



13 Land use and economics

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13.1 Overview

This chapter provides an assessment of the land use and regional economy impacts associated with the construction and operation of the project. This chapter has been informed by EES Appendix G: *Planning and land use impact assessment* and EES Appendix I: *Regional economy impact assessment*.

A Planning Scheme Amendment to the Pyrenees Planning Scheme will provide planning controls and approvals for the project. The draft Planning Scheme Amendment C50 (Amendment C50) is being exhibited concurrently with the EES and proposes to amend the Pyrenees Planning Scheme to apply Clause 45.12 Specific Controls Overlay and Clause 45.01 Public Acquisition Overlay to affected land, and insert an Incorporated Document into the Schedules to Clause 45.12 and Clause 72.04. This would exempt all use and development associated with the project from the need for a planning permit, subject to conditions. No rezoning of land is required or proposed as part of the Planning Scheme Amendment.

13.2 EES objectives

The evaluation objective set in the scoping requirements relevant to the land use and economic assessment is:

Land use and economic: *To minimise and manage adverse effects on local businesses (including agriculture) and existing or planned land uses.*

This chapter discusses the following key issues identified in the scoping requirements as relevant to land use and economics.

Table 13.1 EES key issues – Land use and economics

Key issues
Potential economic impacts of land severance/changes to existing land uses and local business or planned land uses.
Economic performance of project alternatives in terms of relative benefits and costs.
Potential impacts on land managers located adjacent to the proposed bypass and township entry points.
Economic impacts of relevant alignment alternatives on future growth and development of Beaufort.

Specific aspects to be addressed were also detailed in the scoping requirements. These are detailed in Table 13.2 below.

Table 13.2 EES requirements – Land use and economics

EES requirements
Priorities for characterising the existing environment
Identify and characterise economic impacts on land-uses that could result from each alternative.
Identify the extent of land severance for each alignment alternative and the potential impacts on land manager located adjacent to the proposed bypass.
Identify existing and potential future economic activities likely to be affected by the alignment alternatives.
Design and mitigation measures
Identify the potential impacts on existing and proposed land uses which could be affected by alignment alternatives, and identify potential and proposed design measures that avoid or mitigate impacts.
Identify potential impacts from alignment alternatives in relation to future growth of the town and the required land capacity to accommodate forecast growth, with consideration of Council’s strategic planning objectives.
Identify opportunities to refine alignment alternatives that could avoid or reduce the displacement of residences and the severance of productive land.
Identify mitigation measures to avoid or reduce the negative impact of the project on residents, economic activities and productive land during construction.
Assessment of likely effects
Assess the likely effects of alignment alternatives on existing and proposed land use patterns, policies and strategies in Pyrenees Planning Scheme.
Assess the likely economic costs and benefits and impacts of each alignment alternatives, having regard to construction costs, land use effects, social and community impact and development stimulus.
Assess the likely impacts on land managers on each of the route alternatives including those near town entry points.
Approach to manage performance
Identify proposed measures to manage residual effects on existing economic activities and land uses, consistent with relevant land use planning objectives, policies or plans.
Identify measures to avoid and mitigate project risks.

13.3 Legislation and policy

The relevant legislation and government policies related to land use and economics are outlined in Table 13.3.

Table 13.3 Relevant legislation and government policies

Legislation/policy	Description	Relevance to project
State		
<i>Planning and Environment Act 1987</i>	<p>The <i>Planning & Environment Act 1987</i> establishes the framework for planning the use, development and protection of land in Victoria, in the present and long-term interest of all Victorians. The <i>Planning & Environment Act 1987</i> sets out the structure and administration of land use and development in Victoria and provides for the preparation, approval and adoption of planning schemes as subordinate instruments to govern use and development of land in specific detail.</p> <p>A planning scheme sets out the objectives, policies and provisions relating to the use and development of land in the area to which it applies. The project is within the Pyrenees municipality and therefore the Pyrenees Planning Scheme applies to the project.</p>	<p>A Planning Scheme Amendment to the Pyrenees Planning Scheme will provide planning controls and approvals for the project. Draft Planning Scheme Amendment C50 (Amendment C50) is being exhibited concurrently with the EES (refer to EES Attachment VI: <i>Planning scheme amendment</i>) and proposes to amend the Pyrenees Planning Scheme to apply Clause 45.12 Specific Controls Overlay and Clause 45.01 Public acquisition Overlay to affected land and insert an Incorporated Document into the Schedules to Clause 45.12 and Clause 72.04.</p>
<i>Crown Land (Reserves) Act 1978</i>	<p>The <i>Crown Land (Reserves) Act 1978</i> provides for the reservation and management of Crown land in Victoria for certain purposes. These areas are identified in the current assessment to determine if changes to the care, control and management is required.</p>	<p>The majority of landholdings within the study area are privately owned, with some areas of Crown land, most notably at Camp Hill, but also along the floodplains of Yam Holes Creek to the north-west and north-east.</p>
<i>Forests Act 1958</i>	<p>The <i>Forest Act 1958</i> provides the legislative instruments for the management and protection of public land from fire, and to maintain and improve State forests. The <i>Forest Act 1958</i> also provides for licensed occupations including grazing, beekeeping and the sale of forest produce.</p>	<p>Camp Hill State Forest is located within the project study area and will be impacted by the project.</p>
<i>Land Acquisition and Compensation Act 1986</i>	<p>The <i>Land Acquisition and Compensation Act 1986</i> outlines the process for the compulsory acquisition of freehold land by the State Government for a public purpose, which can be either compulsory or by negotiation. The <i>Land Acquisition and Compensation Act 1986</i> also provides procedures for the determination of compensation.</p>	<p>The delivery of the project requires the acquisition of land which is currently not in the ownership of the Roads Corporation. The land subject to acquisition is identified in the Public Acquisition Overlay maps forming part of the draft Planning Scheme Amendment. Any impacts associated with the acquisition of land will be managed through the compensation procedure outlined under the <i>Land Acquisition and Compensation Act 1986</i>.</p>

Legislation/policy	Description	Relevance to project
<i>Local Jobs First Act 2003</i>	The <i>Local Jobs First Act 2003</i> seeks to provide for the development and implementation of a Local Jobs First Policy. This Policy is developed in response to Section 4 of the <i>Local Jobs First Act 2003</i> , and is a requirement for projects, developments and procurements undertaken or funded by the State Government. The objectives of the Local Jobs First Policy include promoting employment and business growth for local industry and enhancing awareness of and access to local industry capability for contractors.	Under the <i>Local Jobs First Act 2003</i> , the Minister for Industry, Support and Recovery declares 'strategic' projects with a budget of \$50 million or more, and allocates percentage targets for local employment. The Beaufort Bypass project would have a construction value in exceedance of \$50 million and be subject to the targets set by the Minister.
<i>Road Management Act 2004</i>	The <i>Road Management Act 2004</i> sets out the regulations and requirements of working within the road reserve and specifies the relevant road manager for arterial roads and local roads within Victoria.	RRV will be operating under delegated authority under the <i>Road Management Act 2004</i> .
<i>Transport Integration Act 2010</i>	<p>The <i>Transport Integration Act 2010</i> establishes a legislated policy framework for the provision of an integrated and sustainable transport system in Victoria that contributes to an inclusive and environmentally responsible State.</p> <p>The <i>Transport Integration Act 2010</i> establishes a set of objectives that contribute to meeting the above vision and providing an integrated decision-making process, that includes:</p> <ul style="list-style-type: none"> • social and economic inclusion • economic prosperity • environmental sustainability • integration of transport and land use • efficiency, coordination and reliability • safety, health and wellbeing. 	The project must be consistent with all relevant requirements of the <i>Transport Integration Act 2010</i> having regard to the transport system objectives and principles identified in this legislation. This requirement is triggered for projects likely to have a significant impact on the transport system.
Regional		
<i>Central Highlands Regional Growth Plan</i> Victorian Government 2014	The <i>Central Highlands Regional Growth Plan</i> (Victorian Government 2014) is a policy document referenced within Clause 11.01-1S (Settlement) of the Pyrenees Planning Scheme. It has been developed in a partnership between local government and State authorities. The Plan provides an approach to land use planning in the Central Highlands, which covers the municipalities of Ararat, Ballarat, Golden Plains, Hepburn, Moorabool and Pyrenees. The Plan identifies opportunities to accommodate and encourage growth over the next 30 years. The Plan aims to provide a ' <i>productive, sustainable and liveable region for its people</i> ', which is also the shared vision for this Plan.	The Plan identifies several future planning directions specifically for Beaufort.

Legislation/policy	Description	Relevance to project
<p><i>Glenelg Hopkins Regional Catchment Strategy 2013–2019</i></p>	<p>The <i>Glenelg Hopkins Regional Catchment Strategy 2013-2019</i> (Glenelg Hopkins Catchment Management Authority 2013), now in its third iteration, establishes a vision and framework for managing the region’s natural resources. The Strategy was developed through a collaborative effort from local community members, government representatives and other stakeholders. Each version of the Strategy has been guided by an overarching vision statement that summates the overall purpose of the Strategy.</p> <p>The vision over the next 50 years aims to foster an environment where:</p> <ul style="list-style-type: none"> • biodiversity thrives • environmental assets are valued • the community is proactive and aware of ecological sustainability. <p>The Glenelg Hopkins Catchment Management Authority are currently developing the fourth iteration of the <i>Glenelg Hopkins Regional Catchment Strategy</i>, which is due to be submitted for Ministerial approval by 30 June 2021.</p>	<p>Relevant to the project is objective 8.1: <i>“Maintain extent and improve condition of terrestrial habitat”.</i></p>
<p><i>Pyrenees Shire Council Growth Strategy 2017–2021</i></p>	<p>Developed as a complementary document to the Council Plan, the <i>Pyrenees Shire Council Growth Strategy 2017–2021</i> establishes an action plan towards delivering on one of the identified key objectives of the Council Plan to develop the local economy and increase the population of the Pyrenees Shire.</p> <p>The <i>Pyrenees Shire Council Growth Strategy 2017–2021</i> needs to be read in conjunction with several other strategies and policies developed by Pyrenees Shire to facilitate long-term growth and wellbeing within the municipality.</p>	<p>The Western Highway and Beaufort Bypass projects are referenced several times throughout the Strategy. The highway is identified as a key economic asset and the development of the bypass will further enhance its value to the community.</p> <p>The existing highway environment is identified as a key challenge for the local economy and community, with amenity and safety of the community standing out as a key concern. Increasing volumes of traffic and large transport vehicles are also key concerns that will be addressed through the construction of a bypass.</p>

Legislation/policy	Description	Relevance to project
<p><i>Pyrenees Shire Council Tourism Strategy 2016–19</i> (Pyrenees Shire Council 2016)</p>	<p>Tourism in Pyrenees Shire is a valuable sector for employment, recreation and additional services and facilities. The Pyrenees region attracts over 40,000 visitors a year through its strong events calendar and historic features (Pyrenees Shire Council 2016).</p> <p>With regard to Beaufort and surrounds, the Strategy identifies the following:</p> <ul style="list-style-type: none"> • Strengths: refreshment stops (cafes), nature – bushwalking and mountain biking. • Emerging product strengths: collectables, homesteads, visual arts and heritage. • Competitive position (based on existing strengths): a timely refreshment stop along the Western Highway (2 hours’ drive from Melbourne), convenient hub for touring the Pyrenees, Grampians, Ballarat and Goldfields. • Opportunities to enhance competitive position: Improve directional signage to/at nature reserves, main street improvements, enhance business proactivity and collaboration, interpret history. 	<p>Potential impacts of the project on Beaufort’s tourism sector, both during construction and on an ongoing basis, are considerations of EES Appendix I: <i>Regional economy impact assessment</i>.</p>
<p><i>Victoria’s 30-year Infrastructure Strategy</i> (Infrastructure Victoria 2016)</p>	<p><i>Victoria’s 30-year Infrastructure Strategy</i> is a state-wide, evidence-based plan covering all types of infrastructure. The Strategy sets out a pipeline of initiatives, including 137 recommendations to be delivered over the next three decades to help create the best possible future for the state.</p>	<p>The project aims to improve productivity, capacity, and safety for road users in line with Infrastructure Victoria’s Strategy.</p>
<p><i>Pyrenees Shire Council Towards 10,000 – Economic Development Strategy</i> (Pyrenees Shire Council 2019)</p>	<p>The <i>Pyrenees Shire Council Towards 10,000 – Economic Development Strategy</i> provides a framework for development of the Shire over the next five years.</p>	<p>Council has identified a number of opportunities and challenges (including the impacts of the project) which have potential to influence growth into the future. This Strategy aims to both capitalise on and create new opportunities while addressing those challenges.</p>

13.4 Methodology

13.4.1 Land use and planning

The land use and planning assessment included the following key tasks:

- a review of the legislative and Planning Policy Framework for the study area and Beaufort township, including the Pyrenees Planning Schemes, Planning Policy Framework and Local Planning Policy Framework, zones, overlays and other provisions and recent Planning Scheme Amendments
- identification of current and future land uses within study area using aerial and site photography and planning scheme data
- description of the current land use types based on the current built form, land use, activities and setting
- identification of land use and planning related environmental impacts
- completion of an environmental risk and impact assessment process, as described in detail in EES Chapter 6: *EES assessment framework and approach*.

13.4.2 Regional economy

The following tasks are associated with the economic assessment of the project (qualitative and detailed):

- review of the business, tourist and agricultural activities (collectively referred to as 'enterprises') located within the study area and Beaufort township
- review of local and state policies, strategies and laws relating to these enterprises
- identification of potential economic issues, opportunities and constraints associated with the project through landowner interviews, focusing on the relationship of these businesses to the existing alignment of the Western Highway
- identification of potential impacts on the regional economy, with a focus on the following sectors: retail, tourism, construction and agriculture
- review of case studies of other regional bypass projects to compare the before and after impacts on local businesses
- completion of a Trade Dependency Model to quantify the potential trade and employment impacts of the project on Beaufort businesses
- identification and quantification of the improved efficiency of regional transport, and costs and benefits to local businesses associated with the project
- determination of investment benefits in the project construction (including opportunities for local business participation), and potential impact of loss of agricultural and forestry and/or other related disruption to these sectors
- interviews with relevant businesses to identify potential impacts and mitigation measures.

Highway trade dependency assessment

A floorspace and turnover survey of retail, service station and accommodation sector of Beaufort was undertaken, based on face-to-face meetings with owners/management of eight businesses in Beaufort's town centre, to provide data for estimating the dependency of businesses on highway trade and the likely impacts to sales from the establishment of a bypass. This assessment included an estimate of:

- total gross annual revenue of all businesses located in Beaufort's town centre
- share of gross annual revenue attributed to passing through traffic – e.g. 'highway trade'
- initial downturn in highway trade revenue due to bypassing
- flow-on reduction to total gross annual revenue due to bypassing (e.g. total gross annual revenue less the downturn in the highway trade component)
- flow-on reduction in jobs supported in Beaufort.

Businesses analysed were categorised as belonging to the following sectors:

- food, liquor and groceries (supermarkets and bottle shops)
- food, liquor and groceries (speciality) (speciality food retail such as butcher and bakery)
- food and drink catering (cafes, restaurants, fast-food outlets and bistro/bars)
- non-food retail
- service stations/fuel
- accommodation.

Estimates of the number of full time equivalent employees currently supported by highway-trade dependent business and forgone due to impacts of bypassing were calculated using available Australian Bureau of Statistics Census and economy.id (National Institute of Economic and Industry Research) data, which enabled estimates of full time equivalent employment per business category to be generated.

Further information on the highway trade dependency assessment is provided within EES Appendix I: *Regional economy impact assessment*.

13.5 Study area

For the purpose of defining a geographic economic region of the relevance to project, the following spatial boundaries have been used as investigation areas to assess the planning and land use and regional economy effects of the project.

13.5.1 Planning and land use study area

The study area for the planning and land use assessment is shown in Figure 13.1. Beaufort is located in the Central Highlands Region in western Victoria, which covers the municipalities of Ararat, Ballarat, Hepburn, Moorabool, Pyrenees and the northern part of Golden Plains.

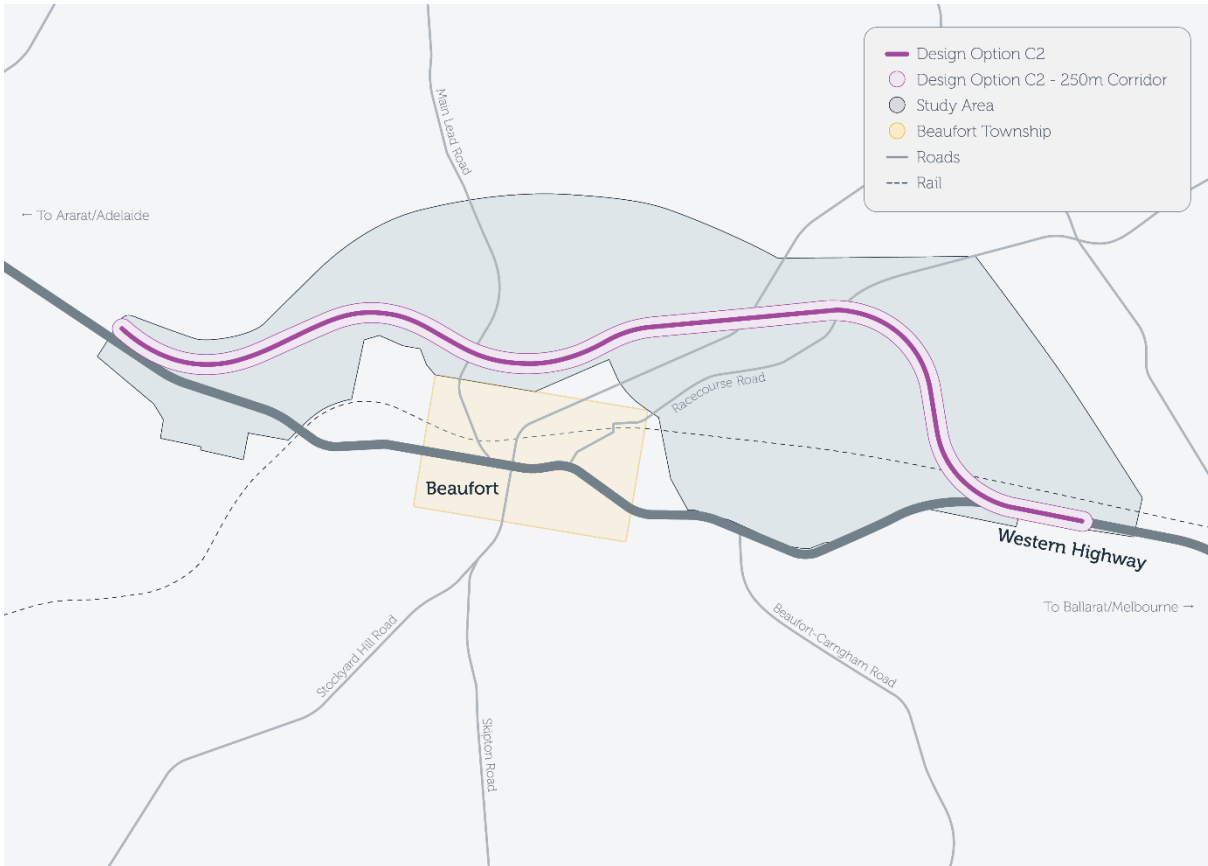


Figure 13.1 Planning and land use investigation area

13.5.2 Regional economy investigation area

The regional economy impact assessment investigation area included the following geographic areas to reflect potential impacts on businesses and landowners in and around the project investigation area:

- Pyrenees Shire Council – relevant local government area
- Beaufort State Suburb Code
- Beaufort Statistical Area Level 2 – comprising the Beaufort township and surrounding rural land in the area of Beaufort.

The location of these areas in relation to the Beaufort township are shown in Figure 13.2.

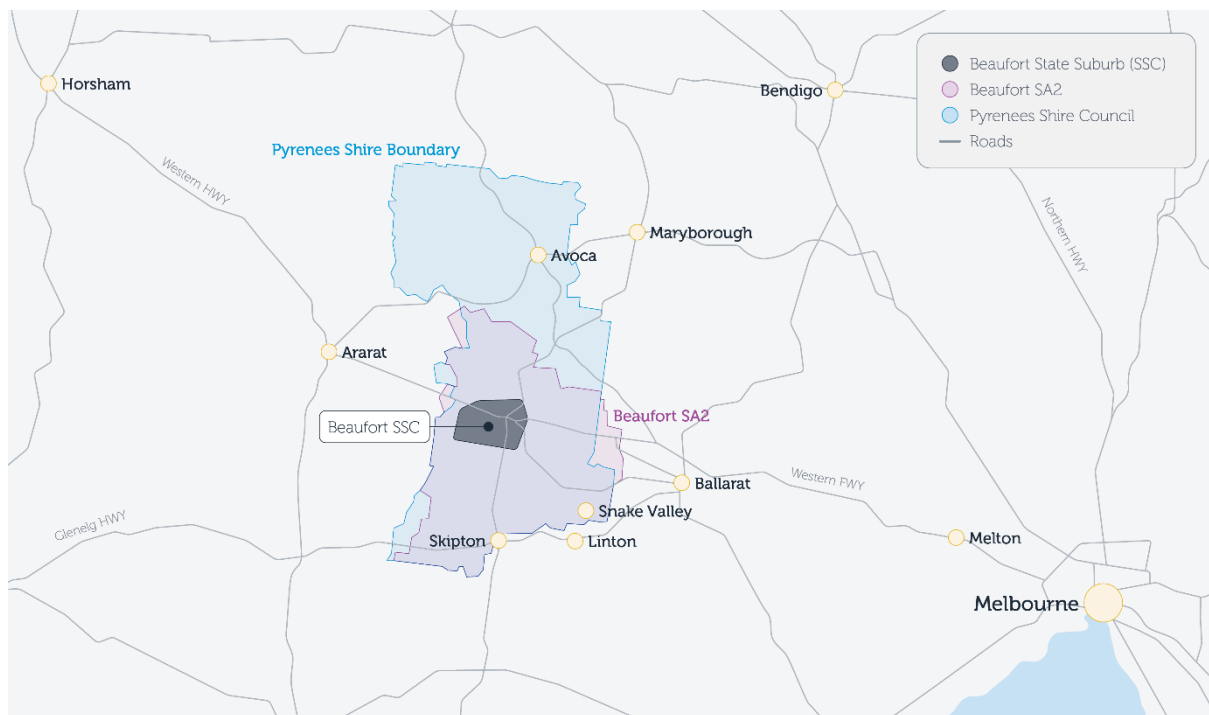


Figure 13.2 Regional economy investigation area

13.6 Existing conditions

This section outlines the existing land use and planning conditions of the study area, including an overview of the population demographics relevant to the investigation areas.

13.6.1 Current land use and development

The project study area is located to the north of the Beaufort township in predominantly broadacre farming use, interspersed with native forested woodland. This is most evident in the rolling hills and plains, which are under agricultural use. The more steeply sided hills, unsuited to agriculture, are generally vegetated, such as Camp Hill which as a result has been provided recognition in its zoning for its conservation value.

From the west of Beaufort, the study area extends generally east-northeast through rural grazing land, generally following Martins Lane and an unnamed waterway to Back Raglan Road. Although there are several houses to the south of Martins Lane, the project traverses open grazing farmland.

To the east of Back Raglan Road the study area widens as it crosses the floodplain of Yam Holes Creek on the western side of the Camp Hill ridgeline. The study area immediately to the east of Back Raglan Road contains relatively large farming properties and two houses, and is adjacent to the low-density residential area of Beaufort that extends north-west along Back Raglan Road from the Beaufort township. This area of the floodplain, that is overlooked by the low-density residential area on Back Raglan Road, includes a section of Crown land known as the 'Beaufort Commons', which contains a disused Beaufort Trotting Track.

There are several residential and commercial developments along the western side of Main Lead Road, including a small cluster of four houses, and an earthmoving/sand and gravel business. There are eight houses located on either side of Main Lead Road in the northern half of the study area.

To the east of Main Lead Road and west of Beaufort-Lexton Road, the study area crosses the Camp Hill ridgeline, which is mostly Crown land within the Camp Hill State Forest, bordered on either side by freehold farmland. The Crown land is used for several purposes, including apiary, recreation and prospecting.

The area between the Camp Hill Crown Land and Beaufort-Lexton Road comprises mostly dryland agricultural land with low-density rural residential areas to the south closer to the Beaufort township. There are dwellings along the northern side of Beaufort-Lexton Road, mostly at the southern end closest to the Beaufort township.

To the north-east of Beaufort, between Beaufort-Lexton Road and Racecourse Road, the study area crosses the floodplain of Yam Holes Creek, which contains mostly irrigated farmland, as well as the Beaufort Wastewater Treatment Plant and the Beaufort Blue Light Motorcycle track.

To the south-east of Racecourse Road, the study area covers a wide rural area with the project passing through grazing land on either side of a former municipal sanitation depot, since left aside as a nature reserve called the Snowgums Bushland Reserve. The area to the east of the reserve includes farmland and blue-gum plantations on the western side of Smiths Lane, and four houses. The area to the west follows farmland to cross the Melbourne-Ararat rail line, then follows open woodland immediately south of, and adjacent to, the Melbourne-Ararat rail line, connecting to the Western Highway at the intersection of Smith Lane. A single dwelling is located on the northern side of the Western Highway to the west of the Smiths Lane intersection within the study area.

13.6.2 Land tenure

The majority of landholdings within the project study area comprise private property, with the remaining land parcels constituting Crown land. Local access roads are generally Crown land (government roads) managed by Pyrenees Shire Council.

Crown land

Parcels of crown land are scattered through the study area both reserved and unreserved. A summary of these parcels is provided below.

- Camp Hill State Forest (the southern most part (including the summit of Camp Hill which is within the adjacent Camp Hill Recreation Reserve – Beaufort)) (managed by DELWP). Camp Hill State Forest is an important community asset providing opportunity for many informal recreation pursuits such as bush walking, gold prospecting and mountain bike riding
- Beaufort Common (disused Beaufort Trotting Track) (managed by DELWP)
- Snowgums Bushland Reserve (managed by Parks Victoria)
- Beaufort Blue Light Motorcycle track (managed by the Beaufort Blue Light Motorcycle Club)
- Beaufort Wastewater Treatment Plant (managed by Central Highlands Water)
- Melbourne-Ararat rail line (VicTrack)
- various road reserves (VicRoads and Council).

Freehold land

The majority of the land within the project study area is freehold land in private ownership. The freehold land is predominantly used for agriculture with smaller portions of soft wood timber plantations and rural residential blocks.

13.6.3 Future land use strategies

Central Highlands Regional Growth Plan

The *Central Highlands Regional Growth Plan* (Victorian Government 2014) identifies key directions for land use planning, and supports decision-making at the local level. The Plan identifies opportunities to accommodate and encourage growth over the next 30 years, and aims to provide a '*productive, sustainable and liveable region for its people*'.

The Plan identifies Beaufort as having a key settlement relationship with Ballarat, and consistent with current trends, the Plan provides that Beaufort would be subject to a limited growth projection in the future. The Plan identifies several future directions specifically for Beaufort. These are:

- support Beaufort as a town providing services in the Ballarat hinterland
- encourage residential growth to take advantage of existing services
- support local employment opportunities
- plan for managing opportunities and impacts associated with upgrades to the Western Highway.

Pyrenees Futures

The Pyrenees Shire Council is undertaking a review and update of the existing land use policies of nine towns within the Shire. This review will be the first review of local planning policy since 1998. Whilst in its infancy, *Pyrenees Futures* will have long-term land use and planning implications for Beaufort as extensive consultation and research will be undertaken to deliver a new planning framework for the town.

Pyrenees Shire Council is currently finalising draft framework plans for Beaufort, which are being developed in light of extensive community engagement undertaken in May and June 2017. Draft plans will shortly be presented to Council, before being released for public review. On completion, the Beaufort Township Framework Plan will include directions for land use, urban design and policy reform. It will also include a specific Town Centre Activation Plan to look at short-term improvements aimed at bringing more life to the town centre and helping make the town bypass-ready.

Key priorities of the Beaufort Township Framework Plan that relate to the project have been identified in the *Pyrenees Futures in Beaufort: Your Views 2017* and comprise:

- **Priority 1 – Destination Beaufort:** People want Beaufort to be seen as more than a highway stopover. This relates as much to the proposed highway bypass as a desire to explore opportunities to define the town's identity and make the town centre a more vibrant focus for activity.
- **Priority 4 – Activating key sites:** Better pedestrian movement is vital to the main street's function, and more opportunities should be explored for al fresco dining and outdoor activity – particularly in view of the bypass.
- **Priority 7 – Defining and beautifying gateways:** Beaufort's entrances help define its sense of place. Each is unique and has a particular rural characteristic that can be brought out. A potential bypass brings forward the need to plan for a new northern approach, which may comprise tree planting along an existing northern approach road.

The Pyrenees Futures and Beaufort Township Framework Plan therefore acknowledge the project and strategic planning is being considered in the context of the project being delivered in the near future.

13.6.4 Pyrenees Planning Scheme

A planning scheme is a statutory document that sets out objectives, policies and provisions relating to the use, development, protection and conservation of land in the area to which it applies. They are prepared, approved and implemented under the *Planning and Environment Act 1987*.

The Pyrenees Planning Scheme applies to the project. A summary of the planning scheme framework and controls, including affected zones, overlays and provisions, is provided in the following sections, with further detail provided in EES Appendix G: *Planning and land use impact assessment*.

Planning Policy Framework

The Planning Policy Framework comprises planning policies that apply to all land in Victoria and are to be taken into account in the assessment of applications for the use and development of land and Planning Scheme Amendments. The relevant provisions of the Planning Policy Framework of the Pyrenees Planning Scheme are listed in Table 13.4.

Table 13.4 Planning Policy Framework summary

Relevant clause	Objectives	Aims
Clause 11: Settlement	<p>Planning is to anticipate and respond to the needs of existing and future communities through provision of zoned and serviced land for housing, employment, recreation and open space, commercial and community facilities and infrastructure.</p> <p>Planning is to recognise the need for, and as far as practicable contribute towards: Health, wellbeing and safety; Diversity of choice; Adaptation in response to changing technology; Economic viability; A high standard of urban design and amenity; Energy efficiency;</p> <p>Planning is to prevent environmental and amenity problems created by siting incompatible land uses close together.</p>	<p>Clause 11.01 provides for a hierarchy and network of settlements across Victoria and for the sustainable development of individual settlements in accordance with regional and local context, provision of facilities and services, transport infrastructure and linkages, land use and natural resources. The applicable regional plan is <i>Central Highlands Regional Growth Plan</i> (Victorian Government 2014).</p> <p>Clause 11.01-1R Settlement – Central Highlands establishes several strategies which seek to direct growth to well serviced settlements, such as Beaufort, with good access to Melbourne or Ballarat.</p>
Clause 12: Environmental and Landscape Values	<p>Planning should help to protect the health of ecological systems and the biodiversity they support (including ecosystems, habitats, species and genetic diversity) and conserve areas with identified environmental and landscape values.</p> <p>Planning must implement environmental principles for ecologically sustainable development that have been established by international and national agreements. Foremost amongst the national agreements is the Intergovernmental Agreement on the Environment, which sets out key principles for environmental policy in Australia.</p>	<p>Clause 12 provides for consideration of the impacts of land use and development in terms of the protection and conservation of biodiversity, waterways and landscapes.</p>
Clause 13: Environmental Risks and Amenity	<p>Planning should strengthen the resilience and safety of communities by adopting a best practice environmental management and risk management approach.</p> <p>Planning should aim to avoid or minimise natural and human-made environmental hazards, environmental degradation and amenity conflicts.</p> <p>Planning should identify and manage the potential for the environment and environmental changes to impact on the economic, environmental or social wellbeing of society.</p>	<p>Clause 13 provides for strengthening resilience and safety by minimising impacts of natural hazards and adapting to impacts of climate change.</p>

Relevant clause	Objectives	Aims
Clause 14: Natural Resource Management	<p>Planning is to assist in the conservation and wise use of natural resources including energy, water, land, stone and minerals to support both environmental quality and sustainable development.</p> <p>Planning should ensure agricultural land is managed sustainably, while acknowledging the economic importance of agricultural production.</p>	<p>Clause 14 provides for the protection of Victoria's agricultural base through the preservation of productive farmland (Clause 14.01-1S Protection of Agricultural Land and Clause 14.01-2S Sustainable Agricultural Land Use), the protection and restoration of catchments, water bodies and groundwater through consideration of impacts of land use and development to water quality.</p>
Clause 15: Built Environment and Heritage	<p>Planning is to recognise the role of urban design, building design, heritage and energy and resource efficiency in delivering liveable and sustainable cities, towns and neighbourhoods.</p> <p>Planning should ensure all land use and development appropriately responds to its surrounding landscape and character, valued built form and cultural context.</p> <p>Planning must support the establishment and maintenance of communities by delivering functional, accessible, safe and diverse physical and social environments, through the appropriate location of use and development and through high quality buildings and design.</p>	<p>Clause 15 aims to ensure development respects valued areas of rural character, including the protection of visual amenity along township approaches and minimising visual impacts on the surrounding landscape (Clause 15.01-1S Urban Design and Clause 15.01-6S Design for Rural Areas).</p> <p>Clause 15 also aims to ensure the conservation of places of heritage significance (Clause 15.03-1S Heritage Conservation) and the protection and conservation of places of Aboriginal cultural heritage significance (Clause 15.03-2S Aboriginal Cultural Heritage).</p>
Clause 17: Economic Development	<p>Planning is to provide for a strong and innovative economy, where all sectors are critical to economic prosperity. Planning is to contribute to the economic wellbeing of the state and foster economic growth by providing land, facilitating decisions and resolving land use conflicts.</p>	<p>Clause 17 aims to support rural economies (commercial, industrial and tourism) by improving access, and supporting infrastructure investment where it will support business investment (Clause 17.02 Commercial, Clause 17.03 Industry and Clause 17.04 Tourism).</p>
Clause 18: Transport	<p>Planning should ensure an integrated and sustainable transport system that provides access to social and economic opportunities, facilitates economic prosperity, contributes to environmental sustainability, coordinates reliable movements of people and goods, and is safe.</p>	<p>Clause 18 seeks to integrate land use and transport planning (Clause 18.01-1S Land Use and Transport Planning), the transport system (Clause 18.01-2S Transport System, Clause 18.01-2R Transport System – Central Highlands and Clause 18.02-1S Sustainable Personal Transport), and develop the road system to include freight links in inner and outer Melbourne (Clause 18.02-3S Road System and Clause 18.05-1S Freight Links).</p>

Relevant clause	Objectives	Aims
Clause 19: Infrastructure	<p>Planning for development of social and physical infrastructure should enable it to be provided in a way that is efficient, equitable, accessible and timely.</p> <p>Planning should facilitate efficient use of existing infrastructure and human services. Providers of infrastructure, whether public or private bodies, are to be guided by planning policies and should assist strategic land use planning.</p> <p>Planning should minimise the impact of use and development on the operation of major infrastructure of national, state and regional significance, including communication networks and energy generation and distribution systems.</p>	<p>Clause 19 provides for development of social and physical infrastructure should enable it to be provided in a way that is efficient, equitable, accessible and timely. Clause 19 further states that providers of infrastructure, whether public or private bodies, are to be guided by planning policies and should assist strategic land use planning.</p>

Local Planning Policy Framework

Table 13.5 outlines the relevant clauses of the Local Planning Policy Framework of the Pyrenees Planning Scheme.

Table 13.5 Local Planning Policy Framework

Clause	Aims	Relevance to project
Municipal Strategic Statement		
21.03 Settlement, Built Environment and Heritage	The aim of Clause 21.03 is to provide local context to support Clause 11 (Settlement), Clause 15 (Built Environment and Heritage), Clause 16 (Housing) and Clause 19 (Infrastructure) and specific policies on settlement, housing and heritage.	<p>Specific objectives relevant to the project are:</p> <p>Settlement (Clause 21.03):</p> <ul style="list-style-type: none"> <i>to allow for urban expansion only in areas which have a suitability for specified uses and which represents an orderly extension of existing settlements and infrastructure.</i> <p>Heritage (Clause 21.03-3)</p> <ul style="list-style-type: none"> <i>to conserve and enhance individual places and precincts of cultural heritage significance in relation to 19th and 20th century settlement and associated development.</i>

Clause	Aims	Relevance to project
21.04 Environmental and Landscape Values & Risk	The aim of Clause 21.04 is to provide local context to support Clause 12 (Environmental and Landscape Values), Clause 13 (Environmental Risks), Clause 14 (Natural Resource Management) and Clause 19 (Infrastructure).	<p>Specific objectives relevant to the project are:</p> <p>Natural Environment (Clause 21.04-1)</p> <ul style="list-style-type: none"> <i>to minimise the potential of new development and land use causing pollution of waterways, water storages and ground water resources, land degradation, fire hazards or other adverse environmental impacts</i> <i>to promote the effective and responsible management of floodplains and other low-lying areas which are subject to drainage difficulties.</i> <p>Protecting Sensitive Rural Areas (Clause 21.04-2)</p> <ul style="list-style-type: none"> <i>to ensure appropriate management of constrained and sensitive land</i> <i>to preserve and renew vegetation that contributes to biodiversity and the stability of sensitive landforms.</i> <p>Waterways and Water Resources (Clause 21.04-3)</p> <ul style="list-style-type: none"> <i>to conserve water resources and protect water quality</i> <i>protect and conserve water quality and quantity in rivers, streams and designated water supply areas</i> <i>areas subject to flooding or drainage difficulty (Clause 21.04-5)</i> <i>to minimise the risks posed by flooding to life, community wellbeing and community infrastructure</i> <i>to protect floodplain areas of environmental significance or importance to river health.</i>
21.05 Rural Development	The aim of Clause 21.05 is to provide local content to support Clause 11.05-3 (Rural Productivity), Clause 12 (Environmental and Landscape Values), Clause 14 (Natural Resource Management) and Clause 17 (Economic Development).	<p>Specific objectives relevant to the project are:</p> <p>21.05-2 Sustainable agricultural land use</p> <ul style="list-style-type: none"> <i>to promote the effective management of rural land.</i>
21.06 Local Areas	The objective of Clause 21.06 is to outline the general land use strategy for Beaufort, having regard to the preferred role and function and their potential for growth.	<p>Specific objectives relevant to the project are:</p> <p>21.06-1 Beaufort</p> <ul style="list-style-type: none"> <i>to develop the town's role as a highway service centre.</i>

Clause	Aims	Relevance to project
Local Planning Policies		
22.03 Floodplain Management in Beaufort	Clause 22.03 applies to all land in Beaufort and surrounds that is within the Floodway Overlay and the Land Subject to Inundation Overlay. It has the basis of managing development within floodplains to minimise risk and damages to property and to maintain the capacity of the floodplain.	<p>Specific objectives relevant to the project are:</p> <ul style="list-style-type: none"> to limit to acceptable levels, the effect of <i>flooding for the well-being, health and safety of flood prone individuals and communities</i> to <i>minimise flood risk and promote sustainable use and development of the floodplain</i> to <i>ensure development and land use on the floodplain is consistent with flood risk.</i> <p>The policy requires that when a planning permit is required, the development should:</p> <ul style="list-style-type: none"> <i>have regard to the Beaufort Local Floodplain Development Plan (2012).</i> <p>To ensure that where permitted, development in the floodplain:</p> <ul style="list-style-type: none"> <i>maintains the free passage and temporary storage of floodwaters</i> <i>minimises flood damage</i> <i>will not cause any significant rise in flood level or flow velocity</i> <i>will not cause any impact on adjacent property.</i>
22.04 Native Vegetation Protection	Clause 22.04 applies to all applications to remove native vegetation.	<p>Specific objectives relevant to the project are:</p> <ul style="list-style-type: none"> <i>to conserve and enhance existing vegetation throughout the Shire wherever practicable.</i> <p>Policy:</p> <ul style="list-style-type: none"> <i>trees having a height of greater than 5 metres should be retained where possible and reasonable</i> <i>native vegetation in areas included in the Rural Conservation Zone or to which an Environmental Significance Overlay has been applied should be retained.</i> <p>In considering applications for the removal of native vegetation the responsible authority should take into account the likely effect of the removal of such vegetation and the desirability of including conditions in any Permit requiring planting or replanting of native vegetation on other parts of the land.</p>

Zones and overlays

Zones

The study area is located within several zones, as shown on the zoning plan in Figure 13.3. The zones applicable to the study area (classified as a 'road') are listed below and detailed in EES Appendix G: *Planning and land use impact assessment*.

- Rural Living Zone
- Low Density Residential Zone
- Public Use Zone – Service and Utility
- Public Use Zone – Other Public Use
- Farming Zone
- Transport Zone – Category 1 and 2
- Rural Conservation Zone
- Public Conservation and Resource Zone.

Overlays

Overlays map different features that need to be considered when developing land. They typically relate to environmental constraints such as flooding, vegetation or heritage.

The project area is affected by several planning overlays as shown in Figure 13.4. The overlays applicable to the project are listed below and detailed in EES Appendix G: *Planning and land use impact assessment*.

- Bushfire Management Overlay/Wildfire Management Overlay
- Public Acquisition Overlay
- Restructure Overlay, Schedule 27
- Vegetation Protection Overlay – Schedule 1
- Flood Overlay
- Land Subject to Inundation Overlay.

Particular provisions

Particular provisions apply in addition to the requirements of a zone or overlay and are prerequisites for a range of particular uses and developments. The following particular provisions are relevant to the project:

Clause 52.17 Native Vegetation

The objective of this Clause is to protect and conserve native vegetation to ensure no net loss of biodiversity and minimise land and water degradation. This is achieved through avoiding the removal of native vegetation, and if the removal cannot be avoided, to minimise the removal through appropriate planning and design and appropriately offsetting the loss of native vegetation. A planning permit is required under this Clause to remove, destroy or lop native vegetation, including dead native vegetation. An application to remove, destroy or lop native vegetation must be supported by a flora and fauna assessment that takes consideration of the steps taken to avoid, minimise and offset the loss of vegetation, consistent with the *Guidelines for the removal, destruction or lopping of native vegetation* (DELWP 2017). EES Chapter 9: *Biodiversity and habitat* considers these requirements in detail.

Clause 52.29 Land Adjacent to a Principal Road Network

This Clause applies to land adjacent to a Transport Zone, Category 2, or a Public Acquisition Overlay if a transport manager (other than a municipal council) is the acquiring authority, and the purpose of the acquisition is for a road. It ensures appropriate access to identified roads by requiring a permit to create or alter access to a road in a Transport Zone Category 2, and/or land in a Public Acquisition Overlay if the purpose of acquisition is for a road. Once a Public Acquisition Overlay is applied to the land to be acquired for the highway alignment, applications by landowners would be required to alter their access to the highway or the new Public Acquisition Overlay, and this would be referred to RRV.

Zones

Planning zones control the use of the land, such as for residential, industrial or rural purposes.

Overlays

Planning overlays influence the use and development of land, and apply to species features such as heritage structures, areas prone to flooding or bushfires, or areas of significant vegetation. Overlays apply in addition to the provisions of any zones.

Particular provisions

Particular provisions apply in addition to any applicable zone or overlays requirements, or other provisions of the planning scheme. The requirements of particular provisions apply to land use and development.

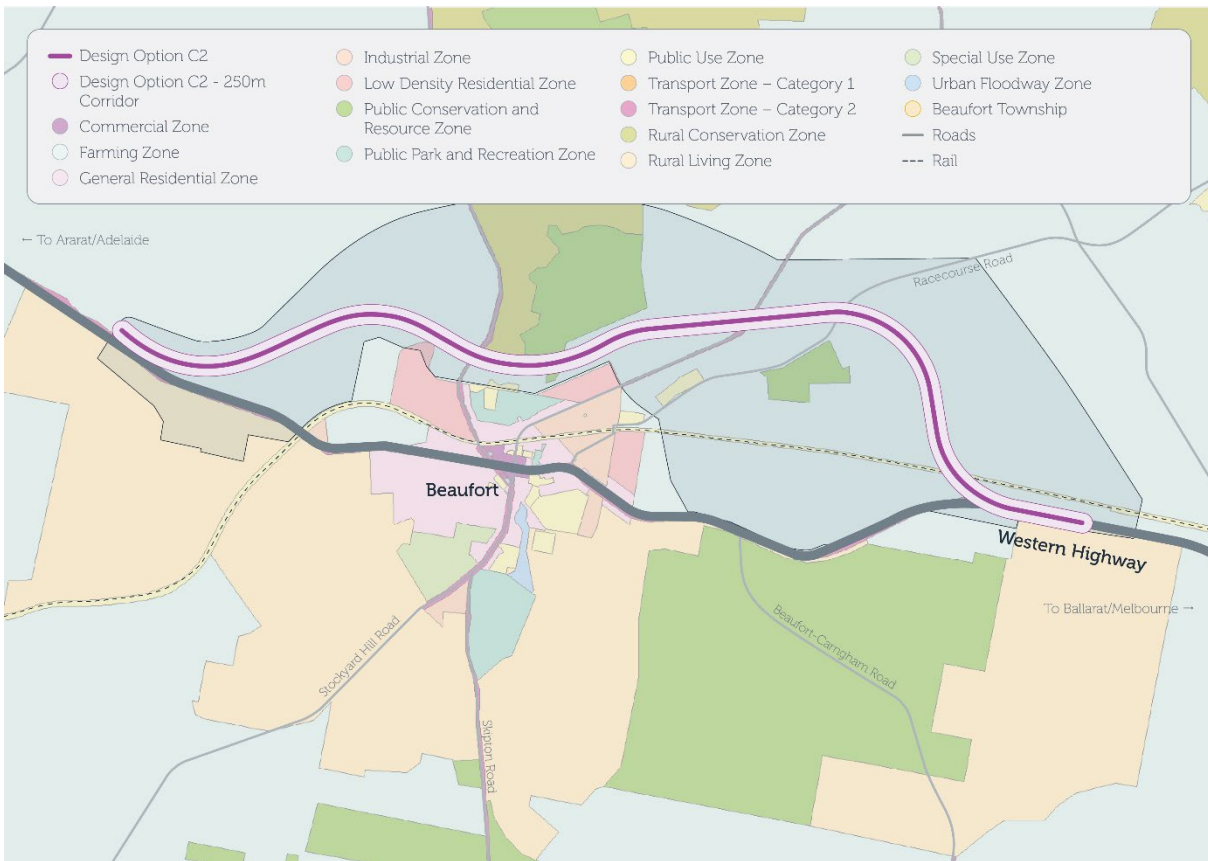


Figure 13.3 Beaufort Bypass study area and zoning (Pyrenees Planning Scheme)

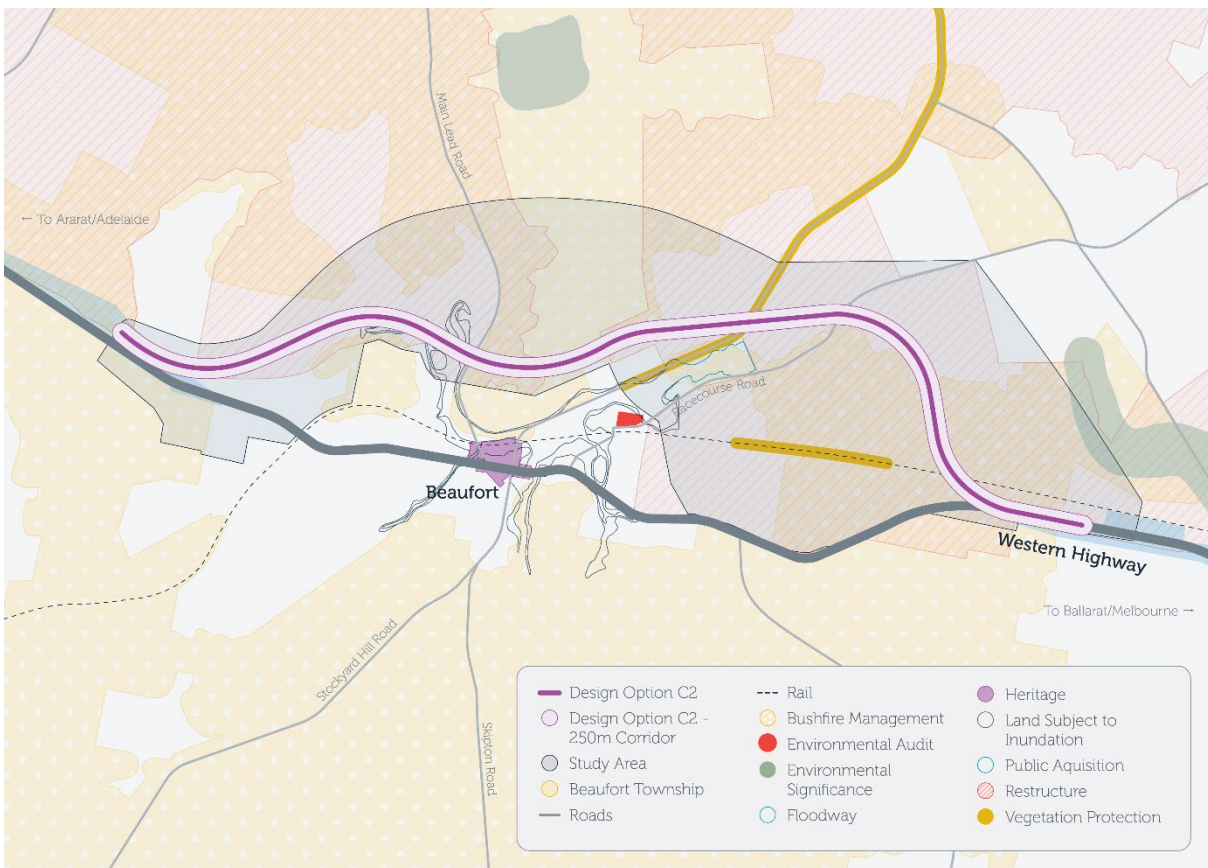


Figure 13.4 Beaufort Bypass study area overlays (Pyrenees Planning Scheme)

13.6.5 Employment

Most Beaufort State Suburb Code residents are employed in the tertiary (or services) sector (72.3%), with secondary sector (manufacturing, construction) accounting for 14.7% of jobs, and primary sector (agriculture, forestry and fishing and mining) accounting for 7.8% of jobs. In contrast, fewer Pyrenees Shire residents are employed in the tertiary sector (58.2%), with approximately the same in the secondary sector (15.8%) and more in the primary sector (21.3%).

The largest industry sectors of employment of residents of Beaufort State Suburb Code are 'Health care and social assistance' (13.2%), 'Public administration and safety' (12.6%) and 'Retail Trade' (12.0%). For the Pyrenees Shire Council, the largest industry sectors of employment of residents are 'Agriculture, forestry and fishing' (20.4%), 'Health Care and Social Assistance' (11.9%) and 'Manufacturing' (8.6%).

The occupational structure of Beaufort State Suburb Code and Pyrenees Shire shows residents are employed in manual/construction-related occupations in higher proportions than State averages. For example, the Australian Bureau of Statistics Census for 2016 (latest available for this indicator) shows approximately 39% of Beaufort State Suburb Code resident workers and 36% of employed Pyrenees Shire residents were involved as technicians and trades workers, machinery operators and drivers, and labourers, compared to 28% for these categories across Victoria at this time.

Labour force data for December quarter 2019 shows the unemployment rates for both Beaufort Statistical Area Level 2 (4.1%) and Pyrenees Shire (4.5%) are lower than the State average (4.9%). Compared to December quarter 2018, the unemployment rate for Beaufort Statistical Area Level 2 has increased by 0.3 percentage points, while the Pyrenees Shire's unemployment rate has increased +0.7 percentage points over this time.

The COVID-19 pandemic has created negative economic impacts for many communities across Victoria, including those in regional areas. No specific data is available regarding the level of impact of COVID-19 for Beaufort, however, modelling is available for the broader Pyrenees local government area.

Economic modelling shows that, prior to COVID-19 and the introduction of social lockdown measures to manage the pandemic, total employment across all local industry sectors in the Pyrenees local government area was estimated at 2,001 jobs. By January 2021, total employment is estimated at 1,999 jobs, a fall of 0.1% or just 2 jobs. This represents an employment recovery from a low point in May 2020, when local employment was estimated at 1,956 jobs (a fall of 2.2% or 43 jobs compared to the pre-COVID-19 situation).

The hardest hit sector in the Pyrenees local government area has been 'accommodation and food services' with a loss of five jobs over the period, with a low point of 11 jobs lost in April 2020. 'Retail trade' suffered a loss of eight jobs by May 2020, but has since recovered to its pre-COVID-19 levels (one job). Employment impacts for the Pyrenees local government area are broadly similar to trends observed in the economic modelling data for the Grampians Region and Victoria.

13.6.6 Business and enterprises

Over half of businesses located within the Statistical Area Level 2 covering Beaufort are within the 'agriculture, forestry and fishing' sector (51%), with the next highest sector being 'construction' (12%).

Beaufort plays an important role in servicing the needs of the agricultural sector and other important industry sectors including manufacturing and construction, both in terms of end markets and support services.

As of July 2017, the following highway and tourism related businesses/activities were identified in and around Beaufort:

- 2 service stations
- 8 accommodation places
- 2 hotels (pubs)
- 8 café/bakeries
- 3 supermarket/convenience/take-away
- 9 craft/gift/opportunity shops
- 6 visitor services
- 10 tourism attractions and events.

Land use associated with primary industry are present in the study area, including agriculture (livestock grazing with strong orientation to wool sheep and prime lambs, cattle breeding and fattening (beef and cropping), and timber harvesting).

13.6.7 Highway dependent trade

Total gross revenue for Beaufort is estimated at \$31.6m per annum. Of the \$31.6m, the revenue attributable to Highway Trade in Beaufort is estimated to be \$10.4m per annum. The sales sector most dependent of Highway Trade is the 'service station/fuel' sector (with 49% of total sales attributable to Highway Trade), followed by 'food, drink and drink catering' (27% of total sales). At the lower end of the spectrum, only 1% of total sales are estimated to be generated from 'highway trade by the accommodation' sector. While the 'food, liquor and groceries', 'non-food retail', and 'food, liquor and groceries (speciality)' sectors attributed 10%, 7% and 6% of total sales revenue, respectively to Highway Trade.

13.7 Impact assessment

The following section discusses the potential impacts of the project construction and operation on planning, land use and regional economy.

13.7.1 Construction impacts

Severance and management of adjacent land

Freehold land

The project will involve the severance of properties and acquisition of freehold land. A total of 22 private landowners are expected to be permanently impacted by the project, with private acquisition of 47 private parcels of land, equating to a total of approximately 147 ha being required for the project during operation. One dwelling within the project area will be permanently impacted by the project (refer to Figure 13.5).

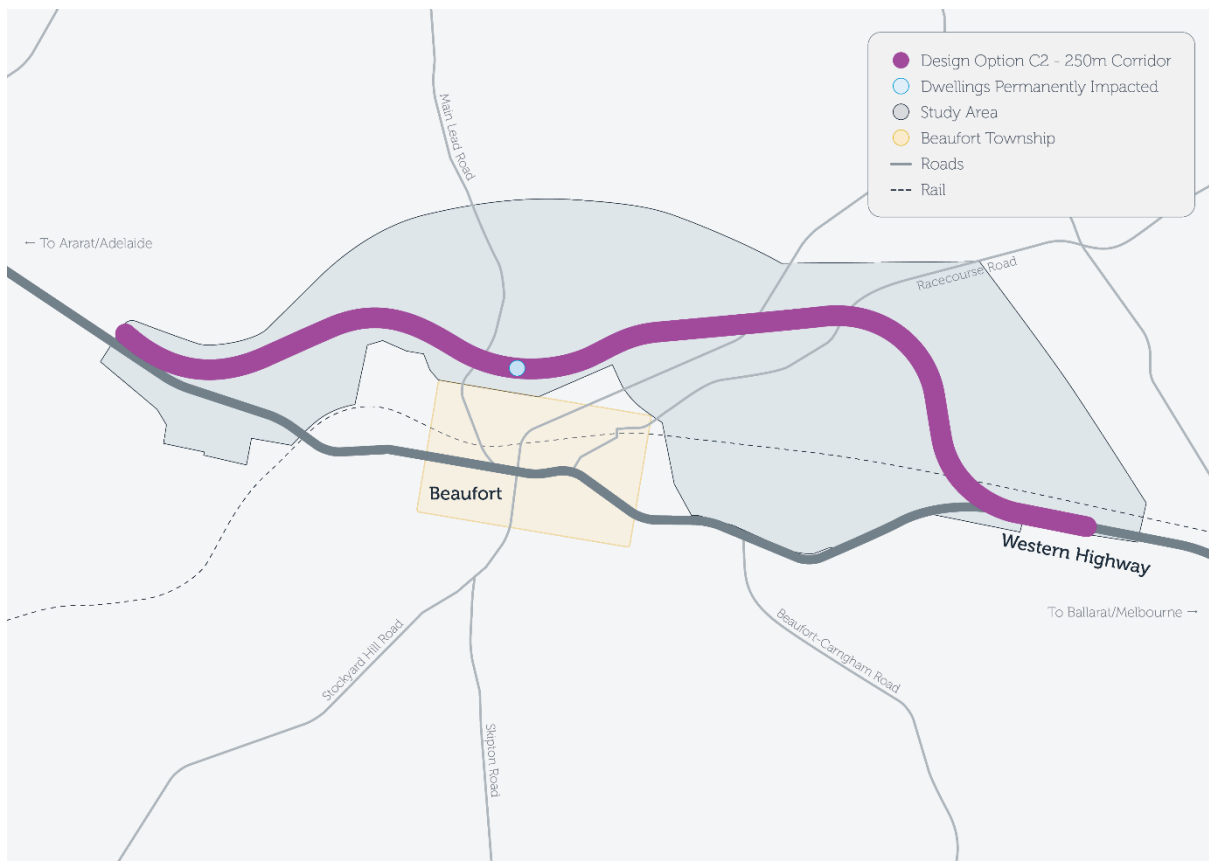


Figure 13.5 Dwellings permanently impacted by the project

Partial land acquisition of private parcels is required for the project, which will sever large agricultural landholdings between the western interchange and Back Raglan Road, and between Beaufort-Lexton Road and Racecourse Road. This includes land used for irrigation associated with the reuse of recycled wastewater, forestry operations and rural residential blocks.

Land severance will result in the creation of 16 subminimal lots (lots less than one hectare) within the Pyrenees Planning Scheme Restructure Overlay area. The restructure overlay seeks to encourage consolidation of inappropriately sized parcels and discourage small rural residential development. Of the 16 lots less than one hectare created by land severance, none currently contain dwellings. During the acquisition process, the aim of this overlay will need to be recognised in compensation discussions with landowners.

The project will create permanent access changes from dwellings and the local road network at the following locations:

- Parcel 3\PS727373 and 9E\PP2605 (66 and 124 Martin Lane, Beaufort) are accessed from Martins Lane. Direct access to the western end of Martins Lane from the Western Highway will be redirected to the unnamed road adjacent to 4932 Western Highway (United Petroleum service station).
- Parcel 10~Q\PP2096 (Camp Hill State Forest) contains a fire track that will require realignment to ensure access for fire management vehicles.
- Parcel 1\TP531530 (4126 Western Highway, Trawalla) will have local road access removed that will require realignment to ensure access to the property is retained. Compensation would be provided in accordance with the *Land Acquisition and Compensation Act 1986* where appropriate, which provides for the payment of compensation (including disruption costs) for land acquisition.

Crown Land

The project requires the acquisition of four Crown land parcels owned by DELWP equating to a total of approximately 6.5 ha. The project will result in severance of the Camp Hill Recreation Reserve from the Camp Hill State Forest, resulting in removal of informal tracks and pedestrian connections used for recreational purposes between the existing network. Consultation between Fire Rescue Victoria and DELWP indicated the need to maintain fire management access within the Camp Hill State Forest, where the project would sever existing fire access. The project will provide a significant fire break to the north of Beaufort. This will provide substantial assistance to stop or slow a bushfire either moving north to south or travelling from the south-west.

The project will sever existing fire management access within the Camp Hill State Forest. Design work completed to date and future detailed design phase will ensure local access to fire management tracks either side of the alignment is reinstated. The project provides satisfactory emergency vehicle access to major roads north of the proposed alignment. DELWP require all overpass structures and new road sections to be made to accommodate over-size and over-mass vehicles. A maintenance road will also be constructed on the outside of the freeway footprint where the freeway borders the forest. This maintenance road would need to be at least a class 5C or 5D standard road and must link into the existing track network.

Prospecting leases, exploration and apiary licences exist within the Camp Hill State Forest, within the study area. The prospecting lease and exploration licence are not impacted by the project. One apiary buffer zone will be encroached upon. Any loss of public land will negatively impact on recreational and apiary land values and land activities. Furthermore, noise from the freeway could negatively impact on a person's experience using Camp Hill State Forest for recreational activities.

While associated environmental, social and economic impacts will result from severance, through the proposed planning pathway and compensation in accordance with the *Land Acquisition and Compensation Act 1986* (where appropriate), land use impacts will be low.

Impacts on existing land use

Agriculture

The agricultural land use of the region is predominantly livestock grazing, dominated by wool and prime lamb production, with some cropping and timber (forestry) also present. Approximately 102 ha of agricultural land will be impacted by permanent acquisition. The potential impacts on land uses adjacent to the project area, including agricultural land use, are from land severance of lots into isolated sections and the potential need for duplication of facilities. Adjacent land use will still support agricultural practices however less efficient movement of stock and vehicles will occur during both construction and operation.

The project will sever a large agricultural landholding between the western interchange and Back Raglan Road and a large agricultural landholding between Beaufort-Lexton Road and Racecourse Road, which includes irrigation infrastructure associated with reuse of recycled wastewater. The project will also sever a moderate sized agricultural landholding to the south of Racecourse Road. However agricultural land is not considered sensitive to road-based activities and can continue adjacent to the project, as such, impacts to existing land use is assessed as a low impact.

Central Highlands Water manage the Beaufort Wastewater Treatment Plant. Investigations with Central Highlands Water will continue through the project detailed design phase to understand capacity requirements for wastewater irrigation ponds and where impacted wastewater irrigation ponds can be relocated.

Changes to the surface water regime are not anticipated to have notable land use impact, with the flood impacts contained within the existing floodplain throughout agricultural land. While functional design modelling displays short-term flood duration changes to three discrete locations, this will not change the way in which land managers currently respond to flood impacts. Further detail on surface water impacts are discussed in EES Chapter 11: *Catchment values and hydrology*.

Forestry

Located north of the Melbourne-Ararat rail line near the eastern tie-in to the existing Western Highway, approximately 7 ha of the blue-gum plantations will be impacted by permanent acquisition.

Recreation

The project will impact approximately 6.5 ha of land occupied by the currently disused trotting track and will also sever the informal tracks and connections between the existing network and the Crown land north of Camp Hill.

Impacts on future land use

Clause 21.06-1 (Local Areas) of the Local Planning Policy Framework includes a policy statement “*To develop the town’s role as a highway service centre*”. This statement was included prior to the *Central Highlands Regional Growth Plan* and Planning Policy Framework objectives in relation to the commitments to upgrading the Western Highway. The *Central Highlands Regional Growth Plan* identifies that upgrade works to the Western Highway, including a Beaufort bypass, would lead to the liveability of the town being significantly enhanced, and further the attractiveness of Beaufort as an alternative location for residential development in Ballarat’s hinterland.

The Pyrenees Shire Council has commenced the Pyrenees Futures strategy, including the *Beaufort Township Framework Plan*. The Plan is premised on the assumption that a bypass will exist in the future and includes a specific Town Centre Activation Plan to facilitate the transition of Beaufort to a post-bypass context. As previously noted, the *Beaufort Township Framework Plan* is still under development and has not been adopted by Council. The adoption of any such plan would further support the objectives of other growth planning policies within the region.

The location of the project area to the north of Beaufort generally aligns with the future land use strategies within the Pyrenees Planning Scheme, which identifies several constraints to the future expansion of the township into the project area including Camp Hill, the Yam Holes Creek floodplain and the buffer around the Beaufort Wastewater Treatment Plant. The strategic identification of constraints to development of the township into the project area will allow the land to be protected for agriculture and environmental assets.

Potential impacts of land adjacent to the project will result through severance of lots into isolated sections, creating the potential need for duplication of facilities, less efficient movement of stock and vehicles. In addition to land acquisition, some farm infrastructure and one dwelling in the project area would need removal.

Overall it is considered that the project would not impact on the future growth and development of Beaufort, as the future land use policy does not favour future growth and development occurring to the north of the town within the study area. The impact rating is assessed as low.

Consistency with Statutory Planning Controls

Potential impacts relate to contractors not complying with approval conditions for the project during the construction phase. Impacts could manifest through construction activities extending beyond the project area for which approvals are sought. Additional impacts could manifest through the contractor not acquiring the appropriate secondary consents or complying with the conditions posed on primary approvals. Inconsistencies with statutory approvals during the construction phase are assessed as having a medium impact without implementation of mitigations.

Economic impacts on future growth and development

Additional demand for overnight accommodation in Beaufort due to major construction projects may result in a local supply shortage and restrict overnight accommodation available for the tourist sector. Considerable regional accommodation options are available in Ballarat and Ararat to support construction projects. The impact is rated as low.

However, benefits to future growth and development include:

- temporary uplift in local commercial accommodation occupancy during the construction phase
- temporary uplift in revenues of Beaufort's retail business associated with the construction phase of the project (i.e. workforce spending)
- temporary uplift to revenues of construction aligned industry located in Beaufort, wider Pyrenees Shire, and Ballarat region associated with the construction phase.

Economic impacts of land acquisition and severance

Approximately 153 hectares of land will need to be permanently acquired for the project, which currently accommodates grazing, plantations, rural residential blocks and State forest land uses. Potential economic impacts of land acquisition and severance resulting from the project during construction may include:

- reduced access to water and loss of irrigated land
- loss of access, including the ability to move heavy machinery and livestock between land on either side of the bypass
- environmental impacts on livestock and flow on impacts to business revenues, such as from excessive noise scaring animals.

13.7.2 Operation impacts

Consistency with Planning Policy

The project is consistent with the Planning Policy Framework and local planning policies, which seek to enhance connections throughout the region and provide for safe and more efficient use of road infrastructure. The development of a bypass would not compromise the intent of existing land use zoning in the project area and Beaufort township. The land uses within and surrounding the project area include farming and agricultural activities, isolated dwellings mostly associated with farming operations, and township uses including rural residential uses. The protection and enhancement of environmental, heritage, social and economic values are considered within the various specialist technical assessments prepared for this EES, consistent with the Planning Policy Framework and local planning policies. Impacts are proposed to be managed through the implementation of an Environmental Management Plan, consistent with the Environmental Management Framework. As such, the impact rating is assessed as low.

Sensitive land uses

The project alignment has been selected based on it having the least overall impact on environmental, social and economic considerations. The major impact of the preferred alignment is to agricultural land, which is not considered sensitive to road-based activities and is assessed as a low impact. Without mitigation, the project will impact sensitive land uses such as dwellings, native vegetation, watercourses and public space. These are further discussed in EES Chapter 9: *Biodiversity and habitat*, EES Chapter 11: *Catchment values and hydrology*, EES Chapter 12: *Social effects* and EES Chapter 14: *Amenity*.

Economic impacts on future growth and development

Bypass case studies

EES Appendix I: *Regional economy impact assessment* utilised case studies of similar sized bypassed towns (Karuah and Kempsey in NSW) to guide the impact assessment and development of mitigations. The case studies noted that certain characteristics render some towns more vulnerable to impacts of bypassing. These characteristics include being small populations, a narrow economic base and a high dependence on trade from passing through traffic. Once bypassing occurs, impacts (such as loss of business) materialise quickly and are largely centred on sectors geared to highway trade such as cafes/takeaways and service stations. There is evidence that townships can transition and prosper post-bypass, even those (such as Karuah) with characteristics indicating significant vulnerability to bypassing. Proactive economic development initiatives from local government and adaptive management by individual businesses are the key to economic survival.

Estimated revenue impacts

The estimated revenue impacts for each sector under a scenario in which 50% of highway trade is forgone is outlined in Table 13.6. Under this scenario, the total revenue forgone is \$5.2 million (or 16%). This estimate represents the initial impact attributed to bypassing. There would be an opportunity to reverse the losses and even increase the revenue base relative to the no-bypass scenario if targeted steps are taken to broaden the town's appeal to visitors and grow the residential population. The associated unmitigated revenue impact will be high, being localised and temporary in duration.

Table 13.6 Estimated total annual gross revenue impact

Category	Estimated total sales (2019) (million)	Sales attributed to highway trade (million)	Sales impact (50% reduction) (million)	Reduction in total sales (%)
Food, Liquor and Groceries	\$10.1	\$1.1	-\$0.6	-5%
Food, Liquor and Groceries (Specialty)	\$2.2	\$0.6	-\$0.3	-13%
Food and Drink Catering	\$5.9	\$2.8	-\$1.4	-24%
Non-Food Retail	\$5.0	\$0.7	-\$0.3	-7%
Service Stations/Fuel	\$7.6	\$5.1	-\$2.6	-34%
Accommodation	\$0.8	\$0.1	-\$0.1	-7%
Total	\$31.6 million	\$10.4 million	-\$5.2 million	-16%

Estimated employment impacts

Under a scenario in which highway trade reduces by \$5.2 million (representing a decline of 16% of total gross revenue for highway dependent businesses), it is estimated that around 27 full time equivalent positions (or 4.4% of full time equivalent employment for Beaufort) would be lost in the Beaufort township in the short-term. Of these positions lost, it is anticipated that 25%–30% will be associated with impacts to Beaufort's service station operators. The associated unmitigated employment impact will be high, being localised and temporary in duration.

Long-term economic impacts

Once the project is operational, an uplift in revenues for local businesses due to improved township amenity, safety and environment from the reduction in through-traffic (especially heavy vehicles) through the town centre is a possibility. This potential benefit is a long-term consideration and is predicated on RRV, Council, local businesses and other stakeholders undertaking targeted, strategic initiatives aimed at facilitating population growth and broadening Beaufort's appeal to visitors. The summary of the case studies used to inform this impact assessment noted the loss of business can materialise quickly following bypassing.

Economic impacts of land acquisition and severance

Potential economic impacts of land acquisition and severance resulting from the project during operation may include:

- loss of agricultural land to individual landholders, rated as a medium economic impact without mitigation. This includes the loss of land for one landholder currently irrigated with recycled wastewater as a result of the project
- loss of internal access, including the ability to move heavy machinery and livestock between land on either side of the bypass, compromising the operational efficiency of the enterprise will occur throughout the project. Without mitigation access impacts would be medium.

13.8 Mitigation

Environmental management measures set out the relevant desired environmental outcomes for the project. These measures are applicable to all construction phases and provide certainty regarding the project’s environmental performance.

The potential impacts associated with the consistency with Statutory Planning controls will be managed through the implementation of the project-wide controls and conditions in the Environmental Management Framework. The mitigations proposed to manage potential impacts to land use and planning and regional economy are summarised in Table 13.7 below. The mitigations are proposed for implementation in the design and construction phases to address potential impacts of the project.

Table 13.7 Mitigation measures for land use and planning and regional economy impacts

Impacts	Mitigation measures	Mitigation number
Design/construction		
Future economic growth and development	<p>A business disruption plan will be developed to minimise impacts to local businesses. The plan will:</p> <ul style="list-style-type: none"> • preparation of a construction workforce management plan which seeks to utilise regional accommodation options (such as Ballarat, Ararat, private sector) • communicate construction phasing and timeframes with local businesses • communicate and co-ordinate road closures and traffic management to minimise impact to local businesses • ensure disruption to transport routes and access to businesses is avoided, minimised or provided suitable alternatives • promote the support to local businesses during construction periods • co-ordinate engagement with local businesses in line with the community and stakeholder engagement plan • identify how local businesses will be provided with ongoing support during Beaufort’s transition from a highway town to a destination • work with impacted community groups to find appropriate alternative locations for impacted services. 	RE01
	<p>In accordance with the percentage targets declared by the Minister for Industry, Support and Recovery under the <i>Local Jobs First Act 2003</i>, Construction Contractors will develop local procurement strategies to ensure economic benefits are realised during the construction phase.</p>	RE02
Land acquisition and severance	<p>To address land acquisition and severance impacts during construction and operation, mitigations will include:</p> <ul style="list-style-type: none"> • design optimisation to reduce acquisition impacts • continued consultation with affected landowners • compensation in accordance with the <i>Land Acquisition and Compensation Act 1986</i>. 	RE03

Impacts	Mitigation measures	Mitigation number
Land access	<p>During the detailed design and pre-construction phases, a construction and operational access strategy will be developed to the satisfaction of the Department of Transport, Pyrenees Shire Council and DELWP. Measures for the access strategy will include:</p> <ul style="list-style-type: none"> • ensuring there is a thorough community and landholder/manager consultation process and public advertisement of works • ensure that alternative access and redirections are provided where existing access is removed, which follows relevant standards and guidelines, including but not limited to: <ul style="list-style-type: none"> - within project Specific Controls Overlay, in accordance with project approval conditions - AS1742.3 – Manual of uniform traffic control devices - VicRoads Traffic Engineering Manual Vol 2 Part 2.03 – Traffic control devices for works on roads. <p>The access management strategy will include strategies for maintaining access to private land, local road network, public amenity and Crown land.</p>	RE04
Beaufort businesses	<p>During pre-construction stages, RRV in partnership with Council will identify potential resourcing, capacity building and funding options to support Council with implementation of transitional initiatives to reposition Beaufort from a highway town to a bypassed town to assist its economic and social recovery post construction.</p> <p>Transitional initiatives identified for Beaufort will be aligned with the <i>Pyrenees Economic Development Strategy – February 2020</i> and include, but not limited to:</p> <ul style="list-style-type: none"> • attracting new and diverse businesses and employment opportunities to Beaufort • planning and design projects to be implemented in support of new and existing business and employment opportunities and population growth within the township • identifying the critical population mass required to enhance the social and economic sustainability of Beaufort • branding and promotion including appropriate signage • public realm and amenity improvements • identify infrastructure improvements that support tourism, investment and the liveability of Beaufort. 	RE05
Existing infrastructure	<p>Continue consultation with Central Highlands Water to protect utility assets. Including: trunk water mains and wastewater irrigation ponds for future wastewater irrigation requirements.</p>	LU01

13.9 Residual impacts

Following incorporation of mitigations outlined in Section 13.8, the residual impacts outlined in Table 13.8 will apply for the project.

The project is consistent with Municipal Planning Strategy of Pyrenees Shire Planning Scheme as the project is located to the north of Beaufort and outside the boundary of Beaufort Township. The Pyrenees Planning Scheme contains no policy for expanding settlement into the project area. As such, there are no residual impacts relating to consistency with planning policy.

Table 13.8 Residual impacts for land use and planning and regional economy

Impacts	Residual impacts	Residual rating
Beaufort businesses	Revenue foregone due to bypassing and flow-on employment impacts over the short-term post bypass will remain as high. Application of economic initiative will ensure impacts remain short-term.	Low
Consistency with Statutory Planning Controls	The Planning Scheme Amendment process will introduce an incorporated document to the Pyrenees Planning Scheme and would create a pathway for statutory approvals for the project. Compliance and monitoring with the associated Environmental Management Framework will ensure consistency with statutory planning controls.	Low
Land acquisition and severance	Compensation for acquisition under the <i>Land Acquisition and Compensation Act 1986</i> and implementation of access strategies defined in EES Chapter 8: <i>Transport and traffic</i> will reduce land use, acquisition and severance impacts to landholders.	Low

13.10 Conclusion

The project would result in acquisition processes impacting up to 51 parcels (47 private and 4 public).

Permanent access impact to households and fire management tracks will occur at:

- Parcel 3\PS727373 and 9E\PP2605 (66 and 124 Martin Lane, Beaufort) are accessed from Martins Lane. Direct access to the western end of Martins Lane from the Western Highway will be redirected to the unnamed road adjacent to 4932 Western Highway (United Petroleum service station).
- Parcel 10~Q\PP2096 (Camp Hill State Forest) contains a fire track that will require realignment to ensure access for fire management vehicles.
- Parcel 1\TP531530 (4126 Western Highway, Trawalla) will have local road access removed that will require realignment to ensure access to the property is retained.

Compensation would be provided in accordance with the *Land Acquisition and Compensation Act 1986* where appropriate, which provides for the payment of compensation (including disruption costs) for land acquisition. An access strategy will be prepared to address permanent access changes from dwellings and the local road network. The residual impact for land acquisition and severance after application of mitigation will be low.

The project would result in increased demand for accommodation within Beaufort, with the potential for economic benefits in the construction phase due to an uplift in local retail trade attributed to the construction workforce.

The total gross revenue forgone due to bypassing is estimated to be -\$5.2 million (-16%) per annum, with the potential to result in the loss of approximately 27 full time equivalent positions, or 4.4% of township employment. This short-term economic impact is rated as high. However, once the bypass is operational, an uplift in revenues for local businesses through improved township amenity, safety and environment is possible. This potential benefit is a long-term consideration and is predicated on Council, local businesses and other stakeholders undertaking targeted, strategic initiatives that facilitate population growth and broadened the township's appeal to visitors.

Overall, the project is consistent with strategic planning policy as policy does not favour future growth and development occurring to the north of the town within the study area and anticipates a bypass of Beaufort. Land use and economic impacts will be further managed through the implementation of the Environmental Management Framework and associated management plans, which will ensure statutory planning controls are met.