



# Hinterland Futures Strategy



MAY 2018

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# Part A

# 1. EXECUTIVE SUMMARY

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 environs.

The 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 with government agencies, community groups, landowners, stakeholders and businesses.

One of its 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.

The hinterland currently contributes about 6per cent to the local economy.

## The aims of this Strategy are:

- to increase that percentage by supporting existing agricultural uses so they develop and thrive; and
- to develop agri-food, agri-tourism 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 them.

## The Hinterland Futures Strategy Vision is:

By 2040 the hinterland is a renowned visitor destination and key sector in the Surf Coast economy.

## The Strategy has five key objectives to achieve the vision:

### Objective 1:

Elevate the value of our rural landscapes as the defining feature of the Surf Coast hinterland and its significance to the local economy.

### Objective 2:

Stimulate agri-tourism to enhance the Surf Coast as a visitor destination.

### Objective 3:

Encourage innovative businesses displaying sustainable land management practices to enhance our reputation as a destination.

### Objective 4:

Support tourism activities which complement the landscape, agricultural and environmental values of the Surf Coast Shire.

### Objective 5:

Secure enabling infrastructure to deliver the vision and objectives of the Strategy.



## 2. VISION

By 2040 the hinterland is a renowned visitor destination and key sector in the Surf Coast economy.

### What does this look like?

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

Local food, high-quality tourism products and outdoor activities provide a year 'round experience which complement a thriving agricultural sector based on innovative businesses displaying sustainable development and land management practices. Our significant environmental assets and landscapes will underpin these values.



# 3. INTRODUCTION

## Why have a strategy?

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, we expect 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 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.

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 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 food and agriculture sectors. These new ventures, along with more traditional agriculture operations, contribute significantly to the region's diversity, longer-term sustainability and overall productivity.

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.

Our natural assets, including our natural environment and the rural landscapes we enjoy, have helped create these opportunities. We want 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?

We developed this Strategy 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. We 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 we 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 we expanded the Strategic Framework Plan in the Draft Strategy to include those areas.

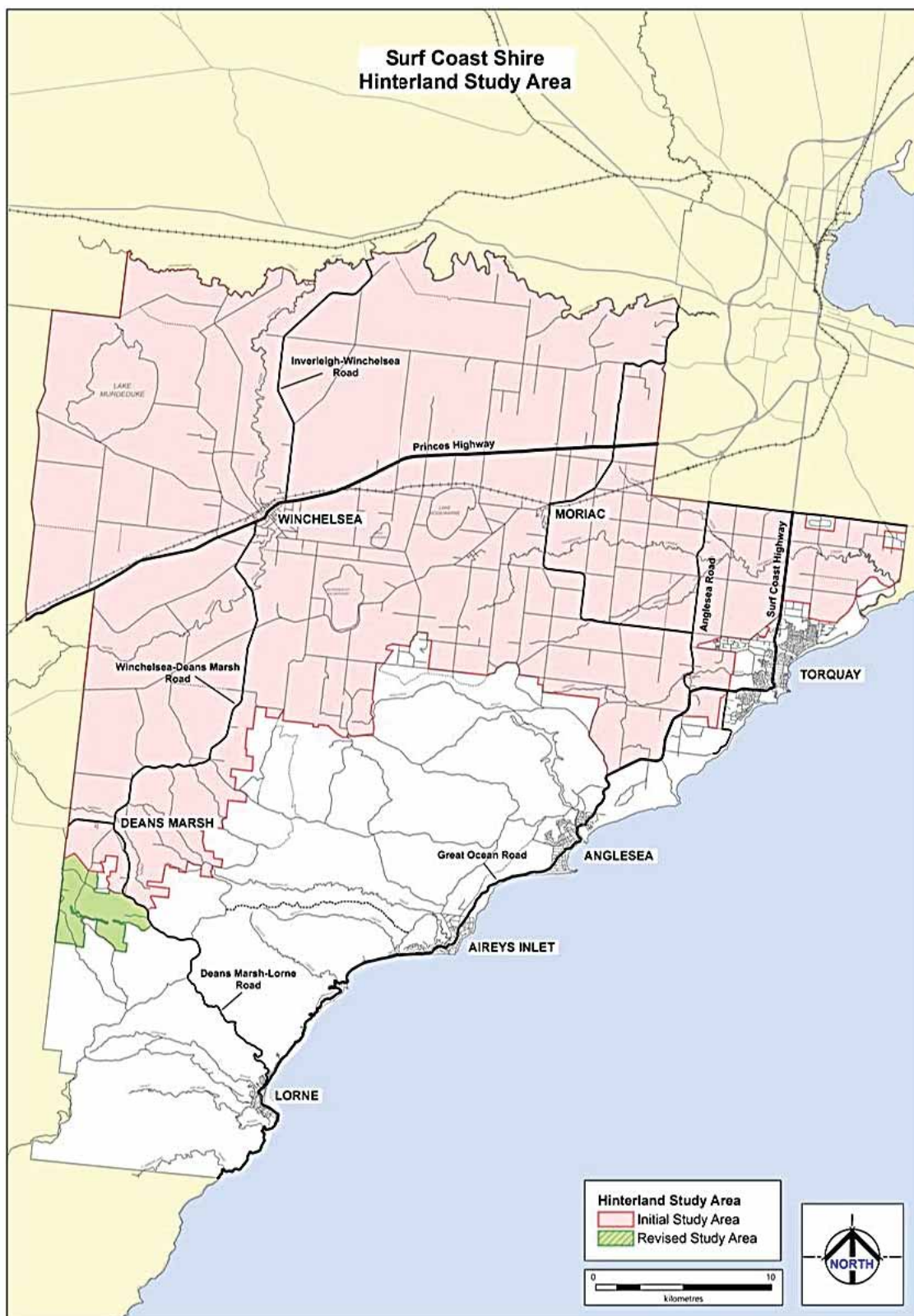


Figure 1 - Hinterland Study Area

## Social Value of the Hinterland

Although the Strategy has an economic and planning focus about land use, we also realised 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.



## Linkages with Other Strategies and Plans



## 4. 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 agri-tourism 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 we move 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. We expect 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 few 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

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 in the planning scheme, and most of the Shire is a designated Bushfire Prone Area under the Building Regulations. When siting tourist facilities, residential development and sensitive uses, managing and mitigating bushfire risk is a key issue, with road access and access to water being key considerations when Council assesses proposals.

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).

## 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.



# 5. CONTEXT - THE HINTERLAND ECONOMY

## HINTERLAND ECONOMIC CHARACTERISTICS

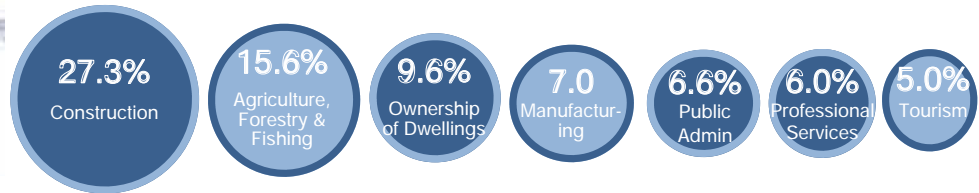
**\$477.8m**

### ECONOMY

(GROSS REGIONAL PRODUCT)



### 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%

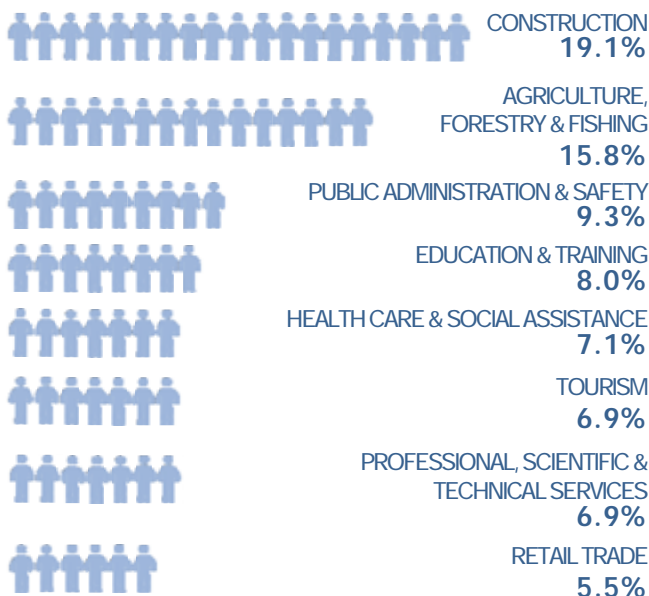
OF SHIRE LAND RESERVED AS PARK QUALITY OF LIFESTYLE 

### WORKFORCE



59% TRAVEL OUTSIDE HINTERLAND FOR WORK

### BIGGEST EMPLOYING INDUSTRIES



### LARGEST NUMBER OF BUSINESSES

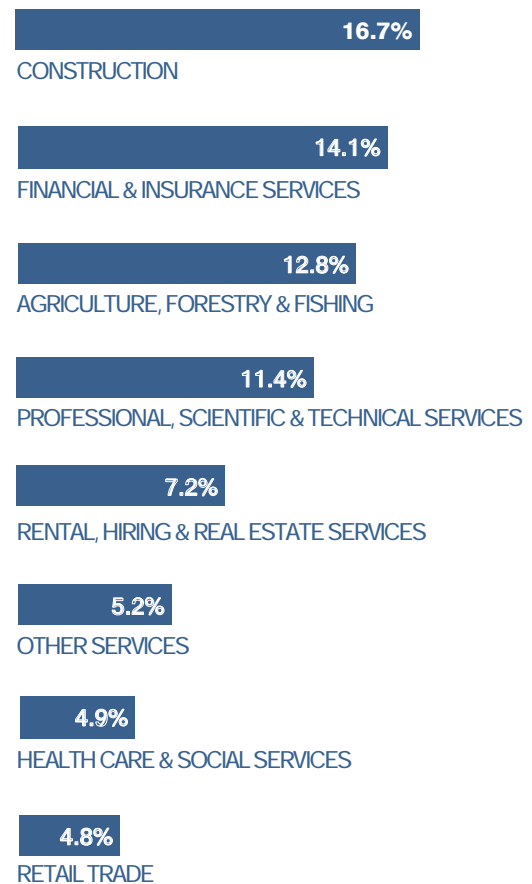


Figure 2: Hinterland Economic Characteristics  
Source: Australian Bureau of Statistics, REMPlan

# 6. CONTEXT - KEY FACTS

We prepared a detailed Background Report to support this Strategy and we exhibited this 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:

The Shire is experiencing high population growth, particularly around Torquay, and the Shire requires 1,650 new jobs to support the future population.

Surfing, tourism and construction industries are major drivers of the broader Surf Coast economy. Agriculture is a significant contributor to the hinterland economy.

There is a policy gap in the planning scheme on discretionary uses in the rural zones that needs to be filled to provide guidance.

More guidance is required in the planning scheme on the location and design of development in rural areas and in significant landscapes.

Agri-tourism has potential to stimulate business in the hinterland, as the beauty of the landscapes is both a tourist drawcard and a lifestyle attractor.

There is increased growth and development pressure on rural and environmental values in the hinterland and key tourist attractions like the Great Ocean Road.

Hobby/lifestyle farms are a dominant and growing land use in the hinterland.

There is undersupply of product to attract visitors to the hinterland.

Intensive agriculture is growing in the region. It has an important role to play if aligned to the hinterland vision.

About 3per cent of Surf Coast Shire's 2.1 milliion visitors currently come to the hinterland. This represents enormous potential for tourism.

Small-scale food production has been growing in the region due to the opportunity provided by the tourism industry and a developing "Otways" brand.

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.

Visitors are seeking experiences such as outdoor recreation, culture, food and wine and events.

Existing infrastructure is struggling to meet the growing needs of the hinterland.



# 7. 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 primary focus areas:

1. Intensive and commercial farming.
2. Commercial farming and agribusiness.
3. Tourism.

The Commercial Farming and Agribusiness Focus Area and the Tourism Focus Area overlap near the Cape Otway Road, as a broad range of activities are considered suitable in this area. Similarly, the land near Deans Marsh appears in more than one focus area.

The development of the maps technical information about the landscape and environmental assets, land capability, lot sizes, accessibility to transport, services, water and workforce. This information is applied 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 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 Moriac, Deans Marsh and Bellbrae are identified as focus areas for tourism and agri-tourism. 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 centres 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 point. 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.

# Strategic Framework Map

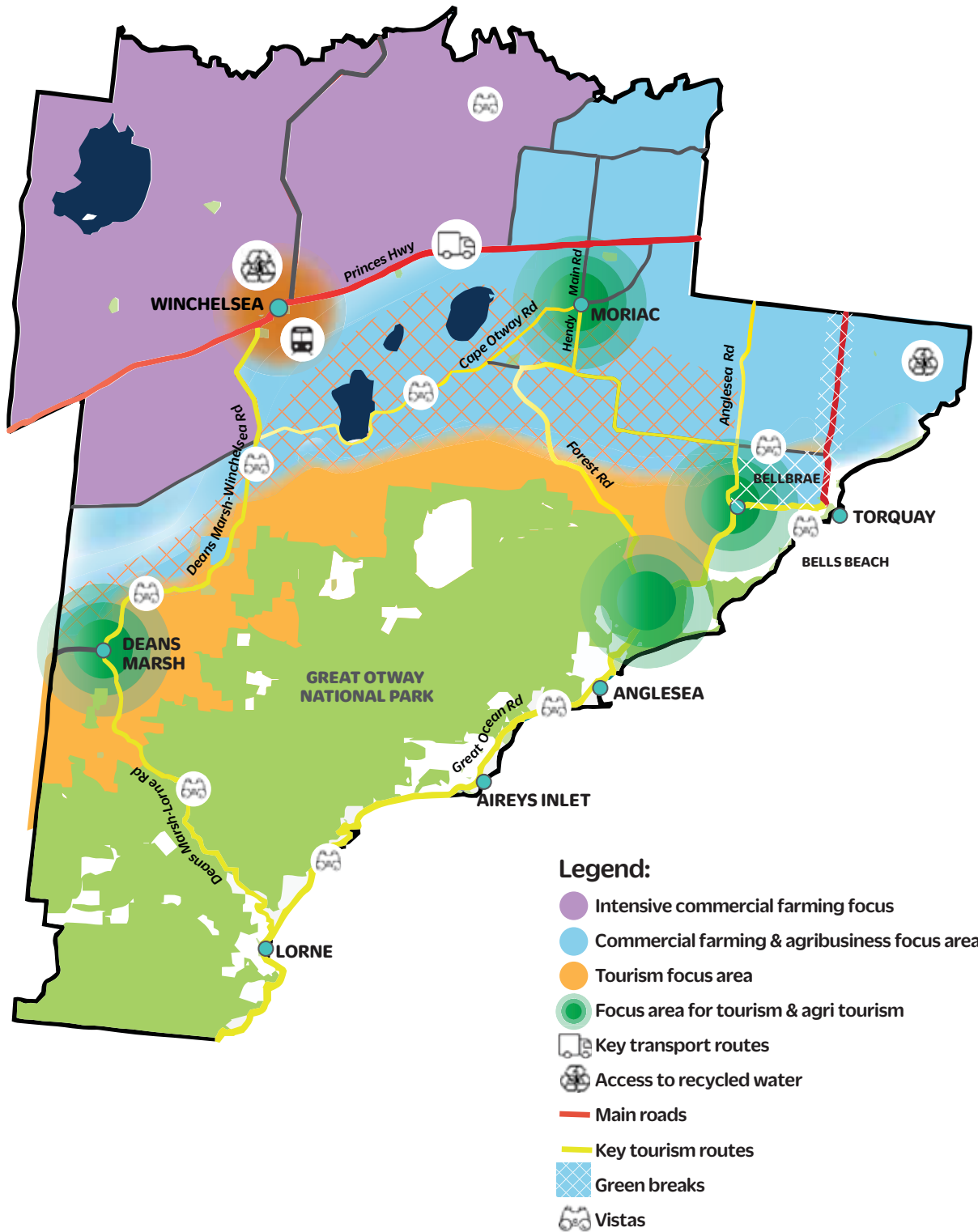


Figure 3: Strategic Framework Plan

# Intensive and Commercial Farming Focus Area

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 remoteness of much of this land from residential areas lends itself to more intensive production. The area has access to Winchelsea, recycled water and the Princes Highway. Endangered grasslands and Lake Murdeduke, which is an internationally significant wetland, are also features of this area.

## Intensive and Commercial Farming Focus Area

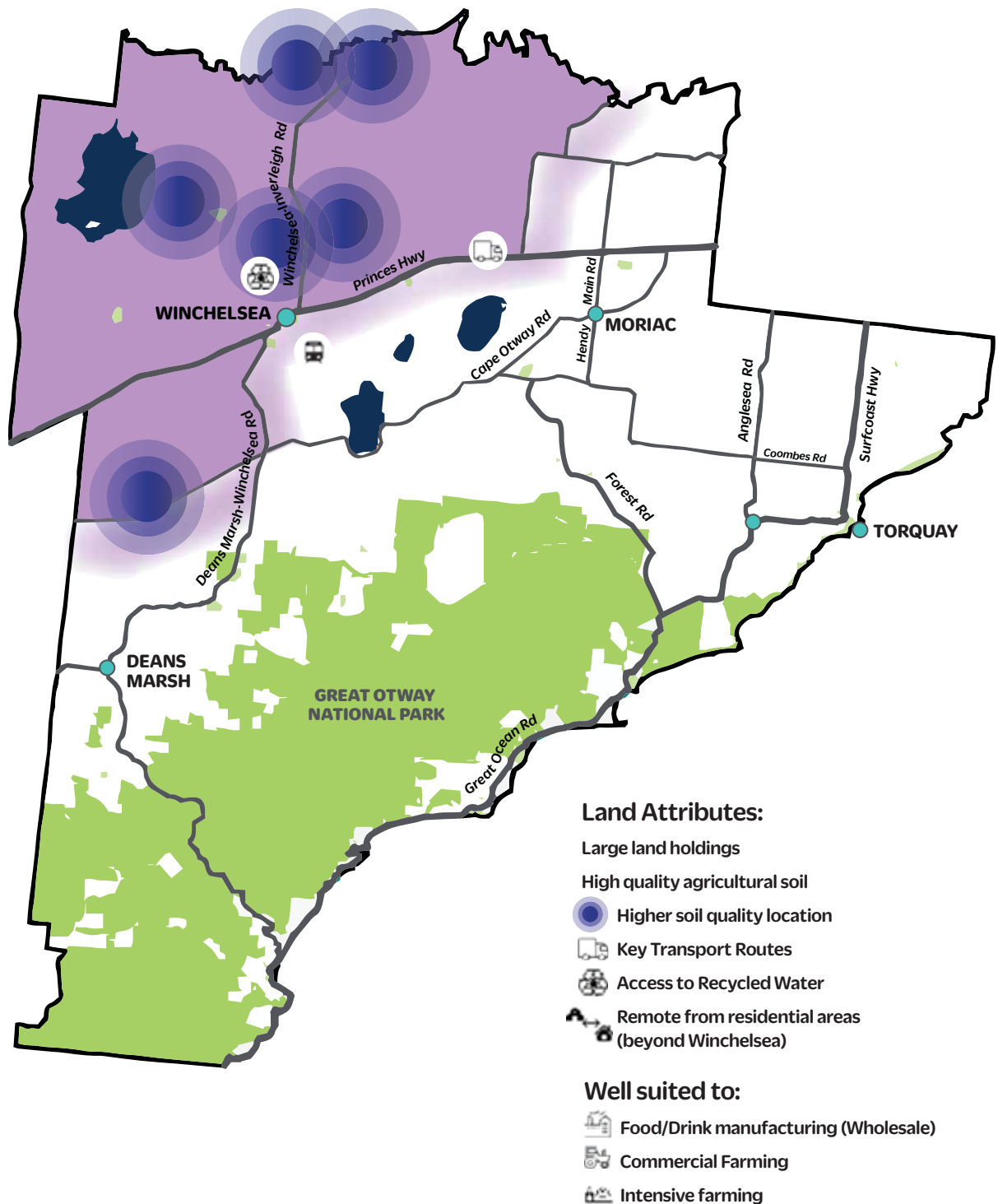


Figure 4: Intensive and Commercial Farming Focus Area

# Commercial Farming and Agribusiness Focus Area

The Commercial Farming and Agribusiness Focus Area, shown in figure 5, features moderate-sized land holdings with 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.

## Commercial Farming and Agribusiness Focus Area

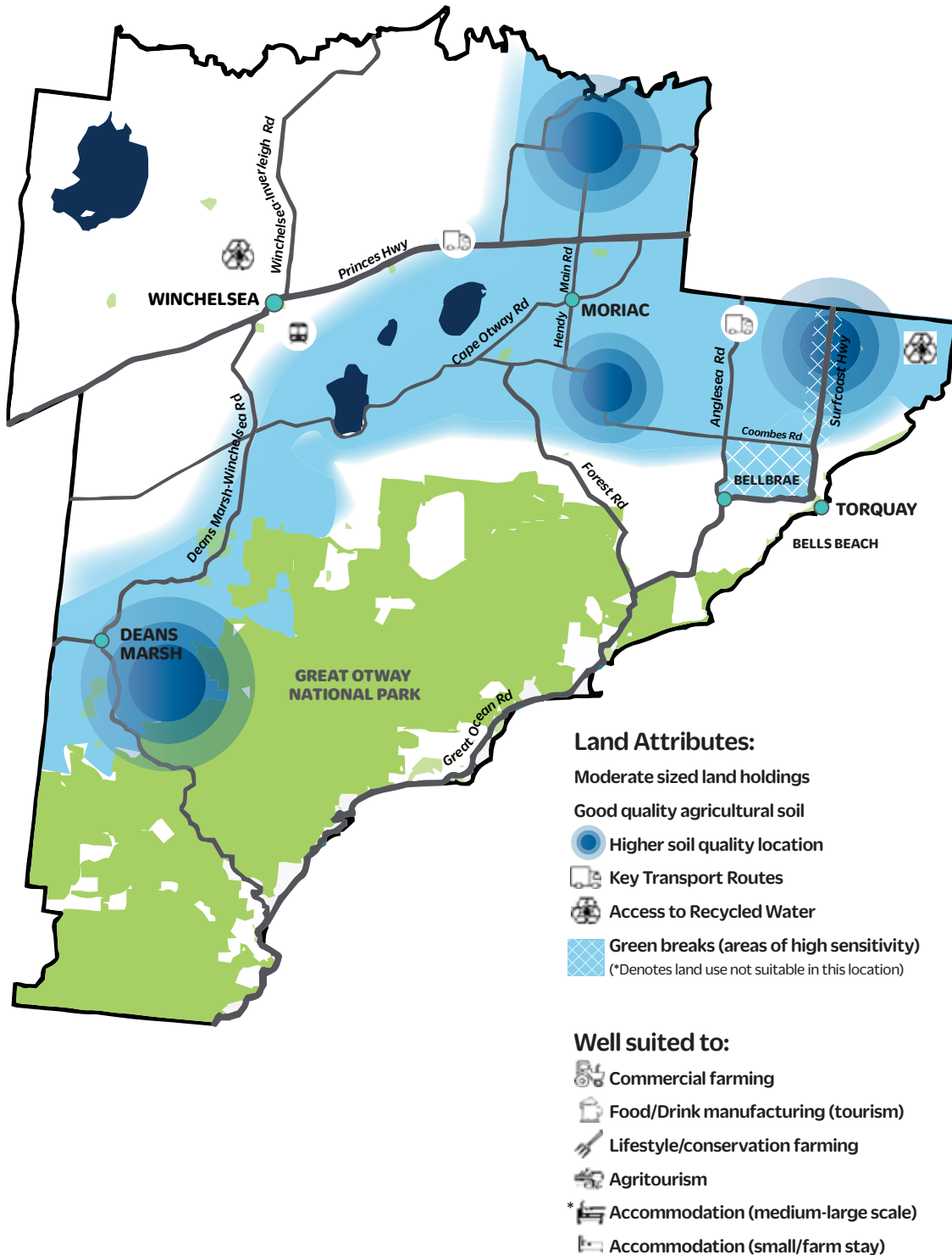


Figure 5: Commercial Farming and Agribusiness Focus Area

# Tourism Focus Area

The Tourism Focus Area, shown in Figure 6, features a mixture of land sizes (including smaller lots) with good quality soil in the south west and lower quality soil north of the Great Otway National Park. The high coverage of indigenous vegetation and access to the Park lends itself to tourism-focused land use. Land closest to the Park contains dense vegetation and is also at high risk from bushfire. Small scale/sensitive tourist development will be directed to these areas (shown as hatched on the map). Moderate to larger scale tourist development will be facilitated north of this area (shown in orange on the map).

## Tourism Focus Area

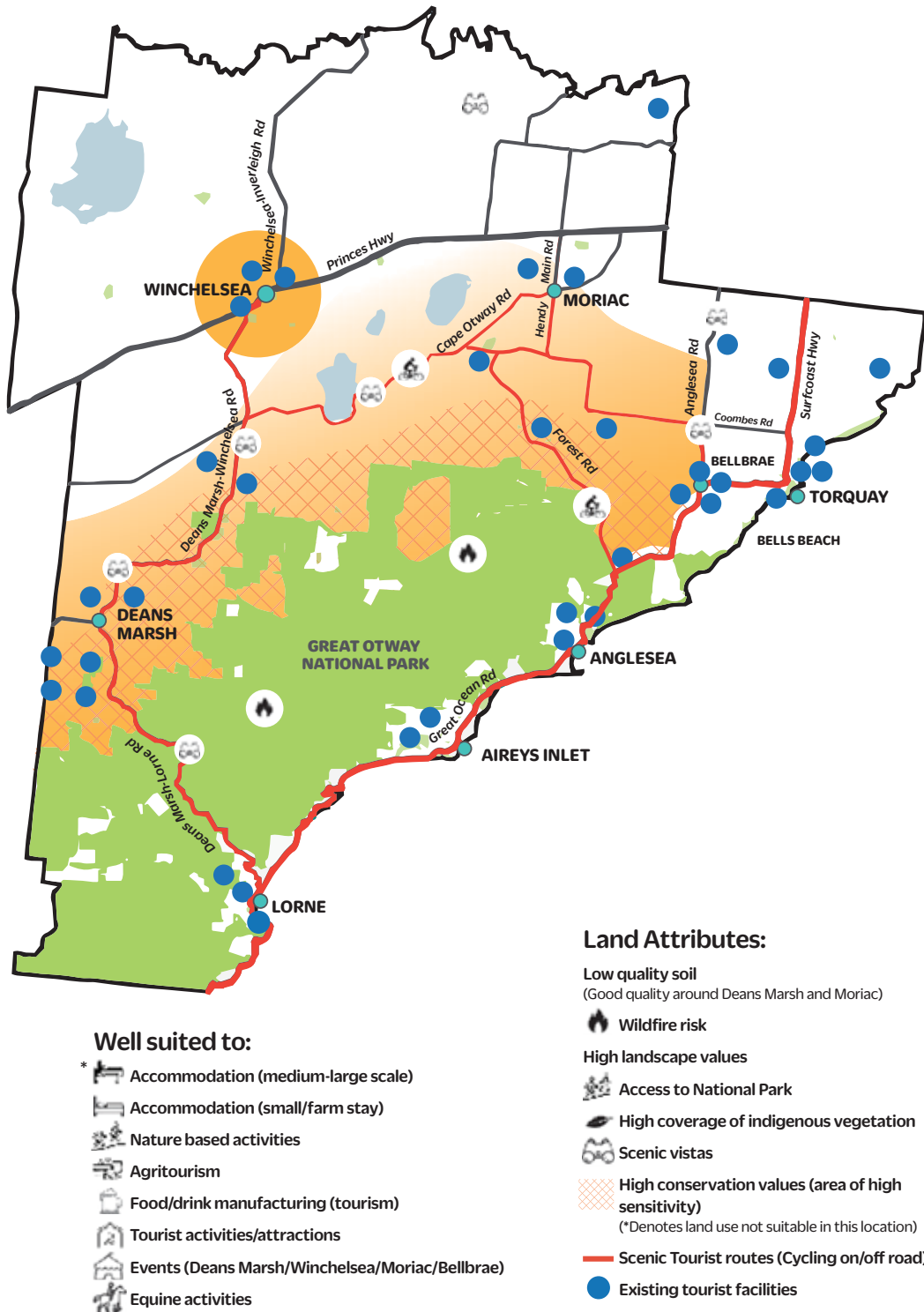


Figure 6: Tourism Focus Area

## 8. STRATEGIC OBJECTIVES

The Strategy has five key objectives:

### Objective 1:

Elevate the value of our rural landscapes as the defining feature of the Surf Coast hinterland and its significance to the local economy.

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

### Objective 2:

Stimulate Agri-Tourism to Enhance the Surf Coast as a Visitor Destination

*Develop agri-tourism 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 3:

Encourage Innovative Businesses Displaying Sustainable Land Management Practices to Enhance Our Reputation as a Destination

*Ensure new businesses are "clean and green" and achieve best practice.*

### 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. Look for new opportunities to build resilience.*

# 9. ACTION PLAN

The following table outlines the actions necessary to implement the Strategy and achieve each objective.

## Objective 1:

Elevate the value of our rural landscapes as the defining feature of the Surf Coast hinterland and its significance to the local economy.

## Priority Actions

- 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
- 1.2. Encourage nature based tourist activities and agri-tourism in areas identified as high environmental and landscape value.
- 1.3. Direct intensive agricultural uses to areas where high environmental and landscape values will not be compromised.
- 1.4. Refine planning policy to encourage new uses that complement identified significant environmental and rural assets.
- 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.
- 1.6. Strengthen planning policy to protect green breaks and encourage co-location of complementary land uses such as tourist facilities around key infrastructure.
- 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.
- 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.
- 1.9. Maintain the green breaks between Torquay and Mt Duneed Road and between Torquay western settlement boundary 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.
- 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 and landscape assets and they incorporate environmental sustainable development principles.

## Objective 2:

Stimulate agri-tourism to enhance the Surf Coast as a visitor destination.

### Priority Actions

- 2.1. Support the actions of the Surf Coast Shire Local Food Program to encourage the growth of small to medium food production businesses.
- 2.2. Encourage the development of new tourism products that incorporate locally grown and harvested food.
- 2.3. Connect small-scale food producers and agri-tourism experiences through the development of new or the enhancement of existing tourism trails. (Refer to figure 7 at the end of this section for an example)
- 2.4. Support the implementation of the Otway Harvest Trail marketing and action plan, especially in relation to expansion of their digital presence and brand collateral.
- 2.5. 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.
- 2.6. Engage with small agri-food tourism businesses to facilitate connections and provide information to increase capacity and knowledge.
- 2.7. Review planning policy to support the use of existing small lots to develop innovative agri-tourism ventures and demonstration farms.



## Objective 3:

Encourage innovative businesses displaying sustainable land management practices to enhance our reputation as a destination.

### Priority Actions

- 3.1. Support the implementation of actions of the Sustainable Agribusiness Strategy for the G21 Region (2017-2021).
- 3.2. Initiate training and support to improve the skills of lifestyle farmers in sustainable land management, animal welfare and biosecurity.
- 3.3. Develop a network to connect non-farming landowners with potential producers to increase access to and utilisation of existing productive agricultural land.
- 3.4. Develop and promote case studies of innovative local businesses that align with the vision of the Hinterland Strategy.
- 3.5. Advocate to the State Government to establish an Animal Industry Expert Advisory Panel to assess planning permit applications consistent with that proposed in the 'Planning for Sustainable Animal Industries' paper.
- 3.6. Encourage the development of an agribusiness communication framework considering applications such as farm table, farmer exchange and the proposed G21 Virtual Hub.
- 3.7. Collaborate with key partners including Deakin University, Marcus Oldham College and the G21 Agribusiness Forum on initiatives that increase the productive capacity of the Hinterland.

## Objective 4:

Support tourism activities which complement the landscape, agricultural and environmental values of the Surf Coast Shire.

### Priority Actions

- 4.1. Encourage the development of tourism products in the hinterland which provide outdoor recreation activities, such as fishing, cycling, kayaking, off road riding and horse trails.
- 4.2. Secure new signature events for the hinterland that align with Great Ocean Road or regional (Winchelsea & Otways) destination branding.
- 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.
- 4.4. Undertake a range of hinterland promotions with a focus on food trails, arts, culture, heritage and food tourism.
- 4.5. Work with Great Ocean Road Regional Tourism to map the visitor journey and identify new hinterland itineraries and touring routes to raise awareness of Hinterland destinations off the Great Ocean Road
- 4.6. Continue to advocate to State Government to broaden the scope for limited tourism opportunities and complementary uses in the Rural Conservation Zone that capitalise on the natural assets of the region.
- 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.

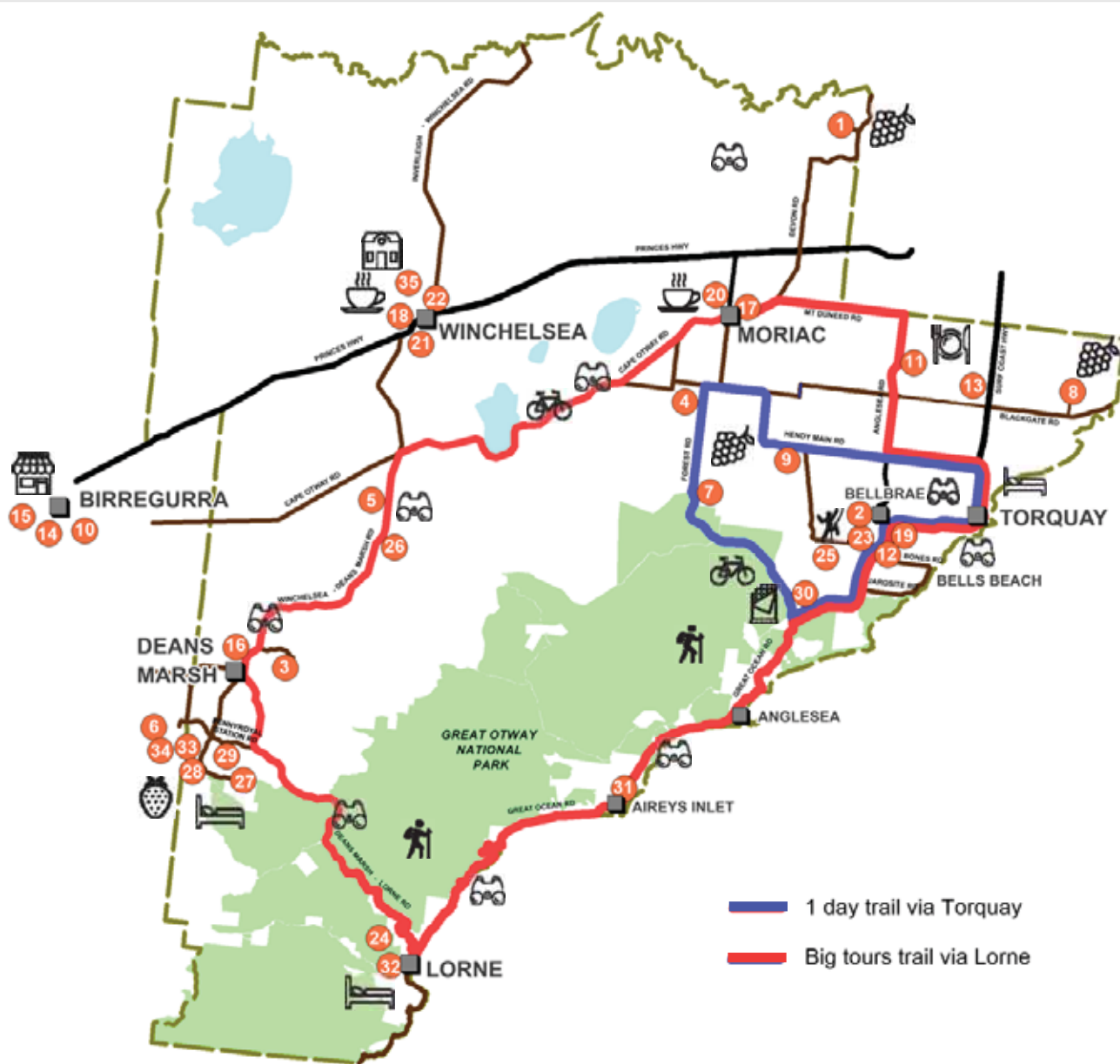
## Objective 5:

Secure enabling infrastructure to deliver the vision and objectives of the Strategy.

### Priority Actions

- 5.1. Advocate for Cape Otway Road to become a VicRoads managed road due to its increased profile as an alternative inland route to Lorne and destinations further along the Great Ocean Road.
- 5.2. Advocate to the State Government for upgrades to the road quality, pull-out lanes, bicycle lanes, sealed shoulders and road network signage along the Deans Marsh-Lorne Road, Cape Otway Road and Anglesea Road.
- 5.3. Seek funding to improve safety, including sealed shoulders, on Horseshoe Bend Road and Barrabool Road.
- 5.4. Informed by the Sealed Road Network Strategy, seek funding for improvements to the road network to enhance agricultural productivity.
- 5.5. Support the development of innovative and beneficial wastewater and recycled water reuse infrastructure.
- 5.6. Advocate to maximise the coverage of the NBN and other telecommunications services in the hinterland.
- 5.7. In partnership with Barwon Water, explore the potential to use recycled water to support agricultural and agri-tourism development in the hinterland that is consistent with the objectives of this strategy; particularly in the vicinity of the Black Rock Water Reclamation Plant and Winchelsea Reclamation Plant.

# Indicative Tourist Route Map



- |  |  |   |
|--|--|---|
| <ul style="list-style-type: none"> <li>1. Barwon Ridge Wines</li> <li>2. Bellbrae Estate</li> <li>3. Blakes Estate</li> <li>4. Brown Magpie Wines</li> <li>5. Dinny Goonan Wines</li> <li>6. Gosling Creek Winery</li> <li>7. Moshulu Estate</li> <li>8. The Minya Winery</li> <li>9. Wolseley Winery</li> <li>10. Brae</li> <li>11. The Farmers Place</li> <li>12. Bells Beanies &amp; Alpaca Farm</li> <li>13. Robertson's Farmgate</li> </ul> | <ul style="list-style-type: none"> <li>14. Birregurra Farm Foods</li> <li>15. Birregurra General Store</li> <li>16. Deans Marsh General Store</li> <li>17. Moriac General Store</li> <li>18. The Vault Farm Gift Shop</li> <li>19. Great Ocean Road Nursery &amp; Cafe</li> <li>20. Ravens Creek Farm</li> <li>21. Sweet Thyme Cafe</li> <li>22. Winchelsea Tea Rooms</li> <li>23. Great Ocean Road Adventure Park</li> <li>24. Livewire Ropes Course</li> </ul> | <ul style="list-style-type: none"> <li>25. Bellbrae Country Club</li> <li>26. Country Wide Cottages</li> <li>27. King Parrot Cottages</li> <li>28. Otway Escapes Accommodation</li> <li>29. Pennyroyal Otways Retreat</li> <li>30. Great Ocean Road Chocolaterie</li> <li>31. Eagles Nest Gallery</li> <li>32. Qdos Gallery</li> <li>33. Gentle Annie Berry Farm</li> <li>34. Pennyroyal Raspberry Farm</li> <li>35. Barwon Park Mansion</li> </ul> |
|--|--|---|

Figure 7: Indicative Tourist Routes

# 10. IMPLEMENTATION PLAN

The following tables outline the lead agencies for each action in section 9 and its timing.

## Objective 1:

Elevate the value of our 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
<b>LAND USE AND PLANNING</b>			
Encourage nature based tourist activities and agri-tourism in areas identified as high environmental and landscape value.	Surf Coast (Planning)	Surf Coast (Eco Dev)	Short
Direct intensive agricultural uses to areas where high environmental and landscape values will not be compromised.	Surf Coast (Planning)		Short
Refine planning policy to encourage new uses that complement identified significant environmental and rural assets.	Surf Coast (Planning)		Short
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
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
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
Maintain the green breaks between Torquay and Mt Duneed Road and between Torquay western settlement boundary 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.	Surf Coast (Planning)		Short
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 and landscape assets and they incorporate environmental sustainable development principles.	Surf Coast (Planning)		Short
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
<b>ECONOMY &amp; MARKETING</b>			
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

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

## Objective 2:

Stimulate Agri-Tourism to Enhance the Surf Coast as a Visitor Destination.

PRIORITY ACTIONS	LEAD STAKEHOLDER	SUPPORTING STAKEHOLDER	TIMELINE
<b>LAND USE AND PLANNING</b>			
Review planning policy to support the use of existing small lots to develop innovative agri-tourism ventures and demonstration farms	Surf Coast (Planning)		Short
<b>ADVOCACY AND LEADERSHIP</b>			
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
<b>ECONOMY &amp; MARKETING</b>			
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
Encourage the development of new tourism products that incorporate locally grown and harvested food	Surf Coast (Eco Dev)		Short-Medium
Connect small-scale food producers and agri-tourism experiences through the development of new or the enhancement of existing tourism trails. See Figure 7 of this strategy for an example.	Surf Coast (Eco Dev)	Surf Coast (Planning, Infrastructure); VicRoads	Medium-Long
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
Engage with small agri-food tourism businesses to facilitate connections and provide information to increase capacity and knowledge	Surf Coast (Eco Dev)	G21 Agribusiness Forum	Short-Medium

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

## Objective 3:

Encourage Innovative Businesses Displaying Sustainable Land Management Practices to Enhance our Reputation as a Destination

PRIORITY ACTIONS	LEAD STAKEHOLDER	SUPPORTING STAKEHOLDER	TIMELINE
<b>ADVOCACY AND LEADERSHIP</b>			
Advocate to the State Government to establish an Animal Industry Expert Advisory Panel to assess planning permit applications consistent with that proposed in the 'Planning for Sustainable Animal Industries' paper	Surf Coast (Planning)		Short
<b>ECONOMY &amp; MARKETING</b>			
Support the implementation of actions of the Sustainable Agribusiness Strategy for the G21 Region (2017-2021)	Surf Coast (Eco Dev)		Short
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
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
Develop and promote case studies of innovative local businesses that align with the vision of the Hinterland Strategy	Surf Coast (Eco Dev)		Ongoing
Encourage the development of an agribusiness communication framework considering applications such as Farm Table, Farmer Exchange and the proposed G21 Virtual Hub	Surf Coast (Eco Dev)		Short-Medium
Collaborate with key partners including Deakin University, Marcus Oldham College and the G21 Agribusiness Forum 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 4:

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

PRIORITY ACTIONS	LEAD STAKEHOLDER	SUPPORTING STAKEHOLDER	TIMELINE
<b>LAND USE AND PLANNING</b>			
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
<b>ADVOCACY AND LEADERSHIP</b>			
Continue to advocate to the State Government to broaden the scope for limited tourism opportunities and complementary uses in the Rural Conservation Zone that capitalise on the natural assets of the region			Short
<b>ECONOMY &amp; MARKETING</b>			
Encourage the development of tourism products in the Hinterland which provide outdoor recreation activities, such as fishing, cycling, kayaking, off road riding and horse trails	Surf Coast (Eco Dev)		Medium
Secure new signature events for the Hinterland that align with Great Ocean Road or regional (Winchelsea & Otways) destination branding			Short-Medium
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
Undertake a range of Hinterland promotions with a focus on food trails, arts, culture, heritage and food tourism			Short-Medium
Work with Great Ocean Road Regional Tourism to map the visitor journey and identify new hinterland itineraries and touring routes to raise awareness of Hinterland destinations off the Great Ocean Road	Surf Coast (Eco Dev)	Great Ocean Road Regional Tourism; VicRoads	Medium

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
<b>LAND USE AND PLANNING</b>			
Support the development of innovative and beneficial wastewater and recycled water reuse infrastructure	Surf Coast (Infrastructure)	Surf Coast (Planning)	Ongoing
In partnership with Barwon Water, explore the potential to use recycled water to support agricultural and agri-tourism development in the hinterland that is consistent with the objectives of this strategy; particularly in the vicinity of the Black Rock Water Reclamation Plant and Winchelsea Reclamation Plant.	Barwon Water; Surf Coast (Eco Dev)	Surf Coast (Planning, Infrastructure)	Medium
<b>ADVOCACY</b>			
Advocate for Cape Otway Road to become a VicRoads 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
Advocate to the State Government for upgrades to the road quality, pull-out lanes, bicycle lanes, sealed shoulders and road network signage along the Deans Marsh-Lorne Road, Cape Otway Road and Anglesea Road	Surf Coast (Infrastructure)		Short-Medium
Advocate to maximise the coverage of the NBN and other telecommunications services in the Hinterland	Surf Coast		Ongoing
Seek funding to improve safety, including sealed shoulders, on Horseshoe Bend Road and Barrabool Road	Surf Coast (Infrastructure)		Short
Informed by the Sealed Road Network Strategy, seek funding for the improvements to the road network to enhance agricultural productivity	Surf Coast (Infrastructure)		Medium-Long

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



# Part B

# 11. 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 agri-tourism offer of the area.

## 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 (37.4per cent). The construction sector is also a significant contributor, representing \$83 million (27per cent) of hinterland exports, while manufacturing exports are estimated at \$35 million (11.3per cent).

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 (19.5per cent) 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 (17.6per cent) and agriculture forestry & fishing, \$65.6 million (17.6per cent) are the next largest contributors.

In contrast to the rental, hiring and real estate sector (36 jobs), they 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 per cent of value-add activity. 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.

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).

## 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 best placed to support market gardens and lifestyle farming due to their higher sand content and lower nutrient holding capacity. This region appeals strongly to lifestyle farms as they are close to the coast and regional centres.

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

Subdivision of Farming Zone land in each of the five landscape precincts is restricted to the minimum sizes (hectares) shown in figure 8 below:

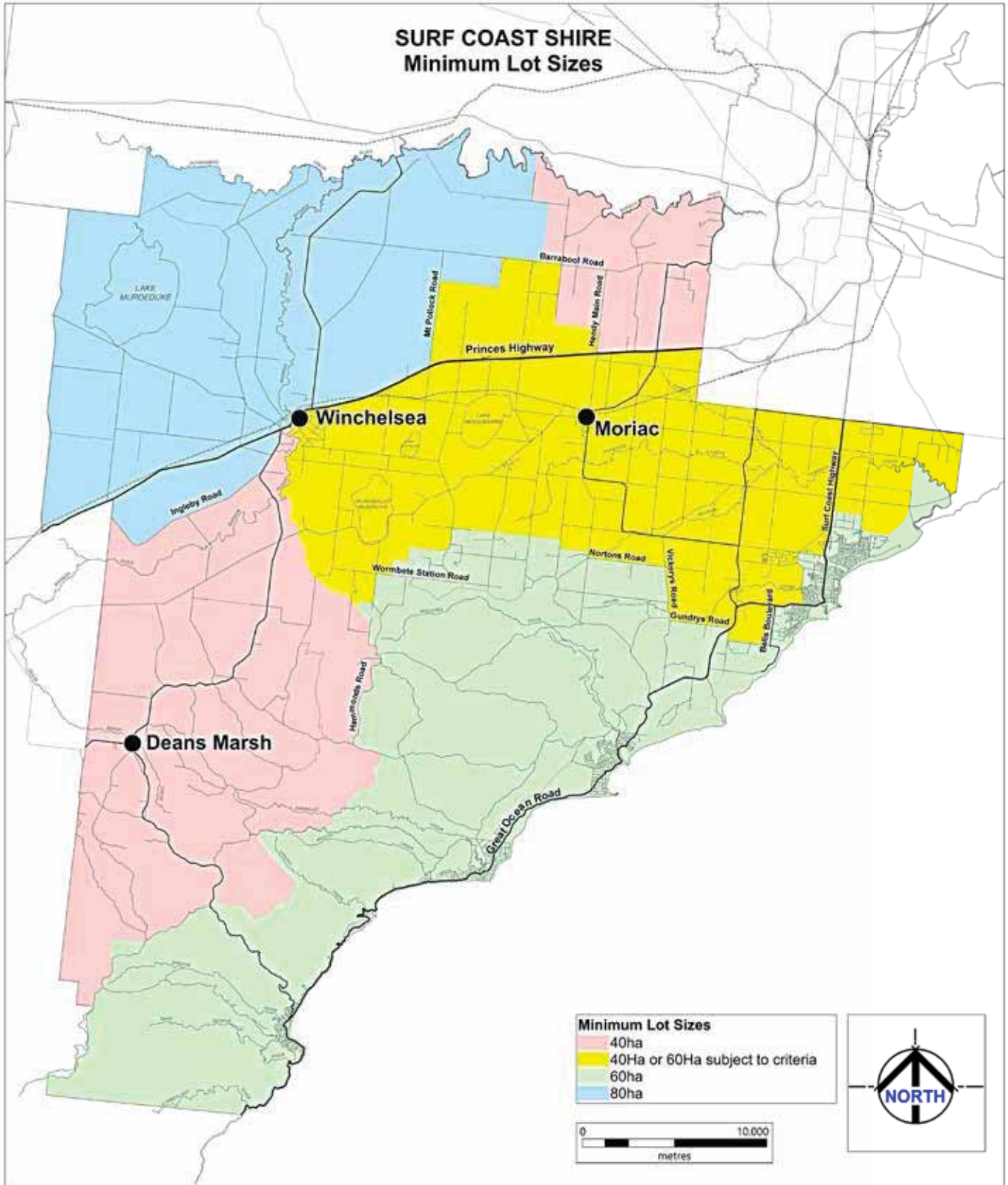


Figure 8: Minimum Lot sizes

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 Agriculture

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 new 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 may be 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.

# 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 9: 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 9 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.

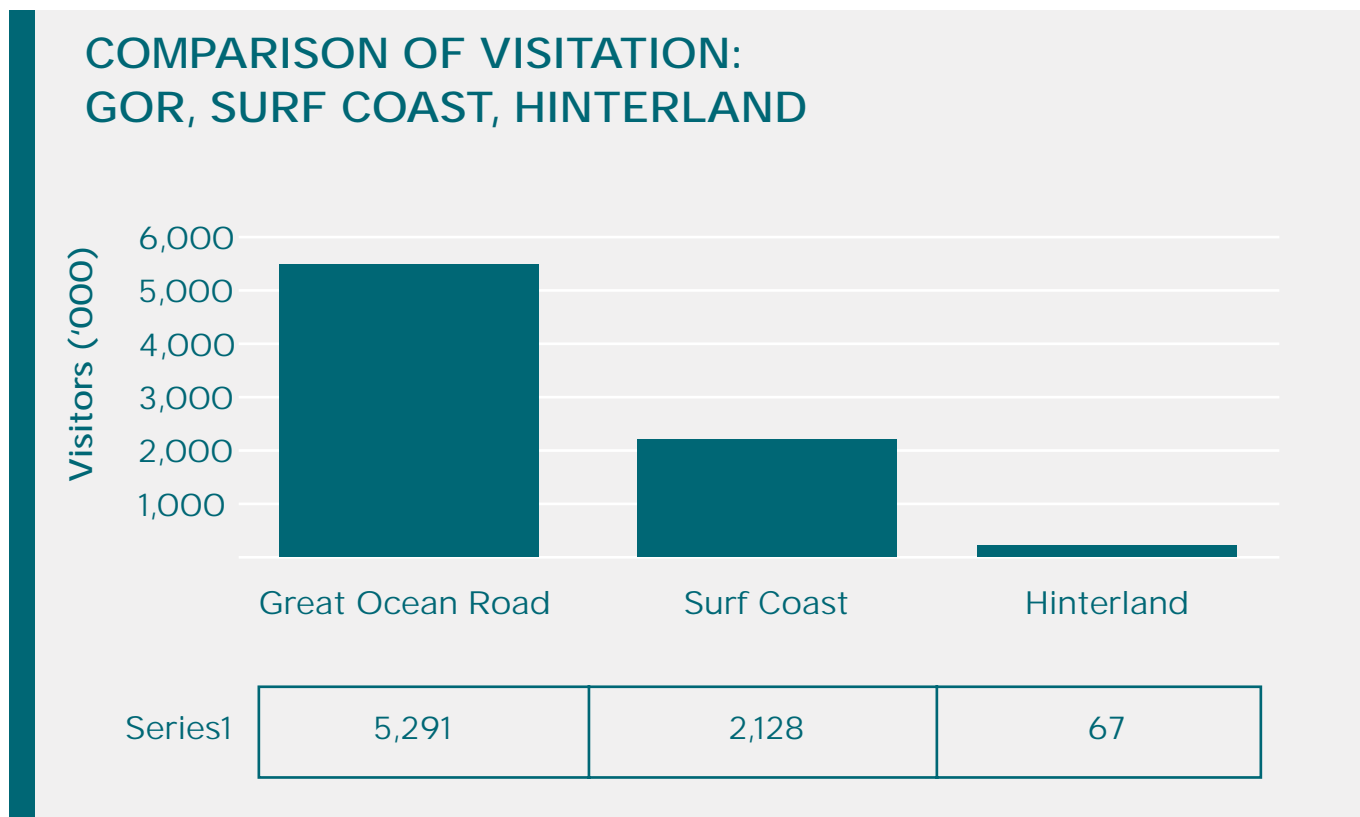


Figure 10: Visitation Comparison  
Source: Tourism Research Australia

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 10 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 11.

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 11: Tourism Activities

Source: Tourism Research Australia

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

## > Agri-tourism

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

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

Regions with strong agri-tourism 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 agri-tourism 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 agri-tourism 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 lack of diversity in agri-tourism offerings is limiting its potential to become a strong agri-tourism 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 agri-tourism, 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.

Businesses are located in 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 over the next three years 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 and supported where possible.

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, LiveWire Park and the Bellbrae adventure ropes course.

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 this sector. 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 agri-tourism offering located nearby.

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

### 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.

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 bush broker 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 landcare 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. This highlights 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 agriculture north of Torquay and is largely used for growing flowers and turf.

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 our water reclamation plants.

The use of up to 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. These schemes closely align with a goal of the Hinterland Strategy.

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. 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, RMCG, July 2017 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-focussed crops and value-adding food services. The report also discusses 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 wastewater reuse systems or recycled water plants on site. 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 licence 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.

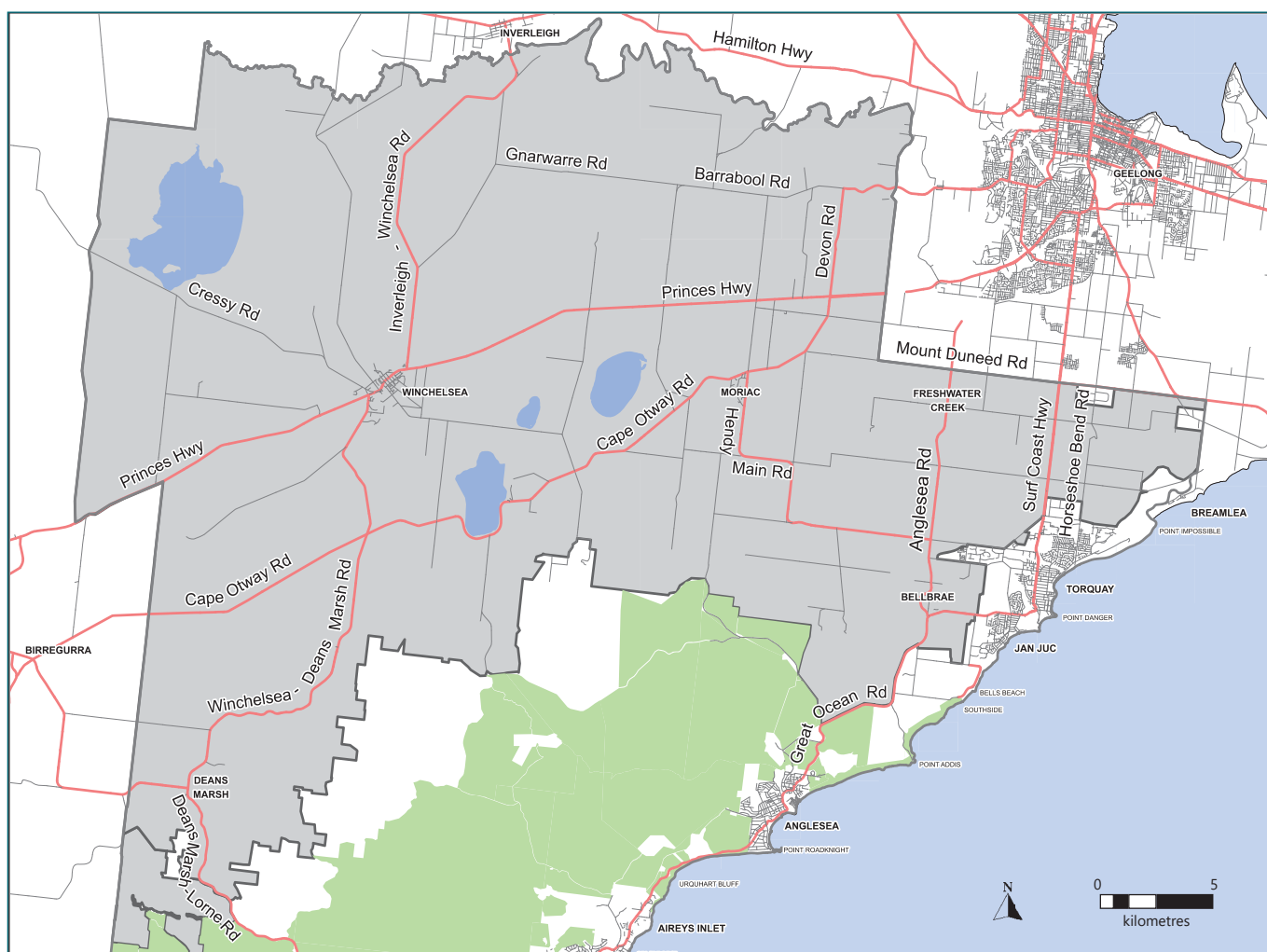


Figure 10: Road and Cycling Infrastructure

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.

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.

## 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. 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 niche farming 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 competitively and to attract new customers through advertising.

## 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.

# 12. 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.

## 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 farming 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

Clause 21.05 Agriculture in the SCPS focusses 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 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 a plethora of 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 focussed 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 low agricultural value but medium conservation or landscape value. Major uses or clusters will be focussed 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 and risk

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.

Key ongoing issues include the increased emphasis in State Policy on managing environmental risks such as bushfire. This means that the types of uses and the location and siting of new development in the hinterland has been challenging. In addition, climate change will exacerbate the bushfire risk and increase the importance of siting of uses close to water supply, good clear access routes and emergency services.

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, 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.

# Tourism

Clause 21.04 Tourism outlines the key directions in the planning scheme related to tourism use and development 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 has not been defined adequately in the planning scheme and has not been 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 confirmed to “small scale”. Tourism activities should be directed to land of medium environmental and landscape value and avoided in land suitable for intensive and commercial farming to avoid land use conflicts.

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 come in to conflict with Council’s vision for the hinterland, and the types of businesses we wish to encourage, 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, etc and food processing could be appropriate, co-located with tourism uses in the hinterland. 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 Pennyroyal, Deans Marsh and Bambra 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 the environmental values.

A photograph of a man and a woman walking a dog in a park, overlaid with a teal tint. The woman is on the left, wearing a white tank top and dark pants. The man is on the right, wearing a white button-down shirt and dark pants. They are both smiling and looking at each other. A dog is visible in the foreground, partially obscured by the teal overlay.

# 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 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 food and fibre production from the growth of to the manufacturing of. 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"> <li>• Animal husbandry</li> <li>• Animal production</li> <li>• Grazing animal production</li> <li>• Intensive animal production (includes Intensive dairy farm and Cattle feedlot)</li> <li>• Pig Farm</li> <li>• Poultry farm (includes broiler farm)</li> <li>• Poultry hatchery</li> <li>• Aquaculture</li> <li>• Crop raising</li> <li>• Horticulture</li> <li>• Landscape gardening supplies</li> <li>• Garden supplies</li> <li>• Plant nursery</li> </ul>	
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 chickens.</p>	<ul style="list-style-type: none"> <li>• Animal husbandry</li> <li>• Apiculture</li> <li>• Animal production</li> <li>• Grazing animal production</li> <li>• Pig Farm</li> <li>• Poultry farm</li> <li>• Aquaculture</li> <li>• Crop raising</li> <li>• Horticulture (includes market garden)</li> <li>• Rice growing</li> <li>• Landscape Garden supplies</li> <li>• Plant nursery</li> </ul>	<p>Agriculture</p> <p>Retail Premises</p>



HINTERLAND STRATEGY TERMS	HINTERLAND STRATEGY DEFINITION	POSSIBLE PLANNING SCHEME LAND USE TERM	PLANNING SCHEME LAND USE GROUP
<b>AGRIBUSINESS LAND USE</b>			
Lifestyle / Conservation 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"> <li>• Animal husbandry</li> <li>• Animal production</li> <li>• Grazing animal production</li> <li>• Crop raising</li> </ul>	Agriculture  Retail Premises
Investment lots – land banking	The main source of income derived from the land is the growth in land value. May include free range pigs and chickens.		Agriculture
Agroforestry and non farming related conservation	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"> <li>• Crop raising</li> <li>• Timber production</li> </ul>	Agriculture
Equine	Land managed primarily for horse production and training. This includes horse studs, stables, spelling and agistment farms.	<ul style="list-style-type: none"> <li>• Animal husbandry</li> <li>• Animal Keeping</li> <li>• Animal boarding</li> <li>• Animal training</li> <li>• Horse riding school</li> </ul>	Agriculture
<b>TOURISM AND ACTIVITY BASED LAND USE</b>			
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, museums and the Bellbrae adventure ropes course.</p> <p>Can also include fishing, on/off road cycling, golf &amp; 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"> <li>• Food and drink premises</li> <li>• Hotel</li> <li>• Restaurant</li> <li>• Manufacturing sales</li> <li>• Primary produce sales</li> <li>• Market</li> <li>• Art and craft centre</li> <li>• Carnival</li> <li>• Cinema</li> <li>• Circus</li> <li>• Exhibition Centre</li> <li>• Art Gallery</li> <li>• Museum</li> <li>• Function centre</li> <li>• Conference centre</li> <li>• Reception centre</li> <li>• Animal husbandry</li> <li>• Animal training</li> <li>• Horse riding school</li> <li>• Minor sports and recreation facility</li> <li>• Outdoor recreation facility</li> <li>• Golf course</li> <li>• Pleasure park</li> <li>• Zoo</li> <li>• Winery</li> </ul>	Retail Premises  Art & Craft Centre Place of Assembly  Agriculture  Leisure and Recreation  Winery

HINTERLAND STRATEGY TERMS	HINTERLAND STRATEGY DEFINITION	POSSIBLE PLANNING SCHEME LAND USE TERM	PLANNING SCHEME LAND USE GROUP
TOURISM AND ACTIVITY BASED LAND USE			
Agritourism	Agri-tourism can operate both commercial agricultural or food/beverage processing operations as a tourist attraction, may also incorporate a dining experience (includes wineries which operate a cellar-door, berry picking, farm stay and farm gates).	<ul style="list-style-type: none"> <li>• Winery</li> <li>• Manufacturing sales</li> <li>• Primary produce sales</li> <li>• Crop raising</li> <li>• Host farm</li> </ul>	<p>Winery</p> <p>Retail Premises</p>
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"> <li>• Winery</li> <li>• Manufacturing sales</li> <li>• Primary produce sales</li> <li>• Crop raising</li> </ul>	<p>Winery</p> <p>Retail Premises</p> <p>Agriculture</p>
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"> <li>• Camping and caravan park</li> <li>• Residential building</li> <li>• Residential hotel (includes motel)</li> <li>• Backpackers' lodge</li> <li>• Tavern</li> </ul>	<p>Accommodation</p> <p>Food &amp; Drink Premises</p>
Accommodation (small scale)	Includes, B&B, AirBnB, farm-stays and cabins	<ul style="list-style-type: none"> <li>• Group accommodation</li> <li>• Host farm</li> <li>• Dwelling</li> <li>• Bed and breakfast</li> </ul>	<p>Accommodation</p>
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"> <li>• Minor sports and recreation facility</li> <li>• Informal outdoor recreation</li> <li>• Natural systems</li> </ul>	<p>Leisure and Recreation</p> <p>Natural Systems</p>
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"> <li>• Art and craft centre</li> <li>• Cinema</li> <li>• Exhibition Centre</li> <li>• Art Gallery</li> <li>• Museum</li> <li>• Market</li> <li>• Community market</li> </ul>	<p>Art &amp; Craft Centre</p> <p>Places of Assembly</p> <p>Retail Premises</p>
Equine activities	Horse trail rides and horse related events and shows.	<ul style="list-style-type: none"> <li>• Animal husbandry</li> <li>• Animal Keeping</li> <li>• Animal boarding</li> <li>• Animal training</li> <li>• Horse riding school</li> </ul>	<p>Agriculture</p>

