



Rural Hinterland Futures Strategy



ADOPTED MAY 2019

Document Control

Version	Date	Reviewed
Draft	May 2018	KH / MT
Draft V2	6 Jan 2019	SB / KH / MT
Final Draft for Review	26 Feb 2019	SB / KH / MT
Final Draft	28 Feb 2019	SB / KH / MT
Adopted	28 May 2019	KH / MT

Acknowledgment

The Surf Coast Shire proudly acknowledges the Gulidjan and Gadubanud peoples of the Eastern Maar Nation, and the Wadawurrung as the traditional custodians of the Surf Coast Shire Region. We acknowledge that the Surf Coast Rural Hinterland Futures Strategy is based upon the lands of the Wadawurrung, Gulidjan and Gadubanud people.

We pay our respects to their Ancestors and Elders, past, present and emerging. We recognise and respect their unique cultural heritage, beliefs and relationship to their traditional lands, which continue to be important to them today and into the future.

CONTENTS

PART A	4
1. EXECUTIVE SUMMARY	6
2. INTRODUCTION	8
Why have a Strategy?	8
How Was This Strategy Developed?	9
Study Area	10
Social and Cultural Value of the Hinterland	11
Linkages with Other Strategies and Plans	12
3. CONTEXT - DRIVERS FOR CHANGE	13
Urban Growth	13
Rising Land Values and Lifestyle/Hobby Farms	13
The Evolving Role of the Hinterland and Agribusiness	14
Climate Change and Environmental Risk	14
Consideration of Bushfire Risk	15
Technology	15
4. CONTEXT - THE HINTERLAND ECONOMY	16
5. CONTEXT KEY FACTS	17
6. VISION	18
7. STRATEGIC OBJECTIVES AND PRINCIPLES	19
8. STRATEGIC FRAMEWORK	21
Strategic Framework Map	22
Intensive and Commercial Farming Focus Area	23
Commercial Farming and Agribusiness Focus Area	24
Tourism Focus Area	25
9. ACTION AND IMPLEMENTATION PLAN	25
PART B	31
10. CONTEXT	32
The Hinterland Economy	32
Exports and Value Add	32
Agribusiness	33
Soils and Land Use	33
Tourism	37
Environment and Landscape	42
Recycled Water	43
Water Reuse	45
Reticulated Water and Sewerage	44
Road and Cycling Infrastructure	45
Public Transport	46
Telecommunications	46
Natural Gas	46
11. LAND USE PLANNING CONTEXT	47
State Policy	47
Local Policy	48
Agriculture	49
Rural landscape	55
Environmental values	50
Bushfire planning and risk	51
Tourism	58
APPENDICES	59



Part A

1. EXECUTIVE SUMMARY

The Rural Hinterland Futures Strategy provides direction to Council on the economic activation and vitalization of the rural hinterland areas of the Shire that is based on research, consultation and supported justification. It is an economic development and planning strategy with a focus on rural areas, not the Shire's towns which are supported by their respective structure plans. The Strategy relates primarily to land in the farming and rural conservation zones.

Surf Coast Shire's hinterland comprises some 1,020 square kilometres (or 60per cent) of the Shire and is integral to the Shire's image and its economy. The hinterland has a diverse character, with productive agriculture and rural land, tourist businesses, rural townships, rolling hills, waterways, native vegetation and scenic landscapes all forming a rich and valued environ.

The Rural Hinterland Futures Strategy has been developed to provide a clear vision and high level strategic direction for the Surf Coast Shire hinterland to vitalise the economy and ensure its long term sustainability. The pressures of urban growth, climate change, the evolving role of agribusiness in the Shire and changing technology drive the need for a new strategy so that the area can adapt and thrive. Urban growth in particular creates the need to generate new jobs to retain or grow the current contribution that the hinterland makes to the Surf Coast economy.

The Strategy is evidence-based and the result of extensive background analysis and community engagement and consultation with government agencies, community groups, landowners, stakeholders and businesses.

One of the Strategy's key findings is that the rural landscapes in the hinterland are highly valued by the community and visitors, and an important element in its economic future. They also form part of an important cultural landscape for Aboriginal people.

The hinterland currently contributes about 6per cent to the local economy, and there is opportunity to grow this percentage to support our growing population.

The aims of this Strategy are:

- To increase the hinterland's contribution to the local economy from a baseline of 6% by supporting existing agricultural uses so they develop and thrive; and
- to develop agri-food, agritourism and tourism opportunities in the hinterland that are complementary to the rural landscape and environmental values.

There is an opportunity to draw some of the 2.1 million visitors to Surf Coast Shire into the hinterland to new destinations, events and experiences such as outdoor recreation, culture, arts, food and wine. These new destinations will require new or improved infrastructure to support them, and amendments to the planning scheme to provide the policy framework to facilitate this opportunity, whilst balancing support for farming and protecting important environmental and landscape values.

The Rural Hinterland Futures Strategy Vision is:

By 2040 the hinterland is a key contributor to the Surf Coast economy and renowned visitor destination.

The Strategy has five key objectives to achieve the vision:

Objective 1:

Elevate the Value of our Environment and Rural Landscapes as the Defining Feature of the Surf Coast Hinterland and its Significance to the Local Economy.

Objective 2:

Encourage Agriculture and Innovative Businesses Displaying Sustainable Land Management Practices to Enhance our Reputation as a Forward Thinking Business Destination.

Objective 3:

Stimulate Agritourism to Enhance the Surf Coast as a Visitor Destination.

Objective 4:

Support Tourism Activities which Complement the Agricultural, Landscape, and Environmental values of the Surf Coast Shire.

Objective 5:

Secure Enabling Infrastructure to Deliver the Vision and Objectives of the Strategy.



2. INTRODUCTION

Why have a strategy?

There is a need to provide strategic direction in relation to guiding and enhancing the economic development potential in the rural hinterland, particularly in relation to informing future policy changes to the Surf Coast Planning Scheme for discretionary uses in the Farming and Rural Conservation Zones.

Surf Coast Shire is one of regional Victoria's fastest growing municipalities. It is located in south-western Victoria, 120km from Melbourne and 21km south of Geelong. Its proximity to the Princes Highway and the Geelong Ring Road provides convenient road access that enhances the Shire's appeal as a lifestyle, holiday, tourist and business destination. Population forecasts estimate that about 43,000 people will call Surf Coast Shire home by 2036. This growth will mean creating over 1,650 additional jobs in the same timeframe.

While urban centres, like Torquay, will absorb much of the forecast population growth, Council expects the Shire's rural hinterland to play an increasingly important role in economic contribution and job provision.

This hinterland covers about 1,020 square kilometres (or 60per cent of the Shire) and includes the localities of Deans Marsh/Pennyroyal, Freshwater Creek, Modewarre, Moriac and Winchelsea. The hinterland is dominated by farming and other rural uses (which occupy about 45per cent of the total defined area) and land associated with the Great Otway National Park. Winchelsea is the largest town in the hinterland and acts as a regional centre for many local farmers.

Land within the settlement boundary of townships is not within the scope of this strategy as they are covered by structure plans which establish strategic land use directions for these places. However, it is noted that the towns in the Shire's hinterland serve important roles within the Shire serving local communities and visitors. Some already function as tourist hubs, and in appropriate locations there is scope for further development and economic activity in line with their structure plans.

The Great Ocean Road is another significant feature of the Shire that connects the coastal townships and traverses significant landscapes, including the Great Otway National Park. It is also a nationally-listed heritage place that is greatly valued by the community and recognised internationally as a tourist icon, with 3 million visitors annually. The region itself receives over 5.1 million visitors. The coastline and wide rural vistas are a significant draw-card for the tourism industry, which is a major industry sector for the Surf Coast Shire. These visitors and the surrounding population present a significant opportunity for the hinterland.

The Surf Coast rural hinterland has a long agricultural history in the dairy, beef, sheep and grain industries. More recently, a number of smaller boutique businesses have been established, particularly in the agri-food and agriculture sectors. These new ventures, along with more traditional agricultural operations, contribute significantly to the region's diversity, longer-term sustainability and overall productivity. There is also opportunity to explore innovative farming practices and value-add production to increase the economic output and viability of farmland.

This strategy aims to respond to these emerging issues and provide leadership, vision and a clear direction for the rural hinterland of the Surf Coast Shire, for land in the farming and rural conservation zones.

Our natural assets, including our natural environment and the rural landscapes, have helped create these opportunities. Council seeks to conserve and protect these assets, whilst utilising their value and capitalising on the opportunities they have created. To realise these opportunities, the Local Planning Policy Framework will need to change and this Strategy will guide these changes.

How Was This Strategy Developed?

The Strategy was developed in two stages.

Stage 1

Stage 1 of the project produced background research which aimed to:

- Understand current State and Commonwealth policies which may influence the hinterland.
- Provide a snapshot of the value of economic activity in the hinterland, with benchmarking of comparable areas (Yarra Valley, Onkaparinga).
- Identify key enabling infrastructure (roads & access, water, telecommunications) and the opportunities they present.
- Understand the soil compositions and broader land tenements.
- Identify the implications of climate change and adaptation.
- Describe the various current planning scheme regulations as they apply to the hinterland.

Stage 2

Stage 2 of the project produced a Background Report, Issues and Opportunities Paper and Draft Hinterland Futures Strategy, which were based on this background research and community, agency and stakeholder consultation.

Community consultation on the Issues and Opportunities Paper included a hard copy and online survey (42 respondents), three workshops at Deans Marsh, Moriac and Bellbrae, written submissions, interviews with stakeholders and businesses and public exhibition of the documents on Council's website. Council's Environment and Rural Advisory Panel also contributed to the Hinterland Strategy's vision and the background research. Council received nine(9) written submissions, with many submissions from landowners seeking to maximise the highest and best use for their land. (Refer to the Consultation Report for further details.)

Therefore, this strategy should be read in conjunction with the following background reports:

- Background Report (HillPDA and Associates, 2017)
- Issues and Opportunities Report (HillPDA and Associates, 2017)
- Community Consultation Report

Study Area

Figure 1 shows the study area. It became evident as Council developed the Draft Strategy that the original study area excluded rural land on the south western edge of the Shire with good land capability and a number of established tourist uses, in districts like Pennyroyal, so Council expanded the Strategic Framework Plan in the Draft Strategy to include those areas. The study area does not include townships in the hinterland which are guided by their respective structure plans. The study area also excludes the Great Otway National Park.

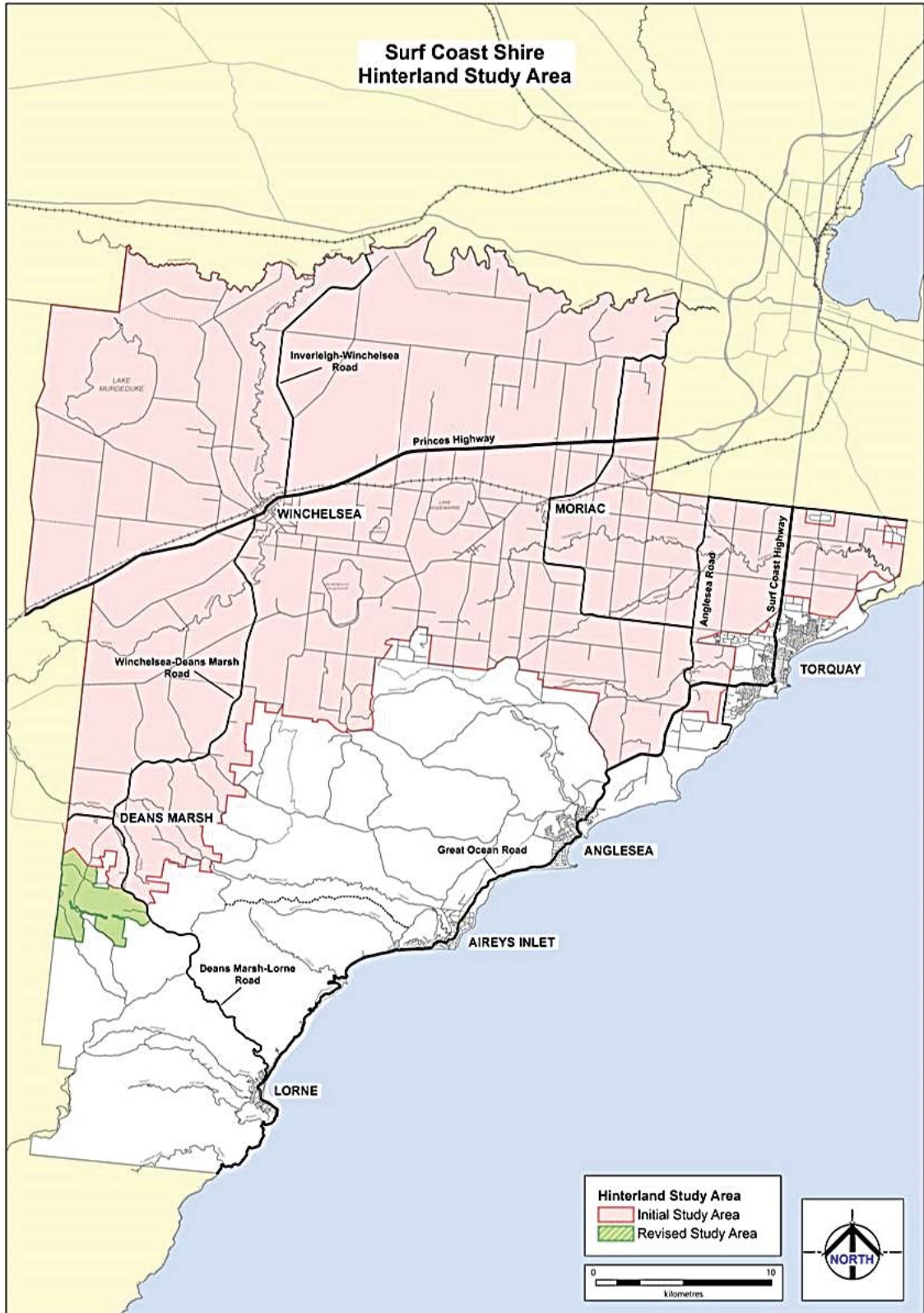


Figure 1 - Hinterland Study Area

Social and Cultural Value of the Hinterland

Although the Strategy has an economic and planning focus about land use, Council acknowledges that the value of the hinterland extends beyond the economic. The community, landowners and visitors greatly value the environmental, landscape and amenity attributes of the hinterland.

During the Environmental Rural Advisory Panel workshops, a strong theme also emerged about support for the production and consumption of local food. That led to Council's recently produced "Local Food Program". The Local Food Program is closely aligned with this Strategy.

The Hinterland is also part of an important cultural landscape for Aboriginal People. The Surf Coast Rural Hinterland Futures Strategy is based upon the traditional lands of the Wadawurrung, and the Gulidjan and Gadubanud people of the Eastern Maar Nation. The Shire's Aboriginal story spans thousands of years, continuing to this day. There is scope to promote Aboriginal stories, improve our understanding, and share economic prosperity with Aboriginal people in our region.



Linkages with Other Strategies and Plans



3. CONTEXT - DRIVERS FOR CHANGE

Research for the Hinterland Strategy identified the following key emerging trends and challenges. Some of these are natural while others are man made. However, each emphasises the need for a strategy for the Surf Coast Shire Hinterland.

Urban Growth

The Surf Coast Shire has two designated growth townships: Torquay and Winchelsea. Winchelsea is growing slowly but has an aspirational goal of increasing from 1,500 people to 10,000 people by 2030. Torquay is our fastest-growing township, with the population expected to grow from 17,588 (current estimate) to 30,000 people by 2040. The population of Torquay/Jan Juc increased by 35.4per cent between 2006 and 2011.

This growth, and the ripple effect as Melbourne continues to grow is putting pressure on regional areas to accommodate more people. In turn this puts pressure on existing township boundaries, as developers ask councils to allow expansion and new “greenfield” sites. If not carefully managed, greenfield urban growth presents a risk to viable agricultural land, scenic landscapes and green breaks between townships. Loss of native vegetation, loss of wildlife habitat and additional stormwater entering waterways adversely affects our environment.

Our environment, including our coast and forests, undulating rural areas and green spaces are what make the Shire a major tourist destination and tourism is our main economic activity.

Primary production, farm gate and agri-food or agritourism represents a further 6.6per cent of the Shire’s economic output. The loss of arable farming land and important rural landscapes to growing townships could have severe consequences to the future economic potential and job creation contribution of the hinterland.

Rising Land Values and Lifestyle/Hobby Farms

Land values vary across the hinterland but broadly they increase as one moves east towards Geelong south towards Torquay and Lorne. High land prices also place pressure on the hinterland’s important agricultural uses, as the return on investment is generally significantly lower for agriculture than for uses like accommodation.

Buyers often pay a premium for rural lifestyle properties or hobby farms in the hinterland, with prices currently almost double the regional Victorian median. On hobby farms the main purpose is as a place to live (lifestyle) and not agricultural production. Council expects this to remain strong , with pressure for further subdivision of rural land in future.

The rapid increase in land values in the Surf Coast hinterland compared to regional Victoria at large has led to a high incidence of “land banking”, where land is purchased primarily as an investment. Sometimes this practice has led to reduced areas of land being available for productive agriculture, with banked land either being offered for lease at rates prohibitive to productive agriculture, or maintained in a manner not aligned with recognised best-practice management.

The Evolving Role of the Hinterland and Agribusiness

Strong population growth, combined with a large visitor economy, is changing our regional landscape and agribusiness.

Agribusiness is a significant contributor to the visitor economy, with rural landscapes, wineries, harvest trails, farmers markets and small scale food producers contributing significantly to the region's appeal to domestic and international visitors.

Climate Change and Environmental Risk

Climate change, with decreased rainfall, more frequent storm events and warmer temperatures, will affect many aspects of the hinterland over time. Although rainfall totals will decline, that rain will more frequently fall as extreme downpours, with more flooding.

BARWON SOUTH WEST HAS BEEN GETTING WARMER AND DRIER. IN THE FUTURE THE REGION CAN EXPECT

Temperatures to continue to increase year round



More hot days and warm spells and fewer frosts



Less rainfall in Winter and Spring

More frequent and more intense downpours



Harsher fire weather and longer fire seasons



Rising sea level



Increased frequency and height of extreme sea level events

Source: DELWP Climate Ready Barwon South West

Extreme weather will threaten coastal infrastructure and urban settlements, with flow on effects to transport, tourism and the natural environment. Sea level rise and coastal erosion will impact on low lying roads and iconic tourism destinations like the Great Ocean Road. Heavy rainfall, erosion and landslips could threaten safety and tourism infrastructure.

The Surf Coast hinterland contains productive agricultural land, waterways and significant environmental assets like the Great Otway National Park. Agriculture in the hinterland is less likely to be severely impacted by climate change than the "food bowl" regions of Victoria, like the inland wheat and cropping production areas. However, dry conditions in those areas will place greater pressure on remaining land to become more productive, and areas that can be irrigated will be critical.

Climate change impacts like increased temperatures, sea level rise, lower rainfall and storm events will hasten native vegetation loss and species decline. As a result our existing environmental assets become more important. Protecting them is central to supporting biodiversity, agriculture and the Surf Coast economy.

By 2040, Barwon Water expects to see a 7 per cent reduction in flows to reservoirs due to climate change. However, in future, recycled water may provide an alternative in areas near the Black Rock and Winchelsea water reclamation plants. Greater reuse of waste water on-site by private businesses will also help. (This is discussed further in the Recycled Water section of this report).

Consideration of Bushfire Risk

Environmental risks, particularly bushfire, are a major issue for the Shire and climate change is likely to increase these risks. Large areas of the Shire, including the coastal townships, are covered by the Bushfire Management Overlay (BMO) in the planning scheme, and most of the Shire is a designated Bushfire Prone Area under the Building Regulations.

In response to the recommendations of the Black Saturday Bushfire Royal Commission, the State Government introduced state-wide reforms including policy provisions emphasising the need to prioritise the protection of human life over all other policy considerations.

With the focus on resilient communities, bushfire risk must be considered in decision making at all stages of the planning process. Development should be directed to lower risk locations and use and development, including events, in high risk locations is to be avoided.

When siting tourist facilities, residential development and other sensitive uses, bushfire risk will be a key consideration.

Technology

New technology continues to change business and communication. All businesses, including farming, are increasingly dependent on information technology to do business, access information and communicate with customers and suppliers. High speed internet access and mobile phone coverage are essential to business and visitors expect them to be available. Our hinterland has areas without mobile phone coverage (“black spots”) and limited broadband internet access. The NBN is progressively being delivered but gaps still exist. Today, both visitors and the local community expect comprehensive communications coverage in rural areas, particularly in popular areas.



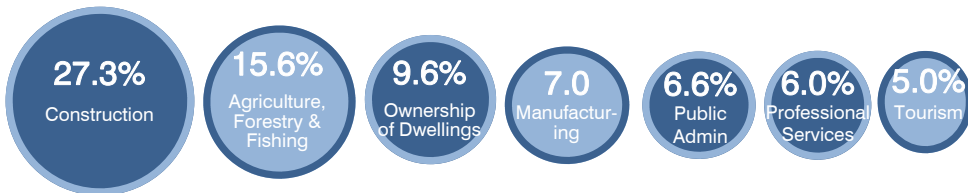
4. CONTEXT - THE HINTERLAND ECONOMY

HINTERLAND ECONOMIC CHARACTERISTICS

\$477.8m



HIGHEST GRP INDUSTRIES



ATTRIBUTES FOR 65% OF LAND IN THE SURF COAST SHIRE

GOOD HIGHWAY ACCESS MAJOR AUSTRALIAN TOURISM

REGION HIGH SCENIC AND ENVIRONMENTAL VALUES WITH 30%

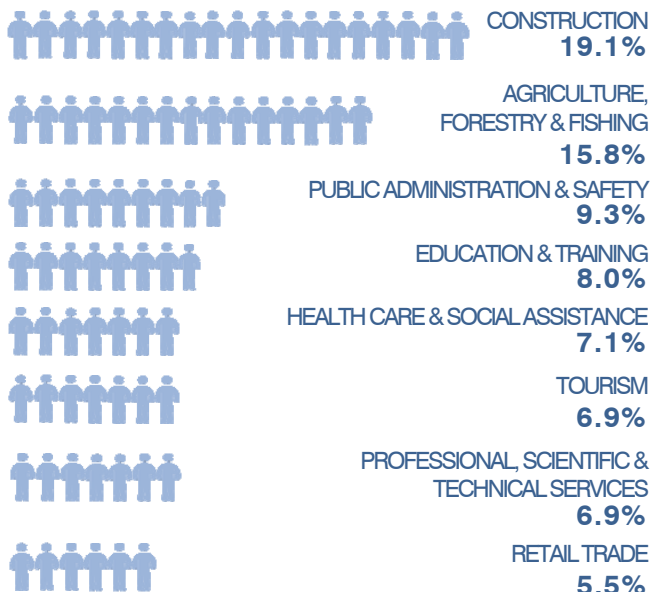
OF SHIRE LAND RESERVED AS PARK QUALITY OF LIFESTYLE

WORKFORCE



59% TRAVEL OUTSIDE HINTERLAND FOR WORK

BIGGEST EMPLOYING INDUSTRIES



LARGEST NUMBER OF BUSINESSES

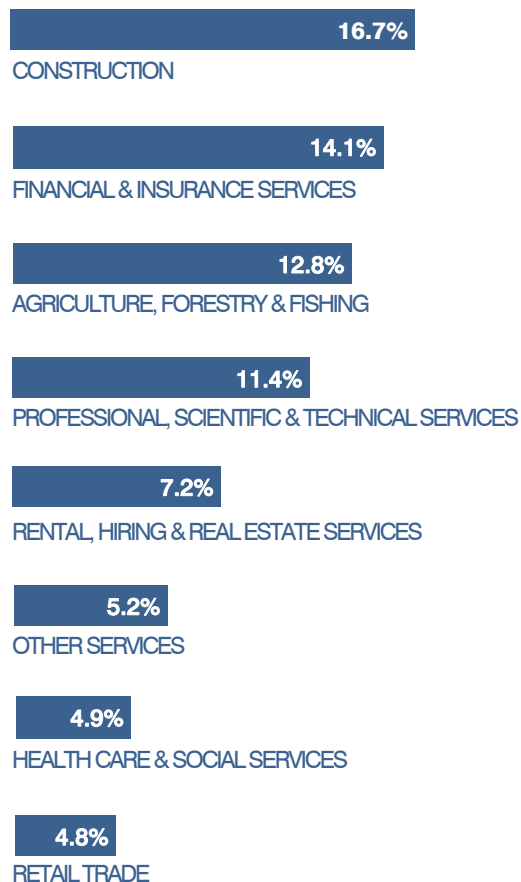


Figure 2: Hinterland Economic Characteristics
Source: Australian Bureau of Statistics, REMPlan

5. CONTEXT - KEY FACTS

Council prepared a detailed Background Report to support this Strategy which was exhibited in November 2017, together with an Issues and Opportunities Report.

Part B of this Strategy is a summary of the context and background research and the insights that lead to the directions in this Strategy.

The following is a summary of the key contextual facts:

<p>The Shire is experiencing high population growth, particularly around Torquay, and the Shire requires 1,650 new jobs to support the future population.</p>	<p>Surfing, tourism and construction industries are major drivers of the broader Surf Coast economy. Agriculture is a significant contributor to the hinterland economy.</p>
<p>There is a policy gap in the planning scheme on discretionary uses in the rural zones that needs to be filled to provide guidance.</p>	<p>More guidance is required in the planning scheme on the location and design of development in rural areas and in significant landscapes.</p>
<p>Agritourism has potential to stimulate business in the hinterland, as the beauty of the landscapes is both a tourist drawcard and a lifestyle attractor.</p>	<p>There is increased growth and development pressure on rural and environmental values in the hinterland and key tourist attractions like the Great Ocean Road.</p>
<p>Hobby/lifestyle farms are a dominant and growing land use in the hinterland.</p>	<p>There is undersupply of product to attract visitors to the hinterland.</p>
<p>Intensive agriculture is growing in the region. It has an important role to play if aligned to the hinterland vision.</p>	<p>About 3per cent of Surf Coast Shire's 2.1 milliion visitors currently come to the hinterland. This represents enormous potential for tourism.</p>
<p>Small-scale food production has been growing in the region due to the opportunity provided by the tourism industry and a developing "Otways" brand.</p>	<p>Commercial broad-acre agriculture is still the dominant land use in the hinterland. This is changing, however it is still a major economic contributor and has an important role to play in sustainable land management.</p>
<p>Visitors are seeking experiences such as outdoor recreation, culture, food and wine and events.</p>	<p>Existing infrastructure is struggling to meet the growing needs of the hinterland.</p>

6. VISION

By 2040 the rural hinterland is a key contributor to the Surf Coast economy and renowned all-year visitor destination.

What does this look like?

High value rural landscapes and natural environment are recognised as a defining feature of the economy in addition to their intrinsic scenic value.

A thriving agricultural sector based on innovative businesses that display sustainable development and land management practices, is complemented by local food, high-quality tourism products and outdoor activities, that provide a year round experience. Our significant environmental assets and landscapes will underpin these values.



7. STRATEGIC OBJECTIVES AND PRINCIPLES

The Strategy has five key objectives:

Objective 1:

Elevate the Value of our Environment and Rural Landscapes as the Defining Feature of the Surf Coast Hinterland and its Significance to the Local Economy.

Recognise the role that the natural environment and landscape plays in the rural hinterland economy and develop its contribution to the Surf Coast Economy.

Objective 2:

Encourage Innovative Agricultural and Other Businesses Displaying Sustainable Land Management Practices to Enhance our Reputation as a Forward Thinking Business Destination.

Ensure new businesses are “clean and green” and achieve best practice.

Objective 3:

Stimulate Agritourism to Enhance the Surf Coast as a Visitor Destination

Develop Agritourism as the area with the highest potential to develop Surf Coast’s reputation as a food destination and increase the hinterland contribution to the Surf Coast Economy.

Objective 4:

Support Tourism Activities which Complement the Landscape, Agricultural and Environmental Values of the Surf Coast Shire

Ensure new tourism activities are complementary to existing values that we wish to retain and enhance and make a positive contribution to the economy.

Objective 5:

Secure Enabling Infrastructure to Deliver the Vision and Objectives of the Strategy

Improve on our road, servicing, recycled water sources and supporting infrastructure to enable the economy in the hinterland to thrive. Advocate for improved public transport services. Look for new opportunities to build resilience.

The Strategy has the following key seven principles:

The principles sometimes overlay and therefore need to be balanced against one another.

Principle 1:

Agriculture will remain the primary purpose of land in the Farming Zone.

Principle 2:

New uses and development should not result in an unreasonable loss of productive capacity of agricultural land, or impact on the productivity of existing adjoining agricultural uses.

Principle 3:

Development (built form) should avoid negative impacts on: environmental and landscape values and adjoining agricultural uses through appropriate siting and detailed design measures.

Principle 4:

New industrial, storage (warehouse), or manufacturing uses on Farming zoned land should have a direct relationship with the agricultural production of the land or surrounding district.

Principle 5:

Environmental values and rural landscape features will remain the defining physical and visual attributes of the hinterland.

Principle 6:

Tourism and agritourism attractions should be clustered around key nodes in the hinterland.

Principle 7:

Discretionary use and development will consider fire risk including landscape type, vehicle access, the ability to mitigate the risk and the capacity of the emergency services.

8. STRATEGIC FRAMEWORK

The following section of the strategy demonstrates spatially the directions and outcomes of the Strategy. They have been informed by the background research and opportunities identified to achieve the Vision for the hinterland.

Implementation will require several actions, both economic and planning, to achieve the Vision and Objectives, including a planning scheme amendment. These actions are outlined in Section 8.

Strategic Framework Map

The Strategic Framework map, shown in figure 3 is the overarching plan for the Strategy and divides the hinterland into three strategic focus areas well suited to:

1. Intensive and commercial farming.
2. Agribusiness and commercial farming.
3. Tourism.

There are a number of areas throughout the Hinterland where strategic focus areas overlap. This reflects findings that many areas are suited to a broad range of complementary activities. E.g. the agribusiness and commercial farming and the tourism focus areas overlap on the Cape Otway Road.

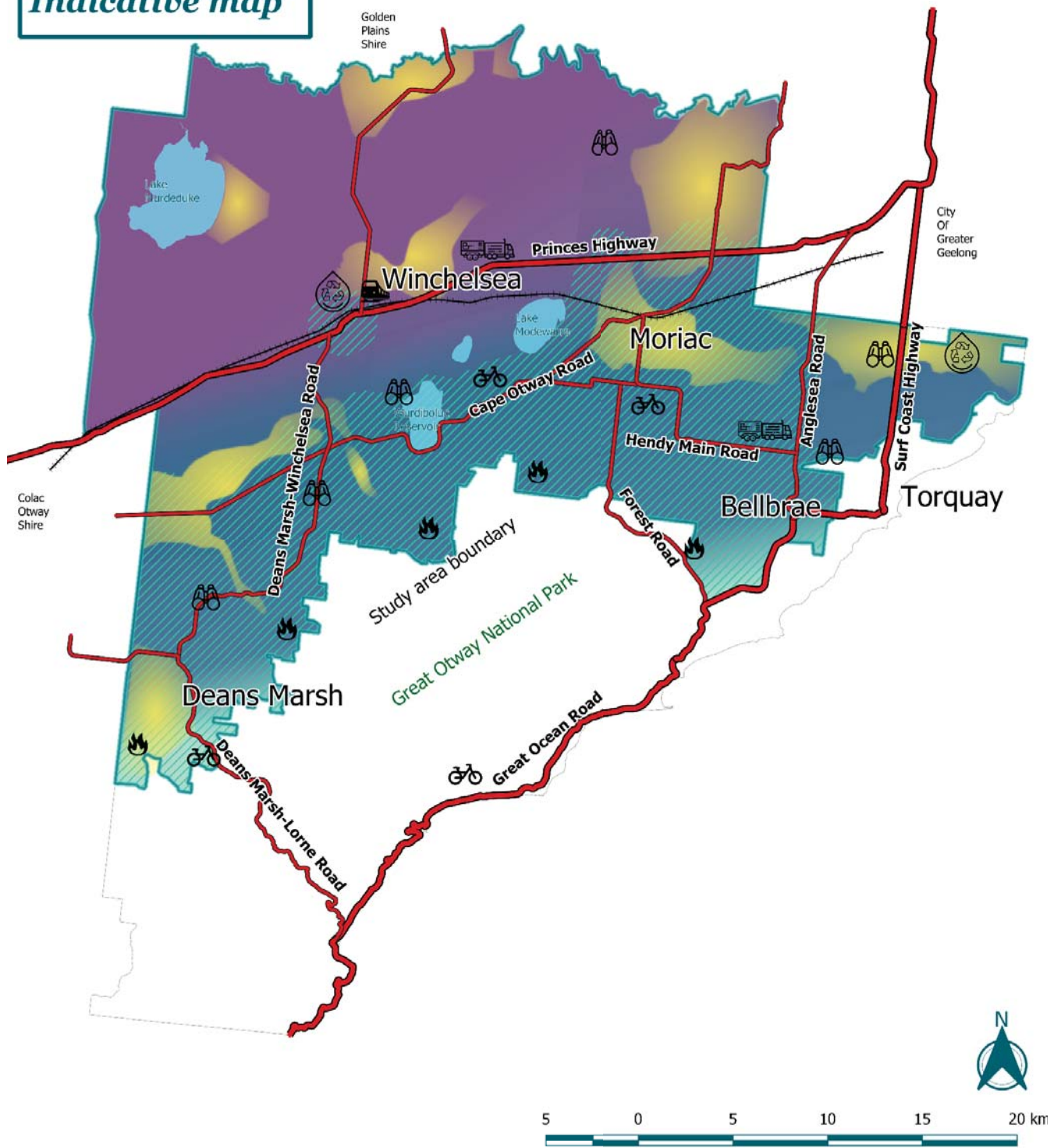
The development of the maps has been informed by technical information regarding landscape and environmental assets, land capability, lot sizes, accessibility to transport, services, water and workforce and the like to direct uses to areas where they are most suited and are best supported.

It should be noted that the areas shown on the plan are for guidance and the borders are not fixed. Planning applications can be considered for land both within and outside the areas shown and will be considered on their merits. The areas indicate what the land is 'well suited to' based on location, access to key infrastructure, and land attributes.

The Strategic Framework map also identifies the key transport and tourist routes and important infrastructure that can help business to grow within the hinterland. The townships of Winchelsea, Moriac, Deans Marsh and Bellbrae are identified as focus areas for tourism and agritourism. These towns provide basic services, are located on identified tourist routes, and currently support a number of tourist destinations. The strategy seeks to grow these areas as activity hubs. The intention is not focused on the town itself but also the surrounding area, with the town symbolising the focal point.

The roundabout at the intersection of the Great Ocean Road and Forest Road has also been identified as an activity focus area. Directing development to these locations is intended to avoid ribbon development along key tourist routes. Clustering land use has the added benefit of businesses stimulating other businesses, and is also important in relation to bushfire risk management. It also assists the CFA with regard to deploying limited resources during emergency events if activities and development are geographically clustered and proximate to each other.

Indicative map



<p>Strategic focus areas</p> <ul style="list-style-type: none"> Intensive and commercial farming Agribusiness and commercial farming Well suited to tourism activities Hinterland Futures study area 	<ul style="list-style-type: none"> Surf Coast Shire boundary Lakes Highways Main roads Railway Agricultural soil quality hotspots 	<p>Icons</p> <ul style="list-style-type: none"> Access to key transport roads Access to rail transport Access to recycled water High impact bushfire zone High value scenic vista area Key cycle route
---	---	---

Figure 3: Strategic Framework Map

Areas Well Suited to Intensive and Commercial Farming

The Intensive and Commercial Farming Focus Area, shown in figure 4, features large land holdings, high quality soil and lower land prices compared with other parts of the hinterland. The productive soils and remoteness of much of this land from residential areas makes this area better suited to more intensive production. The area has access to Winchelsea, road freight, recycled water and the key road freight network including the Princes Highway. Endangered grasslands and Lake Murdeduke, which is an internationally significant wetland, are also features of this area.

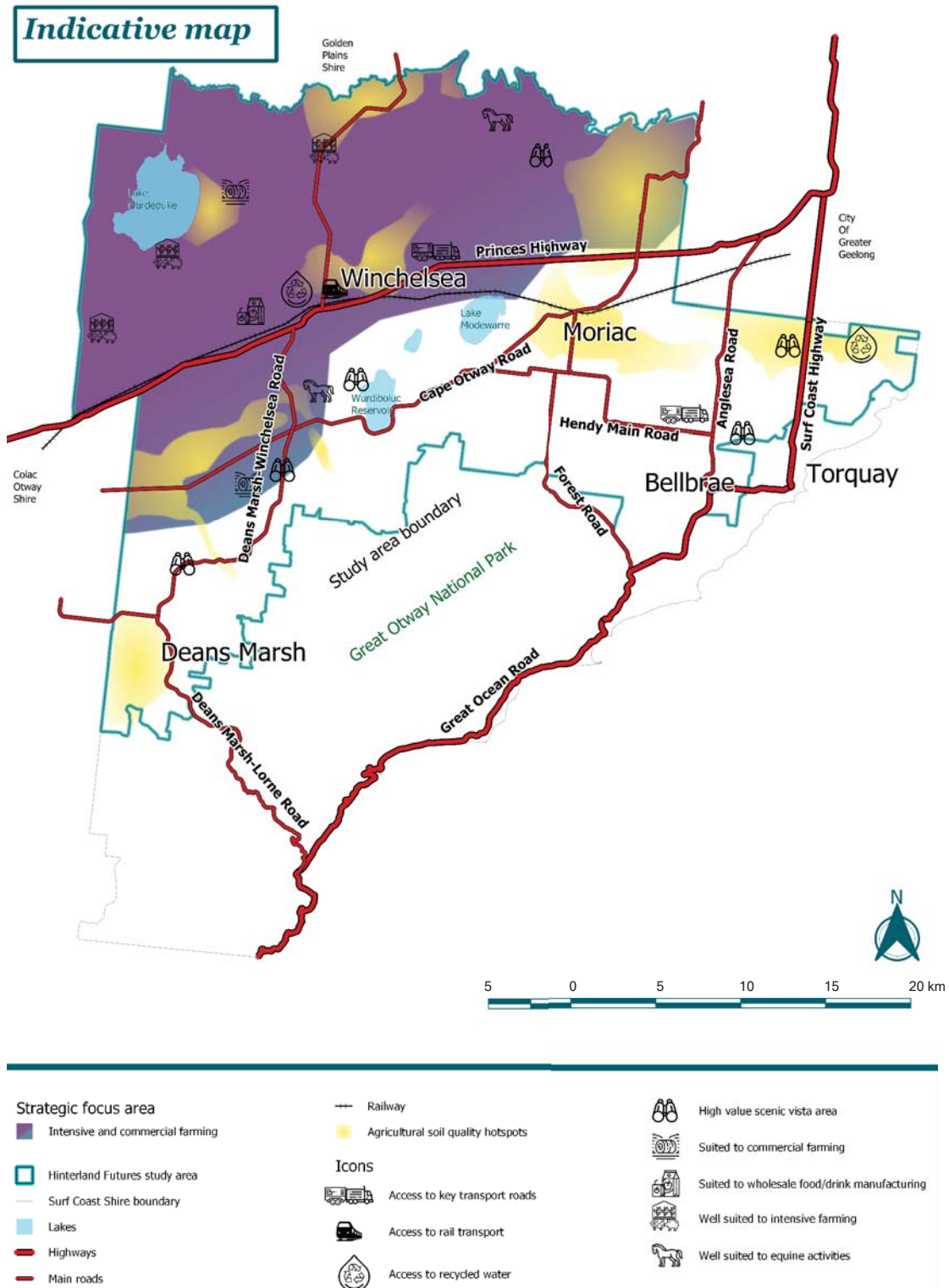


Figure 4: Areas well suited to intensive and commercial farming

Areas Well Suited to Agribusiness and Commercial Farming

Areas well suited to agribusiness and commercial farming, shown in figure 5, are characterised by moderate-sized land holdings with marginal to good quality soil. The higher rainfall in the south western parts of this area and access to recycled water in the north east may support commercial farming. The area has access to the Princes Highway, Cape Otway and Anglesea Road and Torquay. Rolling hills and the backdrop of the Great Otway National Park are a feature of this area.

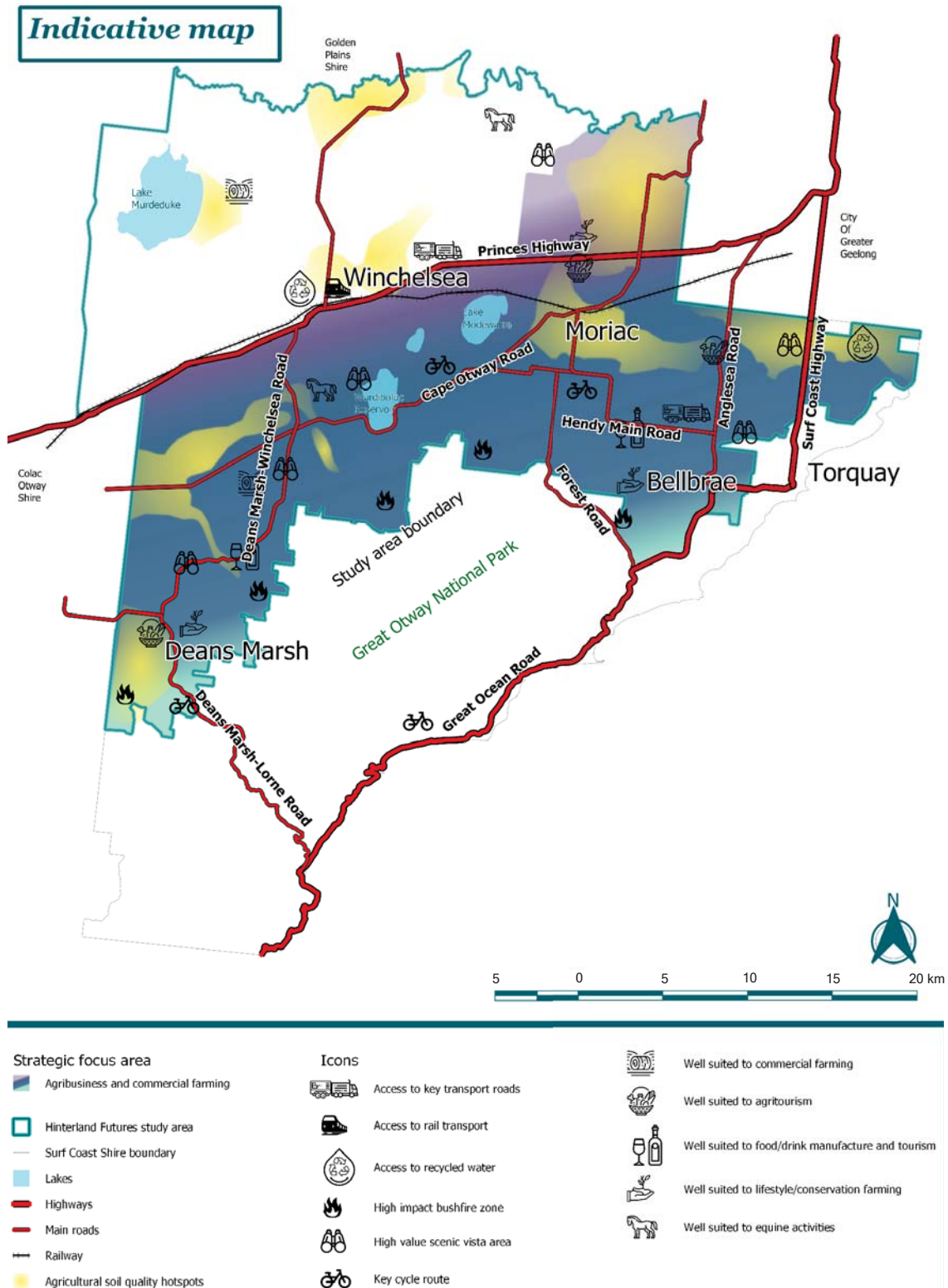


Figure 5: Areas well suited to agribusiness and commercial farming

Areas Well Suited to Tourism

Areas well suited to tourism, shown in Figure 6, are characterised by a mixture of lot sizes (including smaller lots) with variable soil quality. The high coverage of indigenous vegetation and access to the Park lends itself to tourism-focused land use, when carefully balancing bushfire risk management and protection of environmental values. Land closest to the Park contains dense vegetation and is at high risk from bushfire. Tourism clusters are well suited to locate around Winchelsea, Moriac, Deans Marsh and Bellbrae as shown on the map.

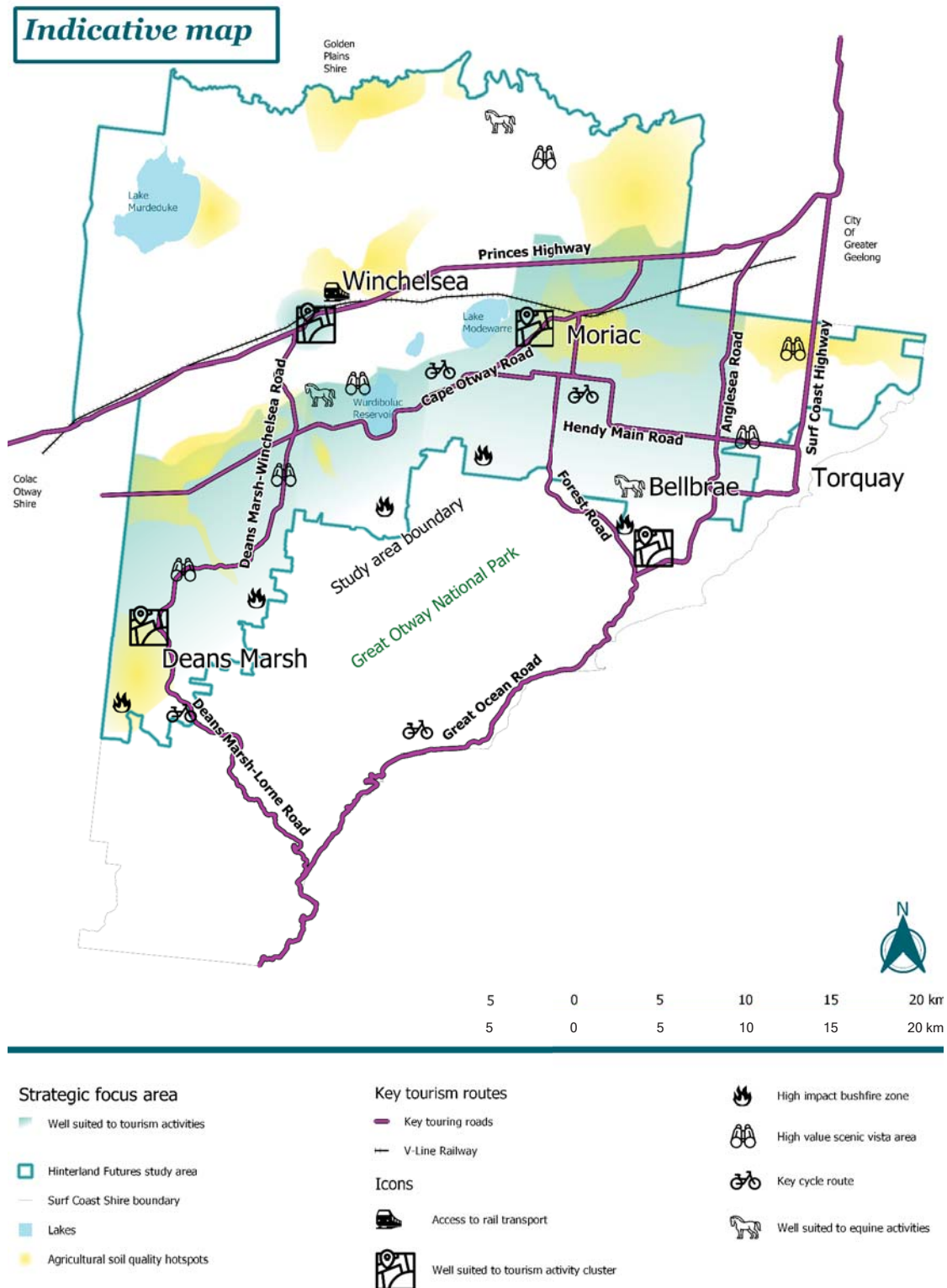


Figure 6: Areas well suited to tourism

9. ACTION AND IMPLEMENTATION PLAN

The following tables outline the actions necessary to implement the Strategy and achieve each objective, and identifies the lead agencies and timing.

Objective 1:

Elevate the Value of our Environment and Rural Landscapes as the Defining Feature of the Surf Coast Hinterland and its Significance to the Local Economy.

PRIORITY ACTIONS	LEAD STAKEHOLDER	SUPPORTING STAKEHOLDER	TIMELINE
ECONOMY AND MARKETING			
1.1. Support the valuable role agricultural producers have to play as stewards of the natural environment by enhancing communication networks and providing tools and guidelines on best practice land management.	Surf Coast (Eco Dev)	G21 Agribusiness Forum, Agriculture Victoria, Surf Coast Planning	Ongoing
LAND USE AND PLANNING			
1.2. Encourage nature based activities and agritourism in areas identified as high environmental and landscape value that preserve those values as a priority. New uses must be complementary and must address bushfire risk.	Surf Coast (Planning)	Surf Coast (Eco Dev)	Short
1.3. Direct intensive agriculture to areas where identified high environmental and landscape values are not compromised.	Surf Coast (Planning)		Short
1.4. Refine planning policy to encourage new uses that complement identified significant environmental, agricultural, and landscape assets.	Surf Coast (Planning)		Short
1.5. Overcome land use conflicts by preparing planning policy to suitably direct uses to appropriate locations for access, land capability, risk, land sizes, and proximate to complementary land uses.	Surf Coast (Planning)		Short
1.6. Strengthen planning policy to protect green breaks and encourage co-location of complementary land uses such as tourist facilities around key infrastructure.	Surf Coast (Planning)		Short
1.7. Prevent ribbon development along the Great Ocean Road and strengthen protection of important vistas along its route. Investigate the need for guidelines for development on the Great Ocean Road.	Surf Coast (Planning)		Short
1.8. Implement Strengthening Town Boundaries discussion paper actions to define settlements long term, contain urban growth and protect agricultural and environmental assets in the Shire.	Surf Coast (Planning)		Short

Definition: Short: 1-2 years, Medium: 3-5 years, Long Term: 5 years+

PRIORITY ACTIONS	LEAD STAKEHOLDER	SUPPORTING STAKEHOLDER	TIMELINE
LAND USE AND PLANNING			
<p>1.9. Maintain the green breaks between Torquay and Mt Duneed Road and between Torquay and Bellbrae. Maintain the existing Farming Zone and encourage permitted uses in the green break between Torquay and Bellbrae which do not adversely impact on the Great Ocean Road or its landscape. Support the ongoing use of land for existing uses such as arts and small scale accommodation and for lifestyle/hobby farming. If new uses are proposed, encourage co-location with existing complementary uses.</p>	Surf Coast (Planning)		Short
<p>1.10. Develop new local planning policy to guide the design and siting of development in rural areas, significant landscape areas and on major tourist routes to ensure there are no adverse impacts on significant environmental, agricultural, and landscape assets and they incorporate environmental sustainable development principles.</p>	Surf Coast (Planning)		Short

Definition: Short: 1-2 years, Medium: 3-5 years, Long Term: 5 years+

Objective 2:

Encourage Agriculture and Innovative Businesses Displaying Sustainable Land Management Practices to Enhance our Reputation as a Forward Thinking Business Destination.

PRIORITY ACTIONS	LEAD STAKEHOLDER	SUPPORTING STAKEHOLDER	TIMELINE
ECONOMY AND MARKETING			
2.1. Support the implementation of actions of the Sustainable Agribusiness Strategy for the G21 Region (2017-2021).	Surf Coast (Eco Dev)		Short
2.2. Initiate training and support to improve the skills of lifestyle farmers in sustainable land management, animal welfare and biosecurity.	Surf Coast (Eco Dev)		Short-Medium
2.3. Develop a network to connect non-farming landowners with potential producers to increase access to and utilisation of existing productive agricultural land.	Surf Coast (Eco Dev)		Short-Medium
2.4. Develop and promote case studies of innovative local businesses that align with the vision of the Hinterland Strategy.	Surf Coast (Eco Dev)		Ongoing
2.5. Encourage the development of an agribusiness communication framework considering applications such as Farm Table, Farmer Exchange, G21 Virtual Hub and the Agri Collective.	Surf Coast (Eco Dev)		Short-Medium
2.6. Collaborate with key partners including Deakin University, Marcus Oldham College and the Food and Agribusiness Network G21 Region on initiatives that increase the productive capacity of the Hinterland.	Surf Coast (Eco Dev)		Medium

Definition: Short: 1-2 years, Medium: 3-5 years, Long Term: 5 years+

Objective 3:

Stimulate Agritourism to Enhance the Surf Coast as a Visitor Destination.

PRIORITY ACTIONS	LEAD STAKEHOLDER	SUPPORTING STAKEHOLDER	TIMELINE
ECONOMY AND MARKETING			
3.1. Support the actions of the Surf Coast Shire Local Food Program to encourage the growth of small to medium food production businesses.	Surf Coast (Planning)	Surf Coast (Eco Dev)	Short-Medium
3.2. Encourage the development of new tourism products that incorporate locally grown and produced food.	Surf Coast (Eco Dev)		Short-Medium
3.3. Connect small-scale food producers and agritourism experiences through the development of new or the enhancement of existing tourism trails.	Surf Coast (Eco Dev)	Surf Coast (Planning, Infrastructure); VicRoads	Medium-Long
3.4. Support the implementation of the Otway Harvest Trail marketing and action plan, especially in relation to expansion of their digital presence and brand collateral.	Surf Coast (Eco Dev)		Short-Medium
3.5. Engage with small scale agrifood tourism businesses to facilitate connections and provide information to increase capacity & knowledge.	Surf Coast (Eco Dev)		Short-Medium
ADVOCACY AND LEADERSHIP			
3.6. Advocate to the State Government to broaden the allowances for localised, small-scale aggregation of farm-gate produce to prevent ribbon development of farm-gate stalls.	Surf Coast (Planning)	Surf Coast (Eco Dev)	Short
LAND USE AND PLANNING			
3.7. Review planning policy to support the use of existing small lots to develop innovative agritourism ventures and demonstration farms in association with agriculture.	Surf Coast (Planning)		Short

Definition: Short: 1-2 years, Medium: 3-5 years, Long Term: 5 years+

Objective 4:

Support Tourism Activities which Complement the Agricultural, Landscape, and Environmental Values of the Shire

PRIORITY ACTIONS	LEAD STAKEHOLDER	SUPPORTING STAKEHOLDER	TIMELINE
ECONOMY AND MARKETING			
4.1. Encourage the development of tourism products in the hinterland which provide low-impact outdoor recreation activities, such as fishing, cycling, kayaking, and dedicated off-road cycling e.g. mountain-bike riding and cyclo cross and horse trails.	Surf Coast (Eco Dev)		Medium
4.2. Secure a new signature event for the hinterland in the off-peak that meets bushfire management requirements and aligns with Great Ocean Road or regional (Winchelsea & Otways) destination branding.			Short-Medium
4.3. Develop tourist trails with a product or experience focus to enhance the visitor journey and connect inland destinations with the Great Ocean Road and key access routes.			Short-Medium
4.4. Undertake a range of hinterland promotions with a focus on food trails, arts, culture, heritage and food tourism.			Short-Medium
4.5. Work with Great Ocean Road Regional Tourism and Regional Roads Victoria to map the visitor journey and identify new hinterland itineraries and touring routes to raise awareness of Hinterland destinations off the Great Ocean Road including a to review of directional and interpretive signage to raise awareness of hinterland destinations off the Great Ocean Road.	Surf Coast (Eco Dev)	Great Ocean Road Regional Tourism; VicRoads	Medium
ADVOCACY AND LEADERSHIP			
4.6. Continue to advocate to State Government to broaden the scope for appropriate tourism opportunities and complementary uses in the Rural Conservation Zone that capitalise on and enhance the natural assets of the region and meet bushfire management requirements.			Short
LAND USE AND PLANNING			
4.7. Revise local planning policy to support the clustering of tourism/agrifood business by encouraging the development of key attractions in desired activation points throughout the hinterland.	Surf Coast (Planning)		Short

Definition: Short: 1-2 years, Medium: 3-5 years, Long Term: 5 years+

Objective 5:

Secure Enabling Infrastructure to Deliver the Vision and Objectives of the Strategy

PRIORITY ACTIONS	LEAD STAKEHOLDER	SUPPORTING STAKEHOLDER	TIMELINE
ADVOCACY			
5.1. Advocate for Cape Otway Road to become a Regional Roads Victoria managed road due to its increased profile as an alternative inland route to Lorne and destinations further along the Great Ocean Road.	Surf Coast (Eco Dev)	Surf Coast (Planning, Infrastructure)	Medium
5.2. Advocate to the State Government for upgrades to the road quality, pull-out lanes, bicycle lanes, and road network signage along State managed roads, in particular Deans Marsh-Lorne Road, Cape Otway Road, and Anglesea Road.	Surf Coast (Infrastructure)		Short-Medium
5.3. Seek funding to improve safety, including sealed shoulders, for Horseshoe Bend Road and Barrabool Road.	Surf Coast (Infrastructure)		Short
5.4. Informed by the Sealed Road Network Strategy, seek funding for improvements to the road network to enhance agricultural productivity.	Surf Coast (Infrastructure)		Medium-Long
5.5. Advocate to maximise the coverage of the NBN and other telecommunications services in the hinterland.	Surf Coast		Ongoing
5.6. Advocate for improved public transport services particularly along the Great Ocean Road and Geelong -Warrnambool rail line including the potential to service Moriac Station and connector road between the hinterland and coastal townships.	Surf Coast		Ongoing
LAND USE AND PLANNING			
5.7. Consider undertaking a Cycle Tourism Strategy that includes identifying key cycle tour routes for upgrade (including bike lanes) and the promotion of safe cycling.	Surf Coast (Infrastructure)	Surf Coast (Planning)	Ongoing
5.8. Support the development of innovative beneficial recycled water reuse schemes.	Surf Coast (Infrastructure)	Surf Coast (Planning)	Ongoing
5.9. In partnership with Barwon Water, explore the potential to provide access to recycled water to enhance agricultural and agritourism development in the hinterland that is consistent with the objectives of this strategy.	Barwon Water; Surf Coast (Eco Dev)	Surf Coast (Planning, Infrastructure)	Medium

Definition: Short: 1-2 years, Medium: 3-5 years, Long Term: 5 years+



Part B

10. CONTEXT

The Hinterland Economy

The hinterland encompasses about 60per cent of Surf Coast Shire and contributes an estimated \$478 million (38per cent to the overall \$1.25 billion economy. While this figure is significant, when compared on a per capita basis, the hinterland (\$37,400) does not perform as strongly as the Surf Coast Shire as a whole (\$42,500) or Victoria (\$68,681). Therefore, increasing per capita gross regional product presents a significant opportunity to grow the hinterland economy.

Driving this contribution of almost half a billion dollars are 3,218 jobs, predominantly in construction (615), agriculture forestry & fishing (512) public administration & safety (298) education (260) and accommodation & food services (241).

In total, the hinterland represents an estimated 35per cent of the 9,293 jobs on the Surf Coast. While 35per cent may, in some instances, be considered a significant contribution, there is a need to provide additional jobs in the hinterland just to keep pace with population growth. Projected population growth in the hinterland means generating 130 new jobs by 2036, if it is to retain a 35per cent contribution to total employment in the Surf Coast Shire.

However there is a significant opportunity for the hinterland to play a greater role in growing the economy and support the goals of increased population in Winchelsea. If the hinterland could grow its contribution to 40per cent of the jobs in the Shire, then it would have a total of 2,400 jobs by 2036, which is an increase of 670 jobs from 2011. This higher rate of contribution is a worthwhile and achievable goal for the hinterland economy. Given the prominence of the agriculture and tourism sectors, it is appropriate that this job creation will be via the inter-relationships that are already being developed between agriculture, manufacturing (such as food and beverage processing) and tourism (such as food and farm based tourism). Similarly, given the importance of our natural environment and rural landscapes, it is appropriate that this growth occur in “clean and green” sectors that add value to the agritourism offer of the area.

Note: With the boundaries of the hinterland (in terms of data capture) extending to the fringes of Torquay, there is potential for this figure (as well as employment, exports and value add activity) to be over represented, particularly as it includes West Coast Business Park and areas of Coombes Road (Torquay).

Exports and Value Add

The hinterland currently generates about \$310 million in exports annually. In this context an export is any good or service exported outside of the Surf Coast Hinterland Region that has been generated by local businesses/organisations. Therefore, goods and services provided to Anglesea or Geelong are classified as regional exports. Perhaps not surprisingly, the agriculture forestry & fishing sector is the main driver of regional exports, contributing \$116 million (37.4 percent). The construction sector is also a significant contributor, representing \$83 million (27percent) of hinterland exports, while manufacturing exports are estimated at \$35 million (11.3 percent).

Of interest is the predominance of the rental, hiring and real estate sector when considering value added activity. Value added activity represents the marginal economic value that is added by each industry sector in a defined region, and is the major contributor to gross regional product. It is often viewed as the best measure of a growing economy. The rental, hiring and real estate sector contributes an estimated \$82 million (19.5 percent) of value added activity in the hinterland. The predominant driver of this sector is the appreciation of

land values resulting in very little flow-on impacts in terms of employment and wages. Construction at \$74.3 million (17.6 percent) and agriculture forestry & fishing, \$65.6 million (17.6 percent) are the next largest contributors. In contrast to the rental, hiring and real estate sector (36 jobs), agribusiness and construction generate over 1,100 jobs combined.

An opportunity presents to facilitate employment outcomes in sectors with higher value-add. The rental, hiring and real estate sector currently accounts for 1.1 per cent of hinterland employment even though it generates 19.5 percent of value-add activity however provides no benefit to agricultural productivity. A continued shift to 'higher order' sectors should be encouraged to align with the existing strengths and the increasing skills profile of the population, as well as tourism potential of the area. In this regard creating employment outcomes in sectors such as food and/or beverage manufacturing and professional science and technology would both generate additional jobs and boost productivity.

Agribusiness

The recent Sustainable Agribusiness Strategy for the G21 Region conveyed a wide divergence in farm scale on a G21 regional level, identifying that 48 per cent of farms have an annual turnover of less than \$50,000 each and, between them, only produce 4 per cent of the total value of our primary production. Conversely, 4 per cent of farms have an annual turnover greater than \$1 million each, but produce 45 per cent of all value. Therefore, while the Surf Coast landscape is dominated by small farms, a very small number of large farms dominate the economic contribution. Given mixed farming and grazing are the dominant forms of agricultural land use, accounting for 86 per cent of agricultural lots in the hinterland by number and 77 per cent by land area, increasing the productivity of this sector, and in turn the land area it comprises, represents a significant opportunity.

In addition, a key focus in stimulating the hinterland agribusiness economy should be to support the lowest-output farming properties to increase their output. This may come through increased access to best-practice land management information resources, development of landholder discussion groups and support networks, and reviewing planning policy to enable more diverse agri-food and tourism operations on small and under-utilised farming zone lots.

Soils and Land Use

The Surf Coast hinterland is characterised by distinct soil regions. The relatively flat volcanic plains in the north west have been well suited to broadacre cropping and expansive farming. Pockets of fertile, texture contrast soils around the Barrabool Hills and Deans Marsh lend themselves to highly productive, pasture-based operations, berry and fruit production. The lighter sedimentary plains surrounding the Thompson Valley are well placed to support market gardens and niche artisan agriculture due to their higher sand content and lower nutrient holding capacity. This region holds strong appeal for lifestyle farming as it is close to the coast and regional centres.

The distinct soil characteristics heavily influence the productive capacity of the land and agricultural practices are adapted accordingly.

Subdivision of Farming Zone land in each of the five landscape precincts is restricted to the minimum sizes (hectares) shown in figure 7 below.

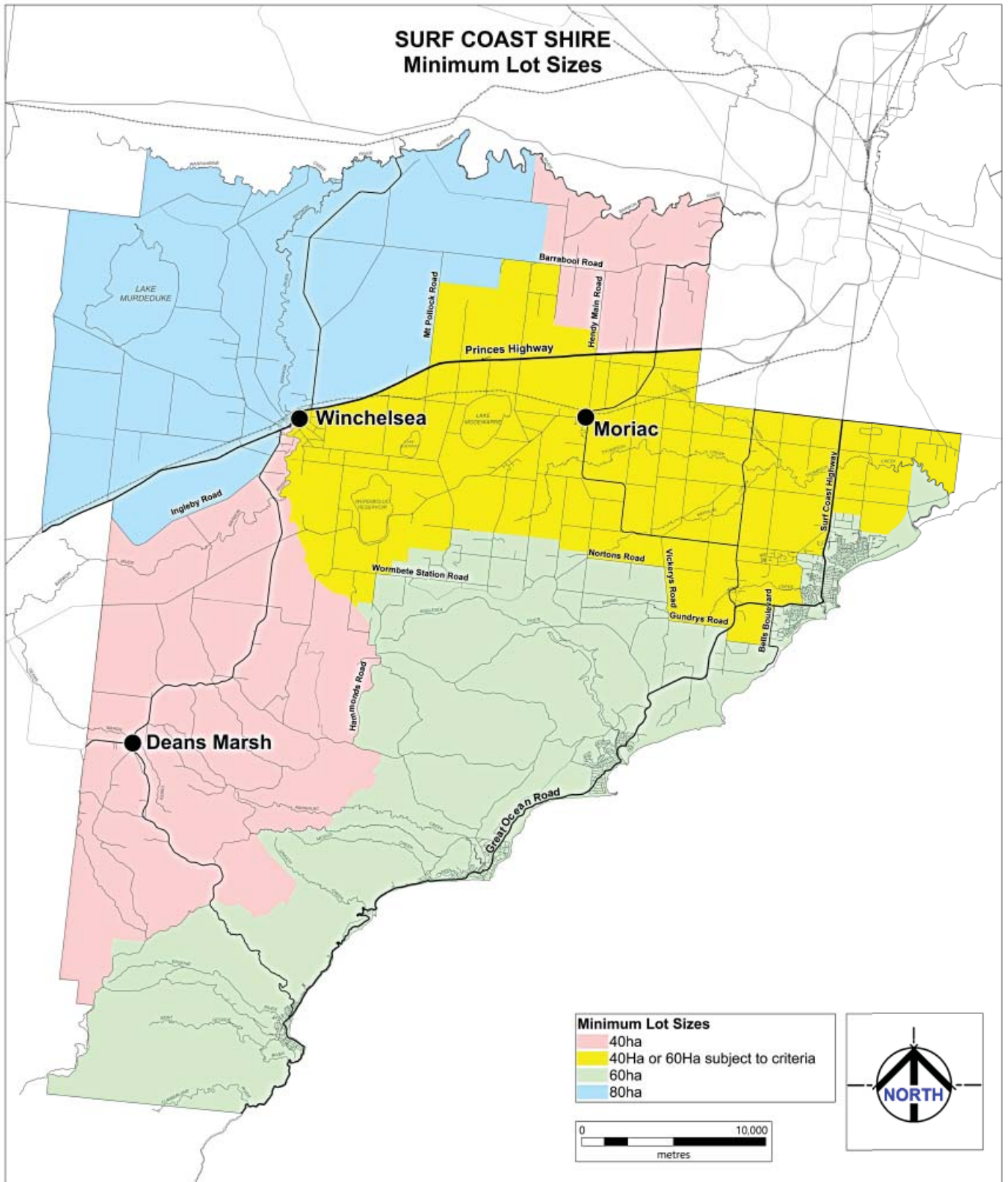


Figure 7: Minimum Lot sizes

Mixed farming and grazing - with/without infrastructure - are the dominant forms of agricultural land use, accounting for 86per cent of agricultural lots in the hinterland area by number, and 77per cent by land area. When livestock production - both sheep and cattle - are included the proportion of lots and land consumed rises to 95per cent and 93per cent respectively.

Land use practices in the hinterland have traditionally been driven by soil type, topography and water availability.

Existing land use practices in the hinterland can be grouped into the following categories:

> Intensive Farming

Intensive farming involves importing considerable proportions of animal or plant nutritional requirements and is predominantly structure-based (livestock housing, feed pads, glasshouses etc). Intensive farming operations have traditionally been directed towards the north-west of the hinterland due to larger sized lots allowing for buffer distances and direct access to arterial roads. Intensive farming operations are often more demanding on resources like water and soil, as well as infrastructure like roads than other commercial farming enterprises and require a high level of control over growing conditions. This means that they can play a key role in ensuring food security in the face of climate change.

In the future, intensive animal farming practices will remain best suited to the north-west. As recycled water irrigation districts are developed, opportunity arises for new intensive farming operations like horticulture to emerge in new areas like the Thompson Valley. Importantly, guidelines embedded in planning policy need to be developed to ensure these operations complement the surrounding landscape.

> Commercial Farming

Considered traditional farming, this category includes broadacre crop and hay production, grazing livestock production, fruit orchards and olive groves, market gardens, vineyards, commercial flower production and nurseries. These farming practices are dependent on the land's inherent productive capacity, which is linked to soil type, topography and annual rainfall.

Commercial farming operations of varying scales are spread across the hinterland and play a key role in maintaining the valuable rural landscapes. As commercial farming is the second largest employer in the hinterland, ensuring that commercial farming operations remain viable is critical to the hinterland economy. Commercial farming operations can be supported by mitigating land-use conflicts, maintaining transport infrastructure and promoting best-practice land management to all landholders.

> Lifestyle Farming

Lifestyle farms are often situated on smaller lots, where land-owners derive their main source of income off-farm, and includes farming where commercial production of agricultural commodities is not the main driver for land use decisions. Lifestyle farms are valued not only for their capacity to produce agricultural commodities, but also for intrinsic lifestyle and aesthetic values. Conservation of native vegetation is often a high priority for lifestyle farm owners.

Due to the size of lots and the motivation for land ownership, lifestyle farms are highly represented in the low-output farms category. While lifestyle farms have the potential to enhance the rural landscape vistas, they may require a higher level of guidance than commercial farms, as lifestyle farms are an entrance point to rural land

holding for property owners from non-rural backgrounds. Additional information resources and farm discussion groups can support the upskilling of lifestyle farm landholders in best-practice land management, as well as potentially lifting the output of some of these farms.

Similar to lifestyle farms, banked land and absentee landholder lots are largely represented in the low-output farm bracket. Providing resources and improved planning policy to encourage higher levels of land use and the development of niche agribusiness operations is a distinct opportunity. This will support some of these properties progressing to higher output farm categories.

> Agroforestry and Non-farming related Conservation Landholdings

Conservation-based land holdings are defined as land where conservation and revegetation of native vegetation is the primary purpose. This can include emissions offset sites, state and national parks and privately-owned conservation blocks. Agroforestry and emissions offset plantations can be expected to increase once Australia reinstates a standardised Emissions Trading Scheme.

Conservation land-holdings can play a role in enhancing the visual beauty of the hinterland. These practices can be beneficial to the development of visual buffers to reduce the impact of intensive farming structures and other land uses.

Agroforestry (commercial forestry on farms) may have an environmental benefit but require the ability to harvest regularly to achieve a commercial outcome. If this is done sustainably, the environmental benefit is still captured e.g. by rotations and not full scale clearing of the land.

Revegetation and agroforestry practices in the region are promoted by a number of community groups including the internationally recognised Otway Agroforestry Network (OAN) and Tree Project. These not-for-profit groups who work with local farmers to establish and manage multi-purpose trees and revegetation projects on farms. These projects help create biological infrastructure to underpin environmental and agricultural sustainability.

This work demonstrates collaborative ways where a diverse range of revegetation projects can be integrated into existing farming systems to support and enhance agricultural production and land management practices, This in turn drives further economic benefits and enhances landscape values.

Tourism

As the start of the Great Ocean Road the Surf Coast, with its proximity to Geelong and Melbourne, its beaches, national parks, many recreational opportunities, major events and beautiful natural environment, is a tourism drawcard of regional Victoria.

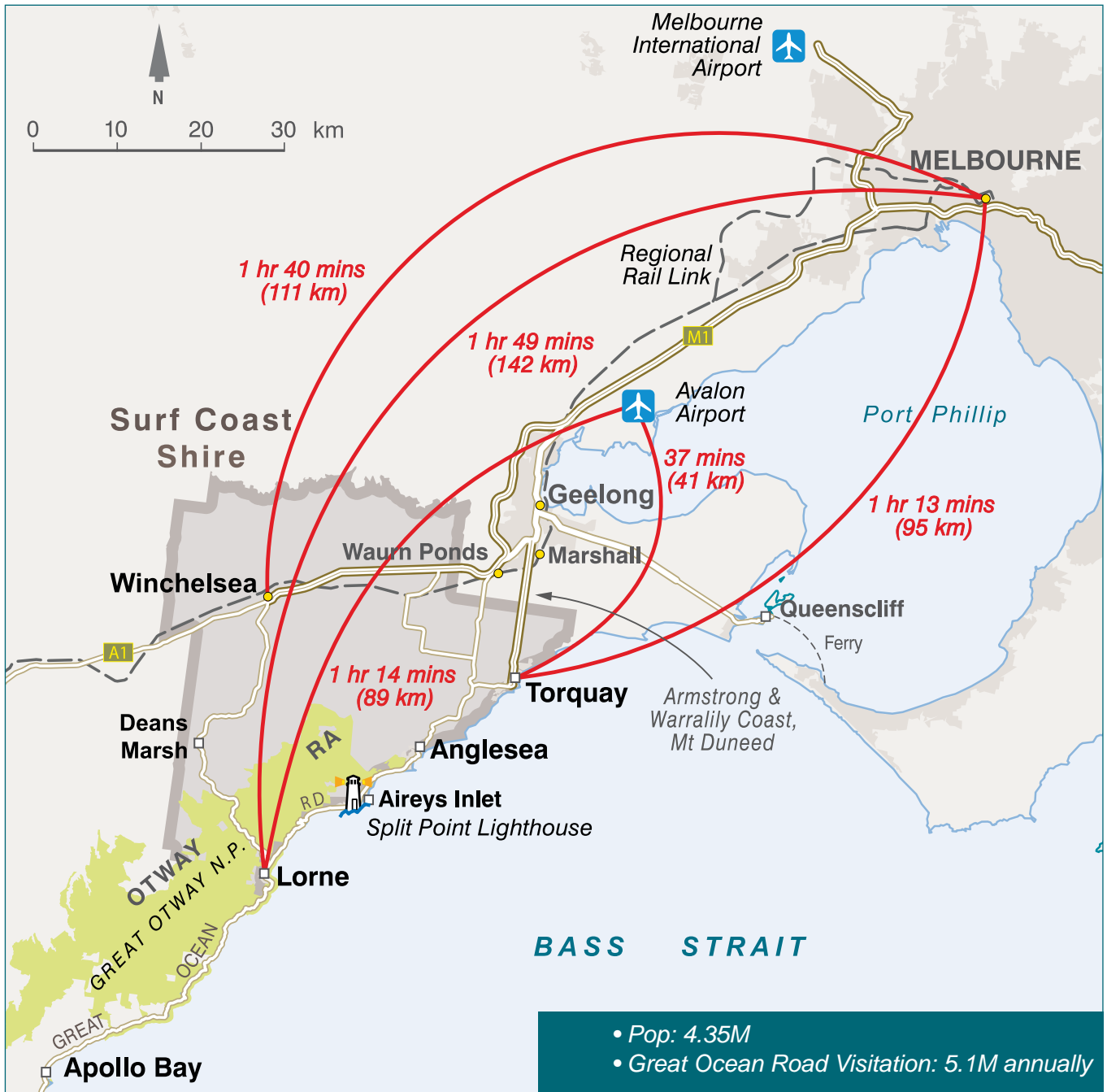


Figure 8: Tourism Visitation Map

In 2017, Tourism Research Australia estimated the Surf Coast welcomed more than 2.12 million visitors who stayed a total of 2.7 million nights and spent \$433 million. About 53per cent of visitors are day trippers, 44per cent are domestic overnight visitors and 2per cent are international visitors.

The Surf Coast receives 40per cent of the 5.29 million visitors who travel the Great Ocean Road annually and spend over \$1.2billion per year. It is recognised a key national and international tourism destination.

Figure 8 depicts the close proximity of Surf Coast Shire and its hinterland to Melbourne.

The role the hinterland can play in receiving these visitors and reducing pressure on the coast is significant. Currently however, the Surf Coast hinterland receives an estimated 3per cent (67,479) visitors on average per year. About 71per cent of these visitors are day trippers, 28.6per cent are domestic overnight travellers and international visitation accounts for less than 1per cent.

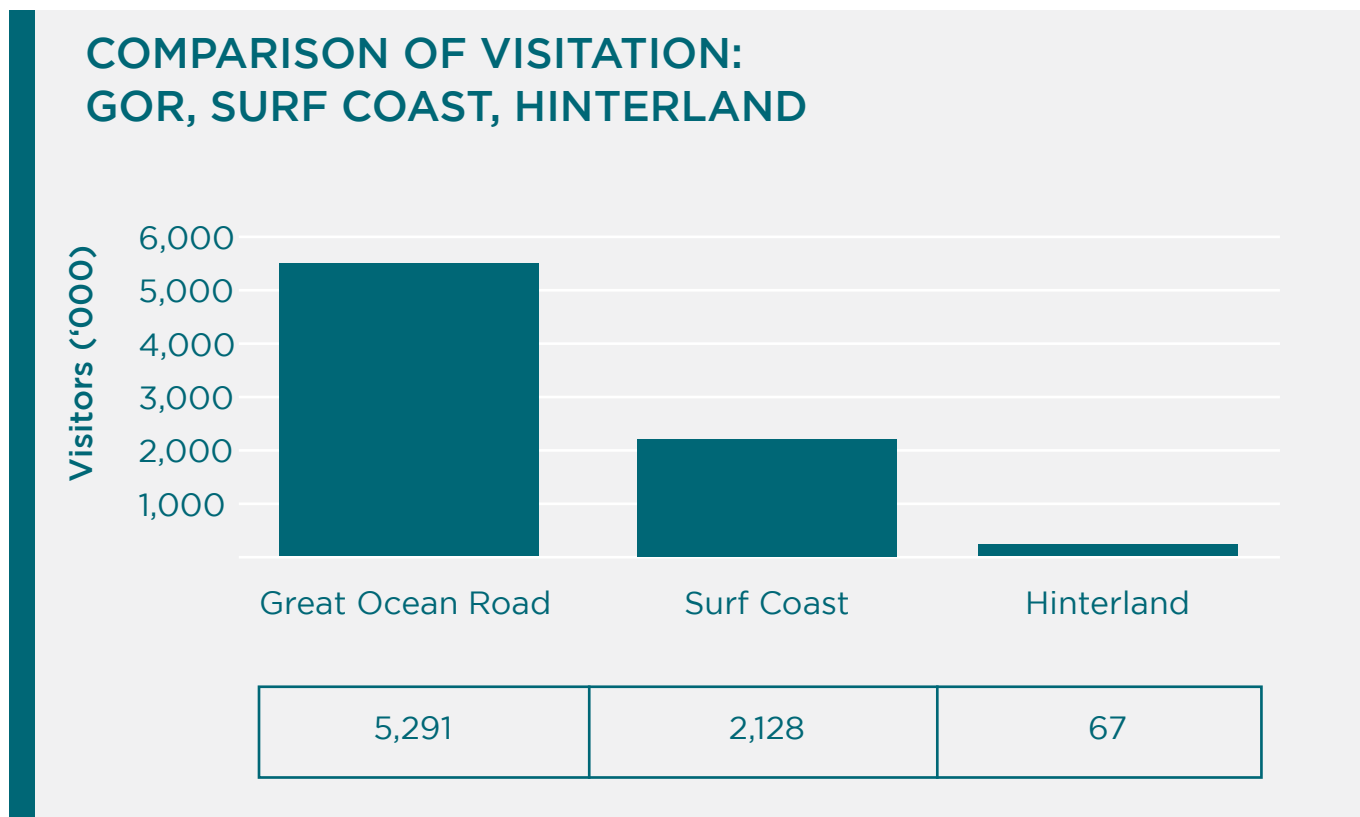


Figure 9: Visitation Comparison
Source: Tourism Research Australia

It should be noted that the tourism visitation to the hinterland is so low that a visitation average of 10 years must be used to get to the minimum statistically viable sample size.

While a larger volume of visitors might travel through the hinterland to access the Surf Coast and the Great Ocean Road, the evidence shows that very few are stopping. Figure 9 above depicts the comparison of visitors to the hinterland against Surf Coast and Great Ocean Road.

Why do people visit the hinterland now?

More than half (52per cent) of all day or overnight visitors to the Surf Coast hinterland come to ‘visit friends and relatives’ which is also the most popular activity.

The tourism activities listed in the table are of low volume and typically very low yield in terms of expenditure and time spent in the region.

The second most popular activity ‘Outdoor/Nature’ mostly consisted of people going to the beach. This suggests that a typical visitor would visit the hinterland to pick up friends or family and then recreate outside the hinterland region on the coast.

For the region to become a renowned visitor destination, more investment is required in a range of quality tourism experiences and activities ideally focused around a social activity. See figure 10.

Reasons to visit the Hinterland	Most Popular Activities
Visiting Friends & Relatives (VFR) (52per cent)	Social Activities (73per cent) - VFR, eating out & sightseeing
Holiday (35per cent)	Outdoor / Nature (21per cent) - go to the beach, national park or farm
Business or Other (12per cent)	Active outdoor sports (18per cent) - playing sport, fishing, cycling or golf.

Figure 10: Tourism Activities

Source: Tourism Research Australia

Tourism activities in the Surf Coast Hinterland can be broadly divided into two categories:

> Agritourism

Agritourism can operate both commercial agricultural or food/beverage processing operations combined with a tourism experience.

Examples of agritourism ventures include farms which incorporate a dining experience, wineries which operate a cellar-door, berry picking and farm gate sales.

Regions with strong agritourism sectors, such as South Australia's Fleurieu Peninsula and the Yarra Valley, see visitors spend more money per visit. Tourism Research Australia estimates the average expenditure per visit to the Fleurieu Peninsula at \$694 while in the Yarra Valley visitors spend \$424 per trip. In contrast, average visitor expenditure on the Surf Coast is \$378 per trip. It should be noted that this figure is for the whole of Surf Coast Shire, as expenditure estimates for the hinterland were not possible to obtain due to the low level of visitation.

In support of developing the agritourism sector an international visitor survey conducted for Tourism Australia in 2013, cited "good food, wine, local cuisine and produce" as the third most commonly cited deciding factor (38 per cent) among foreign travellers. This is ranked as a priority ahead of "world class beauty and natural environment" (4th) and "interesting attractions to visit" (5th) and spectacular coastal scenery (9th) when considering a destination.

This suggests that a beautiful natural landscape on its own is not a key attractor in its own right. Diversifying tourist expenditure in agritourism has the potential to flow benefits through a variety of industries, creating jobs and new growth in agriculture, manufacturing and transport. The Surf Coast hinterland's current lack of diversity in agritourism offerings is limiting its potential to become a strong agritourism region.

This opportunity is particularly evident in gourmet food and beverage production, which, if developed, could strengthen and broaden the Surf Coast economy, supporting the hospitality industry as a year round product.

Food/Beverage Processing

Food and beverage processing in the hinterland consists of several wineries and makers of smallgoods, jams, cordials and preserves. These facilities are either very small in scale or directly linked to agricultural production on the property.

While these examples, might be considered agritourism, there is a much broader range of business types in this category that may not be linked to an agricultural use, but do provide a substantive tourism experience.

Otway Harvest Trail

The Otway Harvest Trail (OHT) is an existing local producers' trail located in the Great Ocean Road hinterland. Members include businesses that produce and/or sell local farm-origin food and beverage products, as well as other goods like homewares and wool; restaurants; accommodation; and other tourism activities.

The OHT is a member-driven and volunteer run group has built an audience and visitation into the area and has created an environment for producers to work together. The Trail has grown from less than 20 members in 2009 to 65 members in 2018, supported by a dedicated website, brochure and 'Otway Harvest Twilight Festa' event.

Member businesses are situated throughout the Surf Coast and Colac Otway region. This allows the best clustering of complementary product and acknowledges the fact that visitors to the region take no notice of shire boundaries.

Otway Harvest Trail producers are now exporting their products to retailers and restaurants in Melbourne, Geelong, Ballarat, Bendigo and Sydney.

Development of the Trail is guided by a strategy, business plan and marketing plan. Several key projects identified through to 2021 are expanding the digital presence, brand collateral (photography, video, business profiles) and implementing a three year marketing plan.

The future development of the OHT needs to be understood by Council and supported where possible.

> Tourism

This category represents every other type of tourism experience which does not incorporate agricultural production into their land management.

Examples of non-agricultural tourism attractions in the hinterland are accommodation, Barwon Park Mansion, the Great Ocean Road Chocolaterie & Ice Creamery, and LiveWire Park.

Future development in this area might also consider cheese making, gallery spaces, function venues, day spas, horse trail rides, Segway tours, events, coffee roasters, micro-breweries, wildlife parks, cultural products and 'destination' restaurants.

Specific opportunities relating to food/beverage processing, accommodation and events are outlined below.

There are limited opportunities to develop cideries, distilleries, coffee roasters, breweries and cheese makers, due to restrictions in the current planning scheme. Allowing a broader range of food and beverage production needs to be considered in the planning scheme.

Tourism Accommodation

With the exception of several motels in Bellbrae and Winchelsea, accommodation facilities in the Surf Coast hinterland are primarily B&B and small cottages. There are an estimated 60 properties currently available for rent on AirBnB in the hinterland.

There are eight larger-group accommodation facilities, including camps and cottage style accommodation combined with a meeting space for corporate retreats and special events (eg weddings). These venues are mostly clustered in the Pennyroyal Valley. In Winchelsea, there is one caravan park and one free RV 48 hour stop.

The style of accommodation is fairly similar, with little diversity and a tendency to cater for a domestic, budget, visitor market.

The estimated total number of available beds in the hinterland is 450 on any given night. The amount and diversity of accommodation is not currently enough to support the hinterland as a renowned visitor destination.

There is an opportunity to grow the tourism accommodation sector, particularly in relation to 4+ star accommodation in larger facilities to complement the existing offering.

Much of the land to the north and east of the Great Otway National Park is of poorer soil quality, containing a mixture of smaller farming lot sizes, with many supporting significant native vegetation. A range of accommodation types would be suitable in these areas, taking advantage of the national park and agritourism offering located nearby.

There are several larger properties in this area with adequate land area to accommodate a larger facility. The key management issues will be siting the development appropriately within the landscape while meeting any environmental and bushfire standards.

It should be noted that any accommodation proposal will need to consider bushfire risk, particularly if located near areas of increased hazard. On-site managers with emergency management plans, and a readiness to close on extreme fire danger days could be some of the requirements for accommodation proposals in areas identified as having high fire risk.

Events as a Motivation to Visit

Events staged in Surf Coast Shire generate over \$105 million in expenditure annually and are attended by over 250,000 people and viewed by a global estimated audience of 32 million people.

The hinterland currently supports a number of small to medium sized events in Deans Marsh, Bambra, Winchelsea and Moriac, which have a distinct community flavour. While signature events such as Amy's Grand Fondo, Great Ocean Otway Classic Ride, Cadel Evans Great Ocean Road Race and others travel through the hinterland, their main benefit is received in the coastal townships of Torquay, Lorne and Anglesea.

Regional events can be used to stimulate visitation to the hinterland and there is an opportunity to identify and secure events that provide a social activity, utilise key visitor attractions, generate economic outcomes and align with the type of experiences a visitor might expect in the hinterland. Events which help balance the seasonality of visitation in the region should be encouraged to entice people to visit year round. In particular, events are encouraged which promote visitation in the cooler months of the year and outside the declared bushfire season.

An increase in accommodation stocks would leverage further economic benefit.

There is also future potential for the hinterland to benefit from the large number of events held on the coast through supply of accommodation when occupancy is at its peak or as an 'add-on' activity for event patrons while in the region.

Environment and Landscape

The landscape setting is the greatest attribute available to the Surf Coast Shire, featuring open and uncluttered rural landscapes, rolling hills, dense bushland, tree lined creeks and lakes with extensive bird life. The hinterland enjoys the Great Otway National Park as a tree clad backdrop, connecting the hinterland to the internationally renowned Great Ocean Road with its dramatic coastline and tourist towns. The beauty of the landscape attracts entrepreneurial landowners who bring innovation and fresh business ideas. The close proximity to Melbourne makes the hinterland very accessible.

The Shire also contains rich and diverse environmental assets including wetlands of international significance, endangered grasslands and large expanses of heathland and bushland that provide habitat for many threatened species. These environmental assets are an intrinsic part of the Shire's landscape values, which is reflected in the lower land values in depleted areas.

Native grasslands located in the northern and western parts of the Shire are recognised nationally as being among the most threatened vegetation types. They are highly fragmented and have been largely cleared for agriculture, with patches generally remaining around rocky outcrops that can be difficult to farm. Farming activities such as grazing can be compatible with native grasslands provided they are not excessively grazed or disturbed. Due to their significance, landowners with native grasslands have an opportunity to manage their asset for a return, such as through the EcoMarkets program for native vegetation offsets.

The natural environment provides important ecosystem services, including soil stability, water purification and clean air all of which are required for sustainable and productive agriculture.

The Surf Coast farming community embraces our natural environment, with a large proportion of landowners actively involved in community land regeneration groups. For example, the Otway Agroforestry Network has become a national leader in combining conservation with improved land management practices to make a sustainable income. Increases in agroforestry and sustainable farming practices have resulted in a landscape scale increase in native vegetation coverage, particularly in the Deans Marsh, Bambra and Pennyroyal areas. Their practices are addressing many land degradation issues and are improving soil and water quality, targeting weeds and planting for erosion and salinity management. They help to highlight the importance of sustainable land management.

Recycled Water

Recycled water in the Shire is generated at the Anglesea, Aireys Inlet, Black Rock, Lorne and Winchelsea water reclamation plants.

The two main potential sources of recycled water for the hinterland are the reclamation plants at Winchelsea and Black Rock.

Black Rock is Barwon Water's largest water reclamation plant (WRP) and treats sewage from the greater Geelong region, Bellarine Peninsula and Torquay. It is located near Breamlea close to Torquay, with the Thompson Valley further to the west.

The Black Rock WRP produces both Class A and Class C recycled water and discharges up to 20,000 megalitres or million litres of recycled water into the ocean via an ocean outfall each year. To put this into context: 20 GL of water is sufficient to irrigate more than 2,000 hectares of crop/pasture and horticultural land. On average, about 1,200 megalitres of Class C recycled water (or 6 per cent of the available recycled water) is currently used by properties from Barwon Heads in the east to Torquay in the west to grow turf, flowers, pasture for grazing and horticultural crops, as well as to irrigate golf courses.

Class A recycled water is available for supplying to residential housing in the Armstrong Creek and Torquay North growth areas for domestic use like toilet flushing and garden watering, and watering sports grounds and parks. Some Class A recycled water is also supplied to intensive farming north of Torquay and is largely used for growing flowers, turf, and high value fresh produce.

The Winchelsea WRP is a relatively small plant and produces about 110 megalitres of Class C recycled water each year. At Winchelsea, the recycled water is used on-site to irrigate tree lots, at the Winchelsea Golf Club and by the Surf Coast Shire Council to irrigate the Eastern Reserve. The opportunity for increased recycled water with the growth of Winchelsea will provide an opportunity to the agribusinesses north of Winchelsea in the commercial farming areas.

Barwon Water has recently adjusted its priorities from being a water utility to a leader of the region's prosperity and in doing so, set a zero waste target. This will involve turning wastes into productive resources in a sustainable way that help grow the regional economy, continuously improve productivity, attract new industries to the region and create new job opportunities.

This direction is strongly aligned to a goal for the Hinterland Strategy, which is for rural land to be used productively and sustainably, while retaining its environmental values.

The zero waste target will involve utilising all water resources for their highest and best use, including reusing 100 per cent of the recycled water produced at Barwon Water's reclamation plants.

The use of an additional 20,000 million litres of recycled water per year will require an increase in the number of smaller horticultural, agricultural and recreational customers like the ones currently supplied by Barwon Water, and the supply of Class A water to residential developments in Armstrong Creek and Torquay North. Importantly, the large volume to be used will also require a step-change to more significant recycled water uses including large-scale agricultural or horticultural schemes.

An early step in helping to meet Barwon Water's recycled water target is developing recycled water use on 100 hectares of Barwon Water's land holding around the Black Rock water reclamation plant.

Barwon Water recently called for Expression of Interests, releasing its Agribusiness and Recycled Water Opportunities Black Rock Water Reclamation Plant Expression of Interest in February 2018 and subsequently Winchelsea Water Treatment Plant in December 2018. This project is looking to stimulate productive recycled

water use on the land immediately surrounding the plant and importantly help inform long term, strategic opportunities for the Thompson Valley and hinterland.

The Surf Coast Shire Council Plan 2017-2021 has an objective of improving the reuse of resources with an outcome that “recycled water is used to support agribusiness appropriate to the Shire”. The Plan says this will be achieved by working “in partnership with relevant stakeholders to investigate the feasibility of recycled water to support agriculture in the Thompson Valley and other rural areas”. There is an opportunity to explore this in partnership with Barwon Water.

The study will align with the Sustainable Agribusiness Strategy for the G21 Region (2017 - 2022) which has a strategy to “encourage recycling of key resources to create value-added opportunities for the agribusiness industry”. This is to be addressed by “investigating the feasibility of extending reticulated water to rural areas to facilitate growth of the agribusiness industry and climate change resilience.”

Further, the study aligns with the Geelong Economic Futures 2017 report published by the Centre for Regional and Rural Futures, Deakin University in partnership with CoGG. The report identifies and analyses five emerging economic opportunities in the region with strong credentials for attracting large-scale investment and in turn creating sustainable economic futures.

One of the opportunities is “irrigated agriculture using secure recycled water supplies” to provide high-value farming and food services. The key to realising the opportunity is the provision of high-security water which in turn can drive secure farming of more profitable export focused crops and value-adding food services. The report also notes the opportunity needs to be underpinned by commercial investment principles including being led by market demand and not led by the supply of recycled water, as has traditionally been the case when the public sector has attempted to develop schemes. The project also needs to be commercially viable in scale.

The study will also consider the work completed in the RMCG report from 2009 which looked at recycled water use in the Thompson Valley east of Anglesea Road, which is only a small portion of the hinterland area.

Water Reuse

Apart from Barwon Water projects, there is also potential for private businesses to develop their own recycled water plants and beneficial water irrigation schemes. Where there are economies of scale, privately operated recycled water plants open up opportunities for irrigation and increased production in locations where reticulated water supply is not available or too expensive to use on agricultural land.

Reticulated Water and Sewerage

The rural nature of the hinterland means that a large part of this area is not served by the reticulated water network. This is also in part due to tapping restrictions to reticulation mains only. Given the treatment cost and high quality water output at reservoirs in the hinterland, it is likely that Southern Rural Water will continue to receive license applications for groundwater extraction to serve agribusiness. Alternative water provision options that may provide existing and new agribusiness include a new recycled water network. Presently, Winchelsea is the only township in the hinterland area that has access to recycled water (Class C).

Reticulated sewerage is only provided to some townships in the hinterland. Opportunities to expand the reticulated sewerage system more broadly within the hinterland are more likely to occur where there are clustering of uses to ensure viability of any new service provision.

Road and Cycling Infrastructure

The car is the primary mode of transport in the hinterland. However, the transport infrastructure is not of a sufficient quality to accommodate high volumes of traffic, especially along the Lorne Deans Marsh Road, which is experiencing higher demand and is a key connection with Great Ocean Road.

The Great Ocean Road is the primary tourist route through the Shire and whilst it is predominantly a coastal route, its connection to the hinterland must be strengthened to support rural agribusiness enterprises and tourist related activities. Other notable roads that require attention include Hendy Main Road (main road between Torquay and Moriac), Cape Otway Road (main inland road to Winchelsea South, connecting to Deans Marsh Road) and Mount Duneed Road (which defines the northern municipal boundary with Geelong). Many of the unsealed roads are unsuited to tourist traffic. The Pennyroyal Valley has a large cluster of tourism-related businesses on unsealed roads and access is problematic.

Cycling, both on and off-road, is also problematic throughout the area. There are no bike paths and inadequate bike lanes for safe cycling from towns into the hinterland, which limits accessibility and choice of alternative and more sustainable modes of transport. A future project could prepare a Cycle Tourism Strategy to identify key cycle tour routes and infrastructure requirements to promote safe cycling in the Shire.

Through this strategy, actions should be identified that will ensure key arterial and tourist road networks are upgraded to an acceptable standard for all users. Improvements to the road network will ensure local residents, business owners and visitors to the hinterland can reach their final destination in a safe and comfortable manner. At the same time, improved road hierarchy and construction quality will encourage greater exploration of the hinterland by visitors, promoting a broader economic benefit.

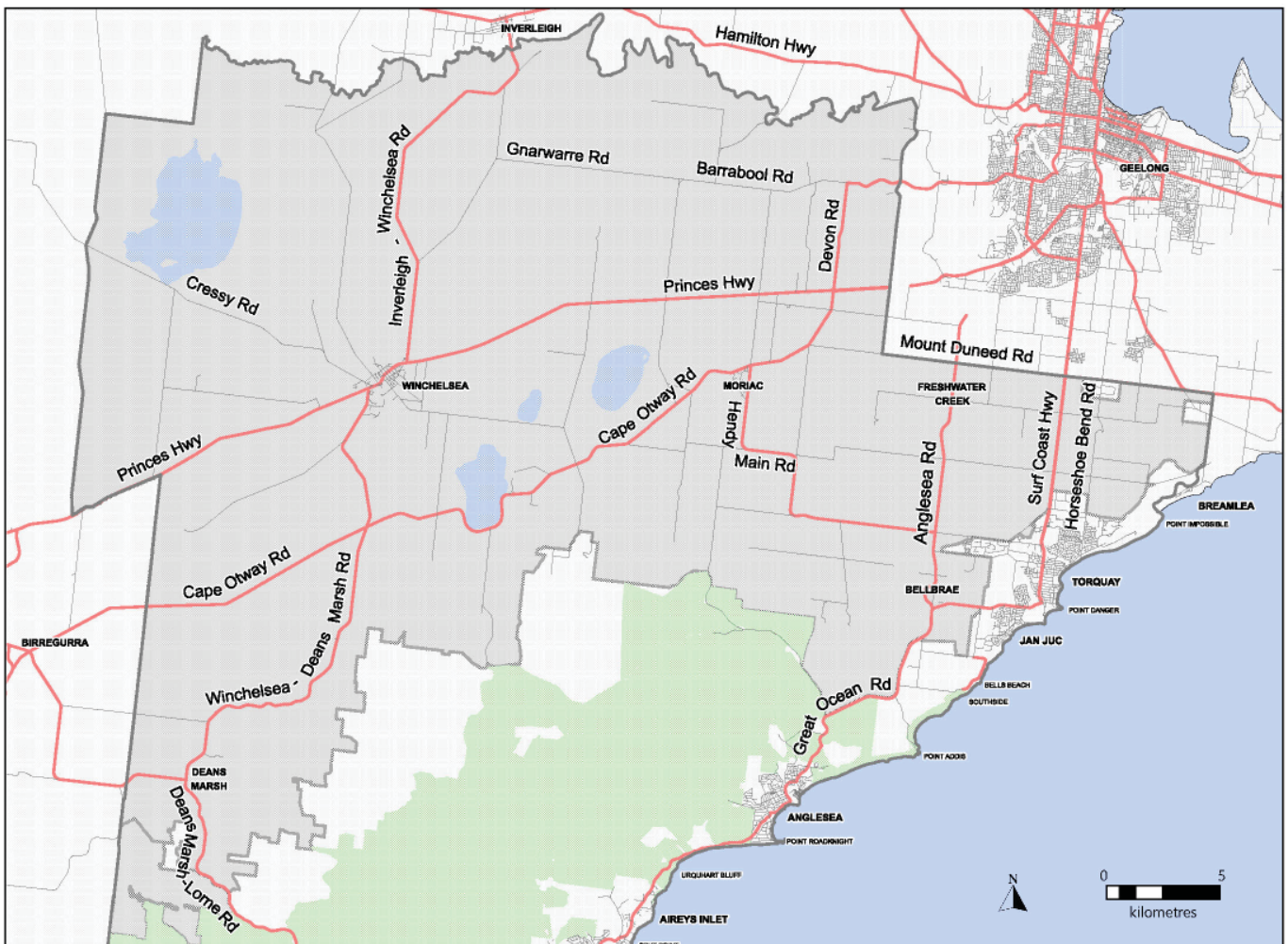


Figure 11: Road and Cycling Infrastructure

Public Transport

Public transport services are available in the hinterland by way of bus and rail. However, frequency and range is a significant barrier to building future capacity and usage. Without improvements to the availability and frequency of public transport services, the private car will continue to be the dominant mode of transport, particularly for those uses in the hinterland that attract visitors, such as nature-based tourist attractions and agritourism and tourism uses. There is a need to ensure that the road network, particularly the major tourist routes and tourist destinations, is of a safe and user-friendly standard that ensures accessibility.

Telecommunications

As already acknowledged, in time the NBN will service most of the hinterland. Winchelsea already has a fixed line NBN with Deans Marsh and Moriac receiving a wireless NBN network. The NBN will continue roll out across large parts of the hinterland, but in the meantime the lack of up-to-date telecommunication services is hindering existing businesses' ability to operate effectively and to service new customers.

Natural Gas

As with other infrastructure services within the hinterland, a reticulated natural gas network is limited to Winchelsea. Extension of the existing natural gas supply is likely to be limited to those areas identified for urban growth.

11. LAND USE PLANNING CONTEXT

State Policy

State policy directs that productive farmland is to be protected for its quality and productivity and highlights that the key threats resulting in a loss of farmland is;

- Urban encroachment,
- Rural subdivision and the creation of small farming lots,
- Rural living or dwellings on small lots in rural areas which can lead to land use conflicts.

Regional planning undertaken by the State Government seeks 'to develop regions which have a strong identity, are prosperous and are environmentally sustainable'. The Surf Coast Shire is within the G21 Region with Torquay - Jan Juc identified as a peri-urban town capable of facilitating growth. State planning policy directs the establishment of urban growth boundaries to ensure that green breaks are maintained, agricultural land and environmental assets are protected in the long term.

The State Government has prepared Localised Planning Statements for State Significant Distinctive Areas, which include the Mornington Peninsula, Macedon Ranges, Bellarine Peninsula and the Yarra Valley. These areas incorporate the rural hinterland and associated townships around metro Melbourne and regional cities. Surf Coast Shire was not identified as one of these significant distinctive areas but it does share many common characteristics and issues including a peri-urban locality, high environmental and landscape values and urban growth pressures.

In December 2017, the Victorian Government introduced into parliament new legislation to strengthen the protection for state significant distinctive areas and landscapes. This built on the implementation of respective localised planning statements. The legislation aims to secure the long term sustainability of townships in the Macedon Ranges region by designating long term settlement boundaries that can only be changed by the Minister for Planning with the consent of parliament.

In 2017 Council received a discussion paper on Potential Mechanisms for Managing the Torquay/Jan Juc Town Boundary. The paper considered the options for Surf Coast Shire in strengthening the settlement boundaries around Torquay/Jan Juc, with several recommendations likely to be implemented in the coming years, to recognise and protect the key agricultural, environmental, landscape and tourism values in the Shire and to manage the pressures of urban growth. Some of the options emerging above in "distinctive areas" may be applicable to the Surf Coast Shire.

All land within the Surf Coast Shire south of the Princes Highway is recognised through State Policy as being within the "Great Ocean Road Region". The Great Ocean Road is of State significance as a major asset and national and international tourist destination. The Great Ocean Road Region Strategy (DSE 2004) seeks to encourage the use of inland routes to manage traffic impacts along the Great Ocean Road. This presents an ideal opportunity to increase visitation within the hinterland.

Note: The Victorian State Government have undertaken numerous reforms to State Policy and format of Planning Schemes in Victoria in recent times, including policy implied in the lead up to and subsequent to the November 2018 State election. Given the flux of changes, not all changes are reflected in the State or Local Planning Context Sections of this Strategy.

Local Policy

One of the founding principles of Local Planning Policy is directing urban growth to designated growth townships as shown in the G21 Regional Growth Plan and consolidating infill development in existing settlements within a defined settlement boundary. In the Surf Coast Shire most urban growth is directed to Torquay/Jan Juc and Winchelsea. Coinciding with this framework of strategically directed growth is a strong local policy of maintaining green breaks between townships and between Torquay/Jan Juc and the City of Greater Geelong on the northern boundary (Armstrong Creek). It has demonstrated in recent years that around Torquay in particular the green breaks are under greater pressure from outward urban expansion and more strategic work should be done to protect them from encroachment and inappropriate development that would undermine their value.

The Municipal Strategic Statement of the Surf Coast Planning Scheme (SCPS) is based on the underlying principle that the natural environment is the single most important attribute and asset of the Surf Coast Shire. The Surf Coast Shire has many natural assets such as the coast, waterways, wetlands, scenic rural landscapes and native vegetation which are recognised as being significant in State and Local Policy within the planning scheme. Specific overlays have been applied to many local assets including wetlands and waterway, significant landscapes and indigenous vegetation. Endangered vegetation, including native grasslands which are vulnerable to agricultural practices, is problematic to map and in many areas of the Shire they remain unidentified.

Overlays also define areas subject to environmental risk, with the Bushfire Management Overlay covering all the small coastal townships including the Great Otway National Park.

The eastern boundary of the rural hinterland study area is partly defined by the Great Ocean Road. It is a major tourist icon, access route and key destination. One of the challenges is to balance these characteristics with the potential threat of inappropriate development along its length, visual intrusion and advertising sign clutter which would adversely impact on its values. The Significant Landscape Overlay and policies on landscape in the planning scheme are largely based on a 2004 high-level study “The Great Ocean Road Region Landscape Assessment Study”. The Strengthening Town Boundaries Project identified that there is an opportunity to revisit sensitive landscapes at pressure points which are under threat from urban expansion or inappropriate development, particularly around Torquay/Jan Juc, and undertake updated and more specific landscape and environmental studies.

Compatible with the concept of protecting the Great Ocean Road, there is also an opportunity to ease the pressure and grow economic and social value elsewhere in the study area by supporting new tourist-related businesses on other arterial roads and within settlements.

Adverse impact on the Great Ocean Road from ribbon development can also be reduced by co-locating new tourism development in key areas to capitalise on existing infrastructure. Locations should be of low agricultural value and be appropriately sited and designed. For example, the lots fronting the Great Ocean Road service road between Elkington Road and Forest Road is one such area where tourism development could be clustered,

Current rural policy in the SCPS builds on the broad State setting on rural land and has been significantly informed by the Surf Coast Shire Rural Strategy 2007.

The majority of the hinterland areas are zoned Farming Zone or Rural Conservation Zone. The Farming Zone, introduced by the State Government in 2005, limited non-agricultural development and in 2013 State Government changes were introduced to provide more flexibility in discretionary uses including tourism and accommodation.

Local policy needs to be reviewed in response to these zone changes to provide clearer guidance on where to direct the increased range of discretionary land uses. The distinctive soil types, rainfall, nutrient holding capacity, lot size configuration, land values and significant landscapes and environmental assets all influence suitable land uses.

Clear policy will also manage land use conflicts and enhance business viability through directing land use activities with similar characteristics or requirements to suitable geographic locations.

The key directions in the Local Planning Policy Framework relating to rural areas fall under the following themes- agriculture, tourism, environment and landscape. They can be summarised as follows:

- Direct anticipated high population growth into existing townships, primarily Torquay/Jan Juc and Winchelsea and protect the rural landscape from urban intrusion.
- To maintain a clear rural-landscape separation between settlements and particularly between Torquay-Jan Juc and the Armstrong Creek southern growth corridor of Geelong.
- Protect and enhance the rural areas of the Shire for their diverse agricultural, environmental and landscape values and opportunities.
- Support agriculture and rural industries that build the economic base of the Surf Coast Shire.
- To recognise that rural landscape vistas are highly valued for their contribution to the amenity and liveability of rural areas.
- Encourage tourism based uses that complement the natural and rural setting without compromising these values.

The above principles are explained in more detail below.

Agriculture

The key purpose of Farming zoned land is for productive agricultural land use, and this Strategy supports the primacy of agricultural activities on farming land. Clause 21.05 Agriculture in the SCPS focuses on maintaining agricultural opportunities in the rural areas of the Shire. Key elements of the policy are summarised below:

- Protect agricultural opportunities through minimising the use of agriculture areas for housing.
- Discourage the use and development of productive agricultural land for activities that are not reliant on the soil.
- Maintain technically viable farming lots as much as possible and avoid small lot subdivision in rural areas.
- Support niche related farming outcomes where these can be done as part of larger lots.

Emerging agricultural uses where niche farming and tourism work together are examples of where existing smaller lots within the hinterland can potentially be used in a way that can complement adjoining farming activities.

Policy at Clause 21.05 recognises future opportunities for supporting agricultural production including investigating changing the minimum lot sizes for the Farming Zone in the Thompsons' Creek valley to

potentially support more intensive farming outcomes associated with to access to recycled water and value adding that may occur with such outcomes. Supporting such outcomes will require consideration of numerous planning matters including those that fall under each of the policy themes discussed in this section.

Rural landscape

Clause 21.06 Rural Landscape of the SCPS recognises the important role the coastal and rural landscapes make to the amenity of the area including the contribution to the lifestyle of residents and a value to the tourism economy. Managing impacts on the rural and coastal landscape and associated environmental values is a key focus of the policy.

Clause 21.06 identifies five landscape precincts based primarily on landscape features, but also factoring in land use, agricultural quality, tenement/allotment patterns and environmental values.

This policy has recently been strengthened by the Shire's review of the Bells Beach hinterland following the findings of the Bells Beach Taskforce. This is an example of where policy can be enhanced to provide clear direction about uses and the scale and extent of development expected in a rural setting which in the case is focused on discouraging development that would impact on the important vista. This context of discouraging development in certain areas is best implemented where other opportunities for development are recognised in the policy providing balance across the overall rural setting.

Building on this, there is an opportunity to improve policy guidance in the planning scheme relating to directing tourist uses and accommodation to preferred locations with lower stand-alone agricultural value but medium conservation or landscape value. Major uses or clusters will be focused in areas with good road access and connection to key infrastructure.

Further guidelines for the types of uses, scale, location, design and siting of tourist use and accommodation in significant landscapes, similar to the Bells Beach Hinterland provisions, could be applied to the wider hinterland context.

Environmental values

The rural hinterland areas contain key environmental assets and the synergy between management of rural areas and environmental outcomes is important. These links in land management and environmental benefits can also align with enhancing the character and landscape features that are associated with many parts of the rural hinterland.

New development needs to be balanced against the protection of natural assets including native vegetation. If use or development is to occur where environmental assets exist, there needs to be a sensitive response to the environmental features, appropriate management of the risks such as bushfire, and enhancement of the environment where possible. This includes adequate separation between built form and the environmental features to ensure the asset can be protected and enhanced whilst managing bushfire risks.

Bushfire planning and risk

The Otway District is recognised as being one of the highest bushfire risk areas in Australia and with the onset of climate change, the potential for the number and intensity of extreme bushfire events is expected to increase.

To strengthen the provisions relevant to bushfire planning, in 2018 through Amendment V148, the State Government introduced reforms to all Victorian planning schemes, including changes to Clause 13.02-1S of the SCPS. The result is an increased emphasis in State Policy on minimising and managing the risk to communities from bushfire at all stages of the planning process.

The bushfire risk and emphasis of the policy means that not all sites within the Hinterland will be suitable for development in all instances and the type of use and development and its strategic location must be considered as first principles.

To demonstrate good bushfire planning and risk management, the starting point for any development should be to locate the development in a lower level of bushfire risk, and have good access to and within the site.

While the Otway National Park and areas heavily vegetated with trees and other elevated vegetation pose obvious risks, other landscapes, including areas containing unmanaged grasslands can also pose risks. In considering new proposals in the hinterland, it will be vital to recognise and understand the different landscape types and the risks they pose. Lower risk areas will continue to be the preferred location for proposals, particularly those that encourage multiple visitors to a site.

In the Hinterland, examples of lower risk locations might include those areas around the townships of Moriac and Bellbrae or locations lacking large forested areas that are more than 3km north of the Great Otway National Park and proximate to larger settlements.

Due to the challenging topography and high levels of vegetation, the areas in the south and south-west of the Shire and the area north-east of Anglesea are considered to be high risk locations. As the road networks that service these areas also travel through high risk areas with dense vegetation and challenging terrain, safe and reliable access during a bushfire event to place of safety in the east cannot be guaranteed.

Locations around Pennyroyal are also at a comparatively high risk from bushfire with the contributing factors including the challenging terrain and topography, the vegetation classifications and the road networks. Proposals in this area that encourage visitation will require careful consideration.

Important bushfire risk factors to consider include the need for effective site selection that provides extensive separation from forested areas and reliable vehicle access to areas of safety. Site based emergency management arrangements and bushfire protection measures are necessary secondary considerations. It is recognised that in order to deliver site-based separation from the immediate bushfire hazard, vegetation modification might be required. Proposals that require vegetation removal for the creation of defensible space should avoid areas with high environmental values.

The Surf Coast Shire has prepared a Shire-wide Bushfire Management Statement to better understand the bushfire risk at a strategic level. The associated maps consider the combination of vegetation, terrain and

topography, road networks and their reliability, proximity to settlements and the impacts of weather under certain conditions. Figure 12 shows those areas that are subject to the highest risk through to the areas of lowest bushfire risk in the Shire.

All use and development proposals in the hinterland must consider fire risk. In particular, uses that result in the congregation of multiple visitors to the site should be directed to areas of lower bushfire risk.

In addition to the relevant provisions in the SPCS, other key matters for consideration include:

- Having regard to the landscape risk, whether the Approved Measures in Clause 53.02 of the Surf Coast Planning Scheme should be exceeded;
- The suitability of transport routes and vehicle access and the ability to provide safe and reliable access to and from the site during an emergency event;
- The strategic location of the site having regard to the capacity of emergency services to respond in the event of a fire or another emergency event;
- The type and intensity of the use and development, including whether it will result in additional bushfire ignition sources;
- The extent of native vegetation removal required to mitigate bushfire risk to an acceptable level;
- Emergency management procedures and whether the measures proposed are proportionate to the use and commensurate to the risk.

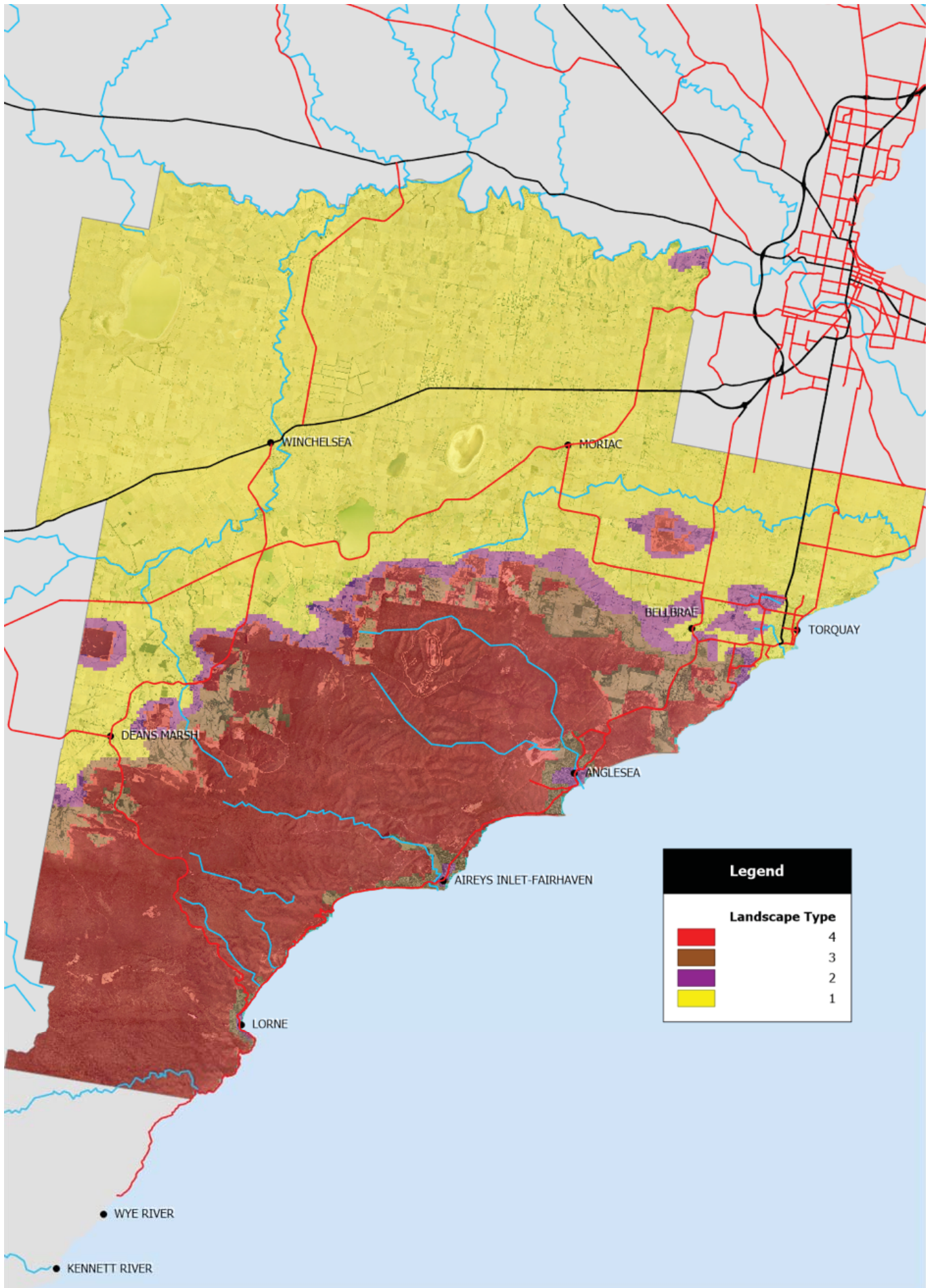


Figure 11: Bushfire Landscape Type Map

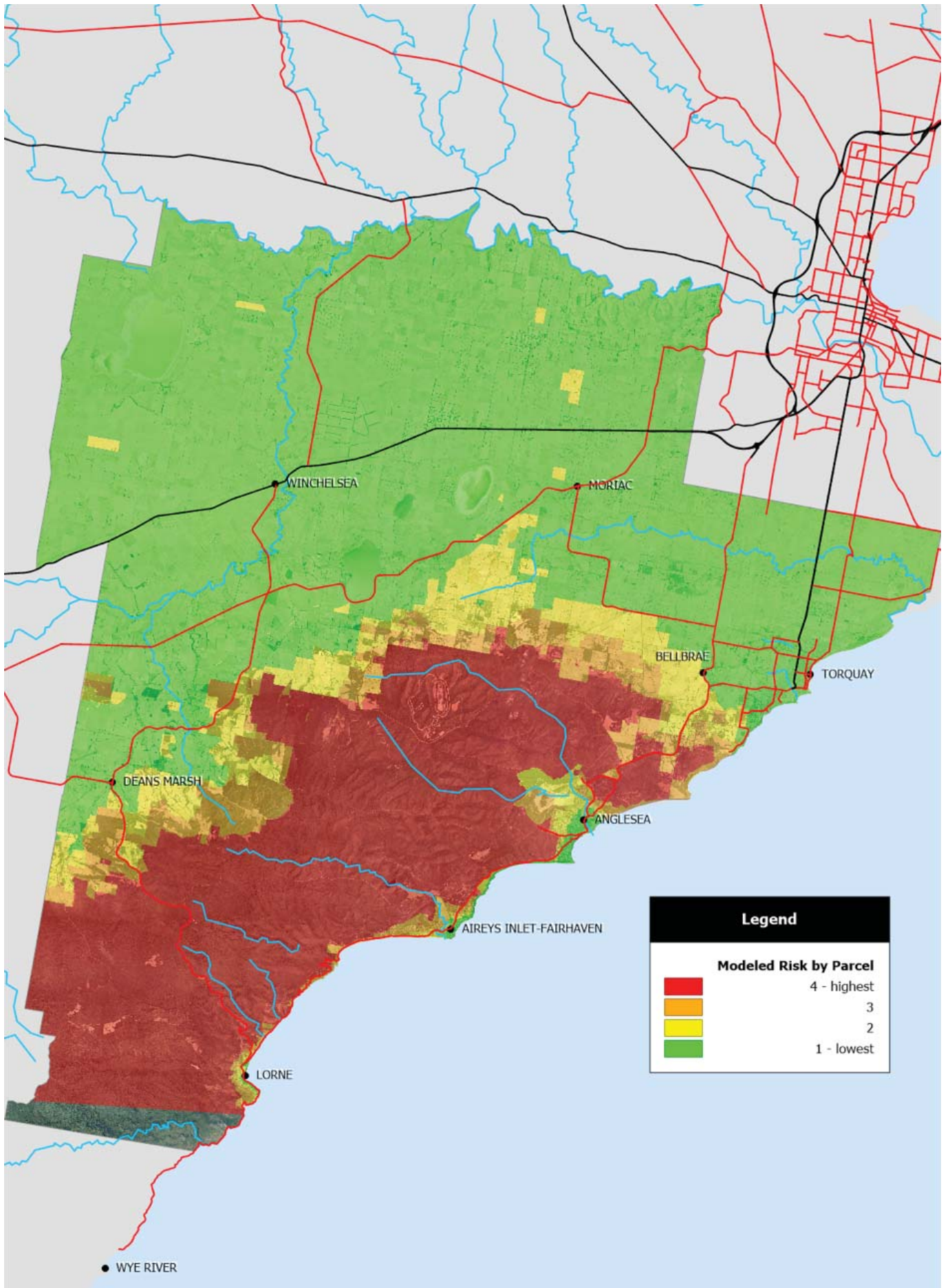


Figure 12: Bushfire Development Complexity Map - Area of modelled risk by Parcel

Tourism

Clause 21.04 Tourism in the SCPS outlines the key directions related to tourism use and development which can be summarised as follows:

- Tourism development in the farming areas of the Shire should generally be of a small scale that does not compromise the agricultural use of the land. High profile tourism is directed to urban areas where infrastructure is available.
- Tourism development should be of a nature, designed and sited to avoid conflict with existing rural uses, preserve the rural landscapes and environmental values, avoid loss of high quality agricultural land, and be within proximity of existing townships.
- Tourism development should enhance the environmental condition of the land through protection and re-establishment of native vegetation and control of pest plants and animals, erosion, salinity, stormwater and nutrient runoff.
- Discourage tourism development from locating in prime agricultural land, particularly in areas with an open rural landscape.

Use of the words “small scale” as described in the first dot point have not been defined adequately in the planning scheme which is not helpful in assessing applications. There is an identified need for better policy to inform decision-making for tourism development where the scale of the development meets the principles for the Strategy rather than being confined to “small scale”. Tourism activities should be directed to land of medium environmental and landscape value, where bushfire risk can be managed, and avoided in land suitable for intensive and commercial farming to avoid land use conflicts. There is also an opportunity to encourage future tourism developments and activities to form clusters in areas identified as well suited to tourism activities in figure 6, such as around Winchelsea, Deans Marsh, Bellbrae, and Moriac.

More broadly, the 2013 changes to the rural zones in Victoria making more tourist and accommodation uses discretionary has opened up opportunities that did not previously exist. However, the SCPS lacks planning policy to guide decision-making for use and development applications in the Farming Zone in particular, where uses no longer need to be connected to the rural use of the land, and uses such as “industry” can be approved with a planning permit. Uses such as traditional industry have the potential to conflict with Council’s vision for the hinterland and the types of businesses sought, which are complementary to rural uses. However, some types of uses which fall under the industry definition such as microbreweries, distilleries, cheese making, art/ sculpture, and food processing etc could be appropriate, if co-located with tourism uses in the hinterland, and / or complementing or making use of agricultural produce from the land. Opportunities exist through the implementation of this strategy to provide clearer decision-making guidelines and direction.

Some land in the hinterland with high environmental or landscape values is zoned Rural Conservation Zone, which is very restrictive. Uses such as “outdoor recreation” and “place of assembly” are prohibited. Tourism opportunities that utilise the natural setting in hinterland areas such as Deans Marsh and parts of Bamba could be realised if changes are made to the zone at a State level; although there are still opportunities for accommodation in these areas such as group accommodation and farm stay. Council has been advocating to the State Government for the inclusion of “outdoor recreation” in the zone for several years. However, should uses such as outdoor recreation be permitted, there would need to be clear planning policy to ensure that the proposals that make use of the natural setting are appropriate and do not have significant impacts on environmental and landscape values.

A photograph of a man and a woman walking together in a field, overlaid with a semi-transparent blue filter. The woman is on the left, wearing a light-colored top and dark pants, and the man is on the right, wearing a light-colored shirt and dark pants. They are both smiling and looking towards each other. The background consists of tall grasses and foliage.

Appendices

APPENDIX 1

Definitions

The planning scheme definition allocated to a land use will determine whether a permit is required or not or whether the activity is prohibited under the zone where it is to occur. Where land is proposed to be used in more than one way, each use will need to be defined and determine if it is permissible by the zone. If one use is the primary use occurring on the land, a prohibited use may still be able to occur as an ‘ancillary’ use.

HINTERLAND STRATEGY TERMS	HINTERLAND STRATEGY DEFINITION	POSSIBLE PLANNING SCHEME LAND USE TERM	PLANNING SCHEME LAND USE GROUP
AGRIBUSINESS LAND USE			
Agribusiness	Includes all aspects of the food and fibre supply chain from the growth and production through to the manufacturing. Includes intensive, commercial and food manufacturing as well as a range of agricultural support services not associated with a land use.	Rural store	Warehouse
Food/Drink Manufacturing (wholesale)	Large scale not retailing directly to public. Includes large scale breweries and industrial scale food processing	Rural industry	Industry
Intensive Farming	<p>Farming that is carried out in a manner not necessarily tied to the land’s background productive capacity. Intensive farming involves importing of considerable proportions of animal or plant nutritional requirements. Intensive farming is predominantly structure-based (livestock housing, feedpads, glasshouses etc).</p> <p>This category includes housed livestock production such as housed pig farms and barn-raised poultry, cattle feedlots, intensive dairy farms. Also included in this category are protected horticulture, hydroponic and aquaponic glasshouse fruit and vegetable production.</p>	<ul style="list-style-type: none"> • Animal husbandry • Animal production • Grazing animal production • Intensive animal production (includes Intensive dairy farm and Cattle feedlot) • Pig Farm • Poultry farm (includes broiler farm) • Poultry hatchery • Aquaculture • Crop raising • Horticulture • Landscape gardening supplies • Garden supplies • Plant nursery 	
Commercial Farming	<p>Farming that is carried out as a commercial enterprise (excluding the above). Considered traditional farming, this category includes broadacre cropping and hay production, grazing livestock production, fruit orchards and olive groves, market gardens, vineyards (not associated with a winery), commercial flower production and nurseries.</p> <p>May include free range pigs and poultry.</p>	<ul style="list-style-type: none"> • Animal husbandry • Apiculture • Animal production • Grazing animal production • Pig Farm • Poultry farm • Aquaculture • Crop raising • Horticulture (includes market garden) • Rice growing • Landscape Garden supplies • Plant nursery 	<p>Agriculture</p> <p>Retail Premises</p>

HINTERLAND STRATEGY TERMS	HINTERLAND STRATEGY DEFINITION	POSSIBLE PLANNING SCHEME LAND USE TERM	PLANNING SCHEME LAND USE GROUP
AGRIBUSINESS LAND USE			
Lifestyle Farming	This includes farming where commercial production of agricultural commodities is not the main driver for land use decisions. Lifestyle farms are often situated on smaller lots, where the land-owner derives their main source of income off-farm. Lifestyle farms are valued not only for their capacity to produce agricultural commodities, but also for intrinsic lifestyle and aesthetic values.	<ul style="list-style-type: none"> • Animal husbandry • Animal production • Grazing animal production • Crop raising 	Agriculture
Land banking	The main source of income derived from the land is the growth in land value.		Agriculture
Agroforestry	Conservation based land holdings where conservation and revegetation of native vegetation is the primary purpose. This can include agroforestry, emissions offsets, state and national parks and privately owned conservation blocks.	<ul style="list-style-type: none"> • Crop raising • Timber production 	Agriculture
Equine activities	Land managed primarily for horse production and training. This includes horse studs, stables, spelling and agistment farms. May include horse trail rides and horse related events and shows.	<ul style="list-style-type: none"> • Animal husbandry • Animal Keeping • Animal boarding • Animal training • Horse riding school 	Agriculture
TOURISM AND ACTIVITY BASED LAND USE			
Tourism Activities / Attractions	<p>Tourism attractions may or may not incorporate commercial agricultural production into their land management. Includes historic buildings (such as Barwon Park Mansion), the Great Ocean Road Chocolaterie, LiveWire Park, restaurants, pubs, cafes, and museums.</p> <p>Can also include fishing, on/off road cycling, golf & other outdoor sports, bike parks and trails.</p> <p>Future development in this area might also consider cheese making, gallery spaces, function venues, day spas, horse trail rides, Segway courses on private land, events, coffee roasters, micro-breweries, wildlife parks and 'destination' restaurants.</p>	<ul style="list-style-type: none"> • Food and drink premises • Hotel • Restaurant • Manufacturing sales • Primary produce sales • Market • Art and craft centre • Carnival • Cinema • Circus • Exhibition Centre • Art Gallery • Museum • Function centre • Conference centre • Reception centre • Animal husbandry • Animal training • Horse riding school • Minor sports and recreation facility • Outdoor recreation facility • Golf course • Pleasure park • Zoo • Winery 	<p>Retail Premises</p> <p>Art & Craft Centre Place of Assembly</p> <p>Agriculture</p> <p>Leisure and Recreation</p> <p>Winery</p>

HINTERLAND STRATEGY TERMS	HINTERLAND STRATEGY DEFINITION	POSSIBLE PLANNING SCHEME LAND USE TERM	PLANNING SCHEME LAND USE GROUP
TOURISM AND ACTIVITY BASED LAND USE			
Agritourism	Agritourism businesses operate both commercial agricultural or food/beverage processing operations and a tourist activity. This may also incorporate a dining experience and includes wineries which operate a cellar-door, berry picking, farm stay and farm stalls.	<ul style="list-style-type: none"> • Winery • Manufacturing sales • Primary produce sales • Crop raising • Host farm 	Winery Retail Premises
Food/Drink manufacturing (tourism)	Includes wineries, small scale breweries cideries and distilleries, as well as makers of smallgoods, jams, cordials and preserves - retailing direct to public. May include dining or experience based tourism attraction.	<ul style="list-style-type: none"> • Winery • Manufacturing sales • Primary produce sales • Crop raising 	Winery Retail Premises Agriculture
Accommodation (medium - large scale)	Includes caravan parks, camps, RV stops, hotels, motels, accommodation combined with a meeting space for corporate retreats or events.	<ul style="list-style-type: none"> • Camping and caravan park • Residential building • Residential hotel (includes motel) • Backpackers' lodge • Tavern 	Accommodation Food & Drink Premises
Accommodation (small scale)	Includes, B&B, AirBnB, farm-stays and cabins	<ul style="list-style-type: none"> • Group accommodation • Host farm • Dwelling • Bed and breakfast 	Accommodation
Nature based activities	Visiting the national park and can include bush walking, cycling, fishing, on/off road cycling, outdoor sports, bike parks, trails.	<ul style="list-style-type: none"> • Minor sports and recreation facility • Informal outdoor recreation • Natural systems 	Leisure and Recreation Natural Systems
Events	Open air music concerts, exhibitions, Arts trail, sporting events, cultural events, fairs, craft shows, markets, dog trials, flower festivals.	<ul style="list-style-type: none"> • Art and craft centre • Cinema • Exhibition Centre • Art Gallery • Museum • Market • Community market 	Art & Craft Centre Places of Assembly Retail Premises
GENERAL TERMS			
Complementary use	A land use which: <ul style="list-style-type: none"> • enhances the quality of the existing use of the land. • is compatible and can be integrated with the existing use and surrounding uses. • is not detrimental. 		
Green break	Non-urban land between townships		

