



# East Gippsland Housing & Settlement Strategy

East Gippsland Shire Council

December 2023





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# Contents

<b>Part A: Introduction and background</b>	15
1. Introduction	16
1.1 Strategy purpose	16
1.2 Developing the Strategy	16
1.3 How to read this document	17
1.4 Community consultation	18
1.5 The East Gippsland Shire	19
2. Strategic context	21
2.1 Trends affecting East Gippsland	21
2.2 Local features	22
3. Policy context	29
3.1 Victorian Government policy	29
3.2 Local policy	33
<b>Part B: East Gippsland in 2023</b>	35
4. Population profile	36
5. Housing profile	38
<b>Part C: East Gippsland in 2041</b>	41
6. Future population and housing needs	42
7. Social and affordable housing	46
<b>Part D: Planning Framework</b>	48
8. Housing and settlement planning framework	49
8.1 Vision	49
8.2 Strategic Principles	49
8.3 Areas of environmental significance and natural hazards	52
8.4 Settlement roles and futures	53
8.5 Compact towns and settlements	59
8.6 Affordability, diversity, and innovation	68
8.7 Character of towns and settlements	77
8.8 Sustainable towns and settlements	79

<b>Part E: Implementation Plan .....</b>	<b>81</b>
9. Implementation plan .....	82
9.1 Approach to implementation .....	82
9.2 Partner organisations .....	83
9.3 Implementation plan .....	84

# Housing and Settlement Strategy: Summary

The places and homes we live in are fundamental to the wellbeing of our community. The purpose of the East Gippsland Housing and Settlement Strategy (HSS) is to guide the future development of our settlements and location and design of new housing in East Gippsland to 2041.

East Gippsland is growing, and its demographic profile is shifting, influenced by local, regional, state, and national trends.

From 2021 to 2041 the population in East Gippsland is projected to increase by 15,400 people, to a total of 63,800. To accommodate population growth, Council is planning for an additional 8,271 dwellings across the Shire. While change throughout the municipality is inevitable, it is important that it is managed in a way that ensures the ongoing health and prosperity of communities, while protecting valued natural landscapes and environments.

The Housing and Settlement Strategy primarily provides a land use planning policy framework to address the challenges and opportunities in planning for change to our settlements and housing. The Strategy is intended to complement a range of Council policy documents to inform an integrated approach to decision making on future residential development opportunities.

In conjunction with this, the Housing and Settlement Strategy also identifies:

- Future work to strengthen Councils approach to settlement growth and housing development, including the delivery of:
  - A program to identify and address barriers to residential development.
  - Structure Plans to guide development within specific towns and settlements.
  - A process to align infrastructure needs with population and residential growth.
  - Built form and design policy and guidelines for infill housing development.
  - Environmentally Sustainable Development policy.
  - A review of the Rural Living Zone and Low Density Residential Zone.
  - Updated mapping of areas at risk of flood.
- Opportunities to advocate on behalf of the community to enhance our settlements and provide appropriate housing for all. Advocacy efforts will include:
  - Support for social and affordable housing.
  - Guidance for the assessment of emerging housing opportunities such as tiny homes and residential villages.
  - Continued investment in infrastructure to support population growth and residential development.
  - Support for the assessment of environmental hazards such as bushfire, flood and landslip.




- Opportunities to strengthen relationships with the community, agency partners, service providers and the development industry to support resilient and viable settlements.

The following Housing and Settlement Strategy vision has been shaped using community feedback to outline the aspirations for development of housing and settlements across East Gippsland:

*In 2041, the diverse housing needs of our community will be met, recognising the unique local character of our many towns and settlements, and responding to community aspirations. Housing opportunities will include affordable and inclusive homes and high-quality lifestyle options throughout the many stages of life. Settlement growth will be managed in a way that recognises the significant natural values of the Shire, the impacts of climate change and natural disaster, and the importance of retaining our productive agricultural areas.*

The following six **Strategic Principles** will guide growth and development across East Gippsland. The principles inform the objectives and strategies which follow to explain **how** the principles will be applied.



Principle	What does this mean?	Why is it important?	How does this help?	What are the challenges?
<p>1. Development in areas of <b>environmental and landscape significance</b> and at risk of <b>natural hazards</b> will be managed to preserve natural resources and protect human life.</p> 	<p>New housing will be directed to low-risk locations. The protection of human life from bushfire, flood or landslip and erosion will be Council's highest priority. Settlement planning will identify, protect, and enhance environmental values.</p>	<p>Council's highest priorities include the safety of the people of East Gippsland and an environment that is managed and preserved for all generations.</p>	<p>Understanding the values and risks associated with our natural environment will help plan for places that keep people safe and preserve the environmental features that make East Gippsland a special place.</p>	<p>East Gippsland hosts many natural features and faces numerous risks associated with natural hazards. Planning for settlements that balance community safety and resilience whilst preserving environmental values will continue to be challenging.</p>
<p>2. Future population and housing development will be directed in accordance with the defined <b>settlement roles and futures</b>.</p> 	<p>Towns and settlements across East Gippsland will have different roles to play in providing housing, infrastructure, and services for future residents.</p>	<p>It provides people with information about potential changes to housing development in their town or settlement to 2041.</p>	<p>Understanding the role of a town or settlement into the future will guide Council, service providers, the community and developers to make informed decisions for the future of that place.</p>	<p>East Gippsland has a network of many unique towns and settlements. It is beyond the scope of the Strategy to provide detailed guidance on every town and settlement.</p>
<p>3. Housing development that creates <b>compact towns and settlements</b> will be supported to enable the efficient and sustainable use of land and infrastructure.</p> 	<p>New housing to be provided within the existing boundaries of towns and settlements, providing people with access to services and infrastructure.</p>	<p>The ongoing 'sprawl' of towns and settlements can adversely impact environmental values, increase environmental risk (e.g. bushfire) and reduces the opportunity for people to access services and connect with each other.</p>	<p>Developing housing within existing town boundaries makes more efficient use of existing infrastructure and services. This saves money and reduces environmental impacts.</p>	<p>Compact towns result in different housing types, generally increasing the 'density' of houses. It will be important to make sure this is achieved without compromising the character or amenity of towns or settlements.</p>

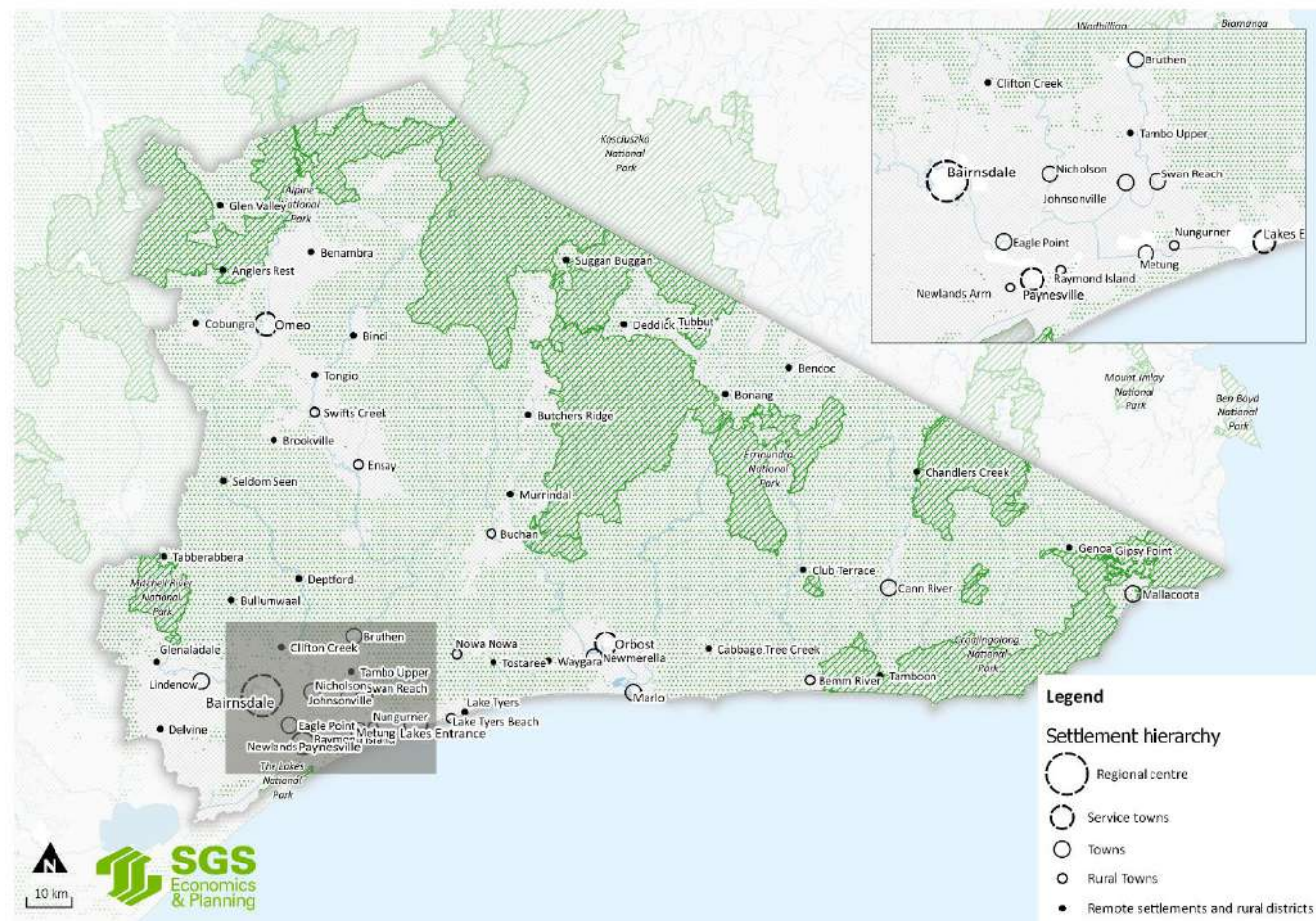
<p>4. Initiatives that deliver improved housing <b>affordability, diversity, and innovation</b> will be supported to provide greater choice for residents throughout all stages of life.</p> 	<p>People need different types of housing at different times in their lives. Housing of varying size, price, form, and tenure (if they are rented or owned) will be encouraged to provide options.</p>	<p>East Gippsland is a special place with unique towns and many lifestyle opportunities. Embracing change in our settlements and housing can enhance the things we love about where we live.</p>	<p>Protecting and enhancing the character of where we live helps communities to retain existing population and attract new community members.</p>	<p>The character of towns and settlements means different things to different people. Collaboration, understanding, and compromise is required to ensure the character of our towns and settlements reflect who we are and how we evolve as a community.</p>
<p>5. The unique character of towns and settlements will be maintained and enhanced across East Gippsland.</p> 	<p>New housing will make a positive contribution to what communities' value about their town or settlement and respect their natural setting</p>	<p>East Gippsland is a special place with unique towns and many lifestyle opportunities. Embracing change in our settlements and housing can enhance the things we love about where we live.</p>	<p>Protecting and enhancing the character of where we live helps communities to retain existing population and attract new community members.</p>	<p>The character of towns and settlements means different things to different people. Collaboration, understanding, and compromise is required to ensure the character of our towns and settlements reflect who we are and how we evolve as a community.</p>
<p>6. Well designed and resource-efficient developments that contribute to creating <b>more sustainable towns and settlements</b> will be supported.</p> 	<p>New housing will reduce its impact on the climate and enable people to be more resilient in response to the changing climate.</p>	<p>East Gippsland people understand firsthand the impact of a changing climate. Where we live and the homes we build can positively contribute towards the environment.</p>	<p>Providing people with liveable and climate resilient places to live is critical to the long term prosperity of East Gippsland. Sustainable homes are also cheaper to run.</p>	<p>Responding to the challenges of climate change will require innovation in the planning of towns and settlements and the design and construction of homes for the future.</p>



## Framework Plan for housing and settlement in East Gippsland

The following figure provides an overview of the expected future role of towns and settlements in East Gippsland.

### FUTURE ROLE OF TOWNS AND SETTLEMENTS



The planning scheme's current strategic framework plan includes a settlement hierarchy that identifies the single major Regional Centre (Bairnsdale) and two Growth Area Towns (Paynesville and Lakes Entrance). Smaller towns, if included, are identified as either Coastal Settlements or Rural Settlements.

The proposed settlement hierarchy takes a similar approach to the larger towns but aims to align the township categories for smaller towns with their size, range of services, and potential to accommodate growth. A brief description of each settlement category is provided in the table below. Further detail can be found in Section 8.4.

#### FUTURE ROLE OF TOWNS AND SETTLEMENTS

Category	Summary of current and future role
<b>Regional Centre</b>	<p>The Bairnsdale Regional Centre supports a large, diverse population and housing base with all essential services provided. Bairnsdale has a large employment base with strong connections with surrounding settlements. Bairnsdale is serviced by a range of reticulated services (excluding gas).</p> <p>Bairnsdale is the preferred location for future population growth and residential development.</p>
<b>Service Towns</b>	<p>Service Towns are moderate to large towns containing commercial centres that provide a variety of housing and support a moderate employment base. Service Towns play a secondary servicing role to the Regional Centre and are provided with reticulated services.</p> <p>Service Towns will be supported as secondary locations for future growth.</p>
<b>Towns</b>	<p>Towns have some urban zoned land and accommodate small to moderate populations and include a local employment base. Commercial activity and community facilities are limited but provide important local services. Towns are partially serviced by reticulated water and sewerage infrastructure.</p> <p>Towns will provide for small to moderate levels of growth, primarily through infill development in established areas, subject to environmental risk (bushfire, flood) constraints.</p>
<b>Rural Towns</b>	<p>Rural Towns have limited urban zoned land (generally Township Zone) and accommodate small populations. Settlements generally do not have substantial commercial activity centres or community facilities or reticulated services.</p> <p>Only small scale population growth and housing development is supported in Rural Towns within existing residentially zoned areas subject to environmental risk (bushfire, flood) constraints.</p>
<b>Remote Settlements and Rural Districts</b>	<p>Remote Settlements and Rural Districts represent areas of dispersed dwellings primarily within the Farming Zone. Remote Settlements include very limited urban zoning, commercial activity, community facilities or reticulated services.</p> <p>Dwelling development that is not associated with the productive agricultural use of Farming Zone land is generally not supported in these locations, unless it is justified to support population retention, subject to environmental risks.</p>

## Objectives and Strategies

The objectives and strategies below provide detail of each of the six Strategic Principles above.

Environmental significance and natural hazards	
Objective	Strategy
1. Ensure the protection of human life and environmental values are prioritised in planning for settlement and housing in East Gippsland.  <i>People live safely.</i>	1.1. Ensure the identification and protection of environmental values as part of the assessment of planning scheme amendments, development plans and planning permit applications for residential development.
	1.2. Advocate to the Victorian Government for an agreed methodology for municipal-wide bushfire assessment to inform strategic land use planning.
	1.3. Collaborate with the CFA to prepare a Municipal Bushfire Risk Assessment template to identify bushfire risk levels across East Gippsland at range of scales and considering all bushfire hazards that can be potentially harmful, including grasslands and vegetation outside of land subject to the BMO.
	1.4. Update flood mapping in the East Gippsland Planning Scheme via the introduction of relevant zones and overlays.
	1.5. Advocate to the Victorian Government for continued monitoring of coastal vulnerability.
	1.6. Collaborate with relevant agencies to prepare a program to review and update data and mapping of natural hazards risks and natural values.
Settlement roles and futures	
Objective	Strategy
2. Support sustainable patterns of residential development across East Gippsland.  <i>An improved residential environment for the wellbeing of people.</i>	2.1. Direct future population growth across all towns and settlements in accordance with identified existing and future settlement roles to support the efficient use of land and infrastructure, convenient access to jobs and services, protection of environmental values and the safety of our community.
	2.2. Establish township and settlement boundaries.
Compact towns and settlements	
Objective	Strategy
3. Ensure sufficient suitable and available residentially zoned land to meet future dwelling demand.  <i>Future residents have good housing opportunities.</i>	3.1. Prepare a program for co-ordinated action to identify and overcome barriers to residential development across all towns and settlements in East Gippsland in collaboration with relevant stakeholders. Prioritise action for key population centres of Bairnsdale, Lakes Entrance and Paynesville.
	3.2. Undertake ongoing monitoring of demand and capacity for housing across East Gippsland.

<p>4. Direct rural residential and lifestyle opportunities on larger residential lots to the existing Rural Living Zone (RLZ) and Low Density Residential Zone (LDRZ).</p> <p><i>People have rural lifestyle opportunities.</i></p>	<p>4.1. Consider rezoning of land to RLZ only after a review of RLZ schedules to accommodate additional supply of RLZ land and pending ongoing monitoring of demand and capacity. The review of RLZ schedules must address infrastructure requirements, environmental values and hazards and should consider conversion of land to LDRZ in appropriate locations.</p>
	<p>4.2. Consider rezoning of land to LDRZ only after a review of LDRZ land to consider opportunities to increase supply and pending ongoing monitoring of demand and capacity. In collaboration with East Gippsland Water, the review should consider opportunities to increase supply via implementation of servicing (sewer) to facilitate subdivision of existing LDRZ land (and reduce risks associated with on-site effluent disposal). The review of LDRZ land must address infrastructure requirements, environmental values and hazards.</p>
<p>5. Support Service Towns, Towns, Rural Towns, Remote Settlements and Rural Districts to thrive.</p> <p><i>Towns and settlements support viable and livable communities.</i></p>	<p>5.1. Prioritise the preparation and/or review of local structure plans, aligning with existing Community Plans where relevant. Structure Plan preparation is to include investigation of opportunities for residential development within or adjacent to settlement boundaries on existing urban zoned land.</p>
	<p>5.2. Collaborate with local communities to:</p> <ul style="list-style-type: none"> <li>- Identify and implement community and local economic development initiatives that promote place activation, retain/attract residents, and encourage investment.</li> <li>- Provide advice on the planning process to subdivide and/or develop land for residential purposes within existing urban zones.</li> </ul>
	<p>5.3. Consistent with the Rural Land Use Strategy (2023), provide for rural residential development in the Farming Zone within or adjacent to rural settlements <b>only</b> where it is justified to support the long-term viability of a settlement subject to consideration of hazards, particularly bushfire, environmental constraints, and accessibility.</p>
<p>6. Align development and community infrastructure to support growth.</p> <p><i>Residents have access to local facilities and services.</i></p>	<p>6.1. Prepare a hierarchy of infrastructure and service provision based on the role of towns and settlements and an associated process for alignment of development and community infrastructure investment with population and residential growth.</p>
	<p>6.2. Strengthen planning policy statements to address infrastructure gaps identified as part of the assessment of planning permit applications. This includes, but is not limited to, the provision of infrastructure to support active transport, road infrastructure (e.g., intersections), community facilities and services, and improvements to the public realm.</p>
Affordability, diversity, and innovation	
<b>Objective</b>	<b>Strategy</b>
<p>7. Increase the supply of social and affordable housing.</p>	<p>7.1. Advocate for Victorian Government implementation of a broad-based social and affordable housing contributions levy.</p>
	<p>7.2. Advocate for continued, direct Victorian Government investment in social and affordable housing in East Gippsland.</p>

<i>Vulnerable people have housing opportunities.</i>	7.3. Strengthen Planning Scheme policy statements about the need for affordable housing to support the development of proposals that demonstrate genuine and achievable affordable housing outcomes.
	7.4. Liaise with relevant stakeholders to understand the importance of social and affordable housing and the requirements to meet future needs.
	7.5. Consistent with the Victorian Aboriginal Housing and Homelessness Framework (2020), collaborate with Traditional Owner groups and relevant Aboriginal service providers to support the development of affordable and culturally appropriate accommodation and housing for the Aboriginal community.
<p>8. Increase housing diversity to meet the needs of people of all ages and lifestyles.</p> <p><i>Housing is provided to support diverse lifestyles.</i></p>	8.1. Develop built form and design guidelines for infill housing projects (for example, to address lot sizes, preferred building design, car parking, waste management, integration with public spaces and character) and engage with the development sector to encourage high quality design and development outcomes.
	<p>8.2. Subject to the preparation of built form and design guidelines for infill housing development (see Strategy 8.1), encourage medium density infill housing in the following locations:</p> <ul style="list-style-type: none"> <li>▪ Existing General Residential and Mixed Use zoned areas suitable for <b>substantial change</b> (e.g. apartments, shop top housing or townhouses) within 400m walking distance of the Bairnsdale Activity Centre (defined as the Commercial 1 Zone area).</li> <li>▪ Existing General Residential Zone, Township Zone and Mixed Use Zone areas suitable for <b>incremental change</b> (e.g. units and townhouses) within: <ul style="list-style-type: none"> <li>- 800m walking distance of the Bairnsdale Activity Centre</li> <li>- 400m of walking distance of existing or planned neighbourhood activity centres or local activity centres in Bairnsdale, Service Towns, Towns and Rural Towns (as listed in table 4).</li> </ul> </li> </ul> <p>These locations are also encouraged for the provision of social and affordable housing.</p>
	<p>8.3. Support infill housing types in established residential areas where the proposed development:</p> <ul style="list-style-type: none"> <li>▪ Appropriately manages risks associated with natural hazards such as bushfire, flood or landslip.</li> <li>▪ Does not adversely affect established environmental values.</li> <li>▪ Has access to appropriate reticulated services.</li> <li>▪ Enhances streetscape character including the provision of adequate space for landscaping and separation between buildings.</li> </ul>
	8.4. Support lower density infill housing types (e.g. dual occupancies and units) in residential zoned areas outside those described in Strategy 8.2.
	8.5. Support residential aged care and retirement villages in Bairnsdale, Service Towns, and other locations with easy access to jobs, services and public transport.
	8.6. Ensure new large lot yield subdivisions include lot size diversity that makes provision for medium density housing, retirement villages and residential aged care with easy access to jobs, services and public transport.

	8.7. Advocate to the Victorian Government for clearer legislative and planning policy guidance for the provision of compact, affordable homes such as residential villages, tiny homes and secondary dwellings.
	8.8. Advocate to the Victorian Government to increase investment in community and development infrastructure associated with population growth and diverse housing provision for the East Gippsland community.
<b>Character of towns and settlements</b>	
<b>Objective</b>	<b>Strategy</b>
9. Enhance the character and environmental values of the Shire's towns and settlements.  <i>People live in pleasant environments.</i>	9.1. As part of the preparation and/or review of local structure plans (see Strategy 5.1), identify preferred future character and environmental values of towns and settlements aligning with existing Community Plans where relevant.
	9.2. Continue to enhance neighbourhood character in response to the identified preferred future character of towns as part of the assessment of planning permit applications.
<b>Sustainable towns and settlements</b>	
<b>Objective</b>	<b>Strategy</b>
10. Encourage new development to be environmentally sustainable.  <i>People live in houses and neighbourhoods that are environmentally friendly.</i>	10.1. Advocate to the Victorian Government for the continued strengthening of Environmentally Sustainable Development (ESD) policy in the Planning Policy Framework.
	10.2. Prepare a local Environmentally Sustainable Development policy for implementation into the East Gippsland Planning Scheme.

## Part A: Introduction and background



# 1. Introduction

This Housing and Settlement Strategy provides East Gippsland Shire Council's framework for managing settlement and housing growth to 2041, with provision for continued growth beyond this timeframe.

## 1.1 Strategy purpose

East Gippsland is growing, and its demographic profile is shifting. Change throughout the municipality is inevitable but it is important that it is managed in a way that ensures the ongoing health and prosperity of communities, while protecting valued historic, cultural, and natural landscapes.

The purpose of the East Gippsland Housing and Settlement Strategy (HSS) is to address community and organisational expectations of diversity, sustainability, and equity to guide the location and form of future housing development in East Gippsland to 2041. The Strategy will provide greater certainty as to where new housing is expected and how it will be managed. It will guide Council's decision-making processes and inform further policy development and infrastructure investment.

## 1.2 Developing the Strategy

This project is a significant undertaking for Council and will be completed over eight stages (refer Figure 1).

Stage 1, commencing in April 2022, involved a comprehensive review of background materials, data analysis and targeted stakeholder engagement with key Council staff, councillors, relevant Victorian Government departments and infrastructure agencies. This culminated in the preparation of a Discussion Paper (Stage 2), which was released for community consultation in November 2022 (Stage 3).

Stage 4 involved preparation of this draft Strategy. The draft Strategy responds to community feedback on the Discussion Paper and sets out policy priorities and recommendations for residential development across the Shire to 2041.

FIGURE 1: PROJECT STAGES



### 1.3 How to read this document

The draft HSS is set out in five parts.

- **Part A: Introduction and background:** Introduces the strategy and overviews the broader strategic context of planning for housing in East Gippsland, including macro-trends influencing growth and change; local physical and environmental features relevant to considering preferred locations for future housing, and State and local policy objectives guiding housing outcomes.
- **Part B: East Gippsland in 2023:** Provides the current ‘state of play’ with regards to population and housing across the Shire, providing an overview of the current population and housing profile.
- **Part C: East Gippsland in 2041:** Presents the forecast population of East Gippsland and overviews future housing needs. This section includes consideration of likely demand for diverse housing types, social and affordable housing, and existing residential land available for development.

- **Part D: Planning Framework:** Provides a strategic framework for accommodating future population and housing growth in a way that supports the social, economic and environmental sustainability of the Shire. This section includes consideration of the role of each of the Shire's towns and settlements in accommodating growth; staging of land release and development to support efficient and sustainable use of land and infrastructure and opportunities to increase housing diversity, and supply of social and affordable housing.
- **Part E: Implementation Plan:** Presents a long-term action plan to implement this Strategy and provides further detail on proposed changes to the East Gippsland Planning Scheme. The Implementation Plan overviews Shire-wide objectives, strategies and action.

## 1.4 Community consultation

The Draft Housing and Settlement Strategy was released for public consultation in April 2023. Council received feedback from 251 members of public through an online survey, written submissions and drop-in sessions.

Overall, the engagement revealed in principle support for the draft Housing Settlement Strategy, with the Principles and Objectives covering the majority of respondents expectations; over 80 per cent of respondents strongly supported the Principles and 60 per cent supported each of the Objectives. The following key themes arose:

- **Environmental Protection** – Prioritising environmental values, good outcomes for wildlife and ecosystems, and design that reduces waste and emissions creation.
- **Infrastructure and Services** – Early delivery and upgrade of services and infrastructure so that it continues to meet the needs of users as the population grows. Includes adequate planning and the protection/creation/activation of open spaces and consideration/provision of public and active transport modes.
- **Housing Diversity and Affordability** – Supporting the delivery of homes for lower income people, first home buyers, downsizers and people with disabilities and ageing in place. Includes provision of smaller, lower maintenance homes in close proximity to services.
- **Community Input** – Continue to engage with the community to enhance local outcomes.
- **Agricultural Preservation** – Protect farmland for farming purposes (consistent with the East Gippsland Rural Land Use Strategy (2023)).
- **Hazard Mitigation** – Support for the identification of natural hazards to reduce the risk to life, property and the environment. However, there was varied feedback regarding the need to limit development in areas with high hazard risks balanced against a desire for people to be able to decide their personal risk profiles and take responsibility for their own risk on their property.
- **Equity and Distribution** – Describes some concern with over-centralisation of services and infrastructure in key population centres and the associated impact on the viability of rural and remote communities. For example, there is demand for new homes and affordable housing in remote areas as well as key population centres.
- **Character** – Supports protection of the small-town feel, respecting the views and preferences of existing residents and preserving the connection to nature that makes East Gippsland an attractive place to live. Identify the history that should be preserved and maintain the feel of streetscapes.

The engagement also highlighted three areas that respondents felt had not been fully captured in the Strategy:

1. An emphasis on transport that understands and links the planning and delivery of future housing to active and public transport routes, and good road networks.
2. An emphasis on understanding minimum open space provision requirements, to ensure good access to open spaces within settlements is protected as populations grow and settlements change. Ensure these are built into new developments, understood when assessing infill proposals and contributions to open space delivery and activation are made where possible by new developments.
3. Environmental protection is important to respondents, and many feel the wording and actions identified are not specific enough.

A full summary of the consultation results is included in the Housing and Settlement Strategy: Engagement Report.

## **1.5 The East Gippsland Shire**

East Gippsland Shire is situated on Gunaikurnai, Monero (Ngarigo) and Bidawel Country in Victoria's east. It stretches from the west of Bairnsdale to the New South Wales border, covering more than 21,000 square kilometres equivalent to around 10 per cent of the Victoria's land area.

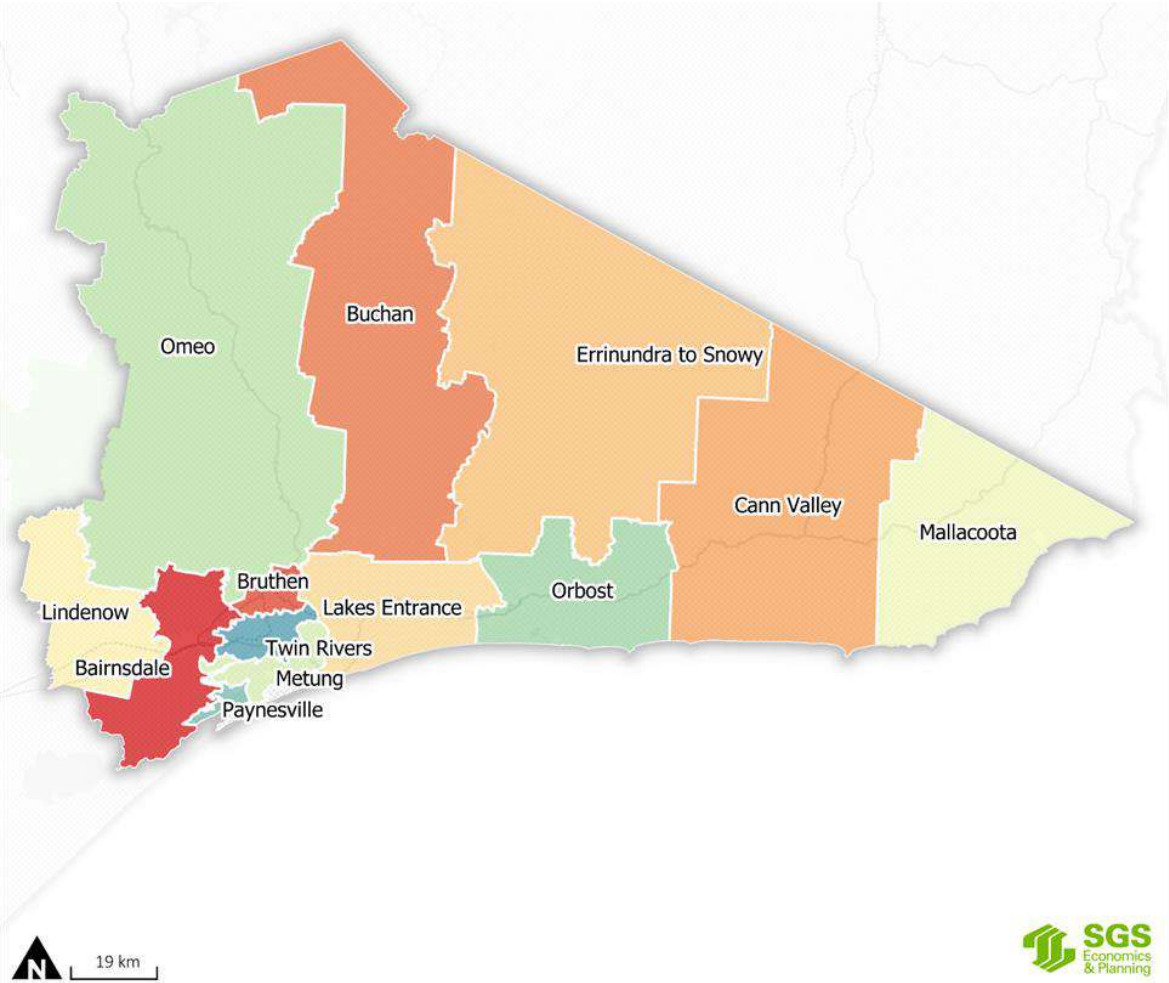
The region is distinguished by its beautiful natural setting, with its southern edge defined by the Gippsland Lakes and rugged coastline and the rising backdrop of the High Country. Historical rural landscapes and natural bushland areas characterise the region and surround its communities.

East Gippsland is home to proud and involved communities that embrace and encourage self-reliance, responsibility, and new ideas. The past 30 years have seen East Gippsland evolve from its rural origins to a flourishing economic and tourism region in Eastern Victoria, drawing more than one million visitors each year. The region has kept its identity and sense of place as it has grown.

As East Gippsland has matured, its communities have also developed and diversified. With its fertile soils, good rainfall and temperate climate, East Gippsland has a strategically significant agricultural sector, producing a range of food and fibre products all year round.

The *East Gippsland Shire Council Plan 2021-2025* places an emphasis on place based planning. To help achieve this, Council considers the shire to be reflected as 13 separate districts. While there are many localities within each district, only one higher order town is situated with each. A map of the thirteen districts that has been used for the preparation of the H&SS and is shown in Figure 2.

FIGURE 2: MAP OF EAST GIPPSLAND'S DISTRICTS



Source: SGS Economics and Planning based on the East Gippsland Shire Council Plan (2021-2025), using ABS SA1 geographies.

## 2. Strategic context

Accommodating growth in East Gippsland requires consideration of broader trends influencing the Shire, unique local natural features, and State and local policy frameworks.

### 2.1 Trends affecting East Gippsland

#### Ageing population



Australia's population is ageing, and the proportion of people aged over 65 is increasing. In East Gippsland, the median age is 52, which is high compared to the Victorian average of 38, and retirees made up 16 percent of the population in 2021.

#### Housing affordability



Housing affordability is recognised as a state-wide issue that requires increasing choice in housing type, tenure, and cost to support diverse communities. East Gippsland Shire Council recognises issues of housing availability and affordability within East Gippsland.

#### Remote working



In recent years, there has been a trend towards remote working, which has attracted new residents to East Gippsland who are able to work remotely, either part-time or full-time. The COVID-19 pandemic accelerated remote working trends, particularly for professionals and those in some service sectors

#### Population growth



The COVID-19 pandemic stalled Australia's population growth and impacted population movement. Capital cities saw a downturn in population while regional areas continued to grow. In 2018-2019, 9,900 people moved to Regional Victoria, which increased to 15,200 in 2020-21.

### Short term accommodation



There is increasing tension between **short-term and long-term accommodation**, where an increasing number of homes are leased for short-term rental accommodation on platforms such as Airbnb. The increase in the cost of residential accommodation particularly impacts key workers and seasonal employment.

### Climate change



**Climate change** is one of humanity's greatest challenges. Globally, temperatures are rising, and extreme weather events are becoming more frequent and severe. Climate change will result in increased fire danger, increased number of extreme heat days, long term drought, increased energy access variability, and increased incidence of flooding.

### Sustainable development



Sustainable Development is about ensuring that development does not unnecessarily diminish resources, is able to be efficiently serviced, and promotes socially, economically, and environmentally friendly lifestyles.

## 2.2 Local features

### Environmental value and landscape character

East Gippsland contains large tracts of unspoilt native vegetation from the alpine region down to the southeast Victorian coastline. Many of the inlets, lakes, rivers, and sites of environmental significance are protected through the application of appropriate environment and landscape overlay controls. These include Ninety Mile Beach, Gippsland Lakes, Lake Tyers, Snowy River Estuary and Mallacoota Inlet as shown in Figure 3. This is complemented by around 83% of East Gippsland being identified and protected as National Park, State Forest or other Crown land.

### Natural hazards

The impacts of climate change pose a significant threat to the health, wellbeing, and liveability for our natural environment, people, and communities. East Gippsland has recently suffered the devastating effects of drought, flood and bushfires on the community, economy, and environment. The majority of East Gippsland is subject to a Bushfire Management Overlay where permits are often required for use and development; and potential rezoning is restricted due to bushfire risk.

Many parts of East Gippsland, adjacent to coastal areas and along river systems, are low lying and prone to flood risk. Areas around the Gippsland Lakes are particularly prone to flooding.

The topography of East Gippsland varies greatly with many areas considered to be very steep as East Gippsland extends into the high country. Excessive slopes make the provision of infrastructure and



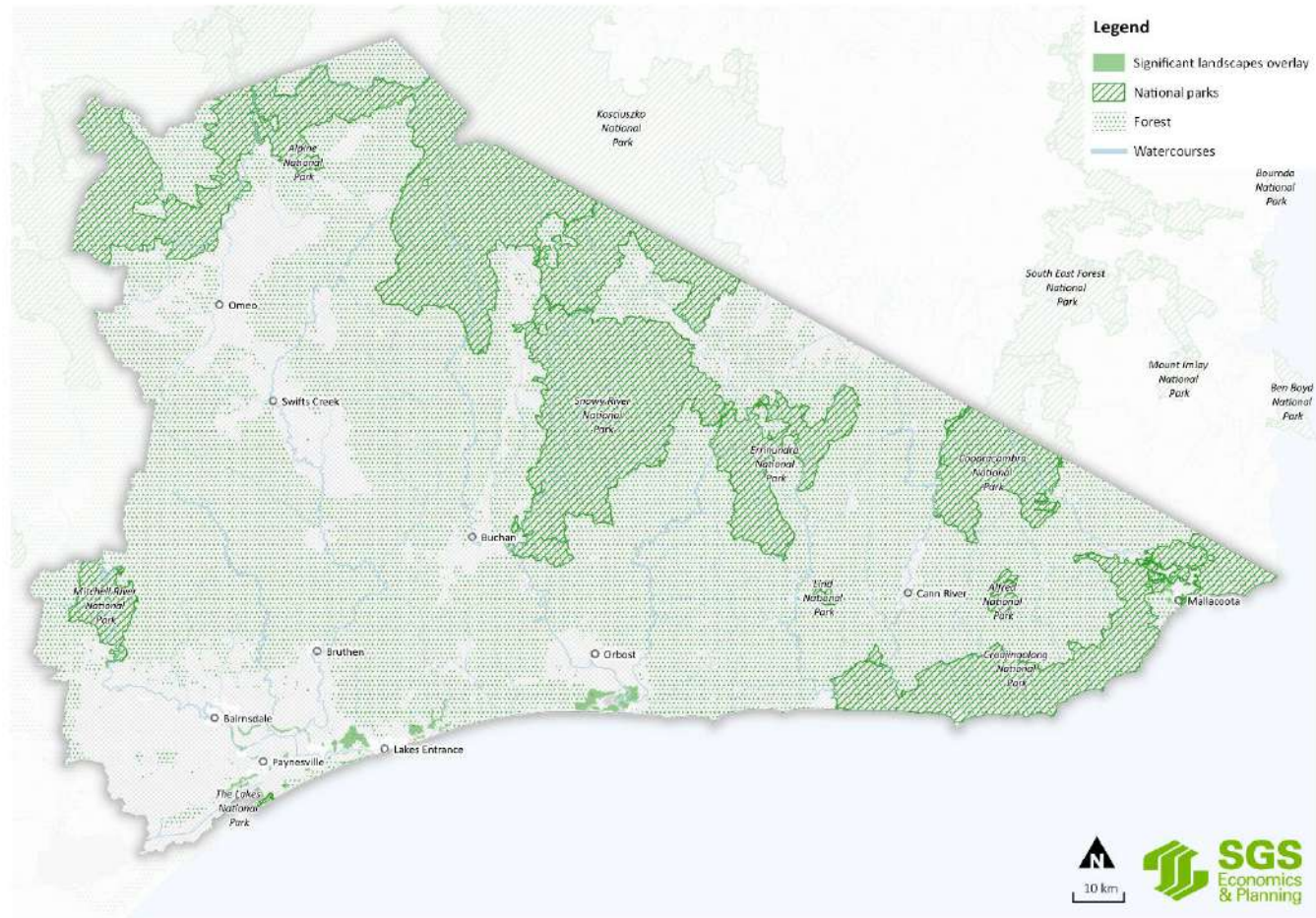
construction of buildings prohibitively expensive or unfeasible. Where the slopes coincide with unstable soils, development can be unsafe due to landslip and erosion. Development on steep slopes can also impact landscape values. The natural hazards and environmental constraints across East Gippsland are shown in Figure 4.

### **Transport accessibility**

East Gippsland is reliant on access to larger regional centres for a range of higher order services. Private vehicles are predominantly used for travel to key destinations as there are limited public transport services. The region is accessible from Melbourne via V/Line train service, which operates daily as far as Bairnsdale with connecting buses to other regional towns.

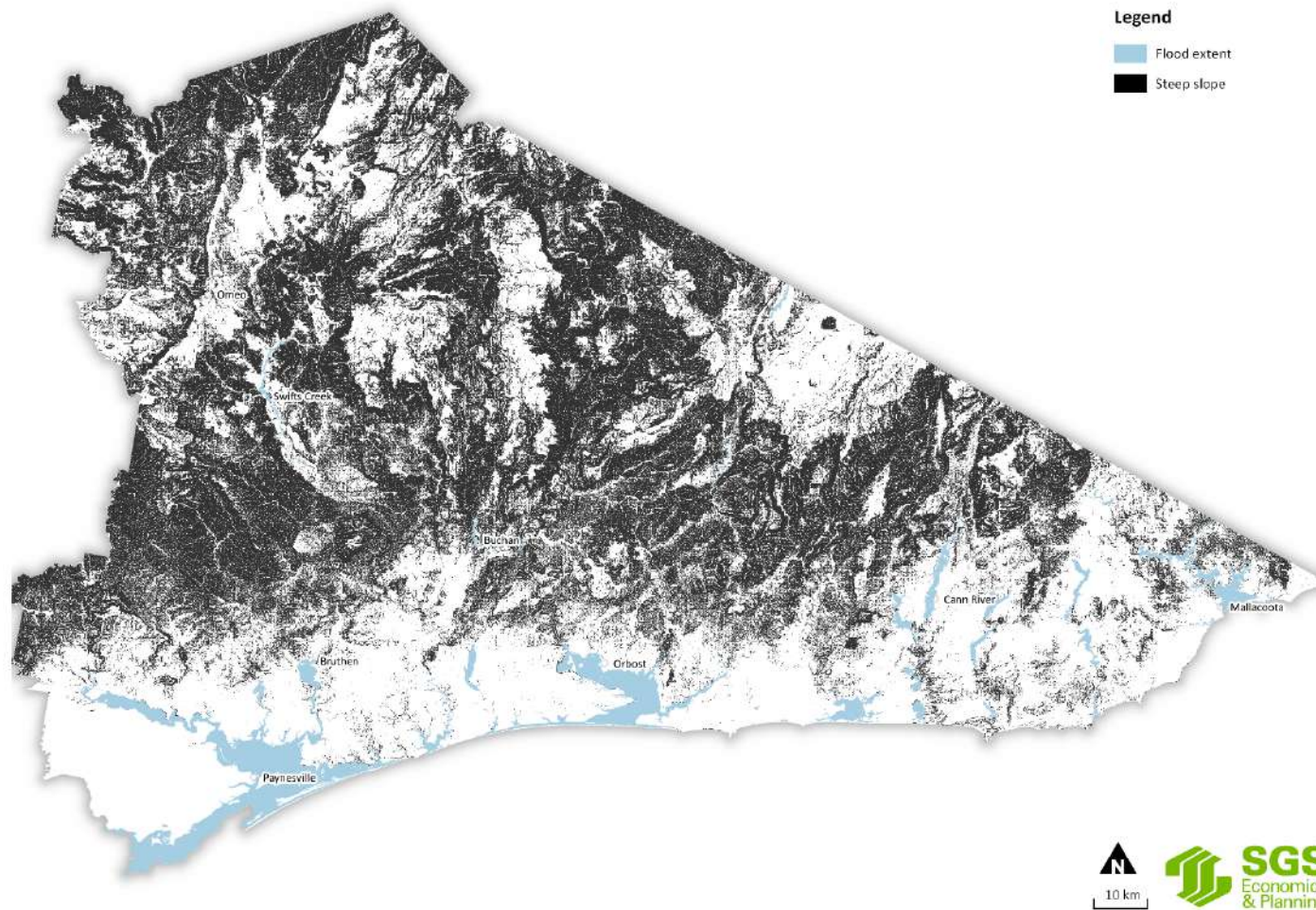
Bus services operate within Bairnsdale and Lakes Entrance, while connecting bus services operate out of Bairnsdale to Paynesville, Lakes Entrance, Omeo, and eastwards to the NSW border. East Gippsland's transport network is shown in Figure 6.

FIGURE 3: EAST GIPPSLAND'S SIGNIFICANT LANDSCAPES



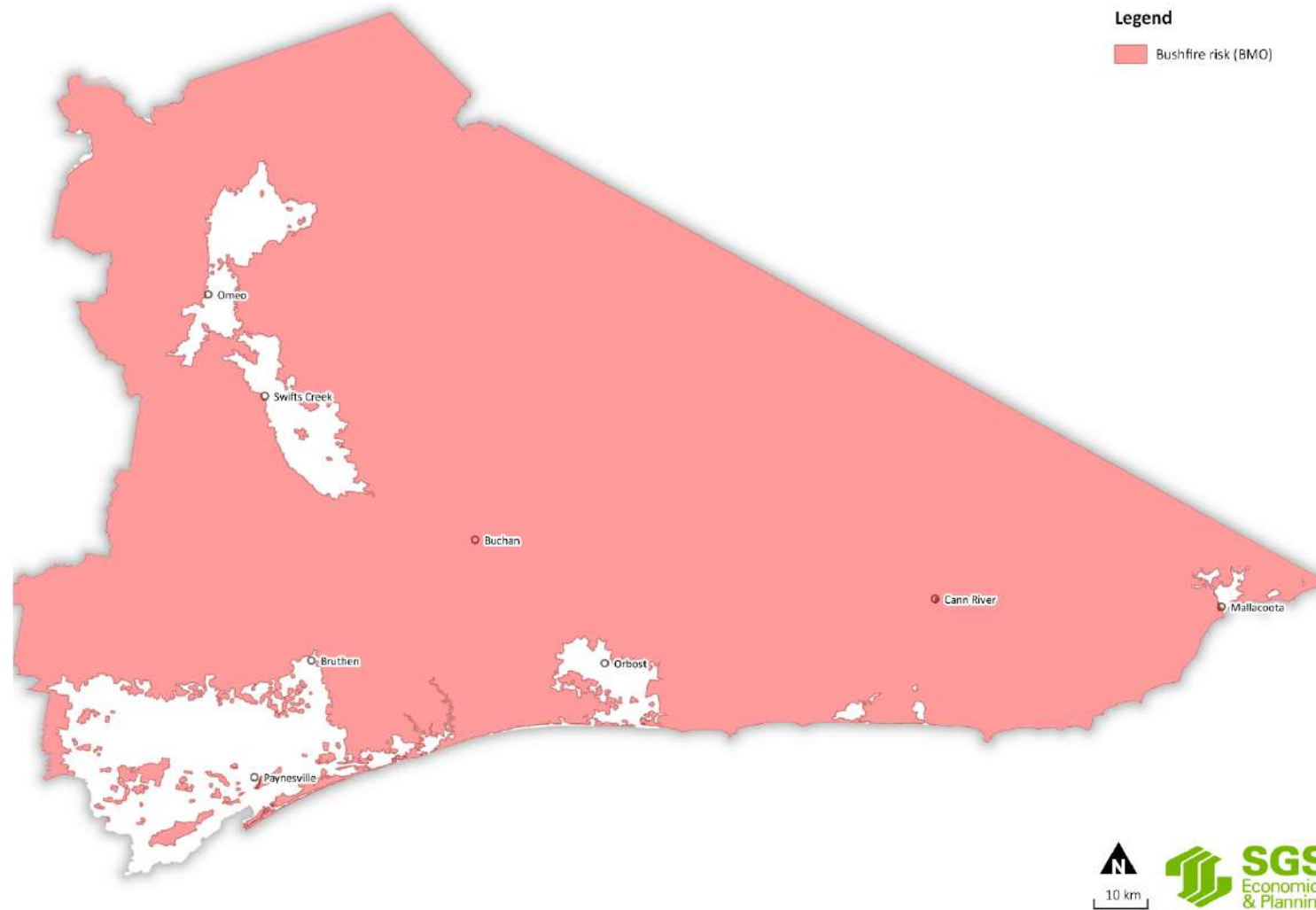
Source: SGS Economics and Planning, 2022

FIGURE 4: EAST GIPPSLAND'S NATURAL HAZARDS AND ENVIRONMENTAL CONSTRAINTS – STEEP SLOPES AND FLOODING



Source: SGS Economics and Planning, 2022

FIGURE 5: EAST GIPPSLAND'S NATURAL HAZARDS AND ENVIRONMENTAL CONSTRAINTS – BUSHFIRE RISK



Source: SGS Economics and Planning, 2022



FIGURE 6: TRANSPORT NETWORKS



Source: SGS Economics and Planning, 2022

### **Infrastructure network and services**

The consideration of existing infrastructure networks in the growth of East Gippsland is critical for assessing appropriate locations for future housing development, especially water and sewerage networks.

East Gippsland Water (EGW) have been engaged in this project to inform the networks capacity, helping guide where growth can already be accommodated and where future infrastructure investment is being prioritised.

### **Town character**

The character of East Gippsland's built environment differs greatly, varying from large regional hubs such as Bairnsdale, with a distinct commercial core and large suburbs, to rural settlements with very few dwellings surrounded by agricultural areas. Many of East Gippsland's towns are scattered along the southern coast and are either tourism oriented or have grown into larger towns that play a servicing role.

Understanding an area's neighbourhood character helps to address built form challenges and opportunities within the municipality. The term 'neighbourhood character' means the cumulative impact of every property, public place, or piece of infrastructure, whether great or small. It is important to have a reference for the feel of a place, influenced by its buildings and street networks and environmental qualities, to ensure that new development in East Gippsland feels like it belongs, reflecting local values and features.

In some locations, neighbourhood character changes with renewal or redevelopment. This can contribute to a desired future character of a settlement. Local character can be difficult to define in some locations. There is an important opportunity to manage a positive change in character to support urban evolution and renewal, meet emerging needs and future community preferences.

## 3. Policy context

State and local plans summarised in this section establish a policy framework to inform the Housing and Settlement Strategy. The HSS will also inform updates to local planning policy.

### 3.1 Victorian Government policy

State and regional planning policy set the direction for local government to prepare plans at the local level and the HSS must be consistent with this policy direction. In East Gippsland this includes:

- The **Planning Policy Framework (PPF)** outlines state strategy and policy directions for land use planning. The PPF establishes direction for local government to prepare plans at the local level, that are implemented in the *East Gippsland Planning Scheme*.

The PPF requires planning authorities to plan to accommodate projected population growth over at least a 15-year period and provide clear direction on locations where growth should occur.

Residential land supply will be considered on a municipal basis, rather than a town-by-town basis.<sup>1</sup>

Key PPF housing and settlement policies (Clause 11.01-1S, 11.02-2S, 15.01-5S, 16.01-1S, 16.01-2S, 16.01-3S) generally seek to support planning for urban growth by considering:

- Opportunities for the consolidation, redevelopment, and intensification of existing urban areas.
  - Neighbourhood character and landscape considerations.
  - The limits of land capability and natural hazards and environmental quality.
  - Service limitations and the costs of providing infrastructure.
- The **Gippsland Regional Growth Plan** is one of eight growth plans developed to provide direction for land use and development across regional Victoria. The Regional Growth Plan addresses a wide range of challenges by recognising Gippsland's assets of regional significance and putting an integrated planning framework in place to direct and manage sustainable growth across the region.

Bairnsdale is identified as one of five regional centres in the Regional Growth Plan to accommodate population growth and expand employment and service functions for dispersed and remote communities. Bairnsdale is identified as playing an increasingly important role in servicing the Gippsland Lakes settlements, with 'a network of smaller nearby towns including Paynesville' which will 'distribute growth and access to services'.

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<sup>1</sup> The requirement to plan for housing on a municipal-wide basis is most suited to a metropolitan context. No further guidance is provided on how planning should occur in a regional or rural context where settlements are widely dispersed and critical to supporting the health and wellbeing of residents, and economic productivity of the regions. As such, SGS has undertaken assessment of residential land supply at a Shire-wide and district level to assess need.



- **Infrastructure Victoria's 30-year infrastructure strategy** (2021-2051) provides a long-term view of Victoria's infrastructure needs and priorities over the next 30 years. Infrastructure lasts many decades and must meet both immediate needs and those in the future. The strategy addresses social housing challenges within Gippsland and provides recommendation to:
  - Renew old and ageing public housing
  - Fund Youth Foyers (including accommodation services for vulnerable young people)
  - Expand social housing in areas with good accessibility
  - Provide fit for purpose social housing which is climate resilient.
- In September 2023, the Victorian Government released **Victoria's Housing Statement** which acknowledges the challenges faced in the housing market, particularly with regard to housing affordability. The Statement makes a series of recommendations aimed at increasing the supply of housing across Victoria, with recommendations relevant to East Gippsland summarised as follows:
  - Good decisions, made faster. Reforms to the planning system to streamline the planning process for large residential development proposals.
  - Cheaper housing, closer to where you work. Delivering more housing in established residential areas, including a proposal to construct 425,600 new homes in regional Victoria.
  - Protecting renters' rights. Providing greater certainty for renters and closing loopholes that increase the cost of living for renters.
  - More social housing. A regional housing fund to deliver 1,300 new homes across Victoria.
  - A long term housing plan. Updating Plan Melbourne and expanding the Plan to cover the whole of Victoria.
- The Housing and Settlement Strategy has been reviewed against Victoria's Housing Statement and the recommendations contained within the HSS are generally consistent with the Statement. As more detail relating to Victoria's Housing Statement becomes available, the HSS can be updated to reflect Victorian Government policy direction.
- Key guidance for planning for housing is provided in a pair of state government Practice Notes, **Planning Practice Note 90: Planning for Housing** and **Planning Practice Note 91: Using the Residential Zones**. These outline a process for identifying areas of minimal, incremental, and substantial change and then applying appropriate residential zones for each level of change.

All residential zones support and allow housing development, unless special neighbourhood character, heritage, environmental or landscape attributes, or other constraints and hazards exist.

Change areas are broadly defined as:

- **Minimal change:** Areas where detached dwellings and dual occupancies that protect and enhance local character are the desired outcome.
- **Incremental change:** Areas where medium density housing in the form of townhouses, units and dual occupancies that enhance local character are the desired outcome.

- **Substantial change:** Areas where higher density housing in the form of multi-level residential development such as low scale apartments, townhouses, shop tops and units that enhance local character are the desired outcome.

Table 1 overviews residential zones used across Victoria, including East Gippsland, their purpose and extent of change supported in each.

In accordance with Victorian Government Policy, the HSS provides high level policy direction to guide opportunities for settlement growth and housing development.

**TABLE 1: RESIDENTIAL ZONES**

Zone	Purpose	Minimal	Incremental	Substantial
General Residential Zone (GRZ)	The purpose of the GRZ is to encourage development that is sensitive to neighbourhood character to encourage diverse housing types that suit the needs of the community. The GRZ allows housing development up to three storeys in locations offering good access to services and transport.		✓	✓
Low Density Residential Zone (LDRZ)	The purpose of the LDRZ is to provide for low-density residential development. In areas of LDRZ where development can be serviced by reticulated sewerage a minimum subdivision size of 2,000sqm applies. In areas that are not serviced by reticulated sewerage, a condition of the zone is that wastewater is to be treated onsite and a minimum subdivision area of 4,000sqm applies. LDRZ is generally located on the fringes of East Gippsland's towns, providing larger lifestyle living opportunities.	✓		
Township Zone (TZ)	The TZ applies to small towns with no defined structure of residential, commercial, and industrial land uses. TZ is more commonly applied throughout East Gippsland's smaller towns and settlements, often with partial servicing of reticulated water and sewerage infrastructure	✓	✓	
Mixed Use Zone (MUZ)	The MUZ applies to areas suitable for a mixed-use function, including a range of residential, commercial, industrial, and other uses. Suitable for areas identified for residential development at higher densities including urban renewal and strategic redevelopment sites. In regional contexts, such as in East Gippsland, MUZ frequently accommodates light industrial and commercial uses.		✓	✓
Rural Living Zone (RLZ)	The purpose of the RLZ is to enable rural lifestyle opportunities on smaller blocks and is usually applied in places where mains or reticulated water and wastewater systems are unavailable. The RLZ is used as a buffer between farming and urban places, to limit interface issues between agricultural activities in rural areas and other more sensitive urban areas	✓		

### 3.2 Local policy

Local plans and strategies have been reviewed to understand key elements of East Gippsland's local economy, settlement functions and other key planning directions that are relevant to planning for residential growth, including:

- *Rural Land Use Strategy (2023)*
- *Economic Development Strategy (2022)*
- *Environmental Sustainability Strategy (2022)*
- *Draft Municipal Public Health and Wellbeing Plan (2022)*
- *The Bairnsdale Growth Strategy (2009)*
- *The Lakes Entrance CBD Improvement Project Draft Master Plan (2016)*
- *Coastal Towns Urban Design Frameworks (2007)*
- *The Twin Rivers Land Use Plan, (2012)*
- *The East Bairnsdale/Lucknow Precinct Structure Plan (2013)*
- *The Paynesville Town Centre Structure Plan (2009)*
- *The Paynesville Growth Area Structure Plan (2016)*
- *The Eagle Point Structure Plan (2019)*
- *East Gippsland Community Plans*
- *The Coastal Inundation and Erosion Planning Policy (2017)*

State and local plans summarised above establish a policy framework under which the Housing and Settlement Strategy will sit (Figure 7). Discussed further in Section 9, the Strategy will be primarily implemented via incorporation of policy directions into the East Gippsland Planning Scheme. A planning scheme is a legal document prepared by the local council and approved by the Minister for Planning. It contains policies and provisions that control land use and development.

FIGURE 7: EAST GIPPSLAND'S LOCAL POLICY HIERARCHY

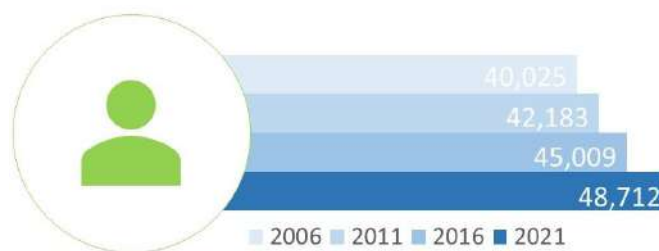


## Part B: East Gippsland in 2023

## 4. Population profile

This section provides an overview of the current profile of East Gippsland, showing key characteristics of the East Gippsland population.<sup>2</sup>

### POPULATION GROWTH



Population in the LGA has been increasing steadily by around 522 people per year since 2011, equivalent to an average annual growth rate of 1.18%. From 2006 to 2021, the population has grown from 40,544 to 48,376.

### MEDIAN AGE



**52 years** median age in East Gippsland

**38 years** median age in Victoria

East Gippsland has an ageing population. From 2016 to 2021 the number of people aged 70+ years has increased by 2,356 people. This accounted for 46% of the population growth over this period. The ageing population in East Gippsland reflects that the area is a popular location for retirement living.

### HOUSEHOLD SIZE



**2.2 people per household**  
East Gippsland

**2.4 people per household**  
Regional Victoria

While household size has remained steady at 2.4 people per household in Regional Victoria, East Gippsland has seen a decline in household size over the last decade from 2.3 in 2011 to 2.2 in 2021. East Gippsland's smaller household size in comparison to Regional Victoria reflects East Gippsland's ageing population and high number of lone person households.

<sup>2</sup> For a more detailed analysis of East Gippsland's population please see the East Gippsland Housing and Settlement Strategy: Background Report.



## HOUSEHOLD COMPOSITION

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**35%** Couple family no children  
**32%** Lone person households  
**21%** Couple family with children  
**9%** One parent family

Couple families with no children and lone person households are the most common household type across East Gippsland.

## INTERNAL AND EXTERNAL MIGRATION

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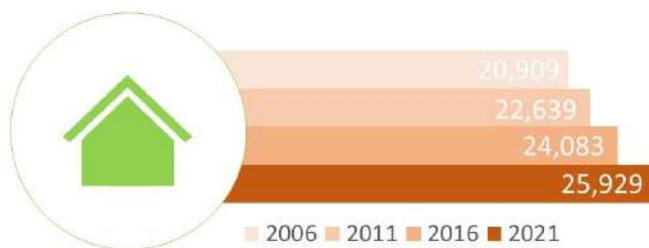
**33%** of residents migrated within or to East Gippsland in the last 5 years

33% of residents were living at a different address in 2016, similar to the average for Victoria (32%). The district of Bairnsdale has the highest proportion of migration, with 6,498 residents choosing to locate in Bairnsdale from 2016 to 2021. The top three locations of origin were overseas, Mornington Peninsula and Wellington LGA's.

## 5. Housing profile

This section profiles housing in East Gippsland including changes in the dwelling stock.<sup>3</sup>

### HOUSING GROWTH



Dwelling growth has steadily increased across the LGA over recent years. Between 2011 to 2021 East Gippsland saw an additional 3,290 dwellings across the LGA, 56% of these were added between 2016 and 2021 (at about 370 per year on average). Combined, Bairnsdale, Paynesville, and Lakes Entrance districts contain approximately 65% of the Shire's dwellings.

### DWELLING STRUCTURE



**92% separate dwellings**  
7% semi-detached  
1% Flat or apartment

There is a lack of diversity in housing stock across all East Gippsland with 92% of dwellings being separate houses.

### DWELLING SIZE



**49% dwellings with 3 bedrooms**  
**24% dwellings with 4 bedrooms**  
**18% dwellings with 2 bedrooms**  
**4% dwellings with 1 bedrooms**

The size of dwellings in East Gippsland can be considered through the proxy measure of number of bedrooms. While there is no great variation in dwelling size across the LGA, the share of dwellings with 4 bedrooms has increased from 20 per cent in 2011 to 24 per cent in 2021. This is despite declining household sizes. Most houses in East Gippsland have 3 to 4 bedrooms.

<sup>3</sup> For a more detailed analysis of East Gippsland's population please see the East Gippsland Housing and Settlement Strategy: Background Report.

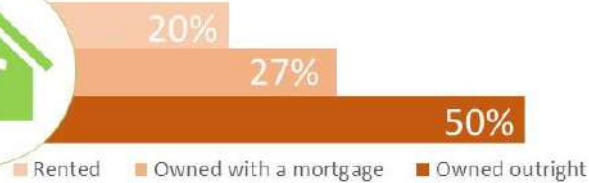
## DWELLING SUITABILITY



Over **6000 three bedrooms dwellings** with **2+ bedrooms spare**

In East Gippsland there are many 3 bedroom houses with 2+ bedrooms spare. Across all houses with more than 1 bedroom in East Gippsland, a high proportion have at least one bedroom spare. Very few households across the LGA need additional bedrooms to house their occupants appropriately.

## TENURE



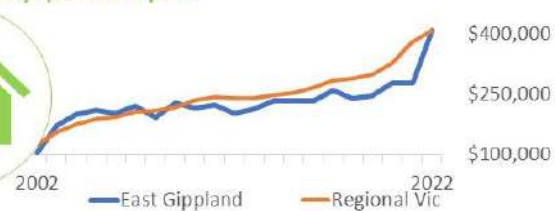
A half of dwellings in East Gippsland are owned outright, with 27 per cent owned with a mortgage and 20 per cent rented. Bairnsdale and Lakes Entrance have the highest number of rentals.

## DWELLING PRICES

### Median house price

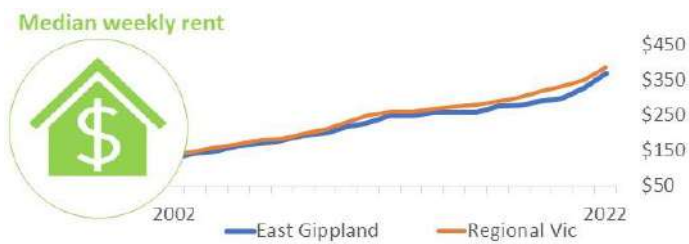


### Median units/apartment price



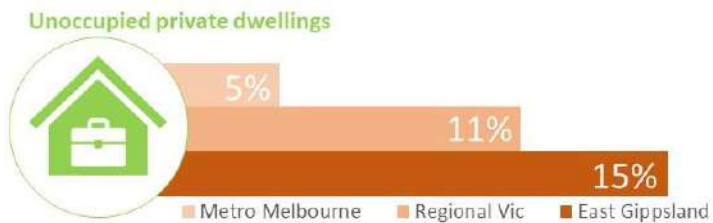
While dwelling prices in East Gippsland have been increasing over the long term, house and unit prices increased particularly sharply over recent years. The median house price in East Gippsland in 2022 is \$91,250 less than the median house price of regional Victoria. The median unit/apartment price is now \$2,225 more expensive in East Gippsland than in regional Victoria, however, there are only a small number of units and apartments in East Gippsland.

## RENTAL COSTS



East Gippsland's median weekly rent in 2022 (\$370) remains like that of regional Victoria (\$385). In line with housing trends across Australia, East Gippsland has experienced a large spike in rental prices since 2020 during and since the COVID-19 pandemic.

## SHORT TERM RENTAL ACCOMMODATION



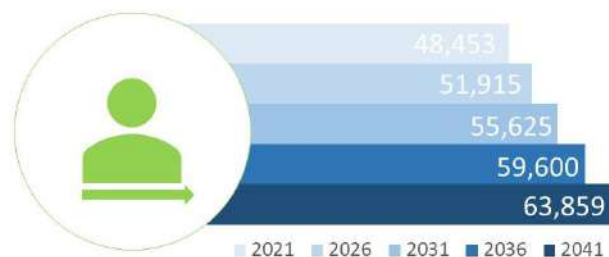
East Gippsland has a significantly higher percentage of unoccupied private dwellings in comparison to other regional and metropolitan local government areas. The number of unoccupied private dwellings in an area can provide some insight into the number of holiday homes within East Gippsland. While not all unoccupied private dwellings will be holiday homes, a large proportion of these would be used as holiday houses (with many available for short term rental).

## Part C: East Gippsland in 2041

## 6. Future population and housing needs

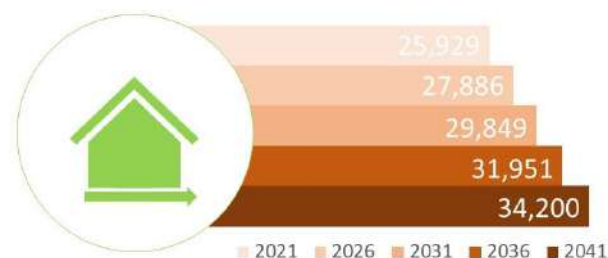
This section of the report presents the forecast population and housing growth for East Gippsland to 2041 and determines the extent to which growth can be accommodated under existing land use planning policy settings.

### Population forecast



The population in East Gippsland is forecast to grow by 15,400 people from 2021 to 2041. The projected population growth considers an adjusted rate of growth for regional Victoria because of the COVID-19 pandemic.

### Housing forecast



To accommodate population growth, it is projected that East Gippsland should plan for an additional 8,271 dwellings by 2041. Achieving this would represent an average annual growth rate of 1.39% between 2021 to 2041. This level of growth reflects demographic shifts (declining household sizes, and demand for smaller dwelling types) and accounts for dwellings used for other non-permanent residential purposes (vacant, short stay accommodation and holiday homes).

## Share of Dwelling Demand by District

The following factors have then been considered to project the percentage split of future demand for dwellings across East Gippsland's districts:

- Historical growth rates
- The desired role and function of settlements
- Environmental values and risks
- Preferred development outcomes

As a result, Table 2 demonstrates that the districts of Bairnsdale, Paynesville and Lakes Entrance are anticipated to accommodate an additional 6,616 homes by 2041. Other districts across East Gippsland are expected to accommodate 1,655 future homes combined.

**TABLE 2: SHARE OF DWELLING DEMAND BY DISTRICT, 2016 TO 2021 AND 2041**

District	Dwellings 2021		Change in dwellings 2016-2021		Expected percentage split of demand (2021-2041)	Future dwelling demand 2041
	#	%	#	%	%	#
Bairnsdale	8,502	33%	690	31%	37%	3060
Paynesville	3,383	13%	299	13%	23%	1902
Lakes Entrance	4,991	19%	417	19%	20%	1654
Metung	1,451	6%	285	13%	4%	331
Orbost	2,002	7%	144	6%	4%	331
Twin Rivers	1,322	5%	141	6%	4%	331
Lindenow	913	4%	103	5%	3%	248
Omeo	1,064	4%	61	3%	3%	248
Other	2345	9%	78	4%	2%	165
<b>Total</b>	<b>25,973</b>	<b>100%</b>	<b>2,218</b>	<b>100%</b>	<b>100%</b>	<b>8,271</b>

Source: SGS Economics and Planning, 2023; based on ABS Census of Population and Housing, 2021

The forecasts used in determining East Gippsland's population growth and dwelling demand across all districts represent an optimistic growth scenario where high rates of growth have been projected forward. This is to ensure a prudent approach to planning for East Gippsland's future.



## Capacity to accommodate growth

A housing capacity analysis has been completed for East Gippsland which is outlined in detail, including the methodology and findings, in the Background Report.

In summary, the housing capacity assessment takes into account the following factors:

### *Inputs*

- **Land use zone and lot size:** Different residential zones have differing requirements regarding minimum lot sizes and servicing requirements etc.
- **Existing development patterns:** Existing development and lot size patterns (i.e median and average lot size) were examined on a precinct scale to determine likely potential future development outcomes.

### *Exclusions*

- **Land use exclusions:** Properties were excluded if they contain social infrastructure or other land uses which are likely to be in place over the next 20 years. These land uses include infrastructure, social infrastructure and community uses which either should not be redeveloped given the valuable role they play for the community, or which are unlikely to be redeveloped on a reasonable timeframe. The following land uses have been excluded from redevelopment:
  - Schools
  - Other major educational facilities
  - Retirement villages
  - Hospitals and major medical centres
  - Gardens, parks and sports grounds
  - Power sub-stations
  - Community centres.
- **Multi-unit development and subdivision:** Locations where there are multiple property owners (i.e. strata title) or where the original subdivision pattern has been further subdivided (i.e. shared lots) are likely to significantly limit the development potential of these sites.
- **Recent development:** Properties which have been recently developed are less likely to be redeveloped in the short-medium term given the recent investment in them.
- **Irregular blocks and manual checks:** Blocks with a highly irregular shape are not likely to be real properties available for development and so were excluded.

**Areas subject to natural hazards (bushfire, flooding, excessive slope):** Clause 13 of the East Gippsland Planning Scheme Planning Policy Framework addresses Environmental Risk. Areas subject to flooding and bushfire risk, steep slopes (as a proxy for landslip), and within environmental buffers were removed from the analysis.

It is acknowledged that the capacity analysis is high-level and is intended to be indicative to inform policy development, rather than an exact measure of dwelling development.

At a municipal level, there is 30 years of residential supply across East Gippsland, showing that there is ample capacity to accommodate housing and population growth across East Gippsland's settlements. Victorian Government policy requires local governments to accommodate a projected population over at least a 15-year period and provide clear direction on locations where growth should occur.

It is acknowledged that infill development is likely to occur in all districts across East Gippsland, however, the detailed analysis of infill capacity for every town and settlement has not been undertaken as part of the HSS. This infill development will increase the capacity of all towns and settlements to accommodate housing growth within existing township boundaries to 2041.

With at least 30 years of residential capacity identified, current planning controls can accommodate a high population growth scenario over a 20-year timeframe. Table 3 shows the results of the housing demand and capacity analysis by district and the years of potential supply. This shows that all districts across East Gippsland meet the 15 year Victorian Government policy requirement.

**TABLE 3: HOUSING DEMAND COMPARED TO CAPACITY BY DISTRICT TO 2041**

District	Share of dwelling demand (%)	Demand 2041 (Dwellings)	Capacity 2041 (Dwellings)	Capacity gap	Years of supply
<b>Bairnsdale</b>	37%	3,060	4,250	+1,190	28
<b>Paynesville</b>	23%	1,902	3054	+1,152	32
<b>Lakes Entrance</b>	20%	1,654	2,052	+398	25
<b>Twin Rivers</b>	4%	331	858	+527	52
<b>Orbost</b>	4%	331	500	+169	30
<b>Omeo</b>	4%	248	273	+25	22
<b>Metung</b>	3%	331	456	+125	28
<b>Lindenow</b>	3%	248	396	+148	32
<b>Other</b>	2%	165	519	+354	63
<b>LGA Total</b>	100%	8,271	12,358	+4,087	30

Source: SGS Economics and Planning, 2023.

## 7. Social and affordable housing

This section explains what social and affordable housing is and identifies current and projected need for housing assistance in East Gippsland.

### What is social and affordable housing?

The term **affordable housing** generally refers to rental housing that is available to lower income households which is affordable for their level of income. When housing costs are too high, relative to income, a household can find themselves in housing stress. **Housing stress** is a situation in which a household's rental payments are so high that they must sacrifice on food, health care, education and other necessities.

A household that spends more than 30 per cent of their income on housing can be in moderate housing stress. A household that spends more than 50 per cent of their income on housing can be in severe housing stress.

**Social housing** is a subset of affordable housing. The Department of Health and Human Services (DHSS) defines social housing as "housing that is provided to eligible households, with rents subsidised to ensure that households pay an affordable rent" and is owned and managed by either the Director of Housing (public housing) or Registered Housing Agencies (community housing).

### Need for social and affordable housing in East Gippsland

The number of households in housing stress is measured to provide an estimate of how much social and affordable housing is needed. It is often the case that the most vulnerable members of the East Gippsland community are likely to experience housing stress and would require housing assistance to access housing at an affordable rate.

In 2021, the estimated total need for housing assistance (social or affordable housing) in East Gippsland was 2,746 dwellings. For 2041, it is estimated that the total need for assistance, is 2,940 dwellings.

To meet projected need for social and affordable housing, approximately one quarter of the 8,271 total forecast dwelling demand in East Gippsland to 2041 (or approximately 2,050 homes) would be required to be delivered as social and affordable housing.

More detailed analysis of social and affordable housing can be found in the Background Report.

### Aboriginal housing need

Aboriginal households are generally more open and flexible, are more likely to care for Elders, be kinship carers and cater for large extended and mobile families. These qualities must be recognised and supported in relation to the provision of appropriate housing.

The Aboriginal and Torres Strait Islander population in the East Gippsland catchment area as per the 2021 census was 1623, an increase of 58% on the 2006 population. It is projected to increase by nearly 300 people in the next 5 years, and to grow to 2605 in the next 15 years, an increase of 62%.

Unfortunately, Aboriginal households experience historical and complex disadvantage resulting in an over representation of need for social and affordable housing. Across Victoria 43% of Aboriginal households own or are purchasing a home (compared to 68% of the general community), and 20% live in social housing (compared to 2% of the general community).

Aboriginal Housing Victoria have prepared a Victorian Aboriginal Housing and Homelessness Framework (2020) to support the Aboriginal community to access secure and culturally appropriate accommodation and housing. At a local level, Aboriginal community members can access mainstream housing and homelessness services. The Aboriginal Community Controlled Organisation is working with government agencies to provide appropriate housing solutions and increase the overall stock of affordable housing opportunities for the Aboriginal community.

## Part D: Planning Framework

## 8. Housing and settlement planning framework

This section sets out the vision, strategic principles, objectives, and strategies for the development of housing and settlements across East Gippsland. Planning objectives identify outcomes that should be achieved by the Strategy, while section 9 provides greater detail about the actions and implementation pathways to achieve those outcomes.

### 8.1 Vision

East Gippsland's Community Vision 2040 is:

*"In 2040 our people, place, environment, and economy will be connected, in balance and resilient. Our unique and diverse communities will be accessible, inclusive, well connected, and safe. We will value and care for each other and our natural environment. Our economy will support existing and emerging industries by being agile, innovative, and sustainable."*




Building on this, the vision for future housing and settlements in East Gippsland is:

*"In 2041, the diverse housing needs of our community will be met, recognising the unique local character of our many towns and settlements, and responding to community aspirations. Housing opportunities will include affordable and inclusive homes and high-quality lifestyle options throughout the many stages of life. Settlement growth will be managed in a way that recognises the significant natural values of the Shire, the impacts of climate change and natural disaster, and the importance of retaining our productive agricultural areas."*

### 8.2 Strategic Principles

The strategic principles will guide residential growth and development across East Gippsland. The principles align with existing state and local policy and inform the suite of objectives and strategies which follow. The principles will be used for future Council decision making on settlement growth and housing development.

The objectives and strategies in the sections below provide further detail regarding the scope and place-based expression of the principles.

Principle	What does this mean?	Why is it important?	How does this help?	What are the challenges?
<p>1. Development in areas of <b>environmental and landscape significance</b> and at risk of <b>natural hazards</b> will be managed to preserve natural resources and protect human life.</p> 	<p>New housing will be directed to low-risk locations. The protection of human life from bushfire, flood or landslide and erosion will be Council's highest priority. Settlement planning will identify, protect, and enhance environmental values.</p>	<p>Council's highest priorities include the safety of the people of East Gippsland and an environment that is managed and preserved for all generations.</p>	<p>Understanding the values and risks associated with our natural environment will help plan for places that keep people safe and preserve environmental features that make East Gippsland a special place.</p>	<p>East Gippsland hosts many natural features and also faces numerous risks associated with natural hazards. Planning for settlements that balance community safety and resilience whilst preserving environmental values will continue to be challenging.</p>
<p>2. Future population and housing development will be directed in accordance with the defined <b>settlement roles and futures</b>.</p> 	<p>Towns and settlements across East Gippsland will have different roles to play in providing housing, infrastructure, and services for future residents.</p>	<p>It provides people with information about potential changes to housing development in their town or settlement to 2041.</p>	<p>Understanding the role of a town or settlement into the future will guide Council, service providers, the community and developers to make informed decisions for the future of that place.</p>	<p>East Gippsland has a network of many unique towns and settlements. It is beyond the scope of the Strategy to provide detailed guidance on every town and settlement.</p>
<p>3. Housing development that creates <b>compact towns and settlements</b> will be supported to enable the efficient and sustainable use of land and infrastructure.</p> 	<p>New housing to be provided within the existing boundaries of towns and settlements, providing people with access to services and infrastructure.</p>	<p>The ongoing 'sprawl' of towns and settlements can adversely impact environmental values, increase environmental risk (e.g., bushfire) and reduces the opportunity for people to access services and connect with each other.</p>	<p>Developing housing within existing town boundaries makes more efficient use of existing infrastructure and services. This saves money and reduces environmental impacts.</p>	<p>Compact towns result in different housing types, generally increasing the 'density' of houses. It will be important to make sure this is achieved without compromising the character or amenity of towns or settlements.</p>



<p>4. Initiatives that deliver improved housing <b>affordability, diversity, and innovation</b> will be supported to provide greater choice for residents throughout all stages of life.</p> 	<p>New housing will make a positive contribution to what communities' value about their town or settlement and respect their natural setting</p>	<p>East Gippsland is a special place with unique towns and many lifestyle opportunities.</p> <p>Embracing change in our settlements and housing can enhance the things we love about where we live.</p>	<p>Protecting and enhancing the character of where we live helps communities to retain existing population and attract new community members.</p>	<p>The character of towns and settlements means different things to different people. Collaboration, understanding, and compromise is required to ensure the character of our towns and settlements reflect who we are and how we evolve as a community.</p>
<p>5. The unique character of towns and settlements will be maintained and enhanced across East Gippsland.</p> 	<p>New housing will make a positive contribution to what communities' value about their town or settlement and respect their natural setting</p>	<p>East Gippsland is a special place with unique towns and many lifestyle opportunities.</p> <p>Embracing change in our settlements and housing can enhance the things we love about where we live.</p>	<p>Protecting and enhancing the character of where we live helps communities to retain existing population and attract new community members.</p>	<p>The character of towns and settlements means different things to different people. Collaboration, understanding, and compromise is required to ensure the character of our towns and settlements reflect who we are and how we evolve as a community.</p>
<p>6. Well designed and resource-efficient developments that contribute to creating <b>more sustainable towns and settlements</b> will be supported.</p> 	<p>New housing will reduce its impact on the climate and enable people to be more resilient in response to the changing climate.</p>	<p>East Gippsland people understand firsthand the impact of a changing climate. Where we live and the homes we build can positively contribute towards the environment.</p>	<p>Providing people with liveable and climate resilient places to live is critical to the long term prosperity of East Gippsland. Sustainable homes are also cheaper to run.</p>	<p>Responding to the challenges of climate change will require innovation in the planning of towns and settlements and the design and construction of homes for the future.</p>

### 8.3 Areas of environmental significance and natural hazards

In response to Strategic Principle 1, this section provides Objectives and Strategies that ensure housing development does not compromise areas of environmental significance or result in risk to human life from natural hazards.

East Gippsland covers a large geographic area characterised by long coastlines, large tracts of unspoilt native vegetation, alpine areas, and extensive waterway networks. Undoubtedly the natural features of East Gippsland contribute to the character of settlements and towns, are highly valued by existing residents and a significant drawcard for new residents.

To protect areas of environmental significance, the East Gippsland Planning Scheme includes clear policy direction in relation to 'Biodiversity'; 'Marine and Coastal Environments'; Water Bodies and Wetlands'; 'Alpine Areas'; and 'Significant Environments and Landscapes'.

Land use zone and overlay controls contained within the Planning Scheme also require location specific consideration and protection of environmental values. Where environmental values exist on residential land, they are generally covered by an overlay control (for example the Environmental Significance Overlay, Vegetation Protection Overlay, Development Plan Overlay etc.). The Environmental Sustainability Strategy Action Plan (2022-2026) recommends undertaking a gap analysis to identify key habitat areas and biodiversity values.

Where land is proposed to be rezoned and/or developed for housing, this suite of planning policy controls provides a series of checks and balances to ensure that the proposed development has identified and had regard to environmental features, values and landscapes.

In conjunction with these existing planning policy controls, a key platform of the HSS is to promote compact towns and settlements. East Gippsland has adequate residential land to accommodate population growth for approximately 30 years and, as such, the most effective policy approach to protect environmental values is to consolidate settlement growth within existing township boundaries (see section 8.5 below). This approach will enable the use of existing planning policy controls in the East Gippsland Planning Scheme to protect environmental values.

Many areas of East Gippsland are subject to significant risk from natural hazards including bushfire, flooding, coastal inundation and erosion. Future settlement development must respond appropriately to these risks to preserve human life, particularly considering the ever-increasing impacts of climate change. The progression of climate change as well as ongoing development means that the risks posed by bushfire, flood and coastal hazards are not static.

The East Gippsland Planning Scheme addresses 'Environmental Risks and Amenity' and includes strong policy statements regarding the role of planning in adopting a risk mitigation approach to strengthen the resilience and safety of communities. Existing policy guidance responds to the risks posed by climate change (including coastal inundation and erosion, bushfire, and flooding) and gives clear priority to the protection of human life over all other policy considerations.

Council works in partnership with the Country Fire Authority, East Gippsland Catchment Management Authority, and other technical experts to understand the changing level of risks posed by these natural hazards.

Directing development to the lowest risk locations is the most effective way to prioritise the protection of human life. The future role of towns and settlements, and identification of areas for accommodating growth must consider the risks posed by these natural hazards using best available data and input from relevant agencies. Updating analysis and data in response to changes in the natural environment will be needed to ensure that future land use planning activities continue to respond appropriately. This includes understanding impacts in existing urban areas.

This will provide a sound framework for:

- Future decision-making regarding rezoning of land for residential purposes.
- Protecting residents in existing settlements through localised planning for natural hazards.
- Identifying shelter locations in the event of natural disasters.

It is recognised that co-ordinated effort is required between Council, Victorian Government, Country Fire Authority and East Gippsland Catchment Management Authority to ensure best-practice and consistent methodologies are applied in identifying areas of risk to inform strategic planning processes.

**Objective:**

1. Ensure the protection of human life and environmental values are prioritised in planning for settlement and housing in East Gippsland.

**Strategies:**

- 1.1. Ensure the identification and protection of environmental values as part of the assessment of planning scheme amendments, development plans and planning permit applications for residential development.
- 1.2. Advocate to the Victorian Government for an agreed methodology for municipal-wide bushfire assessment to inform strategic land use planning.
- 1.3. Collaborate with the CFA to prepare a Municipal Bushfire Risk Assessment template to identify bushfire risk levels across East Gippsland at range of scales and considering all bushfire hazards that can be potentially harmful, including grasslands and vegetation outside of land subject to the BMO.
- 1.4. Update flood mapping in the East Gippsland Planning Scheme via the introduction of relevant zones and overlays.
- 1.5. Advocate to the Victorian Government for continued monitoring of coastal vulnerability.
- 1.6. Collaborate with relevant agencies to prepare a program to review and update data and mapping of natural hazard risks and natural values.

## **8.4 Settlement roles and futures**

In response to Strategic Principle 2, the classification of towns and settlements based on their existing and expected future role is important to:

- Provide clarity regarding preferred locations for future population growth to the community, investors and developers.
- Identify areas where change is most suitable and supporting efforts to maintain and enhance the unique local character and community safety of different places across East Gippsland.

- Prioritise locations for future infrastructure investment by Council and other government agencies.
- Ensure the sustainable use of land and respond to the increasing impacts of climate change.

Each of East Gippsland's towns and settlements is distinctive, offering a unique character, lifestyle, service offering and choice of housing. The planning scheme currently includes a settlement hierarchy that identifies three growth area towns (Bairnsdale, Paynesville, and Lakes Entrance) and then divides other townships into "rural settlements" and "coastal towns." The strategic directions support consolidation of the rural settlements and provide varied guidance for the level of change expected in coastal towns.

Table 4(below) provides clear direction for the existing and future role of East Gippsland's towns and settlements, which informs the level of change expected in each category of settlement. This can be aligned with minimal, incremental, and substantial change areas as identified in Victorian government guidance (Planning Practice Note 90 – Planning for Housing).

The identified roles take into consideration:

- Existing population size and number of dwellings.
- Extent of commercial activity and presence of defined commercial areas.
- Infrastructure servicing including reticulated services.
- Land use zoning patterns.
- Local environmental features and exposure to natural hazards.

Table 4 also provides a description of the preferred future role of each place based on:

- Guidance provided by state and regional planning policy direction.
- Potential of each place to accommodate future population growth taking into the strategic principles listed above.
- Planned investment in infrastructure and services by Council and other government agencies.

To reinforce the role and future of settlements, Victorian Government policy direction also requires the creation of settlement boundaries. Settlement boundaries prevent the continued sprawl of towns and settlements, protect natural environments and reduce risk to human life from natural hazards.

#### **Objective:**

2. Support sustainable patterns of residential development across East Gippsland.

#### **Strategies:**

- 2.1 Direct future population growth in accordance with identified existing and future roles to support the efficient use of land and infrastructure, convenient access to jobs and services, protection of environmental values and the safety of our community.
- 2.2 Establish township and settlement boundaries.

**TABLE 4: EXISTING AND PROPOSED FUTURE ROLE OF TOWNS AND SETTLEMENTS**

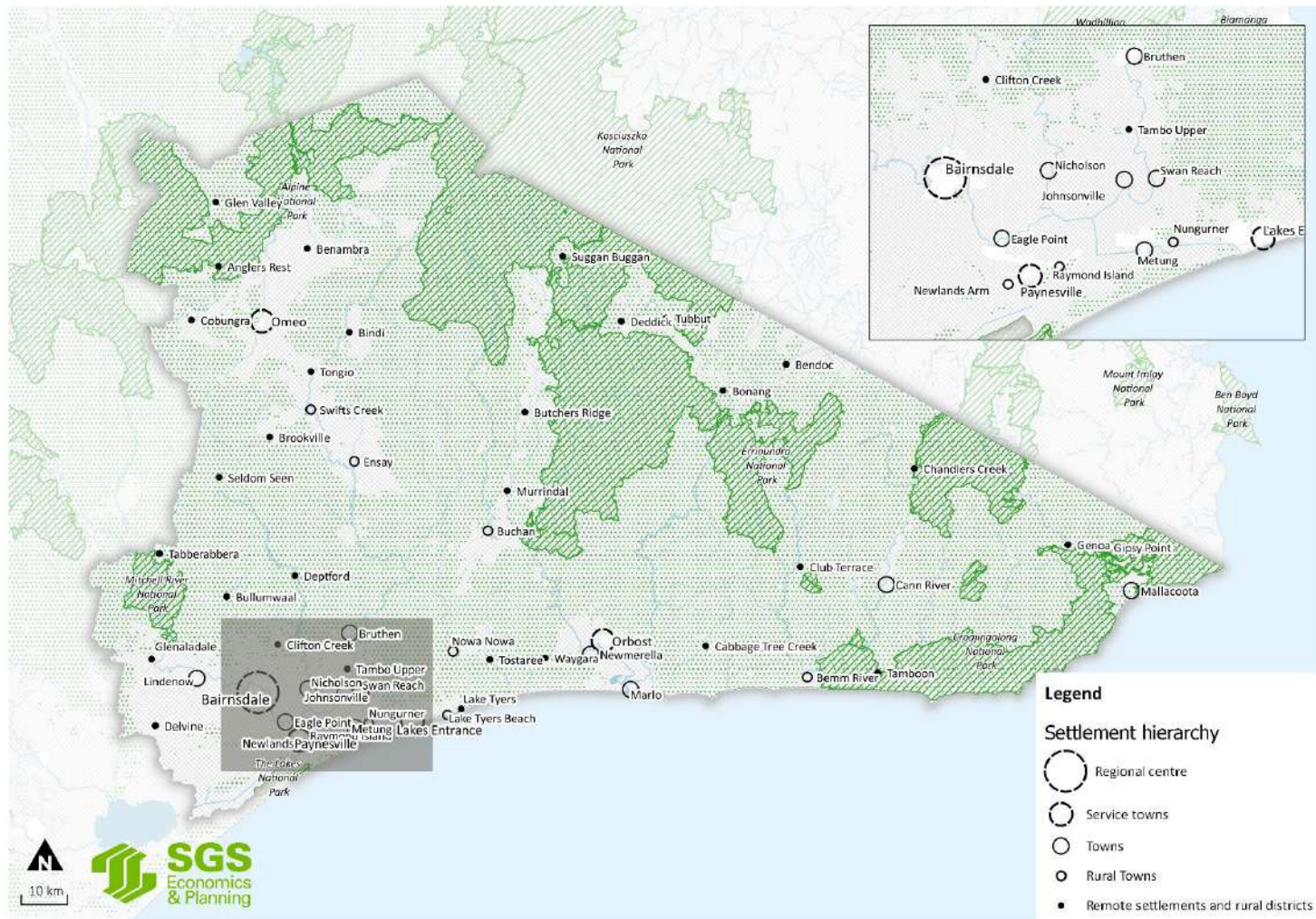
Category	Current role	Future role
<b>Regional Centre</b>  Bairnsdale (including, Eastwood, Lucknow, Wy Yung and East Bairnsdale)	<p>A large, diverse population and housing base with all essential services provided, including education, health, sport and recreation, civic functions, and interchange points for public transport. Large employment base with strong connections with surrounding settlements.</p> <p>Bairnsdale accommodates the largest number of residents in East Gippsland and provides a range of commercial activities servicing residents, workers, and visitor populations as well as the surrounding towns and settlements.</p>	<p><b>Future growth:</b> The regional centre is the primary location for future population growth and residential development.</p> <p>Growth is supported through further development of existing residentially zoned areas.</p> <p>In areas zoned General Residential Zone, change will be incremental, in the form of dual occupancies, townhouses and units. In areas of Low Density Residential Zone and Rural Living Zone growth will be minimal in the form of detached dwellings that reflect desired local character.</p> <p>There is scope for accessible locations in close proximity to the Bairnsdale Activity Centre to be investigated to accommodate substantial change (e.g. multi-level apartment residential development), subject to future structure planning in the Bairnsdale 2050 Plan and detailed built form guidance (see also Section 8.7).</p> <p><b>Development and community infrastructure:</b> Bairnsdale will be prioritised for future infrastructure provision, including infrastructure to support housing growth (roads, public transport, stormwater drainage, pedestrian and cycling connections etc.) and regionally significant community infrastructure (kindergartens, maternal child health, open space etc.).</p> <p>Council will advocate and support the extension of reticulated services in Bairnsdale to facilitate expected population growth.</p> <p><b>Zoning for residential development:</b> Demand for housing will be accommodated through:</p> <ul style="list-style-type: none"> <li>▪ Development of existing residential zoned areas and areas identified for future residential in existing adopted structure plans. This may require work to unlock the development potential of undeveloped or underdeveloped residential zoned land.</li> <li>▪ Medium density, infill development in established residential locations.</li> </ul> <p>No further rezoning of land for residential purposes is anticipated to 2041.</p> <p>Demand and supply of housing in Bairnsdale will be monitored every 5 years to ensure an adequate pipeline of residential development is maintained. In the event that additional residential land supply is required prior to 2041, investigation areas for future residential development must be consistent with the Bairnsdale 2050 Plan (currently being prepared).</p>
<b>Service Towns</b>	Moderate to large towns containing commercial centres providing a variety of housing and moderate employment base.	<p><b>Future growth:</b> Population growth and residential development is supported, subject to environmental risk (bushfire, flood etc.) constraints.</p>

Category	Current role	Future role
Lakes Entrance, Paynesville, Orbost, and Omeo	<p>Service Towns play a secondary servicing role to the Regional Centre and are provided with most reticulated services.</p> <p>Service Towns are generally popular visitor and retirement destinations.</p>	<p>These towns are identified for incremental change.</p> <p><b>Development and community infrastructure:</b> Growth in Service Towns will be supported by the provision of necessary development and community infrastructure.</p> <p><b>Zoning for residential development:</b> Rezoning for residential purposes is supported only within areas identified for future residential use in Planning Scheme policy or an existing adopted Structure Plans.</p> <p>Demand for housing is encouraged to be accommodated through medium density, infill development in established residential areas.</p>
<b>Towns</b> Eagle Point Metung Lindenow Bruthen Swan Reach Johnsonville Nicholson Newmerella Marlo Cann River Mallacoota	<p>Towns have some urban zoned land and accommodate small to moderate populations and include a local employment base. Commercial activity and community facilities are limited but provide important local services.</p> <p>Towns are partially serviced by reticulated water and sewerage infrastructure.</p>	<p><b>Future growth:</b> Incremental change will be supported within the extent of existing residential zoning in these towns through medium density, infill development in established residential areas, subject to environmental risk (bushfire, flood) constraints.</p> <p><b>Development and community infrastructure:</b> Council will collaborate with relevant agencies to provide community infrastructure in Towns based on assessment of local need.</p> <p><b>Zoning for residential development:</b> Further rezoning for residential purposes is not supported within Towns unless identified in an existing adopted Structure Plan or where Council identifies localised, compelling grounds for viable, serviced growth. Any rezoning will be subject to consideration of objective and strategically justified factors, including:</p> <ul style="list-style-type: none"> <li>▪ That demand for housing cannot otherwise be accommodated locally in any existing zoned residential area.</li> <li>▪ That the development will be fully serviced by the development proponent, and</li> <li>▪ That ongoing operational and maintenance costs of development infrastructure are acceptable to Council.</li> </ul>
<b>Rural Towns</b> Raymond Island Newlands Arm Nungurner Swifts Creek Buchan Bemm River Ensay Nowa Nowa Lake Tyers Beach	<p>Rural Towns have limited urban zoned land (generally Township Zone) and accommodate small populations. Settlements generally do not have substantial commercial activity/ centres or community facilities.</p> <p>Rural Towns generally do not have reticulated services.</p>	<p><b>Future growth:</b> Small scale population growth and housing development is supported in Rural Towns within existing residentially zoned areas.</p> <p>Minimal change via infill development in established areas will be preferred, subject to environmental values and environmental risk constraints.</p> <p>The Rural Land Use Strategy (2023) will guide development around rural towns.</p> <p><b>Development and community infrastructure:</b> Council will collaborate with relevant agencies and service providers to provide investment in community facilities in Rural Town locations based on an assessment of need.</p> <p><b>Zoning for residential development:</b> Further rezoning for residential purposes is not supported within Rural Towns unless identified in existing Planning Scheme policy or</p>

Category	Current role	Future role
		<p>where Council identifies localised, compelling grounds for viable, serviced growth. Any rezoning will be subject to consideration of objective and strategically justified factors, including:</p> <ul style="list-style-type: none"> <li>▪ That demand for housing cannot otherwise be accommodated locally in any existing zoned residential area.</li> <li>▪ That the development will be fully serviced by the development proponent, and</li> <li>▪ That ongoing operational and maintenance costs of development infrastructure are acceptable to Council.</li> </ul>
<b>Remote Settlements and Rural Districts</b> Including places such as: Club Terrace Bonang Bendoc Cabbage Tree Creek Tambo Upper	<p>Remote Settlements and Rural Districts represent areas of dispersed dwellings primarily within the Farming Zone.</p> <p>Remote Settlements include limited urban zoning, commercial activity, community facilities or reticulated services.</p>	<p><b>Future growth:</b> The Rural Land Use Strategy (2023) will guide development in and around remote settlements and rural districts.</p> <p>Dwelling development that is justified to support population retention will be considered in these locations subject to environmental values and environmental risk constraints. .</p>



FIGURE 8: PROPOSED ROLE OF TOWNS AND SETTLEMENTS



Source: SGS Economics and Planning, 2023

## 8.5 Compact towns and settlements

In response to Strategic Principle 3, this section provides Objectives and Strategies that facilitate the supply of zoned and serviced land for residential development and respond to the need to plan for infrastructure to support the liveability and wellbeing of future populations. Opportunities to support development of rural towns is also discussed below.

### Supply of residential land

Providing sufficient residential zoned land is critical for enabling housing supply and supporting a well-functioning housing market. Victorian Government policy requires councils to plan for 15 years of growth at the municipal level for this purpose.

There is enough residentially zoned land to accommodate forecast growth across East Gippsland over the next 20 years and beyond.<sup>4</sup>

Of the land that is already zoned, some is subject to an existing Structure Plan or Development Plan that guides the form and layout of future development and is currently being developed or nearing completion. Remaining capacity in these planned areas represents around 35 per cent of total future housing for East Gippsland.

Some areas face barriers to development inhibiting the delivery of housing across East Gippsland. These include:

- Suitable zoned land not being made available for development (land withholding).
- Lack of co-ordinated planning of development infrastructure to align with the preferred staging of development.
- Prohibitive up-front costs of development infrastructure (such as roads, drainage, footpaths) and unclear infrastructure delivery and funding responsibilities.
- Insufficient capacity within the development industry to deliver a diversity of housing options, with detached dwellings the overwhelming and 'risk-free' product.

Coordination between council, landholders, development industry partners, Victorian Government and infrastructure agencies is needed to identify and overcome these barriers and deliver housing supply in preferred locations for residential development.

Zoning further land is not necessarily an effective solution to meeting East Gippsland's future housing needs. While zoning more land increases the number of *theoretical* opportunities to supply housing, if these new opportunities are also difficult to deliver, this approach in effect only increases the 'reserve' of housing opportunities rather than the 'flow' of those opportunities, realised as new housing stock.

Instead, Council will focus on making the most of the existing residential land resources. This will include:

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<sup>4</sup> East Gippsland Housing and Settlement Strategy: Background Report

- The establishment of township boundaries to prevent the continued sprawl of towns and settlements, protect natural environments and reduce risk to human life from natural hazards.
- The preparation of a co-ordinated program to promote sequenced development in existing zoned areas in response to identified barriers; “unlocking” land for housing.
- Identification of preferred locations for diverse infill housing opportunities (town houses, villa units, apartments) in established town and settlement, subject to environmental risks.

It is acknowledged that there are limited resources of Council and other government agencies to provide infrastructure across multiple development fronts. To optimise the benefits of consolidating future housing growth, development should be staged, taking into consideration:

- Existing development plans or structure plans.
- Existing infrastructure servicing, and if un-serviced, ability to provide appropriate and cost-effective servicing.
- Combined potential to meet future housing demand.
- Potential to support compact and logical growth of the towns (avoid “leapfrog” development).

Given the uncertainty surrounding the longer-term impacts of the COVID-19 pandemic on population growth and dwelling demand and the success (or otherwise) of measures to encourage development, regular monitoring of dwelling demand and capacity will be undertaken. Monitoring will be conducted every five years and must inform any decision to release further land for residential purposes.

#### **Objective:**

3. Ensure sufficient suitable and available residentially zoned land to meet future dwelling demand.

#### **Strategies:**

- 3.1. Prepare a program for co-ordinated action to identify and overcome barriers to residential development across all towns and settlements in East Gippsland in collaboration with relevant stakeholders. Prioritise action for key population centres of Bairnsdale, Lakes Entrance and Paynesville.
- 3.2. Undertake ongoing monitoring of demand and capacity for housing across East Gippsland every five years.

### **Rural residential and lifestyle development**

Rural residential development refers to land in a rural setting, used and developed for dwellings that are not primarily associated with agriculture. Some agriculture may take place on the land however it will be secondary to the use of the land for a dwelling. It is likely to be carried out for ‘lifestyle’ reasons and is unlikely to provide a significant source of household income. These lots are larger than typical residential lots but are generally too small for agricultural use.

Victorian Government policy requires land proposed for rural residential development to be identified in the Rural Living Zone (RLZ). The purpose of the RLZ is to provide for residential use in a rural environment.

Lifestyle housing opportunities for dwellings on large residential lots can also be found in Low Density Residential Zoned (LDRZ) areas of East Gippsland. In areas of LDRZ where development can be serviced

by reticulated sewerage a minimum subdivision size of 2,000sqm applies. In areas that are not serviced by reticulated sewerage, a requirement of the zone is that wastewater is to be treated onsite and a minimum subdivision area of 4,000sqm applies.

With many lifestyle opportunities available in East Gippsland, rural residential and lifestyle development is a popular housing product for people seeking a tranquil lifestyle. As a result, there are significant areas of RLZ and LDRZ land already in the Planning Scheme, primarily located adjacent to existing towns and settlements and on the Princes Highway corridor between Bairnsdale and Lakes Entrance, and the Great Alpine Road between Bairnsdale and Bruthen.

Because of its primarily residential function, rural residential and lifestyle development requires access to many of the normal services and infrastructure provided in urban settlements. Typically, it also generates urban residential amenity expectations.

As discussed above, supply of residential land is considered at a shire-wide level across all land use zones that allow for residential use. Currently there is sufficient capacity across the Shire to accommodate future demand for projected population growth.<sup>5</sup>

The East Gippsland Rural Land Use Strategy 2023 (RLUS) directs rural residential and lifestyle development to the RLZ and/or LDRZ. Prior to the adoption of the RLUS, rural residential and lifestyle development had been consistently approved by Council in the Farming Zone. In this context, when planning for future supply of land for rural residential and lifestyle purposes it is necessary to understand rural residential development trends across all rural zones, including the Farming Zone.

Analysis indicates that between 2016 and 2021, 297 dwellings were constructed in rural areas (16 per cent of all dwelling constructions).<sup>6</sup> This includes dwellings in the Rural Living Zone and Farming Zone. If 16 per cent of expected future housing demand to 2041 (totalling 5,619) was to be developed in the RLZ, this would equate to total demand for 900 dwellings (45 per annum). This analysis of capacity has excluded land in the RLZ that may be subject to environmental risks (e.g. flood, fire or landslide).

Based on this analysis, there is sufficient land in these RLZ and LDRZ to meet projected demand for a further 17 years (approximately) and further rezoning of RLZ and LDRZ land is not justified or supported at this time.

It is acknowledged that rural residential and lifestyle development opportunities comprise an important element of the overall housing market in East Gippsland and, as such, it is important to plan for medium to long term demand for this product. This is particularly important given the policy direction of the Rural Land Use Strategy (Draft) which discourages rural residential development in the Farming Zone and directs these opportunities to the RLZ.

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<sup>5</sup> East Gippsland Housing and Settlement Strategy: Background Report.

<sup>6</sup> The difference in building activity estimates for rural residential development vary slightly between the Housing and Settlement Strategy and the Rural Land Use Strategy. This is due to differences in data sources used. The above estimate is taken from ABS Census data (ABS mesh blocks mapped to zoning boundaries), while the RLUS references planning permit data. Use of permit data will result in some overestimate of dwellings constructed as it does not specify occurrences of knock-down and rebuilds. In addition, not all planning permits may be actioned and result in the construction of a dwelling.

Five schedules currently apply to the RLZ in East Gippsland. These schedules allow Council to identify minimum subdivision lot sizes, as set out below:

- **Rural Living Zone – Schedule 1 (RLZ1):** Minimum subdivision area of 2 hectares.
- **Rural Living Zone – Schedule 2 (RLZ2):** Minimum subdivision area of 4 hectares.
- **Rural Living Zone – Schedule 3 (RLZ3):** Minimum subdivision area of 8 hectares.
- **Rural Living Zone – Schedule 4 (RLZ4):** Minimum subdivision area of 15 hectares.
- **Rural Living Zone – Schedule 5 (RLZ5):** Minimum subdivision area of 0.4 hectares.

When future monitoring of housing demand and capacity (refer section 8.5) identifies need for additional rural residential opportunities in the RLZ and/or LDRZ, it is considered most appropriate that this be enabled through review of minimum lot sizes in schedules to these zones, rather than rezoning of additional land. This approach will provide the following benefits:

- **Efficient use of land:** Utilising existing land resources to optimise development opportunities whilst maintaining residential amenity for existing residents.
- **Protection of agricultural land:** Protect productive agricultural land and Farmland of Strategic Significance from rural residential development.
- **Social infrastructure:** Ensuring new rural living development is in proximity and accessible to existing community facilities and services.
- **Sustainable Towns:** Protecting the potential for urban uses within townships to expand.
- **Infrastructure Needs:** Minimise the costs to Council of providing and maintaining infrastructure such as roads, drainage, waste treatment, etc.

A future review of schedules to the RLZ and LDRZ must be undertaken on a precinct basis (not individual lots) and have regard to the following factors:

- **Natural Environment:** Ensure there is no or limited impact on the natural environment such as biodiversity and habitat; water catchments and water quality.
- **Environmental Hazards:** Minimise the risk to life and property from environmental hazards such as flooding and fire.
- **Infrastructure Requirements:** Ensure appropriate infrastructure is provided to service the increased number of dwellings in these locations, including sewer (for LDRZ land), drainage, roads and intersections.

It is important to note that not all rural living and low density residential zone precincts will be appropriate for a review of the minimum lot size to increase the density of development. This will only occur in precincts where it can be demonstrated that the natural environment will not be adversely impacted; the precinct is in a low risk location regarding natural hazards; and there is access to appropriate infrastructure.



**Objective:**

4. Direct rural residential and lifestyle development opportunities to the Rural Living Zone and Low Density Residential Zone.

**Strategies:**

- 4.1. Consider rezoning of land to RLZ only after a review of RLZ schedules to accommodate additional supply of RLZ land and pending ongoing monitoring of demand and capacity. The review of RLZ schedules must address infrastructure requirements, environmental values and hazards and should consider conversion of land to LDRZ in appropriate locations.
- 4.2. Consider rezoning of land to LDRZ only after a review of LDRZ land to consider opportunities to increase supply and pending ongoing monitoring of demand and capacity. In collaboration with East Gippsland Water, the review should consider opportunities to increase supply via implementation of servicing (sewer) to facilitate subdivision of existing LDRZ land (and reduce risks associated with on-site effluent disposal). The review of LDRZ land must address infrastructure requirements, environmental values and hazards.

**Supporting rural towns and settlements**

The geographic circumstances of East Gippsland's rural communities are unique with rural towns and settlements separated by extensive tracts of National Park land. Service Towns, Towns, Rural Towns, Remote Settlements and Rural Districts are fundamental to the Shire and highly valued by their communities, East Gippsland residents and all Victorians. They provide:

- Essential housing.
- Services and employment opportunities for residents.
- Economic productivity by supporting agricultural and tourism businesses.
- Natural beauty, fresh air, food, water, materials, recreation and tourism opportunities that support health and wellbeing.

Without thriving rural towns and settlements, East Gippsland will not thrive.

The reality for rural towns and settlements in East Gippsland (and reflected across Australia) however, is that they often experience population loss. This trend is driven by a range of factors, many of which have been occurring over decades. These include:

- Shift in the economy towards creative and population-led sectors and away from traditional industries.
- Trends in agriculture resulting in fewer but larger and more efficient farms, employing less workers than in the past.
- Movement of younger populations to locations with greater employment and educational opportunities, particularly metropolitan areas and regional centres.
- An ageing population.

As population declines, rural towns and settlements are also confronted with issues of maintaining services and facilities in the face of decreasing demand. These impacts are particularly experienced in inland, smaller, and remote settlements.

In conjunction with economic and demographic changes, the potential for growth of many Service Towns, Towns, Rural Towns, Remote Settlements and Rural Districts is further constrained by environmental factors including surrounding productive agricultural land assets, conservation values and exposure to natural hazards, particularly bushfire and flood.

The range and complexity of issues and opportunities faced by rural towns and settlements is such that housing supply is only one of a suite of policy approaches available for Council to support these communities to prosper. It is therefore critical that the recommendations of this Housing and Settlement Strategy complement other relevant Council and community strategies, including:

- Settlement specific Community Plans
- Economic Development Strategy 2022-2032
- Rural Land Use Strategy 2023
- Environmental Sustainability Strategy 2022-2023

A multi-faceted policy approach will provide the best opportunity for distinctive local attributes to be recognised and leveraged to retain population, attract new residents, encourage investment, and identify and protect features that make each place unique. This approach will require the collaborative effort of residents, Council and other organisations and government agencies.

To achieve this outcome, this Housing and Settlement Strategy will provide a policy framework to facilitate evidence based, sustainable and safe housing development opportunities for rural towns and settlements. It will also link these opportunities to broader strategic objectives relating to community, environment and economy.

As each rural town and settlement is unique, it is not possible for the Housing and Settlement Strategy to provide settlement specific recommendations for future housing development. It is therefore recommended that high level policy direction to guide housing development in rural towns and settlements is complemented by the future preparation of localised Structure Plans.

#### *What is a Structure Plan?*

A Structure Plan provides a long term, integrated framework for how land is to be used and what development is required within a town. In simple terms, what does a town need, why is it required and where can it go?

It provides guidance to the community, Council, business and the development industry about future directions and opportunities for change. It guides public and private sector actions for changes in land use and built form, movement networks and public spaces. Actions are designed to achieve economic, social, and environmental objectives in line with a shared vision for a town. A Structure Plan also comprises a review of the existing planning controls covering a town and, in some cases, adjoining land outside the settlement boundary.

Given the number and variety of rural towns and settlements in East Gippsland, it will not be possible to prepare Structure Plans for every town in the short term. Preparation of Structure Plans will therefore be prioritised for locations that:

- Do not have an existing up-to-date Structure Plan.



- Have reticulated services.
- Are expected to face specific challenges in accommodating future housing demand.

Whilst Structure Plans provide a long-term planning policy approach where the use or development of land may need to change, there are ongoing opportunities for Council to work with communities, landowners, and developers to:

- Facilitate appropriate, sustainable, and safe development outcomes within the existing planning controls for a town or settlement.
- Implement local economic and community development initiatives that promote place activation, residential attraction, and investment.

For example, where land within a rural town or settlement has an existing planning zone which may allow housing development (e.g., Township Zone), Council is available to work with the landowner or developer to identify appropriate development opportunities. This process must be in accordance with the policy direction of the East Gippsland Planning Scheme.

#### *Housing development in and around rural settlements*

Opportunities to support remote rural towns and settlements were also identified as part of the preparation of the East Gippsland Rural Land Use Strategy 2023 (RLUS).

The RLUS seeks to protect agricultural land for farming activities by strongly discouraging housing development in the Farming Zone unless it is genuinely required to support a commercial farming activity. However, some exceptional circumstances are identified that allow housing development to occur, including where:

- The land is within reasonable proximity to a remote rural settlement that is more than 50km from Bairnsdale, Lakes Entrance or Orbost and it can be demonstrated that the construction of a dwelling will support the long-term viability of the settlement.

#### **Objective:**

5. Support Service Towns, Towns, Rural Towns, Remote Settlements and Rural Districts to thrive.

#### **Strategies:**

- 5.1 Prioritise the preparation and/or review of local structure plans, aligning with existing Community Plans where relevant. Structure Plan preparation is to include investigation of opportunities for residential development on existing urban zoned land.
- 5.2 Collaborate with local communities to:
  - Identify and implement community and local economic development initiatives that promote place activation, retain/attract residents, and encourage investment.
  - Provide advice on the planning process to subdivide and/or develop land for residential purposes within existing urban zones.
- 5.3 Consistent with the Rural Land Use Strategy (2023), provide for residential development in the Farming Zone within or adjacent to remote small settlements where it is justified to support the long term viability of a settlement subject to consideration of hazards, particularly bushfire, environmental constraints, and accessibility.

## Infrastructure to support growth

Community and development infrastructure is needed to support the ongoing liveability of our settlements as the population increases, as well as to facilitate residential development. These assets include infrastructure that support growth, development and economic productivity (such as roads, intersections, shared paths, bridges, drains) and infrastructure to support community health and wellbeing (such as schools, childcare, Maternal Child Health facilities, community halls and parks and gardens).

East Gippsland is home to a diverse range of towns and settlements that are dispersed across the municipality. As set out in section 8.4, towns and settlements have different roles, with infrastructure and services being delivered in a manner that is commensurate with the role of each town. Generally, higher order services and infrastructure are provided in the larger population settlements. As the population grows and the role of settlements evolve, it is important to ensure that services and infrastructure keep pace with the change. Where it is not feasible to provide infrastructure or services in a certain town or settlement, it is necessary to ensure that appropriate access is provided to services and infrastructure in higher order settlements. The provision of infrastructure and services in regional locations across Victoria is challenging, particularly in more remote locations. To address this matter, Council works collaboratively with developers, other Victorian Government departments and agencies and private sector organisations to plan, deliver and maintain East Gippsland's diverse infrastructure base.

There are a range of factors that require consideration in planning future infrastructure and services:

- **Unlocking the development potential of residentially zoned areas:** Development of existing residentially zoned areas may be hampered by inadequate or unplanned development infrastructure. Prioritising infrastructure investment in currently constrained locations in accordance with preferred patterns of growth may assist in delivering housing supply. Investment in infrastructure should be prioritised in a logical and sequential manner to ensure that it supports efficient and cost effective growth opportunities for settlements and associated residential development.
- **Managing development across East Gippsland's towns and settlements:** The diversity of towns and settlements attracts many new residents. However, this dispersed settlement pattern and multiple locations of residential growth and development presents challenges for Council in coordinating the efficient and cost-effective delivery of infrastructure.
- **A growing and changing population:** Continuing population growth will place pressure on existing public amenities (for example, pools, ovals, open spaces, and sport courts) and require ongoing consideration of service capacity and maintenance. Population growth and ageing will necessitate expansion of education and aged care facilities. A diversifying community (for example in terms of ethnicity, English proficiency, employment status and occupation) will influence participation and utilisation trends.
- **Responding to the impacts of climate change:** The lifespan of infrastructure assets is likely to be shorter than planned, and maintenance costs will increase significantly due to the impacts of climate change. Climate change will mean that repairs and upgrades are needed more frequently and that materials used in construction will deteriorate more quickly.
- **Seasonal population fluctuations:** East Gippsland's popularity as a holiday and recreation destination results in large, seasonal fluctuations in the population. There are challenges for local

government where the local rate base is small, while the infrastructure and service demand of part-time and peak populations is high.

The following high-level principles could be used to guide the infrastructure planning.

- Take a strategic, whole-of-organisation approach to infrastructure planning and delivery based on identified existing and future need.
- Community facilities and infrastructure not owned by Council should be considered when analysing community needs.
- Design, cost and construct infrastructure considering sustainability outcomes and the impacts of climate change.
- Adopt a people-first approach to ensure infrastructure projects focus on connecting people with each other and to services, facilities and experiences to enhance their overall health and wellbeing.
- Ensure infrastructure responds to and is integrated with the surrounding area.
- Implement design processes that promote innovative and adaptable infrastructure solutions.
- Advocate for prioritised investment in road and public transport that connects towns with limited access to services and facilities to Bairnsdale and other Service Towns.

To ensure infrastructure is provided and maintained in a manner that is targeted and efficient, a process will be required to align development and community infrastructure and funding with proposed residential growth opportunities. This plan will align with the outcomes of Strategy 2.1.

This process should follow best practice in the integration of transport and land use planning, including reference to the Commonwealth Government's Australian Transport Assessment and Planning guidelines, the Transport Integration Act 2010 and the Victorian Government's Movement and Place planning framework.

The process will also outline funding pathways for infrastructure delivery including consideration of development contributions mechanisms, including Development Contributions Plans and Victorian Government and Federal Government grant opportunities.

**Objective:**

6. Align development and community infrastructure to support growth.

**Strategies:**

- 6.1 Prepare a hierarchy of infrastructure and service provision based on the role of towns and settlements and an associated process for alignment of development and community infrastructure investment with residential growth.
- 6.2 Strengthen planning policy statements to address infrastructure gaps identified as part of the assessment of planning permit applications. This includes, but is not limited to, the provision of footpath links, road infrastructure (e.g., intersections) and improvements to the public realm.

## **8.6 Affordability, diversity, and innovation**

In response to Strategic Principle 4, this section addresses need for social and affordable housing, housing diversity, infill development in established residential areas, and the impact of short-term accommodation.

### **Social and affordable housing**

Rapidly rising house prices and rents are contributing to a growing number of households and families in East Gippsland experiencing housing stress. It is not solely Council's responsibility to address the need for social and affordable housing; responsibility should be shared across all levels of government.

Council can contribute to increasing the supply of social and affordable housing in several ways, which can be broadly grouped into "three tiers" of influence. Each tier is distinguished by the relative level of direct involvement and investment by Council. These include:

#### **Tier 1: Facilitating efficient housing markets.**

Running an efficient planning and development control system so that the supply side of the housing market can respond as smoothly as possible to local demand. Tier 1 initiatives are primarily geared towards delivering improved housing diversity and overall affordability, rather than direct provision of social and affordable housing. Other objectives and strategies contained in this H&SS address Tier 1 considerations.

#### **Tier 2: Facilitating social and affordable housing supply.**

Direct policy efforts to facilitate local social and affordable housing supply. This occurs, for example, by brokering partnership deals between local providers and community-based groups or seeking to attract social and affordable housing provision by others. However, Councils regulatory powers are limited to requesting voluntary contributions from developers through planning permit conditions or the rezoning of land. Activity under this tier sees Council taking a strong advocacy position in favour of social and affordable housing backed by a well-articulated policy and strategy (such as that contained in this report). The strategies outlined below primarily relate to this tier.

#### **Tier 3: Investing in affordable housing.**

Council itself becomes a direct agent of social and affordable housing supply, investing ratepayer funds and other assets (including land) to deliver affordable housing. Tier 3 strategies are not addressed in this H&SS.

## Policy levers

In executing action across the tiers defined above, Council can consider the following policy levers:

Regulation	Partnership	Advocacy
The 'regulation' group of interventions includes various mechanisms available to Council under the Planning and Environment Act 1987. For the purposes of this document, this includes planning system measures to facilitate efficient housing markets and enabling instruments to facilitate development contributions for affordable housing via inclusionary zoning and value capture.	The 'partnership' group of interventions includes strategies where Council would work with private or community sector proponents to help them achieve affordable and social housing outcomes. Examples include brokerage of partnerships between corporate developers and registered community housing providers where the former are self-motivated to include affordable housing in their projects. Council also has a role to play in providing useful information on the Community Housing Sector to developers and interested parties.	The 'advocacy' group of interventions would see Council advocate for the introduction of mandatory inclusionary zoning and the delivery of 2,256 new social housing dwellings. Council has an opportunity to partner with like-minded Councils to collectively develop and voice its views.

## Objective:

7. Increase the supply of social and affordable housing.

## Strategies:

Options suitable for increasing supply of social and affordable housing in East Gippsland Shire across each of the policy levers are set out in Table 5.

**TABLE 5: STRATEGIES TO INCREASE SUPPLY OF SOCIAL AND AFFORDABLE HOUSING**

Lever	Strategy	Description
Advocate	7.1 Advocate for Victorian Government implementation of a broad-based social and affordable housing contributions levy.	Council will advocate to Victorian Government for the introduction of the Social and Affordable Housing Contributions Levy. This could be undertaken directly or through collective action with other like-minded councils.
	7.2 Advocate for continued, direct Victorian Government investment in affordable housing in East Gippsland.	Council will advocate to Victorian Government for direct investment in public and social housing in East Gippsland, with a focus on locations that experience high levels of disadvantage.
Regulate	7.3 Strengthen Planning Scheme policy statements about the	Update the Planning Scheme to include policy statements based on the evidence presented in

	need for affordable housing to support the development of proposals that demonstrate genuine and achievable affordable housing outcomes.	this report, which highlight the need for social and affordable housing to be provided alongside conventional dwelling stock into the future. This will be encouraged to address the current and forecast shortfalls identified.
Partner	7.4 Adopt a relationship building approach with relevant stakeholders to understand the importance of social and affordable housing and the requirements to meet future needs.	Engage with the Community Housing Sector and provide a single point of contact at Council for enquiries.
	7.5 Consistent with the Victorian Aboriginal Housing and Homelessness Framework (2020), collaborate with Traditional Owner groups and relevant Aboriginal service providers to support the development of affordable and culturally appropriate accommodation and housing for the Aboriginal community.	Engage with the Aboriginal Housing service providers and provide a single point of contact for enquiries.

## Diverse housing

Encouraging the provision of diverse housing products is important to ensure choice in the housing market. Greater choice assists households to meet their needs as they move through the many stages of life, including providing housing of different sizes, tenures (rental housing or home ownership), price points, and in a variety of locations. Benefits of increasing housing diversity include:

- **Supporting local business and workers:** Providing a variety of affordable housing options including those targeted towards key local workers can assist in attracting new residents and provide local businesses access to a labour pool with a greater diversity of skills.
- **Allowing people to live in their communities for longer:** People's housing needs change as they age. Ensuring that a diversity of housing is available across the affordability spectrum allows individuals and households to find appropriate housing and enables them to stay in their communities for longer.
- **Enhance the reputation of East Gippsland as a diverse and inclusive place:** Diverse housing supports a diverse population. Places that maintain a reputation for diversity, multi-culturalism and tolerance are highly competitive in attracting business investment, managerial staff, and knowledge workers, as well as tourism.

- **Helping to reduce the experience of disadvantage:** Providing affordable accommodation options within the private housing market can relieve stress and provide greater housing stability for those experiencing disadvantage.

Council supports innovative and diverse forms of housing throughout the settlements of East Gippsland and seeks to ensure new dwellings contribute to the preferred existing and future character of local places (refer section 8.7).

This Strategy addresses the following types of diverse housing in this section:

- Medium density infill housing (for example, shop top housing, apartments, town houses and villa units).
- Residential aged care.
- Retirement villages.
- Tiny houses.
- Residential villages.
- Dependent person's units and secondary dwellings.

Each of these diverse housing forms is described in further detail below. Discussion is also provided on how Council can influence the supply and ensure the quality design and amenity of each.

### **Medium density housing / infill housing**

Infill development in established residential areas is strongly supported by Council for its potential to deliver additional and diverse housing options and make efficient use of urban land and local infrastructure networks. Infill housing generally comprises housing types that are 'medium density' and includes apartments, shop top housing, units, dual occupancies and townhouses. These housing types provide greater housing choices for the community and will be increasingly sought after as household sizes get smaller and the population ages.

#### *What is Infill Housing?*

Infill housing is additional housing built on vacant or underutilised land within an existing town or settlement. Infill housing development is critical to accommodate growth and redesigning our towns and settlements to be environmentally and socially sustainable. Infill housing contributes to the following benefits:

1. the provision of additional housing to meet growing demand.
2. greater diversity of housing types, making better provision for different housing needs, affordability, stages of life and lifestyle choices.
3. the concentration of people in areas with better access to services, transport, and jobs
4. more efficient use of infrastructure and amenities.
5. protection of areas of agricultural and environmental significance.

Victorian Government policy aims to deliver 70 per cent of new homes in established urban areas across Victoria. To shape this growth, Victorian Government planning guidelines (see section 3.1) reference the opportunity for development of different housing types within 'change' areas. Change areas are broadly defined as:

- **Substantial change:** Areas where higher density housing in the form of multi-level residential development such as low scale apartments, shop top units and townhouses.
- **Incremental change:** Areas where medium density housing in the form of townhouses, units, shop top units and dual occupancies that enhance local character are the desired outcome.
- **Minimal change:** Areas where detached dwellings and dual occupancies that protect and enhance local character and environmental values are the desired outcome.

The identification of preferred change areas for infill housing in East Gippsland will assist in clarifying housing outcomes for the community, developers and industry partners, and government agencies.

#### *Substantial Change Areas:*

Substantial change residential areas are characterised by higher density infill housing in locations that have excellent access to a wide range of services including employment, active and passive recreation, commercial, community facilities and public transport. In the East Gippsland context, these facilities and services are generally only found in the regional centre of Bairnsdale.

Higher density infill housing is therefore strongly supported in residential locations within 400 metres walking distance of the central activity area of Bairnsdale (typically defined as the area where the Commercial 1 Zone is applied). These locations are also strongly encouraged for provision of social and affordable housing.

#### *Incremental Change Areas:*

Medium density infill housing is appropriate within existing General Residential, Township and Mixed Use Zoned land. These zones are already in place within townships of East Gippsland that have access to a range of commercial and community facilities and services. The General Residential, Township and Mixed Use Zones all facilitate incremental change areas (as defined in the Victorian Government's Planning Practice Note 91 – Using the residential zones). Incremental growth through medium density infill housing (such as dual occupancies, units and townhouses) will continue to be supported in the established General Residential, Township and Mixed Use Zoned areas of Bairnsdale, and relevant Service Towns, Towns and Rural Towns as listed in Table 4, which:

- Are located within 800 metres walking distance of the Bairnsdale regional activity centre or 400 metres walking distance of existing or planned Neighbourhood Activity Centres and Local Activity Centres.
- Can appropriately manage risks associated with natural hazards such as bushfire, flood or landslip.
- Do not adversely affect established environmental values.
- Have access to appropriate reticulated services.
- Enhance streetscape character including the provision of adequate space for landscaped front gardens and separation between buildings.

Infill medium density residential development may also be possible in established residential areas beyond defined activity centre catchments. The potential density of development in these locations, however, will be lower than in more accessible locations in proximity to activity centres.

#### *Minimal Change Areas:*



Not all towns and settlements in East Gippsland are appropriate to accommodate an increased density of residential development. This includes locations that:

- Are affected by existing environmental risks such as bushfire, flood or landslip or future risks associated with the changing climate.
- Have established environmental or landscape values.
- Have established heritage values.
- Do not have access to appropriate infrastructure such as road access or reticulated services.

Established residential locations that have attributes that are not compatible with an increased density of residential development will therefore be considered as minimal change areas. In general, the construction of single dwellings in accordance with the provisions of planning scheme zone and overlay controls will be supported in minimal change areas.

Policy support for infill housing will require the preparation of detailed design guidance and planning provisions to ensure this type of development provides high quality design and a high level of amenity for existing and future residents. Neighbourhood character assessments are also required as part of future township specific structure planning work; and the Bairnsdale 2050 project. This future work will spatially define the preferred areas in which infill housing will be supported.

Following the preparation of design guidelines and township specific structure plans, there may be scope for highly accessible parts of Bairnsdale, Paynesville and Lakes Entrance to be designated as substantial change areas that accommodate higher density forms of development.

### **Residential aged care**

Population projections for East Gippsland show that there is expected to be an increase in the number of people at or approaching retirement age, in line with broader national trends. Along with medium density infill housing (discussed above) aged care facilities provide important housing options for people as they age, offering lower maintenance living, additional social opportunities, and greater access to health care.

Council is not responsible for the provision of aged care accommodation as this is largely the responsibility of the Federal Government (with support from Victorian Government and private partners). Nevertheless, Council can advocate for, investigate, and actively pursue opportunities for aged care facilities across East Gippsland. This can be done by identifying well serviced, suitable locations for new developments. These types of residences are encouraged in areas with good access to existing public transport, services and facilities.

### **Retirement villages**

Retirement villages share some features with residential aged care but are State rather than federally regulated and do not offer the high level of physical care of aged care facilities. They typically provide accommodation for residents 55 years or older (or who are generally retired from full-time employment). Retirement villages offer a combination of a high degree of independence for residents but with the availability of social interaction and activities, maintenance, and health services.

Opportunities for Council to support the location of retirement villages in East Gippsland include ensuring new developments provide a diversity of lot sizes that support retirement villages within walking distance to community facilities, services and public transport.

### Tiny houses (standalone or on wheels)

In Victoria, there is no specific definition of a "tiny home" in legislation. However, the term is generally used to refer to a small dwelling that is self-contained and designed for full-time living. Tiny homes can be built on a trailer (tiny home on wheels or THOWs) or on a permanent foundation and may be either attached or detached from other structures.

Tiny homes on wheels are regulated as manufactured homes and are not permitted for use as permanent or primary dwellings. This means that they are not subject to the same planning and building regulations as standalone tiny homes and must adhere to a different set of regulatory requirements under the *Manufactured Homes (Residential Parks) Act 2003*, and the Australian Design Rules.

Standalone tiny homes, as previously mentioned, are subject to the same planning and building regulations as any other dwelling in Victoria, depending on whether they are classified as houses or units.

Tiny houses can be relatively low-cost, flexible in their design and location, and quick to build. For these reasons, tiny houses are often considered as a potential option to provide housing for low-income households or supporting those experiencing homelessness in their transition into long-term sustainable housing.

However, tiny houses should not be seen as complete solution to the sustained challenges of housing affordability and homelessness across East Gippsland, because:

- Tiny housing projects are unlikely to be scaled to have a genuine impact on housing affordability.
- Support services are needed in addition to shelter, and
- Standards may be lower than other dwellings.

Additional considerations include:

- Comparing the cost, quality and durability of a tiny house as compared to a permanent home,
- Efficiency of land use and availability of vacant land.
- Tenant management (incl. security, allocation process, services etc.) where tiny homes are used as social housing, and
- Issues around building and planning approvals that are yet to be regulated.

The portable aspect of tiny houses provides opportunities for using vacant/unused land across East Gippsland, but because of this, its most likely use is as a temporary housing option. Other models to achieve housing diversity and long-term secure social and affordable housing are more appropriate.

## Residential villages

Residential villages are multi-dwelling developments in one ownership, used to provide permanent accommodation and including some communal facilities. In some residential villages the dwellings are largely or wholly within movable buildings.

Movable dwellings in caravan parks are exempt from the Building Act 1993 except for Part 12A – Plumbing work. Building permits are therefore not required for such movable dwellings, with manufacturers self-certifying compliance with the standards. Council is the enforcement authority for the regulations.

Residential villages can contribute to:

- **Diversity of tenure:** the retention in a single ownership preserves the stock as rental stock, which is important given a shortage of rental accommodation in East Gippsland (and the community more broadly).
- **Diversity of housing type:** the use of smaller and / or moveable dwellings can provide an alternative to traditional detached housing suited to larger households.
- **Lower cost housing:** this housing is generally more affordable than traditional housing stock.
- **Supported accommodation:** the presence of some communal services can provide valuable support for residents. This can make the accommodation attractive for older people, those living alone or without extensive support networks, and other vulnerable groups.

Appropriately designed and managed residential villages can therefore play an important role in contributing to housing affordability and diversity.

However, there are several challenges associated with residential villages relating to treatment of residents and quality of management; insecurity of tenure; concentration of elderly or vulnerable residents in locations disconnected from essential services; and poor construction standards and environmental performance.

## Dependant Persons Units and Secondary dwellings

Dependent Person's Units (DPUs) and secondary dwellings are like dwellings in residential parks or tiny houses but are located on an existing residential lot. They are a formal category of dwelling and must be compliant with Planning Scheme requirements and the Building Code.

The benefits of secondary dwellings are like the alternative housing forms discussed above. In addition, secondary dwellings allow for increased densities in well-served areas and can support intergenerational living and family care arrangements.

In Victoria, certain conditions are attached to DPUs. They must be movable; tenants must be a dependent of the resident of the main dwelling, and the unit must be temporary (as they are to be removed once the dependent is no longer living in the DPU).

A streamlined process of allowing small, secondary dwellings to be built on the same lot as a principal dwelling was trialled with four councils in Victoria from August 2020 to March 2021. The idea behind the secondary dwelling concept is to be a less restrictive middle ground between DPUs and the development of two or more dwellings on a lot. Unlike DPUs, there is no restriction to who can live in a secondary dwelling and there is no requirement for the dwelling to be removed if the resident vacates.

*Victoria's Housing Statement* released in September 2023 by the Victorian Government announced that secondary dwelling units will no longer require a planning permit subject to certain conditions, including that they must be less than 60 square metres in size. Council can support the delivery of compact and less costly housing through the promotion of DPU's where suitable.

**Objective:**

8. Increase housing diversity to meet the needs of people of all ages and lifestyles.

**Strategies:**

- 8.1. Develop built form and design guidelines for infill housing projects (for example, to address lot sizes, preferred building design, car parking, waste management, integration with public spaces and character) and engage with the development sector to encourage high quality design and development outcomes.

- 8.2. Subject to the preparation of built form and design guidelines for infill housing development (see Strategy 8.1), encourage medium density, infill housing in the following locations:

- Existing General Residential and Mixed Use zoned areas suitable for **substantial change** (e.g. apartments, shop top housing or townhouses) within 400m walking distance of the Bairnsdale Activity Centre (defined as the Commercial 1 Zone area).
- Existing General Residential Zone, Township Zone and Mixed Use Zone areas suitable for **incremental change** (e.g. units and townhouses) within:
  - 800m walking distance of the Bairnsdale Activity Centre
  - 400m of walking distance of existing or planned neighbourhood activity centres or local activity centres in Bairnsdale, Service Towns, Towns and Rural Towns (as listed in table 4).

These locations are also encouraged for the provision of social and affordable housing.

- 8.3. Support infill housing types in established residential areas **only** where the proposed development:

- Appropriately manages risks associated with natural hazards such as bushfire, flood or landslip.
- Does not adversely affect established environmental values.
- Has access to appropriate reticulated services.
- Enhances streetscape character including the provision of adequate space for landscaping and separation between buildings.

- 8.4. Support lower density infill housing types (e.g. dual occupancies and units) in residential areas outside those described in Strategy 8.2.

- 8.5. Support residential aged care and retirement villages in Bairnsdale, Service Towns and other locations with easy access to transport, shops and services.

- 8.6. Ensure new large lot yield subdivisions include lot size diversity that makes provision for medium density housing, retirement villages and residential aged care with easy access to transport, shops and services.

- 8.7. Advocate to the Victorian Government for stronger legislative and planning policy guidance for the provision of compact, affordable homes such as residential villages, tiny homes and secondary dwellings.

8.8. Advocate to the Victorian Government to increase investment in community and development infrastructure associated with population growth and diverse housing provision for the East Gippsland community.

### **Short term rental accommodation and holiday homes**

One facet of the complex issue of housing affordability is the impact of short-term rental accommodation (STR) and permanent holiday homes on the long-term rental market. While STR and holiday houses deliver many benefits for owners and the local economy, they can also have a significant impact on the housing market, including:

- Disrupting the housing market through the reduction of long term rentals
- Unregulated competition with traditional tourism accommodation industries (e.g., hotels, hostels).
- Inflating property values.
- Anti-social behaviour, noise disturbance, transient communities, and “touristification” of areas.

The negative impact of STR and holidays homes on rental markets in regional areas has been exacerbated by the population shifts during the COVID-19 pandemic, enabled by the move to work from home and hybrid work. In East Gippsland, rents have increased significantly, culminating in a lack of suitable, affordable rental accommodation. Rental cost increases have been highest in popular tourist locations where demand for STR and holiday homes are greatest.

The Victorian Government has announced a levy on short stay accommodation platforms. The Short Stay Levy will be set at 7.5 per cent of the short stay accommodation platforms’ revenue. Revenue raised from the levy to be directed to Homes Victoria, supporting their work building and maintaining social and affordable housing across the state, with 25 per cent of funds to be invested in regional Victoria.

## **8.7 Character of towns and settlements**

In response to Strategic Principle 5, this section outlines what ‘character’ means and identifies strategies for protecting and enhancing the valued character of East Gippsland.

The character of East Gippsland’s built and natural environment varies across the municipality. Across Victoria, the term ‘neighbourhood character’ (also relevant to town and settlement character) means the cumulative impact of property, public space, infrastructure, and environmental values, whether great or small, on the look and feel of a place.

The interplay between different features forms the basis of a place’s unique character. Those features may include:

- Topography (flat, undulating, hilly, physical features like river valleys etc.)
- Environmental qualities
- Range of house types
- Built form (buildings: height, size, setbacks, roof form, heritage, site coverage and space around houses)

- Extent of rear gardens and private open spaces
- Landscaping and vegetation (size, type, native/non-native, or a mix)
- Size and spacing of lots
- Street widths and patterns (a grid layout, court bowls)
- Fencing (style and height).

Documenting neighbourhood character helps to understand built form challenges and opportunities within the municipality. It is important to have a reference for the feel of a place, influenced by its buildings and street networks, to make sure that new development in the Shire feels like it belongs, reflecting local values and features.

Further work is required to identify and document the existing and preferred future character of towns and settlements to ensure that new housing development makes a positive contribution. This work will be undertaken in the process of preparing Structure Plans as identified in section 8.5.

Community feedback has emphasised the importance of environmental values in contributing to the character of East Gippsland's towns and settlements. Victorian Government and local planning policy includes strong objectives for the protection of environmentally sensitive areas and landscapes. These policies are included in several clauses of the East Gippsland Planning Scheme and seek to ensure the protection, enhancement and integration of environmental significance in planning for urban development, including in the preparation of local Structure Plans.

Council's Environmental Sustainability Strategy (2022-2032) and a recent review of the East Gippsland Planning Scheme (2022) also identify further strategic work to review and update mapping of areas of biodiversity significance. Once complete, this important strategic work will strengthen policy direction regarding the protection of East Gippsland's environmental values.

**Objective:**

9. Enhance the character and environmental values of East Gippsland's towns and settlements.

**Strategies:**

- 9.1. As part of the preparation and/or review of local structure plans, identify preferred future character and environmental values of towns and settlements aligning with existing Community Plans where relevant.
- 9.2. Continue to enhance neighbourhood character in response to the identified preferred future character of towns as part of the assessment of planning permit applications.

## 8.8 Sustainable towns and settlements

In response to Strategic Principle 6, this section outlines objectives and strategies to improve how environmental sustainability is incorporated into the planning and design of the built environment. This includes the need to better manage increasing pressures on natural resources, higher levels of population growth, and the effects of climate change.

Environmentally Sustainable Design (ESD) aims to achieve this. There are several definitions of ESD including: “development that meets present needs without compromising future needs”<sup>7</sup>, and “development that improves the total quality of life, both now and in the future, in a way that maintains the ecological processes on which life depends”.<sup>8</sup>

Existing State ESD policies are insufficient to address existing and future planning and environmental challenges. Gaps in the response to ESD within the Victoria Planning Provisions were recognised by an Advisory Committee appointed in 2013.

The Victorian Government’s *Environmentally Sustainable Development of Buildings and Subdivision: A roadmap for Victoria’s planning system* (2020) presents an approach to improving the environmental sustainability of new buildings, introducing specific ESD policies in two stages:

- Stage One involves updates to the Planning Policy Framework (PPF) to facilitate the Victorian Government’s broader policy objectives for supporting ESD. This stage has been completed.
- Stage Two is arguably the more significant part of the process and will focus on development of new ESD objectives and standards in the Planning Provisions to give effect to the strategies set out in planning policy. This stage will involve broad public and stakeholder consultation on the detailed provisions. This stage has not yet commenced.

In July 2022, 24 Victorian councils, supported by the Council Alliance for a Sustainable Built Environment (CASBE) and the Municipal Association of Victoria (MAV), submitted a proposed amendment to multiple planning schemes that builds on the existing local ESD policies held by numerous Victorian councils and seeks revised and elevated ESD targets for new development, including targets for zero carbon development.

The goal of the project is to better protect the natural environment, reduce resource and energy consumption, and support the health and wellbeing of future occupants. Under the proposed changes, new developments would:

- Produce net zero carbon emissions.
- Reduce household bills by making buildings more energy efficient.
- Provide a healthier and more comfortable environment for building occupants.
- Better manage water quality, use and collection.
- Protect and enhance greening and biodiversity.
- Be more resilient to changing climate impacts.

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<sup>7</sup> 1987 UN Bruntland Commission

<sup>8</sup> Section 4(1) of the Victorian Commissioner for Environmental Sustainability Act 2003 (CES Act)

The amendment is currently being considered by the Victorian Government, with the final determination presenting an important opportunity for development of local ESD policies for all councils in Victoria.

**Objectives:**

10. Encourage new development to be environmentally sustainable.

**Strategies**

- 10.1. Advocate to the Victorian Government for the continued strengthening of Environmentally Sustainable Development policy in the Planning Policy Framework.
- 10.2. Prepare a local Environmentally Sustainable Development policy for implementation into the East Gippsland Planning Scheme.



## Part E: Implementation Plan

## 9. Implementation plan

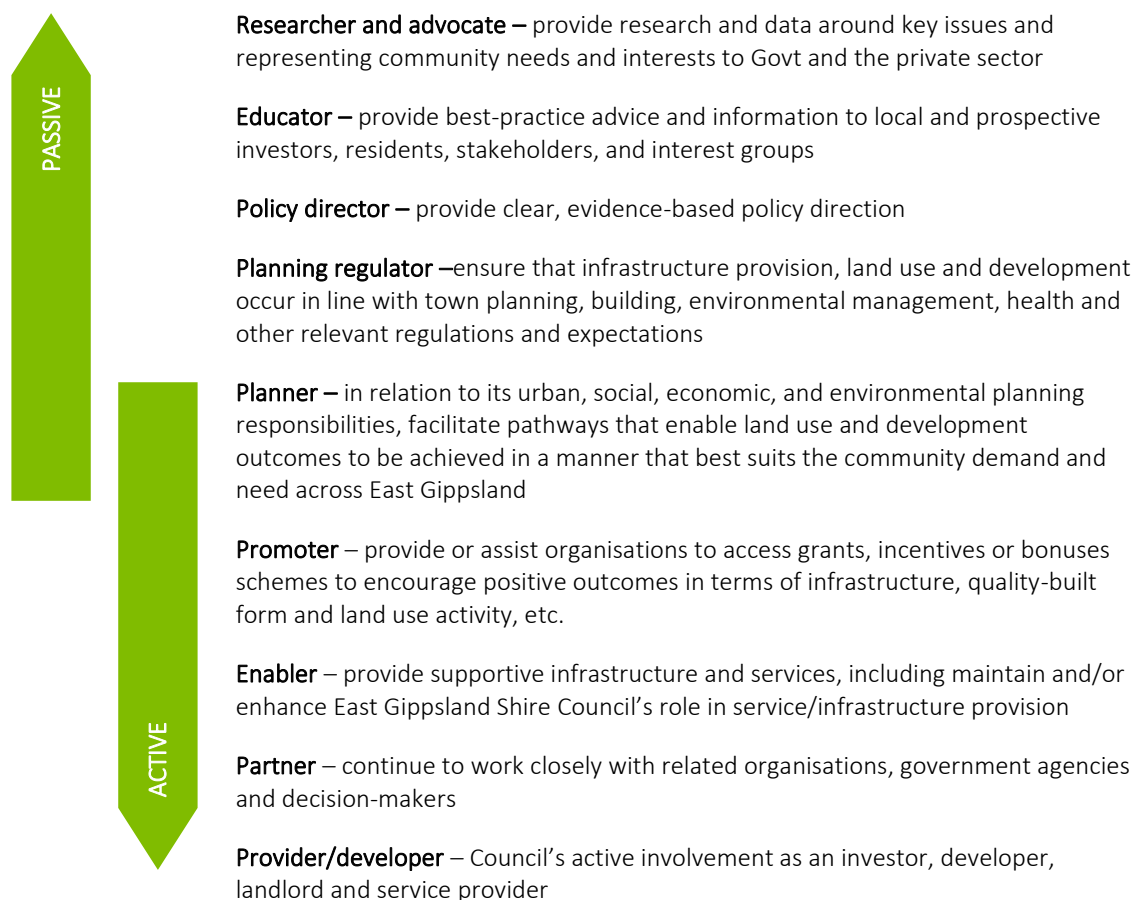
This section presents a consolidated implementation plan to realise the objectives and strategies of the East Gippsland Housing and Settlement Strategy. For each strategy, the implementation schedule highlights Council's role and likely timing for action.

### 9.1 Approach to implementation

Each of the proposed objectives and strategies in the Housing and Settlement Strategy will be supported by implementation actions, many of which will relate to updates to the East Gippsland Planning Scheme.

While the Planning Scheme is an important tool in guiding growth and change in East Gippsland, Council also has several other roles and levers in influencing land use and development outcomes. These are overviewed in Figure 9.

FIGURE 9: COUNCIL'S ROLE



The Implementation Plan will make clear Council's role and influence in implementing actions, identify partner organisations, nominate priorities, and indicate timing.

## **9.2 Partner organisations**

Some actions identified in this Strategy may involve participation and collaboration with state, regional and local organisations to enable their realisation. These include but are not limited to the agencies listed below.

- Gunaikurnai Land and Waters Aboriginal Corporation
- Department of Transport and Planning
- Department of Energy, Environment and Climate Action
- Regional Development Victoria
- Environmental Protection Authority Victoria
- Department of Transport
- Department of Health
- Department of Families, Fairness and Housing
- East Gippsland Catchment Management Authority
- East Gippsland Water
- Gippsland and East Gippsland Aboriginal Co-operative Ltd
- Various East Gippsland Shire Council departments

### 9.3 Implementation plan

**TABLE 6: IMPLEMENTATION PLAN - OVERARCHING**

Strategic Principle 1: Development in areas of environmental and landscape significance and at risk of natural hazards will be managed to preserve natural resources and protect human life.			
Objective	Strategy	Implementation Action	Timing
1. Ensure the protection of human life and environmental values are prioritised in planning for settlements and housing in East Gippsland.	1.1. Ensure the identification and protection of environmental values as part of the assessment of planning scheme amendments, development plans and planning permit applications for residential development	Ongoing as part of planning application assessments and strategic planning and informed by the use of available and credible spatial data (e.g. NaturePrint from DEECA) where relevant.	Ongoing
	1.2. Advocate to the Victorian Government for an agreed methodology for municipal-wide bushfire assessment to inform strategic land use planning.	Include as an advocacy item in the East Gippsland Advocacy Strategy	Immediate Term (1-2 years)
	1.3. Collaborate with the CFA to prepare a Municipal Bushfire Risk Assessment to identify bushfire risk levels across East Gippsland at range of scales and considering all bushfire hazards that can be potentially harmful, including grasslands and vegetation outside of land subject to the BMO.	Collaborate with CFA.	Medium Term (3-5 years)
	1.4. Update flood mapping in the East Gippsland Planning Scheme via the introduction of relevant zones and overlays.	Insert relevant zones and overlays in clauses 37 and 44.	Immediate Term (1-2 years)
	1.5. Advocate to the Victorian Government for continued monitoring of coastal vulnerability.	Include as an advocacy item in the East Gippsland Advocacy Strategy	Immediate Term (1-2 years)
	1.6. Collaborate with relevant agencies to prepare a program to review and update data and mapping of natural hazard risks and natural values.	Update Clause 74.02 to include preparation of monitoring and review of natural hazards data and mapping.	Medium Term (3-5 years)

**Strategic Principle 2: Future population and housing development will be directed in accordance with the defined settlement roles and futures.**

Objective	Strategy	Implementation Action	Timing
2. Support sustainable patterns of residential development across East Gippsland.	2.1. Direct future population growth across all towns and settlements in accordance with identified existing and future settlement roles to support the efficient use of land and infrastructure, convenient access to jobs and services, protection of environmental values and the safety of our community.	Update relevant clauses of the East Gippsland Planning Scheme Municipal Planning Strategy (MPS) and Planning Policy Framework (PPF).	Immediate (1-2 years)
	2.2. Establish township and settlement boundaries.		

**Strategic Principle 3: Housing development that creates compact towns and settlements will be supported to enable the efficient and sustainable use of land and infrastructure.**

Objective	Strategy	Implementation Action	Timing
3. Ensure sufficient suitable and available residentially zoned land to meet future dwelling demand.	3.1. Prepare a program for co-ordinated action to identify and overcome barriers to residential development across all towns and settlements in East Gippsland in collaboration with relevant stakeholders. Prioritise action for key population centres of Bairnsdale, Lakes Entrance and Paynesville.	<p>Program to deliver:</p> <ul style="list-style-type: none"> <li>- Identification of where supply barriers are located and the reason for supply issues.</li> <li>- Identification of relevant stakeholders to address barriers to supply.</li> <li>- Agreed approach to address supply barriers.</li> <li>- Determination of Council's role (linking to Asset Management Plans, Capital Works Program etc.)</li> </ul>	Medium Term (3-5 years)
	3.2. Undertake ongoing monitoring of demand and capacity for housing.	Update Clause 74.02 to include program of monitoring and review.	Ongoing (every 5 years)
4. Direct rural residential and lifestyle living opportunities to the Rural Living Zone (RLZ) and	4.1. Consider rezoning of land to RLZ only after a review of RLZ schedules to accommodate additional supply of RLZ land and pending ongoing monitoring of demand and capacity. The review of RLZ schedules must address infrastructure requirements,	Undertake ongoing monitoring and review.	Medium term (3-5 years)

Low Density Residential Zone (LDRZ).	environmental values and hazards and should consider conversion of land to LDRZ in appropriate locations.	<p>Review of RLZ schedules to be undertaken on a precinct wide basis and include consideration of:</p> <ul style="list-style-type: none"> <li>- Existing Section 173 Agreements that restrict further subdivision.</li> <li>- Infrastructure gaps and how to address these via development contributions.</li> <li>- Environmental risks (bushfire, flood, landslip etc.).</li> <li>- Environmental values including the impact of wastewater treatment on the environment.</li> </ul>	
	<p>4.2. Consider rezoning of land to LDRZ only after a review of LDRZ land to consider opportunities to increase supply and pending ongoing monitoring of demand and capacity. In collaboration with East Gippsland Water, the review should consider opportunities to increase supply via implementation of servicing (sewer) to facilitate subdivision of existing LDRZ land (and reduce risks associated with on-site effluent disposal) as a preference over rezoning additional LDRZ land. The review of LDRZ land must address infrastructure requirements, environmental values and hazards.</p>	<p>Undertake ongoing monitoring and review.</p> <p>Review of LDRZ land to be undertaken on a precinct wide basis and include consideration of:</p> <ul style="list-style-type: none"> <li>- Infrastructure gaps and how to address these via development contributions.</li> <li>- Environmental risks (bushfire, flood, landslip etc.).</li> <li>- Environmental values including the impact of wastewater treatment on the environment.</li> </ul>	Medium term (3-5 years)
5. Support Service Towns, Towns, Rural Towns, Remote Settlements and Rural Districts to thrive.	<p>5.1. Prioritise the preparation and/or review of local structure plans, aligning with existing Community Plans where relevant. Structure Plan preparation is to include investigation of opportunities for residential development on existing urban zoned land.</p>	<p>Staged preparation and/or review of local Structure Plans based on strategic need. Criteria to inform strategic need includes:</p> <ul style="list-style-type: none"> <li>- Existence of an up-to-date Structure Plan.</li> <li>- Availability of reticulated services.</li> </ul>	Staged preparation of Structure Plans based on strategic need.

		<ul style="list-style-type: none"> <li>- Anticipated challenges in accommodating future housing demand.</li> </ul> <p>Based on these criteria it is anticipated that towns including Omeo, Lindenow, Orbost and Mallacoota demonstrate strategic need for Structure Plan preparation.</p>	
	<p>5.2. Collaborate with local communities to:</p> <ul style="list-style-type: none"> <li>- Identify and implement community and local economic development initiatives that promote place activation, retain/attract residents, and encourage investment.</li> <li>- Provide advice on the planning process to subdivide and/or develop of land for residential purposes within existing urban zones.</li> </ul>	<p>Community and economic development initiatives to be identified in collaboration with internal and external stakeholders.</p>	Ongoing
	<p>5.3. Consistent with the Rural Land Use Strategy (2023), provide for rural residential development in the Farming Zone within or adjacent to rural settlements only where it is justified to support the long term viability of a settlement subject to consideration of hazards, particularly bushfire, environmental constraints, and accessibility.</p>	<p>Update relevant clauses of the MPS and PPF</p>	Ongoing and in accordance with the Rural Land Use Strategy.

6. Align development and community infrastructure to support growth.	6.1. Prepare a hierarchy of infrastructure and service provision based on the role of towns and settlements and an associated process for alignment of development and community infrastructure investment with population and residential growth.	<p>Process to deliver:</p> <ul style="list-style-type: none"> <li>- Preparation of a hierarchy of infrastructure and service provision commensurate with the role of settlements.</li> <li>- Monitoring of population and demographic trends (including seasonal fluctuations) to identify growth and infrastructure pressures.</li> <li>- Development of relationships with government agencies, service providers, and the development industry.</li> <li>- Preparation of an infrastructure gap analysis and identification of priority infrastructure and service provision items.</li> <li>- Identification of responsibility for infrastructure provision.</li> <li>- Investigation of funding opportunities for infrastructure, including development contributions.</li> </ul>	Medium Term (3-5 years)
	6.2. Strengthen planning policy statements to address infrastructure gaps identified as part of the assessment of planning permit applications. This includes, but is not limited to, the provision of footpath links, road infrastructure (e.g., intersections) and improvements to the public realm	Update relevant clauses of the MPS and PPF.	Immediate term – 1-2 years
Strategic Principle 4: Initiatives that deliver improved housing affordability, diversity, and innovation will be supported to provide greater choice for residents throughout all stages of life.			
Objective	Strategy	Implementation Action	Timing
	7.1. Advocate for Victorian Government implementation of a broad-based social and affordable housing contributions levy.	Include as an advocacy item in the East Gippsland Advocacy Strategy. Advocacy	Immediate Term (1-2 years)



7. Increase the supply of social and affordable housing.		should be in partnership with other regional LGAs.	
	7.2. Advocate for continued, direct Victorian Government investment in affordable housing in East Gippsland.	Include as an advocacy item in the East Gippsland Advocacy Strategy.	Immediate Term (1-2 years)
	7.3. Strengthen Planning Scheme policy statements about the need for affordable housing to support the development of proposals that demonstrate genuine and achievable affordable housing outcomes.	Update relevant clauses of the MPS and PPF.	Immediate Term (1-2 years)
	7.4. Liaise with relevant stakeholders to understand the importance of social and affordable housing and the requirements to meet future needs.	Relevant Council business units to act as organisation leads in relation to social and affordable housing.	Ongoing
	7.5. Consistent with the Victorian Aboriginal Housing and Homelessness Framework (2020), collaborate with Traditional Owner groups and relevant Aboriginal service providers to support the development of affordable and culturally appropriate accommodation and housing for the Aboriginal community.	Engage with the Aboriginal Housing service providers and provide a single point of contact for enquiries.	Ongoing
8. Increased housing diversity to meet the needs of people of all ages and lifestyles.	8.1. Develop built form and design guidelines for infill housing projects (for example, to address lot sizes, preferred building design, car parking, waste management, integration with public spaces and character) and engage with the development sector to encourage high quality design and development outcomes.	Identify key stakeholders and commence preparation of design guidelines.	Immediate Term (1-2 years)
	8.2. Subject to the preparation of built form and design guidelines for infill housing development (see Strategy 8.1), encourage medium density infill housing in the following locations: <ul style="list-style-type: none"> <li>▪ Existing General Residential and Mixed Use zoned areas suitable for <b>substantial change</b> (e.g. apartments, shop top housing or townhouses) within 400m walking distance of the Bairnsdale Activity Centre (defined as the Commercial 1 Zone area).</li> <li>▪ Existing General Residential Zone, Township Zone and Mixed Use Zone areas suitable for <b>incremental change</b> (e.g. units and townhouses) within:               <ul style="list-style-type: none"> <li>– 800m walking distance of the Bairnsdale Activity Centre</li> </ul> </li> </ul>	Update relevant clauses of the MPS and PPF.  Detailed analysis of preferred locations for higher density housing to be undertaken as part of the Bairnsdale 2050 project.	Immediate Term (1-2 years) in accordance with the Bairnsdale 2050 Plan.

	<ul style="list-style-type: none"> <li>– 400m of walking distance of existing or planned neighbourhood activity centres or local activity centres in Bairnsdale, Service Towns, Towns and Rural Towns (as listed in table 4).</li> </ul> <p>These locations are also encouraged for the provision of social and affordable housing..</p>		
	<p>8.3. Support infill housing types in established residential areas <b>only</b> where the proposed development:</p> <ul style="list-style-type: none"> <li>▪ Appropriately manages risks associated with natural hazards such as bushfire, flood or landslip.</li> <li>▪ Does not adversely affect established environmental values.</li> <li>▪ Has access to appropriate reticulated services.</li> <li>▪ Enhances streetscape character including the provision of adequate space for landscaping and separation between buildings.</li> </ul>	Update relevant clauses of the MPS and PPF	Immediate Term (1-2 Years).
	8.4. Support lower density infill housing types (e.g. dual occupancies and units) in residential zoned areas outside those described in Strategy	Update relevant clauses of the MPS and PPF	Immediate Term (1-2 Years)
	8.5. Support residential aged care and retirement villages in Bairnsdale, Service Towns and other locations with easy access to transport, shops and services.	Update relevant clauses of the MPS and PPF	Ongoing
	8.6. Ensure new large lot yield subdivisions include lot size diversity that makes provision for medium density housing, retirement villages and residential aged care with easy access to transport, shops and services.	Update relevant clauses of the MPS and PPF	Immediate term (1-2 years)
	8.7. Advocate to the Victorian Government for stronger legislative and planning policy guidance for the provision of compact, affordable	Include as an advocacy item in the East Gippsland Advocacy Strategy	Immediate Term (1-2 years)

	homes such as residential villages, tiny homes and secondary dwellings.		
	8.8. Advocate to the Victorian Government to increase investment in community and development infrastructure associated with population growth and diverse housing provision for the East Gippsland community.	Include as an advocacy item in the East Gippsland Advocacy Strategy	Immediate Term (1-2 years)
<b>Strategic Principle 5: The unique character of towns and settlements will be maintained and enhanced across East Gippsland.</b>			
<b>Objective</b>	<b>Strategy</b>	<b>Implementation Action</b>	<b>Timing</b>
9. Enhance the character of the Shire's towns and settlements.	9.1. As part of the preparation and/or review of local structure plans, identify preferred future character and environmental values of towns and settlements aligning with existing Community Plans where relevant.	Update Clause 74.02 to include preparation of Structure Plans	Staged as part of Structure Plan preparation
	9.2. Continue to enhance neighbourhood character in response to the identified preferred future character of towns as part of the assessment of planning permit applications.	Ongoing as part of planning application assessment.	Ongoing
<b>Strategic Principle 6: Well designed and resource-efficient developments that contribute to creating more sustainable towns and settlements will be supported.</b>			
<b>Objective</b>	<b>Strategy</b>	<b>Implementation Action</b>	<b>Timing</b>
10. Encourage new development to be environmentally sustainable.	10.1. Advocate to the Victorian Government for the continued strengthening of Environmentally Sustainable Development (ESD) policy in the Planning Policy Framework.	Include as an advocacy item in the East Gippsland Advocacy Strategy. Monitor Victorian Government policy for advocacy opportunities.	Immediate Term (1-2 years)
	10.2. Prepare a local Environmentally Sustainable Development policy for implementation into the East Gippsland Planning Scheme.	Monitor Victorian Government policy to inform commencing policy preparation independently.	Medium Term (3-5 years) subject to success of advocacy



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