

SOUTH GIPPSLAND PLANNING SCHEME

AMENDMENT C99

EXPLANATORY REPORT

Who is the planning authority?

This amendment has been prepared by the South Gippsland Planning Scheme which is the planning authority for this amendment.

The amendment has been made at the request of Burra Foods Australia.

Land affected by the amendment

The amendment applies to the Burra Foods factory site (Station Street, Korumburra) and the surrounding land to a radius of approximately 450m measured from the boundary of the factory complex.



What the amendment does

The amendment proposes to introduce an Environmental Significance Overlay [Schedule 8 (ESO8) 'Manufacture of Milk Products Amenity Buffer'] around the Burra Foods factory site (see above aerial map) and to identify the buffer in the Korumburra Framework Plan map at Clause 21.15-2 of the South Gippsland Planning Scheme. Minor changes are also proposed to the written provisions of Clause 21.15-2 explaining what the provisions intend to achieve.

The amendment:

- Inserts a new Planning Scheme Map (14ESO8) into the South Gippsland Planning Scheme.
- Amends Clause 21.15-2 'Korumburra' to change the wording of the 'Settlement' Objective dot point 7, delete 'Further strategic work' dot point 6, and replace the 'Korumburra Framework Plan' (map) with a new Plan identifying the Burra Foods amenity buffer.
- Amends Clause 21.16 'Reference documents' to acknowledge the updating of the Korumburra Structure Plan and introduction of the report 'Korumburra Milk Processing Plant Buffer Assessment (Burra Foods) December 2013'.
- Inserts a new Schedule (Schedule 8) to Clause 42.01 Environmental Significance Overlay.
- Amends the Schedule to Clause 61.03 to include a new planning scheme map (14ESO8) in the South Gippsland Planning Scheme.
- Amends Clause 66.04 to include the EPA and Burra Foods as 'Recommending referral authorities' for planning permits triggered by the provisions of Clause 42.01s8 (ESO8).

Changes to the Korumburra Structure Plan July 2010

Also being exhibited alongside Amendment C99 are corresponding changes to the 'Korumburra Structure Plan - July 2010'. The Structure Plan is a reference document in the Planning Scheme. The Structure Plan is proposed to be amended to identify the buffer in the Structure Plan map and to note that land near the factory should not be rezoned to allow more intensive forms of sensitive land uses near the factory. The proposed changes to the Structure Plan can be viewed at all of the Amendment C99 exhibition locations.

Why is the amendment required?

Dairy factory operations can impact surrounding lands especially in relation to odour, noise, dust and light. The objective of the Amendment is to inform land owners and prospective purchasers that the Burra Foods factory is an ongoing operation and has the potential to affect the residential amenity of the surrounding area. Similar to the existing sewerage treatment plant buffers (ESO4) and the Airport Environs Overlay buffers, application of the ESO8 will identify the presence of a potential amenity concerns, discourage the establishment of inappropriate sensitive land uses that may be incompatible with factory operations, and where practical, require buildings to be constructed using materials and techniques that minimise amenity impacts on occupants. The Amendment has no impact on existing buildings and works in the buffer area.

Importantly, the ESO8 does not reduce Burra Foods' responsibility to meet all of its EPA licensing and other legislative requirements relating to factory impacts on surrounding lands.

How does the amendment implement the objectives of planning in Victoria?

The objectives of planning in Victoria are:

- a) to provide for the fair, orderly, economic and sustainable use and development of land;
- b) to provide for the protection of natural and man made resources and the maintenance of ecological processes and genetic diversity;
- c) to secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria;

- d) to conserve and enhance those buildings, areas or other places which are of scientific, aesthetic, architectural or historical interest, or otherwise of special cultural value;
- e) to protect public utilities and other assets and enable the orderly provision and coordination of public utilities and other facilities for the benefit of the community;
- f) to facilitate development in accordance with the objectives set out in paragraphs (a), (b), (c), (d) and (e); and
- g) to balance the present and future interests of all Victorians.

The amendment implements the Objectives in that it provides for the orderly development of land immediately surrounding a key economic asset in Korumburra which is a cornerstone of the local economy. Burra Foods is the largest employer in Korumburra and is one of the main players in the Shire's State significant dairy milk production (farming) and manufacturing sector. The Amendment seeks to find a balance between facilitating development in areas surrounding the factory while at the same time ensuring that new development does not incrementally (over time) place pressure on the factory, affecting its ability to continue to operation.

The Amendment seeks "to secure a pleasant, efficient and safe working, living and recreation environment for all Victorians..." The Amendment seeks to ensure that new sensitive land use developments surrounding the factory (e.g. dwellings / accommodation) are designed and constructed in a manner that reduces the potential amenity impact of factory operations on the occupants. This will be achieved by such measures as noise attenuation construction methods and screening of direct line of sight views to the factory to address light issues. This will assist in achieving a pleasant living and recreation environment.

How does the amendment address any environmental, social and economic effects?

The Amendment has no effect on the natural environment. The Amendment will have positive effects on the human environment (resident amenity) because the provisions seek to ensure that adverse effects resulting from factory operations are appropriately managed, where practical, through the control of buildings and works in the area immediately surrounding the factory site.

The Amendment will have a positive social effect because it seeks to manage development in the surrounding area in a manner that will not (over time) endanger the continuing operation of the Burra Foods factory. As the largest employer in Korumburra, the social benefitted provided by Burra Foods are extensive. Stable employment and the benefits this provides families is a positive influence on the social health and liveability of a small township.

The economic effects of the Amendment are positive. The ESO8 will ensure a balance is achieved between potentially competing land use interests and help to ensure that Korumburra's largest employer remains viable over an extended period of time. The ESO8 provisions have been drafted to facilitate continued development in the buffer and not to stop people from building or subdividing their land. However it could be possible that some intensive 'sensitive land use' developments like a kinder or childcare centre would not be supported in the buffer. These situations are unlikely to eventuate and it is expected that single dwelling developments will make up the bulk of new development in the buffer area. If landowners can continue to use and development their land in accordance with the existing zoning provisions, it is expected that the ESO8's impact on land values will be limited. The ESO8 highlights the fact that the factory and its amenity impacts already exists and it is these impacts that would be the primary determinant on land values and not the application of an overlay that is being applied in response to the existing/established amenity impacts.

The ESO8 and the related changes to the 'Local areas' Planning Scheme Policy at Clause 21.15-2 'Korumburra' will discourage the rezoning of land to facilitate more intensive

'sensitive land use' development near the factory. For example, rezoning land from the Low Density Residential Zone or the Farming Zone to the General Residential Zone 1 (allowing intensive subdivision) is unlikely to be supported. If landowners intend to rezone their land in the ESO8 area for the purpose of facilitating more intensive development, the Amendment provisions discourage this outcome and this will stop the resulting rise in land value that is achieved from up zoning the land.

Does the amendment address relevant bushfire risk?

The Amendment is unaffected and unrelated to bushfire risk.

Does the amendment comply with the requirements of any Minister's Direction applicable to the amendment?

The Amendment complies with Ministerial Direction No. 11 – Strategic Assessment of Amendments and is consistent with the Ministerial Direction on the Form and Content of Planning Schemes under Section 7(5) of the Act.

How does the amendment support or implement the State Planning Policy Framework and any adopted State policy?

The Amendment supports the State Planning Policy Framework. The following SPPF provisions are considered most relevant to the Amendment.

Clause 17.02 Industry

Objective: To ensure availability of land for industry.

Strategies: (relevant to this Amendment)

- Protect and carefully plan existing industrial areas to, where possible, facilitate further industrial development.
- Protect industrial activity in industrial zones from the encroachment of unplanned commercial, residential and other sensitive uses which would adversely affect industry viability.
- Avoid approving non-industrial land uses, which will prejudice the availability of land for future industrial requirements, in identified industrial areas.

Policy guidelines

"Planning must consider as relevant recommended buffer distances for Industrial Residual Air Emissions (EPA 1990).

The Amendment fulfils the requirements of this policy by seeking to protect industrial land and established industrial uses from the unplanned encroachment of sensitive land uses into areas that may be affected by adverse amenity impacts resulting from existing factory operations.

Clause 17.02-2 Design of industrial development

Objective: To facilitate the sustainable development and operation of industrial and research and development activity.

Strategies: (relevant to this Amendment)

- Provide adequate separation and buffer areas between sensitive uses and offensive or dangerous industries and quarries to ensure that residents are not affected by adverse environmental effects, nuisance or exposure to hazards.

The Amendment implements an overlay (ESO8) to assist in managing existing and potentially ongoing interface issues between the established industrial use and the

surrounding sensitive land uses. The Amendment discourages the rezoning of land near the factory if the rezoning would allow more intensive 'sensitive land use' developments near the factory.

How does the amendment support or implement the Local Planning Policy Framework, and specifically the Municipal Strategic Statement?

The Amendment is supported by the following provisions of the Local Planning Policy Framework.

Clause 21.11-1 Processing and manufacturing

Overview:

"Value adding manufacturing and processing plays an important part in the future economic growth opportunities in the Shire. The lower operational costs for businesses and the unique lifestyle that the Shire offers should be promoted to attract new employment opportunities and population growth".

Objectives and strategies: (relevant to this Amendment)

- To attract and develop value adding opportunities to diversify the industry base and maximise employment opportunities
- Encourage opportunities for the expansion of industry and the provision of related infrastructure
- Ensure new development is designed and constructed to be responsive to environmental standards, is safe and functional in its layout, and improves the appearance and amenity of industrial areas.

The Amendment is consistent with the requirements of the local policy. Value adding to farm production is a critical element of the local economy and should be encouraged. The Amendment assists in providing for the long term protection of the dairy factory.

Clause 21.15-2 Korumburra

Strategies (relevant to this Amendment)

- Consider the potential adverse amenity impacts of the milk manufacturing operations in the Station Street Industrial Area on rezoning proposals that allow, or intensify, the establishment of sensitive land uses in the immediate area surrounding the manufacturing operations.

Further strategic work:

- Investigate the implementation of a planning policy to assist long term management of the amenity interface issues between the Station Street milk manufacturing operations and surrounding residential areas.

The Amendment is consistent with the Strategy and fulfils the requirement of the 'Further strategic work' provision. The requirement to undertake the further work was a recommendation of the Amendment C70 Independent Planning Panel which recognised that the amenity interface between the factory and the surrounding residential area required further consideration.

The Amendment proposes to make minor changes to the wording of the abovementioned Strategy to give it more weight. Upon successful completion of the Amendment, the 'Further strategic work' provision will be removed.

The Amendment proposes to update the existing 'Korumburra Framework Plan' map to include the outer boundary of the ESO8 buffer in the map.

Clause 22.02 Industrial development

This local policy is considered when planning permit applications are made on Industrial zoned land. The policy can also be considered when land is rezoned Industrial. The 'Industrial development' provisions are not relevant to this Amendment because the Amendment does not involve a planning permit application or the rezoning of land Industrial.

Does the amendment make proper use of the Victoria Planning Provisions?

The Amendment makes proper use of the Victorian Planning Provisions.

The Environmental Significance Overlay is already used in the South Gippsland Planning Scheme to identify amenity affected areas surrounding waste water treatment plants. No alternative overlay exists which is more appropriate to identify an area likely to be affected by the operations of a factory.

The Amendment is consistent with the requirements of Clause 52.10 'Uses with adverse amenity potential'. The recommended buffer for 'Manufacture of milk products' is 300m. The proposed ESO8 buffer is up to 450m around the factory. The Clause 52.10 provisions are considered when new adverse amenity generating land uses like a factory are proposed near established sensitive land uses such as dwellings. For this reason, these provisions are not directly applicable to the Amendment provisions (which operate in the opposite way to the objectives of this Clause) however it does demonstrate that the proposed buffer (based on odour modelling) generally accords with the standard buffer distance applied across the State if a new dairy factory were being considered.

How does the amendment address the views of any relevant agency?

The EPA has been consulted in the preparation of the Amendment. The EPA support improvements to the planning system that minimise the potential for conflict between uses causing adverse amenity potential (e.g. factories) and sensitive land uses (e.g. dwellings) in surrounding areas. The Amendment is considered to be in keeping with this principle. The EPA has acknowledged that the Amendment identifies them as a 'Recommending referral authority' for planning permits triggered by the ESO8.

Does the amendment address relevant requirements of the Transport Integration Act 2010?

The Amendment is unaffected and unrelated to the Transport Integration Act 2010.

Resource and administrative costs

- **What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?**

The Amendment will have little impact on the resource and administrative costs of Council. The ESO8 provisions have been drafted to minimise the number of planning permits required for ordinary buildings and works associated with existing dwellings.

The ESO8 affects approximately 65 private landholdings and within the buffer area only 5 residential lots are vacant. A planning permit will be required to construct a new dwelling on a vacant lot (or a dwelling demolition and rebuild) or an extension for a habitable room. It is anticipated that the ESO8 is unlikely to generate more than 2 or 3 planning permits per year.

Where you may inspect this Amendment

The amendment is available for public inspection, free of charge, during office hours at the following places:

- South Gippsland Shire Council, Leongatha Office Customer Service Desk.
- Korumburra Library – Commercial Street Korumburra
- Coal Creek Community Park and Museum – South Gippsland Hwy Korumburra.
- Milpara Community House – 21 Shellcot Road Korumburra.

The amendment can also be inspected free of charge at the Department of Transport, Planning, and Local Infrastructure website at www.dtpli.vic.gov.au/publicinspection .

Extensive exhibition information is also on Council's web page www.southgippsland.vic.gov.au - see the Home Page link 'Council documents currently on public exhibition'.

Submissions

Any person who may be affected by the amendment may make a submission to the planning authority (Council). Submissions about the amendment must be received by **Friday 1 August 2014**.

A submission must be sent to: Ken Griffiths, Strategic Planning Coordinator, South Gippsland Shire Council, Private Bag 4 Leongatha VIC 3953

Panel hearing dates

In accordance with clause 4(2) of Ministerial Direction No.15 the following panel hearing dates have been set for this amendment:

- Directions hearing: To be held in the week commencing 22 September 2014
- Panel hearing: To be held in the week commencing 27 October 2014.

Panel hearing details (dates/times etc.) will be confirmed after the close of the exhibition period. Submitters to the Amendment will receive postal notification of all matters regarding the Panel process and other key decision made in relation to the Amendment.