

PROPOSAL TO INITIATE AN AMENDMENT TO THE PLANNING & DESIGN CODE

Tourism Development Code Amendment By the State Planning Commission (the Designated Entity)

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This Proposal to Initiate document forms the basis for the preparation of a proposed amendment to the Planning and Design Code for the purpose of section 73(2)(a) of the *Planning, Development and Infrastructure Act 2016*.



STATE
PLANNING
COMMISSION



Government of South Australia
Department for Trade
and Investment

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1. INTRODUCTION

The State Planning Commission (the Commission) is an independent body providing advice and leadership on all aspects of planning and development in South Australia. A key role of the Commission is to ensure the Planning and Design Code (the Code) is maintained, reflects contemporary values relevant to planning and is responsive to emerging trends and issues.

The Commission is proposing to initiate an amendment to the Code as it relates to the whole of South Australia, excluding coastal waters (the Affected Area).

The Tourism Development Code Amendment (the Code Amendment) seeks to review policies within the Planning and Design Code that relate to tourism development, particularly within the key wine regions of the state, to ensure they enable and guide high quality tourism accommodation and other facilities to meet market demand while complementing the valued character attributes of our diverse productive landscapes.

The Commission seeks to amend the Code pursuant to section 73(2)(a) of the *Planning, Development and Infrastructure Act 2016* (the Act). This 'Proposal to Initiate' details the scope, relevant strategic and policy considerations, nature of investigations to be carried out and information to be collected for the Tourism Development Code Amendment (the Code Amendment). It also details the timeframes to be followed in undertaking the Code Amendment.

The Commission is the 'designated entity' responsible for conducting this Code Amendment process and is required to undertake consultation in accordance with the [Community Engagement Charter](#) and make final recommendations to the Minister for Planning (the Minister) prior to consideration whether to adopt, alter or refuse the Code Amendment.

1.1. Designated Entity for Undertaking the Code Amendment

In accordance with section 73(2)(a) of the Act, the Commission will be the Designated Entity responsible for undertaking the Code Amendment process. As a result:

- 1.1.1. The Commission acknowledges that it will be responsible for undertaking the Code Amendment in accordance with the requirements Act.
- 1.1.2. The Commission intends to undertake the Code Amendment by utilising professional expertise of employees of the Planning and Land Use Services division of the Department for Housing and Urban Development (PLUS) including:
 - Planning officers
 - Communications staff
 - Staff responsible for the technical management and operation of the online Planning and Design Code.

1.2. Rationale for the Code Amendment

The tourism industry is an important contributor to the state's economic activity, generating jobs and export dollars, by attracting interstate and international visitors. With high visitation numbers, the industry is flourishing. The government is now committed to growing the state's visitor economy to \$12.8 billion, with the creation of 16,000 new tourism jobs by 2030.

South Australia's wine regions draw visitors internationally, interstate and locally. Vineyards and cellar doors are typically located in picturesque, rural landscapes. This unique setting creates rich visitor experiences but can also create challenges in meeting the demands for tourist accommodation and facilities in a way that complements and enhances the valued attributes of the landscape.

There are 18 wine regions in South Australia, including the Barossa Valley, Clare Valley, McLaren Vale, Adelaide Hills and Coonawarra. Most of these regions are located in rural zones under the Code.

This Code Amendment proposes to review policies within the Planning and Design Code that relate to tourism development, particularly within the key wine regions of the state, to ensure they enable and guide high quality tourism accommodation and other facilities to meet market demand while complementing the valued character attributes of our diverse productive landscapes.

Subject to investigations, the Code Amendment seeks to encourage accessible and sustainable tourism development, providing for unique visitor experiences, where impacts on agricultural productivity, the environment and scenic amenity can be successfully managed.

2. SCOPE OF THE CODE AMENDMENT

2.1. Affected Area

The proposal seeks to primarily review policy in the Rural Zone, Rural Horticulture Zone, Productive Rural Landscape Zone and Tourism Development Zone.

The primary focus is on the zones located within key wine regions of the state (e.g. the Adelaide Hills Council, Alexandrina Council, Barossa Council, Berri Barmera Council, Clare and Gilbert Valleys Councils, District Council of Mount Barker, District Council of Loxton Waikerie, Light Regional Council, Renmark Paringa Council, Wattle Range Council, City of Playford, City of Onkaparinga and Tatiara District Council).

It is noted that rural zones are spatially applied across large areas of the state, not just in wine regions. Furthermore, the Code Amendment has scope to review General Development Policies which apply state-wide, so the Code Amendment will effectively have a state-wide application.

2.2. Scope of Proposed Code Amendment

Current Policy	<p>The Code currently includes the following rural-type zones that have been spatially applied to key wine regions of the state:</p> <ul style="list-style-type: none">• Rural Zone• Rural Horticulture Zone• Productive Rural Landscape Zone <p>While the intent of these zones is primarily to facilitate primary production, they also currently provide some scope for small-scale tourism development.</p> <p>The Code also contains the Tourism Development Zone which applies to several key wine regions of the state including:</p> <ul style="list-style-type: none">• Adelaide Hills – Mt Lofty House• Barossa Valley (3 locations) – Chateau Tanunda, Seppeltsfield Winery and Barossa Valley Novotel Resort and golf course at Rowland Flat• McLaren Vale (2 locations) – Serafino Winery and Hardy’s Wines / McLaren Vale Hotel. <p>The Code Amendment will primarily review policy in these four zones, but the review may also extend to other content of the Code related to tourism development policies and procedures. This includes the Interface Between Land Uses and Tourism Development general development policies.</p> <p>Consideration will be given to the various overlays in the Code that apply throughout wine regions, and which apply policies to the assessment of tourism development:</p> <ul style="list-style-type: none">• the Character Preservation District Overlay which applies to the Barossa and McLaren Vale regions• the Scenic Quality Overlay which applies to part of the Adelaide Hills• the Significant Landscape Protection Overlay which applies east of Tanunda down to Williamstown in the Barossa Valley. <p>The <i>Character Preservation (Barossa Valley) Act 2012</i> and the <i>Character Preservation (McLaren Vale) Act 2012</i> apply to the Barossa Valley and McLaren Vale. The Code Amendment will be cognisant of the role of both the character preservation legislation / policy that applies to parts of the areas affected by the Code Amendment.</p> <p>While a significant proportion of the Adelaide Hills Council area is located within the Environment and Food Production Area (EFPA), these restrictions are limited to</p>
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	<p>residential land division, and therefore are not directly relevant to this Code Amendment.</p> <p>How the policies of the following overlays apply to tourism development so will also be reviewed:</p> <ul style="list-style-type: none"> • the Hazard (Bushfire) Overlays which apply throughout wine regions, ranging from General to High risk • the Mount Lofty Ranges Water Supply Catchment Overlays which applies throughout the Adelaide Hills region • the River Murray Flood Plain Protection Area Overlay which applies in the Riverland with tributaries in the Adelaide Hills and Langhorne Creek. <p>Relevant definitions in Part 7 and Part 8 of the Code will be reviewed, including those for:</p> <ul style="list-style-type: none"> • Caravan and Tourist Park • Function Venue • Tourist accommodation <p>The need for any new administrative and land use definitions will also be considered by the Code Amendment.</p>
Amendment Outline	<p>The Code Amendment will review policies that relate to tourism development, particularly within the key wine regions of the state, to ensure they enable and guide high quality tourism accommodation and other facilities to meet market demand while complementing the valued character attributes of our diverse productive landscapes.</p> <p>Investigations will assess the appropriateness of the current policy settings and consider the demand for different tourism development types, what geographic gaps exist in the market, and any policy difficulties faced by prospective developers and planning practitioners.</p> <p>The primary scope for policy change is expected to be at the zone level, but through this review, the Code Amendment may also propose some changes to general development policies and definitions. It may also put forward recommendations about the spatial application of the Tourism Development Zone, including any of its Subzones (in particular the Winery Experience Subzone).</p>
Intended Policy	<p>The policy review will focus on the following matters:</p> <ul style="list-style-type: none"> • Rural Zone, Productive Rural Landscape Zone, Rural Horticulture Zone <ul style="list-style-type: none"> ○ consider the suitability of medium to larger scale tourist accommodation and tourism development in rural areas

	<ul style="list-style-type: none"> ○ review Performance Outcomes (PO) and Deemed-to-Satisfy (DTS) / Designated Performance Feature (DPF) criteria guiding tourism development, providing appropriate guidance to assess tourist accommodation and tourism facilities. ● Land use and administrative definitions: <ul style="list-style-type: none"> ○ review of existing definitions including Caravan and Tourist Park, Function Venue and Tourist Accommodation to ensure that they provide the clarity required to assess contemporary tourism accommodation / development in wine regions ○ consider the need for any new land use definitions such as for 'Special Events' to assist relevant planning authorities in applying consistent planning rules for events ○ consider the need for any additional administrative definitions to assist with policy interpretation. ● Tourism Development Zone and associated Subzones <ul style="list-style-type: none"> ○ review the current spatial application of the zone and determine the suitability of applying the zone to additional locations in those areas affected by the Code Amendment ○ analyse current policy for effectiveness and gaps. ● Tourism Development General Development Policies <ul style="list-style-type: none"> ○ consider the introduction of additional PO and DTS / DPF criteria to guide the design and location of medium to larger scale tourism development proposals in rural areas ○ analyse current policy for effectiveness and gaps. ● Interface Between Land Uses General Development Policies* <ul style="list-style-type: none"> ○ analyse current policy for effectiveness and gaps – in particular the section 'Interface with Rural Activities'. <p><i>*The State Planning Commission's Interface Management Code Amendment (currently under investigation) will also review the Interface Between Land Uses General Development Policies. Any changes proposed by the Tourism Development Code Amendment to these policies will not undermine or conflict with any changes made by the Interface Management Code Amendment.</i></p>
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3. STRATEGIC PLANNING OUTCOMES

Proposed Code Amendments occur within a state, regional and local strategic setting, which includes:

- State Planning Policies (SPPs)
- Regional Plans
- Other relevant strategic documents.

3.1. Alignment with State Planning Policies

The State Planning Policies (SPPs) set out the State’s overarching goals and requirements for the planning system. Under section 66(3)(f) of the Act, the Code must comply with any principle prescribed by a SPP.

The Code Amendment should be initiated because the strategic planning outcomes sought to be achieved through the Code Amendment align with or seeks to implement the following SPPs:

State Planning Policy (SPP)	Code Amendment Alignment with SPPs
SPP 1: Integrated Planning	
1.4 Protect areas of rural, landscape character, environmental importance, mining or food production significance from the expansion of urban areas, towns and settlements.	The Code Amendment will seek to review and prepare new tourism development policy which seeks to balance and respect the predominant role of rural areas for primary production and as areas of environmental significance / scenic quality. Where appropriate, state interest overlays have been applied to protect key assets and critical environmental/industry requirements.
SPP 2: Design Quality	
2.8 Recognise the unique character of areas by identifying their valued physical attributes in consultation with communities. 2.9 Respect the characteristics and identities of different neighbourhoods, suburbs and precincts by ensuring development considers existing and desired future context of a place.	The Code Amendment seeks to promote the delivery of quality design outcomes for tourism development, considering the environmental significance / scenic quality of wine regions, as well as other areas attractive to tourism development.
SPP 3: Adaptive Reuse	
3.3 Repurpose, adapt and reuse historical buildings and places that recognise and preserve our state’s history. 3.4 Prioritise the adaptive reuse of buildings in areas of heritage or cultural value where it will contribute to active and vibrant places, or where	The Code Amendment will seek to facilitate the adaptive reuse of buildings and places of value for tourism development in the Affected Area. It will also seek to encourage tourism development that respects and reinforces the environmental / cultural values of the state’s diverse productive landscapes.

State Planning Policy (SPP)	Code Amendment Alignment with SPPs
it is a catalyst for additional development demand.	
SPP 7: Cultural Heritage	
<p>7.1 The sensitive and respectful use of our culturally and historically significant places</p> <p>7.3 Recognise and protect places and areas of acknowledged heritage value for future generations.</p> <p>7.4 The appropriate conservation, continuing use, and as appropriate, adaptive reuse of our heritage places and heritage areas of value to the community.</p> <p>7.5 Maintain the context of a place or area of heritage value through appropriate design guidelines that encourage compatible design solutions.</p>	<p>The Code Amendment will seek to facilitate the adaptive reuse of buildings and places of value for tourism development.</p> <p>It will also seek to encourage tourism development that respects and reinforces the environmental / cultural values of the state's diverse productive landscapes.</p> <p>Where appropriate, state interest overlays will continue to apply to protect key assets and critical industry/environmental requirements.</p>
SPP 8: Primary Industry	
<p>8.1 Identify and protect key primary production assets and secure strategic opportunities for future primary industry development.</p> <p>8.2 Create local conditions that support new and continuing investment in primary industry while seeking to promote co-existence with adjoining primary industries and avoid land use conflicts.</p> <p>8.4 Equitably manage the interface between primary production and other land use types, especially at the edge of urban areas.</p>	<p>The Code Amendment will be centrally concerned with how tourism development can coexist with the productive values of the state's diverse rural areas. It will seek to provide clearer guidelines to facilitate coexistence.</p> <p>Improved policy settings should also better manage the interface between primary production and more sensitive land uses such as tourist development avoiding land use conflicts and enabling businesses to grow, adapt and evolve.</p> <p>Where appropriate, state interest overlays have already been applied to the area affected to protect key primary production assets / requirements.</p>
SPP 9: Employment Lands	
9.1 Support the expansion and clustering of key economic growth areas including health; education; tourism; energy and resources; primary industry; defence; and knowledge and creative industries.	The Code Amendment will seek to balance the interests of different employment activities in rural areas (including protecting the primary role of farming activity) by providing clearer policy guidelines for tourist development in rural areas.

State Planning Policy (SPP)	Code Amendment Alignment with SPPs
<p>9.9 Support sustainable tourism where the social, cultural and natural assets underpinning tourism developments are protected in line with sustainability principles.</p>	<p>Improved policy settings should also better manage the interface between primary production and more sensitive land uses such as tourist development avoiding land use conflicts and enabling businesses to grow, adapt and evolve.</p> <p>Where appropriate, state interest overlays have already been applied to the area affected to protect key primary production assets / requirements.</p>
SPP 14: Water Security and Quality	
<p>14.2 Protect and recognise water supply catchments, including:</p> <ul style="list-style-type: none"> • Water Protection Areas under the <i>Environment Protection Act 1993</i> (including those located in the Mount Lofty Ranges, South East and River Murray) • the River Murray Protection Areas under the <i>River Murray Act 2003</i> • prescribed water resources and wells under the <i>Natural Resources Management Act 2004</i>. 	<p>The Code Amendment will consider whether clearer guidelines for how tourism development can coexist with the environmental and catchment values of the various water catchment areas across the state can be provided.</p> <p>maintains environmental and catchment can be provided.</p> <p>Where appropriate, state interest overlays have also already been applied to the area affected to protect key water assets / requirements.</p>
SPP 15: Natural Hazards	
<p>15.6 Avoid development in high or extreme hazard risk areas (such as bushfire risk areas) that will necessitate the removal of native vegetation.</p>	<p>The Code Amendment will seek to provide clearer guidelines for tourism development in rural areas, including mitigating the impacts of natural hazards on any new development.</p> <p>Where appropriate, state interest overlays have already been applied to the area affected to mitigate against and reduce exposure to the effects of natural hazards.</p>

3.2. Alignment with Regional Plans

As with the SPPs, the directions set out in Regional Plans provide the long-term vision as well as setting the spatial patterns for future development in a region. This includes consideration of land use integration, transport infrastructure and the public realm.

All of the following Regional Plans (identified as volumes of the South Australian Planning Strategy prepared under the *Development Act 1993*, and applicable until such time as the new Regional Plans are prepared and adopted under the Act) are relevant for consideration as part of this Code Amendment:

- The 30-Year Plan for Greater Adelaide (2017 Update) + addendum special character of the Barossa Valley and McLaren Vale (December 2013) (MMRP)
- The Eyre and Western Region Plan (April 2012) (EWRP)
- Kangaroo Island Plan (January 2011) + addendum Kangaroo Island Sustainable Futures (January 2014) (KIP)
- Far North Region Plan (July 2010) (FNRP)
- Limestone Coast Region Plan (May 2011) (LCRP)
- Mid North Region Plan (May 2011) (MNRP)
- Murray Mallee Region Plan (January 2011) (MMRP)
- Yorke Peninsula and Mid North Regional Land Use Framework (December 2007) (YPMNRLUF)

Regional Plan Identified Priorities or Targets	Code Amendment Alignment with Regional Plan
The 30-Year Plan for Greater Adelaide (2017 Update)	
<p>Design Quality</p> <p>P.30 Support the characteristics and identities of different neighbourhoods, suburbs and precincts by ensuring development considers context, location and place.</p> <p>P.31 Recognise the unique character of areas by identifying their valued physical attributes.</p>	<p>Large parts of the areas affected by this Code Amendment are currently subject to the provisions of Character Preservation District Overlay policy as well as the Scenic Quality Overlay and Significant Landscape Protection overlays.</p> <p>The Code Amendment will aim to ensure that any new policy to guide tourism development in key rural areas does not undermine the role of existing overlay policy in this regard.</p>
<p>Heritage</p> <p>P.33 Recognise the value that communities place on heritage and ensure that new development is implemented sensitively and respectfully.</p> <p>P.34 Ensure heritage places and areas of heritage value are appropriately identified and their conservation promoted.</p> <p>P.35 Encourage the innovative and sustainable reuse of heritage places and older building stock in a way that encourages activity and entices people to visit.</p>	<p>Relevant overlays which seek to protect areas / sites of heritage value already apply across the areas affected by this Code Amendment.</p> <p>The Code Amendment will aim to ensure that any new policy to guide tourism development in rural areas does not undermine the role of existing overlay policy in this regard and will encourage sustainability and adaptive reuse of existing buildings / structures.</p>
<p>The Economy and Jobs</p> <p>P.55 Promote certainty to undertake development while at the same time providing scope for innovation.</p>	<p>The interface between primary production and tourism development in the areas affected by the Code Amendment will be a key</p>

Regional Plan Identified Priorities or Targets	Code Amendment Alignment with Regional Plan
<p><i>Primary production</i></p> <p>P.57 Maintain and protect primary production and tourism assets in the Environment and Food Production Areas, while allowing for appropriate value-adding activities to increase investment opportunities.</p> <p>P.58 Ensure that the Environment and Food Production Areas, Character Preservation Districts and planning policies work in an integrated way to:</p> <ul style="list-style-type: none"> • protect key primary production assets and opportunities • facilitate local operating and investment conditions that support primary production and related agri-business development • enable timely business adjustment and climate change adaptation by primary producers. <p>P.59 Enable major new primary production and agri-business development across the Northern Adelaide and Barossa regions and in the Mount Barker-Murray Bridge corridor and prevent ad hoc land use changes that may compromise those investments.</p> <p>P.61 Increase opportunities for farm-related value-adding development within the Mount Lofty Ranges Watershed where it can be demonstrated that water quality can be maintained or improved consistent with the Mount Lofty Ranges Watershed water quality risk hierarchy.</p> <p>P.62 Manage the interface between townships and adjacent primary production activities and areas of nature protection.</p> <p><i>Tourism</i></p> <p>P.63 Provide for sustainable tourism development across Greater Adelaide by:</p> <ul style="list-style-type: none"> • protecting, enhancing and promoting the qualities that attract tourism and are of value to the whole community • providing appropriate support infrastructure for tourism 	<p>consideration in investigations for the Code Amendment.</p> <p>Large parts of the areas affected by this Code Amendment are currently subject to the provisions of both the EFPA and Character Preservation District Overlay policy. The Code Amendment will seek to provide clearer policy guidance for tourism development in these sensitive rural areas to ensure that development outcomes do not undermine the intent of these important policies.</p>

Regional Plan Identified Priorities or Targets	Code Amendment Alignment with Regional Plan
<ul style="list-style-type: none"> • facilitating sustainably designed tourism accommodation in suitable locations • facilitating tourism-related developments such as restaurants, specialty retail accommodation and other value adding activities. 	
<p>Water</p> <p>P.116 Protect and secure water resources in the region, including:</p> <ul style="list-style-type: none"> • the Mount Lofty Ranges Watershed • prescribed water resources • recycled wastewater networks • stormwater harvesting. 	<p>Relevant overlays which seek to protect water resources already apply to some areas affected by this Code Amendment.</p> <p>The Code Amendment will aim to ensure that any new policy to guide tourism development in key rural areas does not undermine the role of existing overlay policy in this regard.</p>
<p>Barossa Valley and McLaren Vale Character Preservation Addendum (released in December 2013)</p> <p>Outlines the character and heritage attributes / values of both areas (in terms of their natural landscape, visual amenity and built form).</p>	<p>Areas affected by this Code Amendment in the Barossa Valley and McLaren Vale are currently subject to the provisions of unique character preservation legislation and overlay policy. The Code Amendment will seek to provide clearer policy guidance for tourism development in these sensitive rural areas to promote development outcomes that do not undermine the intent of this critical legislation / policy.</p>
<p>Other Regional Plans</p> <p><i>(given the remaining regional plans contain similar principles and policies, relevant policies and principles have been grouped and generalised for discussion)</i></p>	
<p><i>Principle: Recognise, protect and restore the region's environmental assets.</i></p> <p>Policy: Protect the quality and function of water ecosystems by preventing the adverse impacts of land use and development such as the overuse of resources, erosion, land degradation and pollution.</p> <p>Policy: Apply water-sensitive urban design principles and appropriate buffers to ensure development does not affect natural watercourses and drainage patterns.</p> <p>Policy: Recognise areas of high biodiversity value, and locate and design development</p>	<p>Relevant overlays which seek to protect areas of significant biodiversity, water resources and landscape and scenic amenity value already apply across the areas affected by this Code Amendment.</p> <p>The Code Amendment will aim to ensure that any new policy to guide tourism development in key rural areas does not undermine the role of existing Overlay policy in this regard.</p>

Regional Plan Identified Priorities or Targets	Code Amendment Alignment with Regional Plan
<p>to prevent the loss, degradation and fragmentation of native vegetation, and any loss of species and ecological communities.</p> <p>Policy: Acknowledge, protect and manage areas of significant landscape and amenity value, including landscapes that form attractive backgrounds and entrances to towns and tourist developments.</p> <p>Policy: Avoid development in areas with significant landscapes that can be viewed from tourist routes, walking trails, the beach and the sea, unless the development requires such a location (for example, a development of state significance), in which case the scale, height, design and siting of buildings must:</p> <ul style="list-style-type: none"> • protect views to, from and along the ocean and scenic coastal areas • minimise the alteration of natural landforms • be visually compatible with the character of surrounding areas • restore and enhance visual quality in degraded areas, where feasible. <p>Policy: Avoid adverse impacts of development on landscapes through site selection and design that reduces the height or bulk of structures.</p> <p>(EWRP, KIP, LCRP, MNRP, MMRP, YPMNRLUF)</p>	
<p><i>Principle: Protect people, property and the environment from exposure to hazards.</i></p> <p>Policy: Design and plan development to prevent the creation of hazards and to avoid natural occurring hazards.</p> <p>(EWRP, KIP, LCRP, MNRP, MMRP, YPMNRLUF)</p>	<p>Relevant Overlays which seek to protect rural areas from flood and bushfire hazard risk already apply across the areas affected by this Code Amendment.</p> <p>The Code Amendment will aim to ensure that any new policy to guide tourism development in key rural areas does not undermine the role of existing Overlay policy in this regard.</p>
<p><i>Principle: Identify and protect plans of heritage and cultural significance, and desired town character.</i></p>	<p>Relevant Overlays which seek to protect areas / sites of heritage and cultural significance already apply across the areas affected by this Code Amendment.</p>

Regional Plan Identified Priorities or Targets	Code Amendment Alignment with Regional Plan
<p>Policy: Protect and conserve places of heritage and cultural value, including national, state and local registered sites. (EWRP, KIP, LCRP, MNRP, MMRP, YPMNRLUF)</p>	<p>The Code Amendment will aim to ensure that any new policy to guide tourism development in key rural areas does not undermine the role of existing Overlay policy in this regard.</p>
<p><i>Principle: Retain and strengthen the economic potential of primary production land.</i></p> <p>Policy: Prevent loss of productive agricultural land and potential conflict with incompatible land uses by:</p> <ul style="list-style-type: none"> • ensuring tourist-based developments are sited away from agricultural land where practical • designating areas of primary production significance. <p>Policy: Encourage the development of small-scale, value-adding activity that complements primary production in the local area and large-scale value-adding activity outside areas of primary production significance. (EWRP, KIP, LCRP, MNRP, MMRP, YPMNRLUF)</p>	<p>The Code Amendment will seek to provide improved / clearer policy to guide the appropriate location of tourism development in rural areas of the state while minimising interface issues with primary production activity, which should continue to be the predominant land use in rural areas.</p>
<p><i>Principle: Reinforce the region as a preferred tourism destination.</i></p> <p>Policy: Protect, enhance and promote the assets that attract tourists and are of value to the community, including:</p> <ul style="list-style-type: none"> • open space, hiking and cycling trails and scenic tourist drives. • natural landscapes, protected areas and parks and reserves. • heritage, culture and the built character of towns, including town approaches. • caravan parks and campsites, including those that provide effluent and rubbish facilities for large recreational vehicles. <p>Policy: Facilitate tourist accommodation that is designed for sustainability and linked to the natural landscape and character of towns, including the upgrading of existing caravan parks and camping facilities to contemporary standards.</p>	<p>The Code Amendment will seek to provide improved policy to better guide the location and form of tourism accommodation / development in key wine regions of the state.</p>

Regional Plan Identified Priorities or Targets	Code Amendment Alignment with Regional Plan
<p>Policy: Facilitate tourism-related developments such as restaurants, specialist retail and accommodation that complement the character of towns and the natural landscape and add value to existing economic activities.</p> <p>(EWRP, KIP, LCRP, MNRP, MMRP, YPMNRLUF)</p>	

Updated Regional Plans Program

The Commission has now initiated the preparation of a new set of Regional Plans for the State’s proclaimed planning regions (including Greater Adelaide) which are to be progressed over the remainder of 2024 and into 2025.

A Discussion Paper for the new Greater Adelaide Regional Plan (which will replace *The 30-Year Plan for Greater Adelaide*) was released for community and stakeholder engagement in late 2023. A draft of the new Greater Adelaide Regional Plan was released for community and stakeholder engagement on 23 September 2024. The draft Yorke and Mid North Regional Plan and Eyre and Western Regional Plan will follow in early 2025.

Preparation of the Code Amendment will be cognisant of any strategic directions coming out of the current Regional Plans program.

3.3. Alignment with Other Relevant Documents

Additional documents may relate to the broader land use intent within the scope of this proposed Code Amendment (or directly to the Affected Area) and therefore are identified for consideration in the preparation of the Code Amendment.

The following table identifies other documents relevant to the proposed Code Amendment:

Other Relevant Document	Code Amendment Alignment with Other Relevant Document
<p>Amendment for Phase Two (Rural Areas) and Phase Three (Urban Areas) Code Amendment Section 73(7) Engagement Reports</p>	<p>The Phase Two (Rural Areas) Code Amendment Engagement Report identified the opportunity for additional policy in the Tourism Development Zone to enable it to be spatially applied in more locations.</p> <p>The Phase Three (Urban Areas) Code Amendment Engagement Report identified the opportunity for:</p> <ul style="list-style-type: none"> • a review of the tourist accommodation definition to avoid confusion with dwellings and campgrounds

Other Relevant Document	Code Amendment Alignment with Other Relevant Document
	<ul style="list-style-type: none"> • consideration of additional design policies to reinforce the preservation of key attributes of the character preservation districts (including scenic, tourism and heritage elements) • additional policy in the Tourism Development Zone to guide the development of tourist accommodation and provide for environmentally sustainable and innovative tourism development • a further review of tourism related policies and land use definitions in the Rural Zone to provide greater clarification and assist in the development assessment process and to ensure the primary intent of the zone is not eroded • updating policy expression relating to tourist accommodation in the Rural Horticulture Zone to more accurately reflect where this form of development should be sited • new policy in the Productive Rural Landscape Zone which incentivises and facilitate the adaptive reuse of buildings for tourist accommodation by providing greater allowances of maximum DTS floor area. <p>Limited feedback was received in relation to the Tourism Development general development policies, but the following issues were identified by councils:</p> <ul style="list-style-type: none"> • it was suggested that additional policies may be needed to guide siting and development of tourism operations where located in areas of environmental significance to manage impacts on native vegetation, biodiversity and landscape amenity • several submissions sought a review of DO 1 and PO 1.1 to further reference environmentally sustainable tourism as well as surrounding environmental contexts • it was suggested that policy guidance for tourism development in rural areas relating to value adding activities, processing of farm produce and reuse of existing buildings should be addressed. <p>The Code Amendment will have regard to the issues raised through feedback on both the Phase Two and Phase Three Code.</p>

Other Relevant Document	Code Amendment Alignment with Other Relevant Document
<p>Productive Economy Discussion Paper (February 2019)</p>	<p>The Commission’s Productive Economy Discussion Paper proposed a range of options to support enhancing the state’s economic competitiveness as the new planning system is implemented. In particular, it focused on the role the planning system can play in protecting and growing key industries such as tourism accommodation and facilitating greater opportunities for innovation.</p> <p>The Code Amendment will have regard to the key opportunities and challenges identified in the Productive Economy Discussion Paper.</p>
<p>Barossa Growth and Infrastructure Investment Strategy – prepared by the Barossa Council (For Community Consultation January 2024)</p>	<p>The Code Amendment will have regard to the following issues identified within the Barossa Growth and Infrastructure Investment Strategy:</p> <ul style="list-style-type: none"> • Need to maintain policies that promote small scale tourist accommodation, cellars and wineries outside of townships • Need to promote larger scale tourist accommodation in a few designated locations that are considered suitable for such development. <p>The Barossa Council’s Strategy has also identified the following two sites for rezoning to the Tourism Development Zone:</p> <ul style="list-style-type: none"> • Site 1: Rural zoned land between Fuss Road and Hermann Thumm Drive at Lyndoch - the land identified is approximately 65 ha in area comprising several parcels of land and currently includes Chateau Yaldara. • Site 2: Rural Living zoned land at Sandy Creek - the land identified is approximately 54 ha’s in area and currently contains the Sandy Creek Golf Club. <p>These sites would add to the three sites in the Barossa Council already zoned ‘Tourism Development’: the Novotel Barossa Resort, Chateau Tanunda and Seppeltsfield.</p>
<p>Adelaide Peri-urban Project Report - Consuming Landscapes? Farm value-adding and rural business diversification in Adelaide’s peri-urban region</p>	<p>The Code Amendment will have regard to those issues presented within the Adelaide Peri-urban Project Report which have been identified following a review of development applications for farm value-adding and rural business diversification activity during the period 2016-2021.</p> <p>Some of the issues identified in the report include:</p>

Other Relevant Document	Code Amendment Alignment with Other Relevant Document
<p>– past, present and future (2023)</p>	<ul style="list-style-type: none"> • there have been relatively few applications for farm value-adding projects which retain a direct connection with local on-farm production. • applications have been dominated by just a handful of development types, namely, tourist accommodation (98), wineries (80), cellar door shops (64), function centres (28) and restaurants (24). • the preliminary mapping of data suggests the formation of potential ‘hotspots’ that may require planning policy or other interventions to reconcile competing objectives. <p>All of these issues have been identified in the context of the new Code promoting ‘value-adding’ in rural areas.</p>
<p>The South Australian Visitor Economy Sector Plan 2030 (South Australian Tourism Commission)</p>	<p>The Code Amendment will have regard to those issues identified within the South Australian Visitor Economy Section Plan 2030.</p> <p>Launched in August 2019, this plan sets a bold ambition to grow the state’s visitor economy to \$12.8 billion by 2030, generating 52,000 jobs.</p> <p>To achieve the 2030 targets, the plan focuses on six priority areas: marketing, experience and supply development, collaboration, industry capability, leisure and business events and promoting the value of tourism.</p> <p>The Code Amendment will assist with the ‘experience and supply development’ objectives of the plan.</p>
<p>South Australian Regional Visitor Strategy 2025 (South Australian Tourism Commission)</p>	<p>The Code Amendment will have regard to the issues identified within the South Australian Regional Visitor Strategy 2025 which aims to generate \$4 billion in spending by 2025.</p> <p>The strategy released in March 2021 outlines priority action areas set by the state’s 11 tourism regions after extensive consultation. These priority areas largely reflect the 2030 Plan outlined above.</p>
<p>Draft Agritourism Pathway document (South Australian Tourism Commission)</p>	<p>The Code Amendment will have regard to those issues identified within the South Australian Tourism Commission’s Agritourism Pathway document which is currently being drafted.</p>

Other Relevant Document	Code Amendment Alignment with Other Relevant Document
Adelaide Hills Council Strategic Plan and Economic Development Plan 2020-2024	The Code Amendment will have regard to the issues identified within this strategic document.
Alexandrina Council Tourism and Visitor Strategy 2017 – 2022 and Economic Development Strategy 2022 - 2027	<p>The Code Amendment will have regard to those issues identified within each Alexandrina Council strategic document.</p> <p>Both strategies seek to further develop tourism experiences in the council area by addressing existing gaps in the market and facilitating new investment in tourism development.</p>
Berri Barmera Growth Strategy	The Code Amendment will have regard to the issues identified within this strategic document.
Clare and Gilbert Valleys Council Cultural Tourism Strategy 2020 – 2025 and Economic Development Plan 2023 – 2027	The Code Amendment will have regard to those issues identified within each Clare and Gilbert Valleys Council strategic document.
City of Onkaparinga Economic Growth and Tourism Strategic Plan 2025-2030 (DRAFT)	The Code Amendment will have regard to the issues identified within this draft strategic document.
District Council of Mount Barker Economic Development Strategy 2022 – 2027	The Code Amendment will have regard to the issues identified within this strategic document.
Light Regional Council Strategic Plan 2024 – 2028	The Code Amendment will have regard to the issues identified within this strategic document.
Loxton Waikerie Growth Strategy	The Code Amendment will have regard to the issues identified within this strategic document.
Renmark Paringa Economic Development Strategy	The Code Amendment will have regard to the issues identified within this strategic document.
Riverland Tourism Plan 2030	The Code Amendment will have regard to the issues identified within this strategic document.
Tatiara District Council Economic Development and Tourism Strategy 2020 – 2025	The Code Amendment will have regard to the issues identified within this strategic document.

Other Relevant Document	Code Amendment Alignment with Other Relevant Document
Wattle Range Council Strategic Plan 2023-2027	The Code Amendment will have regard to the issues identified within this strategic document.

4. INVESTIGATIONS AND ENGAGEMENT

4.1. Investigations Already Undertaken

The table below identifies what investigations have already been undertaken in support of the proposed Code Amendment.

Investigation Undertaken	Summary of Scope of Investigations	Summary of Outcome of Recommendations
Preliminary review of tourism development policies in the Code	Review of the Code's policy and rules to manage tourism development in rural areas	<p>The following observations were made:</p> <ul style="list-style-type: none"> • A deemed-to-satisfy (DTS) pathway exists for single, small-scale tourist accommodation (<150m²) in rural zones ancillary to primary production. • This DTS criteria doubles as a designated performance feature (DPF) in the performance assessment of larger tourist accommodation facilities, which might be signifying to relevant authorities that larger tourist accommodation is not appropriate. • The applicable policies for performance assessment of tourist accommodation are programmed into Table 3 of the Code for some zones, but not all. Specifying the relevant criteria in township zones may assist in assessment of tourist accommodation. • The Tourism Development Zone and particularly the associated Winery Experience Subzone provides a facilitative policy setting for tourist accommodation but is only applied in isolated and limited parts of wine regions (Seppeltsfield and Serafino Winery).

		<ul style="list-style-type: none"> Overlays apply additional policy which may make development of larger-scale tourist accommodation in wine regions less feasible, such as the Character Preservation District Overlay in the Barossa Valley and McLaren Vale.
<p>Productive Economy Discussion Paper (informed the first iteration of the Planning and Design Code)</p>	<p>The Commission's Productive Economy Discussion Paper identifies that the tourism and visitor attraction sector has the potential to drive future economic growth for the state and that an efficient and effective planning system will be required to enable this sector to prosper.</p> <p>The Discussion Paper also states that South Australia has a comparative advantage in the tourism sector due the presence of its numerous festivals, wine regions and areas like Kangaroo Island which provide for significant growth potential.</p> <p>Value adding of primary production activity like food and wine is also acknowledged as having the potential to generate income for the state.</p> <p>A case study of value-adding in the Adelaide Hills called the 'Makers Movement' is identified in the Discussion Paper and highlights the economic contribution of this</p>	<p>The Discussion Paper concludes that:</p> <ul style="list-style-type: none"> It is important for ancillary tourist accommodation uses on primary production land to be guided by improved policy to minimise impacts - with a particular focus on the careful minimisation and management of impacts on sensitive environments. There is a need to review / improve signage and wayfinding policy for tourist accommodation. Tourism policy needs to better reflect the context of place (i.e. city, township, rural, remote).

	<p>movement to the state by drawing together a range of craftspeople and artisans who make fine wine, furniture, clothing, craft beer, spirits and other products.</p>	
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4.2. Further Investigations Proposed

In addition to the investigations already undertaken and identified above, the table below outlines what additional investigations that will be undertaken to support the Code Amendment.

Further Investigations Proposed	Explanation of how the further investigations propose to address an identified issue or question
<p>Review of recent tourism accommodation development applications (case studies) in key winery regions of South Australia</p>	<p>It is considered important that a cross-section of current or recent tourism accommodation development applications be reviewed in the affected council areas to determine:</p> <ul style="list-style-type: none"> • whether the Code’s policies and rules are appropriately guiding tourism development and accommodation in key winery regions of the state • whether new policy is warranted (and if so, what this should be) and consider whether assessment pathways should be more streamlined for certain types of development.
<p>Review of interstate approaches to tourism development in rural areas (including any recent planning reforms)</p>	<p>Tourism accommodation is an accepted value-adding activity rural land use in several Australian states as well as overseas.</p> <p>However, an early stumbling block can be planning rules which are often not readily adaptable to innovative forms of tourism accommodation or larger scale proposals where they are located in sensitive environmental areas or areas where primary production activity is important.</p> <p>In this context, it is prudent for the Commission to undertake a review of interstate experience / case studies to:</p> <ul style="list-style-type: none"> • determine the various types or models of tourism accommodation / value adding land uses that exist in rural or peri-urban areas • examine what impediments (if any) exist to approving these developments • review the steps undertaken by relevant interstate planning jurisdictions to remedy any issues identified.

Cumulative impact assessment	Investigate the potential cumulative impact of tourism accommodation / development enabled by policy amendments on landscape character and primary production.
Holistic planning approach	<p>To ensure appropriate measures are in place to consider the potential impacts of promoting new forms of tourism accommodation in established rural / peri-urban areas, a review into other planning instruments and mechanisms under the Act is considered appropriate. This review will consider but is not limited to:</p> <ul style="list-style-type: none"> • providing guidance material in the form of Practice Guidelines, advisory design guidelines and/or information sheets to assist in the interpretation of any new policy facilitating medium to larger scale tourism development in appropriate locations of rural areas • the need to carefully consider the interplay of any new tourism development policy with any relevant overlay policy (and the associated referrals) • consider the implications of any new forms of tourism development on building rules assessment.

4.3. Engagement Already Undertaken

Informal engagement was undertaken with the following organisations in the preparation of the Tourism Development Policy Review:

- South Australian Tourism Commission
- Planning officers supporting the State Commission Assessment Panel
- Adelaide Hills Council
- Alexandrina Council
- Barossa Council
- District Council of Mount Barker
- Light Regional Council
- City of Onkaparinga

These discussions explored policy barriers and assisted in identifying the scope of a potential Code Amendment. This preliminary engagement identified that further review of Code policies was warranted to improve the way tourism development is assessed in rural areas. The following key observations were made:

- Tourist accommodation is desired in rural zones with vineyard views and scenic landscapes, however policies can be seen to limit opportunities to small cabins less than 100m² floor area, ensuring they are ancillary to primary production.
- Large scale tourist accommodation is generally provided for in suitable zones and locations.
- Accordingly, there is a need to fill a segment in the tourist accommodation market for facilities of about 10-20 units, in a way that complements the rural landscape.

- In addition, overlays can limit the feasibility of tourist accommodation, such as policies seeking bushfire hazard mitigation, native vegetation protection and water quality in the Mount Lofty Ranges watershed.
- Additional policy would be beneficial to guide tourism development such as function venues and events.

4.4. Further Engagement Proposed

In addition to the engagement already undertaken and identified above, the table below outlines what additional engagement will be undertaken to support the Code Amendment.

Further Engagement Proposed	Explanation of how the further engagement propose to address an identified issue or question
Mount Lofty Ranges Planner Group (MLRPG)	<p>The MLRPG is a peak local government body made up of planners from a large range of councils in the areas affected by this Code Amendment.</p> <p>It would be beneficial to discuss the following matters with MLRPG members to help inform the outcomes of the Code Amendment:</p> <ul style="list-style-type: none"> • Current experiences assessing tourism development in winery regions, in particular whether the Code’s policies and rules are appropriately guiding tourism development and accommodation in these areas. • Determine whether new policy is warranted (and if so, what this should be) and consider whether assessment pathways should be more streamlined.
Country Planners Officers Group (CPOG)	<p>The CPOG is a peak local government body made up of planners from across regional South Australia, including some of the councils which are affected by this Code Amendment.</p> <p>It would be beneficial to discuss the following matters with CPOG members to help inform the outcomes of the Code Amendment:</p> <ul style="list-style-type: none"> • Current experiences assessing tourism development in winery regions, in particular whether the Code’s policies and rules are appropriately guiding tourism development and accommodation in these areas. • Determine whether new policy is warranted (and if so, what this should be) and consider whether assessment pathways should be more streamlined.
Building Policy and Programs Unit of Planning and Land Use Services, Department for Housing and	<p>There is a view among some local councils that the National Construction Code (NCC) is inconsistently applied to tourism accommodation facilities, particularly where they are proposed within ‘tiny homes’ or within similar forms of development such as glamping tents or the like.</p>

Further Engagement Proposed	Explanation of how the further engagement propose to address an identified issue or question
Urban Development	<p>There are also other instances where tourism accommodation proposals never proceed beyond the building rules consent stage due to the complexities identified by building officers about new forms of tourism accommodation.</p> <p>In this context, it is important to discuss the following matters with the Building Policy and Program Unit to help inform the outcomes of the Code Amendment:</p> <ul style="list-style-type: none"> • Whether there is currently a lack of consistency in the application of building rules consent for new forms of tourist accommodation proposals in rural areas of the state. • Whether a Practice Direction or similar should be prepared for building certifiers and council building surveyors in respect to the assessment of those new forms of tourist accommodation as identified above.
Environment Protection Agency (EPA), Country Fire Service (CFS) and Department for Environment and Water (DEW)	<p>In view of the Code Amendment seeking to provide greater clarity for tourism development in key wine regions of the state, it is considered important to meet with those state government agencies who have an interest in this matter. This includes the EPA (water resources protection), the CFS (bushfire hazard minimisation) and the DEW (native vegetation protection).</p>
Regional Tourism Organisations	<p>The State is divided into 12 tourism regions (refer Regions Tourism SA). Tourism development and promotion in a number of these (including the Barossa, the Fleurieu Peninsula and the Adelaide Hills) is supported by regional tourism organisations. These organisations have a core interest in the Code Amendment and are well-placed to provide relevant information and perspectives to inform the preparation of the Code Amendment.</p>
Regional Wine Organisations	<p>The State is divided into 18 wine regions (refer Wine Regions – South Australia). Development of the wine industry and other associated activities is promoted in a number of these regions through various wine industry organisations / stakeholders. These organisations have a core interest in the Code Amendment and are well-placed to provide relevant information and perspectives to inform the preparation of the Code Amendment.</p>
Regional Development Organisations	<p>Regional Development Australia (RDA) is a network of 53 committees across Australia committed to facilitating economic growth, innovation and entrepreneurship in regions through facilitating investment in community, industry and the environment. In South Australia, there are 8 RDA Committees (refer RDA – South Australia) covering all areas of the state including metropolitan Adelaide.</p>

Further Engagement Proposed	Explanation of how the further engagement propose to address an identified issue or question
	<p>The 8 RDA Committees in South Australia cover the following regions in addition to metropolitan Adelaide:</p> <ul style="list-style-type: none"> • Adelaide Hills, Fleurieu and Kangaroo Island • Barossa, Gawler, Light and Adelaide Plains • Eyre Peninsula • Far North • Limestone Coast • Murraylands and Riverland • Yorke and Mid North <p>Development of the wine and tourism industry is a key objective of the above RDAs, and they are well-placed to provide relevant information and perspectives to inform the preparation of the Code Amendment.</p>
Notification and meeting with landowners within the affected area and neighbouring landowners	Should the Code Amendment propose rezoning of any land, landowners of the affected area and neighbouring properties will be notified to provide information on the potential impact of the proposed Code Amendment.
Community consultation	Broader community consultation to provide an opportunity for any interested community members to comment on the proposed outcomes of the Code Amendment.
Consultation with any person or body specified by the Commission under section 73(6)(e) of the Act.	The Engagement Plan will outline the specific method and nature of consultation.

5. CODE AMENDMENT PROCESS

5.1. Engagement Plan

The Code Amendment process will occur in accordance with the Community Engagement Charter and *Practice Direction 2 – Consultation on the Preparation or Amendment of a Designated Instrument* (Practice Direction 2).

The Designated Entity will prepare an Engagement Plan prior to the commencement of engagement on the proposed Code Amendment. The Engagement Plan will include the following mandatory consultation requirements (which may be in addition to the engagement outlined in this Proposal to Initiate):

- Given the proposal is generally relevant to councils, the Local Government Association must be notified in writing and consulted on the proposed Code Amendment.
- Given the proposal is specifically relevant to a particular group of councils (where those councils did not initiate the proposal), the following councils must also be consulted:
 - Adelaide Hills Council
 - Alexandrina Council
 - Barossa Council
 - Berri Barmera Council
 - Clare and Gilbert Valleys Council
 - City of Onkaparinga
 - City of Playford
 - District Council of Loxton Waikerie
 - District Council of Mount Barker
 - Light Regional Council
 - Renmark Paringa Council
 - Wattle Range Council
 - Tatiara District Council.

All other councils containing a Rural Zone (but not located in one of the states key wine regions) will also be directly consulted on the Code Amendment.

- Consultation must also occur with any person or body specified by the State Planning Commission under section 73(6)(e) of the Act.

5.2. Engagement Report

Once engagement on the Code Amendment is complete, the Designated Entity will prepare an Engagement Report under section 73(7) of the Act.

The Designated Entity must ensure that a copy of the Engagement Report is furnished on the Minister and also published on the SA Planning Portal. This will occur in accordance with Practice Direction 2.

The Engagement Plan and the Engagement Report will also be considered by the State Planning Commission during the final stages of the Code Amendment process. The Commission will provide a report to the Environment, Resources and Development Committee of Parliament under section 74(3) of the Act. The Commission's report will provide information about the reason for the Code Amendment, the consultation undertaken on the Code Amendment and any other information considered relevant by the Commission.

5.3. Code Amendment Timetable

The Code Amendment is intended to be undertaken in line with the following timeframe:

- Investigations undertaken in late 2024/early 2025
- Consultation in the second quarter of 2025
- Finalisation in the third quarter of 2025.