



## Strategic Extractive Resource Areas

### Information for extractive industries

#### **Extractive resources like rock, sand and gravel are essential inputs to the building and construction sector.**

The extractives sector is playing a key role in the state's post-COVID economic recovery effort. In the longer term our population is forecast to exceed 10 million people by 2050. Demand for extractive resources in Victoria is expected to more than double 2015 levels by 2050.

We need to plan ahead now, to ensure that quarry materials can be sourced close to where they will be used, to keep transportation and construction costs down. That's why the Victorian Government has developed Strategic Extractive Resource Areas (SERAs).

SERAs aim to get the right balance so that communities can continue to develop, but not too close to where quarries are or to where important areas of sand, stone and gravel resource can be found for use in the future.

#### **What is a strategic extractive resource?**

'Strategic extractive resource' is a general term that covers areas likely to contain sand and stone resources of sufficient quantity and quality to support commercial quarry operations. These resources are close to appropriate transport routes and located in areas where a potential quarry will have limited impact on the environment and surrounding land uses.

#### **What are Strategic Extractive Resource Areas?**

SERAs indicate the locations of existing quarries and potential future quarries in areas close to where they are needed for construction and infrastructure projects. SERAs aim to identify and safeguard land with the highest potential to supply material to build Victoria's future, taking into account the surrounding natural, cultural, and existing land uses, and supporting transport networks.

SERAs are also used to provide buffers to existing quarries so they can continue to operate, by ensuring sensitive or incompatible land uses are not built too close to an operating quarry.

SERAs apply a suite of existing planning controls in areas where access to potentially valuable quarry materials such as sand, stone and gravel may be at risk because of new sensitive or incompatible land uses. SERAs serve as strategic land markers in the planning system, indicating locations where extractive resources may exist and ensuring they are considered in land use decision making.

The planning controls that SERAs provide include:

- utilising the Special Use Zone (SUZ) for existing quarries
- applying a State Resource Overlay (SRO1) to areas that have been identified as potential new or expanded quarries in the future
- applying a State Resource Overlay (SRO2) around existing quarries as a buffer.

A SERA is not an approval for a quarry. All proposals for new and expanded quarries in Victoria, including in SERAs, must be assessed under the *Mineral Resources (Sustainable Development) Act 1990* and the relevant Council's Planning Scheme, as well as a range of environmental, water and cultural heritage legislation and regulations.

## Why do we need SERAs?

The demand for rock, sand and gravel in Victoria is growing and in 2050 is expected to be more than double the demand in 2016. SERAs will help ensure there is a long-term supply of quarry materials available to meet this growing demand so that current and future generations can affordably build homes and infrastructure.

SERAs will better identify potential quarry sites so they are more clearly considered in the assessment of local development and buffer zones. This has the potential to reduce local friction resulting from residents living near to quarries.

SERAs will provide greater certainty to industry, land use planners and the community to better inform future land uses well in advance, by defining the locations of strategic state resources in the planning system while considering other existing land uses, environmental assets and community interests.

SERAs are a key planning initiative from *Helping Victoria Grow: Extractive Resources Strategy* to identify and secure strategic extractive resources.

## Why do we need to plan for quarries early?

Ensuring that we know where quarries may be in the future allows us to effectively plan for the land uses surrounding them, which limits potential issues with noise, dust and traffic for communities.

## How have the first SERAs been identified?

SERAs are being implemented in the Wyndham and South Gippsland local government areas, with a small amount of Cardinia included as a buffer.

The initial SERA boundaries were developed using a range of available information including:

- local geology
- Extractive Industry Interest Areas (EIIA) currently identified in the planning system
- local transport links
- the surrounding natural environment, including native vegetation and waterways
- existing quarry locations
- other existing land uses
- information from the PwC's 2016 Demand and Supply Report, including extensive industry surveys and demand forecasting
- feedback from consultation with extractive industry representatives.



The SERA boundaries were further refined following community, industry and government agency feedback obtained during the consultation period in May-July 2020.

### **What has the Minister approved?**

The Minister for Planning has approved amendments to the Victorian Planning Provisions and three planning schemes, to allow SERAs to be implemented as needed, throughout Victoria.

#### **Statewide provisions**

The changes to the Victorian Planning Provisions will provide clearer and more effective guidelines to ensure strategic extractive resource locations are considered in the assessments of proposed land uses and development applications.

### **In participating local government areas**

The following changes were introduced to the Wyndham Planning Scheme and South Gippsland Planning Scheme:

- land containing existing extractive industries has been rezoned to the Special Use Zone (SUZ)
- the State Resource Overlay Schedule 1 (Strategic Extractive Resource Areas) has been applied to those same existing operations being rezoned to SUZ, and to other land where extractive industries may be developed in the future
- the State Resource Overlay Schedule 2 (Protecting extractive industries) has been applied around land in the SUZ to manage the encroachment of sensitive or incompatible uses near extractive industry operations.

In the Cardinia Planning Scheme, the State Resource Overlay Schedule 2 (Protecting extractive industries) has been applied to a small area of private land within proximity of an existing extractive industry located in South Gippsland Shire Council area.

It is anticipated that any future SERA locations will require planning schemes to be amended to respond to the specific needs and objectives of SERAs in those locations.

### **What does it mean to have a Special Use Zone applied to land?**

The Special Use Zone (SUZ) applies to existing quarry operations within the SERAs.

The SUZ provides for the use of land for extractive industries, encourages land rehabilitation practices, and discourages incompatible uses. The SUZ schedule, which is tailored to each Planning Scheme, provides clear policy direction about the future use of the land. It provides a clear purpose and requirements relating to extractive industries.

### **What does it mean to have the State Resource Overlay applied to land?**

The State Resource Overlay (SRO) provides a clear and transparent map of strategically important extractive resources and elevates the importance of SERA sites in the Victorian planning system.

The SRO applied in the Wyndham, South Gippsland and Cardinia Planning Schemes includes a Schedule tailored to the location where it is applied. The Schedule specifies uses, developments and subdivision that will require a planning permit, along with decision guidelines to be considered by the relevant Council.

Where it is applied around an existing quarry, the SRO is securing sand, stone and other resources of strategic value to the state and provides a separation distance between the quarry and new sensitive or incompatible uses (like a house) that may be developed on adjoining land.

### **What are the buffer zones for quarries in the Wyndham and South Gippsland areas?**

The Wyndham hard rock quarries are protected by a 500-metre buffer as recommended by the Environment Protection Authority and regulated under the *Mineral Resources (Sustainable Development) Act 1990*.

The South Gippsland sand quarries are protected by a 250-metre buffer. The buffer distance is smaller because blasting is not used as an extraction technique for sand quarries.

### **What changes were made after public consultation?**

Several important changes were made to the proposed planning controls and maps following a review of submissions received during public consultation.

In Wyndham City, the State Resource Overlay will not be applied to land that is designated for the Western Grassland Reserve. The Special Use Zone and State Resource Overlay will only apply to land inside the future Reserve where that land contains an existing quarry operating under an approved work authority.

Also in Wyndham City, the location of the State Resource Overlay has been adjusted to provide a greater setback distance from Little River township and Eynesbury Estate.

The increased setbacks ensure that any future extractive industries developed in these areas can maintain appropriate separation distances from existing settlements.



In South Gippsland Shire, the State Resource Overlay will not be applied to the Adams Creek Nature Reserve. The Special Use Zone and State Resource Overlay will only apply to land inside the Reserve where that land contains an existing extractive industry operating under an approved work authority.

### **Why are the Wyndham City and South Gippsland Shire areas important?**

Wyndham and South Gippsland were chosen because they both have a significant resource of critical importance to the state's growth, and to keep construction costs down we need to ensure that rock, gravel and sand come from places close to where the material will be used.

Wyndham is one of Victoria's fastest-growing areas, and is recognised for its significant hard rock reserves, producing about 12 per cent of all hard rock in Victoria.

The north-western area of South Gippsland is critical for the supply of sand to the fast-growing south-eastern metropolitan regions, particularly in Casey and Cardinia. South Gippsland provides 13 per cent of all sand and gravel produced in Victoria.

Without the protection that the SERAs provide, these strategic resources are at risk of being made inaccessible by sensitive or incompatible land uses, driving up construction costs.

### **What has been the process of implementing SERAs?**

The SERA project commenced in 2018 following the release of a Joint Ministerial Statement (JMS) by the Minister for Resources and the Minister for Planning. The JMS committed the Victorian Government to a number of reform projects focused on the Victorian planning system, with the goal of providing clearer identification and stronger protection for existing and future extractive resource operations.

The Department of Jobs, Precincts and Regions (DJPR) and the Department of Environment, Land, Water and Planning (DELWP) worked with key stakeholders to develop the SERA project. This involved significant investment in technical analysis and investigations about which areas in Victoria could be included in the SERA project.

Following an expression of interest campaign, Wyndham City Council and South Gippsland Shire Council were selected as sites. Cardinia Shire Council is included as some of the controls applied in the South Gippsland Planning Scheme cross into Cardinia's Local Government Area.

DJPR and DELWP then investigated a number of characteristics of the SERA investigation areas, including available geoscience information, land uses, environment and transport, current strategies and policies, and then used these to design new planning policies and proposed boundaries for the SERAs.

From May to July 2020, the Victorian Government undertook an eight-week public consultation process about the SERA project. Detailed background information and draft planning controls and maps were released to the general public, and any landowners potentially impacted by the project were contacted individually.

More than 300 submissions were received during the consultation period, with detailed feedback provided by statutory authorities, participating and non-participating local governments, landowners, community organisations, and interested individuals. Topics covered in the submissions include the methodology used to inform the SERA project, the SERA boundaries in the two locations, and the planning controls drafted to implement them.

In late 2020 and early 2021, DELWP and DJPR undertook a detailed analysis of each individual submission and made changes and improvements to the planning controls and mapping based on issues raised during public consultation. These changes and improvements are reflected in the project approved by the Minister for Planning.

### **What are the advantages of SERAs to industry?**

SERAs provide a range of advantages compared to areas that are not covered by a SERA:

- SERAs provide greater planning certainty for quarry operators
- SERAs are close to transport routes that connect to key demand areas

- These SERAs are within recognised Extractive Industry Interest Areas (EIAs), which are a broad marker of potential high-quality extractive materials
- Quarries in SERAs will have greater protection from any proposed nearby sensitive or incompatible land uses.

### **How do the planning changes support the quarry industry?**

The amendments to planning rules in SERAs support current and future extractive industry by:

- supporting the establishment and continued operation of quarries through clearer and tailored planning provisions
- streamlining approvals using permit triggers
- notice and review exemptions (in limited cases)
- securing future resources areas by managing adjacent development, land use and subdivision.

### **What are Extractive Industry Interest Areas (EIAs)?**

EIAs were intended to identify land close to major population centres that is likely to contain commercially viable stone resources with potentially fewer land use planning constraints. These areas were considered to be suitable for potential quarries to be established. EIAs were established in the 1990s and were reviewed and updated in 2003.

### **What is the difference between an EIA and a SERA?**

EIAs provide a broad marker for where potential extractive resources are located across the state, while SERAs are being trialled to provide better protection for strategic resources in the planning system. SERAs have generally only been proposed in areas where there is an existing EIA.

While EIAs act as a flag in the planning system for potential extractive resource locations, they do not have clear and transparent planning policy protections. The SERA project contains specially designed and enforceable planning provisions to secure these resource locations.

### **Are SERAs replacing EIAs?**

No. The SERA project proposes to build upon the EIAs and bring a greater level of control through the planning scheme to guide decision-makers. This will ensure current and future extractive resources are not jeopardised by incompatible development, and that sensitive or incompatible land uses are not impacted by new quarries. The SERAs will become a clear identifier in the planning scheme of strategically important quarries and areas of actual and/or potential future resources

### **What are the sensitive and incompatible uses that have been defined?**

The following uses have been specified to be sensitive or incompatible uses, requiring a permit under the SRO:

- Accommodation (including a house)
- Crematorium
- Education centre
- Funeral parlour
- Hospital
- Leisure and recreation
- Place of assembly
- Retail premises
- Veterinary clinic
- Winery

### **What requirements does the SRO introduce for buildings, works and subdivisions?**

As well as requirements of the existing zones, the SRO will add consideration of issues relating to quarries and compatibility with quarries. A planning permit will be required to construct a building, or to construct or carry out work. Some exemptions do apply, which are outlined in the relevant schedule to the SRO. A permit also will be required to subdivide land, unless each lot created by the subdivision is at least 40 hectares.

### **What does it mean that the DJPR is now a 'determining referral authority' under the SRO?**

This means that Council (or the relevant planning authority) must refer specified planning permit applications to DJPR. If DJPR specifies conditions to the planning permit, those conditions must be included in the permit, and if DJPR objects to the application, the permit must be refused.

### **For more information**

To find out more about how SERAs allow us to plan to deliver affordable quarry materials to meet our future needs:

- visit [earthresources.vic.gov.au/sera](http://earthresources.vic.gov.au/sera)
- email [sera@delwp.vic.gov.au](mailto:sera@delwp.vic.gov.au)
- call 136 186