22.06 RURAL SUBDIVISION

This policy applies to applications to subdivide and re-subdivide land in the Farming Zone.

22.06-1 Policy basis

The rural areas of South Gippsland have experienced a high level of land fragmentation, arising from both historical settlement patterns and less stringent planning policies under earlier planning schemes. Left unchecked, further fragmentation through land subdivision could have considerable implications for agricultural production, landscape, and the servicing of populations in outlying areas.

The agricultural sector dominates the economy of South Gippsland, with food production and processing accounting for significant employment. With high quality soils and generous rainfall relative to other parts of the State, this sector is likely to continue to dominate the local economy and further expand as farmers and processors seek secure land for the production of food and materials. It is necessary that farmers have access to sufficient areas of land to carry out food and fibre production in a cost-effective manner. The subdivision of land into smaller lots, including house lot excisions, can have ongoing implications for the supply of affordable agricultural lots by driving up land prices beyond the productive value of the land.

South Gippsland already has a considerable supply of lots at a range of sizes, such that further subdivision for genuine agricultural reasons will rarely be necessary. Many areas that have experienced high levels of fragmentation may require consolidation or restructure through boundary realignments in order to create economically competitive land units. Likewise, expanding farming businesses may find it necessary to remove surplus dwellings from the land through house lot excisions. There is a compelling need for clear and robust planning criteria around such practices in order to ensure the fair, sustainable and economic use and development of rural land.

22.06-2 Objectives

- To limit the further fragmentation of rural land by subdivision.
- To ensure that lots resulting from subdivision are of a sufficient size to be of benefit to agricultural production.
- To encourage the consolidation of rural lots.
- To limit the cumulative impact of house lot excisions, including serial small lot subdivisions.
- To ensure that house lot excisions are undertaken for legitimate reasons related to agriculture. To provide a consistent basis for considering planning permit applications for the subdivision of rural land.

22.06-3 Policy

Subdivision of land to accommodate an existing dwelling

The following policy identifies that the excision of a dwelling through subdivision can take place by either of two methods. Firstly, through the re-subdivision of existing lots such that the number of lots does not increase, or secondly through the creation of an additional lot on the land such that the number of lots is increased.

It is policy that:

- Any proposal for the subdivision of land to accommodate an existing dwelling must demonstrate that:
  - The existing dwelling is no longer reasonably required for the carrying out of agricultural activities in the long term.
There are beneficial agricultural outcomes for the land by excising the dwelling.

The excision of the dwelling is compatible with and will not reduce the potential for farming or other legitimate rural land uses on the land, adjoining land and the general area.

Any proposal for the excision of an existing dwelling must be undertaken by the re-subdivision of existing land titles where that potential exists. Former road reserves, lots under 49 hectares created by consolidation or other subdivision process not requiring a planning permit, and historic lots on former inappropriate Crown settlements and townships, may not be used for this purpose.

A permit that approves the excision of an existing dwelling by re-subdivision where the balance (remaining) lot is less than 40 hectares will contain a condition requiring that the land owner enter into an agreement under section 173 of the Act that prevents the development of any additional dwelling on the balance lot.

Where the application seeks to excise a dwelling by increasing the number of lots:

- There must be no opportunity available for re-subdivision of the balance lot(s).
- The subject dwelling proposed for excision must have existed on the land on or before 16 December 1999.
- The balance (remaining) lot must be greater than 40 hectares in area.

Where a dwelling has been excised from the land since 29 May 2009, further subdivision (by any method) to accommodate another existing dwelling from that land will be strongly discouraged.

An application proposing an area of greater than 2 hectares for the dwelling lot will be strongly discouraged.

Excisions that result in ‘axe-handle’ or island style lots will be strongly discouraged.

A house lot excision that is likely to lead to a concentration of lots that would change the general use and character of the rural area will be strongly discouraged.

An adequate distance must be maintained around dwellings to limit impacts on agricultural activities.

Re-subdivision of existing lots without a dwelling

Applications to re-subdivide land for purposes other than house lot excisions will be assessed in accordance with the criteria below:

It is policy that:

- An application to re-subdivide existing lots must demonstrate that the proposal enhances existing or proposed agricultural activities.
- An application to create a lot under 4.1 hectares is not permitted unless for the purposes of a non-residential use. A permit that approves a lot under 4.1 hectares must contain a condition requiring that the land owner enter into an agreement under section 173 of the Act that prevents the development of any dwelling on the lot.

22.06-4 Application requirements

An application to subdivide land must include (as appropriate):

- A site analysis outlining notable features of the site and surrounding area including topography, orientation, slope, vegetation, existing buildings and works, roads (made and unmade), utility services, easements, soil type and other relevant features.
A report that addresses this policy.

A proposed plan of subdivision drawn to scale showing proposed boundaries, lot sizes and dimensions.

22.06-5 Policy reference

South Gippsland Rural Land Use Strategy (2011)