

# **Melton Planning Scheme**

## **Draft Amendment C244melt**

### **Explanatory Report**

#### **Overview**

This draft amendment proposes the implementation of the Melton East Precinct Structure Plan (PSP) and Melton East Infrastructure Contributions Plan (ICP). The Melton East PSP enables the delivery of approximately 12,900 dwellings and 2,000 jobs.

The draft amendment incorporates the Melton East PSP and Melton East ICP into the Melton Planning Scheme. A new schedule to the Urban Growth Zone (UGZ) will also be applied to facilitate development of the precinct. Additional changes to the zoning, overlay, particular provisions, general provisions and operational provisions of the Melton Planning Scheme are also required to facilitate development of the precinct.

#### **Where you may inspect this amendment**

The draft amendment is available for public inspection between 3 March – 31 March 2025 online at:

##### **Engage Vic**

<https://engage.vic.gov.au/meltoneast>

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

##### **Melton City Council**

Melton City Council  
232 High Street Melton, VIC 3337  
[www.melton.vic.gov.au](http://www.melton.vic.gov.au)

Should you not have access to the internet and the above office is closed or not accessible during office hours, please contact the Victorian Planning Authority on 9561 9600 to make arrangements to obtain a copy of this draft amendment.

#### **Submissions**

Any person who may be affected by the draft amendment may make a submission to the planning authority. Submissions about the draft amendment must be received by 5pm, 31 March 2025.

#### **SAC hearing dates**

If required, this project will be subject to the Victorian Planning Authority Projects Standing Advisory Committee, appointed pursuant to Part 7, section 151 of the Planning and Environment Act 1987 (the Act) to advise the Minister for Planning and the Victorian Planning Authority on referred projects and plans and associated draft planning scheme amendments.

While the Victorian Planning Authority will seek to resolve any issues raised, unresolved issues or particular matters may be referred to the Victorian Planning Authority Standing Advisory Committee, which will contact submitters and then determine the best way to consider unresolved matters – either by round table discussions, written submissions or a public hearing. The Victorian Planning Authority Standing Advisory Committee will provide advice on the draft amendment to the Victorian Planning Authority and Minister for Planning.

The Victorian Planning Authority will then make recommendations to the Minister for Planning, who will consider the appropriate approval pathway for the draft amendment.

If required, dates for the Melton East Standing Advisory Committee are reserved for:

- Directions hearing: Week commencing 26 May.
- Panel hearing: Week commencing 7 July.

## **Details of the amendment**

### **Who is the planning authority?**

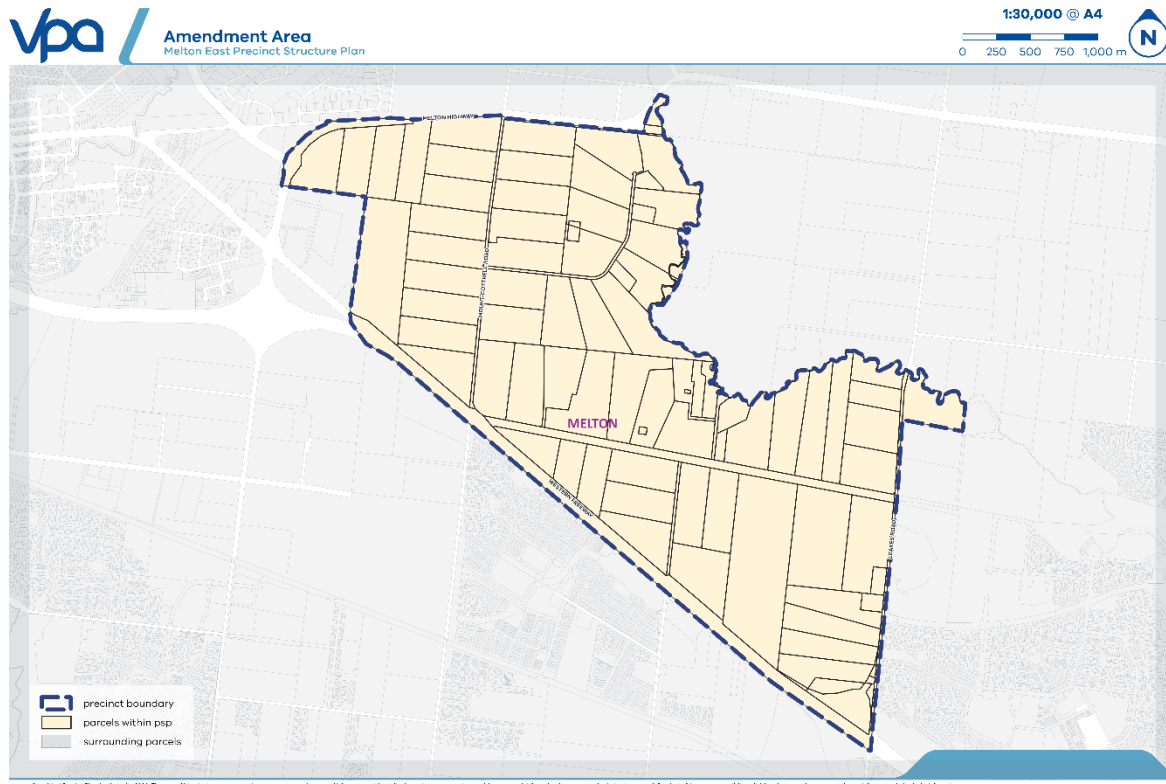
This draft amendment (the amendment) has been prepared by the Victorian Planning Authority on behalf of the Minister for Planning, who is the planning authority for this amendment.

The amendment has been made at the request of the Victorian Planning Authority.

### **Land affected by the amendment**

The amendment applies to land included in the Melton East Precinct Structure Plan (PSP) as shown on Map 1 below. The PSP area is approximately 4km east of the existing Melton township and covers approximately 1,005 hectares of land. It is generally defined by the Western Freeway to the South, Melton Highway to the west and north, Kororoit Creek to the north-east, and Leakes Road to the east.

## Map 1 – Melton C244 Amendment Area (Melton East Precinct)



### What the amendment does

The amendment proposed to implement the Melton East Precinct Structure Plan (PSP) by introducing a new Schedule 13 to the Urban Growth Zone and applying it to the precinct. The amendment also proposes to introduce an Infrastructure Contributions Plan (ICP) to land affected by the Melton East PSP.

More specifically, the amendment proposes the following changes to the Melton Planning Scheme:

- Inserts Schedule 13 to Clause 37.07 Urban Growth Zone (UGZ13) and rezones the precinct from Urban Floodway Zone (UFZ) and Urban Growth Zone (UGZ) to UGZ13 and Rural Conservation Zone 3 (RCZ3) for land included within the *Biodiversity Conservation Area*.
- Applies Clause 45.03 Environmental Audit Overlay (EAO) to land identified as having high potential for contamination in the Melton East PSP Land Capability Assessment (Jacobs) 8 July 2023.
- Applies Schedule 5 to Clause 42.01 Environmental Significance Overlay (ESO5) to land within the *Biodiversity Conservation Strategy* (BCS) and zoned RCZ within the amendment area.
- Amends the Schedule to Clause 43.01 (Heritage Overlay) and applies the Heritage Overlay to the Beattys Road Nissen Hut (HO207) and introduce a new Statement of Significance.
- Applies Schedule 6 to Clause 43.03 Incorporated Plan Overlay (IPO6) to land within the BCS and zoned RCZ3 within the amendment area.

- Amends the Schedule to Clause 45.01 Public Acquisition Overlay (PAO) to insert the Head, Transport for Victoria as an acquiring authority for the purposes of road construction.
- Applies Clause 45.01 Public Acquisition Overlay 14 and 15 to reserve land for the purposes of road construction and nominates the Head, Transport for Victoria as the acquiring authority to the land addresses as follows:
  - Part of 471A Mount Cottrell Road, Grangefields;
  - Part of 471-497 Mount Cottrell Road, Grangefields;
  - Part of 499-525 Mount Cottrell Road, Grangefields;
  - Part of 527-555 Mount Cottrell Road, Grangefields;
  - Part of 557-583 Mount Cottrell Road, Grangefields;
  - Part of 570-590 Mount Cottrell Road, Grangefields;
  - Part of 592-610 Mount Cottrell Road, Grangefields;
  - Part of 585-611 Mount Cottrell Road, Grangefields;
  - Part of 612-630 Mount Cottrell Road, Grangefields;
  - Part of 613-639 Mount Cottrell Road, Grangefields;
  - Part of 641-675 Mount Cottrell Road, Grangefields;
  - Part of 632-650 Mount Cottrell Road, Grangefields;
  - Part of 672-762 Mount Cottrell Road, Grangefields;
  - Part of 677-761 Mount Cottrell Road, Grangefields;
  - Part of 1315-1355 Beattys Road, Grangefields;
  - Part of 2540 Western Highway, Grangefields;
  - Part of 989-1029 Beattys Road, Grangefields;
  - Part of 986-1008 Leakes Road, Grangefields;
  - Part of 970-984 Leakes Road, Grangefields;
  - Part of 1010-1024 Leakes Road, Grangefields;
  - Part of 1026-1040 Leakes Road, Grangefields;
  - Part of 1042-1060 Leakes Road, Grangefields;
  - Part of 1068 Leakes Road, Aintree;
  - Part of 1062-1066 Leakes Road, Grangefields.
- Inserts Schedule 4 (ICO4) to Clause 45.11 and applies ICO4 to land within the amendment area.
- Amends the Schedule to Clause 52.17 Native Vegetation to include native vegetation removal exemptions for the Melton East Precinct Structure Plan.
- Amends the Schedule to Clause 66.04 Referral of Permit Applications under Local Provisions to require referral to the Secretary to the Department administering Part 2 of the *Conservation, Forests and Lands Act* for an application for subdivision containing conservation area as shown in Plan 1 to Schedule 13 of the Urban Growth Zone.

- Amends the Schedule to Clause 72.03 to include the revised list of maps in the Melton Planning Scheme.
- Incorporates the “Melton East Precinct Structure Plan, March 2025” and “Melton East Infrastructure Contributions Plan, March 2025” into the planning scheme by listing the documents in the Schedule to Clause 72.04, and a Statement of Significance for the Beattys Road Nissen Hut (HO207).

## **Strategic assessment of the amendment**

### **Why is the amendment required?**

The Melton East PSP is included in *Victoria’s Housing Statement The decade ahead 2024-2034* as a priority planning project for growing suburbs. The draft amendment implements the Melton East PSP and Melton East ICP into the Melton Planning Scheme.

The PSP:

The amendment is required to implement the Melton East PSP which facilitates the use and development of the PSP area as a predominately residential precinct comprising 12,900 dwellings for 40,014 people, and approximately 23 hectares of employment land for an anticipated 2,000 jobs. To service this new population, the amendment provides for two neighbourhood activity centres and two local convenience centres, approximately 53 hectares of open space and the provision of a Drainage Services Scheme.

The amendment introduces planning provisions to implement State Planning Policy Framework regarding the growth of Melbourne by facilitating new urban development and associated infrastructure provision and open space outcomes.,

A planning scheme amendment is required to rezone the land to enable the development of the land in accordance with the envisaged land use and development outcomes in the State Planning Policy Framework. The amendment allows for urban development outcomes specific to the land, resulting in more certain and efficient regulation than might otherwise occur were the general provisions of the scheme to be relied upon.

The ICP:

The ICP system has been revised to improve the method for securing land for public purposes. On 2 July 2018, the Planning and Environment Amendment (Public Land Contributions) Act 2018 came into operation. This Act requires all public land identified in an ICP to be provided as a direct land contribution, thereby removing monetary contributions (i.e. the existing public land standard levy amount) from the ICP system. The Act also prescribes the method by which the cost of providing all public land is equalised across all landowners with a PSP area.

A Supplementary Levy ICP has been prepared and is also the subject of this amendment and includes the following:

- Supplementary rate of \$342,933.55 for transport construction.
- Includes 23 projects.

Overall there are:

- 4 community building projects

- 8 open space projects
- 11 road projects
- 20 intersection projects (including 3 pedestrian crossings)
- 9 culvert and bridge projects
- 26 transport inner public purpose land items
- 20 community and recreation inner public purpose land items

ICPs and the associated planning controls are required to ensure collecting agencies can lawfully collect infrastructure contributions from landowners. This amendment incorporates an ICP to Melbourne's west growth area and applies it to land affected by the Melton East PSP. This amendment incorporates a supplementary levy ICP, which will be applied to the Melton East PSP area by inserting Schedule 4 to Clause 45.11 – Infrastructure Contributions Overlay (ICO4).

The ICP is necessary to deliver all the infrastructure items required within the Melton East PSP area.

The total net developable area is 501.88 hectares and the total contribution land is 593.98 hectares. The ICP includes classes of development for residential, commercial and industrial development.

The ICP provides timeframes (short 0-5 years, medium 5-10 years and long term 10 years onwards) for the delivery of ICP funded infrastructure projects.

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

The amendment will facilitate industrial, commercial, retail, residential and community infrastructure development by introducing planning provisions that apply fairly and transparently to all affected landowners. The amendment facilitates this development where existing services and infrastructure can be reasonably expanded.

The amendment implements Section 12(1)(a) of the Act by facilitating the development of land within the Urban Growth Boundary of Melbourne, and will provide for the efficient and sustainable servicing of the land.

The amendment allows for further urban development in Melbourne that will improve the supply of housing, provide employment opportunities, and create distinct employment and residential neighbourhoods with funded local infrastructure projects through the implementation of an infrastructure contributions plan to fund infrastructure to service the future urban land within the Melton East PSP.

The Melton East ICP will implement applicable objectives of planning in Victoria under Section 4 of the Planning and Environment Act 1987 (the Act) through the implementation of a contributions collection scheme to facilitate the delivery of infrastructure to service the precinct structure plan. The amendment applies the necessary planning controls to implement the ICP, which will provide a clear structure of contributions required to fund development and community infrastructure within the precincts for residential, commercial and industrial development, and will ensure the fair and equitable provision of community and development infrastructure.

The amendment implements the objectives of planning in Victoria under Section 4 of the Act. In particular:

- To provide for the fair, orderly, economic and sustainable use and development of land

The amendment will facilitate the development of a new residential community with good access to services, public open space and employment opportunities. The delivery of housing makes effective use of the available residential land within the precinct area with a required average density across the PSP of at least 20 dwellings per net developable hectare.

The amendment sets out what development and community infrastructure is required to ensure the fair and equitable provision of works, services and facilities needed by the new community to secure a good quality of life.

The north-west corner of the Melton East precinct will be unlocked for non-hazardous industrial development

Two local town centres, two local convenience centres, community facilities, active open space, four government primary schools, one government secondary school and two potential non-government schools are located in Melton East to create several community focal points and provide employment opportunities, local amenity and services for the new community.

Infrastructure contributions will be collected to fund new infrastructure required to service the precinct. Infrastructure items are outlined in the PSP and ICP, which will be incorporated into the Scheme and outline the development contributions required to fund the necessary infrastructure.

The precinct will connect to existing road infrastructure, such as proposed signalised intersections with the Melton Highway and Leakes Road which will provide for connectivity between the Melton East precinct, the existing Melton township, Cobblebank Major Activity Centre, rail corridor, and the established Rockbank North and Toolern PSPs.

A series of parks are spread throughout both the Melton East precinct for future employees and residents.

- To provide housing affordability as defined and referenced in the *Planning and Environment Act 1987*.

The amendment seeks to provide for affordable housing by including a guideline for residential development to provide affordable housing.

- To provide for the protection of natural and man-made resources and the maintenance of ecological processes and genetic diversity.

The Melton East PSP is included within the Melbourne Strategic Assessment area, and contains part of Conservation Area 15 *Western Growth Corridor: Growling Grass Frog corridors (north)*. The area is proposed to be zoned Rural Conservation Area with the Environmental Significance Overlay – Schedule 5 and a new Incorporated Plan Overlay – Schedule 6 which applies the Melton East PSP to the land. This approach is consistent with guidance from the Department of Energy, Environment and Climate Action.

An assessment of existing trees in the precinct has been conducted, with high-value trees identified as to be retained in Appendix 5 of the PSP. Trees identified as worthy of being retained are also co-located with local parks where possible to maximise mature trees available for community benefit.

Stormwater flows will be managed through an integrated system that aims to manage flows beyond the precinct to be generally kept to pre-development levels.

- To secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria.

The PSP contains requirements that regulate the subdivision of land and seek to create pleasant residential neighbourhoods with good access to services and recreational facilities. New local parks and existing natural features will contribute to the creation of a pleasant living and recreational environment for future residents, employees and visitors.

The amendment ensures that housing will have good proximity to education and employment opportunities and will allow residents to have a variety of travel options to reach these destinations.

- To protect public utilities and other assets and enable the orderly provision and co-ordination of public utilities and other facilities for the benefit of the community.

The amendment ensures that servicing of the new urban development will be of sufficient capacity to ensure all households are connected to sewerage and water.

Drainage infrastructure will be upgraded to cater for urban development and allow for natural flows into retarding basins or wetlands.

The PSP encourages transport choice and a reduction in private car use by setting the framework for a highly interconnected road network, including bus-capable roads and a network of pedestrian and bicycle paths across the precinct.

The application of the Public Acquisition overlay to land required for the Mt Cottrell Road / Western Freeway Interchange, Mount Cottrell Road ultimate configuration, Leakes Road interchange and subsequent section of road leading up to and including the Taylors Road intersection will ensure that the land is reserved for a future public purpose. It will ensure that the Head, Transport for Victoria can compulsorily purchase land to realise necessary shared infrastructure when it is required. This will ensure certainty about the necessary infrastructure items required to be provided for the development to the precinct and the location of the infrastructure. The Head, Transport for Victoria has requested the application of the Public Acquisition Overlay and are proposed to be the acquiring authority.

- To balance the present and future interests of all Victorians

Implementation of the PSP via the amendment will deliver community facilities, housing and employment opportunities to accommodate the future population growth of Victoria.

Providing for urban development and employment in the area will ensure that current and future residents in the area have adequate infrastructure and access to services needed for a growing population.

The PSP identifies land within the precinct for arterial road upgrades, sports facilities, local parks and the provision of utilities. The new community contributes to the cost of this new infrastructure in line with the anticipated demand for infrastructure through the ICP. By doing so, the infrastructure can be delivered while alleviating the need for costly public spending in the future to 'reclaim' privately developed land for public purposes.

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



### *Environmental effects*

The amendment identifies high-value vegetation worthy of being retained, informed by an arboricultural report, and the PSP has attempted to locate credited open space where concentrations of high-value trees exist. The precinct is included within the Melbourne Strategic Assessment (MSA) area and contains Conservation Area 3 (Kororoit Creek Reserve). The amendment appropriately plans for the protection of MSA vegetation in accordance with guidance from the Department of Energy, Environment and Climate Action.

Stormwater flows will be managed through an integrated system that aims to manage flows beyond the precinct to be generally kept to pre-development levels. The precinct will require a range of constructed and natural waterways linked to a network of retarding basins to manage flooding, implementing the Drainage Services Scheme prepared by Melbourne Water.

A land capability assessment was conducted (Melton East PSP Land Capability Assessment (Jacobs) August 2024) to determine whether there was any land in the precinct that may be potentially contaminated. The amendment proposes to apply the Environmental Audit Overlay (EAO) to properties within the PSP area which were identified as having a high potential for contamination in the assessment, consistent with Planning Practice Note 30: Potentially Contaminated Land. A requirement to undertake a Preliminary Risk Screen Assessment has been deferred through provisions included in the UGZ13 for properties identified as having a medium potential for contamination.

The amendment will contribute towards increased transport choice and potential reductions in private car use as the precinct establishes, through the nomination of areas of increased density around high-amenity locations. The precinct is also designed with access to future potential bus routes.

The north-west pocket of the PSP area is proposed to have the applied Industrial 3 Zone, to allow for a logical continuation of the existing industrial development to the west of the precinct, whilst allowing for a transition from land included within the Industrial 1 Zone to the residential development proposed elsewhere in the precinct.

The amendment area includes land that is prone to flooding, particularly an area of land where the Urban Floodway Zone (UFZ) applies around Kororoit Creek that the amendment generally seeks to rezone to UGZ13. The Melton East PSP, through the application of the UGZ13, is the appropriate tool to manage flooding of the area, as the PSP adequately outlines how the drainage network should be established to mitigate flooding. Further, changes to flood levels will occur as detailed applications take place generally in accordance with the PSP. In the case of waterways, where changes are proposed by landowners they will be assessed by Melbourne Water. Any lots in the PSP area created through subdivision must be filled to a minimum of 300mm above the 1% AEP flood level.

### *Economic effects*

The amendment will establish a framework for the development of a new urban community which will integrate seamlessly with surrounding suburbs.

The PSP includes two local town centres (each including a small local enterprise precinct) and two local convenience centres. The amendment encourages the development of a range of housing typologies including low and medium density residential development. Medium density homes in varying styles are promoted near services, community facilities, public transport corridors, open space and amenities. This will support the economic viability of the centres servicing the precinct. The PSP

identifies a pocket of industrial land that is co-located with existing industrial land to the east of the Melton Township. Overall the precinct is expected to provide approximately 2,000 jobs.

The amendment also proposes to implement an ICP for the PSP area, which identifies the financial levy required to be paid by developers to fund the infrastructure required for the precinct, and thus sets out an equitable and transparent means of collecting financial contributions towards servicing the future community. This reduces the burden on the responsible authority and existing communities to fund future local infrastructure.

### *Social effects*

The amendment is expected to generate social benefits for Melton City Council through the provision of a range of residential densities that are well served by community facilities and other key infrastructure including schools, retail areas, an employment precinct, and other public facilities. The extension of the industrial precinct also provides employment opportunities for new local residents.

Planning for the development of community infrastructure, such as active open space facilities and a regional open space facility will create a spatial relationship with established and future residential neighbourhoods to the east and north respectively. Local town centres and convenience centres have been co-located with active open space and future government schools to create several community focal points for the future residential community.

The PSP also plans for the delivery of the following elements:

- Housing diversity encouraged through an average density of 27 dwellings per net developable hectare, allowing for a range of housing types that can be supported including detached housing, townhouses and multi-unit housing;
- Provision for new residential land supply to improve affordability and choice for homebuyers;
- Two local town centres;
- Two local convenience centres;
- Local employment opportunities in the form of further light industrial land adjoining the existing industrial precinct at the western edge of the precinct, and small local enterprise precincts co-located with each of the local town centres;
- Four proposed government primary schools;
- One proposed government secondary school;
- Two potential non-government schools;
- Bus capable roads;
- Local parks distributed throughout the precinct to ensure residential properties have access to a local park within 400 metres walking distance; and
- Sports reserves, including a regional active open space facility, and community facilities.

The PSP also includes provisions that seek to achieve ecologically sustainable development outcomes and the provision of affordable housing.

### **Does the amendment address relevant bushfire risk?**

The amendment has been informed by a Bushfire Assessment and Development Report for the Melton East Precinct Structure Plan prepared by Terramatrix (November 2023) which assessed bushfire risk in the precinct. The assessment found that the Melton East precinct is in a relatively low bushfire risk landscape.

The surrounding landscape is dominated by flat or almost flat land that will not exacerbate fire behaviour. The only appreciable landscape bushfire hazard is Grassland, which in the future will be limited to northern exposure (beyond the urban growth boundary) only.

The PSP includes a Bushfire Plan which shows bushfire landscape hazards throughout the precincts, and corresponding requirements and guidelines for development to meet BAL 12.5 standards and to appropriately manage bushfire risk.

The UGZ13 also includes an application requirement for the preparation of a Bushfire Management Plan on land as adjacent to a bushfire hazard area, as well as a condition requiring endorsement of a Bushfire Management Plan by the responsible authority.

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

The amendment complies with the Ministerial Direction on the Form and Content of Planning Schemes under section 7(5) of the Act.

The amendment also complies with the following relevant Ministerial Directions:

#### **Direction No. 1 Potentially Contaminated Land**

A land capability assessment was conducted (Melton East PSP Land Capability Assessment (Jacobs August 2024) to determine whether there was any land that may be potentially contaminated. The report found several lots with a medium or high potential for contamination. The amendment proposed to apply the Environmental Audit Overlay (EAO) to lots within the PSP area which were identified as having a high risk for potential contamination in the assessment, and include a requirement to undertake a PRSA in the UGZ13 for sites identified as having a medium risk for potential contamination.

This has been done to defer the requirement to undertake a Preliminary Risk Screen Assessment (PRSA) or Environmental Audit on these lots, which is generally consistent with guidance under Planning Practice Note 30 – Potentially Contaminated Land. This approach has been undertaken as conducting PRSAs for all properties as part of the amendment is difficult to facilitate because of the number of lots affected and issues associated with gaining access to land to undertake required testing.

The EPA's feedback was sought on the draft amendment, who questioned the potential for contamination classification included in Jacob's Land Capability Assessment (LCA) for some sites on the basis that these were inconsistent with guidance included in PPN30. This feedback was provided to Jacobs who advised that in some instances, professional judgement was used that resulted in a rating that did not directly align with PPN30 – e.g. some sites with stockpiling / waste disposal have been rated as 'high' instead of 'medium' because some properties contained significant stockpiling.

EPA disagreed with the recommendation of the LCA that septic tanks, small stockpiles and underground storage tanks could be controlled through a Construction

Management Environment Plan, and advised that the EPA should ensure the remediation of contaminated land must be informed by an environmental audit. The VPA did not factor this recommendation of Jacobs into the amendment in its application of the EAO.

The EPA also recommended that a requirement to undertake a Preliminary Site Investigation be included in the amendment to ensure land uses other than sensitive uses (e.g. retail, commercial, minor sports and recreation facilities) located on high potential for contamination are appropriately assessed. Therefore, the VPA added a PSI requirement in the UGZ Schedule for properties that were identified as having a high potential for contamination, and are identified in the PSP as having a land use other than residential.

The VPA, having reviewed the EPA's advice and discussed their feedback on the land use classifications with Jacobs, are satisfied that the amendment appropriately addresses the risks presented by potentially contaminated land through the deferment of a PRSA / Environmental Audit.

### **Direction No.9 – Metropolitan Strategy**

The relevant policies within Plan Melbourne that the amendment helps implement are provided below.

#### **Policy 1.1.6 Plan for industrial land in the right locations to support employment and investment opportunities**

The amendment identifies approximately 24 hectares of industrial land adjacent the Melton Highway, co-located with existing regionally significant industrial land. The area is highly suitable for future industrial development because of its location adjacent the Melton Highway.

#### **Policy 1.2.2 Facilitate investment in Melbourne's outer areas to increase local access to employment**

The Melton East PSP provides for the expansion of an existing industrial precinct located proximate to existing residential communities in Melbourne's outer west, as well as two local town centres and two local convenience centres.

#### **Policy 2.1.3 Plan for and define expected housing needs across Melbourne's regions**

A range of housing densities have been planned across the precinct as guided by the place based plan within the PSP, including higher densities in walkable catchments around centres, open space and key transport routes.

#### **Policy 2.1.4 Provide certainty about the scale of growth in the suburbs**

The PSP requires subdivisions to achieve an average density of 20 dwellings per hectare and minimum density targets with a range of lot sizes capable of accommodating a wide range of housing types.

#### **Policy 2.2.3 Support new housing in activity centres and other places that offer good access to jobs, services and public transport**

The future urban structure plan within the PSP identifies opportunities for higher density development within and around centres, open space and key transport routes.

*Policy 2.2.5 Require development in growth areas to be sequenced and staged to better link infrastructure delivery to land release.*

The PSP includes objectives that seek to ensure subdivision and development occurs in a sequenced and staged approach and requires that each lot be appropriately serviced.

*Policy 2.4.1 Support streamlined approval processes in defined locations*

In general, and as intended by the PSP process, the amendment will streamline the process for applications generally in accordance with the approved PSP.

The UGZ13 facilitates use of the 'Small Lot Housing Code' (SLHC), which streamlines the process for development of single dwellings on lots less than 300 square metres in size by removing the need for a planning permit.

*Policy 2.5.2 Provide a range of housing types in growth areas*

Housing types are guided by the residential densities identified in the PSP. As well, Table 3 of the Melton East PSP outlines the lot sizes and housing types subdivision applications must accommodate.

*Policy 3.1.3 Improve arterial road connections across Melbourne for all road users*

The road network has been designed with the Department of Transport and Planning's transport requirements to meet the needs of local, sub-regional and regional users. The PSP has the benefit of being located between the Melton Highway and the Western Freeway, and provides for a connector road network through the precinct to leverage the connectivity of the existing arterial road network, whilst facilitating the upgrade of Taylors Road into a 4-lane arterial to provide for improved east-west connectivity.

*Policy 3.1.4 Provide guidance and certainty for land-use and transport development through the Principal Public Transport Network and the Principal Freight Network*

The PSP facilitates the extension of an industrial precinct adjacent the Melton Highway, which provides for convenient road connections through to the Western Freeway which forms part of Melbourne's Principal Freight Network. Provision for the Principal Public Transport Network is safeguarded through delivery of a road network consistent with the Department of Transport and Planning's requirements. The development provides for bus capable roads and higher density residential development to enable the creation of public transport routes in the future.

*Policy 3.2.1 Improve roads in growth areas and outer suburbs*

The amendment clearly defines a new road network which incorporates the requirements of the Department of Transport and Planning to meet the needs of local, sub-regional and regional users. The planned road network is characteristic of a grid pattern and allows for suitable links into future neighbourhoods to the north, west and east.

*Policy 3.2.2 Improve outer-suburban public transport*

The amendment provides for bus-capable roads serving a majority of the PSP area. Future development will generate additional patronage demand that will feed into improved bus services in the area. Improving connectivity across the Western Freeway will be important in facilitating access to the rail corridor from the PSP area.

#### Policy 3.3.1 Create pedestrian-friendly neighbourhoods

The PSP seeks to create pedestrian-friendly neighbourhoods by dispersing open space within reasonable walking distance of residential areas, and by identifying active transport routes that will enjoy a high degree of canopy tree cover to provide for a comfortable walking experience to key neighbourhood locations.

#### Policy 4.4.2 Respect and protect Melbourne's Aboriginal cultural heritage

Cultural Heritage Management Plans to protect values will be required prior to subdivision permits being issued in an area of cultural heritage sensitivity, as defined by the *Aboriginal Heritage Regulations 2007*.

An Aboriginal Cultural Heritage Impact Assessment and an Aboriginal Cultural Values Assessment is being prepared for the precinct, which will inform the preparation of the PSP. A Cultural Heritage Permit is also required for a bridge crossing in the precinct.

#### Policy 5.2.1 Improve neighbourhoods to enable walking and cycling as part of daily life

The PSP plans for a pedestrian and cycle network that provides extensive connections across the precinct and particularly between key destinations to encourage walking and cycling as viable transport modes, by identifying cross sections for higher-order roads in the precinct that include ample room for cyclists and pedestrians.

#### Policy 5.3.1 Facilitate a whole-of-government approach to the delivery of social infrastructure

The PSP identifies a range of social infrastructure to be delivered across government agencies to support the new residential community.

Providing for new population growth in Melton East will add to the economic well-being of the community, and delivery of new centres will provide further opportunities for existing residents of nearby suburbs. The provision of new goods and services and an increase in demand can help facilitate local jobs and economic activity.

Additional opportunities for recreation and social groups will also emerge as a result of the provision of new public open space, new community facilities and new centres.

#### Policy 5.4.1 Develop a network of accessible, high quality, local open spaces

The amendment sets aside approximately 52 hectares of open space including, 11.85 hectares of local parks, including a future sports reserve and a regional active open space facility. Local parks and active open space are located within reasonable walking distance of all planned residential areas, and well-located throughout the future employment precinct.

#### Policy 6.3.2 Improve alignment between urban water management and planning by adopting an integrated water management approach

An integrated water management strategy is proposed that will manage urban development flows across the PSP area.

#### Policy 6.3.3 Protect water, drainage and sewerage assets

The integrated water management strategy will manage urban development flows across the PSP area, and clearly define constructed and existing storm-water management assets.

**Policy 6.4.2 Strengthen the integrated metropolitan open space network**

The PSP provides an integrated and accessible public open space network offering attractive active and passive recreation opportunities that will cater to future residents and employees.

**Policy 6.5.1 Create a network of green spaces that support biodiversity conservation and opportunities to connect with nature**

The amendment area includes Kororoit Creek and preserves the area for conservation, allowing for movement of wildlife and the creation of a shared path around the creek to encourage residents to connect with nature.

**Policy 6.5.2 Protect and enhance the health of urban waterways**

The integrated water management strategy will manage urban development flows across the PSP in accordance with the applicable water management standards and regulations.

**Direction No. 11 – Strategic Assessment of Amendments**

This direction seeks to ensure a comprehensive strategic evaluation of a planning scheme amendment. This explanatory report addresses the requirements outlined in this direction.

**Direction No. 12 – Urban Growth Areas**

Parts 4, 5 and 6 of the Ministerial Direction 12 requires that when preparing an amendment to introduce or change provisions in a schedule to the UGZ, a planning authority must evaluate and include in the explanatory report a discussion about:

**How the amendment implements any Growth Area Framework Plan applying to the land**

The Melton East PSP implements the land use objective for Melton East within the Western Growth Corridor Plan as it is identified as having a ‘residential’ land use, with the exception of the north-western industrial area that is co-located with existing industrial land. The precinct is also identified as containing a ‘regional active open space facility’, which the PSP identifies, noting half of the facility is proposed to be located in the future Warrensbrook PSP to the north. Therefore, the amendment is consistent with the general outcomes prescribed for the precinct within the Growth Area Framework Plan.

**Is the amendment in accordance with the Precinct Structure Planning Guidelines approved by the Minister for Planning?**

The most recent version of the Precinct Structure Planning Guidelines (PSP Guidelines) is dated October 2021. The PSP Guidelines are structured into identified hallmarks of 20-minute neighbourhood principles. How the PSP fulfills each of the Hallmarks is described below.

***Hallmark 1: Viable Densities***

Viable densities will be achieved through a range of housing densities and products, guided by the differentiation of residential areas based on their locational

advantages. The PSP seeks to implement the amenity-based density model, promoting higher-density development where communities will be supported by key features such as open space, activity centres, community facilities and public transport. The PSP clearly identifies these areas and sets targets for an average density of 40 or 30 dwellings per hectare within these areas. In balance areas, which is identified as residential land outside amenity-based density areas, the PSP includes provisions to facilitate a minimum density of 20 dwellings per hectare.

#### *Hallmark 2: Safe, Accessible and Well Connected*

The PSP is well serviced through the provision of walking and cycling paths, especially alongside identified drainage corridors which provide active transport connections to key destinations across the PSP area. The PSP identifies road typologies which will enable the future delivery of a bus network servicing the precinct.

#### *Hallmark 3: Connect People to Jobs and Higher Order Services*

Local town centres and local convenience centres are dispersed throughout the Melton East precinct to be practical walking or cycling distance for the future community. Active transport links are provided within the precinct to help facilitate this. The Melton East precinct will also provide some employment opportunities for nearby residential populations of Melbourne's outer west, providing for an extension of an existing industrial precinct.

#### *Hallmark 4: Offer High-Quality Public Realm*

The PSP is well serviced by high quality open space. The PSP plans for an active open space reserve near each centre, in addition to several local parks dispersed throughout the precinct so as to maximise accessibility for future residents, and a network of passive open space in the form of a drainage reserve that provides for green connections throughout the precinct.

#### *Hallmark 5: Services and Destinations*

The PSP will be well-serviced by educational facilities through the identification of five future government schools, and two potential non-government schools. The PSP also seeks to co-locate land uses to create community focal points. Future residents will also have the benefit of any businesses established within each of the local centres. These present multiple opportunities for future residents to have access to vital services.

#### *Hallmark 6: Thriving Local Economies*

Future residents will have access to two local town centres and two local convenience centres which are interspersed throughout the precinct. Residents also have the benefit of potential employment opportunities created in the extension to the industrial precinct.

#### *Hallmark 7: Infrastructure Coordination*

The Melton East ICP will ensure basic and essential infrastructure will be provided to future residents in an appropriate and timely manner. The PSP also includes guidance on development fronts to facilitate the logical roll-out of infrastructure in the precinct.

*In introducing or changing provisions in a schedule to the Urban Growth Zone, how the provisions give effect to the intended outcomes of the precinct structure plan.*



The proposed Schedule 13 to the Urban Growth Zone to be introduced into the Melton Planning Scheme as part of the proposed amendment, seeks to achieve the following:

- Application of standard VPP zones including a mix of industrial and commercial zones in to facilitate future and existing employment uses, and a mix of residential zones to facilitate diverse residential development;
- The inclusion of application requirements to ensure future development appropriately responds to matters such as bushfire hazard and road noise.
- The inclusion of application requirements and conditions to ensure subdivisions containing land included within the Melbourne Strategic Assessment appropriately protect land until it is transferred to the Department of Energy, Environment and Climate Action.
- Specific provisions to streamline planning permits for buildings and works for uses in a location that is generally in accordance with the PSP, including local parks, community facilities and schools.

*How a translation of provisions can be achieved, once development anticipated by the precinct structure plan is substantially complete.*

A translation of zoning provisions could be achieved through a future planning scheme amendment once the PSP is substantially developed, based on the actual development in relation to the place based plan and applied zones given within the UGZ Schedule.

**Direction No. 19 – Ministerial direction on the preparation and content of amendments that may significantly impact the environment, amenity and human health**

The VPA sought the Environment Protection Authority's (EPA) advice as part of agency validation phase of the draft amendment. EPA raised matters with respect to Potentially Contaminated Land, which are discussed above under Ministerial Direction No.1. Further advice was provided in relation to noise and air quality impacts in the precinct, and risks of sodic soils.

**Noise and Air quality impacts on sensitive uses**

The EPA recommended the VPA undertake a precinct-wide acoustic assessment given the precinct is located in proximity to a number of noise sources. The VPA underwent an exercise of identifying potential noise sources in the precinct and have planned for potential noise and air quality impact through the inclusion of provisions in the PSP and draft amendment for development to consider the impacts of noise at the planning permit stage.

Potential noise sources (both existing and future) such as high order roads and industrial areas have been shown spatially in Appendix 7 of the PSP and are linked to an application requirement in the UGZ13 that requires assessment of noise levels and identifies lots/buildings requiring noise mitigation measures.

A decision guideline is also included in the UGZ13 to allow the responsible authority to consider how planning permits mitigate potential noise sources.

Development adjoining the Western Freeway will be required to deliver a noise wall to the relevant VicRoads standards. To support appropriate outcomes adjoining the Western Freeway, a Freeway Interface Cross Section is included in the PSP along with a requirement for dwellings to front an internal road where housing is proposed

adjacent to an acoustic wall. These measures also support improved air quality outcomes for nearby dwellings.

## **Sodic Soils**

The EPA recommended the VPA undertake a precinct wide sodic soils management plan prior to the amendment progressing further. VPA consider that the risks presented by potential sodic soils in the precinct can be addressed through the inclusion of an application requirement in the UGZ13 to require a sodic soils management plan to be prepared at the planning permit stage. The VPA consider a sodic soil management plan is more appropriately completed at the planning permit stage so more specific recommendations can be implemented that respond to the specific conditions of that site.

A requirement is also included in the UGZ13 which seeks the implementation of necessary measures to avoid the risks posed by sodic soils to future development.

This approach is consistent with the approach to addressing sodic soils in previous Precinct Structure Plans completed by the VPA, and was agreed by EPA.

## **Ministerial Direction on the preparation and content of Infrastructure Contributions Plans and ministerial reporting requirements for Infrastructure Contributions Plans**

The Planning & Environment (Public Land Contributions) Act 2018 introduced a contribution model for the ICP system. The land contribution model enables land for public purposes to be provided as part of an infrastructure contribution when land is developed. It changes the way land is acquired for public purposes, instead of requiring a monetary levy it will require a percentage, similar to the operation of Clause 53.01 of the Melton Planning Scheme.

The ICP system came into effect on 2 July 2018. The system is based on standard levies that are pre-set for particular development and land uses in order to fund the construction of basic and essential infrastructure to service growing urban communities. This system also allows for a supplementary levy, in addition to the standard levy, if required to fund infrastructure that cannot be adequately funded by the standard levy.

This direction guides planning authorities in relation to the preparation and content of infrastructure contributions plans.

This amendment proposes to insert Schedule 4 to the Infrastructure Contributions Overlay to include the monetary component and levy rate payable within the amendment area. The overlay reflects the Planning & Environment Amendment (Public Land Contributions) Act 2018 model for collection of infrastructure contributions.

The proposed ICP sets out funding of infrastructure works for the precinct and levies a certain amount from developers in the precinct with the balance of funding being the responsibility of council and other state agencies, as well as directly funded by developers through developer works. The PSP provides the strategic justification for the ICP items.

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

The amendment supports the implementation of the Planning Policy Framework through the following means:

- Clauses 11.01 Victoria, 11.02 Managing Growth, 11.03 Planning for Places – The PSP plans for orderly and coordinated urban growth by providing residential and industrial land with access to existing and planned amenities, services and infrastructure, including the planning for local town centres within the network of existing and planned centres in the region.
- Clause 12.01-2S Native vegetation management – The PSP identifies significant native vegetation that is to be retained informed by an arborist report prepared that assessed the value of the precinct's trees.
- Clause 13.02-1S Bushfire Planning – The PSP has responded to the requirements of Clause 13.02 (Bushfire) of the Planning Policy Framework through a combination of defensible space at the development edge and construction management requirements.
- Clauses 13.05 Noise, 13.06 Air Quality – The PSP provides for the consideration of noise and air quality impacts from existing sources, such as arterial roads, by requiring proponents to demonstrate the appropriateness of a proposed use relative to noise and air quality impacts that may be experienced on-site. Decision guidelines are also included to allow due consideration of these issues as part of permit applications for future development.
- Clause 15.03 Heritage – the PSP identifies a place of heritage significance (Beattys Road Nissen Hut) and plans for the protection of the Nissen Hut through the application of the Heritage Overlay and adding a statement of significance to the planning scheme.
- Clause 16.01 Residential Development – The PSP plans for residential land of varying densities, with access to services, employment opportunities, community infrastructure and open spaces.
- Clauses 17.01 Employment, 17.02 Commercial, 17.03 Industrial – The PSP plans for the expansion of an existing industrial precinct, as well as two local town centres and two local convenience centres which collectively contribute to the local services and employment opportunities available to future and existing residents.
- Clauses 18.01 Integrated Transport, 18.02 Movement networks – The PSP plans for a transport network that is integrated with the existing and future network. This includes a bus-capable connector road network that provides for an efficient movement network within the precinct, whilst planning for the appropriate infrastructure on roads that form the boundary of the precinct such as the Melton Highway and Western Freeway in order to connect the precinct to surrounding established areas.
- Clause 19.03 Development Infrastructure – The amendment will implement an Infrastructure Contributions Plan to collect developer contributions to fund infrastructure throughout the PSP.

## **How does the amendment support or implement the Municipal Planning Strategy?**

The amendment supports the implementation of the Municipal Strategic Statement by responding to the following Clauses:

- Clause 02.03-1 Settlement – the amendment provides the framework for facilitating infrastructure contributions in a timely manner by proposing an Infrastructure Contributions Plan for the PSP area. Planning for activity centres is also supported by identifying areas of higher density residential development around future centres.
- Clause 02.03-2 Environmental and landscape values – the amendment protects biodiversity by zoning the Kororoit Creek Melbourne Strategic Assessment area as Rural Conservation Zone and the application of the Environmental Significance Overlay and Incorporated Plan Overlay to apply the PSP to the land and prescribe conservation interface outcomes.
- Clause 02.03-3 Environmental risks and amenity – the Melton East PSP includes provisions aimed to improve the climate resilience and sustainability of the precinct to manage the impacts of climate change. The PSP also includes provisions to ensure bushfire hazards are identified, managed and mitigated to enable safe residential development. Finally, the PSP has been informed by a Drainage Services Scheme prepared by Melbourne Water, identifying areas required for drainage and areas subject to existing flooding so that safe development can occur.
- Clause 02.03-5 Built environment and heritage – the amendment plans for the protection of a heritage place, retaining Melton’s cultural heritage to create a sense of local identity.
- Clause 02.03-6 Housing – the PSP prescribes areas of varying densities depending on their locational attributes, and encourages the provision of a range of housing typologies to meet the needs of a growing population.
- Clause 02.03-8 Transport – the PSP facilitates the development of an integrated transport system by combining different modes of transport to maximise ease and efficiency for the user in terms of time, cost, comfort, safety, accessibility and convenience. It does this through the identification of key roads (including bus capable roads), shared paths and intersections required within the precinct area, and connections to adjoining established areas.
- Clause 02.03-9 Infrastructure – the PSP includes new staging provisions to ensure development of the precinct is kept in sequence with the timely rollout of necessary infrastructure needed by new communities. Further, an abundance of local parks are identified throughout the precinct, with approximately 5% of the precinct area to be open space.

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

The amendment makes proper use of the Victorian Planning Provisions. The UGZ is the most appropriate planning tool to guide future use and development intended by the PSP. In addition, the ICO is the most appropriate mechanism to give effect to the ICP.

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

The draft amendment has been prepared in consultation with relevant agencies including:

- Department of Education
- Department of Energy, Environment and Climate Action
- Department of Health
- Department of Jobs, Skills, Industry and Regions
- Department of Transport and Planning
- Environment Protection Authority
- Fire Rescue Victoria
- Greater Western Water
- Homes Victoria
- Major Road Projects Victoria
- Melbourne Water
- Melton City Council
- Powercor

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

The amendment is likely to have a significant impact on the transport system at a local level. It plans for a new local road network, proposes new intersections on the Melton Highway and Leakes Road and will contribute to the development of the bus network in the area.

The proposed additions and changes to the existing transport system in and surrounding the PSP area will meet the transport system objectives by:

- **Social and economic inclusion** – The PSP provides locally-based sports and recreational facilities, community facilities, schools and activity centres to reduce the need for long-distance travel.
- **Economic prosperity** – The PSP plans for an interconnected road system that responds to the likely level of use generated by the PSP area, thereby encouraging development and services investment. Key economic destinations such as neighbourhood activity centres are located on the connector road network to improve their accessibility and connectivity.
- **Environmental sustainability** - Ensuring the road network minimises impacts on the site's topography, native vegetation and water flow regimes, whilst ensuring that key roads provide space for active transport and bus capability where relevant.
- **Integration of transport and land use** – As above, land uses in the precinct have been planned to maximise accessibility for future residents and reduce the need for long-distance travel. The PSP includes requirements and guidelines that seek to promote mobility in the future residential community.
- **Efficiency, coordination and reliability** - The PSP cannot impact on the reliability of services, but plans for a bus-capable road network that connects key locations in the precinct, as well as enabling inter-modal transport through connections to the rail network south of the PSP.

- **Safety, health and wellbeing** – The PSP includes street cross sections which seek to ensure separation of bicycles from the road network on key transport routes, and plans for intersections consistent with relevant Australian Standards.

## **Resource and administrative costs**

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

The amendment is expected to have minimal impact on the resources and administrative costs of the responsible authority. The incorporated PSP will facilitate the orderly and proper planning of the area and appropriately allows for a reduction of notice provisions for future planning permit applications.

An ICP to be implemented in the accordance with the Ministerial Direction for ICPs will enable the collection of developer funds to pay for necessary community and development infrastructure for the precinct.

Furthermore, the UGZ13 has been drafted to enable the timely and efficient translation into conventional VPP zones once the land has been developed.