



Campaspe Settlement Strategy

Strategic Evaluation Report



December 2015

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Executive Summary

The purpose of this document is to establish the strategic principles and the recommended policy actions under which a rural and town settlement strategy can be implemented in the Shire of Campaspe.

The key components of a settlement strategy have been considered in internal reviews at Campaspe Shire to be a priority project for advancement of the Shire's strategic land use planning.

Campaspe's settlement strategy will focus principally on land use planning and appropriate changes to planning policy and regulation that can be implemented through the Campaspe Planning Scheme.

Minister's Direction No. 11 and Planning Practice Note No.46 (Strategic Assessment Guidelines) require a planning authority to evaluate and discuss how a planning scheme amendment addresses the strategic considerations associated with the amendment.

The Campaspe Settlement Strategy provides key directions for all identifiable towns and settlements in the Shire.

Developing an effective strategy for the Shire's small towns is a challenge given the demographic and population retention threats many of them are facing. The strategy seeks to provide a more cohesive direction in terms of long term planning for these varied settlements.

For Campaspe's smaller towns the case for additional zoned land to accommodate growth cannot be substantiated on the basis of strict application of the 15 year land supply benchmark. A further rationale is needed for town re-generation if that is considered desirable. The Shire of Campaspe believes it is.

A critical assumption in this strategy is that small towns, as well as the larger centres, are entitled to continue to contribute to the economic fabric of the municipality and that positive actions are needed to retain small town life as an integral component of the community. The challenge is heightened by the ageing profile of small towns placing additional demands upon services.

At the local level our towns and settlements need to continue to sustain economic activity if the pressures of projected demographic change are to fall equitably on the population and all residents given the same opportunity to share in Australia's wealth.

From the perspective of developing a settlement strategy in Campaspe Shire an understanding of national trends in population and the economy are worthy of attention.

Australians will live longer and continue to have one of the longest life expectancies in the world. The number of Australians aged 65 and over is projected to more than double by 2055

compared with today. These changes will require adjustments to our policy settings and the measures put forward by successive governments to meet community demands and expectations. Over the next 40 years, the proportion of the population participating in the labour force is expected to decline as our community ages. By 2054-55, the participation rate for Australians aged over 15 years is projected to fall to 62.4 per cent, compared to 64.6 per cent in 2014-15. A lower proportion of Australians working will mean lower economic growth over the projection period.

The agricultural industry is a significant contributor to the regional and national economy and of particular significance to Campaspe Shire.

Taken together agriculture and food and fibre production in the Loddon Mallee Region accounts for about a third of all economic activity. In terms of regional exports by industry agriculture and manufacturing taken together are dominant in the region comprising a total value of \$4.241 billion or 64% of total value. Gross Regional Product (GRP) for the region is about \$14 billion of which about 12% is contributed by Campaspe Shire (\$1.6 billion).

Agricultural production and its associated processing and servicing industry remain Campaspe Shire's single largest area of economic output and source of local jobs. Given the trade exposed nature of the local economy and the impact particularly of commodity prices key economic parameters in Campaspe are more subject to national and global influences than many other municipalities.

This analysis reinforces the position that flexibility in the use and extent of farming land is very important and this must be supported by planning policy. Rather than achieving net economic benefit to Campaspe Shire there is a considerable risk that continued urban intrusion will impact negatively on the costs associated with farming and by extension the future of Campaspe's rural areas.

Whilst the smaller towns do have considerable unused land capacity low levels of volume in terms of new development and difficulties associated with ease of access, locational appeal and market returns on land development all conspire to inhibit the potential growth of small townships and limit the capacity to arrest population decline.

Although a package of initiatives will be required to tackle diminishing population and long term withdrawal of services, the zoning system does create a degree of opportunity through market signalling and variation of expectations.

Rural living or rural lifestyle development offers a degree of opportunity. In Campaspe's existing rural living areas the data shows that households tend to have higher than average incomes; more families with children; a higher share of managers and professionals, and a higher labour force participation rate.

Over the period 2010 to 2013, rural living lots accounted for 24% of all residential sales in Campaspe, which is significantly above the average for regional Victoria of 15%. This situation illustrates the importance of the rural lifestyle market in Campaspe Shire.

The majority of existing RLZ land is situated in the southern part of the municipality around Rushworth and isolated areas between Rushworth and Toolleen. As only a limited supply of rural living land and lots are available for development in the Kyabram area, potential exists for additional zoning in this locality and in the central part of the Shire generally.

It is evident that the growth of investment and employment in Campaspe's towns has a higher multiplier effect through the broader economy than more sporadic, dispersed investment.

New investment activity should be sustainable both from an environmental and economic perspective. In this regard residential development in rural communities should not prejudice an existing important industry (agriculture) by imposing externalities which unduly raise cost levels in that industry. A reduction in the stock of available productive agricultural land resulting from the unfettered expansion of housing in rural areas would be counter-productive economically.

Campaspe Shire benefits from the proximity of its smaller townships and rural settlements to the major regional centres in terms of the range of employment opportunities provided in the larger centres. Given this there is potential for greater commuting to these bigger centres to help sustain smaller communities.

A greater capacity to absorb growth and achieve higher net community benefit will primarily be delivered in the larger towns. However, the social benefits of maintaining vibrant and strong small communities in the rural areas should not be under-valued. In this regard planning ought to be seen as a proactive force.

In general terms the Campaspe Settlement Strategy seeks to:

- *Encourage new development in settlements and locations which are supported by existing and functional community services and infrastructure;*
- *Ensure that new housing development in small towns responds to demographic changes that are impacting on those towns;*
- *Maximise diversity and choice in housing development opportunities;*
- *Ensure urban development in settlements strengthens the economic base on which these towns rely;*
- *Facilitate appropriate economic development in areas of the Shire that offer tourist, recreational or environmental attraction for investment;*
- *Protect land required for agricultural investment and activity;*
- *Ensure that wherever possible zoning for settlement reflects a capacity provide a range of services to the community and protects the amenity of residents and visitors;*
- *Provide protection to water supply catchments and irrigation districts by ensuring effective wastewater management systems are in place for new development, and*
- *Provide residential development in settlements only where the threat to people and property through flood or fire is minimised.*

1.0 Purpose of Strategy

The purpose of this document is to establish the strategic principles and the recommended policy actions under which a settlement strategy can be implemented in the Shire of Campaspe.

In order to reinforce this intent a number of disparate strategic elements have been brought together to achieve a consistent, workable approach to settlement policy in the Shire. The integrated settlement strategy will incorporate various initiatives pursued under the banner of rural land use planning and town structure planning including the key findings and strategic approach adopted by Council in the Rural Living Strategy 2015 (RLS) and the statutory system reviews of the Campaspe Planning Scheme (CPS), the most recent of which was adopted in 2014.

The strategy will incorporate policy directions and actions for all of Campaspe's townships and review the interface between these towns and the extensive farming areas of the Shire. In this regard it will satisfy the requirement for a 'small towns strategy' listed as a priority for 'further strategic work' in clause 21.04-1 of the CPS.

Campaspe's settlement strategy will focus principally on land use planning and appropriate changes to planning policy and regulation that can be implemented through the planning scheme.

The settlement strategy is not an advocacy document with an exhaustive range of actions. However, in the course of determining the best outcome in land use planning invariably some other related actions will be supported.

This document aims to provide the background and strategic support for implementation of planning actions. It aims to assemble information and consider options which provide local communities with the flexibility to achieve workable results. Community engagement provides a substantive input into the final strategy.

The objectives of a Campaspe Settlement Strategy are to:

- Identify a zoning structure for all Campaspe Shire towns and settlements that diversifies the land use mix and adds value to the investment choices available in towns;
- Identify a zoning structure which supports State and regional planning policy;
- Ensure that zoning changes do not encourage further fragmentation of productive farming land or inhibit existing agricultural practices, and
- Identify any other land use planning initiative which might assist settlements to proactively address population loss and retain an acceptable level of functionality.

2.0 Background: The Campaspe Planning Scheme

2.1 State Planning Policy Framework

The State Planning Policy Framework (SPPF) provides a state-wide context for land use planning and related decision-making by planning authorities.

In clause 11 the issue of ‘settlement’ for existing and future communities is addressed through the provision of zoned and serviced land. Planning for settlement recognises and, as far as practicable, contributes to:

- Health and safety;
- Diversity of choice;
- Adaptation in response to changing technology.
- Economic viability;
- A high standard of urban design and amenity;
- Energy efficiency;
- Prevention of pollution to land, water and air;
- Protection of environmentally sensitive areas and natural resources;
- Accessibility, and
- Land use and transport integration.

Broad policy is established for key settlement variables such as urban growth, structure planning, open space, housing choice and affordability, liveable communities and neighbourhoods, environment and water, river corridors, regional planning and development, rural and agricultural productivity, diversified economy, sustainability, integrated planning, cultural heritage and landscapes, connected communities and infrastructure.

State policy particularly aims to “prevent environmental problems created by siting incompatible land uses close together and to facilitate sustainable development that takes full advantage of existing settlement patterns, and investment in transport and communication, water and sewerage and social facilities”.

In clause 12 the issue of “environmental and landscape values” requires that planning help protect the health of ecological systems and the biodiversity they support and conserve areas with identified environmental and landscape values.

Minister’s Direction No. 11 Strategic Assessment Guidelines requires a planning authority to evaluate and discuss how a planning scheme amendment addresses the strategic considerations outlined in Planning Practice Note No.46 (Strategic Assessment Guidelines). The level of justification needed for each consideration and the amendment overall should be proportional to the impact the amendment will have.

Minister's Direction No.12 Urban Growth Areas concerns sustainable and coordinated urban development in growth areas, in particular rezoning of land to the Urban Growth Zone (UGZ) and the incorporation of precinct structure plans into the planning scheme.

2.2 Regional Planning Policy

In 2006 Campaspe Shire Council partnered with Moira Shire and the City of Greater Shepparton to undertake a comprehensive study of the rural areas of the three municipalities. In addition the study sought to introduce new zones released by the Minister for Planning into the Campaspe Planning Scheme (Farming Zone, Rural Conservation Zone and Rural Activity Zone). A Regional Rural Land Use Strategy was adopted by Campaspe Shire Council on 21 October, 2008, and a planning scheme amendment (Campaspe C69) subsequently gazetted on 19 September, 2013.

In clause 11 of the SPPF the *Regional Victoria Settlement Framework* establishes the concept of a hierarchical network of regional cities, regional centres and towns and the principles which aim to maintain the quality of regional environments and the character of networked settlements. Urban growth is to be directed towards key settlements rather than dispersed across the municipality with an urban land supply requirement for projected population growth in each settlement of at least **15 years**.

Campaspe Shire is part of the Loddon Mallee Region and a Regional Growth Plan (RGP) has been established by the State Government to support the regional framework. A broader *Loddon Mallee Regional Strategic Plan 2015-2018* also reinforces settlement strategies in the SPPF.

The RGP identifies a range of settlements, their population and projected growth rates and a range of selected utilities and services available to them. The settlement types of 'regional city', 'regional centre', 'town' and 'small town' have been designated to each of them. They form part of a regional hierarchy of settlements ranked in accordance with their relative significance to the region as a whole. It is acknowledged that smaller settlements, including very small clusters, should continue to play a vital role in the settlement framework of the State and each region.

In relation to the Shire of Campaspe, Echuca is defined as a 'regional centre' with an existing diversity of services able to absorb further growth. Kyabram, Rochester and Tongala are 'towns' and the others 'small towns' that should be supported to make them *more resilient and adaptable*.

The plan identifies that Girgarre, Stanhope, Lockington and Gunbower are 'small towns' with limited services. These towns are developing as commuter towns, providing affordable housing alternatives for employees in Shepparton and Echuca.

The regional plan emphasises that the current strategy for new residential development is infill and utilising the existing supply of zoned land.

2.3 Local Planning Policy Framework

The Local Planning Policy Framework (LPPF) of each local planning scheme comprises a Municipal Strategic Statement (MSS) and local policies. Existing settlement policy for the Shire of Campaspe is contained in clause 21.04-1 of the LPPF. The policy is supported graphically by town structure plans in clause 21.04-4. The policy defines urban limits and seeks to encourage a variety of lot sizes, housing choice, infill, 'rural town' character, population growth and the maximisation of infrastructure capacity.

The strategies are generally directed to maintaining sufficient land for growth; providing cost effective infrastructure; consolidating development and applying broad sustainability measures. The control mechanisms of zoning and overlays seek to implement these strategies.

The small town strategies generally reflect existing development and a limited capacity for growth.

In clause 21.04-1 'further strategic work' the first priority identified is *developing a Small Towns Strategy to identify growth opportunities for small towns*. The current settlement strategy will incorporate the intent of this clause and extend it further to all towns.

A statutory review of the Campaspe Planning Scheme was conducted in 2014 and it concluded that the LPPF was broadly sound but that it needed to be edited and reformatted to better align with the structure of the SPPF. The review recommended the inclusion of a new 'Settlement and Housing' section in the MSS. The new section is to address the following issue-areas:

- managing growth;
- rural living;
- open space;
- liveability;
- sensitive interfaces and,
- social trends.

In respect of policy content a new policy about non-agricultural uses in the Farming Zone (FZ) was also recommended. The review report was adopted by Campaspe Shire Council on 24 June 2014, for referral to the Minister for Planning under Section 12B of the *Planning and Environment Act 1987*.

Council has since progressed two important policy initiatives consistent with the matters identified in the planning scheme for further work and which were acknowledged in the 2014 review.

On 21 April 2015 Council resolved to prepare a Campaspe Shire settlement strategy to consolidate various initiatives in rural and urban settlement planning.

Furthermore on 19 May 2015 Council resolved to adopt a Campaspe Rural Living Strategy as a strategic principles and directions document underpinning future rural residential development in the Shire.

2.4 Zoning, Overlays and State Planning Practice Notes

Zones and overlays are planning tools incorporated in all planning schemes under clause 30 (zones) and clause 40 (overlays). Zones and overlays control the use and development of all land in the Shire. All land is zoned but overlays, which largely determine specific conditions relating to permits granted within zones, may or may not apply depending on the nature of the relevant constraint. Where applicable, zones and overlays must be observed concurrently.

The principal zones relevant to the settlement strategy are:

Township Zone (TZ) – areas in small towns where residential development, as well as educational, recreational, religious, community and other non-residential uses, are located contiguously to serve local community needs.

Rural Living Zone (RLZ) – defined as a rural zone but it is acknowledged in the State Planning Practice Notes that "farming is subordinate to the residential use" and of a scale not in conflict with residential amenity. Consequently the zone is primarily rural residential in character and may be described as a 'rural lifestyle related housing zone'. The minimum allotment size for subdivision in the zone can be scheduled down to 2 hectares. The zone is intended to provide wider choice for housing in those rural areas with "sustainable land management practices and infrastructure provision". Optimal localities will be areas already substantially subdivided and developed for dwellings in proximity to urban areas or townships with a range of urban services or infrastructure.

Farming Zone (FZ) – a zone that is strongly focussed on supporting agriculture and its associated activities. The CPS provides for two schedules to the Farming Zone (FZ). FZ1 is applied to the extensive committed farming areas of the Shire where the lot size required for a new dwelling (80 ha.) is larger than that required for subdivision (60 ha.) to deter further fragmentation of prime agricultural land. FZ2 allows a smaller 40 ha. minimum for both new dwellings and lots, recognising a higher degree of existing fragmentation.

Other relevant zones available to Council under the Victoria Planning Provisions (VPP) are the **Rural Activity Zone (RAZ)** and the **Rural Conservation Zone (RCZ)**.

RAZ is a rural farming zone that provides for other uses and development in appropriate locations, in particular tourism, which are compatible with agriculture and the environmental and landscape characteristics of the area.

RCZ is a rural zone that provides for agricultural use consistent with the conservation of environmental, cultural, landscape and biodiversity values of the area. The emphasis in the

former is on a mix of uses compatible with farming. The emphasis in the latter is on conservation of environmental values in rural areas.

The Commercial 1 Zone (C1Z), Industrial 1 Zone and Industrial 2 Zone (IN1Z, IN2Z), and various public use zones, might also be relevant to the Campaspe settlement strategy in limited circumstances.

In addition to the zones, a number of non-statutory policy guidelines prepared by the State Government are pertinent to the state-wide zoning framework and need to be taken into account in regard to planning of areas. Of particular relevance to settlement planning are:

Planning Practice Note (PPN) No. 37: Rural Residential Development

PPN 37 seeks to ensure that a strategy for rural residential development aligns with broader strategic planning for the municipality including a measure of the Shire's demand for, and supply of, this form of housing. It also requires that any strategy support housing diversity and choice; identify where rural residential development should take place; ensure compatibility with existing land use; protect significant natural resources and environmental assets and offer high amenity and efficient infrastructure.

Planning Practice Note No.78: Applying the Residential Zones

PPN 78 establishes criteria for the various residential zones under the VPP. Aside from TZ referred to above towns might also include the:

General Residential Zone (GRZ) – areas where conventional residential development predominates but where a mix of housing stock and densities and varied neighbourhood character can also be appropriate. These are areas where moderate housing growth and housing diversity are encouraged.

Low Density Residential Zone (LDRZ) – areas where residential development is generally of a lower density than 'conventional' residential development.

Planning Practice Note No.42: Applying the Rural Zones

PPN 42 provides guidance about the suite of rural zones available in the VPP including FZ, RLZ, RAZ and RCZ referred to above.

Planning Practice Note No.47: Urban Growth Zone

The Urban Growth Zone (UGZ) applies to land that has been identified for future urban development. The zone may be applied to land adjacent to regional cities and towns where a strategy has been prepared that clearly identifies land suitable for future urban development.

Planning Practice Note No.64: Local Planning for Bushfire Protection

The overarching strategy of PPN 64 is to prioritise the protection of human life over other policy considerations when assessing the risk from bushfire. Key strategies to guide settlement planning include ensuring that the risk from bushfire is reduced to an acceptable level.

Overlays

Overlays are constituted in clause 40 of the VPP. The provisions of an overlay may apply in addition to the provisions of a zone and generally result in planning permit conditions being imposed to manage special environmental features or constraints impacting on urban and rural areas. Overlays do not control land use and development as do zones but rather seek to limit the impact of development through restrictive conditions. As an example, overlays relating to flooding or fire risk have a considerable effect on the capacity of an area to absorb additional population as this would generally run counter to the intent of the overlay. The principal planning overlays considered in relation to the settlement strategy include the:

- Environmental Significance Overlay (ESO1);
- Salinity Management Overlay (SMO);
- Floodway Overlay (FO);
- Land Subject to Inundation Overlay (LSIO);
- Bushfire (or Wildfire) Management Overlay (BMO/ WMO) and,
- Restructure Overlay (RO 1-6).

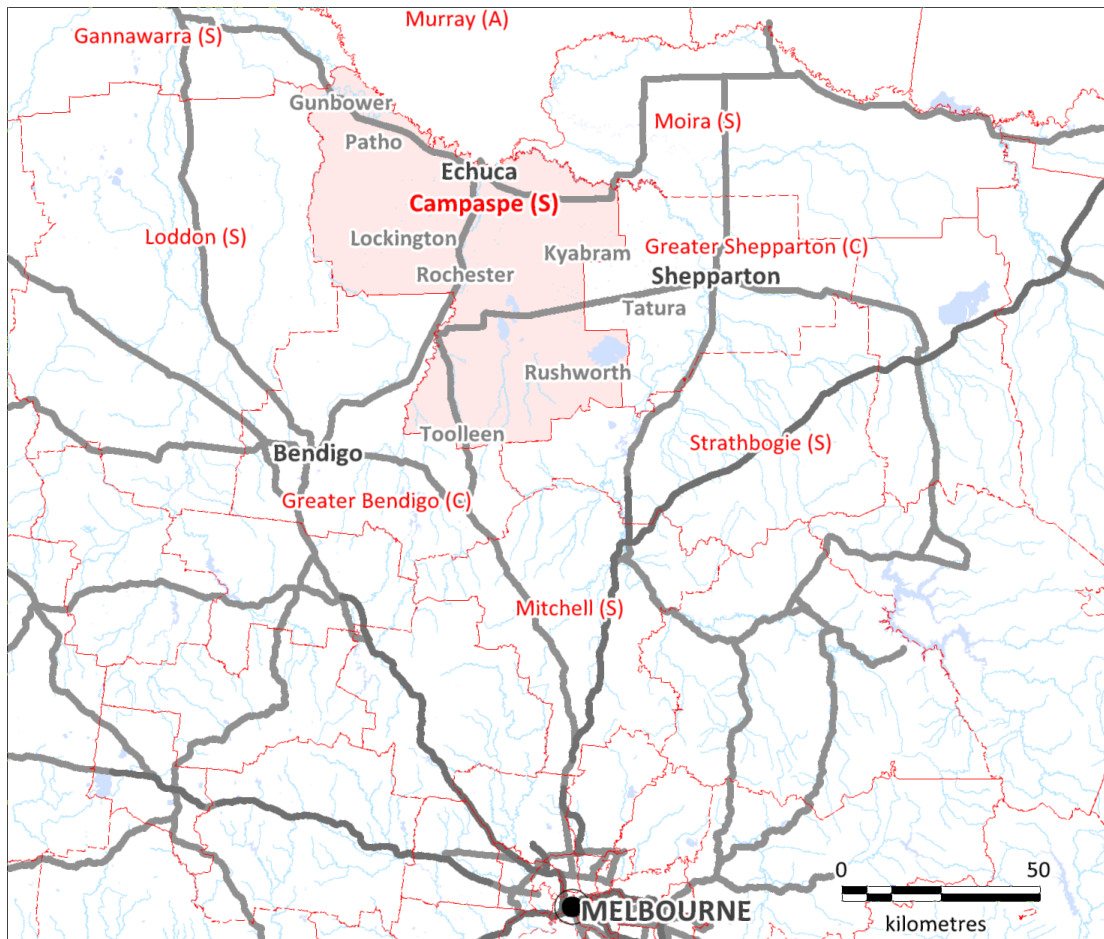
3.0 Overview: The Challenge of Change

3.1 Population and Inter-Generational Change

Campaspe Shire is a large rural municipality located in northern Victoria, approximately 180 kilometres north of Melbourne with the Murray River forming its northern boundary (**Fig.1**).

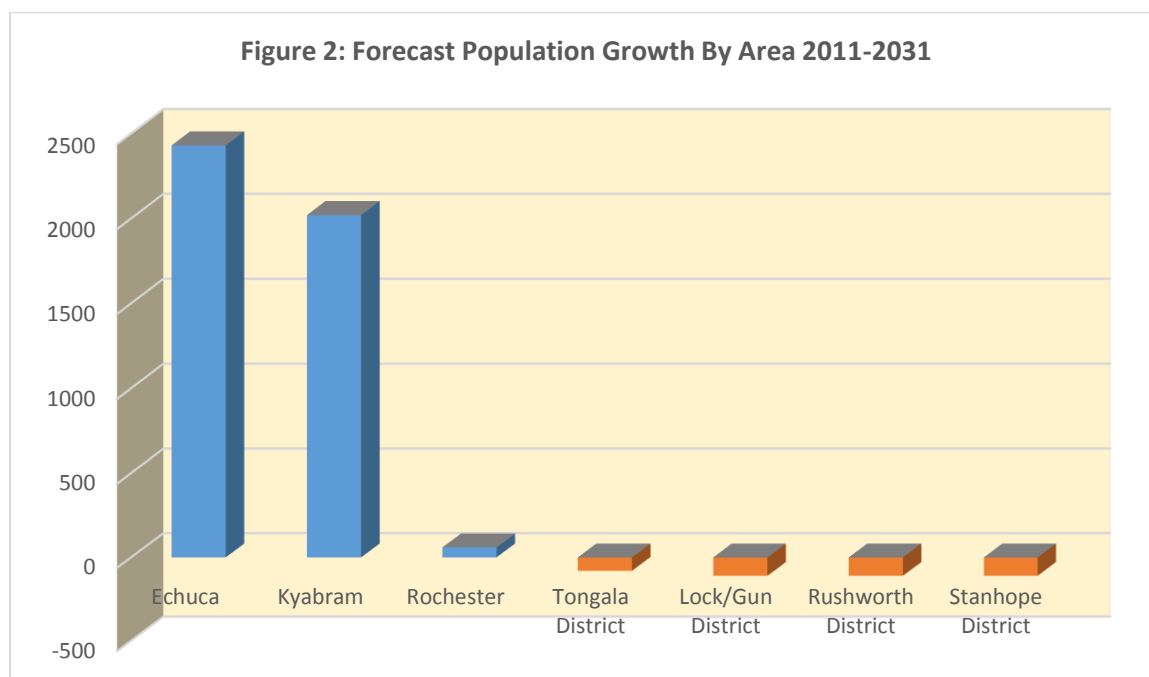
Figure 1: Regional Location of Campaspe Shire

Source: Shire of Campaspe Rural Living Strategy 2015 (Essential Economics)



The Shire encompasses a total land area of approximately 4,200 square kilometres with generally flat terrain used for a variety of agricultural and rural pursuits, and contains a diverse environment including RAMSAR listed wetlands. It has a population of approximately 37,000, projected to rise to 39,600 by 2031 (an average annual population increase of 0.5%). The main towns are Echuca (approximate population 14,000), Kyabram (7,000), Rochester (3,000), Tongala (1,800) and Rushworth (1,400). Overall, the Shire continues to enjoy positive population growth, although growth is centred on the larger towns with some smaller towns and rural communities experiencing a level of population decline. One third of the population, approximately 12,000 people, live in non-urban areas.

The population figures shown in **Table 3** verify a general population stagnation or loss in towns outside the three primary population centres of Echuca, Kyabram and Rochester. This shown graphically in **Figure 2**.



Source: id Consulting; Essential Economics 2015

The reasons for population decline in some rural regions of Victoria, most notably the dryland farming areas, are multi-faceted. The reasons for this trend can include: capital intensification of agriculture requiring fewer workers; rationalization of services into fewer, larger centres; increased personal mobility allowing people to access goods and services further away, and increasing economic and social attractiveness of urban lifestyles. Because of these factors, areas removed from convenient access to urban centres will face particular challenges in retaining and attracting population.

In the macro setting, every five years the Australian Government produces an *Intergenerational Report*¹ that assesses the long-term sustainability of current Government policies and how changes to Australia's population size and age profile may impact on economic growth, workforce and public finances over the next 40 years. The Intergenerational Report contains analysis of the key drivers of economic growth – population, participation and productivity – and examines what projected changes in these areas mean for our standard of living and public policy settings. It is a projection into the future, giving us an estimate of the challenges we face as a nation and where opportunities could come from.

From the perspective of developing a settlement strategy in Campaspe Shire the macro settings in population and the economy are worthy of attention.

Australians will live longer and continue to have one of the longest life expectancies in the world. The number of Australians aged 65 and over is projected to more than double by

2055 compared with today. These changes will require adjustments to our policy settings and the measures put forward by successive governments to meet community demands and expectations.

Over the next 40 years, the proportion of the population participating in the labour force is expected to decline as our community ages. By 2054-55, the participation rate for Australians aged over 15 years is projected to fall to 62.4 per cent, compared to 64.6 per cent in 2014-15. A lower proportion of Australians working will mean lower economic growth over the projection period.

During the 1990s, Australia's productivity growth was especially high, with an estimated average of 2.2 per cent growth per year. More recently however, our productivity growth has slowed, with an average of 1.5 per cent growth per year observed through the 2000s. This and the ageing population are factors which will place great stress on servicing ever-increasing budget expenditures and public debt.

At the local level our towns and settlements need to continue to sustain economic activity if the pressures of this projected demographic change are to fall equitably on the population and all residents given the same opportunity to share in Australia's wealth.

3.2 Agriculture and Industry Trends

In Clause 10.04 of the VPP (*Integrated decision making*) "planning authorities and responsible authorities should endeavour to integrate the range of policies relevant to the issues to be determined and balance conflicting objectives in favour of net community benefit and sustainable development for the benefit of present and future generations".

Although economic and social factors are critical in regeneration of Campaspe's settlements they might at times be seen as outside the scope of planning policy. However, land use planning cannot exist in a vacuum; objectives must be developed with a strong evidentiary basis and focus on economic sustainability.

It is important to accurately scope Campaspe Shire's economy and the key influences that consequently shape its settlement patterns.

The agricultural industry is a significant contributor to the regional and national economy and of particular significance to Campaspe Shire. The vertical integration of primary produce grown and processed in Campaspe and surrounding region is a feature of this resource.

In national terms the farm sector's gross value of production was forecast to grow to over \$50 billion in 2013-14². The refinement and processing of this output contributes a further \$115 billion to the economy. In total, the agricultural industry injects over \$160 billion into Australia's financial system and is approximately 12% of Australia's Gross Domestic Product (GNP). Globally Australia is a relatively small producer of agricultural products, however, over 60% of production is exported so the importance of this sector to Australia's foreign exchange cannot be under-stated. Exports represent a value of approximately \$38 billion making Australia one of the largest exporters of agricultural produce in the world.

In 2012–13 the agriculture sector employed 278,000 people with a further 225,000 people employed in food, beverage and tobacco manufacturing (accounting for around one quarter of all employment in Australian manufacturing) ³. In 2011–12 farmers managed around 53 per cent (405 million hectares) of Australia's landmass, reflecting the importance of farm stewardship in maintaining the natural resource base.

The agriculture sector and downstream activities which make up the food and fibre supply chains are important to the Australian economy and a major driver of economic activity, employment, social cohesion and prosperity for many parts of rural and regional Australia. The Australian agricultural sector is one of the most liberalised agricultural industries in the world. It operates in a challenging environment constrained by labour cost, poor soil and water scarcity. Therefore, to compete in international markets, Australia has been driven to seek production efficiencies. Major investment in research and development has allowed Australia to consistently achieve productivity increases of over 1.5% per annum for the last 30 years. This has offset a declining terms of trade and has warranted international recognition of Australia as one of the most efficient producers in the world. It is critical to Australia's economic future that this efficiency be at the very least maintained but preferably enhanced, with supply chain costs in particular needing to be driven down further.

Population growth, increasing prosperity in our region and changing consumer diets and preferences are creating consumer demand for food and fibre. Worldwide, demand for food is projected to rise by around 75 per cent in the first half of this century, with three quarters of this growth in Asia⁴. Australian agricultural production will need to expand significantly to take advantage of these opportunities. This is likely to require opening up new areas of agricultural production, including in northern Australia, with the possibility of doubling production by 2050.

The Victorian State Government's *Loddon Mallee Region* incorporates an expansive area running from Central Victoria up to the Murray River and across to the north-west of the state and includes Campaspe Shire. It has a population of 314,487 people⁵.

Agriculture, Fishing & Forestry comprises 9.1% of a total of 106,635 jobs in the Loddon Mallee Region or 9,706 jobs⁶. Output is \$1.957 billion or 7% of total output of \$27.834 billion in the region. However, to put the scale of agriculture into a more meaningful context, *Manufacturing*, which primarily includes food production, comprises \$6.695 billion of output (or 24% of total output) and so taken together agriculture and food and fibre production probably accounts for in the order of a third of all economic activity in the region. In terms of *Regional Exports by Industry* agriculture and manufacturing taken together are dominant in the region comprising a total value of \$4.241 billion or 64% of total value. Gross Regional Product (GRP) for the region is about \$14 billion of which about 12% is contributed by Campaspe Shire (\$1.6 billion) ⁷.

The Shire of Campaspe's GRP is about 0.5% of Victoria's Gross State Product (GSP).

Agricultural production and its associated processing and servicing industry remain Campaspe Shire's single largest area of economic output and source of local jobs. The diversity of agriculture is characterised by dry land grazing and cropping taking place in the west and south of the Shire and irrigated farming in the north, east and central-west, with water sourced through the extensive Goulburn Murray Irrigation District (GMID).

Key agricultural industries include dairy farming, cereal and grain production and sheep, with continued growth observed in traditionally smaller-scale industries such as viticulture and increasingly tomato production. This is illustrated by the following:

- The gross value of agricultural production (GVAP) is approximately \$0.5 billion with agriculture providing 13% of all employment;
- A further 25% of economic output is attributable to the manufacturing sector, principally associated with the processing of agricultural products and provision of agriculture-related services and providing 15% of all employment, and
- Dairy production and processing accounting for 43% of all agricultural jobs and 10% of all jobs in the area⁸.

In terms of agricultural land supply farmers face competition for land from mining, urban development and lifestyle uses⁹. Land prices reflect the combination of demands for these uses, the returns that can be earned from productive use of the land in agriculture and land as a store of value in a hard asset.

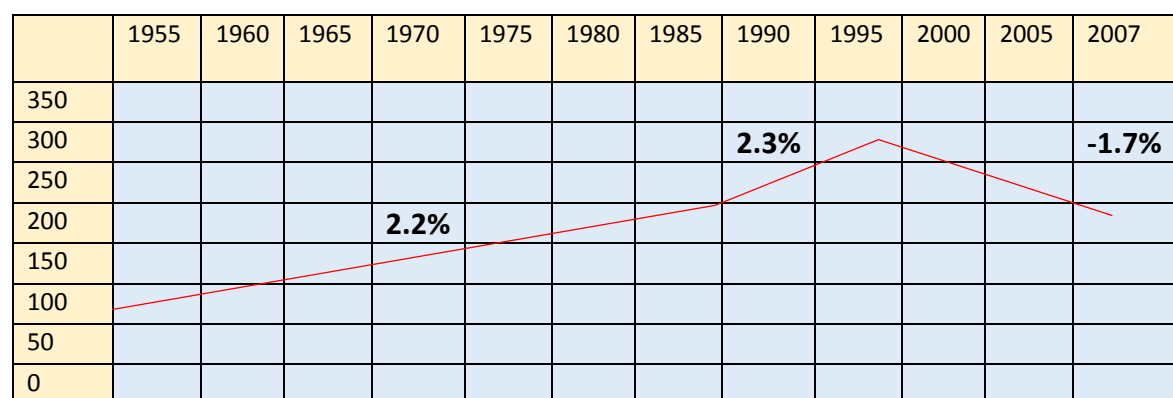
The condition of Australian soils makes fertiliser use essential to much of Australia's agricultural production, exposing farmers to additional cost volatility. Australia has a wide range of soil types but, when compared with soils in the northern hemisphere, our soils have less organic matter, lower phosphorus and other nutrients, and poorer structure and are susceptible to erosion, salinization, acidification and compaction¹⁰. This can render parts of our rural areas marginal at best for continuing agricultural enterprise.

In 2011–12, around 59 per cent of the water used in Australia was used for agriculture¹¹, with the output from irrigated land accounting for around 29 per cent of the gross value of agricultural production. Access to irrigation water from bores or river systems is licensed by the states, which also own major storages on rivers. Distribution of irrigation water from state owned facilities is managed by utilities which levy fees for delivery. Increased trading of water (on a permanent or temporary basis) contributes to a more economically efficient allocation of the resource between competing users. Improvement in irrigation infrastructure can also improve the efficiency of water use as well as save water for other uses such as for environmental purposes. This helps ensure that water remains available for productive uses. Government policies need to ensure water infrastructure (including potential new irrigation systems), distribution, pricing, and use remain important to future agricultural use¹².

The Australian Bureau of Agriculture and Resource Economics and Sciences (ABARES) has recently prepared a report examining what is known about productivity growth in Australian

agriculture, and the factors that may impact on future rates of productivity growth. One of the clear conclusions arising from that research is that the rate of productivity growth has slowed considerably since about 2000, especially in the grains sub-sector but also more generally across broad acre agriculture, as shown in **Figure 3** below¹³.

Figure 3: Trend Change in Total Factor Productivity (TFP) for Broad Acre Agriculture (1952–53 to 2006–07)



TFP index (source: ABARES 2011)

The Victorian agri-food industry's productivity is limited by water availability as well as suitable land, labour and other factors. Victorian agri-food exporters are not always able to compete on price. Nevertheless, they have strengths in competitiveness factors other than price including quality, food safety and environmental impact and focusing on these non-price factors can improve their competitive advantage.

A general trend toward larger operational units in developed countries is underpinned by innovation and better supervision of operations over large spaces. Large enterprises can access global financial markets where funds can often be obtained at much lower cost than in domestic ones. The pooling of funds and centralisation of capabilities through industry associations; more targeted research, development and extension; marketing, promotion and branding, and the dissemination of critical market information are all examples of areas in which economies of scale can be achieved.

For broad acre farms, the trend points to consolidation of farms toward the bigger business size category (greater than \$400,000 gross turnover) in a quest for economies of scale and better profit performance¹⁴ and a decline in the number of farms in various parts of Australia during the past two decades indicates substantial ongoing adjustment.

Despite scale being a factor in businesses successfully adjusting to variable market conditions it is important to note that there is no one causal relationship between scale and business success.

Large-scale investment does not necessarily have to result in the conversion of small-scale agriculture to large-scale agriculture. To the contrary, a variety of institutional arrangements

can be used to combine the assets of investors (capital, technology, markets) with those of local communities and small landholders (land, labour, and local knowledge). First, although yields on small landholder farms are lower than or equal to those on large farms, often by a large margin, lower yields do not always mean lower efficiency. On the contrary, some studies have identified that small landholder farms' costs are lower than or roughly equal to (ratio less than 1.1) those of large farms in two-thirds of the comparisons, suggesting that there is no compelling case to replace small landholder farms with large-scale cultivation on efficiency grounds.

Concentration, however, can lead to productivity improvements in less dispersed support industries (but still important to the success of agricultural enterprise) such as the distribution and supply chain networks delivering product from the farm gate to the consumer. In Australia we have seen this in retail sector concentration but it is less apparent in other parts of the supply chain where productivity growth is lacking.

This overview reinforces the need for flexibility in the extent and diversity of farming land which should be supported by planning policy. Consequently there is a risk that planned housing development in Campaspe's farming areas will have a negative impact on community costs rather than achieve a net economic benefit.

3.3 Employment Trends

In the 2014 December quarter, the unemployment rate in the Shire of Campaspe was 6.86%¹⁵ After a significant dip in 2012-13 this rate has been relatively stable since 2011. Given the relatively trade exposed nature of the local economy and the impact particularly of commodity prices key economic parameters in Campaspe are even more subject to national and global influences than many other areas.

Campaspe is host to a sizeable number of national and international food producers, including Murray Goulburn (Rochester), Nestlé (Tongala), SPC Ardmona (Kyabram), Kagome (Echuca), Fonterra (Echuca and Stanhope) and Heinz (Echuca). Aside from Manufacturing (2,019 people or 14.9%) and Agriculture, Forestry and Fishing (1,856 people or 13.7%), other major employment sectors for Campaspe include Retail Trade (1,816 people or 13.4%), Health Care and Social Assistance (13.4%) and Education and Training (7.4%)⁹. Employment percentages in Manufacturing, Agriculture/Forestry and Fishing and Retail Trade are all above the State average.

The largest changes in the jobs held by the workforce between 2006 and 2011 in the Shire of Campaspe were for those employed in:

- Agriculture, Forestry and Fishing (-546 people);
- Manufacturing (-299 people);
- Health Care and Social Assistance (+233 people);
- Retail Trade (-168 people)¹⁶.

Echuca-Moama is a significant service provider and industrial, community, health, recreational, transport and tourism hub for northern Victoria and southern New South Wales, located in a catchment area generally equidistant from other regional centres Shepparton, Bendigo and Swan Hill.

Having a broad catchment extending into New South Wales provides Echuca with the opportunity to generate additional employment opportunities, particularly in the services sector and retail. The employment status figures below show that Campaspe Shire generally exceeds the equivalent numbers for regional Victoria as a whole.

Table 1: Employment Status in Campaspe Shire

Shire of Campaspe - Total persons (Usual residence)	2011			2006			Change
Employment status	Number	%	Regional VIC %	Number	%	Regional VIC %	2006 to 2011
Employed	15,947	95.6	94.8	15,957	95.3	94.3	-10
Employed full-time	9,547	57.2	56.2	9,943	59.4	57.4	-396
Employed part-time	5,985	35.9	36.5	5,569	33.3	34.3	+416
Hours worked not stated	415	2.5	2.1	445	2.7	2.6	-30
Unemployed (Unemployment rate)	742	4.4	5.2	784	4.7	5.7	-42
Looking for full-time work	479	2.9	3.1	511	3.1	3.7	-32
Looking for part-time work	263	1.6	2.0	273	1.6	2.0	-10
Total Labour Force	16,689	100.0	100.0	16,741	100.0	100.0	-52

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. Compiled and presented in profile.id by .id Consulting.

Based on National Institute of Economic and Industry Research data there were 16,118 jobs located in the Shire of Campaspe in the year ending June 2014¹⁷, up from 16,033 in 2011. A count of jobs is a fundamental economic indicator of the size of the local economy, and increasing numbers of jobs generally represent a growing economy. However, jobs are not necessarily full-time and the value of a job varies across areas.

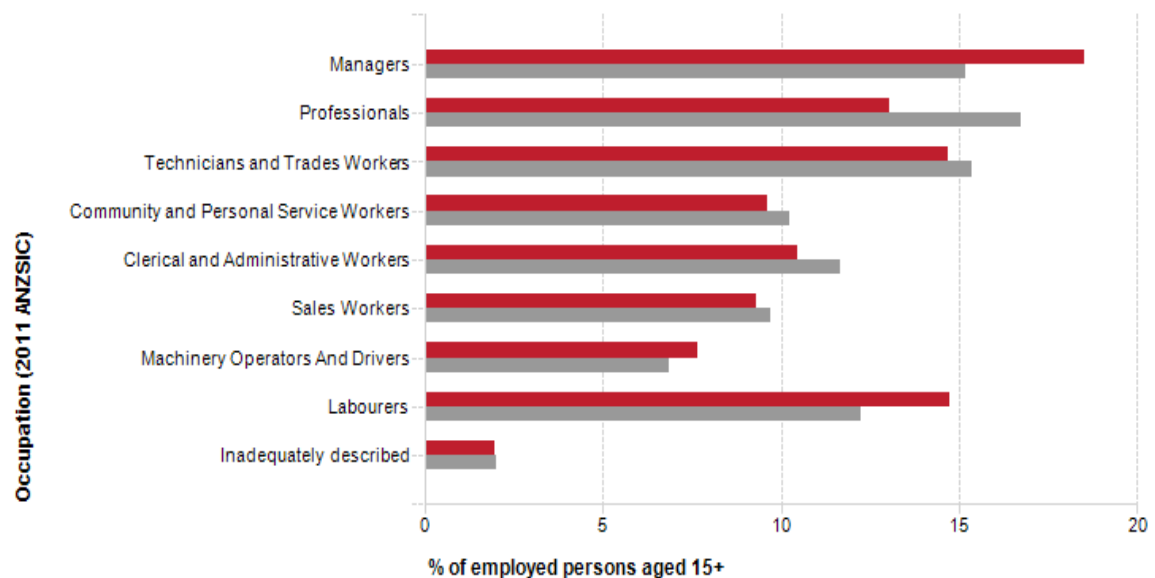
In respect of occupation of employed persons Campaspe has a higher proportion of the managerial, machinery operators and drivers and labourer cohorts in relation to Regional Victoria and a lower proportion of professionals, technicians and trades people, community and personal services workers, clerical and administrative workers and sales people as shown in **Figure 4**.

Figure 4: Occupation by Employment 2011**Occupation of employment, 2011**

Total employed persons

■ Shire of Campaspe

■ Regional VIC



Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Usual residence data)
Compiled and presented in profile.id by .id, the population experts.

.id
the population experts

Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Usual residence data)
Compiled and presented by .id Consulting.

Campaspe Shire benefits from the proximity of its smaller townships and rural settlements to the major regional centres in terms of the range of employment opportunities provided in the larger centres. Given the potential therefore for commuting to jobs this factor tends to be more important than the actual population of each town.

Table 2 below provides a notional snapshot of access to employment opportunities in some of these towns and settlements¹⁸.

Table 2: Access to Employment Opportunity by Township

Township	Access to Employment	Jobs Within 25 klms	Jobs Within Township
Kyabram	High	6,800	2,194
Rochester	Moderate-High	6,200	968
Rushworth	Low	2,900	280
Tongala	High	11,800	349
Gunbower	Low	1,200	NA
Koyuga	Moderate	12,900	NA

Source: ABS Census of Population and Housing 2011; Essential Economics 2015

4.0 Profile of Campaspe's Settlement

4.1 Managing Future Urban Growth in the Regional Centre

Echuca is the principal economic and administrative centre of the Shire. In concert with the adjacent border town of Moama, Echuca functions as a regional centre with a well-developed retail core and industrial sector serving a wide catchment. The importance of the tourism sector to Echuca enables the development of downstream economic activity and employment growth which in turn supports residential growth. Residential growth in turn supports further commercial and business investment. Echuca's location is also strategic in regard to connectivity between the Murray River tourist and recreational area and the Melbourne hinterland and its location in regard to major arterial road connections to the north as well as to the east and west along the Murray River corridor. Echuca is the closest urban centre on the Murray River to Melbourne.

For definitional purposes, 'Echuca' incorporates the Echuca Village area to the east of the main urban area and Wharparilla to the west, both located in the environs of the Murray River and both subject to restructure overlays.

Planning initiatives are already well progressed for Echuca. A housing strategy is being implemented, incorporating the growth corridor on the western edge of the town and a number of infill development sites. A precinct structure plan has been adopted for the large Rural Living Zone to the south east of the town and is being progressed to planning scheme amendment stage.

Echuca's planning is also cognisant of changes in the adjacent town of Moama, located over the river in New South Wales, which has a 'twin-town' relationship with Echuca. As a result the largely integrated urban area of Echuca and Moama functions as one 'regional centre'.

There is a commitment by Campaspe Shire Council in relation to managing the future growth of Echuca. Whilst growth is not rapid the trend in population growth for the town suggests that it is important to have a clear structure for longer term urban growth in place. In clause 21.04-4 of the CPS the Echuca Town Structure Plan 1 encapsulates the key features of planning for Echuca Central. Council has committed in 2015 to undertake an *Echuca Commercial Strategy* to update and enhance planning for the Echuca central activities area.

The *Echuca Housing Strategy 2011* establishes a clear growth corridor for the town in the west of the Northern Highway and Murray Valley Highway, supplementing targeted infill development opportunities and providing a total land supply sufficient for about 40 years. This long term growth plan is reflected in the current Township Structure Plan 2 in the Campaspe Planning Scheme.

The *Echuca South East Industrial and Commercial Growth Corridor Land Strategy 2011* establishes a framework for the protection and release of industrial land and at present there is sufficient industrial land available to satisfy demand associated with projected

population growth to about 2026. Echuca Town Structure Plan 3 graphically depicts the planning for this corridor.

In addition to planning for conventional urban growth the *Echuca South East Precinct Structure Plan 2014 (as adopted)* establishes a long term framework plan for the provision of rural living opportunities located outside of, but in proximity to, Echuca's urban core. The range of these commitments suggest Echuca is well placed to benefit in coming years from being able to generate a diverse housing stock responsive to the varied needs of new households.

Echuca Town Structure Plans 1 and 2 are shown in **Figures 5 and 6**.

Figure 5: Echuca Town Structure Plan 1 - Echuca Central

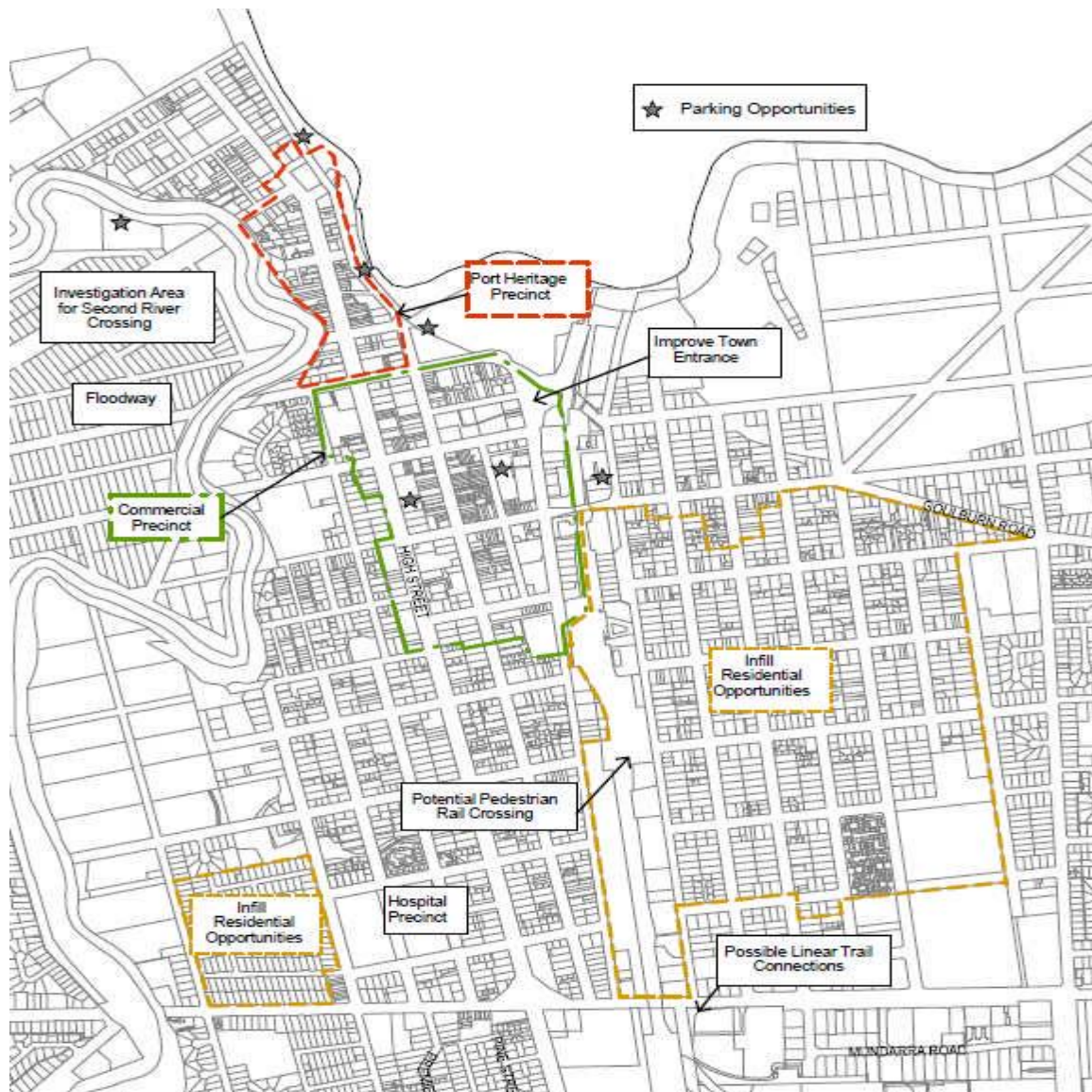
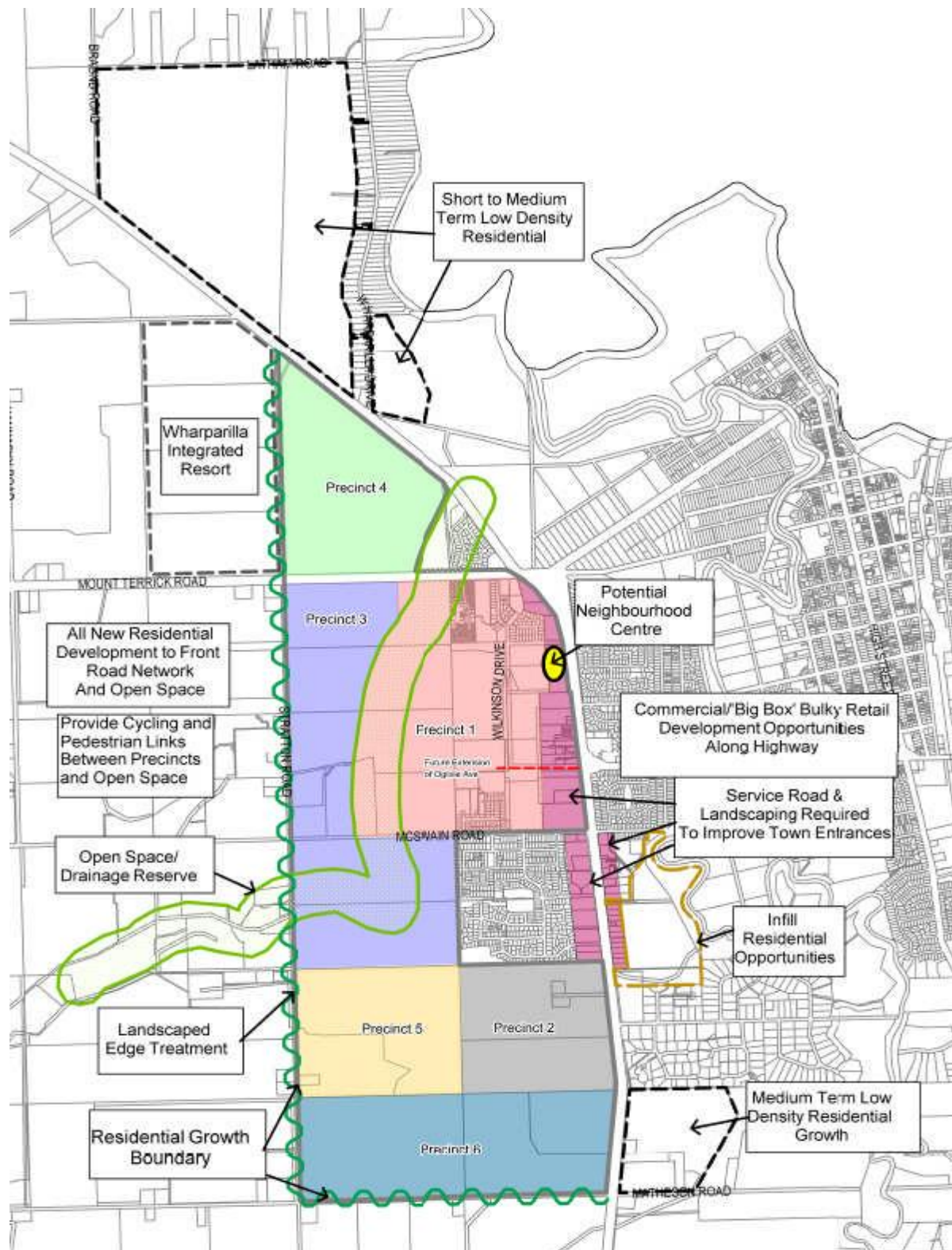


Figure 6: Echuca Town Structure Plan – Echuca West Residential



4.2 Managing Growth in the 'Second Tier' Towns

Kyabram and Rochester both have a considerable capability in servicing projected growth in each town. Kyabram in particular has a substantial stock of zoned land for development of conventional housing forms. Whilst there is some evidence of demand for residential dwellings it would appear this is mostly being driven by demand for larger lots for rural residential lifestyle purposes¹⁹.

Each town is an urban settlement with a considerable history of serving its agricultural hinterland and providing services to the farming community. Each has a strong industrial sector with Kyabram providing a wider range of service business activities.

In respect of growth capacity, Kyabram's Town Structure Plan in clause 21.04-4 of the CPS identifies a range of medium and longer term residential growth opportunities, particularly on the eastern periphery of the town, although further easterly expansion is constrained by high value agricultural land. Shorter term opportunities exist around the town and the west side is identified as providing additional scope for rural living²⁰.

The Rochester Town Structure Plan identifies short and medium term residential growth opportunities on both the western and eastern edge of the town. However, growth capacity is constrained to some degree by flooding issues and the existence on the east side of low intensity, low amenity industrial development interspersed with residential. The west side has some constraints regarding protection of native vegetation. Rural residential opportunities are identified to the north west of the town centre.

4.3 Development in the Small Towns

Longer term planning for the varied small settlements in Campaspe Shire presents a challenging task. This strategy seeks to provide a more cohesive direction.

In the Campaspe Planning Scheme the population of smaller settlements is predominantly contained within, and defined by, the TZ. The largest of the 'smaller towns', Tongala, has a considerable stock of TZ as well as a contiguous LDRZ, public reserves and industrial zonings which in total can be seen as forming the urban limits of the town.

Stanhope has a relatively sizable area of TZ and public reserves contained within a compact urban area. By contrast Rushworth has a disparate TZ and an extensive RLZ forming a linear, low density urban structure. Girgarre incorporates TZ, a large industrial area and public reserves to define the town.

Lockington, Gunbower and Colbinabbin have tighter TZ formations largely constrained by surrounding farm land and environmental features. In contrast to these towns, Toolleen, in the southern part of the Shire, features a dispersed rural community supported by clusters of somewhat remote rural living development in both the FZ and the RLZ. Only a very small and unoccupied TZ exists, adjoining the Northern Highway. In theory at least the 'town' is

defined by a number of predominantly rural and undeveloped small lots subject to a restructure overlay (RO6).

Tongala, Rushworth, Stanhope, Colbinabbin, Lockington, Gunbower and Girgarre each have existing town structure plans in clause 21.04-4 of the planning scheme.

Small settlements such as Koyuga, Nanneella, Ballendella, Wyuna, Torrumbarry and Lancaster each have TZ applied but of variable size and capacity. Commuting potential exists in some of the settlements. Torrumbarry is located on the Murray Valley Highway and is close to Gunbower and the Murray River, so its prominence is a feature. Lancaster is closely linked to the potential growth of Kyabram.

Corop is a small settlement that is an anomaly to a degree. It does not have a Township Zone applied but contains a relatively organised town structure with quite a number of occupied residential allotments and less of a sporadic quality to its development. It is also located on a main highway and is referenced in clause 21.04-1. The settlement is subject to a restructure overlay (RO4) which seeks to reduce the overall number of dwellings in the area due to environmental constraints.

These small settlements clearly have a mixture of qualities which make precise definition difficult. However, for the purposes of this strategy, a small town can be defined as *a locality with distinct urban limits that largely correlates with the application of the Township Zone (TZ) under the Campaspe Planning Scheme and which is specified in clause 21.04-1 and/or clause 21.04-4 of the Scheme*. These towns are likely to have a resident population between 200 and 2000 persons. Localities below this threshold population are more likely to be described as a 'settlement cluster' rather than townships while populations beyond the threshold are likely to form part of a fully serviceable concentration of activity with well-defined urban limits in keeping with Campaspe's larger settlements.

The most consistent trend in the recent history of Campaspe Shire's small towns is one of population loss or at best population stability. In addition, analysis has shown that in the main these towns have sufficient land to accommodate whatever foreseeable future housing demand there might be. Recent projections suggest this trend will continue over the outlook period.

Given that a case for additional zoned land to accommodate growth cannot be substantiated for Campaspe's smaller towns on strict application of the 15 year land supply benchmark a further rationale is needed for re-generation if that is considered desirable. The Shire of Campaspe believes it is.

Consequently a critical assumption going forward is that small towns, despite the pressure of population loss, are entitled to continue to contribute to the economic fabric of the municipality and that positive actions are required to retain small town life as part of the Shire's broader community. This challenge is heightened by the pronounced ageing profile of small towns placing additional demands upon services.

On the basis of this understanding, and data already available through the State Government's Urban Development Program (2013), it is not intended to conduct a detailed demand and supply analysis of developable land in this strategy but rather assess opportunities on a range of factors, principally the zoning regime. Zoning is important because it provides a strong market signal about development intentions. It is also considered important that any proposed zoning structure correlates with the nature of current land use and development and the existing allotment pattern.

The strategy assumes that extension of choice is a powerful motivating factor in assisting settlement functionality and growth and also in better supporting surrounding agricultural development. It is important that prospective residents be encouraged to live in settlements capable of servicing a wider agricultural catchment rather than live in farming areas and diminish the stock of available land for farming.

4.4 Settlement Clusters

Campaspe Shire contains quite a few areas of low intensity settlement located throughout its rural areas that are simply locales not supported by any zoning regime other than the underlying FZ. These small concentrations of settlement include Kyvalley, Strathallan, Bamawm, Bamawm Extension, Runnymede, Mathiesons and Waranga Shores. A restructure overlay is in place for Strathallan (RO3) and Runnymede (RO5).

These localities can best be described as 'settlement clusters' rather than towns. They are sporadic clusters of housing with few facilities or services and often indistinguishable urban limits.

Settlement clusters may have a public hall or school to identify a central point but are in most cases defined more by a fragmented rural lot pattern and a cluster of houses rather than what might otherwise be common in the surrounding rural area.

A considerable amount of rural farming land in Campaspe Shire has a fragmented allotment pattern. Some areas are located in reasonable proximity to defined townships and some are isolated.

Settlement clusters tend to function as commuter areas or stopover points for connection between larger settlements. The challenge is that although these areas are not too remote a disconnection from existing towns means that further housing development will exacerbate inefficient service provision and delivery.

The challenge for all small towns or settlement clusters is to maintain a viable level of employment and services and provide support to the agricultural hinterland, or at least have convenient access to such concentrations of activity. Each settlement has a particular set of constraints, opportunities and options for improving its growth potential, or at least maintaining its current assets. The key to these prospects generally lies with the specialised

role or function that each settlement performs and what public policy initiative might be able to more fully capitalise on this role.

4.5 Urban Land Supply and Demand

The land supply figures provided in **Table 3** confirm that in the main a sufficient stock of urban zoned land is available to accommodate residential growth demands within current supply benchmarks.

Whilst in a technical sense smaller towns do have considerable unused capacity for new development low levels of turnover and difficulties associated with ease of access, locational appeal and market returns on land development all contribute to inhibiting the growth potential of small townships and their capacity to arrest population decline.

Work done for Rural Councils Victoria in 2013²¹ on the financial costs of settlement indicates that whilst over time dispersed development tends to be the most expensive for councils to service, infill development is not common in rural settlements and the cost of developing 'in town' is often higher than developing on the outskirts of town.²²

The actual rate of development in the small towns has been low and the land supply and take up rates in the main do not justify further TZ or other residential zoning. However, this approach does not totally address longer term sustainability and leaves little scope for planning policy to improve the prospects for modest growth. Whilst zoning does create a degree of opportunity through market signalling and variation of expectations more realistically a package of initiatives will be required to tackle diminishing population and long term withdrawal of services.

The decline in small town population is an entrenched issue that can only be addressed over the long term by means of a multifarious policy approach. The challenge for public policy is to assess whether resources are better directed to other needs if such change is irreversible.

In regard to land supply and demand for rural living purposes a total of 7,745ha of RLZ land currently exists in Campaspe Shire, the majority of which is situated in the southern part of the municipality around Rushworth and isolated areas between Rushworth and Toolleen. RLZ land is also situated around Kyabram and a large sector immediately south-east of Echuca.

Table 3: Shire of Campaspe – Residential Growth Capacity for Towns

Town/ District	2011 Census Population (SA1)	Current Population Estimate (2013p)	Population Projection to 2036 (2014)	Projected Population Change (2011-36) * 2014-2036	Number of Dwellings (2011)	Minor Infill - Vacant Lot Supply (2009)	Major Infill - Zoned Lot Supply (2013)	Average Annual Lot Production 2006-2012/ Supply Profile (2013)	Future Unzoned Stock (2013)
Echuca (Central East, South East & West Sectors - Echuca Village & Wharparilla included)	14810	14960	17903	+20.88% (Av. 0.84% pa)	6100	11.47 ha (126 lots)	696 lots	84 lots 6-8 years supply (future stocks 15+ years supply)	6,020 lots
Kyabram (East & West Sectors – Lancaster included)	7410	7470	10196	+37.60% (Av. 1.50% pa)	3200	9.45 ha (73 lots)	2,100 lots	26 lots (15+ years supply)	0
Rochester	3200	3200	3199	0%	1500	7.04 ha (40 lots)	235 lots	9 lots (15+ years supply)	0
Tongala	1890	1880	NA		800	2.04 ha (2 lots)	102 lots	4 lots (15+)	0
Tongala & District		3526 (2014 est.)	3512	-0.41%*					
Rushworth	1390	1400	NA		730	7.9 ha (24 lots)	33 lots	3 lots (15+)	0
Rushworth & District		2397 (2014 est.)	2343	-2.2%*					
Stanhope	920	880	NA		430	0.26 ha (4 lots)	0 lots	0.4 (10 years)	0
Stanhope & District		2441 (2014 est.)	2403	-1.55%*					
Lockington	800	770	NA		360	1.28 ha (11 lots)	0 lots	0.1 (11 years)	0
Lockington & Gunbower District		3950 (2014 est.)	3903	-1.20%*					
Girgarre	600	560	NA		245	0.61 ha (3 lots)	NA	0.1 (15+)	0
Stanhope & District		2441	2403	-1.55%*					
Gunbower	540	520	NA		290	0.55 ha (3 lots)	0 lots	0	72 lots
Lockington & Gunbower District		3950	3903	-1.20%*					

Town/ District	2011 Census Population (SA1)	Current Population Estimate (2013p)	Population Projection to 2036 (2014)	Projected Population Change (2011-36) * 2014-2036	Number of Dwellings (2011)	Minor Infill - Vacant Lot Supply (2009)	Major Infill - Zoned Lot Supply (2013)	Average Annual Lot Production 2006-2012/ Supply Profile (2013)	Future Unzoned Stock (2013)
Nanneella	410	410	NA		155	0.35 ha (1 lot)	0 lots	0	0
Stanhope & District		2441	2403	-1.55%*					
Wyuna	360	360	NA		165	2.2 ha (4 lots)	NA	NA	0
Tongala & District		3526	3512	-0.41%*					
Toolleen	350	330	NA		215	0.4 ha (1 lot)	0 lots	0	0
Rushworth & District		2397	2343	-2.2%*					
Koyuga	330	330	NA		135	0.35 ha (1 lot)	0 lots	0	0
Tongala & District		3526	3512	-0.41%*					
Colbinabbin	300	300	NA		150	3.2 ha (12 lots)	NA	NA	0
Rushworth & District		2397	2343	-2.2%*					
Torrumbarry	290	310	NA		135	1.5 ha (2 lots)	NA	NA	0
Lockington & Gunbower District		3950	3903	-1.20%*					
Ballendella	260	260			110	-	NA	NA	0
Lockington & Gunbower District		3950	3903	-1.20%*					
Corop	239 (2006)	NA	NA		35	NA	NA	NA	NA
Stanhope & District		2441	2403	-1.55%*					

Data Sources: Estimated Residential Population by SA1 (ABS); .id Consulting (Campaspe Community Profile); 2013 Urban Development Program, DTPLI.

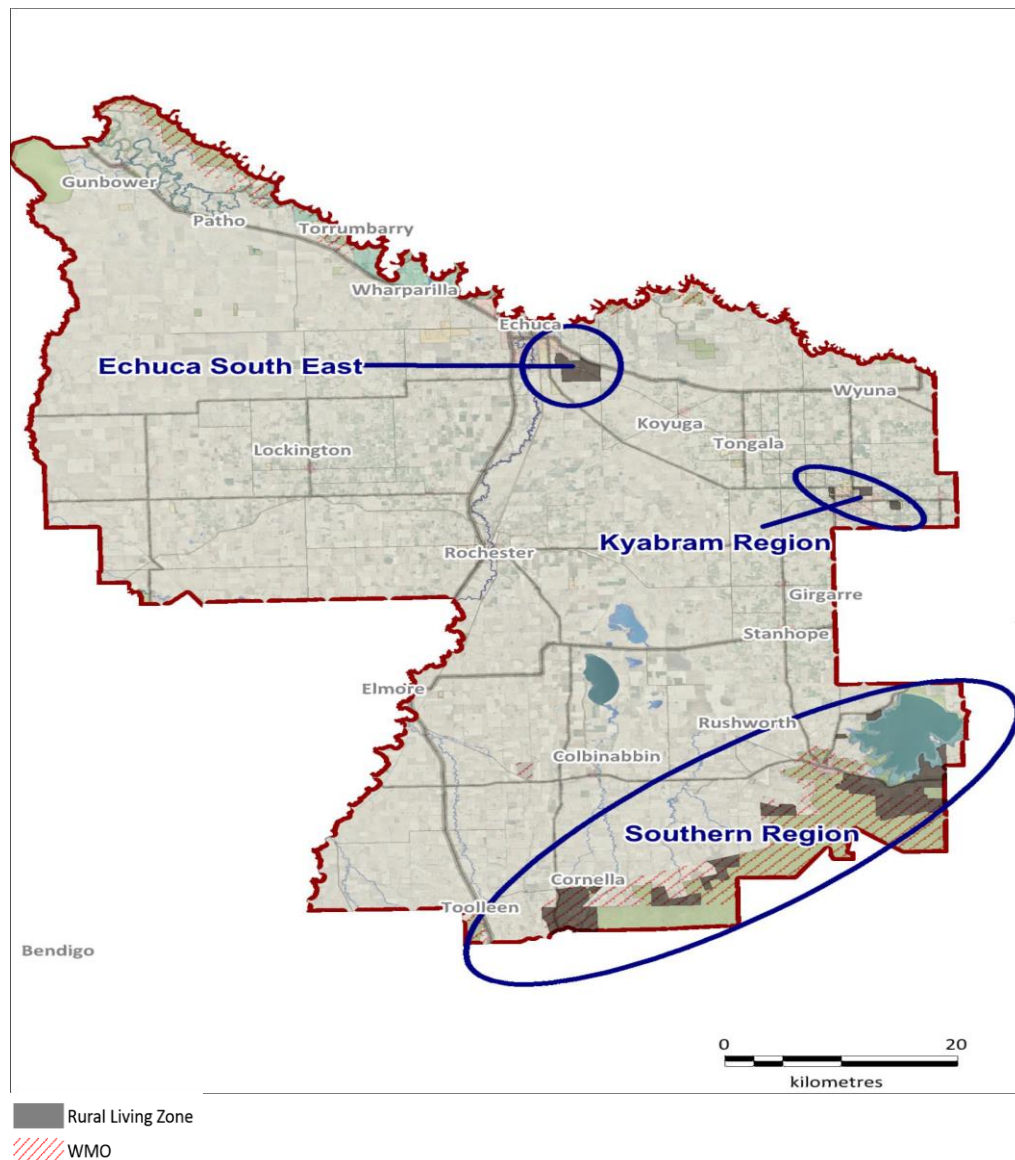
Note: Figures are rounded where practicable; 'p' (preliminary estimate); land supply areas in hectares (ha); 'minor infill' (less than 10 lots); 'major infill' (greater than 10 lots).

4.6 Rural Living Development

Currently the southern region of Campaspe around Rushworth, including Waranga Shores and the area between Rushworth and Toolleen, is the main focus for rural living opportunities in Campaspe, accounting for some 86% of the RLZ and 57% of development on RLZ land over the past decade. However, a significant proportion of this land is affected by the Bushfire/ Wildfire Management Overlay (BMO/WMO) which, although it doesn't prohibit new development, certainly constrains such development. The balance of RLZ is provided in Echuca South East and around Kyabram.

Figure 7 identifies the RLZ land in Campaspe Shire and indicates how the Bushfire (or Wildfire) Management Overlay (BMO/ WMO) particularly affects the southern region.

Figure 7: Rural Living Zone Land in Campaspe Shire



Source: Shire of Campaspe Rural Living Strategy 2015 (Essential Economics)

The implementation of the Echuca South East Rural Living Precinct Structure Plan will contribute a significant supply of RLZ to the market in the north of the Shire. Importantly, this precinct will provide for a range of RLZ lot sizes, adding to housing diversity in the area.

As only a limited supply of RLZ land and lots are available for development in the Kyabram area, potential exists for additional RLZ land in this locality²³ and in the central part of the Shire generally.

The periphery of Rushworth contains extensive RLZ to the immediate south east of the town. The different natural characteristics of land in the Rushworth area compared to the bulk of Campaspe Shire, and a lower degree of suitability for intensive farming, suggest that the western and northern edges of the town could be considered for additional RLZ. This needs to be balanced with the extensive swathe of RLZ existing to the south west of Rushworth which is relatively isolated and strongly affected by fire risk and application of the BMO/WMO. Consequently there is justification for some curtailment of this extensive area of RLZ in lieu of alternative supply closer to town.

The area to the north of Rushworth in the vicinity of Waranga Shores has a smaller pocket of RLZ and a large degree of fragmentation and non-farm building. It is also close to the Waranga Basin recreation area. However, its proximity to sensitive areas associated with the major water retention facility suggests that additional RLZ in this area would not be an optimal planning outcome.

The Murray River corridor is attractive for providing access for lifestyle purposes and to the west of Echuca RAZ has been applied extensively. Given the variety of environmental risks any addition of RLZ in the corridor would need to proceed with maximum caution. Other lower intensity rural zone options such as RAZ or FZ2 offer a more feasible alternative in areas of rural fragmentation.

A total of 684 RLZ allotments are situated in Campaspe, with 463 lots or 68% located in the southern region. With regard to vacant lots, or lots which have the potential to accommodate future demand for rural living, a total of 152 such lots exist throughout Campaspe. Of these vacant lots, 121 or 80% occur in the southern region²⁴.

Only a very limited supply of vacant RLZ lots currently exists surrounding Kyabram (12 lots) and Echuca South East (19 lots). However, the *Echuca South East Rural Living Precinct Structure Plan* is anticipated to encourage a greater level and take up of RLZ lot supply in the northern part of the Shire. By contrast, the central part of the Shire can be seen as having an identifiable deficiency of RLZ.

Table 4 summarises the supply of occupied and vacant RLZ residential lots in Campaspe in 2013.

Table 4: Total RLZ Lot Supply in Campaspe Shire, by Region, 2013

Category	Southern Region	Kyabram Region	Echuca South East	Total Campaspe
Total Zoned Land	6,666 ha	246 ha	832 ha	7,745 ha
Share of total zoned land	86%	3%	11%	100%
Total Lot Supply				
Occupied	342 lots	46 lots	144 lots	532 lots
Vacant	121 lots	12 lots	19 lots	152 lots
Total	463 lots	58 lots	163 lots	684 lots
Share of total lots	68%	8%	24%	100%
Share of vacant lots	80%	8%	12%	100%

Source: Shire of Campaspe; Essential Economics Pty Ltd 2015

4.7 Rural Land

The physical landscape of the Shire of Campaspe reflects a reasonably diverse rural environment even though the Shire is predominantly devoted to irrigated agriculture. To the south and east of Echuca the minimally vegetated low alluvial plain is intensively farmed. Areas of active floodplain are evident along the Campaspe and Murray Rivers and wetland depressions feature around Corop. The western part of the Shire is largely a treeless alluvial plain. By contrast, in the south the land is differentiated by a mixture of undulating sedimentary and low volcanic hills and unirrigated dry farmland²⁵.

As previously indicated diversification away from broad scale agricultural production is occurring more frequently with an increase in on-farm enterprises such as tourism, aquaculture, and the processing of milk, wool and oil products as well as plantation forests. The most important motivation for diversification is to obtain an alternative source of income, driven by falling terms of trade, droughts and policy reform. Off-farm wages and salaries occur on more than 40% of broad acre farms, are mainly earned by women, and represent nearly half the average broad acre farm income²⁶.

Farmers face competition for land from various non-agricultural uses but particularly urban development. Land prices reflect a combination of these demands and the returns earned and values derived from agricultural use.

The desirable strategic approach is to protect rural land zoned for farming purposes (and accordingly used for mainstream or alternative agricultural uses) from a preponderance of lifestyle-related housing development. The demand for this form of residential occupation can be satisfied by ensuring its location adjacent to towns in areas that will not adversely affect agricultural production.

Whilst productivity growth at the enterprise level will improve returns to farmers over the long run it must be recognised that farmers manage a range of risks that cause their incomes to vary from year to year. Incomes vary due to fluctuations in prices received for farm products (due to market conditions, including exchange rates), in prices paid for farm

inputs (such as labour, energy, water, fertiliser and interest), and in production (due to seasonal conditions, pest and disease pressures, application of inputs and natural disasters such as droughts, floods and fires). The ability to use inputs flexibly, such as through water trading, is an important part of risk management²⁷.

In Campaspe Shire agricultural production is a downstream generator of employment and capital and therefore a major economic contributor. It is imperative that flexibility in using farm resources, in particular broad acre land holdings, is maintained and that this becomes an integral component of the Shire's settlement strategy.

Under the current planning provisions for FZ in the Campaspe Planning Scheme increased flexibility and a new array of discretionary non-farm uses have been built into the zone. Although this flexibility is supportive of broad scale agricultural practices the range of potential uses also represents a challenge. It is necessary to be clear about those uses and activities that, although not prohibited in the zone, should in most circumstances be discouraged.

Accordingly, the Campaspe Planning Scheme Review 2014 seeks to introduce a new planning policy for non-agricultural uses under clause 22 of the Scheme.

The policy objectives are to:

- Identify a preferred mix of land uses in the zone;
- Promote appropriate land use and development;
- Discourage non-agricultural use and development in all rural areas other than those that support agriculture.

It is policy to encourage the following uses in the Farming Zone:

- agriculture;
- primary produce sales;
- tourism facilities in association with or that complement agriculture such as wine tasting, farm gate sales, and
- rural industry.

By contrast it is policy to discourage the following uses in the Farming Zone:

- abattoir;
- convenience shop;
- dwelling, other than in association with agriculture or tourism;
- equestrian supplies;
- industry;
- motor racing track;
- hotel;
- store;
- tavern;

- trade supplies;
- residential hotel;
- service station;
- sawmill, and
- warehouse.

In **Table 5** each town's zoning situation and infrastructure capacity is documented, providing a sub-text for identifying important constraints and opportunities. The analysis primarily relates to the structural elements of change and the aspects of the planning system that can be varied to assist in a change process for each town. It is not suggested that zoning changes alone will turn around the prospects for any one town but given that the zoning system is often a precursor to economic activity it is evident that it has some influence in providing signals to the market and offering a greater degree of choice to individual home-seekers. Consequently it is hoped that individual decisions of benefit to a town will follow any encouragement or lead provided by changes to the zoning regime.

Table 5: Town Structure, Services, Constraints and Opportunities

Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
ECHUCA	Complex mix of urban, public use & other zones relevant to a regional centre. The town structure is strongly influenced by its location between two intersecting highways and the confluence of two major rivers. Restructure plans are in place for Echuca Village & a part of the Wharparilla area (RO1 & RO2).	<p>Utilities:</p> <ul style="list-style-type: none"> ➤ reticulated water ➤ natural gas ➤ sewerage <p>In terms of water supply Echuca is part of Coliban Water's Murray Supply System which also includes Cohuna, Gunbower and Leitchville. Raw water is sourced directly from the Murray River for treatment.</p> <p>Sewage from the Echuca township is collected in an extensive system of gravity sewers and sewage pump stations and pumped to the Echuca Water Reclamation Plant (sewage treatment) is located four kilometres west of Echuca.</p> <p>Echuca is an important industrial, community, health, recreational & transportation hub for northern Victoria and southern New South Wales. Notable industry sectors include retail & wholesale trade, property & business services, construction, accommodation, personal services & manufacturing. Echuca is a vibrant retail & tourism centre.</p>	<p>Land suitable for irrigated horticulture & intensive dairy production is found generally to the south east & south west of Echuca. Environmental constraints, such as salinity & flood risk, are in evidence in some areas.</p> <p>Constrained rural land occurs as a result of flood risk along the Campaspe & Murray River floodplains to the south & east of the town.</p> <p>The Echuca Village area to the immediate east of the town is a rural lifestyle area with predominantly 8 hectare lots but is subject to environmental risks.</p>	<p>Echuca's urban growth structure is constrained by the direction of intersecting state & national highways & the flow path of two rivers. This leads to disparate residential precincts. Major highway access tends to be remote from the retail core.</p> <p>Inadequate separation of heavy vehicle traffic is evident close to town as well as points of potential pedestrian/ vehicle conflict. Echuca is limited in terms of passive parks and gardens close to town and the rivers. The Echuca Village area is precluded from further intensification due to ESO1, LSIO & RO1 constraints.</p>	<p>Between 2001 & 2013 Echuca's population grew by 1,930 persons (compared with 910 persons for Campaspe Shire as a whole). Echuca Town Structure Plan 2 provides the statutory framework for a planned residential growth corridor west of the Northern & Murray Valley Highways. Long term RLZ is to be accommodated in the Echuca South East Rural Living Precinct Structure Plan area.</p> <p>Echuca's retail core is separated from the tourist hub & this separation functions effectively. There is an opportunity to add to recreational open space & parkland where feasible, particularly in areas with convenient access to the rivers.</p> <p>Increased public access to the port tourist precinct, increased rail services, improved public access to the rail station precinct & a second crossing of the Murray River are all worthy growth opportunities.</p>

		Major food producers include Kagome, Fonterra & Heinz.			There is a need to update Town Structure Plans 1-3 (Clause 21.04-4 CPS) to take account of completed strategic work, including the Economic Development Strategy 2014-2019 & the Rural Living Strategy 2015 (RLS).
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Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
KYABRAM	A rectangular grid layout & a mix of urban & public use zones are reflective of a mid-sized town serving an intensively farmed rural hinterland. Extensive areas of partially developed & undeveloped GRZ as well as LDRZ located around the periphery. Existing RLZ on north side of town & a more isolated area east of town in the Howards Lane area.	<p>Utilities:</p> <ul style="list-style-type: none"> ➤ reticulated water ➤ natural gas ➤ sewerage <p>Goulburn Valley Water provides urban water and wastewater services to Kyabram through a treated channel supply sourced from the Goulburn/Broken river system.</p> <p>Located in the east of the Shire, Campaspe's second largest town has a range of retail, commercial, industrial and community services, particularly health & recreational services. Industries include Henry Jones IXL, Containers Packaging & JN&R Engineering.</p>	Kyabram is a significant service centre for a rural hinterland comprising mainly intensive dairying. The rural settlement pattern is quite fragmented & of a generally higher population density than is evident in the broad scale (or dry) farming areas in the west & south of the Shire.	<p>Kyabram's growth is constrained by a fragmented lot pattern & intensively farmed areas close to the periphery of town. Closely settled farm areas are interspersed with non-farm building.</p> <p>Orcharding is prevalent to the east of Kyabram & this may not be desirable for residential development.</p> <p>There is a need to be aware of water supply channel & associated LSIO constraints. Flood mapping might be required prior to, or contingent upon, any further rezoning.</p> <p>The town lacks a major landscape feature.</p> <p>It is not located on or near a major highway connection or river.</p> <p>Kyabram has a higher than Campaspe average unemployment rate (2011) & 'looking for employment' rate (2011).</p>	<p>Kyabram's resident population is located within proximity to larger employment centres at Echuca & Shepparton. Substantial zoning capacity exists for conventional residential development. Long term growth can be accommodated within current land supply.</p> <p>An under-supplied demand for rural living is identified in the RLS &, as per the existing town structure plan, the west side of Kyabram is the preferred opportunity for additional RLZ. Longer term the northern periphery could be considered.</p> <p>The Peppertree Lane area could be re-considered for RLZ. FZ2 could be considered as an alternative to FZ1 in some other fragmented rural locations. Although the Kyvalley settlement area has no TZ it has a reasonable level of serviceability, including a hall, school & recreation facilities. It also has an attractive landscape which complements rural activities. An extension to the FZ2 could be considered</p>

					<p>to retain the character & productivity of the area. RLZ is not considered desirable. There is a need to update the Kyabram Town Structure Plan in Clause 21.04-4 of the CPS to take account of completed work & provide a more coherent growth strategy for the future.</p>
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Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
ROCHESTER	Rochester is a smaller to mid-size town located on the Northern Highway, serving a productive agricultural catchment area. A mix of residential & public use zones are evident on the west side of town & residential, industrial & public use zones to the east. The town structure is strongly impacted by the Campaspe River & the associated Urban Floodway Zone (UFZ), as well as the highway & railway corridor.	<p>Utilities:</p> <ul style="list-style-type: none"> ➤ reticulated water ➤ natural gas ➤ sewerage <p>In regard to water Coliban Water's Goulburn System services the local Rochester population as well as commercial and industrial customers with around 1,500 connections.</p> <p>Water is pumped from Goulburn Murray Water's Waranga Western Main Channel, approximately two kilometres north of the town. A water reclamation plant (Coliban Water) is located on the west side of town. Located on the banks of the Campaspe River, Rochester supports a range of retail, business & community services. Major industries include food processing, concrete production, agricultural machinery & silo manufacturing. Major businesses include Devondale-Murray Goulburn, Humes CSR & Nelson Manufacturing.</p>	Rochester is the principal service centre for a diverse agricultural region in the central part of the Shire. The economic base of the hinterland is primarily derived from dairy farming, sheep, cattle, grain and vegetable growing.	<p>Rochester has a range of environmental risks – flooding & floodplain management, native vegetation protection - which can be considered significant impediments to growth.</p> <p>High value soil types for agriculture also occur east & west of Rochester in the FZ. The central part of the town is located on the west side of the Campaspe River abutting the Northern Highway & is somewhat disconnected from activity areas to the east.</p> <p>There is a disjointed relationship between zoning & on-ground development in East Rochester with the mix of industrial & residential development leading to low amenity. Any rezoning will need to take account of Local Floodplain Development Plans (LFDP) where appropriate.</p>	<p>Rochester has direct highway access to Melbourne & strong arterial road connections to the east.</p> <p>There is an opportunity for better utilisation of existing open space & the river frontage.</p> <p>The town is the home of a major food manufacturer (Murray Goulburn). A more appropriate separation is required between residential & industrial development in the east to optimise the area's potential.</p> <p>Revision of the zoning regime is needed to take account of the RLS & as part of an overall Town Structure Plan review.</p>

Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
TONGALA	Tongala is a small town with a large Township Zone (TZ) but the town limits are significantly extended by contiguous industrial zonings (INZ1 & INZ2), public use reserves (PUZ1, PUZ2, PUZ4, PUZ6, PUZ7) & a Low Density Residential Zone (LDRZ) on the south eastern fringe. Tongala is accessed in a north south direction by Henderson Road (RDZ1).	<p>Utilities:</p> <ul style="list-style-type: none"> ➤ reticulated water ➤ natural gas ➤ sewerage <p>Goulburn Valley Water provides urban water and wastewater services to Tongala through a treated channel supply sourced from the Goulburn/Broken river system.</p> <p>Tongala lacks highway access but is supported by good road connections. Well serviced with civic, cultural & recreational facilities.</p> <p>Major industry - Nestle', Greenham & Sons, McColls Transport.</p>	Intensive dairying on highly productive soils in surrounding rural areas.	<p>Areas to the south of the railway line in Tongala are largely unsuitable for residential zoning due to industrial development, wastewater treatment & potential amenity impacts. Use of this land for sensitive purposes could conflict with existing industrial separations.</p> <p>Functional dairy farms abut much of the town periphery. Significant residential zone capacity exists to the north & east of Gooda & Purdey Streets but falling population suggests its development potential could be limited. Low critical mass might constrain returns on development & restrict optimum utilisation. There is a need to be aware of water supply channel constraints, particularly the backbone channel traversing the north east quadrant of the town.</p> <p>The Land Subject to Inundation Overlay (LSIO) impacts the northern & eastern periphery of the town.</p> <p>Flood mapping might be required prior to, or</p>	<p>The urban structure of Tongala reinforces a clear separation between residential development to the north & industrial development to the south. Tongala can offer substantial residential growth capacity if further employment can be attracted & population leakage stabilised.</p> <p>Proximity to Echuca, Kyabram & Shepparton offers convenient commuter access.</p> <p>There is a prospect for rural living on the northern & eastern periphery of the town within the limits of the existing channels & the LSIO but the area remains committed to farming. Alternatively, the area to the north west on the western side of Henderson Road has more potential for RLZ, providing an effective long term buffer to core farming areas to the north west.</p> <p>The town is the centre of the dairying district & substantial industrial zoning provides an opportunity for employment growth.</p>

				contingent upon, any rezoning.	INZ2 also offers placement for industry with potential off-site effects. Tongala has unused capacity in utility infrastructure to support development. A town commercial zone is feasible to reinforce strong town centre features.
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Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
RUSHWORTH	<p>Rushworth is a small town with a large & irregularly shaped, low density Township Zone (TZ) traversed in an east-west direction by the Bendigo-Murchison Road (RDZ1). The TZ is surrounded by Crown Land reserves as part of the Rushworth State Forest & contained in the Public Conservation and Resource Zone (PCRZ). Other public uses are contained in PUZ2, PUZ3, PUZ4, PUZ5, PUZ6, PUZ7 & the Public Park and Recreation Zone (PPRZ). Immediately east of the TZ is a large area of Rural Living Zone (RLZ). The Farming Zone (FZ1) is interspersed with the public land zonings to the north, east & west of the TZ.</p> <p>The Bendigo-Murchison Road, Stanhope-Rushworth Road (RDZ1) & the Tatura-Rushworth Road (RDZ1) all converge on the township area.</p>	<p>Utilities:</p> <ul style="list-style-type: none"> ➤ reticulated water ➤ sewerage <p>Goulburn Valley Water provides urban water and wastewater services to Rushworth through a treated channel supply sourced from the Goulburn/Broken river system. Rushworth enjoys various education, hospital & civic facilities & is well served with community services. There is no major highway access but a number of intersecting roads connect nearby towns.</p>	<p>Surrounding rural land is a mix of varied farming & rural living development. The area features well vegetated, low sedimentary hills only marginally suitable for agriculture.</p>	<p>The Rushworth TZ is encased by public use zones & RLZ abutting to the east. Considerable stands of native vegetation (box ironbark) are located in protected public reserves & are interspersed with housing. The Bushfire/ Wildfire Management Overlay (BMO/ WMO) covers most of the PCRZ as well as substantial parts of the RLZ. Further RLZ in the Waranga Shores locale should be precluded due to environmental constraints. The Heritage Overlay (HO) affects most of the core of the township centred on the High Street precinct. The historic Whroo area is constrained in terms of accommodating additional development for tourism. The diminishing population places additional pressure on retaining or developing services. Rushworth has a low level of functional retail for the town population. Given the town's heritage appeal there is limited tourist infrastructure and</p>	<p>Rushworth enjoys considerable heritage assets & potential tourist appeal. Central Rushworth's High Street precinct & the Whroo area are unique heritage landscapes. Development sites could be identified for possible self-contained tourist accommodation facilities. The former railway reserve could be more fully utilised. Nearby Waranga Basin offers water-based recreation. There is potential for extended RLZ outside the BMO & greater application of RCZ in areas of existing 'lifestyle' development where there is identifiable biodiversity values. Employment in town is limited but proximity to a regional city (Shepparton) & the larger centre of Tatura offers some commuting opportunity. A more precise zoning definition might assist future development considerations & give some impetus to the tourist precincts. This need not conflict with the existing HO.</p>

				<p>accommodation to support it.</p> <p>Rushworth offers a different physical environment to other Campaspe towns. The surrounding FZ1 contains highly vegetated 'lifestyle' lots with reduced capacity for agriculture given poorer soil types & existing vegetation.</p> <p>There is a need to consider landscape assessment plans for new development where appropriate.</p>	
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Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
STANHOPE	<p>A small town with a sizable Township Zone (TZ) existing mainly on the north side of the Midland Highway (RDZ1), east & west of the Girgarre-Rushworth/ Curr Road (RDZ1). TZ is also located south of the Midland Highway on the east side of the Stanhope-Rushworth Road (RDZ1).</p> <p>The Stanhope township area contains public use zonings PUZ1, PUZ2, PUZ7 & PPRZ.</p>	<p>Utilities:</p> <ul style="list-style-type: none"> ➤ reticulated water ➤ natural gas ➤ sewerage <p>Goulburn Valley Water provides urban water and wastewater services to Stanhope through a treated channel supply sourced from the Goulburn/Broken river system.</p> <p>The Midland Highway connects Stanhope with Shepparton & the Northern Highway which then provides access to Bendigo & Echuca. Stanhope offers an attractive town centre & community & recreational facilities.</p> <p>Major industry – Fonterra.</p>	<p>Stanhope is surrounded by intensive irrigated agriculture (mainly dairying) located on relatively larger parcels of land & generally suitable alluvial soils.</p>	<p>There is a large amount of TZ available in Stanhope for the current & projected town population creating substantial residential infill opportunities. However, as in other similar size towns development is limited by the difficulty of achieving sufficient returns & lack of demand.</p> <p>The TZ south of the Fonterra food processing plant is suited only to industrial expansion.</p> <p>South west expansion of the town is constrained by environmental factors (Floodway Overlay (FO)).</p>	<p>Stanhope has a well-defined town centre which could benefit from a limited commercial zoning.</p> <p>There is capacity to expand industrial zoning south of Fonterra (possibly including a light/ service industrial area) & contain residential infill to the north of the Midland Highway.</p> <p>Stanhope has unused capacity in utility infrastructure to support development.</p> <p>Convenient highway access to major centres, existing utilities & available land all provide Stanhope with opportunity for commuter growth.</p>

Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
LOCKINGTON	<p>Lockington is a small town with a Township Zone (TZ) located on the east & west side of Lockington Road (RDZ1). Public reserve zonings PUZ1, PUZ2, PUZ7 & PPRZ complement the existing zoning structure. Surrounding land is contained in the Farming Zone (FZ1).</p>	<p>Utilities:</p> <ul style="list-style-type: none"> ➤ reticulated water ➤ sewerage <p>Lockington is part of the Goulburn System in which Coliban Water supplies water under a bulk entitlement, stored & treated for distribution to around 420 people as well as commercial and industrial users via 215 connections. A water reclamation plant is located three kilometres to the west of the town. Lockington has no highway access but road connections to Echuca & Rochester. The town accommodates the Lockington & District Community Centre, a small range of dispersed retail services, other community facilities & a primary school.</p>	<p>The immediate district is characterised by broad scale (or large holding) irrigated farming & a relatively treeless higher alluvial plain. Active farms directly abut all sides of the town.</p>	<p>Lockington is a tightly defined township constrained by extensively farmed agricultural land on all sides. There is a considerable holding of former railway land, currently vacant, near the centre of town. This may have appeal for civic purposes or housing but is probably not suited to industrial/ commercial development as suggested in the current town structure plan. Retail facilities are dispersed around the central part of the town. Any expansion on the eastern fringe of town would be adversely affected by the LSIO traversing the area in a north-south direction.</p>	<p>Lockington serves a productive irrigated agricultural region with dairy farming the core activity. Infill opportunities within the current urban boundary are available but are limited. An area north of King Street could be considered for a modest TZ increment without detriment to farming operations. There is potential for utilisation of the centrally-located former railway land. The town offers an attractive spine of parkland & civic facilities which could be added to.</p>

Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
GIRGARRE	Girgarre is a small town with a Township Zone (TZ) located west of Curr Road/ Girgarre-Rushworth Road & surrounded by various public reserves (PPRZ, PUZ1, PUZ2, & PUZ7). East of the Girgarre-Rushworth Road is a large area of IN1Z (former Heinz plant) & PUZ1 to the south of Winter Road. The Girgarre-Rushworth Road traverses Girgarre in a north-south direction & is zoned RDZ1.	<p>Utilities:</p> <ul style="list-style-type: none"> ➤ reticulated water ➤ natural gas ➤ sewerage <p>Goulburn Valley Water provides urban water and wastewater services to Girgarre through a treated channel supply sourced from the Goulburn/Broken river system.</p> <p>Girgarre has no highway access but good road connections. The town offers large public reserves for recreational purposes & a Memorial Hall.</p>	The hinterland is irrigated agriculture with dairy & tomato production most prominently featured on prior stream-bed alluvial soils.	<p>There is population decline in Girgarre & a slow withdrawal of services, with existing retail now limited. The closure of the Heinz factory has significantly diminished employment. Aside from the central crown reserve between Station Street & the Girgarre-Rushworth Road, limited infill residential land is available & much of it is marginally attractive or cost effective.</p> <p>Despite on-ground changes in the town there is no compelling reason to significantly amend the TZ or IN1Z.</p> <p>Extensive irrigated farming areas exist to the north, east & south of the town boundary.</p> <p>There is a need to be aware of water supply channel constraints.</p>	<p>There is opportunity to market Girgarre as a lifestyle/ commuter town & the successful local produce farmer's market encourages this opportunity.</p> <p>The current level of utility infrastructure (built to accommodate an industrial plant) is an advantage for re-generation of the town. Clearly there is potential offered by the large former Heinz site for employment re-capture. There is also potential to generate activity & add value through community uses, notably on the existing crown reserve east of Station Street & also potentially south of Winter Road through the proposed Gargarro Regional Botanic Garden.</p> <p>It is possible to unlock potential for rural living development on the western edge of town given the growth of the Girgarre Farmer's Market. However, this is a longer term scenario requiring further investigation of projected demand.</p>

Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
GUNBOWER	The Township Zone (TZ) for Gunbower is predominantly located on the south side of the Murray Valley Highway (RDZ1) with pockets of TZ & FZ1 on the north side. The locality is traversed by Gunbower Creek & is a gateway to various creeks, waterways & wetlands to the north & east comprising the Gunbower Island area, primarily zoned PCRZ & FZ1. Public land reserves zoned PUZ1, PUZ2, PUZ6, PUZ7 & PPRZ are also contained within or adjacent to the TZ. The town airstrip to the south east is zoned PCRZ. A Heritage Overlay (HO608) applies to St. Matthew's Church.	<p>Utilities:</p> <ul style="list-style-type: none"> ➤ reticulated water ➤ sewerage <p>The water supply system provided by Coliban Water serves a population of residential, commercial and industrial customers with around 175 connections. Gunbower is part of the Murray System with a direct offtake from Taylor Creek & pumped to a treatment facility. Wastewater from Leitchville and Gunbower is treated at the Gunbower/Leitchville Water Reclamation Plant located approximately four kilometres south of Gunbower. Gunbower is located on the Murray Valley Highway between Echuca & Kerang. There is a small retail sector, hotel, Memorial Hall, primary school & horse racing track to the east of the town. Industry - Teangi Stock Feeds.</p>	Broad scale irrigated & non-irrigated farmland is located to the south of the Murray Valley Highway on a treeless alluvial plain. The land use pattern is generally mixed farming with greater lot fragmentation to the north on the active Murray river floodplain.	<p>As with other smaller rural towns population decline is the primary challenge for Gunbower.</p> <p>The environmental significance of the waterways & wetlands to the north & east; the extensively farmed areas to the south of the township & access difficulties all mitigate against urban expansion of any scale even if a demand could be established.</p> <p>In addition Gunbower has significant residential infill capacity.</p> <p>An LSIO aligns with Gunbower Creek & other waterways.</p> <p>Flood mapping might be required prior to, or contingent upon, any rezoning.</p>	<p>Gunbower has potential as a stopover for environmental tourism activities within the Gunbower State Forest & Murray River ecosystem but considerable investment is needed to maximise this opportunity.</p> <p>Infrastructure & land is available to support further development.</p> <p>Land east of Walkers Road, between the existing TZ & Gunbower Creek, is suitable for future residential development, as identified in the current town structure plan, & may be considered for rezoning. This increment could be applied in lieu of less effective parcels of TZ west of Market Street & an area on the east side of the town between the railway & highway which could both revert to FZ1.</p> <p>RLZ could be considered in the area north of Pavone/ Gunbower Island Road. Gunbower has limited employment but does offer convenient connection to Echuca & Kerang.</p>

Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
NANNEELLA	A very small town with a Township Zone (TZ) of about 11 hectares drawn tightly around existing settlement at the corner of Echuca-Nanneella Road & Bennett Road. The surrounding area is FZ1 & FZ2. A PUZ2 is applied to the existing primary school.	Water tanks & irrigation supply channel but no reticulated water supply. The town area contains a primary school, recreation reserve, general store & hall.	Surrounding rural land is relatively flat, low lying & committed to agriculture, primarily dairy farming & vegetable growing.	From 2006 to 2011 the area's population declined from 502 to 410. There is limited opportunity for expansion given the proximity of an intensive agricultural area, the location of water channels & the impact of the LSIO on the western & southern edge. The town has limited facilities & services & is isolated from major arterial road connections. Capacity within the existing TZ suggests little necessity to plan for further growth at this stage.	Nanneella is located in proximity to Rochester (12 kilometres) & has reasonable access to Echuca.
WYUNA	Wyuna features a well-defined, rectangular TZ of some eight hectares, located on the north side of the Murray Valley Highway (RDZ1) & bounded by Lawler, Colbert & McManus Streets & Alfred Road. There are a number of houses in the TZ but also considerable vacant sites. A PUZ7 (CFA) is located in the north west corner & a recreation reserve (PPRZ) outside the TZ to the west.	Water tanks & irrigation supply channel but no reticulated water supply. A bus service is available. The town area contains a church, memorial hall & CFA depot.	An extensive farming district surrounds Wyuna.	The absence of a town water supply & shop/ general store limit the capacity of the settlement to develop. The highway location would benefit from access safety improvements.	Highway access to Echuca & Shepparton & arterial road connection to Kyabram indicates a potential role as a commuting settlement although the absence of basic services mitigates against this. A number of vacant allotments exist in the TZ.

Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
TOOLLEEN	A very small Township Zone (TZ) comprising only four vacant allotments is sited on the north-east corner of the Cornella-Toolleen Road & Northern Highway (RDZ1). The TZ does not reflect any logical town area; the settlement 'cluster' is rather defined by a Restructure Overlay (RO6) & Restructure Plan for the existing residential sized allotments facing the Cornella & Axedale Roads & the Northern Highway. The area of the 'town' outside the TZ is zoned FZ1 (including the Hotel, the town focal point). In the immediate locality there is a PUZ6 (local government), PUZ7 (other public use) & PPRZ (recreation reserve).	Toolleen has no connected utility services. Highway access (Northern) links Melbourne- Kilmore- Heathcote & Echuca. The 'town' comprises an existing hotel incorporating general store & post office agency, two churches, a recreation reserve with football ground & community centre, waste transfer station & CFA facility.	Toolleen is located in an area of gently undulating sedimentary hills west of the Mt Camel/ Colbinabbin volcanic range.	Toolleen comprises inappropriate small rural lots which are subject to a restructure plan within the RO6. The intention is therefore to reduce the number of lots available for housing. Consequently Toolleen is unlikely to ever become a well-defined, integrated township, rather more a way stop for tourists & a minor service point. A substantial supply of RLZ exists to the east of Toolleen, offering some development potential, but these areas are isolated & poorly serviced. A substantial part of the RLZ to the east is affected by a BMO/ WMO. A further BMO is applied west of the Northern Highway up to the intersection of Chamberlain Road. Further RLZ would be contrary to proper planning. Farming areas between Toolleen & the RLZ are also affected by the SMO. Toolleen lacks utility connections, particularly water reticulation.	Toolleen is a possible connecting point for touring the Rushworth-Whroo gold heritage area ('Gold & Ironbark' tour) & the Mt Camel/ Colbinabbin Range wine growing area. The area can function as a stopover for travellers to various destinations/ attractions but the absence of utility services, retail or accommodation limits this potential. Further potential may exist for the hotel as a featured destination.

Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
KOYUGA	Koyuga is a settlement cluster characterised by an extensive 48 hectare TZ located on both sides of O'Dea Road, some seven kilometres north west of Tongala & 20 kilometres south east of Echuca. The TZ abuts a railway reserve (PUZ4). A few houses are located in the TZ but it is predominantly vacant farming land.	No reticulated in-ground utility services are available. Koyuga Hall, a recreation reserve & a Telstra sub-station are located in the TZ.	The rural hinterland is primarily intensively farmed dairying.	<p>The houses in the TZ conform more to rural farm houses than urban dwellings in accordance with surrounding agricultural pursuits.</p> <p>An absence of town services adds to the perception of Koyuga as a settlement cluster rather than town.</p> <p>Arterial road access is non-existent & general road access is awkward & inconspicuous for the uninformed traveller.</p> <p>Koyuga is accessible in terms of commuting distance to Echuca but the overall perception is one of isolation.</p> <p>The TZ is too large & poorly developed – the zone could be reduced or removed to more meaningfully reflect existing or projected development.</p> <p>Despite the area's central locale in relation to nearby larger towns (& activity centres) there is minimal evidence of any demand for growth. Hence the desirability of retaining TZ must be queried.</p>	<p>Koyuga is located in an area with commuting potential to Echuca & its employment opportunities.</p> <p>Despite limited facilities there is an active community, including land care group.</p> <p>There is under-utilisation of the existing TZ so considerable capacity exists for growth should such demand be established.</p>

Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
COLBINABBIN	Colbinabbin is a small town comprising a rectangular block of Township Zone (TZ) on the north & south side of the Bendigo-Murchison Road (RDZ1) & associated public land zonings PUZ1, PUZ5, PUZ6, PUZ7 & PPRZ. Surrounding land is prime farming (FZ1).	Utilities: ➤ reticulated water Goulburn Valley Water provides urban water to Colbinabbin through a treated channel supply sourced from the Goulburn/Broken river system. There is no highway access but a main road connection (Bendigo-Murchison Road) to Bendigo & Rochester/ Echuca. There is a disused railway connection. Adjoining the TZ town boundary is a recreation reserve & primary school. Colbinabbin offers minor retail & community facilities. There is a nearby waste transfer station. Industry – Vic Feeds (grain distribution) on north side of town.	Colbinabbin services an extensively farmed hinterland.	Colbinabbin has an active community & the presence of a coherent urban township. However, beyond minor infill, realistically there is minimal opportunity for expansion given the location of existing water channels & prime farming areas surrounding the township. Growth is also limited by a lack of sewerage. The LSIO affects the eastern fringe of the township. Smaller lots to the immediate south east of the township are partially affected by the LSIO & are fully committed to agriculture & hence not a suitable prospect for RLZ. The SMO affects the north west periphery of the town.	Main road connections provide Colbinabbin with an opportunity for commuting to Bendigo/ Echuca. There could be modest employment growth derived from the Colbinabbin Range/ Heathcote wine growing area. Residential infill is achievable although limited. Minor retail enhancement & streetscape improvements could enhance commuter appeal.
TORRUMBARRY	Torrumbarry is a tiny settlement comprising a linear TZ located along the north side of the Murray Valley Highway (RDZ1), between Echuca & Gunbower, & located on the east & west side of Headworks Road.	Torrumbarry comprises a hall, hotel & service station as well as about a dozen houses most of which are located outside the TZ rather than within it.	Extensive farming (FZ1) areas surround the settlement, particularly to the south of the Highway.	An imprecise TZ is simply fitted to reflect existing uses. The limited existing services are geared mainly to a 'pit stop' function serving passing vehicle traffic. RLZ not likely to be justifiable in this area.	Vacant TZ sites are located west of Headworks Road. The settlement is within commuting distance to Echuca.

Town	Current Zoning and Town Structure	Utility Infrastructure and Other Services	Rural Hinterland/ Interface	Growth Constraints	Growth Opportunities
BALLENDILLA	The very small Ballendella TZ is located nine kilometres north west of Rochester & is a rectangular area bounded by the Prairie-Rochester Road, Waterman Road, Lowe Road & a 'backbone' water channel on its eastern boundary. The TZ area contains nine allotments of which five are about two hectares. All but one of these are occupied with building or houses & other dwellings are located nearby.	Ballendella contains a community hall & recreation reserve abutting the Rochester Road.	Extensively farmed irrigated agriculture.	Ballendella is a settlement cluster with little or no facilities or any identifiable demand for expansion/ intensification of the TZ. The 'town' is physically indistinguishable from sporadic development in a rural area. The surrounding area is productively farmed rural land.	Although lots are limited in number (& occupied) they are potentially capable of further subdivision. Ballendella is accessible to Echuca & Rochester.
COROP	Corop is a small settlement which can be described as an 'old & inappropriate subdivision' subject to a Restructure Plan as referred to in RO4. There is no TZ, the underlying zoning is FZ1. A PUZ1 is located on the south east corner of the Midland Highway (RDZ1) & School Road. Lake Cooper (Public Conservation and Resource Zone PCRZ) directly abuts the 'township' to the south. Surrounding farming areas are FZ1.	Utilities: ➤ reticulated water Goulburn Valley Water provides non-potable water to Corop through a channel supply sourced from the Goulburn/Broken river system. Corop has highway access (Midland) linking Shepparton, Echuca & Bendigo. The 'town' contains a general store, post office & community centre & there are activities & associations which reflect the recreational focus of the settlement.	Extensive farming on generally larger lots & recreational features to the north east (Green's Lake) & to the immediate south (Lake Cooper).	Corop comprises small lots covered by RO4. As these lots are intended to be reduced there is little or no realistic prospect of foreseeable township growth. Corop 'township' & land to the immediate east are substantially affected by a Floodway Overlay (FO). The areas surrounding Corop are prime agricultural areas & are inappropriate for housing expansion of any density.	Corop is a recreational settlement located close to Lake Cooper/ Green's Lake & their associated aquatic features. The town could be enhanced as a stopover point for travellers to various destinations/ attractions and for specialised holiday accommodation connected with the lakes environment, recreational pursuits or the nearby Mt Camel/ Colbinabbin Range wine growing area.

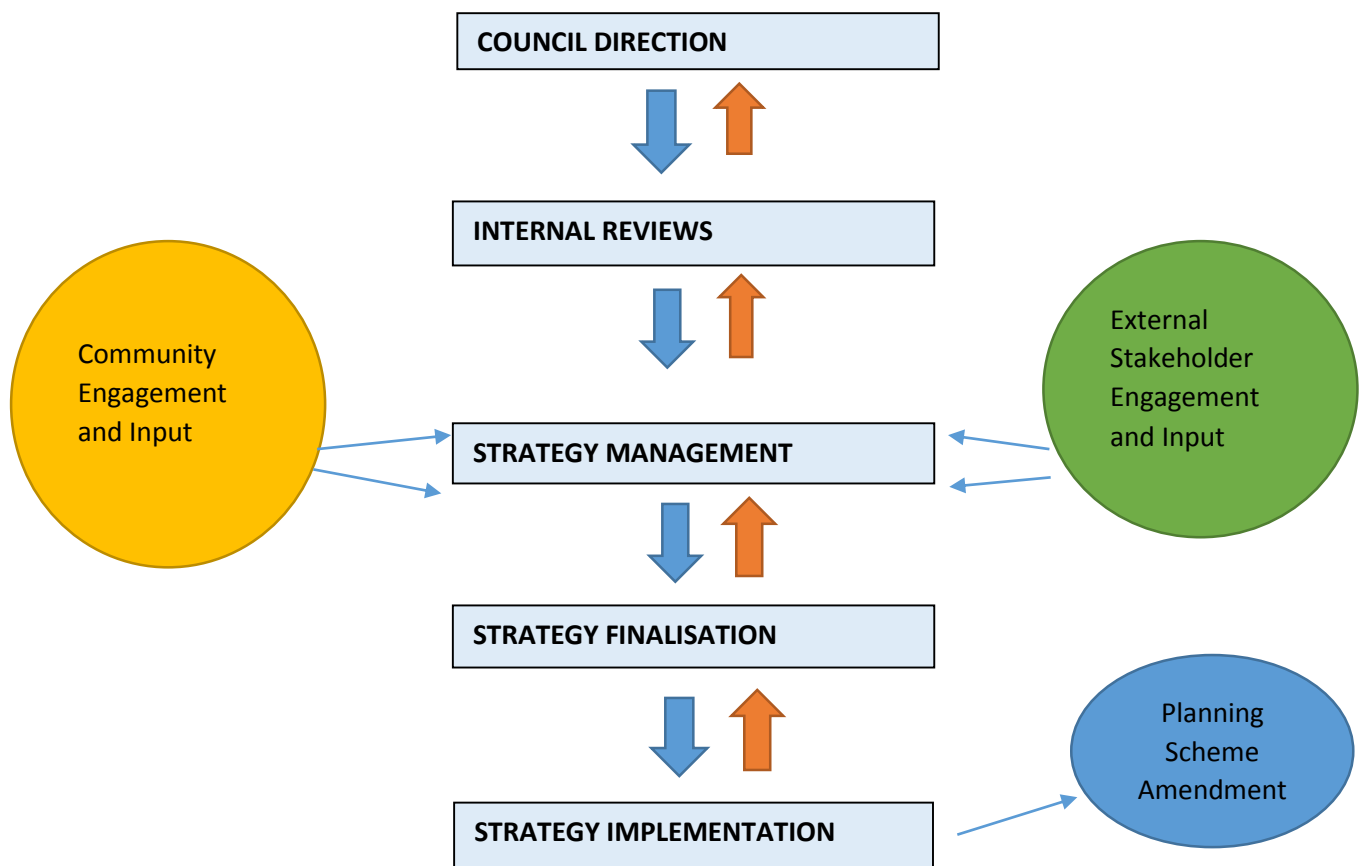
5.0 Defining a Preferred Settlement Strategy

5.1 Community Engagement by Council

Consultation with key stakeholders and the broader Campaspe community is integral to strategy development at Campaspe Shire. This includes relevant communications through various media to engage with residents and external stakeholders as well as internal stakeholders/ decision makers. Processes include:

- Key stakeholder workshops/ focus groups involving agency and industry group representatives;
- Media advertising through local press outlets, community newsletters, Council's website, online surveys, direct workshop discussions with residents and on-to-one (or 'drop in') information sessions held at high access points in the community;
- Councillor briefings prior to and during the conduct of strategic work being undertaken on behalf of the community;
- Formal exhibition of final draft reports and invitations to respond, and
- Council adoption, or otherwise, of final draft reports.

The strategy development and community engagement process is depicted graphically in **Figure 8** below.



5.2 Principles of Orderly Settlement

The broad statutory objectives and directions relating to town settlement are found in clause 11 of the SPPF and clause 21.04-1 of the LPPF of the Campaspe Planning Scheme. As previously outlined a number of Planning Practice notes released by the State Government also provide a framework for determinations made in relation to urban settlement in rural areas.

In addition various planning principles can be identified which more specifically articulate desirable land use and development patterns.

These principles are drawn from common planning practice and the need to concurrently support economic activity, protect farming land and effectively manage the demand for rural living development. They are highlighted in the relevant categories as follows:

Rural Living:

- ❑ Areas generally contiguous to existing urban settlement and with reasonable proximity to township services are preferred for rural residential zones such as RLZ rather than areas totally separated from settlement.
- ❑ Isolated pockets of RLZ are not desirable.
- ❑ Areas on the periphery of townships* could be considered for RLZ if the area is a natural extension of the higher densities in the town and a buffer to areas of widespread farming (FZ) beyond the town's current edge.
- ❑ A larger concentration of allotments in the 2 – 8 ha. range in generally fragmented rural areas might also be justified as RLZ if located close to existing urban facilities and not prejudicial to existing farming operations.
- ❑ Isolated larger parcels of RLZ that have limited existing development and minimal access to urban facilities should be considered for back-zoning to FZ.

* Townships generally defined by the TZ, GRZ or LDRZ

Rural Area Interaction:

- ❑ Areas of committed farming on a mix of larger and smaller allotments (some of which might be capable of further subdivision under RLZ) should not be considered for rezoning and FZ should be retained.
- ❑ Rural areas where productive farming enterprise is evident and zoned FZ will be excluded from consideration for urban zones even if clusters of settlement or pockets of smaller allotments exist.
- ❑ Fragmented farming areas where farming activity remains functional might be more suited to FZ2 rather than FZ1.
- ❑ Isolated pockets of small rural lots where a Restructure Overlay (RO) is applied will not be considered for rezoning from the underlying default zone (FZ1).

Urban Settlement:

- ❑ Townships with capacity for growth should be considered for a mix of relevant zoning types rather than simply TZ.
- ❑ Towns with considerable growth capacity within their existing zoned area diminish the desirability and likelihood of contiguous RLZ unless other factors are conclusive.
- ❑ Small settlements with limited growth potential and currently zoned TZ should have a tightly drawn zone boundary to minimise amenity effects on neighbouring farming areas.
- ❑ Areas of TZ where no growth has occurred should be considered for back zoning to the underlying FZ.

Landscape and Vegetation:

- ❑ Areas of generally modified rural landscape with limited environmental significance are preferred for RLZ.
- ❑ Vegetated areas of high environmental values would only be considered for RLZ where there is already a high degree of settlement and alternative zonings such as RCZ are not considered feasible.
- ❑ RCZ should be considered where environmental conditions reflect a high or very high biodiversity value.

Overlay Protection for Environmental Risk:

- ❑ Rural areas largely affected by planning overlays (in Campaspe's case mainly the LSIO, FO, BMO/ WMO & RO) should not be subjected to further urban settlement unless the bulk of the land is free of these overlay constraints and other relevant principles are adhered to.

The above principles will help achieve a desirable long term structure for urban development in what is primarily a rural municipality. Whilst acknowledging the Regional Victoria Settlement Framework in clause 11 of the SPPF a pattern of settlement hierarchy will continue to distinguish itself as a result of evolving economic and social activity across rural areas. Settlements are dynamic and their opportunity to evolve is clearly a function of the economic and social parameters impinging on them.

5.3 The Cost of Infrastructure and Services

Sound economic principles dictate that significant new investment in rural areas requires cost effective inputs and, accordingly, existing viable economic activity should not have to bear undue externalised costs imposed upon the delivery of the product or service.

Land that is valued substantially above its agricultural value has a significant impact on investment in agriculture. Many farm businesses have a high percentage of capital tied up in land. For a business to grow by investing in profit (as opposed to capital growth) high land

values pose a significant risk as only highly profitable businesses will be able to generate sufficient return on capital to service debt.

The agricultural sector is subject to continuing change. In the future there is likely to be fewer farms where the family is supported solely or mainly by agriculture. This does not necessarily mean there will be less land farmed or fewer farms. Many properties, even relatively small holdings, can and should still be productively farmed either by the landowner or another land owner as a part of a larger enterprise where land is leased or managed. These ongoing opportunities for agriculture are important in terms of the future economy, character and liveability of the Shire.

Rural land is primarily used for growing produce and raising livestock. Markets will determine the commodities produced, and the amount of land engaged, but the planning system has a role in maintaining land in parcels with productive management potential and minimising land lost to building development and non-agricultural use. In addition, intensive animal industries and other shed based agriculture should be carefully located so that scenic rural landscapes and environmentally sensitive tracts are protected. Agriculture should not compromise the condition of the natural resource base.

A clear distinction needs to be made between the larger settlements such as Echuca, Kyabram and Rochester, with capacity for sustainable growth, and the smaller settlements with their concentrated focus on retention of their existing role, size, services and character. Whilst it makes economic sense to encourage the highest level of growth to the towns with the greatest (and most efficient) infrastructure capacity it is legitimate that small towns also be able to contribute to economic prosperity and that public policy initiatives assist in achieving that objective. It is also important not to compromise the rural character, landscape or environmental assets of the Shire and their intrinsic values to residents. Without further intervention the small settlements are only likely, at best, to maintain their existing situation and risk continuing decline in population and services.

A recent report was prepared for the State Government on the financial costs of settlement patterns in rural Victoria¹⁵ and it generally established that:

- Typically infill development costs the least to council, but this is dependent on the capacity of existing infrastructure to accommodate growth and the number of new dwellings. Depending on capacity, additional development in an infill location may require the upgrade of existing infrastructure, as well as additional maintenance;
- Infill development is not common in rural locations, as the cost of developing 'in town' is often higher to proponents than developing on the outskirts of a town, and
- Comparing the costs at a high level over time indicates that over varying time periods, dispersed development tends to be the most expensive to councils and, accordingly, to the community as a whole.

Whilst this analysis generally supports the contention that concentration of activity in towns is a least cost outcome, the study also shows that development costs are relatively

indistinguishable. A more persuasive contention in support of containment is that urban development should not compete unfairly with important trade exposed and rural based industries such as agriculture.

Nevertheless, a multitude of evidence also supports the contention that residential development by itself (that is, without major impact on other uses) is a strong economic investment lever across the broader community, generating significant downstream effects and impacting positively on economic opportunity. The difficulty is in assessing the level of benefit to be derived from only small increments and how important that is in the overall generation of economic activity, particularly in primarily rural shires. Recent research carried out for the Shire of Campaspe²⁸ indicates that expansion of residential zoning in Campaspe's small towns will provide only a minimal degree of economic benefit to those towns. By contrast, the economic benefit derived from consolidation of agriculture is apparent on a much greater scale. In evaluating what at times might seem to be conflicting objectives the key conclusions to be drawn are as follows:

- In most circumstances the preference should be for settlements to grow incrementally in order to use available infrastructure in an optimal fashion;
- Guiding population and development to settlements fosters the economic base of the region and provides for the protection and growth of employment;
- Directing growth to settlements optimises the use of existing utility services and generally minimises the cost of development;
- The growth of investment and employment in towns, where investment is already concentrated, will have a higher multiplier effect through the broader economy than more sporadic, dispersed investment;
- New investment activity is usually desirable but it should not prejudice existing important industries by imposing externalities which unduly raise cost levels in those industries. For example, a reduction in the stock of valuable agricultural land resulting from the unfettered expansion of housing in rural areas is counter-productive economically;
- Adequate land resources should be specifically made available where relevant for new investment to occur in areas of demonstrated demand, and
- Further policy adjustments may be needed to assist small towns to survive and flourish and support their local communities.

5.4 Impact of the Demand for Rural Living

Based on ABS 2011 Census data²⁹, the key socio-economic characteristics of residents and households in the 'rural living' areas of Campaspe Shire are as follows:

- High incomes, with median household incomes 18% above the median for Campaspe;
- Household incomes higher than that occurring in neighbouring townships. For example, the median household income in the rural areas surrounding Rushworth is approximately 37% higher than the median income for the township of Rushworth. This is also the situation for rural living areas in Echuca and Kyabram;

- A high share of family households compared to neighbouring townships. This includes both families with and without children, reflecting a desire for rural living by young families and couples whose children have left the family home;
- A high average household size of 2.7 persons compared to 2.4 persons for Campaspe;
- Slightly lower dwelling occupancy, with 82% of dwellings occupied at the time of the 2011 Census compared to an average of 87% for Campaspe. The lower dwelling occupancy reflects a share of dwellings used as 'holiday homes' or 'weekenders'. However, a dwelling occupancy of 82% still indicates that dwellings are used primarily as permanent residencies;
- A high labour force participation rate and low unemployment rate. The labour force participation rate is 64% and the unemployment rate of 4.1%. This compares to a labour force participation rate in Campaspe of 61% and an unemployment rate of 4.5%;
- A high share of managers and professionals, accounting for 35% of employed residents compared to an average of 32% for Campaspe. Farmers and farm managers account for approximately one-third of managers and professionals in rural living areas. Education and health professionals account for 25% of managers and professionals, while specialist managers account for 14%, and a
- High share of internet connectivity and car ownership. 75% of households are connected compared with 70% of households in Campaspe. However, physical isolation is also reflected to a degree in high car ownership, with 80% of households owning at least two cars compared with 61% for Campaspe.

In summary, households in rural living areas in Campaspe tend to have high incomes relative to other Campaspe households; a high share of families with children; a high share of managers and professionals, and a high labour force participation rate.

Rural lifestyle properties tend to be more expensive than traditional residential properties in the urban areas of Campaspe.

Sales of rural lifestyle properties in Campaspe have been relatively consistent over recent years, averaging approximately 170 transactions a year between 2010 and 2013, including approximately 40 vacant rural lifestyle lots a year.

Over the period 2010 to 2013, rural lifestyle lots accounted for 24% of all residential sales in Campaspe, which is significantly above the average for regional Victoria of 15%. This situation illustrates the importance of the rural lifestyle market in Campaspe Shire³⁰.

These trends are depicted in **Table 6** below.

Table 6: Rural Lifestyle Property Sales Trends, Campaspe Shire, 2010-2013 (No. Lots) Category	2010	2011	2012	2013	Annual Average, 2010-2013
Shire of Campaspe					
Rural lifestyle	117	134	138	132	130
Vacant rural lifestyle	46	28	62	32	42
Miscellaneous improvements on rural lifestyle	-	1	3	1	1
Total - Rural lifestyle sales	163	163	203	165	174
Total residential sales	707	692	718	741	715
<i>Rural lifestyle share of total residential sales</i>	<i>23%</i>	<i>24%</i>	<i>28%</i>	<i>22%</i>	<i>24%</i>
Regional Victoria					
Regional Victoria - total rural lifestyle sales	5,347	5,695	5,550	5,953	5,636
Total residential sales	40,255	38,078	36,342	39,493	38,542
<i>Rural lifestyle share of total residential sales</i>	<i>13%</i>	<i>15%</i>	<i>15%</i>	<i>15%</i>	<i>15%</i>

Source: Valuer General Victoria; Essential Economics 2015

No specific evidence has been found that the provision of rural living opportunities within a locality leads to inflated agricultural land prices³¹. However, it is important to provide an adequate supply of RLZ land to satisfy demand for rural lifestyle lots. This will diminish the opportunity for demand for rural living land to be satisfied in farming areas (FZ). The above evidence clearly points to the provision of additional rural living opportunities adjacent to towns to concurrently provide an optimum level of service to these areas and to support existing town services.

The need for a minimum lot size for RLZ land has been identified in work conducted for Council³², with approximately 8 hectares considered to be the 'tipping point' for whether or not land owners actively use their land for some form of agricultural production.

5.5 Social Impact of Change in Rural Communities

The future of small rural towns within the broader urban structure of Campaspe Shire raises issues of equity of access to services and facilities and other social considerations. To some degree these may conflict with planning principles which are seen as necessary constraints upon development and hence impose some degree of restriction on individual expression of needs. However, community imperatives seek to emphasise the connectedness of small towns and the reasonable expectation that these communities be sustained for the overall health of the wider community.

Even though there might be an existing mismatch between demand for new conventional housing and the supply of residential land within defined township areas, in order to sustain local community connections into the future, it is reasonable to expect that small towns have some capacity to take proactive action to initiate and generate further development. Due to a lack of critical mass for new development this may mean the retention of a slightly larger surplus of available zoned land in comparison to larger centres.

As has been alluded to in this study greater capacity to absorb growth and achieve higher net community benefit will primarily be delivered in the larger towns. However, the social benefits of maintaining vibrant and strong small communities in the rural areas should not

be under-valued. In this regard planning ought to be seen as a proactive force rather than reactive or negative.

Links between settlement and housing patterns and community health and wellbeing are already in evidence and are strengthening. Recent work by the Heart Foundation in developing the idea of 'healthy by design' guidelines provides a clear nexus between the design and connectedness of residential neighbourhoods and the health of its residents. Allowing small towns to diminish the service and linkages they currently provide will increase isolation for vulnerable groups and not be conducive to overall community health.

The Campaspe Municipal Public Health and Wellbeing Plan 2013-2017 indicates that "being connected and feelings of belonging to families, friends, neighbours and the wider community" is a key determinant of public health³³.

5.6 Benchmarking Other Regions

A number of rural and housing settlement strategies have been recently prepared by municipal councils around Victoria. In perusing these strategies a continuity of overall approach is evident even if there is considerable variation in how these plans are presented.

The key principles of the *Moyne Warrnambool Rural Housing and Settlement Strategy 2010* emphasise:

- A clear and consistent distinction drawn between the role and function of settlements and rural areas;
- Housing development directed to those settlements and locations where demand exists and the capacity to accommodate growth can be most effectively met;
- The building of 'more sustainable' communities;
- Resisting incremental extension of town boundaries in favour of greater concentration and consolidation of identified settlements;
- A plentiful supply of land and housing opportunities within settlements, balancing pressure for the release of land and approving development outside settlements;
- Minimising potential conflicts between agriculture and other land uses, and
- Discouraging discretionary approval for settlement and housing in agricultural areas except where there is a demonstrated need to live on the land to conduct an effective agricultural use.

The strategic direction for the *Macedon Ranges Settlement Strategy 2011* is to:

- Maintain a clear distinction between those group of larger settlements which have capacity for growth as sustainable communities capable of supporting a range of services, subject to environmental constraints, and those small rural settlements unsuitable for further expansion;

- Recognise occasional opportunities for small infill development in smaller settlements but retain the existing role, size, services and character of these settlements;
- Identify capacity for growth within the larger towns, bearing in mind that potential is not equally distributed due to the opportunities and constraints presented by each settlement, and
- Deliver a greater capacity to absorb growth and net community benefit by focusing growth in the larger towns with established utility services to support growth and have the least environmental impact.

The key principles of the *Moirā Shire Settlement Strategy 2012* largely mirror those for Moyne and Macedon Ranges shires but with a more expansive articulation of the variables involved. These principles seek to:

- Guide population and development to those settlements and locations where a base framework of community services and facilities already exists;
- Ensure that housing in small towns is responsive to the emerging needs of single person households and older households;
- Provide diversity and choice in housing types;
- Steer growth to settlements which optimise use of existing utility services, fostering the economic base of the Shire, and encouraging the protection and growth of employment in small towns;
- Facilitate appropriate economic development in areas of the Shire that have tourism, recreation or environmental attractions, including farming and rural living areas;
- Protect land used for agricultural activities which are a significant land use and economic function in the Shire;
- Ensure sufficient business land is provided to allow towns to play an appropriate retail role as their population increases, providing employment and reducing escape expenditure;
- Guide population and development to settlements where existing environmental and cultural assets and rural landscapes will not be jeopardised;
- Provide protection to declared water supply catchments by guiding development to settlements where reticulated sewer systems are available, and
- Provide residential opportunities in settlements where there is limited threat to people and property through flood or fire.

It is clear that there is a general consistency between these settlement strategies drawn from across the state and the principles espoused in this study. What, however, is also apparent is that there is a degree of latent conflict in some objectives and it remains unclear from these strategies as to how these conflicts might be resolved. For example, encouraging new investment and diversity in towns that are largely constrained in terms of their potential for expansion.

There is a consistent desire in these documents to determine and enforce a hierarchy of settlements across the municipality. This basically correlates with a desire to maintain an orderly concentration of services and facilities in larger centres. As indicated previously, whilst this has economic validity, some degree of additional flexibility may be needed to inspire re-generation of towns in rural areas where population loss is a constant threat.

6.0 Developing a Strategic Direction for Campaspe Settlement

In response to the preceding investigation and discussion it is possible to formulate an overall strategic direction for urban settlement in Campaspe Shire. In particular the strategic direction will recommend:

- Policy and actions for all Campaspe Shire's towns from the larger centres to the various small towns;
- Policy and actions for rural living development across the Shire;
- Policy and actions for rural land adjacent to existing settlements, and
- Changes to the Campaspe Planning Scheme either as a matter of priority on the basis of assembled evidence in this document or in the longer term, subject to further detailed investigation and evaluation.

In conjunction with the above approach two associated documents have been prepared to accompany this strategic evaluation. These are:

- A document outlining various zoning anomalies, corrections and minor alterations which should be dealt with in a planning scheme amendment as a matter of urgency, and
- A document identifying future opportunities for zoning change subject to further detailed analysis and decision-making by the planning authority.

The strategic direction for Campaspe settlement is outlined in **Table 7**.

Maps depicting the strategic direction for each town where changes are recommended are shown in **Figures 9 – 23** (pp. 74-88).

Table 7: Town Settlement Strategy

Town	Role	Town Features/ Urban Interface	Strategic Direction/ Actions
ECHUCA	A regional centre & economic, cultural & administrative focal point for the Shire of Campaspe.	<p>Echuca is an employment hub for the central Murray River corridor, particularly in relation to retail, business & community services, manufacturing & tourism.</p> <p>The core area for the tourism sector is separated from mainstream retail. Aside from infill new settlement is occurring principally to the town's west & longer term to the south-east at lower densities.</p> <p>Strong transport linkages exist with Melbourne & to the north through the Riverina district of New South Wales.</p>	<ul style="list-style-type: none"> • Focus on Echuca's principal growth corridor to the west of the Northern/ Murray Valley Highways to re-balance east-west development & to preclude conflict with environmentally constrained areas to the east & south; • Apply the General Residential Zone (GRZ) and Development Plan Overlay (DPO) to the designated growth area as shown in Echuca Town Structure Plan 2 in the CPS as the most effective means to manage settlement growth in the western corridor over the next 25-30 years; • Implement the Echuca South East Industrial & Commercial Corridor to maintain separation with future residential & provide appropriate access to business areas; • Establish the Echuca South East Rural Living Precinct Structure Plan (PSP) area as Echuca's principal future supply of RLZ close to town, separated from core industrial & residential areas, & introduce a mix of allotment sizes as a feature of the PSP; • Enhance central Echuca's commercial, cultural & recreational assets, in particular connecting parkland & open space; • Promote resolution of a new Echuca-Moama bridge as a linchpin development in reviewing & reinforcing an effective long term growth structure for the town; • Update the Municipal Strategic Statement (MSS) to acknowledge the objectives and planning controls associated with the Goulburn-Murray Water Connections and Modernisation Project in Echuca and across the municipality; • Update town structure plans to take account of recent strategic initiatives.

Town	Role	Town Features/ Urban Interface	Strategic Direction/ Actions
KYABRAM	A service centre for an intensive irrigated agricultural district. Campaspe's second largest town is located midway between a regional centre (Echuca) & a regional city (Shepparton).	Kyabram is an integrated urban environment offering a range of residential, commercial, industrial & recreational activities contained within a broad & intensively farmed agricultural district. Kyabram has a well formed residential zoned area based on a rectangular grid & a robust, largely linear, strip shopping centre in Allan Street.	<ul style="list-style-type: none"> • Balance long term residential growth to the south east with other short & medium term zoned residential opportunities to the north east & east; • Do not designate a 'future urban growth corridor' at this time given the opportunity for development of existing zoned land for the foreseeable future & existing approved Development Plans; • Investigate additional RLZ to the west of the town, & longer term to the north, to offer further rural living opportunity close to Kyabram's services & facilities & reflect existing fragmentation of rural tenements in the area, based on the recommendations of the Campaspe RLS; • Establish new RLZ areas only where agricultural development is not adversely impacted & environmental conditions are conducive, including the effectiveness of wastewater management & drainage systems; • Protect high value agricultural land to the east of the town by precluding further non-farm expansion; • Maintain & extend FZ2 as the most appropriate zoning treatment for the settlement cluster of Kyvalley; • Review Kyabram's Town Structure Plan to consolidate this strategy.
ROCHESTER	Service centre for a diverse farming district, Rochester is Campaspe's third most populous town & the largest town between the regional centre of Echuca & regional city of Bendigo.	Rochester is located on, & structurally divided by, the Campaspe River, Northern Highway & railway reserve. A substantial part of the urban environment in Rochester is potentially flood affected. The town is an agricultural centre & a feature is the central location of a notable industry (Murray Goulburn).	<ul style="list-style-type: none"> • Maximise residential infill opportunities particularly on the western, south-western & south-eastern edges of the town; • Investigate areas north of Dingee Road, extending in a westerly direction, and south of Diggora Road, extending to the west, for any foreseeable long term residential growth; • Investigate the introduction of RLZ to the north west of town (north of Diggora Road & east of Restdown Road) where land is free of LSIO & FO constraints & a greater diversity in housing options can be offered; • The above investigation will include a review of specific land capability conditions including the effectiveness of wastewater management & drainage systems; • Review industrial zoning in East Rochester to establish a more effective buffer with residential development & improve amenity in the longer term; • Investigate expansion of the industrial estate south of the Kyabram-Rochester Road; • Continue to improve linkages between the eastern & western sectors of Rochester; • Continue to enhance public access & the landscape appeal of the Campaspe river environs; • Review Rochester's Town Structure Plan to consolidate this strategy.

Town	Role	Town Features/ Urban Interface	Strategic Direction/ Actions
TONGALA	A service centre for (primarily) the dairy industry located between the larger centres of Kyabram & Echuca.	Tongala is a dairy industry town providing services to the surrounding irrigated agricultural district. It has an attractive commercial strip. Notable industrial areas are located on the west side of town with residential infill potential in the north.	<ul style="list-style-type: none"> • Undertake a more specific zoning regime to replace TZ as the preferred town structure for Tongala; • Restrict expansion of residential to the south of town to avoid potential conflict with industrial use; • Recognise anticipated changes to the future use of Council-owned land, including the former 'Golden Cow' tourist facility, south of the railway line, & minimise the likelihood of any conflict with existing industrial; • Investigate the introduction of RLZ to the north west of the town to provide additional diversity in residential opportunities, subject to appropriate land capability considerations such as effective wastewater management & drainage; • Maintain appropriate setbacks to Goulburn Murray supply channels to ensure protection of water quality; • Investigate the opportunity to consolidate & enhance the town's commercial precinct; • Review the Tongala Town Structure Plan to consolidate this strategy.
RUSHWORTH	A 'lifestyle' oriented local service centre somewhat isolated from other urban centres & the prime farming activity areas of the Shire.	Rushworth features low intensity & substantially vegetated residential development, with limited retail facilities, primarily along the Bendigo-Murchison Road axis. A significant, largely undisturbed, heritage streetscape is centred on the High Street area. There is extensive rural living to the east of the town. Rushworth is the gateway to the Waranga Basin recreation area & the Whroo historic area.	<ul style="list-style-type: none"> • Investigate the biodiversity value of the heavily vegetated RLZ land south & east of the Rushworth township, currently impacted by the BMO/WMO, with a view to application of the Rural Conservation Zone (RCZ) in lieu of RLZ; • Consider the application of replacement RLZ to the immediate west & north-east of the existing township (TZ) where rural living opportunities can be provided free of the BMO/ WMO & where access to recreational & historic attractions can be optimised; • The above opportunity should be subject to review of land capability conditions including wastewater management systems; • Prepare a comprehensive tourism development strategy for Rushworth; • Support tourism by identifying potential sites for development & effective town entrance identification along the Bendigo-Murchison Road; • Revise the MSS to identify tourist development opportunities & town entrance improvements for Rushworth; • Investigate a more specific zoning regime to replace TZ as the preferred zoning structure for Rushworth; • Review the Rushworth Town Structure Plan to consolidate this strategy.

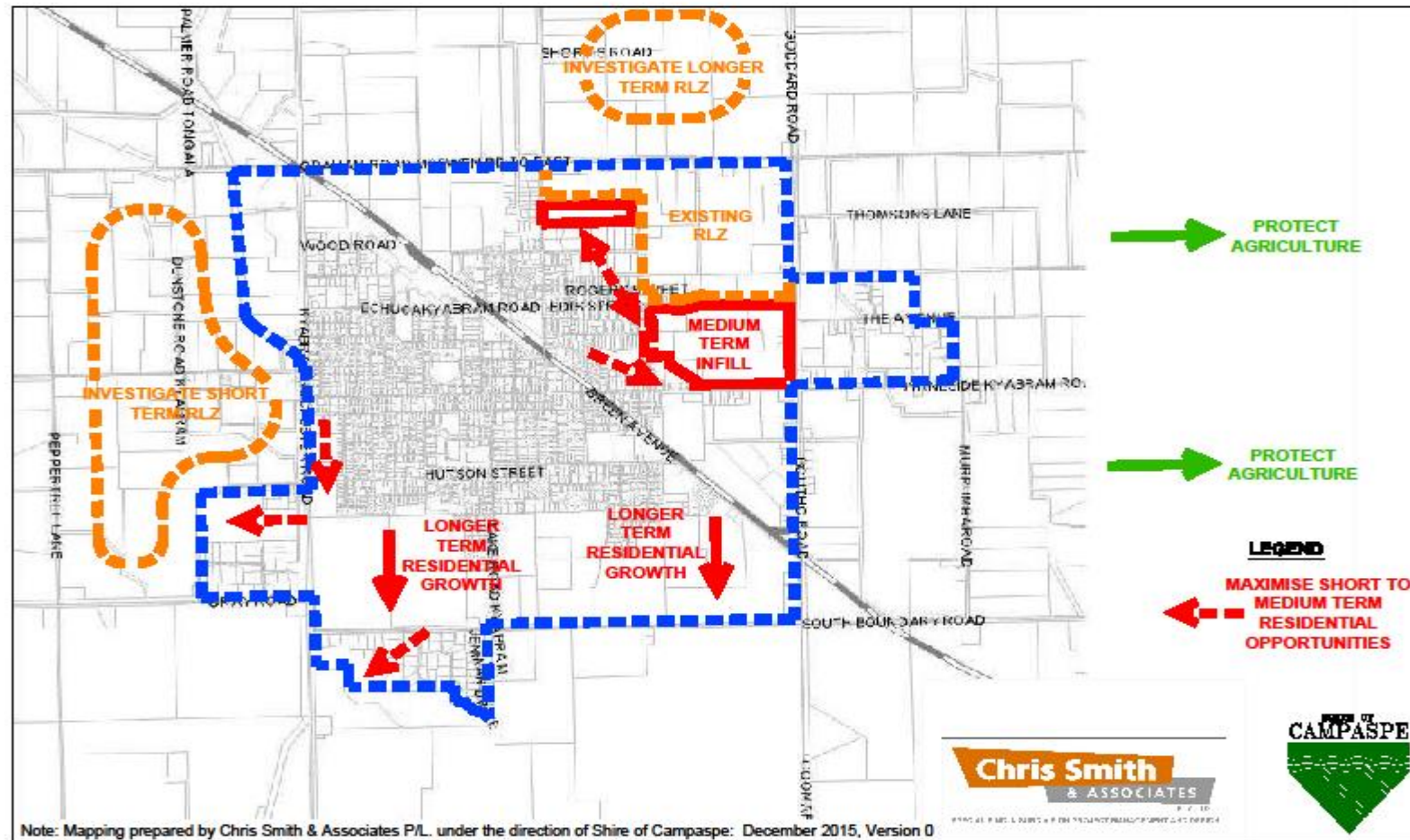
Town	Role	Town Features/ Urban Interface	Strategic Direction/ Actions
STANHOPE	A commuter town & local service centre for the surrounding agricultural district, primarily the dairy industry.	Stanhope is a small dairy industry town located on the Midland Highway with a well-defined town centre, largely under-utilised former central rail corridor & a substantial amount of infill residential land. The notable 'Fonterra' food processing plant on the south side of the highway is adjoined by vacant TZ land.	<ul style="list-style-type: none"> Promote Stanhope as a fully serviced commuter town with convenient access to Shepparton, Bendigo & Echuca; Reinforce current infill opportunities north of the highway within the current TZ; Investigate the application of a small commercial zone to reinforce the town centre & convert the balance of residential land in the TZ to GRZ; Investigate a longer term civic/ open space development as part of the former railway land; Investigate an industrial zone for Fonterra to reflect existing use & more effectively promote industrial land opportunities south of the site; Maintain appropriate setbacks to Goulburn Murray supply channels to ensure protection of water quality; Review the Stanhope Town Structure Plan to consolidate this strategy.
LOCKINGTON	A local service centre for the irrigated (& non-irrigated) plains area west of the Northern Highway.	Lockington is a compact small town located within easy reach of Rochester & Echuca. The surrounding extensively farmed agricultural area directly abuts township limits on all sides. The town features a small but serviceable range of community & retail facilities.	<ul style="list-style-type: none"> Generally support consolidation of township limits; Investigate a limited increment to the TZ on the LSIO-free western side & provide an additional infill opportunity for an unconstrained, development site (of no more than 20 conventional house lots); Remove the 'potential future growth opportunity' notation on the existing Town Structure Plan south of Panoo Road, west of Robert Street, given that it has had no evident impact on town land supply; Develop a marketing/concept plan to endeavour to ascertain optimum use of the railway land & its possible development as a central town focus; Review the Lockington Town Structure Plan to consolidate this strategy.
GIRGARRE	A local service centre for the surrounding agricultural area.	Girgarre exhibits a low intensity, relaxed country town feel but has been impacted by services & industry withdrawal. There is potential for the town to capitalise on being a commuter & local produce focal point & maximise its generous sporting/ recreational facilities & capabilities. It contains a (former) notable industry site.	<ul style="list-style-type: none"> Retain the existing TZ in the primarily residential component of the town structure; Continue to support consolidation of the town; Investigate the potential demand for rural living opportunities on the west side of the town; Introduce public space design & amenity enhancements in the town centre as well as the Station Street recreation area (former railway reserve); Investigate & market the former Heinz industrial site for employment generation; Consider the rezoning of existing house lots located in a linear strip south of Winter Road, east of Girgarre-Rushworth Road, from FZ to TZ to recognise existing development; Review the Girgarre Town Structure Plan to consolidate this strategy.

Town	Role	Town Features/ Urban Interface	Strategic Direction/ Actions
GUNBOWER	A small commuter/ local service town located on the Murray Valley Highway between Echuca & Kerang.	Gunbower is a small highway town with direct access to other larger centres & which functions as a gateway to the wetlands eco-system associated with the Murray River. The nearby network of waterways, aquatic assets & the Gunbower State Forest offer a destination which potentially adds value to the Gunbower township.	<ul style="list-style-type: none"> Continue to support the consolidation of Gunbower township & better utilisation of the existing TZ; Investigate opportunities to increase usability by extending the TZ to an area east of Walkers Road, between the existing TZ & Gunbower Creek, in lieu of the less effective zoning west of Market Street, on the south side of the Murray Valley Highway, & a pocket of TZ east of the Gunbower- Pyramid Road; Investigate future opportunities for RLZ in the area to the immediate north of Gunbower, generally in accordance with the Campaspe RLS & with particular emphasis on land capability & minimising environmental risks; Review the Gunbower Town Structure Plan to consolidate this strategy.
NANNEELLA	A local service point for the agricultural district & small commuter settlement.	Nanneella has a defined township area with the primary school the key feature. Larger rural lots surround the township.	<ul style="list-style-type: none"> Retain existing zoning as sufficient land is available within the TZ to accommodate projected new development; Support community development activities to enhance the amenity & usability of public space in the township, for example town entrances.
WYUNA	Small settlement with possible commuting potential.	Wyuna is a defined township on a rectangular grid located on the Murray Valley Highway, north of Kyabram, with a bus connection to nearby major centres. Mainly large rural lots surround the 'township'.	<ul style="list-style-type: none"> Retain existing zoning as sufficient land is available within the TZ to accommodate projected new development; Support community development activities to enhance the amenity & usability of public space in the township, for example town entrances.
TOOLLEEN	A settlement 'cluster' & minor service point for district farming as well as stopover point for road connections along the Northern Highway or east to Rushworth.	Toolleen is an attractively vegetated settlement area that functions as small service point, wayside stop area & destination for the hotel & recreation facility.	<ul style="list-style-type: none"> Enhance the Toolleen area as a wayside stop & short term destination; Retain the existing small TZ as a potential site for a separate commercial facility; Retain the large but isolated RLZ to the east of Toolleen & the Rochester-Heathcote Road having regard to the level of existing development; Continue to support implementation of the Restructure Plan for Toolleen (RO6); Support community development activities to enhance the amenity & usability of public space in the township, for example town entrances.

Town	Role	Town Features/ Urban Interface	Strategic Direction/ Actions
KOYUGA	A settlement cluster shaped by its location within easy reach of Echuca & other towns in an irrigated farm district.	There is no real sense of a 'town' or of town services in Koyuga.	<ul style="list-style-type: none"> Investigate the removal of the existing the TZ given that the strategic rationale for retaining a sizable but significantly under-utilised TZ in this location can no longer be established; Consider FZ2 as a more workable zoning choice for the area.
COLBINABBIN	Local service point for the agricultural district & a small commuter settlement.	Colbinabbin is a small township on the Bendigo-Murchison Road (Mitchell Street) with infill opportunities within the town boundary. It features a grain feed business & minor services. Most public use zones, however, are located outside the TZ.	<ul style="list-style-type: none"> Continue to support the consolidation & infill of Colbinabbin township given that contiguous land is committed to agriculture & the considerable impact of the LSIO & SMO; Support community development activities to enhance the amenity & usability of public space in the township, for example town entrances. Review the Colbinabbin Town Structure Plan to consolidate this strategy.
TORRUMBARRY	A stopover point for road connections along the Murray Valley Highway.	A small linear TZ accommodating the Hotel is the dominant feature of the settlement.	<ul style="list-style-type: none"> Continue to support consolidation & infill in Torrumbarry & retain TZ given its location on a major highway; Support community development activities to enhance the amenity & usability of public space in the township, for example town entrances.
BALLENDILLA	A tiny settlement area within easy reach of Rochester.	Located on the Prairie-Rochester Road the Ballendella TZ provides a minor commuting locale to Echuca or Rochester.	<ul style="list-style-type: none"> Investigate the removal of the TZ given little realistic opportunity for further town development, the surrounding irrigated farm allotments of 20 hectares & above & an absence of strategic justification for any 'town' expansion.

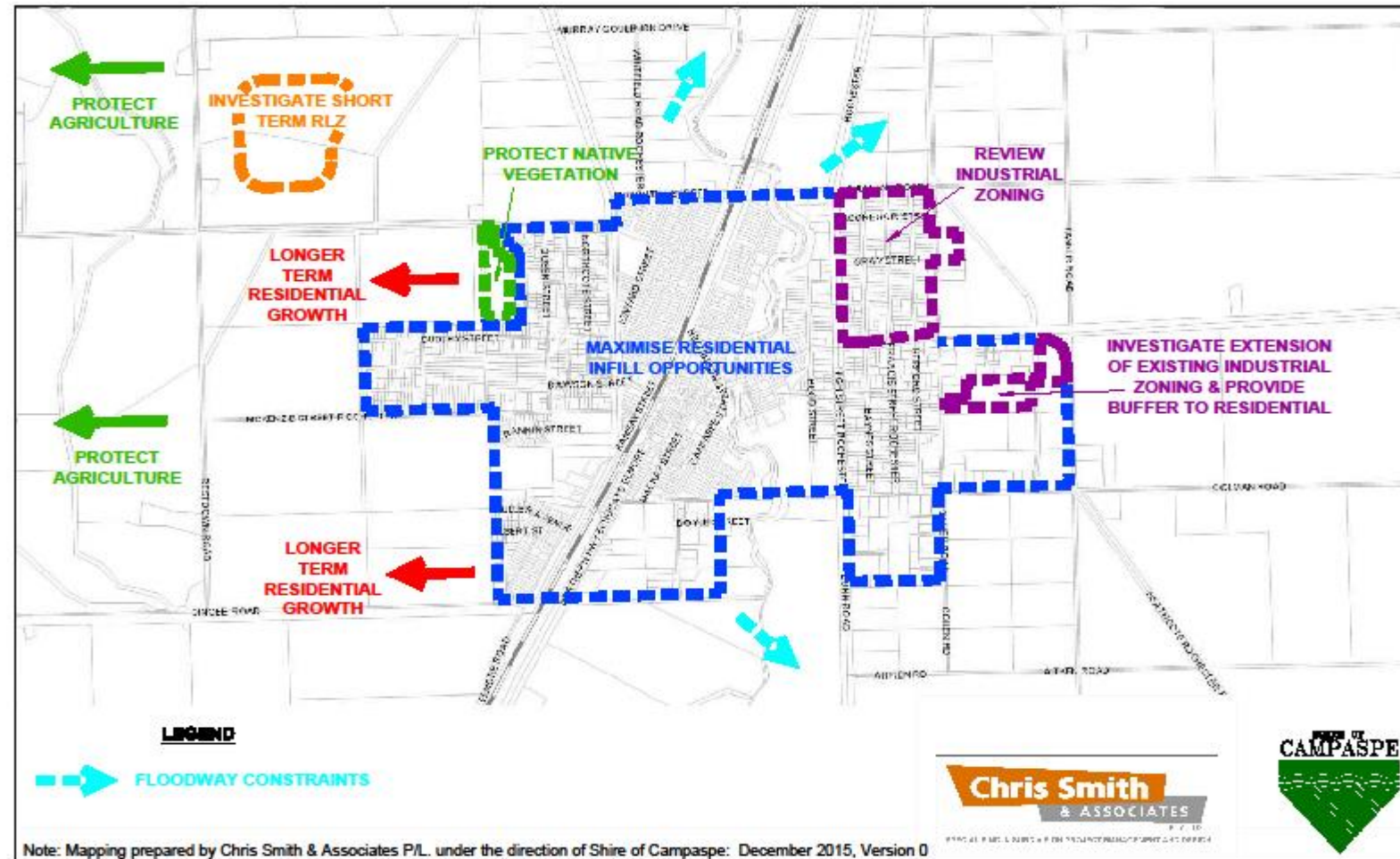
COROP	A minor service point, recreational destination & stopover for Midland Highway connections.	Corop is a small settlement that is strongly associated with nearby environmental attractions Lake Cooper, Greens Lake & wine growing in the Mt Camel/ Colbinabbin Range area. It also functions as a minor service point for the surrounding farming community & the town's permanent & occasional residents.	<ul style="list-style-type: none"> • Retain the underlying FZ for Corop given the settlement is significantly impacted by planning overlays seeking to reduce the number of small allotments in the 'town' area & impose requirements for floodway protection over most of the existing town; • Preclude the application of any other alternative non-urban zonings such as RLZ or RAZ given that the surrounding area is committed farming land; • Review the appropriate zoning and/or planning overlay controls affecting Lake Cooper & Greens Lake to ensure optimum environmental protection. • Support community development activities to enhance the amenity & usability of public space in the township, for example town entrances.
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Kyabram Strategic Directions

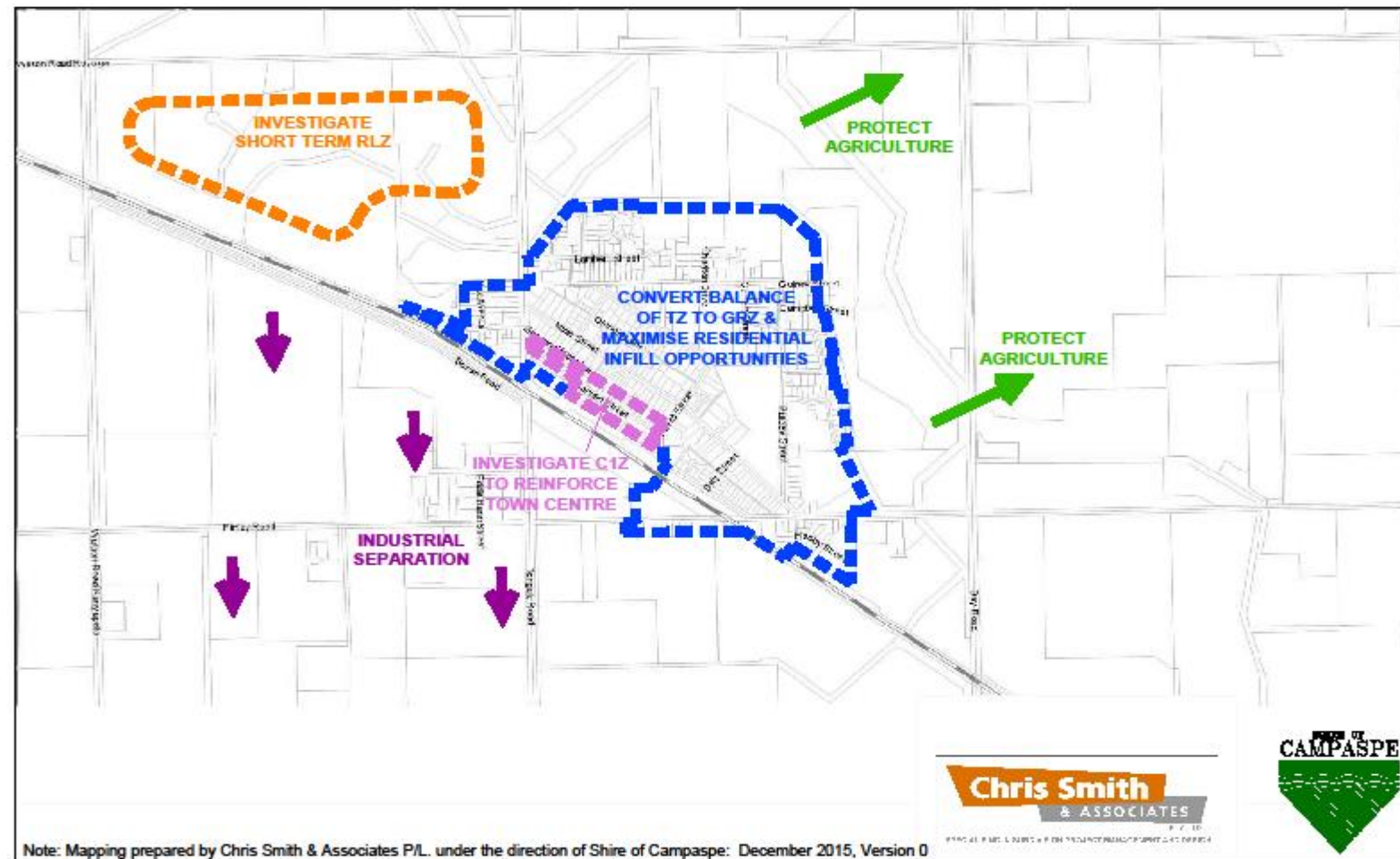


Note: Mapping prepared by Chris Smith & Associates P/L, under the direction of Shire of Campaspe: December 2015, Version 0

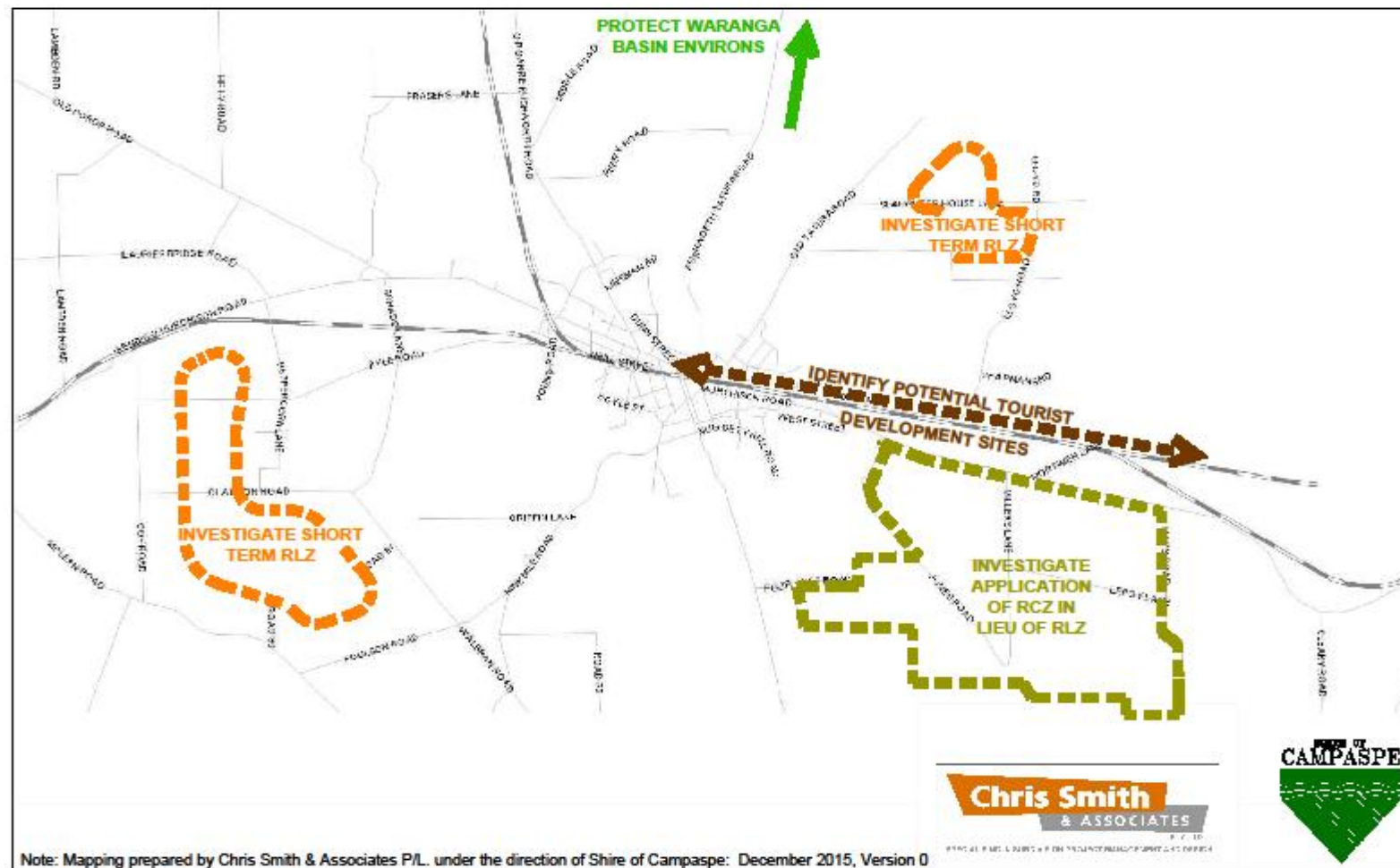
Rochester Strategic Directions



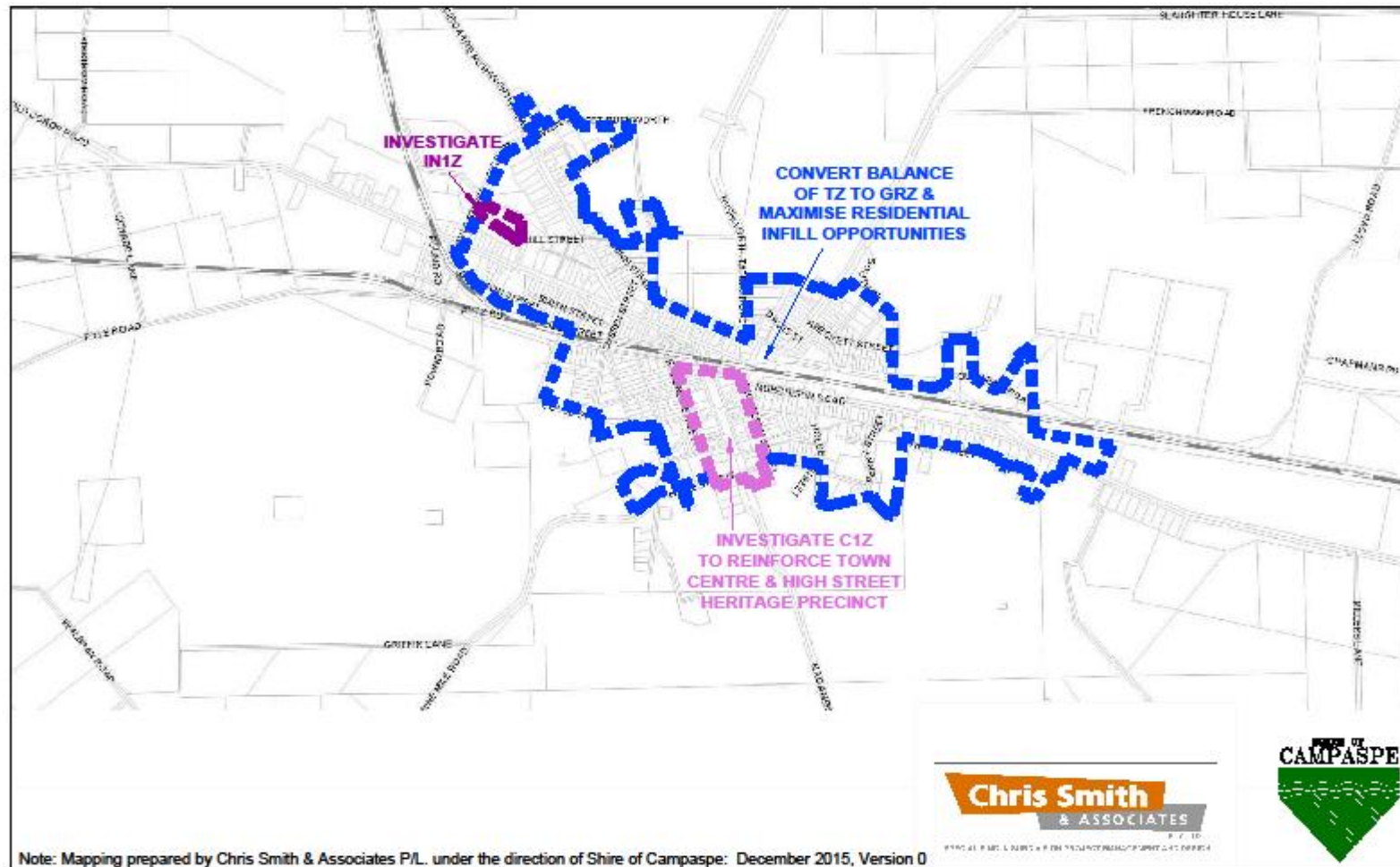
Tongala Strategic Directions



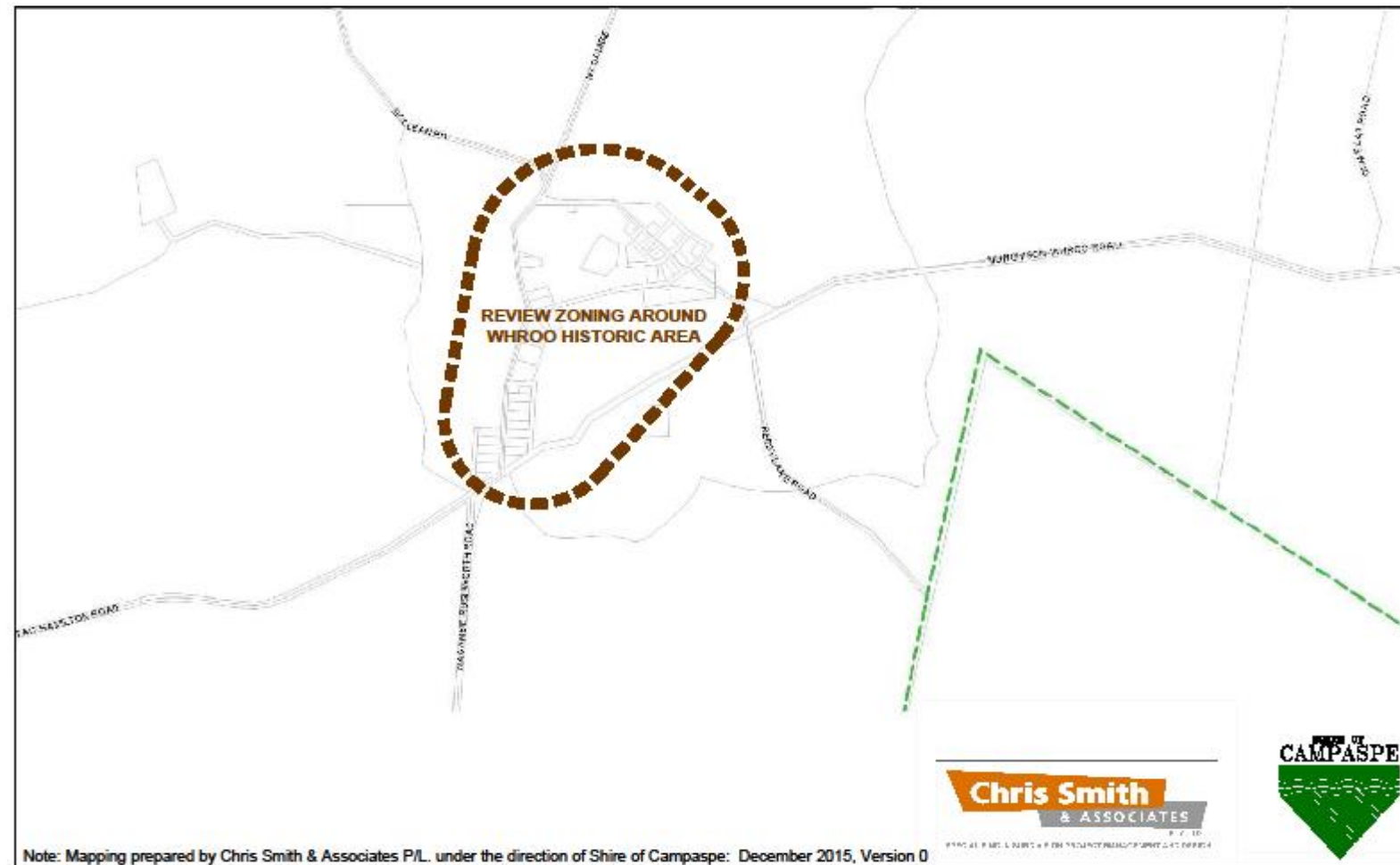
Rushworth Strategic Directions (1)



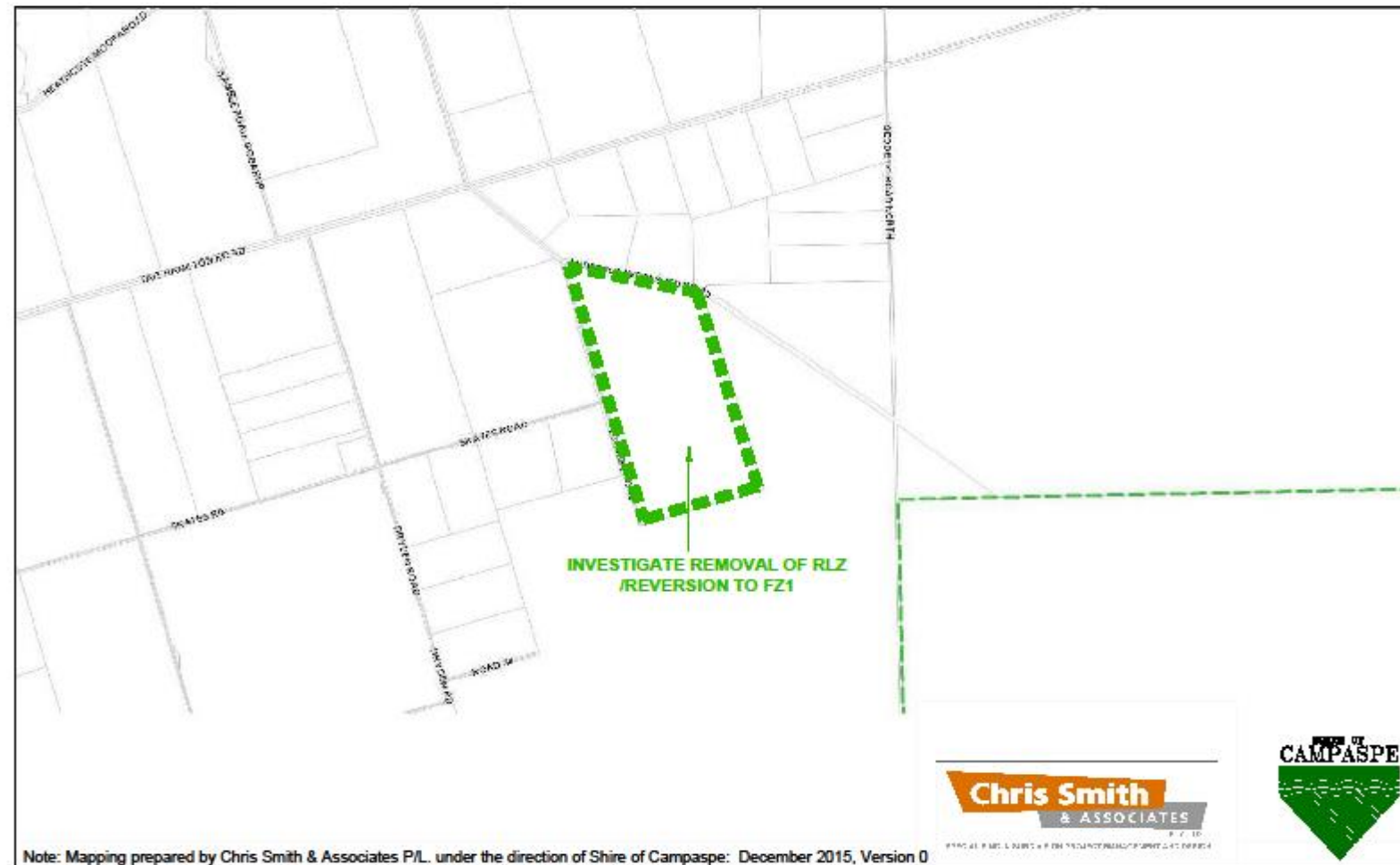
Rushworth Strategic Directions (2)



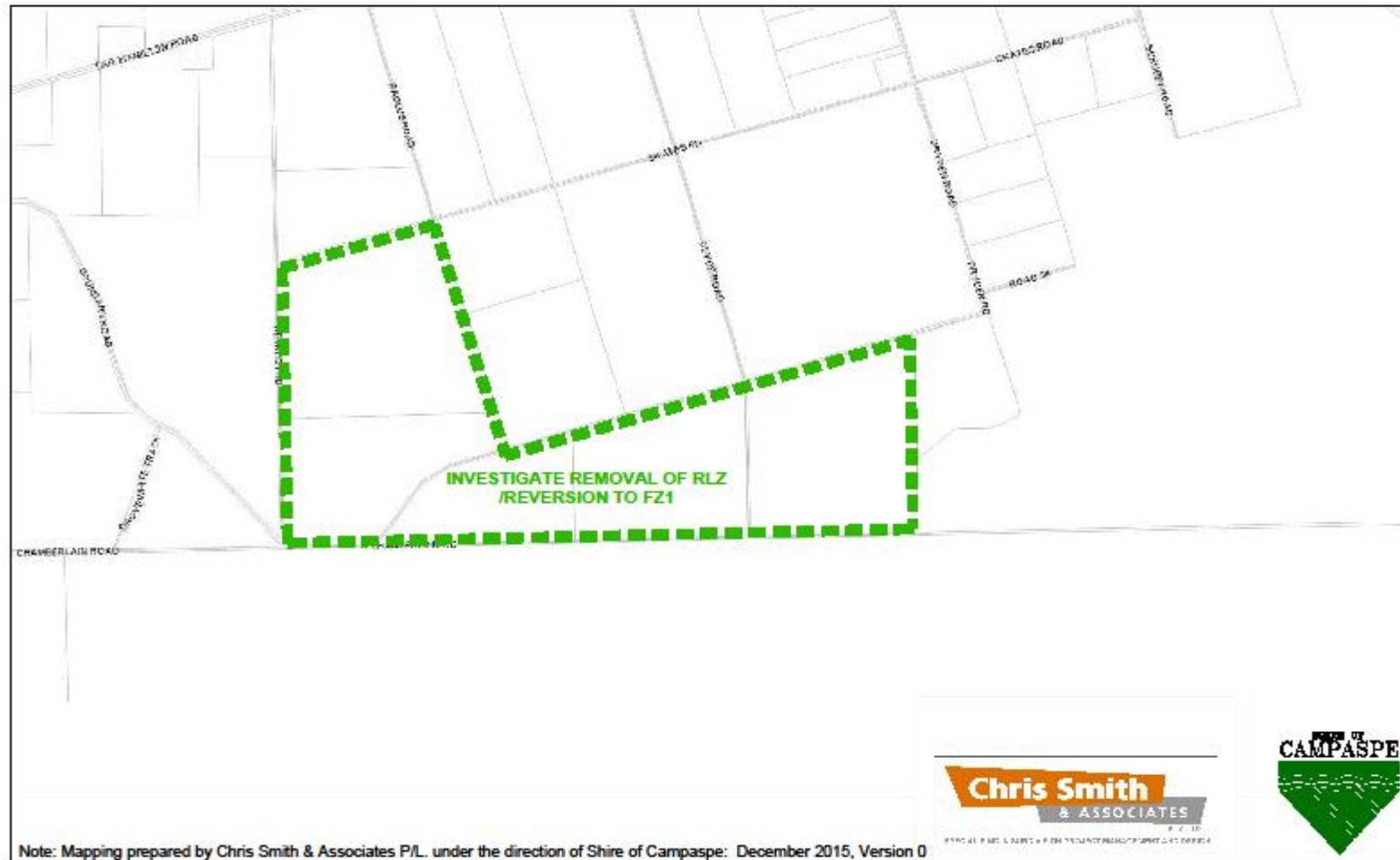
Rushworth Strategic Directions – Whroo Area



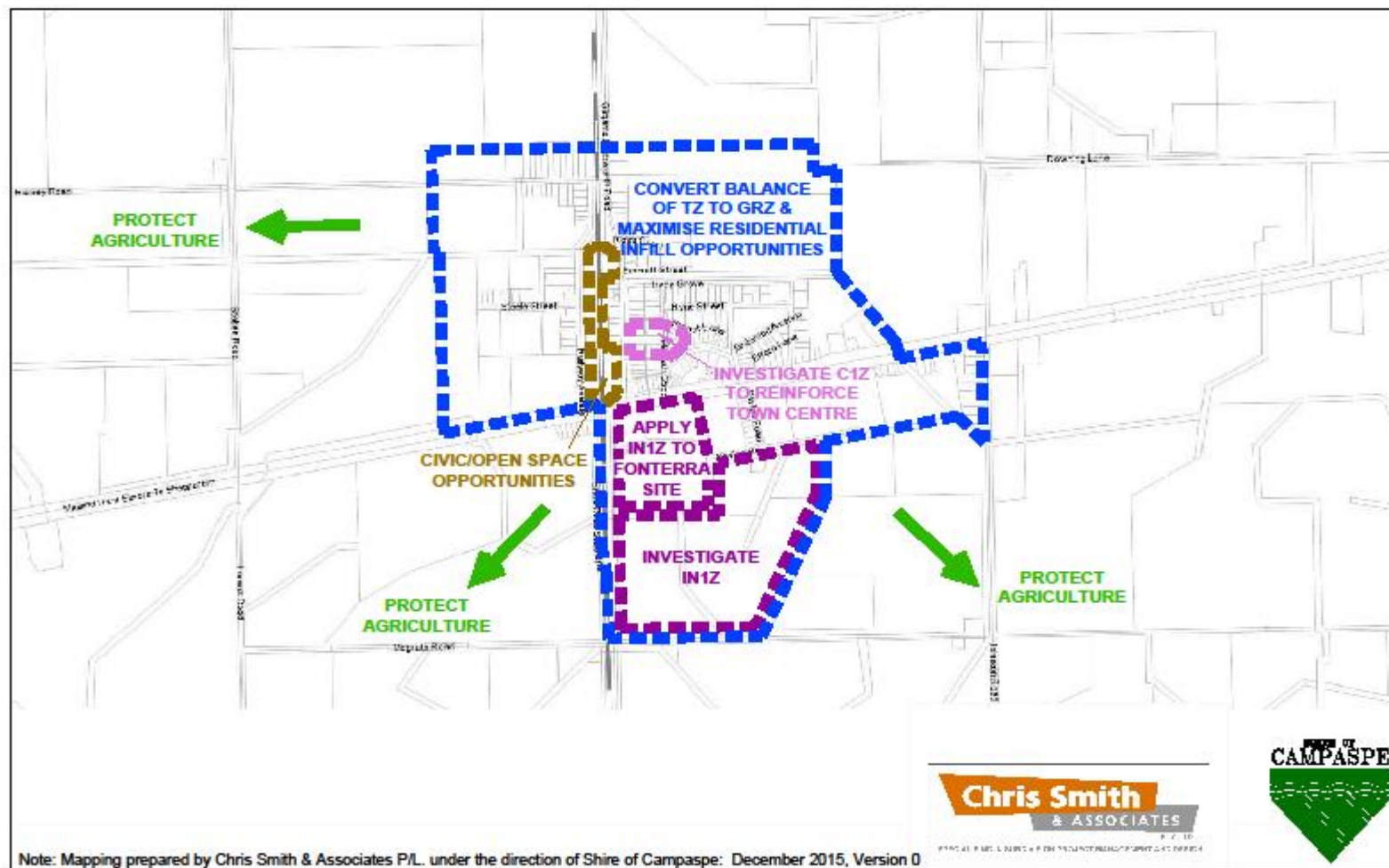
Rushworth – Toolleen RLZ (1)



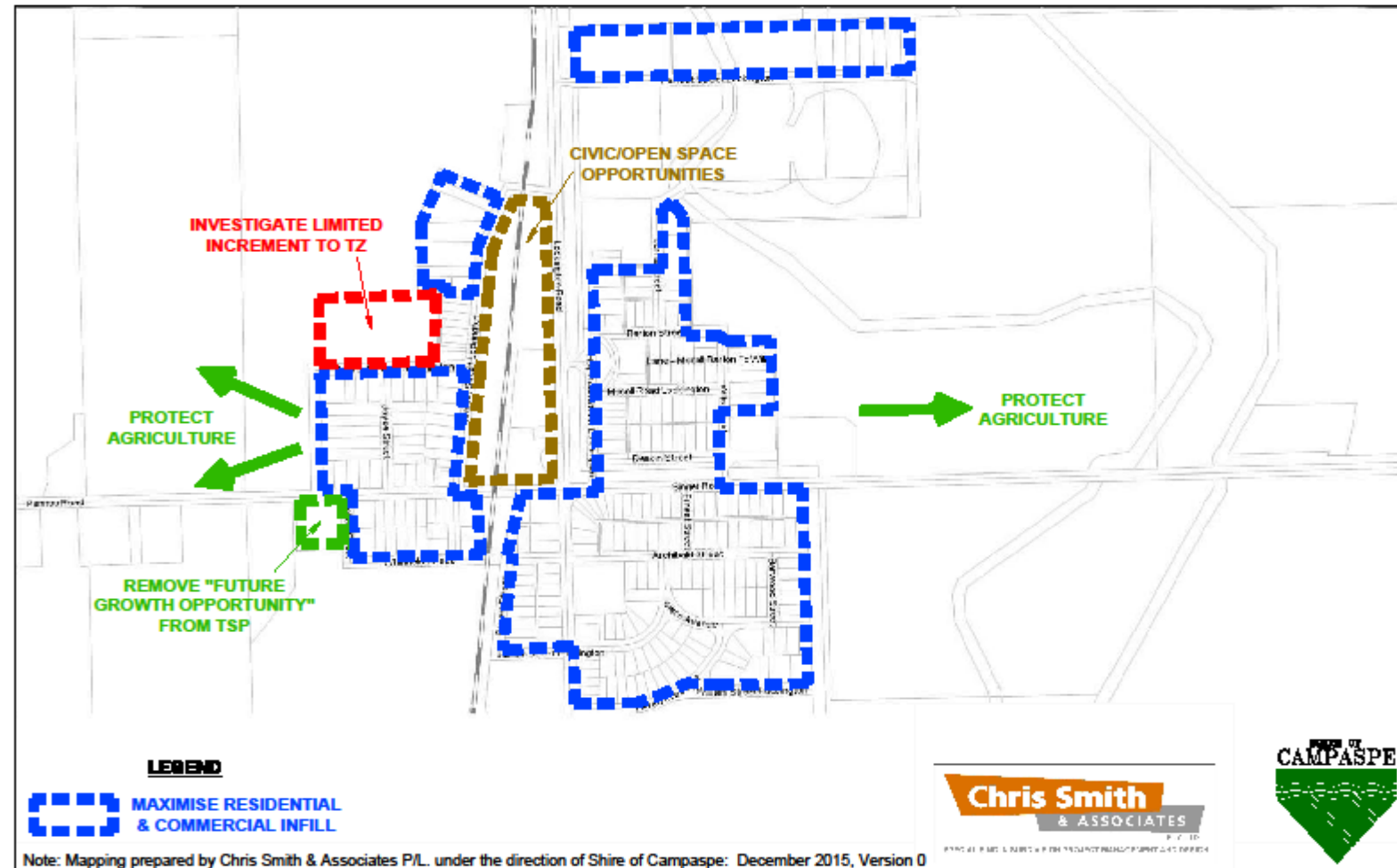
Rushworth – Toolleen RLZ (2)



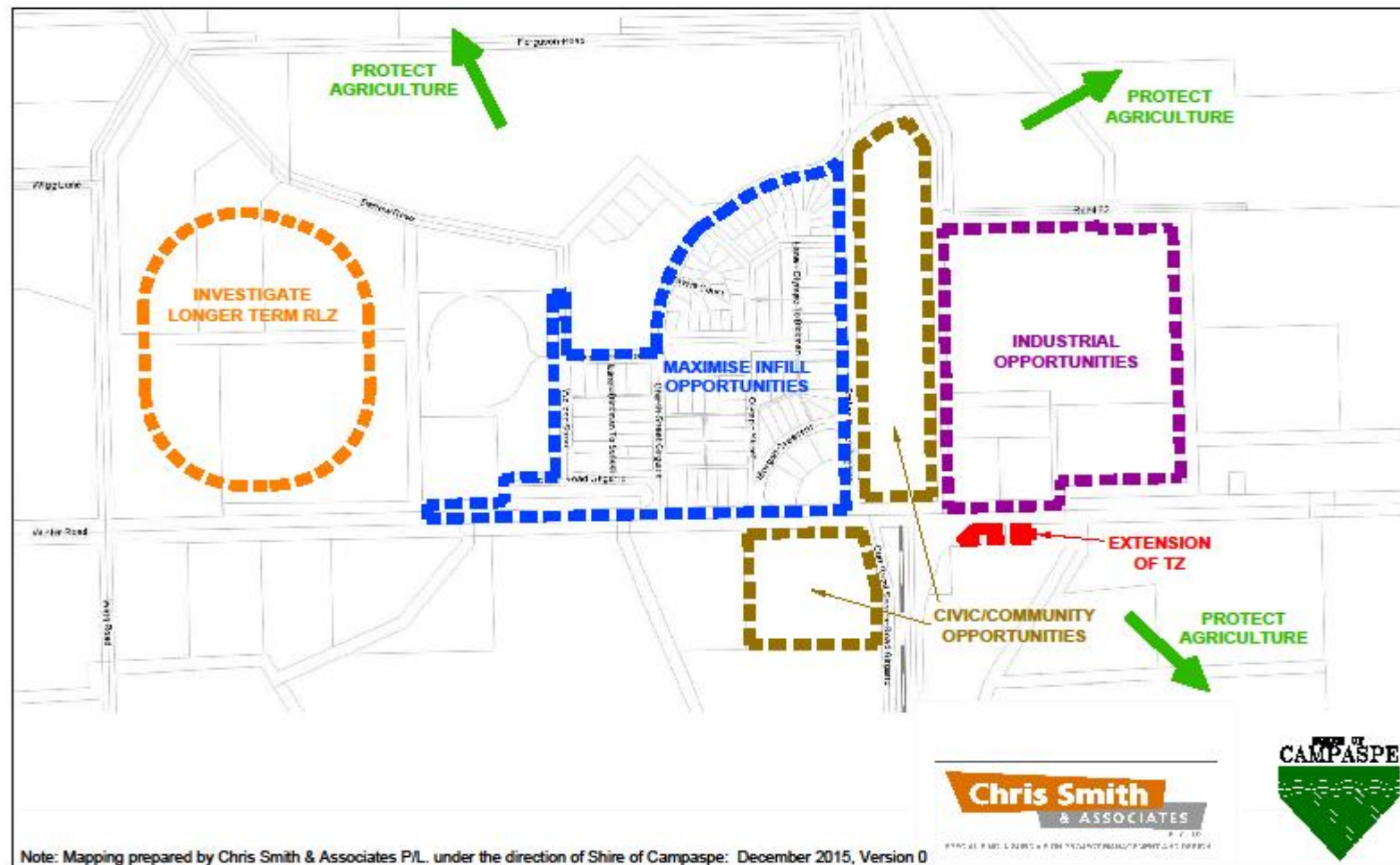
Stanhope Strategic Directions



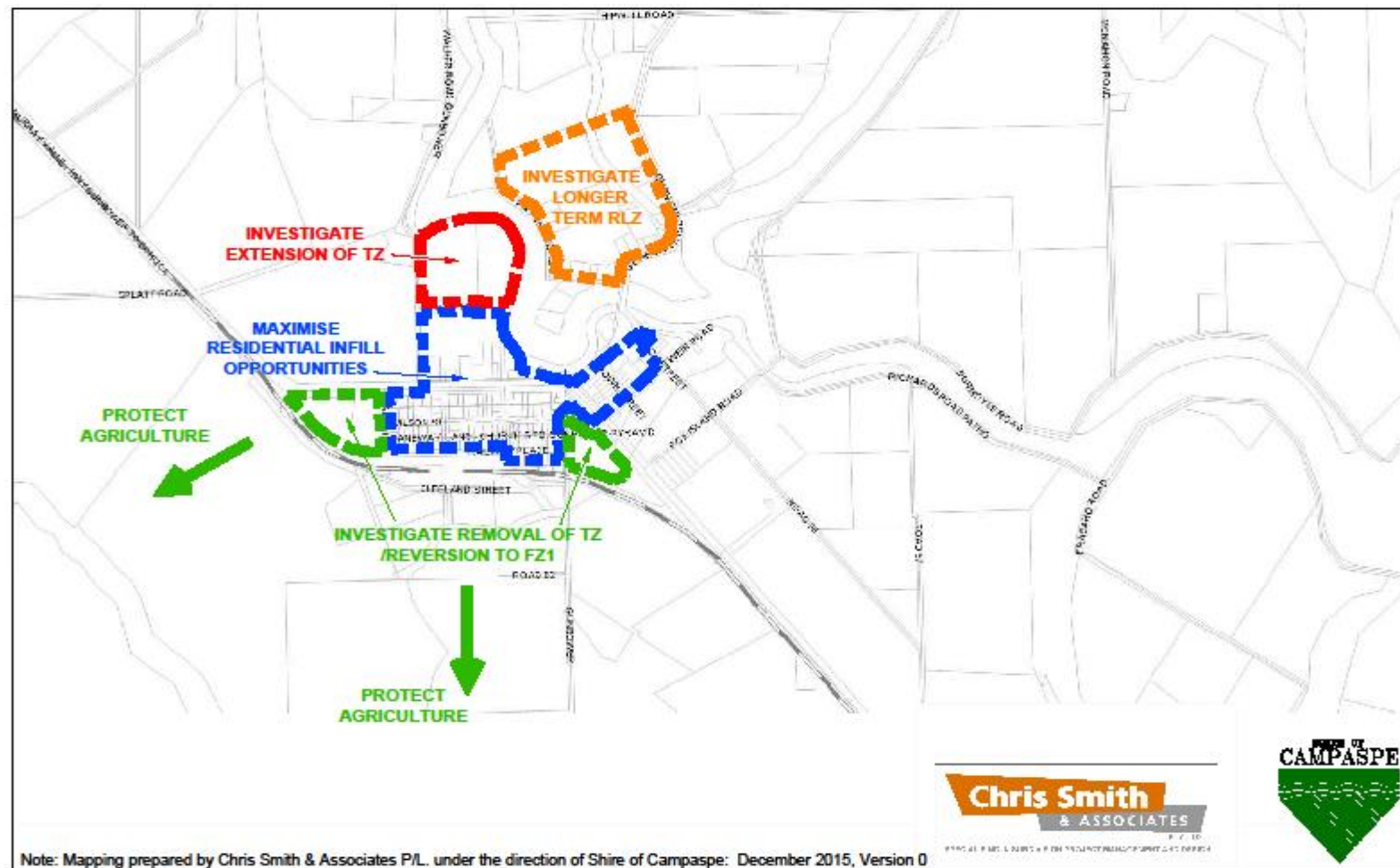
Lockington Strategic Directions



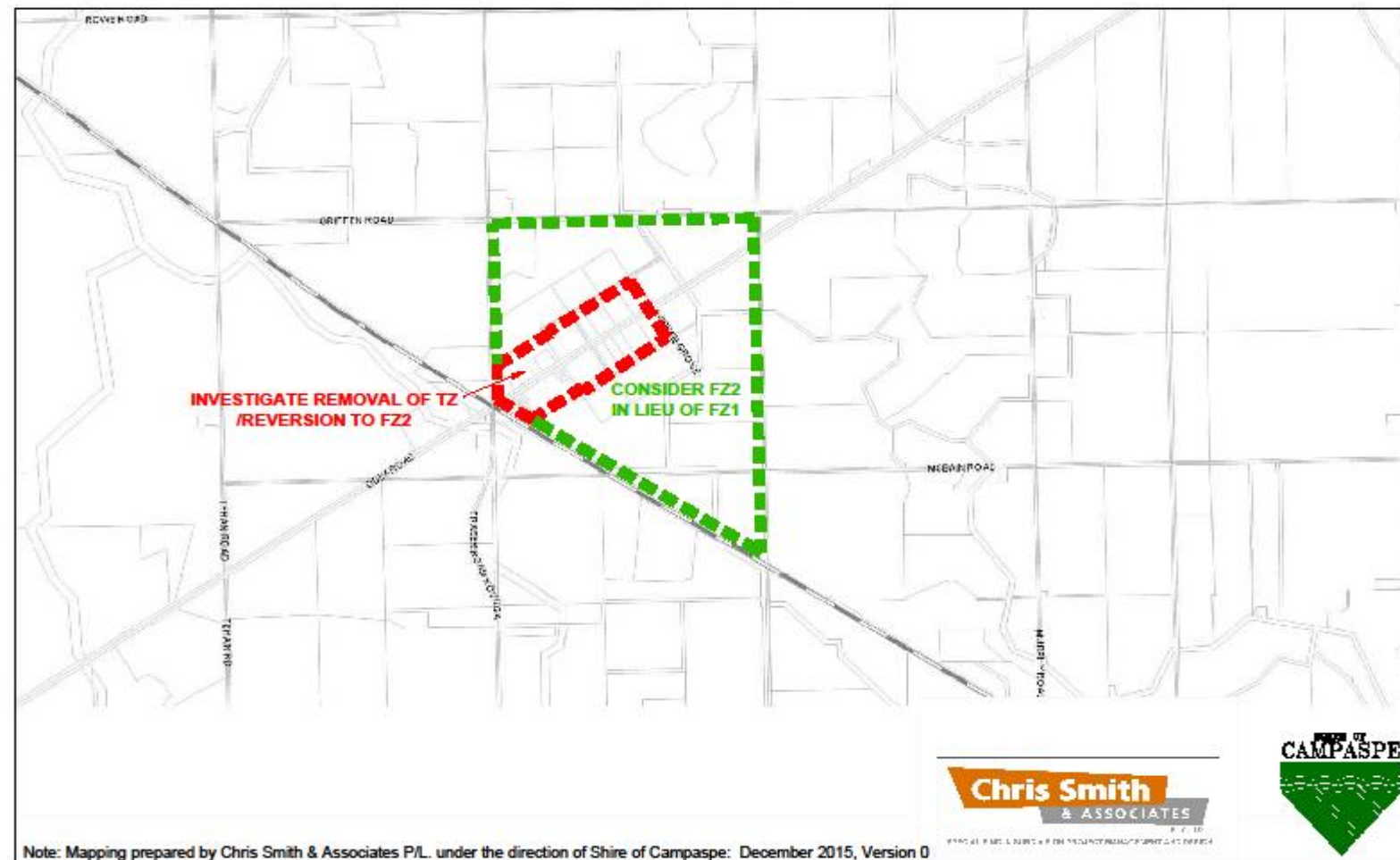
Girgarre Strategic Directions



Gunbower Strategic Directions



Koyuga Strategic Directions



Ballendella Strategic Directions



7.0 Conclusion and Further Action

This strategy seeks to provide a cohesive direction to Campaspe Shire's rural settlement and town growth.

An important part of the settlement strategy is to identify the recommended actions and policy tools needed to put the strategy into effect. This requires a thorough assessment of compliance and consistency with the appropriate state and local policy frameworks.

The assessment primarily concerns planning scheme changes, particularly zoning, but for the totality of recommendations for each town the strategic directions in Table 7 should be looked at in conjunction with future statutory amendments to the planning scheme.

The strategy identifies where further detailed investigation will be necessary before some of the more significant planning scheme changes can be implemented.

It is expected that these planning scheme changes will be pursued progressively by Council from 2016 onwards. Council will need to consider timing and appropriate budgetary requirements in order to implement the strategy.

A review of the strategy can be conducted in accordance with the next formal review of the Campaspe Planning Scheme as required under section 12B (1) of the *Planning and Environment Act 1987*. The review will assess the currency and relevance of the strategy and recommend any appropriate fine-tuning or significant alteration to maintain performance.

Appendix 1: Community Engagement

Stakeholder Meeting on 24 September, 2015 (for public authorities) and follow up meetings;
Public Information/ Drop-in Session at Kyabram 13 October, 2015;
Public Information/ Drop-in Session at Rochester 14 October, 2015;
Public Information/ Drop-in Session at Rushworth 21 October, 2015;
Media Releases, Public Notices in local newspapers and newsletters (Sept – Nov 2015);
Two Month Public Notice Period available for receipt of submissions (Sept – Nov 2015).

Appendix 2: Notations and Reference Documents

Notations

1. 2015 Intergenerational Report: Australia in 2055, Commonwealth of Australia 2015;
2. Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) 2014;
3. Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) 2014;
4. Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) 2014;
5. Loddon Mallee North Regional Growth Plan (DTPLI 2011);
6. Loddon Mallee Region Economic Profile – RDA Loddon Mallee (REMPPLAN 2012);
7. Loddon Mallee Region Economic Profile – RDA Loddon Mallee (REMPPLAN 2012);
8. Commonwealth of Australia: Agricultural Competitiveness Issues Paper 2014;
9. Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) 2014;
10. Australian Department of Agriculture, Fisheries and Forestry 2013 (now Department of Agriculture)
11. Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) 2014;
12. Australian Department of Agriculture, Fisheries and Forestry 2013 (now Department of Agriculture)
13. Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) 2014;
14. Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) 2014;
15. Shire of Campaspe profile.id/ Australian Bureau of Statistics (ABS);
16. Shire of Campaspe profile.id/ Australian Bureau of Statistics (ABS);
17. Shire of Campaspe profile.id/ National Institute of Economic and Industry Research (NIEIR);
18. Shire of Campaspe Rural Living Strategy 2015
19. Shire of Campaspe Rural Living Strategy 2015
20. Shire of Campaspe Rural Living Strategy 2015
21. Financial Costs of Settlement Patterns in Rural Victoria (Rural Councils Victoria 2013);
22. Financial Costs of Settlement Patterns in Rural Victoria (Rural Councils Victoria 2013);
23. Shire of Campaspe Rural Living Strategy 2015
24. Shire of Campaspe Rural Living Strategy 2015
25. Victorian Department of Natural Resources and Environment (now Department of Water, Environment, Land and Planning): Land Systems of the Shire of Campaspe;
26. Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) 2014;
27. Commonwealth of Australia: Agricultural Competitiveness Issues Paper 2014.
28. Shire of Campaspe Rural Living Strategy 2015
29. Shire of Campaspe Rural Living Strategy 2015/ ABS;
30. Shire of Campaspe Rural Living Strategy 2015
31. Shire of Campaspe Rural Living Strategy 2015
32. Shire of Campaspe Rural Living Strategy 2015
33. Shire of Campaspe Municipal Public Health and Wellbeing Plan 2013-2017.

Reference Documents

- Shire of Campaspe Integrated Strategy Plan (1996);
- The Campaspe, Greater Shepparton and Moira Rural Regional Land Use Strategy (2008);
- Shire of Campaspe: Regional Rural Land Use Strategy Implementation (2010);
- Shire of Campaspe: Echuca Housing Strategy (2011);

- *Shire of Campaspe: Echuca South East Industrial and Commercial Growth Corridor Land Strategy (2011);*
- *Victorian State Government: Loddon Mallee North Regional Growth Plan (DTPLI 2011);*
- *ABARES: Research Report by Sheng, Y, Gray, E, Mullen, J, Davidson, A (2011), Public investment in agricultural R&D and extension: an analysis of the static and dynamic effects on Australian broad acre productivity, Report 11.7, September 2011;*
- *Victorian State Government Independent Panel Report: Campaspe Planning Scheme Amendment C69 (2012);*
- *Shire of Campaspe Municipal Public Health and Well-Being Plan (2013-2017);*
- *Shire of Campaspe Council Plan (2013-2017);*
- *Rural Councils Victoria/ Victorian State Government/ Municipal Association of Victoria: Financial Costs of Settlement Patterns in Rural Victoria (2013);*
- *Victorian Department of Transport, Planning and Local Infrastructure (now Department of Environment, Land, Water and Planning): Urban Development Program (2013);*
- *'Sectoral-level employment multipliers in small urban settlements: a comparison of five models': a paper by Gordon F. Mulligan & Hak-Hoon Kim, Department of Geography & Regional Development, University of Arizona 15 May 2013;*
- *ABARES: Paper by Dahl, A, Leith, R, Gray, E (2013), Productivity in the broad acre and dairy industries, Agricultural Commodities, vol. 3, no. 1, March Quarter 2013;*
- *Campaspe Planning Scheme Review Report (2014);*
- *Victorian Department of Environment, Land, Water and Planning: Victoria Planning Provisions (VPP), Planning Scheme Mapping, Planning Practice Notes and 'Victoria In Profile' (2014);*
- *Victorian Department of Environment, Land, Water and Planning: 'Victoria In Future' (2015);*
- *Shire of Campaspe: Echuca South East Rural Living Precinct Structure Plan (2014);*
- *Shire of Campaspe profile.id/ Australian Bureau of Statistics (ABS);*
- *Campaspe Planning Scheme (as amended);*
- *Shire of Campaspe Rural Living Strategy (2015).*