establishing minimum lot sizes be broadened from a consideration of land units to support agriculture, to include consideration and protection of the rural farmed landscape.

The minimum lot size schedule was therefore tested against a lot size required to:

- Facilitate farm growth and expansion
- Prevent proliferation of dwellings not associated with agriculture and prevent rural land use conflict
- Maintain land in parcels with productive and management potential
- Maintain the rural farmed landscape.

**Subdivision**

This review has found that there is a considerable supply of lots at a range of sizes such that further subdivision for genuine agricultural purposes will be rarely required. In areas that have been substantially fragmented, consolidation of lots should be encouraged. Re-subdivision that results in creation of rural residential size lots should be strongly discouraged.

There are a small number of very large lots in the eastern part of the Shire that due to their size may be less attractive for sale or transfer between farm businesses.

The draft Rural Land Use Strategy proposed that the minimum subdivision size for the Farming Zone be set at 80ha and further guidance is provided in a rural subdivision policy. Following public comment on the draft Strategy and review of submissions, the Council adopted the Rural Land Use Strategy subject to the following minimum lot sizes for subdivision:

- Precinct 1: East of the Bass Highway 80 ha
- Precinct 2: West and south of the Bass Highway 80 ha
- Precinct 3 40 ha

**Dwellings**

Fragmentation of the existing pattern of subdivision and reducing the minimum lot size, particularly in relation to dwellings, would have a significant negative impact on landscape character. Likewise the issue of tenement holdings and their critical role in providing for sustainable agricultural practices and contribution to the open farmed landscape needs to be recognised.

In seeking to minimise the fragmentation of rural land, there is a need to achieve a cultural change in the expectation that a dwelling may be constructed on every lot. The primary justifications for a house on a rural lot must be that it complements and improves the agricultural use of the land and preserves the existing rural character of the area.

In the Farming Zone a permit is not required to use land for a dwelling provided it meets the minimum lot size specified in the zone schedule. On smaller lots a permit may be granted, provided (amongst other things) that the dwelling is reasonably required for the operation of the rural activity conducted on the land.

This provision allows for a wide interpretation of what is “reasonably” required for a rural activity and, indeed, what is considered to be a *bona fide* rural activity. Without clear guidelines it will be very difficult to make effective and consistent decisions, particularly if an applicant uses personal hardship or family reasons to reinforce the planning grounds. This rural strategy review has highlighted the need for clear policy and guidelines to assist decision-making.

In line with the land use outcomes outlined for the rural areas of the Shire, the draft Rural Land Use Strategy recommended the following minimum lot sized schedule for the Farming Zone to afford Council the opportunity to ensure that dwellings in the Farming Zone are genuinely required for agriculture.

- Precinct 1: East of the Bass Highway 250ha
- Precinct 2: West and south of the Bass Highway 100ha
- Precinct 3: Phillip Island 100ha.
Following public comment on the draft Strategy and review of submissions, the Council adopted the Rural Land Use Strategy subject to the following minimum lot sizes below which a permit is required for a dwelling:

- **Precinct 1**: East of the Bass Highway 40 ha
- **Precinct 2**: West and south of the Bass Highway 40 ha
- **Precinct 3**: 40 ha

It was also recommended that a rural dwellings local policy be developed to detail decision making guidelines.

### 2.7.2 Rural Activity Zone

The VPP Planning Practice Note: Applying the rural zones notes with respect to the Rural Activity Zone notes that:

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

As noted in the assessment of the Rural Tourism Investigation Precincts (Section 4), there is generally a mix of lot sizes within the areas proposed for the Rural Activity Zone. Further, the landscape values, comprising the rural landscape and coastal views, of these areas underpin the value of these areas for tourism and maintaining the current density of lots and dwellings will be important to the protection of these values.

Therefore the minimum lot size for subdivision in the Rural Activity Zone will be set such that further subdivision will be strongly discouraged.

- Coronet Bay – Corinella 40ha
- The Gurdies 40ha
- Newhaven 40ha
- Inverloch-Cape Paterson 260ha

### 2.8 Excisions

Past experience shows that excision provisions in planning schemes have been abused, with excised lots being unrelated to the farm operation and the opportunity to excise being used on two, three and more occasions.

Generally, small lot excisions (with or without houses) are inappropriate in rural areas. They are usually used as a way of circumventing the minimum lot size in the zone. The additional house entitlement created is rarely necessary to improve the farm operation on the land from which it was excised. Excisions have contributed to rural land being progressively lost to hobby farming or rural residential uses, which is in direct conflict with the aims and objectives of this strategy.

House lot excisions that involve excision of an existing dwelling can be a legitimate requirement of farming, particularly associated with farm expansion. It should therefore be provided for where it can be reasonably demonstrated that it is required for the development of the agricultural business and does not increase the density of lots and dwellings.
Small lot subdivisions, including facilitating housing excision, based solely on hardship, personal circumstances, retirement or superannuation grounds, are not relevant matters for Council to consider. It is recommended that a rural subdivision policy be developed that will include consideration of excisions.
3 Planning Policy Recommendations

This section of the report identifies the implementation measures to deliver the vision and strategic directions of Bass Coast. This Rural Land Use Strategy review found that the current Planning Scheme lacks policy and a strong justification for its current suite of planning controls that apply to rural land. It has however, consistently applied the objectives and directions provided by the Municipal Strategic Statement, Zones, Overlays and Schedules. Therefore the implementation measures proposed in this Rural Land Use Strategy are aimed at providing clear policy underpinned by a robust strategic position.

3.1 Municipal Strategic Statement

The Municipal Strategic Statement (MSS) will need to be updated with material from this report including relevant explanatory text, objectives and strategies.

3.2 Bass Coast Planning Scheme

To implement the vision and strategic objectives, the rural areas of the Shire have been segmented into a number of Rural Precincts to reflect the diversity of landscape and agricultural values.

The future rural land use outcomes being sought by Council and the community vary across the Shire. Precincts allow for the planning controls to be tailored to meet the specific land use outcomes desired within each precinct rather than a ‘one-size-fits all’ approach.

The review of the Bass Coast rural areas recommended that a differentiated policy position be developed in recognition of the strategic setting, agricultural opportunities, aspiration to reside in rural areas and to provide for rural based tourism. A land use planning framework is required that will provide flexibility for appropriate development in some locations, protect opportunities for agriculture into the future in others and ensure that all development is in accordance with the principles of Ecologically Sustainable Development.

The identification of Bass Coast’s rural precincts (Figure 3-1) included consideration of:

- Current land use and settlement patterns
- Productive agricultural land
- Land of strategic significance for agriculture.

The land within each precinct has common characteristics that will influence application of the planning controls. The characteristics that were considered in defining the precincts include:

- Current land use
- Settlement patterns and urban development
- Allotment and tenements sizes
- Agricultural quality
- Environmental and landscape values.

Each precinct has been described with respect to each attribute. The land use considerations, strategic directions and planning controls to implement the strategic objectives for each precinct are detailed in sections 3.6, 3.7 and 3.8.
3.3 Rural zones

3.3.1 Farming Zone

It is recommended that the Farming Zone be applied where the primary land use outcome will be agriculture both now and in the future and to maintain rural farmed landscapes.

The stated purposes of the Farming Zone as set out in the Victorian Planning Provisions are:

- To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement 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.

The Farming Zone is appropriate, and will be considered, in situations where:

- Farmers require certainty about undertaking normal farming practices and need the flexibility to change farming practices in the future
- Farming is the primary 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 minimised.

### 3.3.2 Rural Activity Zone

It is recommended that the existing areas of Rural Activity Zone be retained. It is also recommended that the Rural Activity Zone will be applied to the areas shown in Figure 4-1, Figure 4-2, Figure 4-3, and Figure 4-4 to provide for rural based tourism.

The stated purposes of the Rural Activity Zone as set out in the Victoria Planning Provisions are:

- To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies
- 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.

The Rural Activity Zone will be considered, in situations where:

- Farming is a primary activity in the area but the planning objectives identified for the land support the establishment of other land uses, particularly tourism
- A mixed use function would support farming in the area, assist in preventing the unplanned loss of productive agricultural land elsewhere, or allow 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.

### 3.4 Rural Conservation Zone

It is recommended that the existing areas of Rural Conservation Zone will be retained.

The stated purpose of the Rural Conservation Zone as set out in the Victorian planning Provisions include:

- To implement the SPPF and LPPF, including the MSS and 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 cultural significance and character of open rural and scenic non-urban landscapes.

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 future 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.

### 3.5 Local Policy

#### 3.5.1 Rural dwellings

Within the Farming Zone dwellings are required to be associated with the agricultural use of the land. A Local Planning Policy will be prepared to guide decision making on lots below the minimum size for which a permit is required for a dwelling to:

- Discourage the proliferation of dwellings not associated with agriculture.
- Ensure that the development of dwellings on rural land does not prejudice existing agricultural activities on surrounding land.
- Ensure that agricultural land is maintained for the cost-effective production of food and raw materials.
- Retain the open farmed landscape as the defining visual characteristic of the Shire.
- Provide a consistent basis for considering planning permit applications for the use and development of dwellings in rural areas.

#### 3.5.2 Subdivision in the Farming Zone

There is a large number of small lots in the Farming Zone in Bass Coast. Therefore, subdivision for genuine agricultural reasons will rarely be necessary. However, to ensure clarity on permit applications for subdivision in the Farming Zone a Local Planning Policy will be prepared to:

- Limit the further fragmentation of rural land by subdivision.
- Ensure that lots resulting from subdivision are of a sufficient size to be of benefit to agricultural production.
- Encourage the consolidation of rural lots.
- Limit the cumulative impact of house lot excisions, including serial small lot subdivisions.
- Ensure that house lot excisions are undertaken for legitimate reasons related to agriculture.
- Provide a consistent basis for considering planning permit applications for the subdivision of rural land.
- Incorporate conditions that ensure good land management practices are carried out including the preparation of farm plans, fencing of waterways, revegetation of degraded areas, enhancement of remnant vegetation, weed control, nutrient management and preparation of vegetation management plans.
3.5.3 Rural Activity Zone – Rural Based Tourism

The Bass Coast Rural Tourism Development Study recommended that proposed tourism developments would need to meet the following principles to ensure the desired land use and tourism outcomes were achieved. These principles could be incorporated into a local policy to apply to land zoned Rural Activity: The principles include:

Tourism use
- Meet an identified tourism need, consistent with relevant local and regional tourism strategies endorsed by Council
- Clearly demonstrate that the proposed visitor experience to be achieved is consistent with visitor expectations
- Demonstrate a strong relationship between the proposed tourism use and development and the region’s tourism product strengths.

Rural and environmental impact
- Protect and rehabilitate the natural environment and biodiversity
- Protect remnant and rehabilitate vegetation
- Improve environmental, social and economic values
- Respect the character of rural and coastal areas
- Protect and complement visually significant landscapes, views and vistas
- Be set back from the coast to accommodate both upper limit predictions of sea level rise and provide a buffer to protect biodiversity
- Identify and avoid impacts on predictable adverse environmental processes and effects including storm surges, river and coastal flooding, erosion, landslip, salinity, sea level rise, disturbance of acid sulphate soils, wildfire or geotechnical risk
- Provide site densities that reflect the rural character of the site.

Design
- Demonstrate sustainable building practices
- Demonstrate that design, siting, use of materials, colours and landscaping minimise the impact on the visual and environmental qualities of the site and the locality
- Demonstrate that the footprint of the development and the use of setbacks minimises visual impact, particularly from key tourist destinations, viewing points and touring routes
- Maintain the rural character of the area including the expansive views to rolling hills, pasture and coast.

Services
- Meets best practice environmentally sustainable design standards
- Provides adequate services such as water, sewerage, power, communications to support the development
- Demonstrate that it minimises its impact on water catchments and water quality, with use of wastewater treatment systems
- Access road to development is sealed.

In addition, the Bass Coast Environmental Sustainability Plan outlines the following policy recommendations. These should be incorporated into the local policy.
Biodiversity

- All development proposals shall consider habitat protection and enhancement as a high priority including the minimising of alterations in drainage, controls for the minimisation of soil disturbance and the retention of top soil wherever practical, the retention of habitat trees with hollows (both dead and living) and a reasonable cover of fallen logs and branches.

- All development proposals shall consider opportunities to consolidate and link existing fragmented habitat areas and identified wildlife corridors and, where possible, creates new blocks of habitat and corridors.

- All revegetation projects on large scale development sites shall use plants that are locally indigenous species sourced from local seed stocks of the appropriate Environmental Vegetation Classification (EVC) for the area. A full range of species should be used to replicate the EVC including large canopy trees, understorey vegetation and ground covers.

Rivers, creeks and wetlands

- All development applications shall protect and enhance waterways, creeks and wetlands including considering the provision for buffer zones, enlargement of reserves fencing discouraging new access points, improvements to existing access points and revegetation of riparian zones.

Coast

- All development applications shall protect the coastal foreshore reserve including discouraging new access points, improvements to existing access points, protection of flora and fauna and protection from storm surge or wave action.

Climate Change

- All development applications shall include consideration of issues associated with climate change including potential sea level rise, storm surge, increased fire risk and rain intensity and development will be strongly discourages in areas that may be affected.

3.6 Precinct 1 – East of the Bass Highway

3.6.1 Description

The land in Eastern Bass is generally used for broadacre farming including dairy, horticulture and grazing. The area is relatively sparsely settled with limited proximity to neighbours and farms are generally well buffered from residential, large scale tourism and industrial activities.

Agriculture

Land within the area was identified in this review as being productive agricultural land (insert reference) and land of strategic significance for agriculture (insert reference). There is a pattern of larger allotments.

Landscape values

The Coastal Spaces Landscape Assessment Study provided the following description and directions for the landscape character areas in eastern Bass:

Bunurong Coast and Hinterland

The Character Area will continue to be characterised by an open rural hinterland and an undeveloped coastal edge offering outviews to scenic coastal features free of built development. Development in the near-coastal hinterland will be restricted to the settlement of Cape Paterson or set a sufficient distance back from the coast to be nestled in topography.
and screened from views by landscaping and increased vegetation on the inland side of coastal viewpoints.

An open and uncluttered hinterland offering occasional outviews to the Bass Hills, Mt Liptrap, Mt Hoddle and the Venus Bay dunes will be interspersed with native vegetation corridors. Extensions to existing urban areas will be sensitive to views from key viewing corridors, maintenance of open rural character and protection and enhancement of the wild, natural coastline.

**Bass Hills**

The Bass Hills will retain an undeveloped cultural landscape character in which built form is sparsely located and does not dominate the rural character. Development of the western face viewed from the Bass Highway, settlements and other key viewing locations on the eastern side of Westernport Bay will continue to be restricted and carefully managed to retain the built character. Cultural vegetation patterns and native vegetation corridors will create contrasts with the historic cleared landscape character. Inland of the coastal viewshed, an open rural character will be maintained by ensuring built form is carefully sited low in slopes and native vegetation and exotic feature planting are used to soften buildings. Increased rural living and lifestyle developments as well as the majority of rural structures will be sited low on inland slopes out of the coastal viewshed.

**Environmental values**

The West Gippsland Regional Catchment Strategy identifies land within Powlett River catchment as a significant soil and land asset highly valued for supporting agricultural production. Erosion in the upper catchment and changes to flow and hydrological regimes are key threat to this asset.

**Current planning position**

Land is zoned Farming and an Environmental Significance, Significant Landscape, Erosion Management and Land Subject to Inundation Overlay has been applied to various parts of the area and a Hilltop, Ridgelines and Prominent Coastal Landform Protection Local Policy.

The schedule to the Farming Zone specifies a minimum lot size for subdivision and dwellings of 40ha.

**Rural Land Use Observations**

Agriculture in the precinct is a significant contributor to the overall agricultural economy in Bass Coast. The future for agriculture in the precinct is strong. The current settlement pattern, allotment sizes and agricultural capability are conducive to agriculture and this is reflected in the use of the land for dairy, horticulture and grazing.

Conversion of farms to rural lifestyle properties has begun to make inroads in the area, particularly near the coast.

The majority of the native vegetation as been removed and what remains has high environmental values and needs to be protected.

### 3.6.2 Objectives

The objectives for Precinct 1 include:

- To recognise that land the precinct is land of strategic significance for agriculture
- To foster and encourage agriculture in the area both now and into the future
- To protect, restore and enhance the environmental values of the area.
3.6.3 Strategies

- Strongly discourage subdivision of land to preserve long term farming opportunities
- Prevent the proliferation of housing on small lots and housing unrelated to agriculture
- Discourage uses not directly related to, or that may have an adverse impact on agriculture and future agricultural opportunities
- Protect the environmental assets of the area, particularly the soils of the Powlett River catchment
- Encourage the enhancement of environmental assets, particularly native vegetation and riparian areas that impact marine, coastal and wetlands in the Bunurong priority landscape area.

3.6.4 Implementation

To implement the strategic direction, the following planning controls are recommended:

- Retain the Farming Zone
- Revise the Farming Zone minimum lot size schedule to:
  - Minimum lot size for subdivision of 80ha
  - Minimum area for which no permit is required for a dwelling of 40ha
- Introduce Local Policy to guide subdivision and dwelling development to protect land for agriculture
- Expand application of the Vegetation Protection Overlay and Environmental Significance Overlay drawing on mapping from West Gippsland CMA
- Review the boundaries of the Erosion Management Overlay to ensure it reflects current appreciation of areas of risk of erosion and land slips
- Retain the Hilltop, Ridgelines and Prominent Coastal Landform Protection Local Policy.

3.7 Precinct 2 West and south of the Bass Highway

3.7.1 Description

Precinct 2 is used primarily for agriculture including dairy and grazing. The precinct is the gateway to Bass Coast for visitors from Melbourne. It is characterised by a series of small hamlets along the highway separated by farmland and views to Westernport Bay and the ocean. Between settlements the area is relatively sparsely settled with a number of tourism attractions such as the Maru Koala and Animal Park.

Agriculture

Land within the precinct was identified as productive agricultural land. There is a pattern of larger allotments suited for the ongoing use of the land for agriculture.

Landscape values

The Coastal Spaces Landscape Assessment Study provided the following description and directions for the landscape character areas in this precinct:

Westernport Lowlands

The northern half of this Character Area will become increasingly vegetated with local vegetation communities extending from bushland reserves along roadsides and
watercourses into open rural land. In the south, open views will be protected and enhanced and development will be set long distances back from the Bass Highway. The integrity of the coastal edge will be maintained by containing development to existing settlements and restricting built form and structures from visually intruding into natural coastal edges, particularly south of Grantville.

**Bunurong Coast and Hinterland**

The Character Area will continue to be characterised by an open rural hinterland and an undeveloped coastal edge offering outviews to scenic coastal features free of built development. Development in the near-coastal hinterland will be restricted to the settlement of Cape Paterson or set a sufficient distance back from the coast to be nestled in topography and screened from views by landscaping and increased vegetation on the inland side of coastal viewpoints.

An open and uncluttered hinterland offering occasional outviews to the Bass Hills, Mt Liptrap, Mt Hoddle and the Venus Bay dunes will be interspersed with native vegetation corridors. Extensions to existing urban areas will be sensitive to views from key viewing corridors, maintenance of open rural character and protection and enhancement of the wild, natural coastline.

**Anderson Peninsula**

A rural character will dominate the Character Area outside the settlement of San Remo. The edges of this Character Area that are visible from outside the Area (including off shore) will continue to provide a rural backdrop in which development and landscape disturbance is avoided or sited and landscaped in such a way to retain a dominant undeveloped character. The coastal edge will become increasingly vegetated in character and continue to provide extensive scenic viewing opportunities largely free of development. Development will be sited low on inland slopes out of the viewshed from key viewing corridors and settlements.

**Environmental values**

The Bunurong landscape priority area is recognised by the West Gippsland CMA Regional Catchment Strategy as a group of significant assets including biodiversity, coastal, estuary, marine, soil and land and wetlands. Key threats that can be addressed by this Draft RLUS include: altered flow or hydrological regimes, disturbance of potential acid sulphate soils, erosion, recreational use and visitation impacts and urban or industrial development.

**Current planning position**

Land is zoned Farming and an Environmental Significance, Significant Landscape, and Land Subject to Inundation Overlay has been applied to various parts of the area and a Hilltop, Ridgelines and Prominent Coastal Landform Protection Local Policy.

The schedule to the Farming Zone specifies a minimum lot size for subdivision and dwellings of 40ha.

The Bass Coast Rural Based Tourism Development Strategy identified investigation precincts for rural based tourism at Coronet Bay-Corinella, The Gurdies, Anderson and Inverloch-Cape Paterson. The assessment of these areas is detailed in Chapter 4.

**Rural land use observations**

Precinct 2 is the main gateway and thoroughfare in the Shire. It therefore can provide a strong statement of the character and identity of Bass Coast. The Highway carries a significant amount of traffic, particularly during peak holiday periods and associated with major events on Phillip Island.
The main land use in the precinct is farming and is undertaken for a mix of purposes including: tourism, lifestyle and commercial. The allotment sizes and agricultural capability are conducive to agriculture. Established tourism and boutique-type uses are indicative of the attractiveness of the area for tourism.

There are significant landscape and environmental values in the precinct that underpin the areas attractions significant tourism and lifestyle. These values need to be protected, and if alternative uses are permitted to establish, it should be based on a pre-requisite of enhancing these values.

3.7.2 Objectives

The objectives for the Precinct 2 include:

- To foster and encourage agriculture within the precinct
- To value and enhance the landscape values
- To ensure development is compatible with the landscape values and farming land uses in the precinct
- To provide for rural based tourism within appropriate locations
- To protect, restore and enhance the environmental and landscape values.

3.7.3 Strategies

- Prevent subdivision of agricultural land to maintain land in productive parcels
- Avoid housing unrelated to farming
- Implement the findings of the assessment of land for rural based tourism at:
  - Coronet Bay-Corinella
  - The Gurdies
  - Inverloch-Cape Paterson
- Discourage uses not directly related to, or that may have an adverse impact on agriculture and future agricultural opportunities
- Protect the environmental assets of the area, particularly the soils of the Powlett River catchment
- Encourage the enhancement of environmental assets, particularly native vegetation and riparian areas that impact marine, coastal and wetlands in the Bunurong priority landscape area.

3.7.4 Implementation

To implement the strategic direction, the following planning controls are recommended:

- Retain the Farming Zone
- Revise the Farming Zone minimum lot size schedule to:
  - Minimum lot size for subdivision of 80ha
  - Minimum area for which no permit is required for a dwelling of 40ha
- Introduce Local Policy to guide subdivision and dwelling development to protect land for agriculture
- Rezone land from Farming to Rural Activity as proposed at:
  - Coronet Bay – Corinella (Figure 4-1)
  - The Gurdies (Figure 4-2)
- Inverloch-Cape Paterson (Figure 4-3)
  - Expand application of the Vegetation Protection Overlay and Environmental Significance Overlay drawing on mapping from West Gippsland CMA
  - Expand application of the Land Subject to Inundation Overlay drawing on mapping from DSE Future Coasts
  - Introduce a Local Policy for management of Coastal Landscapes as recommended by the Coastal Spaces Landscape Assessment Study, Bass Coast Toolkit
  - Retain the Hilltop, Ridgelines and Prominent Coastal Landform Protection Local Policy.

### 3.8 Phillip Island Precinct

#### 3.8.1 Description

Precinct is located off the Bass Highway and includes the main commercial centre of Cowes and a number of smaller villages providing a mix of permanent residences, holiday accommodation, some retail services, cafes and restaurants.

**Agriculture**

Agricultural quality of the land varies from Class 3 to Class 3a and lot sizes range from less than 2ha up to 180ha. Agriculture has a long history on the Island and in the past supported chicory production, dairy and grazing. Currently, there are a number of horticultural businesses producing flowers and herbs and some large scale grazing properties. There is also land being farmed for lifestyle purposes.

**Landscape values**

The Coastal Spaces Landscape Assessment Study provided the following description and directions for the landscape character areas in this precinct:

**Phillip Island Northern Coast**

The majority of this Character Area will retain open rolling rural character with cultural vegetation patterns associated with rural land uses and a few scattered homesteads and tourism facilities set among landscaped grounds. The settlements will be characterised by indigenous vegetation that extends in corridors between inland reserves and the natural coastal edge. Existing rural breaks between residential developments will be retained and development at the coastal edge will remain subordinate to vegetation and landform to a dominant natural coastal character and reduce distant visibility.

**Phillip Island Southern Coast**

This Character Area will be characterised by contained coastal settlements set amongst indigenous vegetation, separated by extensive open rural landscapes and areas of native vegetation providing a wild and natural character at the coastal edge. Rural breaks between settlements that provide a landscape of undeveloped coastal cliffs and headlands will be strictly maintained, and become increasingly vegetated with appropriate indigenous coastal species. West of Smiths Beach will be an open, undeveloped and increasingly vegetated rural landscape with a scattering of built elements set long distances back from the coast on lower slopes of inland topography and amongst substantial landscaping.

**Environmental values**

The Port Phillip and Westernport Regional Catchment Strategy identifies a number of significant natural assets including native vegetation, coastal, marine and wetland thematic asset classes. Key threats that can be address by this RLUS include: changes to natural water flows, poor water quality, vegetation clearing and urban and industrial development.
Current planning position
Land is mainly zoned Farming, with areas of Rural Activity Zone adjacent to the Grand Prix track and Newhaven.

Environmental Significance, Significant Landscape and Vegetation Protection Overlay have been applied to various parts of the area and a Hilltop, Ridgelines and Prominent Coastal Landform Protection Local Policy.

The schedule to the Farming Zone specifies a minimum lot size for subdivision and dwellings of 40ha.

Then schedule to the Rural Activity Zone specifies a minimum lot size for subdivision of 40ha.

The Bass Coast Rural Based Tourism Development Strategy identified Phillip Island as an investigation precinct for rural based tourism. The assessment of these areas is detailed in Chapter 4.

Rural land use observations
The review has noted in Part 1, Section 6.3, issues of sustainable development Phillip Island - A Masterplan based on an agreed vision is considered important to ensure that future development on Phillip Island appropriately balances tourism, the needs of residents and protection of environmental and landscape values.

3.8.2 Objectives
- To maintain agriculture within the precinct
- Recognise the cultural value of agriculture and the rural farmed landscape
- To value and enhance the landscape values
- To ensure development is compatible with the landscape values and farming land uses in the precinct
- To provide for rural based tourism within appropriate locations
- To protect, restore and enhance the environmental and landscape values.

3.8.3 Strategies
- Prevent subdivision of agricultural land to maintain land in productive parcels and protect the rural landscape
- Avoid housing unrelated to farming
- Implement the findings of the assessment of land for rural based tourism for:
  - Newhaven
  - Cowes
- Discourage uses not directly related to, or that may have an adverse impact on agriculture and the rural farmed landscape
- Protect the environmental assets of the area, particularly the wetlands and coastal areas
- Encourage the enhancement of environmental assets, particularly native vegetation and riparian areas that impact marine, coastal and wetlands.

3.8.4 Implementation
To implement the strategic direction, the following planning controls are recommended:
- Retain the Farming Zone
- Revise the Farming Zone minimum lot size schedule to:
3.8.5 Environmental values

The Environment Sustainability Plan clearly articulates the contribution that planning policy can make towards achieving environmental sustainability in the Bass Coast Shire. The policy statements and tasks contained within the plan should be used as a starting point for incorporating these as objectives and strategies into the scheme.

3.9 Further strategic work

3.9.1 Areas for Rural Activity Zone from submissions

Submissions to the draft Rural Land Use Strategy nominated additional locations for application of the Rural Activity Zone during exhibition of the draft Rural Land Use Strategy. It is recommended that these locations be assessed and considered as part of preparation of the planning scheme amendment arising from this Rural Land Use Strategy. Locations included: Anderson, Bass, Cowes, Ventnor, Corinella, Kerneot as well as land adjacent to or near the proposed Rural Activity Zone at Corinella – Coronet Bay, The Gurdies, Newhaven and Inverloch – Cape Paterson.

3.9.2 Rhyll Inlet Ramsar Wetland

The Rhyll Inlet is a Ramsar listed wetland providing important habitat for migratory wading birds. The inlet is also identified in the Victoria Coastal Inundation Dataset, as an area at risk of inundation due to climate change. It is recommended that Council undertake further investigation to determine if the Rural Conservation Zone is appropriate for land abutting the Rhyll Inlet (Figure 3-2).
3.9.3 Housing and Settlement Strategy

Submissions to the draft Rural Land Use Strategy raised a number of issues and opportunities that would be more appropriately addressed through a Housing and Settlement Strategy. These include:

Historic villages.

There are a number of rural villages across the Shire, some of these exist only as a subdivision and a cluster of houses, others such as Kernot, has a store, CFA shed, hall, church and houses. The land is currently zoned Farming meaning that owners of vacant lots would need to get a permit for a dwelling, which would be difficult to achieve due to the small size of the lots and the need to demonstrate the need for the dwelling for an agricultural purpose. Some submitters wanted land considered for application of the Rural Activity Zone for rural industry and tourism, particularly towns along the Wonthaggi – Nyora railway line.

Future directions for these villages should be considered as part of a Housing and Settlement Strategy for the Shire.

Rural living

The desire to live in a rural location and a lack of land zoned for rural residential purposes was noted by a number of submitters. A supply and demand analysis of land zoned Rural Living, as part of a Housing and Settlement Strategy will establish whether additional land should be identified for this use.

Small rural lots

Across the Shire, there is a substantial supply of small rural lots (less than 1.25 ha). There are ‘legacy’ lots created through excisions, road realignments etc. A number of submitters sought clarification as to how Council would view a permit application for a dwelling on such lots, given the need to demonstrate the need for the dwelling for an agricultural purpose. It is
recommended that Bass Coast undertake further analysis of the number and location of vacant small lots and prepare a local policy to provide clarity on future use and development of small rural lots.

3.9.4 Landscape assessment

The landscape values and amenity of the Shire are consistently recognised as important to the liveability and tourism industry of Bass Coast. Landscape assessment of the coastal areas was completed as part of the Coastal Spaces Landscape Assessment Study. It is recommended that an assessment of the Shire rural areas, not covered by the Coastal Spaces Landscape Assessment Study be undertaken to ensure that important views and landscapes are appropriately protected.

3.9.5 Extractive industries

Quarrying and extractive industries is an important local industry with the sand resources around Grantville and Nyora of state significance. The Bass Coast Planning Scheme supports development of the industry. It was noted in part 1 of this Strategy that there is no policy guidance for management of spoil, site rehabilitation and landscape impact. Community concern was expressed during exhibition of draft Strategy as to the impacts of extractive industries. It is recommended that a local policy be prepared to provide guidance on development of extractive industries including consideration of site rehabilitation, management of spoil, dust and noise mitigation and landscape impacts.
4 Rural tourism precincts investigation

4.1 Background

The Rural Tourism Development Strategy recommended that tourism development in rural areas be facilitated by rezoning appropriate land to Rural Activity Zone within a number of identified Rural Tourism Investigation Precincts. The report notes:

“It is not envisaged that all land within the Rural Tourism Investigation Precincts would be rezoned to Rural Activity Zone to support tourism uses. The precincts have been identified to guide the location of future tourism development in rural areas in order to protect productive agricultural land and provide synergies with existing tourism product and infrastructure.”

This section of the report details the approach and findings of the assessment of the Rural Tourism Investigation Precincts.

4.2 Approach

The assessment Bass Coast's rural land to identify land suitable for application of the Rural Activity Zone, was guided by the findings of the:

- Review of state and regional tourism strategies
- Rural Tourism Development Strategy
- Rural Activity Zone purpose and objectives
- Rural Planning Practice note: Applying the rural zones.

Review of state and regional tourism strategies

State and regional tourism strategies provide strong support for tourism in Bass Coast and provides the following specific directions:

- Accommodation integrated with conference and meeting facilities and high quality accommodation linked to Phillip Island’s key attractions
- Upgrade of the Phillip Island Nature Park
- Realise the Sydney-Melbourne Coastal Drive
- Inclusion of Phillip Island and Inverloch in the Villages on Victoria campaign
- Nature-based tourism on Phillip Island
- Nyora to Wonthaggi Rail Trail is a medium priority in the Victoria Trails Strategy
- Cowes-Stony Point Passenger-Car Ferry project.

Bass Coast Shire Rural Tourism Development Strategy

The strategy identified five Tourism Investigation Precincts, and recommended using the following principles to identify land within the precincts for rezoning to Rural Activity Zone.

- Impact on agriculture
  - Avoids high quality agricultural land except where significant fragmentation into smaller allotments has already occurred
  - Minimises impact on agricultural production by focusing on areas of low to moderate agricultural quality and/or areas where lot fragmentation has already occurred
- Relationship to existing tourism product strengths
− Is in close proximity to existing tourism product and infrastructure nodes or in a location which exhibits tourism development potential: i.e.: undeveloped high quality natural attractions
− Is in an area exhibiting existing tourist visitation and opportunity for increased tourism activity through further tourism product development

- Site attributes
  - Provides an attractive setting, either rural or coastal, and provides the opportunity for tourism development to capture significant rural or coastal views and vistas
  - Should be elevated more than 5 metres above sea level with preference to areas that are not subject to predictable adverse environmental processes and effects including storm surges, river and coastal flooding or landslip

- Access
  - Is easily accessible to or located along a major road, highway or touring route

- Environmental impact
  - Avoids impact on predictable adverse environmental processes and effects including storm surges, river and coastal flooding, erosion, landslip, salinity, sea level rise, disturbance of acid sulphate soils, wildfire or geotechnical risk

Rural Tourism Investigation Precincts were identified at:
- Coronet Bay – Corinella
- The Gurdies
- Inverloch – Cape Paterson
- Phillip Island
- Anderson.

Rural Activity Zone definition

The stated purposes of the Rural Activity Zone as set out in the Victoria Planning Provisions are:
- 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.

Planning Practice Note: Applying the rural zones

The Planning Practice Note: Applying the rural zones (2006), notes that the Rural Activity Zone is designed to be applied to areas where:
- Farming is a primary 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 in the area, assist in preventing the unplanned loss of productive agricultural land elsewhere, or allow 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.

Possible Rural Activity Zone areas include:

- An existing mixed use rural area where the mix of uses complements the agricultural, environmental and landscape values of the area and supports 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 use and complementary rural industry, agribusiness uses, and rural research facilities are encouraged
- Areas where use and development needs to be strictly controlled so that potential land use conflicts can be avoided.

In deciding to apply the RAZ 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.

4.3 Assessment of the Rural Tourism Investigation Precincts

The assessment of the Rural Tourism Investigation areas was undertaken in two steps.

- A desktop analysis of land attributes (agricultural quality and slope)
- Ground survey of the precincts.

The outcomes of the assessment are documented here.

4.4 Coronet Bay – Corinella

Description

The Coronet Bay – Corinella Tourism Investigation Precinct is located off the Bass Highway, the main gateway to the Shire from Melbourne. The precinct is at the “gateway” to the Shire for visitors from Melbourne and includes the two small settlements of Coronet Bay and Corinella providing basic services. The land is gently undulating and is mostly cleared. Dwellings in these towns are generally a mix of modest permanent and holiday homes. Land use is predominantly grazing. A thoroughbred horse training complex and Westernport Water wastewater management facility are located within the precinct.
Agriculture

The land topography is flat to undulating. Lots range in size from as small as 3ha up to 70 ha that may provide for a mix of agriculture and associated tourism. The agricultural quality of land is mainly Class 3 and is used primarily for grazing and beef production. The main land use is grazing and a thoroughbred horse training complex is located within the precinct.

Existing tourism products

The French Island - Corinella ferry / vehicle barge operates from Corinella foreshore jetty for passengers across the bay with or without your car, to visit French Island and Elizabeth Island. Corinella also has a caravan Park, boating facilities including launching ramp and jetty and a number of walking trails.

The precinct provides a rural and coastal setting with an outlook over Westernport Bay. There are opportunities for tourism development linked to agriculture and the rural landscape.

Current policy position

Land in the precinct is zoned Farming. The Structure Plan for Coronet Bay and Corinella provides a clear boundary to both settlements and opportunities for future growth, walking trails and pedestrian linkages. A Significant Landscape Overlay applies to the foreshore and a Heritage Overlay to land between Guy Road and the foreshore.

Issues

Safe ingress and egress from the Bass Highway to the precinct will be important as the Bass highway carries a significant amount or traffic particularly during peak seasons and associated with major events on Phillip Island.

The character of the precinct is currently of modest seaside villages and a surrounding pastoral landscape. The amount, siting and scale of development need to be carefully managed to preserve the character and landscape.

Any future tourism development should ensure that the future operation of the wastewater treatment facility and horse training complex are not compromised.

Directions

The Rural Tourism Development Strategy articulated the following direction for the Coronet Bay – Corinella Rural Tourism Investigation Precinct:

The two townships of Corinella and Coronet Bay are predominantly holiday home and boating destinations. The land identified as a tourism development precinct could be utilised for a caravan park, camping facility or outdoor education/recreation facility.

As a caravan park is currently located in Corinella, careful consideration would need to be given to development of another park in the precinct.
### Evaluation for Rural Activity Zone

Assessment of the precinct against the criteria for allocation of the Rural Activity Zone shows there is strong support for rezoning to RAZ to provide for rural based tourism.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Comment</th>
<th>Support for RAZ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avoids high quality agricultural land except where significant fragmentation into smaller allotments has already occurred.</td>
<td>Land is of moderate agricultural quality. Some fragmentation of land.</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Minimises impact on agricultural production by focusing on areas of low to moderate agricultural quality and/or areas where lot fragmentation has already occurred</td>
<td>Land is of moderate agricultural quality. Some fragmentation of land. Avoid adverse impacts on existing horse training facility</td>
<td>✓✓</td>
</tr>
<tr>
<td>Is in close proximity to existing tourism product and infrastructure nodes or in a location which exhibits tourism development potential: i.e.: undeveloped high quality natural attractions.</td>
<td>Caravan Park and boating facilities in Coronet Bay and Corinella. Other tourism facilities are located nearby along the Bass Highway and the area is a 15 minute drive to Phillip Island and the Bunurong Coast Drive.</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Is in an area exhibiting existing tourist visitation and opportunity for increased tourism activity through further tourism product development.</td>
<td>Family holiday, boating and fishing destination.</td>
<td>✓✓</td>
</tr>
<tr>
<td>Provides an attractive setting, either rural or coastal, and provides the opportunity for tourism development to capture significant rural or coastal views and vistas.</td>
<td>Has an attractive coastal and rural setting with significant views across Westernport Bay and back to the Bass Hills</td>
<td>✓</td>
</tr>
<tr>
<td>Should be elevated more than 5 metres above sea level with preference to areas that are not subject to predictable adverse environmental processes and effects including storm surges, river and coastal flooding or landslip.</td>
<td>Avoid areas at risk from predicted 2100 sea level rise and storm surge</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Is easily accessible to or located along a major road, highway or touring route.</td>
<td>Is located just off the Bass Highway</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Avoids impact on predictable adverse environmental processes and effects including storm surges, river and coastal flooding, erosion, landslip, salinity, sea level rise, disturbance of acid sulphate soils, wildfire or geotechnical risk.</td>
<td>Modeled areas for coastal inundation and storm surge have been considered. CAS will need to be assessed prior to development.</td>
<td>✓✓</td>
</tr>
</tbody>
</table>

* ✓ - little support for RAZ; ✓ ✓ - moderate support for RAZ; ✓ ✓ ✓ - strong support for RAZ

The boundaries of the area recommended for RAZ were informed by the need to:
- Avoid areas where commercial agriculture is still a key land use
- Ensure links between existing townships and tourism products.
Conclusions and recommendations

1. That the Rural Activity Zone be applied to land within the Coronet Bay – Corinella Tourism Investigation Precinct to provide for a mix of agriculture and rural based tourism

2. That the schedule to the Rural Activity Zone specify a minimum lot size of 40ha to discourage further subdivision and maintain the current lot density

3. That the rezoning of land to Rural Activity Zone be accompanied by planning controls to achieve the following objectives:
   - To enhance environmental values increase indigenous vegetation
   - To achieve net gain outcomes
   - To retain the dominance of the undulating pastoral landscape and coastal views
   - To ensure development is ‘tucked into’ the landform, and not visually dominant of ridges and hilltops, particularly from key viewing locations
   - To improve the outlook from main corridors by minimising the visibility of buildings and structures. Large buildings should be avoided
   - To maintain the dominance of the natural landscape from main road corridors outside townships
   - To maintain the green break between Coronet Bay and Corinella
   - To ensure development is small scale with a rural / coastal appearance to complement the character of Coronet Bay and Corinella and reflecting the limited services available in the area
   - To ensure that any development is compatible with the existing overlay controls, particularly the Wildfire Management Overlay, Significant Landscape Overlay and minimises conflict with adjoining land uses such as the wastewater treatment plant and horse training complex

4. That the types of tourism development to be supported in this area include:
   - Accommodation such as farm stays, host farms
   - Tourism facilities in association with or that complement agriculture e.g. wine tasting, farm gate sales

5. That given the small scale and predominantly agricultural use of the land in the area, tourism uses should also be of small scale such as farm stays, bed and breakfasts. Larger scale uses that should be avoided include caravan parks, convenience shops and residential hotels. Uses that would not be supported include:
   - Convenience shop
   - Equestrian supplies
   - Motor racing track
   - Hotel
   - Landscape gardening supplies
   - Store, tavern and similar uses
   - Intensive animal husbandry, cattle feedlot
   - Residential hotel
   - Service station.
4.5 The Gurdies

Description

The Gurdies is located just off the Bass Highway in the northern part of the Shire. The precinct is at the “gateway” to the Shire for visitors from Melbourne. There is no township or associated services. The topography of the land is undulating to steeply undulating with some land heavily vegetated. There is not township and associated services in the precinct.

Agriculture

Lot sizes range from 1 ha to 20 ha and the agricultural quality of the land is a mix of Class 3 and Class 4 and is used for viticulture and grazing.

Existing tourism product

The existing tourism product includes a winery / cellar door and bed and breakfast. The location of the precinct on the Bass Highway provides an opportunity for tourism development that builds visitors passing through the precinct to Phillip Island and beyond.

Current policy position

The Structure Plan for the Gurdies provides a clear boundary for the settlement and recommends that a number of small lots within the settlement boundary currently zoned Farming is rezoned to Rural Activity. A Wildfire Management Overlay applies to the area.

Issues

Safe ingress and egress from the Bass Highway to the precinct will be important as the Bass highway carries a significant amount or traffic particularly during peak seasons and associated with major events on Phillip Island.

Directions

The Rural Tourism Development Strategy articulated the following direction for The Gurdies Rural Tourism Investigation Precinct:

*It is envisaged that the precinct would be suited to a high quality boutique accommodation and restaurant/café linked to cellar doors and winery and other food produce. There is opportunity for a nature based focused tourism development with the State Park in close proximity.*

The assessment of land within the precinct support these directions for tourism development.
Evaluation for Rural Activity Zone

Assessment of the precinct against the criteria for allocation of the Rural Activity Zone shows there is strong support for rezoning to RAZ to provide for rural based tourism.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Comment</th>
<th>Support for RAZ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avoids high quality agricultural land except where significant fragmentation into smaller allotments has already occurred.</td>
<td>Land is of Class 3 and Class 4 agricultural quality. The area is mainly fragmented with small lots and dwellings.</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Minimises impact on agricultural production by focusing on areas of low to moderate agricultural quality and/or areas where lot fragmentation has already occurred.</td>
<td>Land is of Class 3 and Class 4 agricultural quality. Some fragmentation of land. Avoid adverse impacts on existing viticulture.</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Is in close proximity to existing tourism product and infrastructure nodes or in a location which exhibits tourism development potential:</td>
<td>Cellar door and accommodation. Other tourism facilities are located nearby along the Bass Highway and the area is a 20 minute drive to Phillip Island and the Bunurong Coast Drive.</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Is in an area exhibiting existing tourist visitation and opportunity for increased tourism activity through further tourism product development.</td>
<td>Visitation is mainly to existing viticulture cellar door and accommodation.</td>
<td>✓✓</td>
</tr>
<tr>
<td>Provides an attractive setting, either rural or coastal, and provides the opportunity for tourism development to capture significant rural or coastal views and vistas.</td>
<td>Has an attractive rural setting with significant views across Westernport Bay.</td>
<td>✓✓</td>
</tr>
<tr>
<td>Should be elevated more than 5 metres above sea level with preference to areas that are not subject to predictable adverse environmental processes and effects including storm surges, river and coastal flooding or landslip.</td>
<td>Avoid areas at risk from predicted 2100 sea level rise and storm surge</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Is easily accessible to or located along a major road, highway or touring route.</td>
<td>Is located just off the Bass Highway</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Avoids impact on predictable adverse environmental processes and effects including storm surges, river and coastal flooding, erosion, landslip, salinity, sea level rise, disturbance of acid sulphate soils, wildfire or geotechnical risk.</td>
<td>Modeled areas for coastal inundation and storm surge have been considered. CAS will need to be assessed prior to development.</td>
<td>✓✓</td>
</tr>
</tbody>
</table>
Conclusions and recommendations

1. That the Rural Activity Zone be applied to land within The Gurdies Tourism Investigation Precinct to provide for a mix of agriculture and rural based tourism

2. That the schedule to the Rural Activity Zone set a minimum subdivision size of 40ha to discourage further subdivision and maintain the current lot density

3. That the rezoning of land to Rural Activity Zone be accompanied by planning controls to achieve the following objectives:
   - To enhance environmental values
   - To achieve net gain outcomes
   - To retain the dominance of the undulating pastoral landscape and coastal views
   - To ensure development is ‘tucked into’ the landform, and not visually dominant of ridges and hilltops, particularly from key viewing locations
   - To improve the outlook from main corridors by minimising the visibility of buildings and structures. Large buildings should be avoided
   - To maintain the dominance of the natural landscape from main road corridors outside townships
   - To ensure development is small scale with a rural / coastal appearance to complement the character of The Gurdies and reflecting the limited services available in the area
   - To ensure that any development is compatible with the existing overlay controls, particularly the Wildfire Management Overlay, Significant Landscape Overlay and minimises conflict with adjoining land uses such as the established viticulture

4. That the types of tourism development to be supported in this area include:
   - Accommodation such as farm stays, host farms
   - Tourism facilities in association with or that complement agriculture e.g. wine tasting, farm gate sales

5. That given the small scale and predominantly agricultural use of the land in the area, tourism uses should also be of small scale such as farm stays, bed and breakfasts. Larger scale uses that should be avoided include caravan parks, convenience shops and residential hotels. Uses that would not be supported include:
   - Convenience shop
   - Equestrian supplies
   - Motor racing track
   - Hotel
   - Landscape gardening supplies
   - Store, tavern and similar uses
   - Intensive animal husbandry, cattle feedlot
   - Residential hotel
   - Service station.
The boundaries of the area recommended for RAZ were informed by the need to:
- Avoid areas where commercial agriculture is still a key land use
- Ensure links between existing townships and tourism products.
4.6 Inverloch-Cape Paterson

Description

The Inverloch-Cape Paterson Tourism Investigation Precinct is located between Inverloch and Cape Paterson on the Bunurong Coastal Route and on the Sydney-Melbourne Coastal Drive. The precinct has gently undulating topography, open farmed landscape and significant coastal views.

Agriculture

The agricultural quality of the land is Class 3a - very good dairying and grazing land and lot sizes range from 1ha through over 200ha. The main land use is currently grazing.

Existing tourism product

The RACV Inverloch Resort is located within the precinct providing a range of accommodation options from motel style rooms, luxury villas and a caravan park. Any tourism development should complement this existing facility.

Inverloch offers a range of accommodation (caravan parks, apartments, holiday homes, motels) and retail options as well as opportunities for water sports, bushwalking and walking as well as a range of cafes and restaurants. Cape Paterson, by comparison, has more of a family, beachside holiday hamlet feel. There are limited retail options, a caravan park and other accommodation is primarily holiday homes.

Current policy position

Land is currently zoned Farming and a Significant Landscape Overlay applies to land along the foreshore that is considered to be landscape of regional significance\(^1\). The structure plan for Inverloch provides a clear boundary to the settlement.

Issues

The precinct has significant landscape values with long views along the coast. The amount and scale of development needs to be carefully managed to preserve the landscape. Development should be focused in areas where there will be minimal impact on the landscape.

A significant wastewater management facility, managed by South Gippsland Water, is located west of Inverloch. It will be important to ensure that future development does not impact the ongoing operation of the facility.

Directions

The Rural Tourism Development Strategy articulated the following direction for Inverloch-Cape Paterson Rural Tourism Investigation Precinct:

*The precinct offers a high quality coastal environment suited to a range of large accommodation, recreation activities such as trail rides and golf course. It is envisaged that the precinct would have high demand from developers, however the focus should be tourism development only, residential development should be directed within the townships.*

The assessment of land supports tourism development in the precinct. However, given that large, resort style accommodation is already available within the precinct, further large scale development will need to be carefully considered.

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\(^1\) Coastal Spaces Landscape Assessment Study (2006) Municipal Toolkit
## Evaluation for Rural Activity Zone

Assessment of the precinct against the criteria for allocation of the Rural Activity Zone shows there is strong support for rezoning to RAZ to provide for rural based tourism.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Comment</th>
<th>Support for RAZ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avoids high quality agricultural land except where significant fragmentation into smaller allotments has already occurred.</td>
<td>Class 3a agricultural quality land and some larger lots.</td>
<td>✓✓</td>
</tr>
<tr>
<td>Minimises impact on agricultural production by focusing on areas of low to moderate agricultural quality and/or areas where lot fragmentation has already occurred</td>
<td>Class 3a agricultural quality land and some larger lots. Uses should be of a scale and type to minimise impacts on adjoining uses.</td>
<td>✓✓</td>
</tr>
<tr>
<td>Is in close proximity to existing tourism product and infrastructure nodes or in a location which exhibits tourism development potential: i.e.: undeveloped high quality natural attractions.</td>
<td>Between Inverloch and Cape Paterson and adjacent to the Inverloch RACV Resort.</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Is in an area exhibiting existing tourist visitation and opportunity for increased tourism activity through further tourism product development.</td>
<td>Inverloch has experienced significant growth in tourism visitation.</td>
<td>✓✓</td>
</tr>
<tr>
<td>Provides an attractive setting, either rural or coastal, and provides the opportunity for tourism development to capture significant rural or coastal views and vistas.</td>
<td>Adjacent to the Bunurong Coast and has significant coastal and rural views.</td>
<td>✓✓</td>
</tr>
<tr>
<td>Should be elevated more than 5 metres above sea level with preference to areas that are not subject to predictable adverse environmental processes and effects including storm surges, river and coastal flooding or landslip.</td>
<td>Future Coasts mapping indicates some localised risk of inundation and development should be avoided in these areas.</td>
<td>✓✓</td>
</tr>
<tr>
<td>Is easily accessible to or located along a major road, highway or touring route.</td>
<td>Located on the Bunurong Touring Route and a deviation from the Sydney-Melbourne Coastal Touring Route.</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Avoids impact on predictable adverse environmental processes and effects including storm surges, river and coastal flooding, erosion, landslip, salinity, sea level rise, disturbance of acid sulphate soils, wildfire or geotechnical risk.</td>
<td>Modeled areas for coastal inundation and storm surge have been considered. CAS will need to be assessed prior to development.</td>
<td>✓✓</td>
</tr>
</tbody>
</table>
Conclusions and Recommendations

1. That the Rural Activity Zone be applied to land within the Inverloch-Cape Paterson Tourism Investigation Precinct to provide for a mix of agriculture and rural based tourism.

2. That the schedule to Rural Activity Zone specify a minimum lot size of 260ha to discourage further subdivision and maintain the current lot density.

3. That the rezoning of land to Rural Activity Zone be accompanied by planning controls to achieve the following objectives:
   - To enhance environmental values
   - To achieve net gain outcomes
   - To retain the dominance of the undulating pastoral landscape and coastal views
   - To ensure development is ‘tucked into’ the landform, and not visually dominant of ridges and hilltops, particularly from key viewing locations
   - To improve the outlook from main corridors by minimising the visibility of buildings and structures. Large buildings should be avoided.
   - To maintain the dominance of the natural landscape from main road corridors outside townships.
   - To ensure development is small scale with a rural / coastal appearance to complement the character of the precinct.
   - To ensure that any development is compatible with the existing overlay controls, particularly Significant Landscape Overlay and minimises conflict with adjoining land uses.

4. That the schedule to the Rural Activity Zones.

5. That the types of tourism development to be supported in this area include:
   - Accommodation such as farm stays, host farms, larger scale accommodation
   - Tourism facilities in association with or that complement agriculture e.g. wine tasting, farm gate sales
   - Recreation activities such as trail rides, golf courses

6. That the types of uses that would not be supported include:
   - Caravan parks
   - Convenience shop
   - Equestrian supplies
   - Motor racing track
   - Hotel
   - Landscape gardening supplies
   - Store, tavern and similar uses
   - Intensive animal husbandry, cattle feedlot
   - Residential hotel
   - Service station.
Figure 4-3  Inverloch-Cape Paterson proposed Rural Activity Zone

The boundaries of the area recommended for RAZ were informed by the need to:

- Avoid areas where commercial agriculture is still a key land use
- Ensure links between existing townships and tourism products.
4.7 Phillip Island

Description

It is located off the Bass Highway and includes the main commercial centre of Cowes and a number of smaller villages providing a mix of permanent residences, holiday accommodation, some retail services, cafes and restaurants.

Agriculture

Agricultural quality of the land varies from Class 3 to Class 3a and lot sizes range from less than 2 ha up to 180 ha. Agriculture has a long history on the Island and in the past supported chicory production, dairy and grazing. Currently, there are a number of horticultural businesses producing flowers and herbs and some large scale grazing properties.

Existing tourism product

Phillip Island has a long history of tourism based around family beach holidays and the Penguin Parade. Now, it is one of Australia’s top tourism destinations and attracts over one million visitors annually to the Island. Tourism attractions include the Phillip Island Nature Park, Grand Prix Track and beaches.

There is a substantial supply of accommodation and options include caravan parks, bed and breakfast, apartments, motels and hostels. Some of this stock is old and would benefit from rejuvenation. An identified gap in the accommodation market is high end quality accommodation for international visitors.

Issues

Phillip Island’s main tourism attractions are the subject of National and State tourism strategies and marketing. These provide strong direction for tourism on the Island. However, there is not a clearly articulated long term vision for Phillip Island to assist in balancing the needs of potentially competing interests: tourism, residents, other industry including agriculture and the environment.

In the absence of such as vision and agreed strategies for its achievement, additional development has the potential to have negative impacts on environmental values, amenity and livability on the Island. Future development must be carefully planned and having regard to the Island’s ecological and sustainable capacity limits. It is considered important to establish a threshold for population and development beyond which there are irreversible and negative impacts on the island.

Future investment should focus mainly on increasing the return from existing product through replacement and rejuvenation of existing infrastructure or investment that value-adds to existing infrastructure (e.g. car ferry between Phillip Island and Mornington Peninsula).

Traffic on the Island and the Bass Highway can become gridlocked during major events and peak holiday seasons. This unpleasant for visitors, inconvenient for residents and businesses and could present a significant safety hazard. While the Cowes-Stony Point car ferry will provide another options for entering and leaving the Island, it will not be a solution to the traffic loads. Other transport options need to be considered for movement of visitors on to and around the Island, such as ‘park and ride’ or ‘park and cycle.’
Directions

The structure plan for Newhaven identified Farming Zone land for rezoning to Rural Activity on Phillip Island Road.

The Rural Tourism Development Strategy articulated the following direction for the Phillip Island Tourism Investigation Precinct:

_The Tourism Development Precinct could support a range of uses including resort, conference centre development, farm gate and local produce sales, recreation, tours and activities businesses._

The assessment of land within the precinct support these directions for tourism development.

Evaluation for Rural Activity Zone

Assessment of the precinct against the criteria for allocation of the Rural Activity Zone shows there is strong support for rezoning to RAZ to provide for rural based tourism.

<table>
<thead>
<tr>
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<th>Comment</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Avoids high quality agricultural land except where significant fragmentation into smaller allotments has already occurred.</td>
<td>Land is of moderate agricultural quality. Some fragmentation of land.</td>
<td>✓✓</td>
</tr>
<tr>
<td>Minimises impact on agricultural production by focusing on areas of low to moderate agricultural quality and/or areas where lot fragmentation has already occurred</td>
<td>Land is of moderate agricultural quality. Some fragmentation of land.</td>
<td>✓✓</td>
</tr>
<tr>
<td>Is in close proximity to existing tourism product and infrastructure nodes or in a location which exhibits tourism development potential: i.e.: undeveloped high quality natural attractions.</td>
<td>Significant tourism attractions are located on Phillip Island</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Is in an area exhibiting existing tourist visitation and opportunity for increased tourism activity through further tourism product development.</td>
<td>Family holiday, boating and fishing destination.</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Provides an attractive setting, either rural or coastal, and provides the opportunity for tourism development to capture significant rural or coastal views and vistas.</td>
<td>Has an attractive coastal and rural setting with significant views across Westernport Bay and back to the Bass Hills</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Should be elevated more than 5 metres above sea level with preference to areas that are not subject to predictable adverse environmental processes and effects including storm surges, river and coastal flooding or landslip.</td>
<td>Future Coasts mapping indicates some localised risk of inundation and development should be avoided in these areas.</td>
<td>✓✓</td>
</tr>
<tr>
<td>Is easily accessible to or located along a major road, highway or touring route.</td>
<td>Is located just off the Bass Highway</td>
<td>✓✓✓</td>
</tr>
<tr>
<td>Avoids impact on predictable adverse environmental processes and effects including storm surges, river and coastal flooding, erosion, landslip, salinity, sea level rise, disturbance of acid sulphate soils, wildfire or geotechnical risk.</td>
<td>Modeled areas for coastal inundation and storm surge have been considered. CAS will need to be assessed prior to development.</td>
<td>✓✓</td>
</tr>
</tbody>
</table>
Conclusions and recommendations

1. That the Rural Activity Zone be applied to land within the Phillip Island Tourism Investigation Precinct to provide for a mix of agriculture and rural based tourism

2. That a schedule to the Rural Activity Zone specify a minimum lot size for subdivision in the Newhaven RAZ of 40ha

3. That the rezoning of land to Rural Activity Zone be accompanied by planning controls to achieve the following objectives:
   - Monitor cumulative impacts of new tourism development
   - Promote development based on Ecological Sustainable Development principles
   - Promotes development that is consistent with the directions of the Victorian Coastal Strategy, Coastal Landscape Assessment Study and Integrated Coastal Planning for Gippsland - Coastal Action Plan
   - Preserves and enhances coastal values and landscapes
   - Protects the rural farmed landscapes and long views
   - Maintains green breaks between towns
   - Provides and maintains buffers between important environmental assets, urban settlement and tourism facilities
   - Considers infrastructure and service provision
   - Enhance environmental values
   - To achieve net gain outcomes
   - To retain the dominance of the undulating pastoral landscape and coastal views
   - To ensure development is ‘tucked into’ the landform, and not visually dominant of ridges and hilltops, particularly from key viewing locations
   - To improve the outlook from main corridors by minimising the visibility of buildings and structures. Large buildings should be avoided
   - To maintain the dominance of the natural landscape from main road corridors outside townships
   - To ensure development is small scale with a rural / coastal appearance to complement the character of the precinct
   - To ensure that any development is compatible with the existing overlay controls, particularly Significant Landscape Overlay and minimises conflict with adjoining land uses

4. That the types of tourism development to be supported in this area include:
   - Accommodation such as farm stays, host farms, larger scale accommodation
   - Tourism facilities in association with or that complement agriculture e.g. wine tasting, farm gate sales
   - Nature based activities

5. That the types of uses that would not be supported include:
   - Caravan parks
   - Convenience shop
   - Equestrian supplies
   - Motor racing track
   - Hotel
- Landscape gardening supplies
- Store, tavern and similar uses
- Intensive animal husbandry, cattle feedlot
- Residential hotel
- Service stations.

Figure 4-4 Proposed Newhaven Rural Activity Zone
4.8 Anderson

Anderson is located on the Bass Highway at the Junction with the Phillip Island road. There is some grazing within the precinct and the agricultural quality of the land Class 2 and Class 3. Lots range in size from less than 1 ha up to 20 ha.

The main feature of the area is a major intersection carrying large amounts of traffic. A new link road connecting the Bass Highway and Phillip Island Road, separating the Phillip Island and Wonthaggi-bound traffic, is currently under construction and should reduce traffic volumes and congestion in Anderson. There is a car park and bus stop and for V-line bus passengers and users of the Bass Coast Rail Trail. A trash and treasure business is located on the Bass Highway.

Conclusions and recommendations

While the Rural Tourism Development Strategy recommended this area as a Tourism Investigation Precinct, this review found that the amount of traffic through the precinct and the locations importance as a major traffic intersection makes it unsuited to rural based tourism.