

6 April 2016

Mr Nick Wimbush
Chair, Major Hazard Facilities Advisory Committee
C/- Planning Panels Victoria
Via email: planning.panels@delwp.vic.gov.au

Dear Mr Wimbush

Re: Major Hazard Facilities Advisory Committee

Thank you for the opportunity to make a late submission to the Major Hazards Advisory Committee on the topic of protecting buffers around critical water assets. VicWater is the peak body of the Victorian water industry with its membership constituted of Victoria's 19 statutory water corporations. Those corporations are responsible for the provision of urban water and wastewater services, rural water supply including irrigation and related drainage services.

Weak land use planning around critical sewerage assets and the subsequent erosion of buffers – leading to expensive upgrades to reduce odour or noise, or in the worst case to entire closure and movement of an asset – is a major issue for water corporations and a significant financial burden for customers.

VicWater has been very active on the topic of protecting buffers around these critical assets for many years. This issue was prominent in a three-part submission to the State Planning Policy Framework Review (May 2014), and a 17 page submission on Plan Melbourne in December 2013. VicWater also hosted a 'Wastewater Management Facility Buffer Zone Workshop (that was attended by representative from local government and the then Department of Planning and Community Development) in June 2013.

During 2015 and 2016, VicWater has continued discussions with the Plan Melbourne team within DELWP regarding the importance of retaining the Plan Melbourne action that pertains to buffer protection and prepared a follow up submission in support of that in February 2016. Copies of each submission can be provided.

Although this advocacy has generated a significant amount of sympathy, it is yet to result in improvements to the land use planning framework.

With this in mind, we are very disappointed that VicWater and most water corporations were not contacted at the outset of this Review, and been given a more thorough opportunity to participate.

VicWater notes that Melbourne Water was invited to participate in the review, on the basis that it is the only water corporation to operate Major Hazard Facilities (MHF) according to the current Worksafe Victoria register of such sites. However, the basis on which buffer distances around three Melbourne Water assets should be included, and buffers around other critical Melbourne Water (and other water corporation) assets should be excluded from consideration during this process, is unclear.

VicWater further notes that Committee Terms of Reference require the Advisory Committee to make recommendations in relation to:

- (a) issues to be addressed for each of Victoria's 40 registered MHFs and principles about how the land use planning system can assist in managing risks and any adverse impacts, including the potential role and function of land use buffers, and*
- (b) principles for applying land use buffers more broadly to other uses with adverse amenity potential.*

VicWater recognises that the water industry's priorities fit squarely under 'b', or 'other uses'. However, by limiting active consultation to the owners/operators of existing statutory MHF (in addition to a small number of other parties), the committee is unlikely to receive much exposure to important issues that ought to be resolved through this process. Instead, the Committee's report will potentially perpetuate issues that arise from a narrow and illogical characterisation of activities that require buffer protection.

There is little doubt that a lot of critical sewerage infrastructure has very poor protections from encroachment. Currently, buffer zones are inadequately recognised in land planning schemes and increased pressure to develop close to the boundaries of wastewater treatment plants can potentially lead to negative amenity for the eventual occupants, an increase in customer complaints, reputational loss for the water businesses and increase the need for plant modifications, or at worst, relocation of the entire plant.

In a recent example, approximately 10 years ago a treatment plant was relocated (due to buffer erosion) at a cost of tens of millions of dollars. It was moved to the outskirts of town (at the time!) and was near an airport and industrial zoned land. The airport owner recently applied for a rezoning of land adjacent to the airport in order to develop it. The water corporation is fighting the application but it is likely to proceed.

VicWater supports the Committee's scope and priority outcomes as detailed in Terms of Reference, particularly point 5 and 6. Success on these matters would go a long way towards achieving a strategic objective of Plan Melbourne and ultimately to reducing water bills for customers. Please contact James Cleaver (james.cleaver@vicwater.org.au or 9639 8868) with any questions or matters for clarification.

Yours sincerely



Tony Wright
Chief Executive Officer