MUNICIPAL PROFILE

Location

Hepburn Shire is located in Victoria’s Central Highlands, about one and a quarter hour’s drive west north west of Melbourne. The Shire is in the heart of the goldfields region of Victoria and abuts the Central Goldfields Shire to the north west, Mt Alexander Shire to the north, Pyrenees Shire to the west, City of Ballarat to the south, Moorabool Shire to the south east and Macedon Ranges Shire to the east. It covers an area of 1,470 square kilometres.

The Shire is strategically placed to take advantage of its location to the outer metropolitan growth area of Melbourne and the regional centres of Ballarat and Bendigo, which are commutable distances for many townships within the Shire.

Regional context

Hepburn Shire is part of a wider regional network economically, environmentally and socially. Many land-use issues in Hepburn Shire have significance beyond municipal boundaries including:

Water Catchments

Hepburn is located within a number of water supply catchments designated by the State Government which provide drinking and in some cases irrigation water for central and northern Victoria. The Shire is therefore an important player in a larger group of stakeholders that share in administering catchment management planning across these catchments.

Mineral Springs

Hepburn is renowned for its mineral springs and contains one of the largest concentrations of natural springs in Australia. There are over 72 known springs in the region with the majority located in Hepburn Shire. Mineral Springs are a major attraction and economic asset within the Shire and wider region.

Forestry

Forestry will continue to be a significant land use activity in Hepburn Shire. Forestry education and research undertaken over many years at the University of Melbourne School of Forest and Ecosystem Science at Creswick, demonstrates the broad regional influences associated with forest
resources of the Shire. The timber industry is undergoing change which presents major challenges and new opportunities for the region. However, the change in timber industry employment is a regional issue faced by many timber towns.

**Agriculture**

Hepburn Shire contains significant areas of high quality agricultural land and forms part of an agricultural region that provides opportunities in important horticultural activities including vegetable, viticulture and seed production. The region is known as one of the prime potato producing areas in the State.

**Transport Corridors**

Maintaining key transport linkages from within the Shire to interstate transport corridors including the Western and Calder Highways/ Freeways is an important planning issue that extends beyond the boundaries of the Shire. The Shire is reliant on road transport with no operating passenger rail services within its borders. The Midland Highway dissects the Shire, providing excellent commercial and private access to Ballarat, Geelong, Bendigo, Melbourne, the ports and domestic and international airports.

**Economic Development**

The Shire is part of a dynamic region where a broad range of development and employment opportunities continue to be created through good access to Melbourne and other provincial cities.

**Municipal overview**

**Formative history**

Primary production such as timber, gold mining, farming and the mineral spas were the economic drivers of the Shire. While the economic balance has shifted slightly from primary production to tourism and service industries, the economy has always been oriented towards its natural resources. Initially, Hepburn Shire consisted of pre-emptive rights, used for grazing by early settlers including Captain John Hepburn. The area changed forever with the first official gold discovery in Victoria at Clunes in 1851. Thousands of miners flocked to chase the promises of riches within its forests and waterways. In order to meet the demand of the goldfields, many towns were established with associated government services. The influx of money had an impact through the construction of the impressive public and private buildings throughout the Shire, adding to its cultural heritage and tourist appeal.

Many smaller farms were created in the 1860’s as the government granted land to settlers to provide food for the goldfields. These provided a more permanent occupation for many miners and created the rural form that is evident today. Allotment sizes were small as a result of the population numbers.

The forestry industry was also established in the gold rush period to provide timber for construction and fuel. Both forestry and agriculture are still important economies to local areas.

**Key issues and attributes**

Hepburn Shire is important to the State as the main concentration of mineral springs, for its’ bio-diversity, as a water resource, for agricultural and timber production and as a rural lifestyle and recreation resource. Hepburn Shire is known as the Spa Centre of Australia due to its mineral water assets.

Hepburn Shire has many fertile agricultural areas used for animal husbandry and horticulture. Rich ‘chocolate’ soil is found in the southern and eastern areas of the Shire which is highly sought after for horticulture uses. One of the state’s key potato production areas is centred around the Dean, Newlyn, and Mollongghip region.
Productive agricultural areas are under increasing threat from inappropriate subdivision, pest plants and animals due to urban encroachment. The presence of large tracts of forest assists in mitigating the threat to production from rising saline watertables. However, agricultural areas need to be protected from fragmentation to maintain their productivity.

**Landscapes**

Hepburn contains a range of spectacular bushland and cultural landscapes that make the area attractive to visitors and locals. The green belt between Daylesford, Trentham, Ballan and Woodend and the various plantations and forests surrounding Creswick are significant regional features. The native vegetation of the Shire is impressive and ranges from the tall forests of the Great Dividing Range through to the basalt plain grasslands in the Shire’s west. The plains and volcanic peaks of the northern and western part of the Shire form a major visual component of the Shire, while the bushland and ridgelines of the central highlands and forest areas such as the Wombat State Forest are also dominant features. The potential for wildfire is a significant threat to the landscape but has a positive long-term benefit for certain flora ecologies within the forested areas and grasslands.

**Water Catchments and Mineral Springs**

The North Central Catchment Management region covers most of the Shire, with a small portion included in the Port Phillip and Corangamite regions. The protection and management of water quality for water harvesting and the management of vegetation as a resource, for environmental and tourism related reasons, are fundamental. The protection of the mineral springs is another catchment-related issue and demonstrates the link between environmental quality and economic well being within the Shire. The springs are a major attraction and economic asset within the Shire and wider region. The mineral springs are also a link to the Shire’s heritage. The first mineral springs reserve was approved in 1867 and reflects the foresight of early gold miners and settlers who valued the springs.

**Settlement**

Hepburn like many parts of the Central Highlands and Goldfields region is characterised by a large number of small and dispersed urban, rural and ‘rural residential’ settlements. Some of these are within the significant forest landscapes, while others are located in more traditional rural agricultural setting. Many settlements reflect the historical patterns of development associated with the goldfields. Others are a consequence of more recent development attracted by the natural environment and other landscape and rural lifestyle opportunities. Understanding the individual nature of each area is critical for planning its future. The five main towns experiencing growth pressure are Clunes, Creswick, Daylesford, Hepburn Springs and Trentham.

Daylesford is formed on a dominant hillscape with 360-degree views. Wombat Hill dominates the town and dictates its urban structure. The Wombat Hill Gardens and Convent Gallery (formerly the Presentation Convent and Gold Commissioners Dwelling) and Lakes Daylesford and Jubilee constructed during the 1930’s depression, are cultural icons to be protected as are the views from Wombat Hill. These landmarks contribute to Daylesford’s identity.

Creswick is located on the Midland Highway, north of Ballarat and has a rich gold history reflected in its’ public buildings. Creswick is on the edge of the Creswick State Forest and is the ‘home of forestry’ with the presence of the Melbourne University School of Forest and Ecosystem Science – one of only two universities that offer forestry within Australia.

Clunes was the location for the first discovery of gold in Victoria in 1851. The centre of town has a high level of heritage significance due to its overall integrity of buildings and the town’s importance as a gold mining town.
Hepburn Springs has an architecturally Edwardian nature, in a Shire that is characterised by Victorian style architecture. This is due to the 1906 bushfire that destroyed the town. The town has formed around the land containing mineral springs, which was set aside as a reserve in 1867. The township remains predominantly residential while providing accommodation and services to visitors.

Trentham is an old forestry town with an increasing role as a tourist area. The proximity of Trentham Falls and the Lyonville Springs in conjunction with the ‘charm’ of the town, make it an increasingly popular destination in comparison to the bustle of tourism in Daylesford and Hepburn Springs.

The major commercial and business centres in the Shire include Clunes, Creswick, Daylesford, Hepburn Springs and Trentham. Smaller settlements such as Allendale, Glenlyon, Newlyn, and Smeaton, have dispersed rural living populations while others including Broomfield, Coomoora and Muskvale have strong physical and economic links to their larger urban centre neighbours. The diversity of settlement patterns in the Shire offers a range of important lifestyle and development opportunities.

Rural Land

The rural parts of the Shire contain areas of crown land and offer opportunities for good quality pasture and grazing land and agricultural diversification. This especially relates to those areas between Daylesford and Glenlyon, between Smeaton and Creswick and surrounding Newlyn. These areas have significant potential for increased horticultural use. The recognition of land use management approaches in rural areas close to waterways, within proclaimed catchments and in high erosion risk areas will continue to be a consistent land use planning theme across the Shire.

A variety of lot sizes exist and provide an opportunity for rural uses that require smaller lots without necessitating subdivision. However, this also provides conditions for inappropriate rural/residential development. Construction of dwellings on agricultural land will not be encouraged unless they are associated with an existing rural use.

People

Hepburn Shire has experienced variable population growth, particularly in areas on the outskirts of key towns that are in commuting distance to Melbourne and Ballarat. The 2006 estimate population for the Shire was 14,892, an increase from 13,984 in 1996 and has been growing at an annual average rate of 0.7% over the previous five years. The estimated population growth rate of around 0.5% is expected to be maintained across the Shire, for the next 30 years while many parts of rural Victoria will experience a general slowing of growth.

Hepburn has also attracted a diverse social mix of people which includes more traditional farming communities and long term residents in established towns, a growing commuter population, those seeking a rural lifestyle, new age and gay communities and holiday-makers establishing 'retreat' housing in an attractive environment.

The graph below demonstrates that the population structure of the Shire is generally ageing, with a net population decrease of those aged less than 40 years. Together with the ageing population will be a steady decline in average household size, which is expected to fall from 2.397 in 2001 to 2.030 by 2031, and with the population increasing; the number of households will increase at a faster rate.
Although the population growth rate within the Shire could be viewed as relatively low in comparison to other adjoining Shires such as Macedon Ranges and Moorabool, housing starts in Hepburn have been consistently high. Building starts within both rural and urban areas of Hepburn Shire is on average around 120 each year since 1999. One explanation for consistently higher building activity within the Shire would rest with the attraction of the Shire to the tourism, weekend visit and rural retreat housing market. This type of housing market is usually attracted to areas that offer opportunities such as those available in Hepburn Shire i.e. healthy lifestyle, natural beauty, niche shopping and other natural attractions including the mineral springs and environmental features. Hepburn is similar to other prime holiday areas. House vacancy rates in Daylesford were 29.2% on 2001 census night. This indicates that demand for additional housing is likely to be significantly greater than that which would be expected from population increase and normal household structure changes.

### Key towns and settlements

The Shire’s five key urban centres are Clunes, Creswick, Daylesford, Hepburn Springs and Trentham. Residential development has generally been characterised more by dispersed urban settlement on the periphery of key towns and, more recently, by the growth of ‘rural lifestyle’ development. The following categories have been assigned to the Shire’s towns and settlements. Each category generally reflects factors such as existing and expected future population levels, the function, level and range of services available and existing or planned infrastructure provision.

<table>
<thead>
<tr>
<th>Function</th>
<th>Urban Centre</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional town</td>
<td>Daylesford</td>
<td>Providing district retail, business, employment and cultural facilities, higher order shopping and some regional level services.</td>
</tr>
<tr>
<td>Service Towns</td>
<td>Clunes, Creswick, Hepburn Springs, Trentham</td>
<td>Providing district level retail, business, employment and cultural facilities with limited comparison shopping.</td>
</tr>
</tbody>
</table>
A number of villages and settlements serve a residential role, surrounded by rural land. All villages, and the settlement of Rocklyn shown italicised have been predominantly zoned Township or a combination of Township and Low Density Residential which reflected past zoning history. A majority of the settlements are zoned Rural. These settlements have provided for limited residential development in a rural setting. Development within these centres needs to be carefully considered so that it does not detract from the rural character of the area and does not negatively impact upon nearby agricultural activities or environmental qualities.

These villages and settlements will be reviewed to evaluate their long-term role and the demand for land for residential or urban development.

Future low density residential development in parts of Clunes, Daylesford, Hepburn Springs and Trentham requires careful planning for staged development including preparation of development plans to guide the long-term utilisation of land and service provision within these areas.

Other settlements such as Franklinford, Sailors Falls and parts of Drummond contain subdivision patterns where infrastructure services cannot be provided. They are not suitable for increased rates of residential development. These settlements will be examined as part of the Restructure Plan assessment to be undertaken prior to the scheme’s next review.

Population changes in key towns across the Shire over the period 1981-2001 are demonstrated in the table below. It is important to recognise that while household sizes are generally declining across the Shire, housing growth has continued to occur in peripheral areas of key towns and other areas within commuting distance to Melbourne and Ballarat.

**Population Changes in key towns- Hepburn Shire 1981-2001**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Clunes</td>
<td>761</td>
<td>817</td>
<td>846</td>
<td>846</td>
<td>1,091</td>
<td>1.8%</td>
</tr>
</tbody>
</table>
It is important to recognise that due to on-going changes in Australian Bureau of Statistics Collector District boundaries across the Shire, housing growth on the periphery of key towns including Creswick, Daylesford, Hepburn Springs and Trentham has not been identified as part of the urban areas of these centres. More dispersed non-urban residential development has occurred in rural areas close to existing urban areas of the Shire while offering an alternative rural living opportunity within a forest/environmental setting.

Infrastructure & transport

Water and sewerage

Reticulated water supply is available within the towns of Allendale, Broomfield, Clunes, Creswick, Dean, Daylesford, Hepburn Springs, Kingston, Newlyn, Smeaton and Trentham. Generally water supply to urban areas is adequate across the Shire. Works have been undertaken at Creswick and Daylesford to improve water quality and at Clunes to increase supply.

Protection of water quality for mineral springs, domestic supplies and rural land water sources including bores is important. Maintaining rural residential lot sizes that can contain effluent disposal on-site and the safe disposal of industrial waste will assist in protecting the Shire’s water quality. Consolidating rural lots that are too small for productive use and restructuring subdivisions of some rural settlements will help limit potentially degrading activities that can affect storage and surface run-off of water such as nutrient levels in waterways, stream erosion, groundwater recharge and seasonal run-off.

Clunes, Creswick, Daylesford-Hepburn Springs and Trentham are sewered. The lack of reticulated sewerage to other villages and rural settlements will constrain future development. Locating sensitive uses in the vicinity of sewerage treatment plants has the capacity to compromise the ongoing viability of this expensive infrastructure. This issue is addressed through the application of appropriate zones, overlays and local policies.

Traffic and transport

Shire residents and visitors predominantly rely on the motor vehicle as a means of transport throughout the Shire. Primary producers and other industries in the Shire are dependent on road freight as a means to distribute goods. Based on the following commuter figures, private motor vehicles will continue to be the primary means of travelling to work in the Shire.

Journey to Work Destinations, 1996

<table>
<thead>
<tr>
<th></th>
<th>Ballarat</th>
<th>Melbourne SD</th>
<th>Inner Melb.</th>
<th>Hepburn</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hepburn - East</td>
<td>3.4%</td>
<td>13.7%</td>
<td>6.2%</td>
<td>62.0%</td>
<td>20.9%</td>
</tr>
<tr>
<td>Hepburn - West</td>
<td>28.1%</td>
<td>4.7%</td>
<td>2.5%</td>
<td>40.8%</td>
<td>26.4%</td>
</tr>
<tr>
<td>Total</td>
<td>14.9%</td>
<td>9.5%</td>
<td>4.5%</td>
<td>52.1%</td>
<td>23.5%</td>
</tr>
</tbody>
</table>

Source: ABS

ABS Enumerated Population

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Creswick</td>
<td>0.9%</td>
</tr>
<tr>
<td>Daylesford/HS</td>
<td>0.9%</td>
</tr>
<tr>
<td>Trentham</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

ABS Enumerated Population

Source: ABS

21.01-6
17/01/2013
C38
Maintenance of the road network including the Midland Highway, Daylesford-Trentham Road, Daylesford-Malmsbury Road, Daylesford-Ballan Road and the Clunes-Creswick Road is therefore critical to the economic prosperity of the Shire.

Public transport provision is limited to areas such as Clunes, Creswick, Daylesford-Hepburn Springs and Trentham which are serviced by V-Line and other bus services. Creswick is also serviced by the Ballarat urban bus system.

Rail freight services operate from Melbourne via Creswick to Mildura while other rail services have been closing across the Shire. Opportunities to consider alternative uses for the closed lines and their built infrastructure are emerging. A tourist rail route currently operates from Daylesford to Bullarto.

Community workshops during the preparation of the Shire Land Use Strategy also identified some concerns in respect to traffic and parking volumes in Daylesford and heavy truck traffic in Creswick. Increased visitors to the Shire raises the need to include adequate and safe separation between pedestrians and motor vehicles and local parking needs. Local traffic and pedestrian management plans can address many of these issues.

Community facilities

Larger urban service centres in the Shire have a range of services and community facilities available to local residents. Facilities in the rural villages however are more limited and may include a public hall, general store, hotel, school and recreation reserve. These facilities are important to community life in these areas and require maintenance and improved programming to promote wider and increased usage. Smaller rural settlements are generally reliant upon community facilities located in the larger service towns and villages. Duplication of community facilities under these circumstances should be avoided to maintain an affordable standard of community facilities across the Shire. However future planning must address the issue of access from these more remote areas to the larger centres in the Shire.

Economic development

Overview

The economy and employment structure of the Hepburn Shire has traditionally been focussed on agriculture, tourism, forestry and mining, manufacturing and some value adding industries, along with retailing and services in larger urban centres. The Shire has a significant commuting employment base that works in urban Ballarat, metropolitan Melbourne and other areas outside Hepburn. Unemployment levels in the Shire increased during the 1990s, particularly in eastern areas and more dramatically in the Shire than in the region as a whole. Unemployment decreased significantly by 2001. Tourism is becoming an increasing component of the local economy, resulting in a growth of accommodation facilities including guesthouses, bed & breakfast establishments, niche retailing and development focussed towards lifestyle and pure indulgence pursuits. To maintain this market, the attractions and features of the Shire such as the mineral springs and other key environmental features must be protected and enhanced.

Some local employment opportunities are provided in industrial areas located in key urban areas of the Shire. Suitable industrial sites are limited. There is a need to investigate and establish further industrial areas in some key towns including Clunes, Creswick and Daylesford. Some industrial land uses are also located in rural areas of the Shire including the Daylesford Abattoirs, saw mills and a seed processing plant at Smeaton. These uses and associated activities need to be sensitively managed in rural areas.

Employment structure

Changes in Employment Structure between 1986-2001 are shown below.
Employment by industry, 1986-2001

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Forestry</td>
<td>14.7%</td>
<td>10.6%</td>
<td>10.9%</td>
<td>10.1%</td>
</tr>
<tr>
<td>Mining</td>
<td>0.5%</td>
<td>0.3%</td>
<td>0.4%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>18.0%</td>
<td>14.0%</td>
<td>15.7%</td>
<td>13.0%</td>
</tr>
<tr>
<td>Electricity, Gas &amp; Water</td>
<td>1.2%</td>
<td>1.1%</td>
<td>0.6%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Construction</td>
<td>6.2%</td>
<td>4.9%</td>
<td>4.7%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Retail/Wholesale Trade</td>
<td>14.2%</td>
<td>16.5%</td>
<td>16.5%</td>
<td>17.3%</td>
</tr>
<tr>
<td>Accommodation</td>
<td>3.7%</td>
<td>4.5%</td>
<td>6.6%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Transport</td>
<td>3.7%</td>
<td>3.5%</td>
<td>3.3%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Communication</td>
<td>2.2%</td>
<td>1.9%</td>
<td>1.6%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Finance Services</td>
<td>2.1%</td>
<td>2.0%</td>
<td>1.5%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Property Services</td>
<td>2.6%</td>
<td>3.5%</td>
<td>5.5%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Government &amp; Defence</td>
<td>6.8%</td>
<td>5.1%</td>
<td>3.8%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Education, Health &amp; Community Services</td>
<td>16.3%</td>
<td>17.5%</td>
<td>19.8%</td>
<td>19.9%</td>
</tr>
<tr>
<td>Cultural &amp; Recreation Services</td>
<td>1.4%</td>
<td>1.7%</td>
<td>2.3%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Personal Services</td>
<td>2.0%</td>
<td>2.8%</td>
<td>3.6%</td>
<td>3.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4026</strong></td>
<td><strong>4371</strong></td>
<td><strong>4566</strong></td>
<td><strong>5336</strong></td>
</tr>
</tbody>
</table>

Source: ABS Enumerated Population

Agriculture comprises a decreasing proportion of the employment structure, particularly in the eastern part of the Shire. Retailing, community services and recreational services provide an increasing share of employment for the Shire’s population. The decline of traditional agriculture as an employment base corresponds with a decrease in broad acre farm numbers in Hepburn Shire over time. Opportunities to value add to traditional agricultural activities and diversify the existing agricultural base need to be facilitated.

**Timber production**

While timber production on crown land is decreasing, private plantation development has potential for expansion in Hepburn Shire. Production has a long lead-time but is important in maintaining the supply of a resource that has been important to the economy. The bulk of existing investigation and investment in plantation or farm forestry has occurred in higher rainfall areas (over 700mm) such as in the Shire’s south and east. However capacity exists for farm forestry in lower rainfall areas but still requires further review. Investigations by DSE are assessing wood lot opportunities in lower rainfall areas, with a particular focus on the productivity benefits of tree planting as part of a larger farm system. The Code of Practice for Timber Production ensures that timber growing and harvesting will be promoted and are compatible with the conservation of the wide range of environmental values associated with forests.
The effects of industry restructuring and the Western Regional Forest Agreement may result in a reduction in logging yield. To ensure the ongoing viability of the industry, emphasis will be placed on value adding and diversification into related industries.

**Tourism**

Historically tourism has performed an important development role in towns such as Daylesford and Hepburn Springs. Now tourism is making a greater contribution as an industry, across the Shire as increased numbers visit Clunes, Creswick, Trentham and other locations. Within the Macedon Ranges and Spa Country region, domestic daytrip visitors spent over $59 million in the region in 2004, spending on average $64 per day trip. The key towns also attract large numbers of day-trippers and weekend visitors. Based on Tourism Victoria – Macedon Ranges & Spa Country Economic Profile 2004, domestic overnight expenditure in the MRSC region in 2004 is estimated to be $123 million, with visitors spending on average $114 per night and $265 per visit.

Hepburn Shire has established an enviable reputation as a key tourist destination, largely resulting from the attraction of the mineral springs, natural resources and environmental features located throughout the Shire. Land use and development within the Shire must be able to demonstrate protection of these valuable resources to maintain tourism opportunities. This objective is equally applicable to maintain the environment, alternative rural lifestyle opportunities and residential amenity.

**Rural land & agriculture**

According to ABS data, agriculture in the Shire was worth around $44 million during 2000-01 with 47 per cent of the land used for agriculture, a total land area of 67,312 hectares involved in agricultural operations. However the value of agriculture in the Shire has been variable over recent years. The need for agricultural diversification is becoming more important as more traditional farming areas are placed under residential development pressure.

Two hundred and forty-five (245) agricultural enterprises were identified in the Shire during 1995-96. Of these only about 12% could be considered ‘large’ operations based on farm income, that is, their income level enabled the capacity for reinvestment and family support without the addition of any off-farm income. This is similar statewide. Most of the enterprises were involved in grazing, horticulture (particularly potato/vegetable growing and viticulture) with the remainder mainly consisting of farm businesses involved in cropping and intensive animal industries. Overall, the number of farming enterprises in the Shire has declined in the past decade. This pattern of agriculture is consistent with the bulk of the peri-metropolitan or metropolitan fringe areas. The influence of lifestyle farming and property prices constrains the capacity of traditional farming enterprises to expand and re-invest.

However, Hepburn Shire has potential for diversification in traditional agricultural activity and encouraging newer types of agriculture. Emerging industries include viticulture, herb growing, specialised animal raising and seed production industries. Many of these enterprises operate with the assistance of off-farm income. The level of production in the smaller enterprises in the Shire (and across the region) is difficult to determine, as are trends towards specific commodities. However it is expected that these enterprises will have a significant commercial role for the Shire and region into the future. In addition many of these smaller holdings can offer positive environmental outcomes in terms of land management and rehabilitation.

**Environment & heritage**

**Catchments**

The Shire is covered by water supply catchments. These include the local domestic water supply areas, as well as the larger catchments of the Loddon and Campaspe Rivers and the Tullaroop Creek. Unplanned vegetation clearance, dam construction and effluent disposal can lead to effects
on domestic water supply. These activities have particular significance in the local domestic supply catchments where the broad use of land, as well as the design of developments, becomes increasingly important.

The increased harvesting of water for private use and agricultural enterprises will be a planning issue in the Shire as development pressures continue. Potential reduction in stream flows can also lead to environmental damage and loss of habitat areas.

**Groundwater management and mineral springs**

Groundwater management is an issue with regard to mineral springs in the Shire. Springs close to Daylesford (Central Springs), Hepburn Springs and other areas are at risk from groundwater loss or contamination through inappropriate development in recharge areas. Recharge areas can often be located some distance from the actual mineral spring outlet. Pollution of mineral spring aquifers can occur as a result of land use activities in recharge areas including vegetation clearance, effluent disposal, surfacing and roadworks, landforming, mining and building activity. In the past, pollution resulting from urban land uses has resulted in the temporary closure of some springs. The provision of reticulated sewerage has reduced this risk. In other areas groundwater resources provide an equally important, but less recognised, water supply source that must be appropriately protected. Bore water is used for domestic drinking supplies for Kingston, Newlyn, Smeaton and Allendale. Suppling bore water to Clunes is under investigation.

**Landscapes**

The Hepburn Shire contains spectacular bushland, cultural and natural landscapes. These make the area attractive for residents and visitors and establish the Shire's special character. The plains and volcanic peaks of the northern and western part of the Shire and the bushland and ridgelines of the central highlands are easily recognised in this context. Other areas such as Wombat Hill and former gold mining areas around Clunes reinforce these images for residents and visitors.

**Vegetation**

Vegetation in Hepburn Shire is important for habitat, landscape values, and as a land and water management resource. Significant areas of public and private land remain forested, or are the site of remnant grasslands. Some sites on private land are often in areas traditionally less desirable for agriculture and are now popular bushland residential areas. Wildfire is a potential threat that may impact on densely populated areas and bushland residential areas as well as impacting upon the ecology. Areas of remnant vegetation and the fringes of these areas, provide habitat for a range of native fauna. The need to promote habitat replacement is an important land use planning and development management objective in these areas.

**Cultural heritage**

Settlement patterns across the Shire demonstrate the influences of many different cultures and traditions. These settlements represent an important aspect of the community in Hepburn for contemporary and historical reasons. For instance, European settlement in Hepburn Shire is strongly linked to the development of goldfields and pastoral development in the mid-nineteenth century. Deep lead mining activity in various parts of the Shire included people from Cornish, English, Scottish, Irish and Chinese backgrounds. The strong influence of Swiss-Italian cultures is also still evident in some of the key built forms of Hepburn Springs and Yandoit.

Further investigations should be undertaken by the Shire to determine the significance of these cultures on the modified landscape and settlement patterns across the Shire. Assessment work should also be undertaken on further identification of pre-contact places to establish significant aboriginal places and sites that preceded white settlement in the Shire.

The Shire has identified a vast array of buildings and sites that have historical linkages with the Shire’s towns, settlements and rural development. Many of these buildings and sites need to be protected in the planning scheme within a Heritage Overlay. A number of heritage studies have identified additional sites which will form the basis of an enlarged Heritage Overlay map and
schedule. The majority of the sites have been mapped but further ‘proving’ of the location of the remainder of the sites will occur within the first year of the scheme’s operation. The responsible authority will take into account the heritage impact of applications on the unmapped sites when making planning determinations.

The on-going identification, documentation, protection and maintenance of significant heritage assets in the Shire, including pre-contact places and cultural landscapes will ensure continued appreciation and enjoyment by local people, visitors and tourists.