

EUROBODALLA SHIRE COUNCIL RURAL LANDS STRATEGY VOLUME ONE THE STRATEGY



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For: EUROBODALLA COUNCIL

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1 EXECUTIVE SUMMARY

The rural lands of Eurobodalla are a vital resource, deserving of careful management and planning for the good of rural land owners and the wider community.

Eurobodalla Shire Council has important functions when it comes to the planning and management of all private land in the Shire, including rural lands. Council is the planning authority for most development and as such it needs plans with vision for the future. Council also is a general service provider, maintaining roads, providing sporting, cultural and community services and stimulating economic development.

Mindful of these important roles and responsibilities, Council has embarked on the Rural Lands Strategy to work with the community to set a vision and action plan for the rural lands for the coming 20 years. It is proposed to monitor, review and, if needed, adjust the Strategy at 5 yearly intervals.

There are challenges and ongoing change. But in this change is opportunity.

The research for this Strategy has drawn a number of important conclusions related to the future of rural land use. Here are some of the more significant conclusions:

- Eurobodalla is already more a part-time commercial agriculture area than full-time. The majority of farmers have significant reliance on income not generated from the holding.
- That income is not all earned off-farm in a physical sense, there are approximately a thousand small businesses located in the rural areas – many of a home business scale – providing support income to part-time farming and covering a wide range of activities from IT services to construction, tourism and value adding to local food.
- There are still important reasons for conserving the better agricultural lands in larger holdings and for limiting the options for subdivision and additional dwellings in these areas. The commercial agricultural sector is still an important employer and player in the Eurobodalla economy. There are community costs in placing large numbers of new settlers in areas with modest roads and community services. This Strategy recommends these areas be zoned RU1 Primary Production and subject to lot sizes ranging from 100 to 500 ha to reflect current land use.
- But there are many areas of smaller ownerships in the broad agricultural zone where part-time or hobby farming is taking place and where there are opportunities to allow further supply of small farm and hobby agriculture options. These areas might be zoned a mix of RU1 Primary Production and RU4 Primary Production Small Lots and subject to lot sizes from 20 to 40 ha depending on the capabilities and services of each area.
- In addition to management of living opportunities in the broad agricultural zone, there has been ongoing demand for a range of living opportunities in the rural residential areas of the Shire. These desired living opportunities range from small lot rural residential to bush living experiences and to hobby scale farms. This Strategy has independently reviewed the supply of such living opportunities, and supports the earlier Council conclusions that there is at least 5 to 10 years supply of most types of

rural living opportunity across the Shire. Several small new areas are recommended for possible zoning action to provide some additional supply.

- There are some potentially exciting prospects over the coming 20 years for agricultural products that can establish niche markets – especially in Asia. Overall, there may be prospects of better terms of trade for agricultural producers as world-wide demand for food increases and rising middle class populations seek diversity of food type and knowledge of provenance.
- Small scale food production is a growing activity. While it is currently only a small section of the rural economy, local food has much growth potential with assisted marketing and growth of supply. Such activities are an important part-time farming base and provide a range of benefits including the tourist value for markets and local produce in restaurants.
- The private rural land resource in Eurobodalla contains many areas of importance for biodiversity. The challenge is to conserve these areas while trying to achieve a reasonable balance with the wishes of landholders to use their land.
- Tourism is the biggest industry in Eurobodalla and the rural lands play a vital part in the attractiveness of the Shire to visitors. There are prospects to grow rural tourism.
- Council’s responsibilities under the Local Government, planning and biodiversity legislation are not expected to lessen. Indeed, some of the current NSW Government reviews point to possible increasing responsibilities. This requires some flexibility in the draft strategies and built in mechanisms to address the likely evolving change of the coming 20 years.

The draft Strategy was exhibited in October and November of 2015, including seven consultation events. 139 submissions were received and are assessed in the Report of Public Exhibition. This final version of the Strategy contains a range of additions and amendments developed from the consultant’s consideration of submissions, workshop feedback and further discussions with the Eurobodalla Rural Lands Strategy Steering Committee.

Section 6 of this Volume details recommendations for Council to consider to help ensure the rural areas of Eurobodalla have a strong future.

1.1 HOW TO READ THIS STRATEGY

The Eurobodalla Rural Strategy is presented in three volumes:

- Volume One: The Strategy, a summary of the recommended strategies and actions.
- Volume Two: Ten discussion papers with the background to the issues and options.
- Volume Three: A set of larger scale maps depicting current resources and use, plus recommended strategies for future land use and planning.

This document is Volume One. It is a summary document of the recommended strategies and action plans. It is designed as an overview to enable people to quickly get to the actions

recommended for the Eurobodalla rural lands to address community needs for the coming two decades.

Section 6 of this Volume presents a summary of all recommended strategies and actions.

The background detail leading to the recommended strategies is contained in the ten discussion papers presented in Volume Two. These Papers each explore a major topic relevant to rural land use in Eurobodalla, looking forward over the coming 20 years.

The 10 discussion papers are:

Paper 1: Rural Economic Directions

This Paper provides a snap-shot of the current and past economic structure of the rural economy of Eurobodalla. It draws out trends for rural business activity.

Paper 2: Commercial Scale Agricultural Directions

This Paper explores the past and current functions of commercial agriculture and makes predictions regarding the future opportunities and constraints for the Shire's farmers.

Paper 3: Use of Zoning, Overlays and Permissible Uses

This Paper explores the approach of other NSW Councils and makes recommendations for Eurobodalla with respect to the mix of provisions in the Local Environmental Plan.

Paper 4: Potential Changes to Planning Legislation and State Guidelines

This Paper overviews several significant reviews of land use planning provisions currently being conducted by the NSW Government and draws out the potential implications for Eurobodalla.

Paper 5: Appreciation of Rural Scenic and Cultural Landscapes

This Paper reviews the importance and qualities of the landscapes of Eurobodalla and makes suggestions for protection of the important character, scenic and cultural qualities.

Paper 6: Managing Biodiversity in Rural Areas

This Paper explores the values of biodiversity on the private rural lands of Eurobodalla. It attempts to achieve a balance between the reasonable expectations of landowners to use their land and appropriate conservation of native species.

Paper 7: Local Food

This Paper reports on the current progress in the development of local food products and value adding to primary production. It makes some recommendations as to actions Council might take to further encourage this small but growing sector of the rural economy.

Paper 8: Rural Tourism

Tourism is the largest single industry in Eurobodalla. This Paper explores the value, role and opportunities for rural tourism.

Paper 9: Land Use in the General Rural Areas

The focus of this Paper is on land use control options for the broadacre regions of the Shire. It recommends new lot size provisions and changes in the provisions governing dwelling placement outside of the urban and rural residential zones.

Paper 10: Rural Living in the Rural Residential Areas

Council currently has 3 rural residential zones and this Paper examines supply of the various categories of rural living opportunity and makes recommendations as to future supply.

Volume Three of the Strategy is a compendium of larger scale maps. Given the size of the Shire and the detail sometimes required, the more important maps of general land use information and some of those from the Discussion Papers are presented in A3 page size. In addition, if accessing the PDF version, there is the capacity to “zoom in” to explore the maps in more detail.

The Strategy package as presented in the three volumes, represents the work of the consultant team Garret Barry Planning Services (GBPS) but including consideration of information provided from the community as part of the exhibition process and feedback from the Rural Lands Steering Committee.

This version of the draft has been produced by the consultants following their consideration of submissions on the exhibition of the first draft of the Strategy and should be read with the accompanying “Report of Public Exhibition”.

1.2 PUBLIC CONSULTATION

A successful rural strategy needs to have community ownership. This Draft has been prepared by a consultant team with input from Council’s Rural Lands Strategy Steering Committee. Council has endorsed the Draft for the purposes of seeking community feedback but will not adopt a final strategy until it has had the benefit of the community’s views.

The Draft was exhibited for a period of 6 weeks and completed exhibition on 27 November 2015.

Hard copies of the 3 Volumes that form the Draft Strategy were placed on exhibition at Councils’ Moruya office and at the Batemans Bay, Moruya and Narooma libraries. An electronic copy can be accessed by searching for Rural Lands Strategy at Council’s website www.esc.nsw.gov.au

Seven opportunities were provided for the public to participate in consultation sessions on the Draft Strategy which were conducted by the project consultants. The sessions were as follows:

Suburb	Venue	Date	Time
Moruya	SAGE Farmers Market	Tuesday 27 October	3 pm to 6.30 pm
Nelligen	Nelligen Hall	Wednesday 28 October	3.30 pm to 7.30 pm
Narooma	Narooma Golf Club	Wednesday 4 November	2 pm to 6 pm
Central Tilba	Tilba Farmers Market	Saturday 7 November	9 am to 12 pm
Moruya	Moruya Golf Club	Wednesday 11 November	3.30 pm to 7.30 pm

In addition to the above, the consultants hosted 2 workshops with rural producers in Eurobodalla on Saturday 7 November from 4 pm to 7 pm and on Wednesday 11 November 10 am to 1 pm.

Following exhibition, the submissions and workshop feedback have been reviewed and included in the post exhibition report to Council. It is proposed the final strategy come forward for adoption in February 2016.

2 INTRODUCTION

2.1 AIM AND GOALS OF THE RURAL STRATEGY

2.1.1 The Strategy Aim

This Strategy aims to set a clear 20 year vision for the role of Council in the rural lands of Eurobodalla Shire. Such vision to have practical measures for implementation and monitoring, with 5 yearly review periods to apply.

2.1.2 Goals

Goal One: To maximise the prospects for a vibrant commercial agriculture sector in Eurobodalla.

Goal Two: To ensure there is a wide variety of rural living opportunities available in the rural areas catering for needs ranging from purely rural residential living to hobby farms, bush living experiences, small and larger part-time farms and full scale commercial operations.

Goal Three: To grow rural business opportunities, including tourism.

Goal Four: To support the reasonable desires of landowners to utilise their land resource while complying with the statutory requirements to conserve the biodiversity and landscape qualities of the Shire's private lands.

2.2 HISTORY OF THE RURAL STRATEGY

This Section describes the history of the Rural Land Strategy up to this point in time. Milestones and key dates are noted.

At its Ordinary Meeting held on 20 December 2011, Council resolved inter alia about the new Local Environmental Plan to "*in consultation with the local community...undertake a strategic review of the deferred E3 Environmental Management land as part of the Rural Lands Strategy to determine the most appropriate future land use planning policy and controls for the shire's rural lands with it being noted that terms of reference are to be determined in conjunction with all relevant stakeholders*".

2.2.1 Rural Lands Strategy Steering Committee and its Terms of Reference

The Rural Lands Strategy project commenced in April 2012 when Council adopted the Steering Committee Terms of Reference at its Ordinary Meeting and resolved to establish a Steering Committee with community representatives to assist Council in the development of the Strategy.

The Terms of Reference explains the role of the committee, its composition and likely meeting schedule.

http://www.esc.nsw.gov.au/inside-council/project-and-exhibitions/rural-lands-strategy/steering-committee/terms-of-reference/steering_committee_tor_v4.pdf

2.2.2 Rural Lands Strategy Terms of Reference

The Terms of Reference for the Rural Lands Strategy outline the purpose and structure of the Rural Lands Strategy project. The Terms of Reference include the methodology and outcomes of the Strategy.

The first meeting of the Rural Lands Strategy Steering Committee unanimously endorsed the draft Terms of Reference. The Terms of Reference were then adopted at Council's 2 October 2012 Policy and Strategy Meeting.

http://www.esc.nsw.gov.au/inside-council/project-and-exhibitions/rural-lands-strategy/project-documents/terms_of_reference_for_rural_lands_strategy.pdf

2.2.3 Project Management Plan

The Project Management Plan sets out the key steps involved in developing the Rural Lands Strategy.

The Rural Lands Strategy Project Management Plan was adopted by Council on 26 March 2013.

http://www.esc.nsw.gov.au/inside-council/project-and-exhibitions/rural-lands-strategy/project-documents/rural_lands_strategy_project_management_plan.pdf

2.2.4 Community Engagement Strategy

The Community Engagement Strategy outlined how the committee will consult with the community and other key stakeholders.

The Rural Lands Strategy Community Engagement Strategy was adopted by Council on 26 March 2013.

http://www.esc.nsw.gov.au/inside-council/project-and-exhibitions/rural-lands-strategy/project-documents/rural_lands_strategy_community_engagement_strategy.pdf

2.2.5 Rural Lands Issues Paper

The Rural Lands Strategy Issues Paper is a discussion paper that outlined a range of issues, opportunities and challenges that are relevant to rural lands in Eurobodalla.

The Paper was placed on public exhibition for community feedback from 8 May 2013 to 12 June 2013.

http://www.esc.nsw.gov.au/inside-council/project-and-exhibitions/rural-lands-strategy/project-documents/esc_rural_lands_paper_v9.pdf

173 submissions were received which were reported to Council on 27 August 2013.

<http://www.esc.nsw.gov.au/inside-council/project-and-exhibitions/rural-lands-strategy/rural-opportunities-and-constraints-report-and-maps/questions-and-answers/27-August-RLS-Report.pdf>

2.2.6 Rural Opportunities and Constraints Report Volume 1 and Volume 2

Volume 1 of the report:

- Outlined key facts and issues and the existing policy context;
- Summarised stakeholder and community views from previous consultation activities;
- Identified key opportunities and constraints; and
- Provided principles for the development of policy directions.

The Volume 1 report was made publicly available from April 2014.

<http://www.esc.nsw.gov.au/inside-council/project-and-exhibitions/rural-lands-strategy/rural-opportunities-and-constraints-report-and-maps/Rural-Op-and-Constraints-Report-Vol-1.pdf>

Volume 2 of the Rural Opportunities and Constraints Report contained and described the agricultural, environmental values and natural hazards maps of the Shire. The environmental maps were prepared by specialist officers of the Office of Environment and Heritage using the most up to date data.

Almost 100 land owners met with Council staff to view and discuss the mapping. A process was also established with the Office of Environment and Heritage to facilitate additional validation of the vegetation mapping.

2.2.7 Policy Directions Workshops

In June and July 2014, a series of ten independently facilitated policy directions workshops were held with approximately 100 rural land owners and other interested community members.

<http://www.esc.nsw.gov.au/inside-council/project-and-exhibitions/rural-lands-strategy/project-documents/Final-Overview-of-Proceedings.pdf>

2.2.8 Policy Directions Paper

The Policy Directions Paper was the final stage leading up to the preparation of the Eurobodalla Rural Land Strategy.

Based on the suggestions and recommendations from the policy directions workshops, a Draft Policy Directions Paper was prepared and exhibited for community input during April and May 2015. A total of 61 submissions were received.

A final Policy Directions Paper was prepared and adopted by Council on 28 July 2015. In doing so Council gave consideration to the 61 submissions received during the exhibition period as well as suggestions that participants made at the Policy Direction Workshops in June and July 2014.

<http://www.esc.nsw.gov.au/inside-council/project-and-exhibitions/rural-lands-strategy/Adopted-Policy-Directions-Paper-July-2015.pdf>

The Policy Directions Paper identifies seven major directions and actions to achieve those directions:

1: Encourage primary production

- *Apply the RU1 Primary Production and RU4 Primary Production Small Lots zones to rural land (including the deferred lands) that is or has the potential to be used for a variety of agricultural activities;*
- *Establish appropriate minimum lot sizes for rural land that provide for a mix of farm types and sizes and support a range of rural activities without compromising the existing or potential use of productive agricultural lands;*
- *Provide opportunities for rural dwellings in appropriate locations, where a dwelling is required to support rural activities and will have minimal impacts on services, infrastructure and the existing or potential use of productive agricultural lands; and*
- *Facilitate the diversification of rural activities and manage existing and potential land use conflicts.*

2: Cut red tape

- *Ensure planning controls minimise bureaucratic processes where appropriate, saving time and cost for land owners;*
- *Ensure planning controls are legible, transparent and, where possible, written in plain English, or alternatively supported by plain English fact sheets;*
- *Ensure planning controls are located in the most appropriate planning instrument to ensure simplicity and transparency;*
- *Zone all rural land under one local environmental plan in accordance with the Department of Planning and Environment's Standard Instrument for LEPs;*
- *Split zoning to be applied where appropriate to recognise different land uses or landscapes; and*
- *Council and the community to advocate for change through reviews of relevant legislation, plans and policies.*

3: Support economic development

- *Promote an "open for agri-business" culture in Eurobodalla to support local food and fibre production;*
- *Support innovative and diverse farming enterprises and activities;*
- *Encourage and support improvements in local rural skills, practices and marketing methods; and*
- *Optimise the use of existing public infrastructure and efficiently plan for additional infrastructure to support rural activities.*

4: Promote and grow rural tourism

- *Ensure development in rural areas has minimal impacts on any environmental, agricultural and scenic values that support rural tourism;*

- *Include rural-based tourism within broader tourism planning and promotional activities;*
 - *Encourage rural-based tourism as a value-adding opportunity for primary producers and as an alternative land use opportunity where there will be minimal impacts on the existing or potential use of productive agricultural lands; and*
 - *Include criteria for assessing rural-based tourism proposals in an appropriate planning instrument.*
- 5:** Promote sustainable resource use
- *Collaborate with relevant Agencies to facilitate the provision of information to rural land owners on sustainable land management practices and standards;*
 - *Provide for continued extractive industry in Eurobodalla and support operators of existing and new extractive industries to manage potential land use conflicts and environmental impacts.*
 - *Collaborate with relevant State Agencies and land owners with regard to facilitating sustainable forestry activities on private land and sustainable forest management in State Forests; and*
 - *Collaborate with relevant State Agencies and land owners with regard to managing the quality of water in aquaculture and drinking water catchment areas.*
- 6:** Recognise and manage environmental hazards and values
- *Recognise and provide for the sustainable management of high conservation value vegetation and important aquatic values in Eurobodalla;*
 - *Collaborate with relevant State Agencies to define and map natural hazards and environmental values in Eurobodalla, and establish a validation process to ensure such mapping is accurate and up-to-date;*
 - *Collaborate with relevant agencies and land owners to develop locally appropriate programs for protecting areas of high conservation value in Eurobodalla and for addressing natural hazards; and*
 - *Collaborate with relevant Agencies to facilitate the provision of information to rural land owners to assist with adaptation to the potential impacts of future climate change.*
- 7:** Support rural residential living opportunities
- *Work with owners of land zoned for rural residential development to facilitate, where possible, appropriate development of that land; and*
 - *Monitor the supply and development of land zoned for rural residential purposes through the annual land supply review process.*

3 STATE POLICIES AND INFLUENCES ON RURAL LAND

3.1 LOCAL GOVERNMENT LEGISLATION

The *Local Government Act* 1993 sets the charter of local councils. It is a broad enabling Act and Councils have a wide set of functions relevant to rural lands ranging from economic development to social planning, to delivery of local services.

The main limiting factor for most Councils is financial. In theory, Council has wide discretion to engage in economic stimulation and service delivery, but this is subject to budgetary restrictions.

3.2 PLANNING LEGISLATION

3.2.1 *Environmental Planning and Assessment Act, 1979*

This Act is the principle legislation for land use planning in NSW. It specifies the provisions on how to make Local Environmental Plans (LEPs), Development Control Plans (DCPs) and how to assess development. Local Councils are often the consent authority for development and the planning authority with respect to the LEP. In Eurobodalla there are currently two LEPs relating to rural lands; the *Eurobodalla LEP 2012* and the *Rural LEP 1987*. Council also has a suite of development control plans and codes.

The Act gives the Minister for Planning wide powers including the ability to give directions to Councils on how to prepare amendments to LEPs (see Section 3.2.8). This Strategy is charged with developing recommendations for possible changes to the LEP, DCPs or guidelines to advance the better management of the rural land resource.

3.2.2 Biodiversity Legislation

Three Acts have a specific impact on the management of biodiversity in rural Eurobodalla.

The *Threatened Species Conservation Act* 1995 (TSCA) applies to development assessment (via Section 5A of the EPA Act) and charges consent authorities like Council with having to protect declared threatened or endangered species. This can require specific reviews of vegetation and fauna when development is proposed in sensitive rural areas that needs Council's consent under the LEP. Council also has to consider such impacts when considering the rezoning of land that may flow from this Strategy.

The *Native Vegetation Act* 2003 (NVA) protects native vegetation on rural land and requires consent to be obtained from the Local Lands Service for land clearing and specified private forestry operations. Currently, Council does not have a role in the consent requirements under this Act.

The *Fisheries Management Act* 1994 functions in a similar way to the Threatened Species Conservation Act but with application to aquatic species. The broad objectives of the Act are to conserve fish stocks and their habitat. If Council is assessing development that might impact on water bodies, it needs to be assured that there will be no net loss of such habitat

and as with the TSCA this may require specific studies to be effected and, where adverse impacts are identified, that remedial measures are undertaken such as offsets.

3.2.3 *Environment Protection and Biodiversity Conservation Act, 1999*

This Federal legislation mostly applies at the development assessment phase and as such has only limited effect on this Strategy. The Act sets out that it is the responsibility of proponents of development to consider impacts on matters of national environmental significance and to make referrals to the Australian Government's Department of the Environment.

3.2.4 *South Coast Regional Strategy*

This NSW Government Strategy is a broad ranging plan with a number of goals for Councils to achieve in planning land use in the region. It sets several rural land goals including requirements to carefully plan the siting of rural residential development and placement of further dwellings in areas suited to primary production. It makes the South Coast Regional Conservation Plan a compliance document to be considered when reviewing rural land use.

It is soon to be replaced with the proposed South Coast and Tablelands Regional Plan (See Section 3.2.7).

A copy of the current Strategy can be accessed at:

<http://archive.southerncouncils.nsw.gov.au/assets/Resources/southcoastregionalstrategy.pdf>

3.2.5 *The South Coast Regional Conservation Plan*

The South Coast Regional Conservation Plan (RCP) guides natural heritage conservation on lands on the South Coast excluding National Parks and State Forests. It provides direction to Local Government on planning and development decision making so that the biodiversity of the South Coast can be maintained or improved. It seeks to align restoration activities on the South Coast and to ensure that such activities complement future development that will be guided by the NSW Government's South Coast Regional Strategy.

A copy of the full plan can be accessed at:

<http://www.environment.nsw.gov.au/biodiversity/regconsplans.htm>.

Detail on the plan is covered in Section 2.2 of Discussion Paper 6 - Biodiversity.

3.2.6 *State Environmental Planning Policy Rural Lands*

This State Planning Policy specifies the following principles to be followed by Councils when reviewing rural land use:

- (a) *the promotion and protection of opportunities for current and potential productive and sustainable economic activities in rural areas,*
- (b) *recognition of the importance of rural lands and agriculture and the changing nature of agriculture and of trends, demands and issues in agriculture in the area, region or State,*
- (c) *recognition of the significance of rural land uses to the State and rural communities, including the social and economic benefits of rural land use and development,*

- (d) *in planning for rural lands, to balance the social, economic and environmental interests of the community,*
- (e) *the identification and protection of natural resources, having regard to maintaining biodiversity, the protection of native vegetation, the importance of water resources and avoiding constrained land,*
- (f) *the provision of opportunities for rural lifestyle, settlement and housing that contribute to the social and economic welfare of rural communities,*
- (g) *the consideration of impacts on services and infrastructure and appropriate location when providing for rural housing,*
- (h) *ensuring consistency with any applicable regional strategy of the Department of Planning or any applicable local strategy endorsed by the Director-General.*

Where a Council is reviewing lot sizes for subdivision or dwellings in a rural zone this policy also applies the following subdivision principles:

- (a) *the minimisation of rural land fragmentation,*
- (b) *the minimisation of rural land use conflicts, particularly between residential land uses and other rural land uses,*
- (c) *the consideration of the nature of existing agricultural holdings and the existing and planned future supply of rural residential land when considering lot sizes for rural lands,*
- (d) *the consideration of the natural and physical constraints and opportunities of land,*
- (e) *ensuring that planning for dwelling opportunities takes account of those constraints.*

3.2.7 Draft South Coast and Tablelands Regional Plan

This proposed Regional Plan is a new form of regional strategy and one that seeks to evolve and develop partnerships with Councils on data monitoring and planning for growth.

It is proposed this Plan will replace the above South Coast Regional Strategy and South Coast Regional Conservation Plan.

Timing for completion of the Plan has yet to be resolved but is unlikely to be concluded before this Strategy is finalised.

The situation will continue to be monitored with the Department of Planning and Environment.

3.2.8 Section 117 Directions of the Minister

Section 117 of the *Environmental Planning and Assessment Act 1979* empowers the Minister for Planning to set directions to planning authorities such as Councils. These directions have statutory weight and need to be complied with or the Minister/DPE persuaded to grant an exemption.

The following of the current 117 Directions have some relevance to Eurobodalla rural planning:

Direction 1.2 Rural Zones

This direction prohibits any increase to the density of rural land for housing unless justified by a strategy which is approved by the Director-General of the Department of Planning, or:

- (a) *justified by a study prepared in support of the planning proposal which gives consideration to the objectives of this direction, or*
- (b) *in accordance with the relevant Regional Strategy or Sub-Regional Strategy prepared by the Department of Planning which gives consideration to the objective of this direction, or is of minor significance*

Direction 1.5 Rural Lands

This direction requires Councils to consider and justify changes to rural land planning controls against the principles of the *Rural Lands State Environment Planning Policy* as defined in Section 3.2.6.

3.3 POTENTIAL CHANGES TO STATE LEGISLATION AND GUIDELINES

Discussion Paper 4 - Potential Changes to Planning Legislation and State Guidelines, gives a more detailed account of the reviews currently being conducted by the State Government. The following is a summary.

The State Government, as at the date of publishing this draft Strategy, is in the process of conducting two reviews of legislation directly related to Local Government's role in rural land use. But to date there is no specific direction set that applies to Eurobodalla and as such this Strategy is proceeding based on the current legislation as outlined in Section 3.2 above.

There is a comprehensive review of the Biodiversity legislation under way in the relevant State departments and recommendations towards a new overarching Act to manage biodiversity are expected shortly. The report of an independent Panel was handed down in December 2014 and can be viewed at:

<http://www.environment.nsw.gov.au/biodiversitylegislation/review.htm>.

The recommendations from the Panel are numerous but suggest a return of vegetation clearing controls to Local Government, whereas the Local Lands Service is currently the consent authority for land clearing. There will likely be greater reliance on codes and guidelines for small scale clearing and the State may increase incentive funding for owners who conserve biodiversity.

The State Government is also reviewing guidelines and possible directions to Councils on the appropriate use of Environmental Protections zones. At this time the guidelines apply to the North Coast Councils but have relevance in Eurobodalla. They suggest environmental zones need to be based on verified biodiversity data. The Department of Planning and Environment's response can be viewed at:

http://planspolicies.planning.nsw.gov.au/index.pl?action=view_job&job_id=6475.

In 2013 the Government produced a draft Bill for a new planning Act but this Bill lapsed with the new parliament and it is understood the Government is now considering a series of incremental improvements to the current *Environmental Planning and Assessment Act 1979*.

4 CURRENT COUNCIL POLICIES, PLANS AND GUIDELINES APPLYING TO RURAL LAND

4.1 EUROBODALLA LOCAL ENVIRONMENTAL PLAN 2012

The Eurobodalla LEP 2012 is the principle planning instrument governing land use in the Shire. It was first gazetted in July 2012. It partly replaced the 1987 Rural LEP. However, Council resolved to defer a decision on some sections of the rural area and these deferred lands are still under the provisions of LEP 1987.

The main zones applied to the rural area currently by this plan are:

- RU1 Primary Production – the general agricultural zone applying to wide areas of the Shire.
- RU3 Forestry – this zone applies to State Forests.
- RU4 Primary Production Small Lots – this is a form of rural residential zone often characterised by hobby scale agricultural use.
- RU5 Village – this zone applies to the rural villages of Nelligen, Bodalla, Central Tilba and Tilba Tilba.
- R5 Large Lot Residential – mostly smaller size rural residential living lots.
- E1 National Parks and Nature Reserves.
- E2 Environmental Conservation – mostly used to define wetland areas.
- E4 Environmental Living – rural residential living often in natural surroundings.
- W1 Natural Waterways.
- W2 Recreational Waterways.

The 2012 plan specifies the uses that are permissible with and without consent and those uses that are prohibited in any particular zone.

Clauses such as 4.2A set the requirements for dwellings in the RU1 Primary Production zone.

The plan allows minimum averaging of subdivision lots in the E4 and R5 zones which permits greater diversity of lot sizes to encourage protection of environmental areas.

Section 6 of the LEP applies special local provisions such as earthworks, flood planning and biodiversity, for use by Council when assessing development applications.

This Strategy makes a number of recommendations for amendments to the 2012 LEP.

4.2 EUROBODALLA RURAL LOCAL ENVIRONMENTAL PLAN 1987

While this 1987 plan was partly repealed in 2012, it remains in force over the deferred lands. One of the tasks of this Strategy is to recommend appropriate zoning for these deferred areas to enable the full repeal of this LEP. The recommendation is made that the majority of the deferred lands be zoned RU1.

4.3 EUROBODALLA DEVELOPMENT CONTROL PLANS

Council proposes to revise its Development Control Plan with respect to rural areas after completion of this Strategy.

Currently, only DCP 156 “Rural Subdivision” applies to the deferred rural areas and as the name implies it sets standards to apply to subdivision.

4.4 EUROBODALLA CONTRIBUTIONS PLANS

Section 94 and 94A of the EPA Act allows councils to levy contributions on new development requiring a DA or Complying Development Certificate.

There are three contributions plans with some applicability in the rural areas:

Eurobodalla Local Infrastructure Contributions Plan: This plan applies to new subdivision lots and levies contributions to assist Council fund additional infrastructure such as sports and cultural facilities.

Section 94 Rural Roads: This plan applies road improvement contributions on rural residential subdivision.

Section 94A Levy Contributions Plan 2007: This plan applies where contributions have not been levied under the above 2 plans such as new residential and rural residential dwellings. It imposes a levy of 0.5% on development between \$100,000 and \$200,000 and 1% above \$200,000.

4.5 EUROBODALLA CODES OF PRACTICE RELEVANT TO RURAL LANDS

The following existing Council Codes of Practice have some application in the rural areas:

Advertising and Notification: This Code specifies the types of development that require notification and the actions required to notify neighbours and the like.

Landscaping: This Code is more urban based but may be used where a rural development requires landscaping of the site.

Moruya Flood Plain: This Code specifies requirements for development works in the Moruya Flood Plain.

Signage Code: This Code specifies what requirements apply when people are proposing advertising signs for their businesses. The scope for advertising signs in the rural areas is limited by State Environmental Planning Policy 64 Outdoor Advertising to mostly Business Identification Signs and the Code specifies requirements when such a sign is proposed in the rural zones.

Tree Preservation Code: This Code only applies in the rural areas when clearing proposals are not covered by the *Native Vegetation Act*. The code specifies requirements for obtaining permission to remove or lop trees.

Soil and Water Management Code: This Code applies to all development that involves site disturbance, excavation or filling and provides guidelines to ensure efficient Soil and Water Management.

5 RURAL TOPICS, ISSUES AND OPTIONS TO ADDRESS THE ISSUES

5.1 RURAL ECONOMIC DIRECTIONS

This Chapter provides a brief precis of the economic directions of Eurobodalla's rural areas and the strategies for Council to support its continuing development. A more detailed description and analysis of issues and options can be found in Discussion Paper 1 (DP1) - Rural Economic Directions.

5.1.1 A Snapshot of the Current Rural Economy

Agriculture is a small but historically important part of the socio-economics of Eurobodalla Shire. In 2011 there were 290 jobs in the Agriculture, Forestry and Fishing industry in the Shire. Of these 172 were in agriculture with most of the agriculture jobs being in beef cattle farming or dairying.

Farming is dominated by an older demographic. 61% of farmers were over 50 years old in 2011, including 25% over 65 years old.

5.1.1.1 Farmer incomes

The most common individual income band for agriculture workers in 2011 was \$400 to \$599 pw (\$20,800 to \$31,200 pa). Overall, individual incomes averaged \$31,774 pa in 2011. Total income for all the Shire's agriculture workers was around \$6.3 million in 2011. These figures include off-farm income where it has been considered additional to the main work (farm work) by the census respondent.

5.1.1.2 Occupations

Agriculture workers are mostly managers (mostly self-employed), with only 30 labourers employed in the industry in 2011.

5.1.1.3 Qualifications

Almost all agriculture workers had completed Year 10 or above, with around 40% in each census year having completed Year 12. Around half of the people working in agriculture had post-school qualifications, 29% had Diplomas or Advanced Diplomas, and 24% had Bachelor Degrees or higher qualifications.

5.1.1.4 Farm business numbers

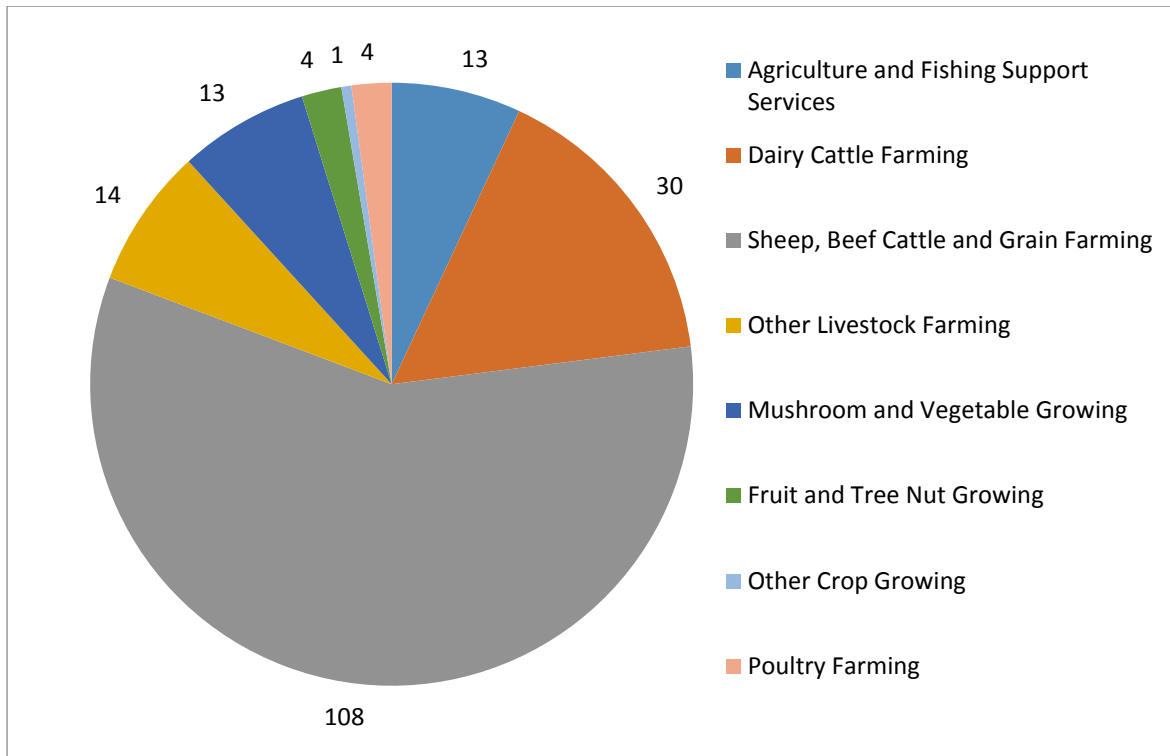
The Australian Business Register counted 288 Agriculture, Forestry and Fishing businesses in 2015, down from the 394 operating in 2005. Of those operating in mid-2015, 174 were farms. Most of the farm businesses were beef cattle farms (80) or combined sheep-beef cattle farms (22). Over the decade to 2015, there were 271 business exits (closures) and 176 entries.

5.1.1.5 Agricultural activity

According to the Australian Bureau of Statistics Agricultural Census data the average area of agricultural holdings in Eurobodalla Shire is declining – from 247 ha in 1996 to 190 ha in 2011. Beef and dairy cattle are the most significant agricultural activities in the Shire accounting for around 90% of the total value of agricultural production. Fruit production is

variable, and nurseries, turf and vegetable production take up a relatively small part of the agricultural land area in the Shire. Eurobodalla’s agricultural activity is a small part of agriculture in the Southeast NSW Region.

Figure 5-1: Mix of farm businesses 2015



5.1.1.6 Value of production

The total farm gate value of agricultural production in Eurobodalla has been around \$12.5 million per annum between 1996 and 2006, though data presented for 2011 shows a sharp jump to \$20 million, possibly due to increases in the value of beef and milk.

5.1.1.7 Business locations

There is a wide variety of businesses located away from the main urban areas – not just agricultural businesses. Many construction and transport businesses are located on rural properties, as are a great many professional services businesses – most operating from a home base.

5.1.2 Economic Trends

The following rural economic trends appear from the available data:

- Traditional commercial scale agriculture (in particular beef and dairy) seem to have limited capacity to expand in economic terms;
- There is no surety of terms of trade improving (e.g. through free trade agreements) and have been in decline for several decades;
- There is limited good agricultural land in larger holdings;

- There has been a trend of shrinking holding size and increasing part-time farming;
- There is increasing reliance on non-farm income; Similarly, employment in traditional commercial agriculture while remaining important, may stabilise or continue to slowly decline as further pressure develops to improve automation and economies of scale.

The pattern of current owners of commercial scale farms, say 100 ha or greater, appears to be of mostly individual/family farms (Council rates data). This group appear to be ageing and along with high land values will make succession planning very challenging for following generations.

High land values – fuelled by speculation will likely mean little interest in Eurobodalla as a destination for farm aggregation and corporate farms.

There is a solid utilisation of the rural areas for non-agricultural business. Approximately 500 non-agricultural businesses are registered in the rural zones and this is likely to be only a proportion as many small operations are not registered or recorded by ABR as businesses.

While holding sizes have been decreasing, the overall value of agricultural production seems to be increasing.

5.1.3 Rural Population Trends

Council should plan for continued growth in rural population for the coming 20 years. ID Population Consultants model regional population trends and have the following prediction for Eurobodalla’s rural areas:

Table 5-1: Rural Population Projections

	2011	2016	2021	2026	2031
Batemans Bay Rural Hinterland	2637	2667	2733	2855	2998
Moruya Rural Hinterland	2667	2703	2717	2759	2821
Narooma Rural Hinterland	2651	2636	2707	2831	3030
Total Rural Population	7955	8006	8157	8445	8849
Change In Total Population	-146.00	51.00	151.00	288.00	404.00

Based on these predictions the rural population in total might grow by 439 over the coming 20 years (between 2016 and 2026).

5.1.4 What Rural Economic actions and roles for Council

Action:

Council to consider expanding permissible uses in the rural zones. (See Section 6.2.5)

Council to develop plain English fact sheets or brochures to identify the range of non-agricultural activities that are permissible and encouraged in rural areas, and to outline in simple language any relevant approvals required or controls that apply.

Rationale:

It would seem to be positive for Council to continue to foster additional appropriate non-agricultural businesses and expansion of existing ones to support the rural economy and result in more finance for better land management in the rural zones. (Subject to reasonable controls to protect existing and potential viable commercial agriculture and other primary production).

Action:

Council to continue to advocate for adequate services for rural aged, including ambulance access, community transport and programs to foster the retention of the aged in their own homes.

Rationale:

High proportions and absolute numbers of seniors in the rural areas has challenges for services for all three levels of government. Many of the services required are the responsibility of State and Commonwealth Government. An appropriate strategy is to continue lobbying each level of government to ensure the best available services are available to the community.

Action Statement:

Council to continue to subscribe to the ABR data on registered businesses in the Shire and undertake, at a minimum, 5 yearly reviews to monitor trends and success in growing target businesses.

Rationale:

Good local data on the demography, business activity and other rural land use trends is valuable for informed decision making.

Actions for housing the growing rural population are presented in Sections 5.7 and 5.8.

5.2 DIRECTIONS FOR AGRICULTURE

This Chapter provides a brief precis of the commercial agricultural directions of Eurobodalla’s rural areas and the strategies for Council to support its continuing development. A more detailed description and analysis of issues and options can be found in Discussion Paper 2 (DP2) - Commercial Scale Agricultural Direction.

5.2.1 Where has agriculture been and where are we at?

While commercial agriculture is an important industry in Eurobodalla Shire, its scale is considerably smaller than in surrounding council areas. According to the 2011 Agricultural census, Bega Valley Shire to the south has 3.4 times the area under commercial farms, Palerang Council to the west has 8.3 times and Shoalhaven to the north 3.1 times the area.

The land resources of Eurobodalla are characterised by many steep areas with poor soils and as such original agricultural settlement focused on the more fertile valleys, side ridges and flood plains of the numerous long valley systems. Today nearly 72% of the Shire is State Forests and National Parks and approximately one third of the Shire’s private land is currently under native vegetation. To some degree this is a reflection of a considerable area of land of limited value for agriculture – left largely uncleared by early settlement, utilised for timber resources and recognised in more recent times for its biodiversity value.

Of the 67,000 ha of private lands in the current agricultural zones of the Shire (the RU1 Zone and the Deferred lands in the Eurobodalla LEP 2012), only 22,000 ha is comprised of what might be classed as highly productive agricultural land (Class 1 to 4 of the Department of Primary Industry 5 Class System) and only just over half of that higher class land is in holdings over 100 ha.

Of the 1,730 ownerships in the RU1 and Deferred areas, nearly 80% are 40 ha or less in size and in the majority of cases represent hobby scale farms. Even many larger holdings have a high proportion of land of lower agricultural quality.

Table 5-2: Ownerships in the RU1 and Deferred Areas

Property Size (ha)	Number of Properties	% of Total
<10	788	46
10 to 40	587	34
40 to 80	184	11
80 to 100	42	2
100 to 200	76	4
200 to 400	37	2
400 +	16	1
Total	1730	100
Total properties over 40 ha	355	20
Total properties over 100 ha	129	7
Total properties over 200 ha	53	3

Source: Council property records and GIS mapping. See also Map 11 of Volume Three for the spatial layout of ownerships.

Beef Cattle and Dairy by far dominate the current value of agricultural production with approximately 120 farms producing most of the output and only about 40 of these having more than 200 ha of land. There are also patterns of landowners sometimes having several separate holdings or leasing other property.

But there are many small holding operations which on a per hectare basis often run similar stocking rates to the larger commercial farms, however, their net returns from agriculture would likely be low or negative. Rural lifestyle activities, hobby-scale farming mixed with off-farm work or non-agricultural on farm business often are a major part of the small holding land use and activity. There are over 500 registered businesses not related to agriculture in the rural areas and many more small unregistered home scale businesses helping support agricultural operations.

Hobby scale and part-time farming far outnumber large scale commercial farming operations and occupy more of the overall total agricultural land area.

Distance from markets and transport costs have always been a challenge for agriculture in this region.

Land prices have been increasing over the past four or more decades, driven more by growing settlement pressures not directly related to agriculture. This makes Eurobodalla an expensive location to attempt to establish or expand a commercial scale farm producing conventional beef or dairy product.

5.2.2 What is the most likely agricultural future?

Eurobodalla Shire is typical of all coastal Shires in New South Wales in experiencing a rapid change in land use. Inland Australia is losing people as they move to the coast or larger centres. Retirement destinations have changed as the cost of land in coastal shires is less than in the cities. These are not revelations to anyone living in Eurobodalla Shire. However, what is unknown is whether these trends will continue at the same rate as in the past or whether they will escalate and introduce new planning challenges over and above those that already exist.

The trends vary somewhat. While the real value of rural land has continued to appreciate over the past 50 years it is not a smooth increase. There are cyclic “booms and busts” in the pressures inflating rural land value. There are retirement surges and city exit periods. There are long droughts and occasional recessions.

Paper 2 also explores the difficult area of predicting where broader agriculture is heading in the national and international scale. There are optimistic scenarios relating to likely growing world demand for food in general and for special, higher value, food products which Eurobodalla might tap into. But the graphs of the terms of trade for commercial agriculture both locally and nationally have been negative for several decades, and looking to the next 10 years there is not yet certainty that this downward pattern has finally been arrested.

There are exciting trends and movements into value adding and local food but the current scale is very small and while growth is strong, this sector in dollar terms will not make a significant dent in the percentage of overall gross agricultural value in Eurobodalla for the 20 year planning horizon of this Strategy.

But the way even commercial scale agriculture markets and develops its products is facing revolutionary change. The conventional high volume, low price production is not a market

niche in which Eurobodalla can expand. Its future lies in value adding and marketing its product differentiation.

5.2.3 What is the role of Council in assisting and maintaining a productive agricultural sector and in strengthening it and allowing initiatives to flourish?

Council has a land use planning function and this Strategy is charged with developing new guidelines to assist in conserving the agricultural resource while minimising unnecessary regulation and allowing reasonable development options for landowners.

The traditional planning approach of the past 60 years has been to try to prevent fragmentation of farms by preventing or limiting subdivision. This is an effective tool for maintaining larger lot sizes, but it does not assure a strong agricultural future, especially in a Shire with the many competing land use pressures Eurobodalla faces. This Strategy concludes there is an argument to continue to minimise fragmentation of larger properties where they contain productive agricultural land, but in other areas, an alternative approach needs to be considered.

Unlike major agricultural LGAs away from the coast, Eurobodalla is already very much characterised by part-time farming, with few landowners fully dependent on the income earned from the farm. Coupled with ongoing pressure for smaller lot, hobby-scale farming, there is an argument to minimise fragmentation at least to maintain most properties at a scale suitable for part-time farming. The appropriate size of properties to maintain for part-time farming will be dependent upon the quality of the soil and access to water, amongst other matters.

There is a related aspect in the justification of retaining better land in holdings at a size that ensures some potential for economic aggregation, and holding land resource should the terms of trade for agriculture eventually enter a long era of strength.

Having regard to the above, this Strategy concludes that the appropriate minimum lot sizes for rural land in Eurobodalla needs to be determined having regard to the characteristics of each locality, rather than as a blanket approach.

There is a second major reason to control fragmentation and that relates to controlling servicing burdens like road extensions, maintenance and renewal, and for preserving options for the future (should the terms of trade for agriculture go more into an era of long term improvement and growth).

Council also has an economic development role and might assist with marketing and education relevant to agriculture – from supporting saleyards and administering controls on weeds to fostering farmer's markets.

Section 7 of Discussion Paper 2 details challenges, opportunities and options relating to agricultural direction. **The following is a summary of recommended actions on agricultural direction**, flowing from that Section:

- **Recognise Eurobodalla is moving towards being a part-time farming area.**
- **Use lot sizes to conserve properties over 100 ha in larger ownerships.**
- **Encourage value adding to Eurobodalla produce and tapping into niche markets both in Australia and overseas. Eurobodalla's ability to compete in the broadscale conventional agricultural market is limited.**

- **Encourage training in agricultural skills and technology, from internet courses for new residents/hobby farmers to business programs for commercial value adding.**
- **Cater for the full spectrum of farm activity from small rural residential hobby farms to commercial full-time operations but with an appreciation part-time farming is dominating.**
- **Continue to support small scale on farm business activity not related to agriculture where it does not adversely affect neighbours and agricultural production. Sufficient opportunities for such business are a core foundation of health and survival for part-time farming.**
- **Limit further fragmentation of ownerships where access is poor.**
- **Continue to advocate for improved highway capacity for B Doubles.**

Specific actions and strategies to address these points are presented in Section 6 of this Volume.

5.3 EUROBODALLA RURAL LANDSCAPES

This Chapter provides a brief precis of the principal issues associated with scenic and cultural landscapes in Eurobodalla and the strategies for Council to support their protection in the context of new development.

A more detailed description and analysis of issues and options can be found in Discussion Paper 5 (DP5) - Appreciation of Rural Scenic and Cultural Landscapes.

Chapter 5.4 - Eurobodalla Biodiversity presents options and strategies that explore the natural values and issues of the rural landscape. Many elements of the natural landscape are components of the visual landscapes of Eurobodalla.

5.3.1 A Snapshot of Scenic and Cultural Landscapes in Eurobodalla

Landscapes are a fundamental part of the Eurobodalla history and cultural heritage. The landscapes of the Shire are valuable for their intrinsic qualities, for the quality of life and enjoyment of people, and for the economic benefits they bring. Eurobodalla's landscapes are a core foundation of its largest industry – tourism.

Eurobodalla Shire is fortunate to have some of the best quality and diverse rural landscapes in Australia – in fact some of world class.

From the magnificent Tilba landscape acknowledged by the National Trust of Australia and included as part of the Federal Government's Australian National Landscape "Coastal Wilderness", to the stunning and rugged beauty of Gulaga Mountain or the Deua Wilderness Ranges, to the dynamic coastal valley systems such as the Clyde River, historic rural landscapes such as at Bodalla and a diverse range of forested landscapes intermixed with pockets of agricultural land.

Several landscapes such as Najanuka (Little Dromedary Mountain) have deep spiritual and cultural significance to the Aboriginal community.

The use, promotion and protection of these nationally significant landscapes is important. However, there are limitations to Council's roles and responsibilities relating to their protection. While few people would deny the Tilba Valleys are a world standard landscape, if you are a farmer in that landscape needing a large storage shed, how much planning control is appropriate?

The NSW Coastal Policy 1997 states that the unique natural scenic areas of the coast are important not only for their visual amenity but also for the ambience they provide. The Policy considers them to be irreplaceable public assets that must be preserved and managed for the enjoyment of this and future generations.

There are threats to rural landscapes in any area experiencing growth:

- Increasing "industrialisation" of agriculture;
- Poor design and siting of buildings, access roads and signage (where development consent is not required); and

- Public works such as major road cuttings and embankments (though in recent times, the RMS have included consideration of scenic and cultural landscapes in the design of such works).

5.3.2 What Landscape Actions and Roles for Council

There is a diversity of opinion on what constitutes a landscape of significance and what to do about protecting it.

Landscape planning has more challenges than most branches of land use planning. But Eurobodalla is both more blessed than most LGAs in landscape assets and conversely more dependent on them for its whole tourism image/brand. Hence, a need to do what is possible to encourage land owners to protect those culturally important assets.

5.3.2.1 Options Relating to Planning Controls

Action:

The recommended strategy is for Council, in consultation with the community, to develop a Scenic and Cultural Landscape Code to guide development in the rural landscape as resources permit. The full recommendation is presented in section 6.3.2.

Rationale:

This will develop an awareness by developers and provide guidance for staff in determining protection measures for cultural elements such as historic agricultural artefacts (e.g. dairy history) and Aboriginal Landscape cultural sensitivities. A code is more informal than a DCP and is aimed at helping proponents of developments to design and locate buildings or other structures in a way that best fits in with the landscape.

5.3.2.2 Options Relating to Economic Strategy

Action:

Incorporate cultural landscapes into existing touring routes or develop new routes which emphasise and interpret the rich scenic and cultural landscapes, including of past dairy industry at Tilba and Bodalla.

Install signage infrastructure at key points along tourist routes. For example, an interpretation board could be located at Bodalla using information about the Bodalla Cultural Landscape Area.

Investigate developing a mobile application for new or revised scenic driving routes that incorporates interpretation and GPS technology.

Potential for more Aboriginal landscape cultural heritage to be cooperatively promoted. (See *5.6 Rural Tourism in Eurobodalla for more details.*)

Rationale:

These are actions that can support Eurobodalla's most valuable industry – tourism. Some can be implemented at a relatively small cost. Some could attract grants (e.g. from Destination NSW).

5.3.2.3 Options for Promotion and Protection of Scenic and Cultural Landscapes

Action:

Possible measures to encourage land owners to maintain or enhance landscape qualities as part of development offsets. (See Section 5.4.1.)

Rationale:

The rural landowner would receive benefits and landscape protection can flow from such initiatives. A positive outcome at relatively low or no cost.

Action:

Prepare a set of management guidelines for the Bodalla Cultural Landscape Area's historic values in a manner that does not impede or constrain current or future farming use.

Rationale:

There are not many dairy farming areas with the depth of history and associations as the Bodalla Cultural Landscape area that have not succumbed to urban or rural subdivision, or changed farming practice. To this extent Bodalla is rare, and a detailed study of its landscape in the context of the historic record and management guidelines is considered worthwhile.

Management guidelines are less formal than DCP controls.

5.4 EUROBODALLA BIODIVERSITY

This Chapter provides a brief precis of the principal trends and issues associated with biodiversity in Eurobodalla and the strategies for Council to support its reasonable conservation.

A more detailed description and analysis of issues and options can be found in Discussion Paper 6 (DP6) - Managing Biodiversity in the Rural Areas.

The natural values of Eurobodalla's rural lands are more significant than many other Local Government Areas in New South Wales.

While nearly three-quarters of the area of the Shire is protected in public lands such as National Parks or State Forests, the private rural lands form an essential part of the Shire's overall biodiversity values.

Without retaining and enhancement of connectivity of habitat across the private landscape, further decline in native species seems certain. Also, as early agricultural clearing and development naturally focused on better soils and land types such as river flats, these habitat types are under-conserved in the public estate. The more fertile soils of the valleys, floodplains and undulating hills are suitable for agriculture and habitation. Native woody vegetation within these areas tends to be poorly reserved and over 70% is cleared. (Source: Southern Rivers Catchment Management Authority CAP April 2013).

The biodiversity assets on both private and public lands in Eurobodalla are the basis of part of the Shire's largest industry – Tourism. They form much of the backdrop and special landscapes that so appeal to visitors and the variety of wildlife to be experienced is a major attraction for visitors.

Biodiversity protection has some positive aspects for landholders. There are a range of benefits from emerging bush tucker markets through to pest control by native birds and other wildlife. There is a growing market and sometimes price premium for rural properties where biodiversity is well conserved and the related landscape values it can generate.

Under the NSW and Australian Governments' legislative and regulatory frameworks, Council's role in protection of biodiversity is limited. Broad scale clearing of native vegetation on private lands in the Shire requires approval at NSW Government level. Council gets involved if development approval is required and as part of such DAs Council has responsibilities to protect threatened species and improve overall biodiversity. To guide Council in assessment of DAs, there are a range of tools from zoning for environmental protection and overlays depicting biodiversity in the local environmental plan to informal guidelines and data.

At Council's meeting of 22 July 2014, Council resolved that overlays not be included in the local environmental plan and that the Rural Lands Committee give further consideration to the options for the appropriate alternative use of the overlays. The Committee considered this matter and at its meeting of 18 September 2015 resolved to note that there were some divergent views within the Committee as to whether the Native Vegetation Overlay should be included in the LEP. The Committee suggested there be a further discussion with the community about the use of a Native Vegetation Overlay during the public exhibition of the

draft Strategy. The formal position of the Committee as resolved at its meeting of 14 January 2016, is that the Native Vegetation Overlay be contained in the DCP and not the LEP.

However, to support Council in its DA work and ensure public access to information, it is recommended Council retain an environmental overlay in the LEP but base it on the revised data from Office of Environment and Heritage. It is recommended the data depicted in the overlay cover existing native vegetation (but not identify endangered ecological communities as the current Terrestrial Biodiversity Overlay does) and the overlay be called the Native Vegetation Overlay. A draft map of the recommended overlay can be found at Map 6 of the Volume Three folder of maps.

It is suggested Council not identify Bio-corridors in the LEP beyond existing native vegetation given the need for these to be flexible in terms of negotiated outcomes as part of major developments and rezonings.

Other than some additional E4 - Environmental Living zoning to facilitate dwelling development in appropriate locations, no additions to environmental protection zones are recommended at this stage. This is contingent upon the appropriate use of the above Native Vegetation overlay and the existing Wetlands, Riparian Lands and Watercourses Map and the Acid Sulfate Soils map.

It is recommended Council consider the use of Planning Agreements and similar voluntary and negotiable techniques to add to biodiversity as part of planning proposals, for example, for expansion of rural or residential lands. A policy might be developed on offsetting where owners of high biodiversity value can be funded to retain it as an offset for development elsewhere.

Council can also have a role in education and support for land care and other programs to improve biodiversity and support landholders in such work. Philanthropic actions such as owners committing to voluntary Conservation Agreements with OEH, might be encouraged and recognised in a public way if the landowner is agreeable.

5.4.1 Summary of Recommended Actions on Biodiversity

Action:

- **That Council not utilise the E3 Environmental Management Zone.**

Rationale:

- Council has previously resolved not to use the E3. This position is supportable but strengthens the argument for retention of an overlay of native vegetation in the LEP as a transparent and readily accessible way of defining the lands where native vegetation poses some constraint when development consent is required from Council.
- The combination of RU1 zoning and the overlay is seen to have the following benefits over E3 in broader rural areas with extensive native forest:
 - It saves the employment of extensive resources in determining the limits of E3 zones across the broad rural landscape, particularly as the role and use of the zoning and data ultimately is mostly for the processing of scattered small rural DAs.

- It allows the landowner to retain the more flexible permissible uses and development objectives of the RU1 zone and the ability to demonstrate in a DA that a particular proposal has merit.
 - It fosters a more cooperative and flexible approach to biodiversity.
 - The Native Vegetation Act applies and requires state approval for large scale clearing regardless of whether land is zoned RU1 or E3.
- **That Council retain a Native Vegetation Overlay in the Eurobodalla LEP.**

Rationale:

Retention of an overlay that depicts native vegetation of some significance is considered important for the following reasons:

- If Council is not to have an E3 zone over more sensitive rural lands, then some definition of lands with possible environmental constraint in terms of development assessment requirements, is warranted.
 - The overlay is a more flexible approach allowing merit assessment of development proposals in areas of native vegetation.
 - The overlay is only triggered in circumstances where development consent of Council is required. It does not constrain normal agricultural practices carried out under the exempt development provisions for agriculture.
 - The presentation of an overlay in the LEP is transparent and discoverable by most prudent land owners.
 - Most Coastal and Tableland Councils have some form of native vegetation overlay and there is little evidence of any significant negative impact on landowners in these council areas or the Eurobodalla to date.
- **That EECs and Bio-corridors not be specifically identified in the proposed Native Vegetation Overlay.**

Rationale:

Attempting to map all detail of biodiversity at LEP overlay scale has challenges.

A general Native Vegetation Overlay will delineate areas requiring some further review without being overly prescriptive.

- **That Council consider additional use of Planning Agreements and Offsets when planning new estate style development.**

Rationale:

These forms of agreement to conserve high value vegetation and corridors are best masterplanned as part of the rezoning process.

- **That Council encourage land owners to maintain or enhance biodiversity qualities as part of development offsets. For example, land owners may wish to voluntarily offer some vegetated areas of their land as biodiversity offsets and sell the credits for the offset area to developers. Under the NSW bio-banking scheme, ongoing funds can be made available to the land owner to manage the offset area.**

Rationale:

The rural landowner would receive benefits and landscape protection can flow from such initiatives. A positive outcome at relatively low or no cost.

- **That Council add the E2 zone to the list of zones where livestock grazing is exempt development in Schedule 2 of the Eurobodalla LEP 2012. Further that Council continue to support rural land owners, in conjunction with Local Land Services and other agencies, to protect SEPP 14 wetlands from the impacts of rural land use, through education and land care activities, subject to the availability of grant funding.**

Rationale:

Extensive agriculture is currently prohibited as a new activity in the E2 zone.

Small scale extensive agriculture is common now in parts of the E2 zone under existing use rights provisions. There are a range of habitat values in the current E2 zones and as such instances may arise where it would be reasonable for some extensive activities such as light grazing to be permissible provided the dominant objective of the betterment of the natural system could be achieved.

It is recommended grazing be exempt development in the E2 zone.

The preferred Strategy direction is that environmental improvement be as much a matter of education and encouragement to that of regulation. As such Council should continue to foster voluntary protection of wetlands and advocate for additional state funding to facilitate such work.

5.5 LOCAL FOOD IN EUROBODALLA

This Chapter provides a brief precis of the principal trends and issues associated with small scale rural food and fibre production in Eurobodalla and the strategies for Council to support its continuing development.

A more detailed description and analysis of issues and options can be found in Discussion Paper 7 (DP7) - Local Food.

5.5.1 A Snapshot of Local Food Production in Eurobodalla

Excluding sheep, beef, dairy and grain farming, oyster growing is the largest local food producer segment in Eurobodalla. The value of Sydney rock oysters grown in the Clyde River, Tuross Lake and Wagonga Inlet totalled \$6.16M in 2013/14.

Honey production is also a significant locally produced food but production value data for Eurobodalla is difficult to assess as apiarists bee hive location range is often much greater than a single Local Government Area. Some can cover a significant part of the State, including interstate locations. However, there are about 100 apiary sites in the NPWS estate in Eurobodalla and each site can accommodate between 10 and 200 boxes depending on the characteristics of the site. The NPWS have licensed approximately 25 apiarists.

Discussion Paper 1 Rural Economic Directions suggests that much of Eurobodalla's small-scale production, such as fruit, is variable over time though there are signs of increasing intensification with more trees per establishment, and establishments becoming larger. Nurseries, turf and vegetable production currently take up a relatively small part of the agricultural land area in the Shire.

A review of Australian Business Register data demonstrates the relatively small scale of local land based food production (excluding beef, sheep and dairy) in Eurobodalla. Of the 288 agriculture, forestry and fishing businesses in 2015 counted by the Australian Business Register:

- 108 were sheep, beef cattle and grain farming;
- 30 were dairy cattle farming;
- 13 were support services;
- 14 were other livestock farming;
- 13 were mushroom and vegetable growing;
- 4 were poultry farming; and
- 4 were fruit and nut tree growing.

The Australian Business Register only counts businesses with an active Australian Business Number so the above figures are only a proportion of the total likely local food businesses in the Shire. A further anomaly may result from the fact that some producers may be represented in more than one category. As such the numbers can only be indicative.

However, the numbers of growers selling local produce at the Moruya SAGE and Tilba markets suggest a vibrant and growing sector. The Moruya SAGE market has grown from 11

stall holders in January 2013 to 36 regulars during summer in 2015. Tilba Markets, under the banner of Make It, Bake It, Sow It, Grow It, attract between 15 to 20 stall holders each week.

There seems to be adequate supply of land for small farming currently. There are at present around 600 smaller sized existing properties in the Shire that are currently vacant and significantly more small-sized rural properties with a dwelling that could, subject to the quality of the land and environmental issues, contribute to the supply of small farming opportunities (if they are not already being used for some form of agriculture).

5.5.2 What Actions and Roles for Council to Progress Local Food Production

While the rate of increase in production may increase substantially, in real terms the increase may not be great as the starting point is at a low level. However, that is not to say that the local food production sector is not important to Eurobodalla. More and more people are making lifestyle decisions to seek out locally produced foods and foods produced using sustainable practices.

Increasing numbers of residents are making at least part-time income from local food and fibre production and from value adding.

An important point emerged from the consultation on the draft Strategy. Local food producers provided evidence that the statistics available through traditional regional scale sources available to Council such as the ABS or Australian Business register miss many small scale operators. While the traditional statistics paint local food production as currently having a gross value of less than \$2 million. The SAGE organisation maintains statistics of their Moruya market that indicated \$1.77 million in sales in the past 12 months for that market alone. On this basis the total manual local food production may be \$5 million or more and be growing strongly.

Also many local small lot farmers are producing local food for themselves and friends and this is unreported but appears to be growing.

It would be an advantage for Council to continue to work with local producer organisations to maintain more accurate statistics on this growing business sector. The local producers suggest that local food is now emerging as a “mainstream activity” with much higher opportunities for employment growth than previous statistics may have suggested.

5.5.2.1 Options Relating To Economic Development

Actions:

- Identify small scale food production as a business opportunity in Council’s business development website.
- Promote Eurobodalla as a place where small scale agriculture is a viable lifestyle and business opportunity.
- Integrate local food and fibre production materials into Council community and tourist information websites.
- Council Business Development Unit in association with SAGE to further develop programs to raise awareness and consumption of locally produced food. This could be extended to promote co-operatives or group marketing initiatives for small producers to achieve sufficient scale of production and critical mass to access new markets and investors.

- Council could consider reviewing its rental policy for the SAGE and Tilba markets to release some funds for grower education and training. Funding could be tied to specific outcomes. For example, an annual program could be developed in partnership between Council's Business Development Unit and SAGE.
- Support the SAGE Intern program through Council's Business Development and Environmental Health Units and NSW Health by providing guidance on business planning, marketing, regulations, occupational health and safety and food handling safety.
- Council might consider development of a formal "Local Food Production Policy" to coordinate actions such as the above and include the following aspects:
 - Recognise local food as a potentially significant rural economic driver with potential to create many small scale part time and some full time business activities.
 - Monitor and periodically publish local statistics as well as traditional ABS regional scale statistics to ensure the scope and scale of local food is more accurately appreciated. Local producers are keeping statistics and Council may only need to act as a data coordination point.

Rationale:

Small scale local food production and distribution in Eurobodalla is a relatively new and an emerging sector. It is argued that, as a sunrise industry, it is reasonable for Council to provide some support during its establishment phase.

Incorporating local food production promotions material into Council web sites and programs is a low cost action. Inclusion in Council programs provides marketing that targets both potential growers and consumers. It is also supportive of rural tourism.

5.5.2.2 Options Relating to the LEP

Actions:

- Consider including a more flexible boundary adjustment clause in the local environmental plan.
- Investigate more diversity of lot sizing.
- Direct small lot farms to fragmented areas with good land while keeping lot sizes large where commercial scale is possible.

Rationale:

A diverse lot sizing policy and boundary adjustment clause could increase the options for small farms for local food production.

Actions:

Develop a fact sheet/guide for farm buildings and structures and how they fit into exempt and complying development.

Review the trigger points for exempt development for farm structures (e.g. shed size) as they apply to small scale local food and fibre production.

Rationale:

A guide may encourage proponents of projects to progress them to a DA stage or beyond at low cost and with a degree of certainty/understanding. Such a guide could be supportive of rural tourism, local food production and agri-tourism.

5.5.2.3 Options relating to Planning Policy

Actions:

Consider development of a guideline for roadside stalls.

Develop a self-help DA kit specifically aimed at the works most commonly sought by small agricultural producers.

Rationale:

A guide may encourage proponents of projects to progress them to a DA stage or beyond at low cost and a degree of certainty/understanding. Such a guide could be supportive of rural tourism, local food production and agri-tourism.

5.5.2.4 Options relating to State and Commonwealth Governments

Action:

Approach the State Government to review its conveyancing legislation to make it simpler to lease private land for longer periods of time, providing more certainty for small producers to operate on land they do not own, and for those land owners interested in leasing their land to others for primary production.

Rationale:

A simple leasing process could increase access to small parcels of fertile land for food production, particularly on the Moruya River flats. SAGE market management has identified the inability of growers to supply adequate quantity to meet demand as a major issue.

5.6 RURAL TOURISM IN EUROBODALLA

This Chapter provides a brief precis of the principal trends and issues associated with rural tourism in Eurobodalla and the strategies for Council to support its continuing development.

A more detailed description and analysis of issues and options can be found in Discussion Paper 8 (DP8) - Rural Tourism.

5.6.1 A snapshot of Rural Tourism in Eurobodalla

“Eurobodalla has a number of environmental, agricultural and scenic qualities that attract people to live in and visit the Shire. The historic villages of Central Tilba, Tilba Tilba, Bodalla and Nelligen are prime examples. More broadly, elements of the coastal landscape, the farmland and the hinterland are all reasons why people choose to live and visit the Eurobodalla.” (Policy Directions Paper p. 15).

Eurobodalla’s principal rural tourism assets include State land assets (National Parks, State Forests and reserves), regional reserves such as the Mogo State Forest and Eurobodalla Regional Botanic Gardens, tourist drives and cycle trails, rural accommodation, local foods, rural villages, natural features such as Gulaga, Montague Island, attractions such as Mogo Zoo, annual festivals and events and its cultural heritage.

Tourism is an important part of the Eurobodalla Shire economy. It is an important economic driver that provides the region with a good economic foundation. The average annual tourism spend (over a 4 year period) to September 2014 was \$388M compared to \$325M in 2009. (DP8, p. 12) Tourism also plays an important role in the rural economy by allowing land owners the option to diversify their activities and add to the income potential of their land.

A recent examination of development applications since 2003 still indicates a high proportion of cabin approvals in the rural areas and some rural dual occupancies which could be used for short term letting. (DP8, p2)

It should be noted that the tourism spend figures are for Eurobodalla in general and while the majority of spend occurs in urban areas, it is the rural lands supply and the natural and cultural landscapes that help make Eurobodalla such an attractive destination.

The Australian Business Register data was mapped to distinguish rural addresses from urban. This indicated 78 registered businesses in rural areas listing themselves in the hospitality and tourism, arts and recreation, training and hire endeavours. (See DP8, p. 4 for a map showing the location of the above businesses.) But there would be additional tourism businesses of smaller scale that are not trading on an ABN and many other casual accommodation providers, for example, casual letting of existing houses.

5.6.2 What Actions and Roles for Council to Progress Rural Tourism

Council has detailed involvement in the general tourism industry and has adopted the Eurobodalla Destination Management Plan as its strategic planning framework to guide the development, management and marketing of tourism for Eurobodalla and its destinations to 2020.

5.6.2.1 Options Relating to Economic Development

Action:

The Business Development Division and Tourism Division might further co-ordinate co-operative marketing with key food producers to develop a food and wine tourism drive.

Encourage activities such as road side stalls, farm gate sales, tasting rooms in appropriate locations.

Incorporate local food sampling and inspection of local food production/preparation into tour itineraries.

Establish a multi-agency task group to undertake a Tourist Signage Plan for the Shire.

These actions might form part of a broader “Local Rural Tourism Promotion Policy”.

Rationale:

These options fit in well with the increasing interest in local food provenance (Local Food DP7 p. 12). They are actions that can be achieved without a great cost.

Action:

That Council explore options for assisting local food groups with training and education.

Rationale:

SAGE is already an active and leading player in providing promotional, educational and training activities in the local food production space. But like most small organisations it and other local food groups may benefit from further assistance with training and marketing.

Action:

With consultation, encourage the incorporation of Aboriginal cultural landscape features and heritage into formal and self-guided tours. (See Donaldson reports referenced in DP8.)

Rationale:

There is an opportunity at low cost to add to the Aboriginal cultural tourism element in Eurobodalla. In 2009, Council commissioned the Eurobodalla Aboriginal Heritage Study Report (Donaldson, 2009) which included many items of Aboriginal significance, the majority of which fall in the rural zones. While there is sensitivity in the Aboriginal Community to public disclosure of some items, many of the broader landscape and dreaming themes could be a very important asset for the Aboriginal Community, Council and sympathetic tourist operators to develop.

Action:

Council undertake 5 yearly reviews of business numbers and trends in the rural areas using data like the Australian Business Register and its own development approvals and licencing.

Rationale:

This is a simple action to monitor, and as a consequence increase understanding of rural tourism trends on an on-going basis.

5.6.2.2 Options Relating to the Eurobodalla LEP

Action:

Consider large scale tourist developments for site specific planning proposals as long as the following principles can be met:

- A full development application to be assessed with the Planning Proposal.
- The land must have the capability to service a large scale tourist development in terms of access, sewer and water.
- Visual impacts on the surrounding rural areas must be positive.
- Minimal adverse impacts on surrounding productive commercial agriculture and conversely agricultural impacts on tourism such as spray drift, noise and odour.

Rationale:

Some specific sites in the rural area may be suitable for more intensive and larger scale tourist infrastructure than usually permitted in the rural zones.

In some cases a change of zoning (for example to SP3 Tourist) may be appropriate and should be considered on its merits.

5.6.2.3 Options Relating to Planning Policies and Guidelines

Action:

Develop rural tourism guidelines and check list for developments such as primitive camping, cabin development, farm stays, and farm gate sales.

The guideline may include a check list of planning steps required pre-DA stage that could be completed by proponent without approaching Council, how to complete a simple DA and what triggers a more complex DA.

Rationale:

A guide may encourage proponents of projects to progress them to a DA stage or beyond at low cost and a degree of certainty/understanding. Such a guide could be supportive of rural tourism, local food production and agri-tourism.

5.6.2.4 Options Relating to Partnerships and Advocacy

Action:

Liaise with NPWS and NSW Forests to identify:

- Park Tourism assets most suited for inclusion in tourist drive itineraries;
- Co-operative marketing opportunities for programs such as the Nature Walks Program;
- Near Park locations on private lands suited to tourist accommodation including primitive camping, permanent tent site accommodation and resort style accommodation.

To build on existing strengths, it is suggested to bring the principal players in food tourism together on a regular basis to develop a rural food tourism strategy. Principal players may include Eurobodalla Tourism Advisory Committee, SAGE, restaurants recognised in the

Good Food Guide, Southern Harvest and Oyster Festival organisers, Council tourism and business development divisions.

Rationale:

Liaison is already occurring through the Eurobodalla Tourism Advisory Committee. The proposed actions can be implemented at a low cost.

Action:

Continue to apply pressure to the Federal Government for mobile and broadband improvement.

Rationale:

Mobile and broadband access is likely to continue to be important in the decision about where to holiday.

5.7 LAND USE IN THE GENERAL RURAL ZONES

This Chapter provides a brief precis of the principal issues associated with land use in the general rural areas of Eurobodalla and the strategies and actions for Council to support its continuing development.

A more detailed description and analysis of issues and options can be found in Discussion Paper 2 (DP2) - Commercial Scale Agricultural Direction and in DP9 - Land Use in the General Rural Areas.

5.7.1 What is the general rural area?

For the purposes of this Strategy, the general rural area is all rural private lands outside of the three rural small holding zones (outside of the R5 Large Lot Residential, E4 Environmental Living and RU4 Primary Production Small Lot zones).

5.7.2 Rural Economic, Social and Environmental Directions

The work in the Discussion Papers drew the following conclusions or at least discussion points relevant to the general rural areas of Eurobodalla:

5.7.2.1 Rural Economic Directions

- Aim to retain and grow the current levels of part-time farmers but accept few full-time family commercial agricultural operations may survive the coming 20 years given the land price pressures.
- Provided expansion of hobby scale and small part-time farms does not fragment or constrain larger holdings and providing services can cope with the increased traffic, power and internet demands, continued growth of hobby farming is a supportable goal with economic benefits from buoyant farm supply services to building services.
- Encourage growth in appropriate small-scale non-rural businesses in the rural areas as an option for income for part-time farmers.
- Foster value adding for agricultural produce and access to national and international markets.

5.7.2.2 Rural Social Directions

- Eurobodalla is fortunate in that it does not face the rural decline of some inland Councils.
- There is demand and capacity to grow the numbers of hobby farmers, retain and grow part-time farmers and keep or expand the associated community viability that comes from retaining an adequate population across the rural areas.
- The landscape beauty, biodiversity and overall healthy function of agriculture are appreciated not only by residents of the rural areas but by urban and visiting people as well. The wider function of the rural areas is vital to the wellbeing of residents and visitors alike.

- While employment in the traditional beef and dairy areas may not grow, there are prospects of employment growth in the new food and value adding agricultural endeavours.

5.7.2.3 Rural Environmental Directions

- The tourism industry relies heavily on the natural values and scenic qualities of the rural lands of Eurobodalla.
- Some natural habitats and species rely on conservation measures continuing on private rural lands for their ultimate survival.
- There are reciprocal benefits for conserving landscapes and wildlife from pest control to conserving native grasses to support agriculture and gene banks for research and new products. There are bush food products and some new settlers prepared to pay a premium for well conserved and managed rural lands.

But rural land holders also raise concerns that there is some expectation they conserve biodiversity and landscapes without recognition or benefit for the constraints placed on their agricultural operations. There is a need for balance and for some flexibility.

It is important land owners be recognised and treated equitably for conserving the natural values on private lands in the Shire for the wider public good. But it is also important such assets not deteriorate significantly over the 20 year vision of this Strategy.

5.7.3 Supply of living Opportunities in the General Rural Area

Given there has been no potential for subdivision in the general rural areas since 1987, the supply of vacant rural ownerships where a dwelling is permissible continues to diminish. DP9 research estimated that less than 300 such properties remain across the Shire where there are some practical prospects of obtaining consent for a dwelling house.

The recommendations to set new lot sizes based on a landscape approach will see a small increase in supply – particularly in the types of property more in demand such as small lot farms of 40 or less hectares.

5.8 RURAL LIVING IN RURAL RESIDENTIAL ZONES

This Chapter provides a brief precis of the principal trends and issues associated with rural residential living in Eurobodalla and the strategies and actions for Council to support its continuing development.

A more detailed description and analysis of issues and options can be found in Discussion Paper 10 (DP10) - Rural Living in the Rural Residential Areas.

5.8.1 What defines Rural Residential Living?

There is often confusion and debate over defining what constitutes rural residential living.

The consultants have attempted a definition in Appendix 7.1.

It is apparent there are a range of desires and expectations when it comes to rural residential living. Council has used 3 zones in LEP 2012 from the NSW Government's Standard Instrument to provide for different kinds of rural living, and this Section focuses on those zones:

- The R5 Large Lot Residential zone – often smaller lots of mostly cleared land sometimes no or minimal agricultural use.
- The E4 Environmental Living zone – often forested areas where, as the name implies people can reside in natural surroundings. Again often more residential use than agriculture.
- The RU4 Primary Production Small Lots zone – often cleared or partly cleared former farm land being used mostly for hobby farms.

There are exceptions with a few people advising they make significant income from their small holdings. There is also a range of rural living experiences in the General Rural Area but mostly larger lots above 20 ha and with uses ranging from hobby farming to full-time commercial agriculture.

5.8.2 Supply and Demand for Rural Small Holdings

The work in DP 10 establishes there is no short term supply problem for vacant lots in any of the above use categories, with at least 5 to 10 years supply in all areas. But it is also appropriate Council progress over the coming 5 years to identify some areas for future expansion.

Most past uptake has been with lots below 10 ha in size and about 50% of uptake with lots 5 ha and under.

DP10 works through an analysis of past uptake and of subdivision potential that points to a current supply potential from current zones of approximately 500 lots. With dwelling commencements averaging 53 across the small holding zones in the past 15 years, it is clear Council does not need to expedite generation of further supply for some years.

The proposed new lot sizing and minor zone changes recommended in Section 5.9.4.2, will add about 50 lots to the small holding supply in the short term.

However, a preliminary review undertaken as part of developing this Strategy indicates that some remaining vacant lots are of lesser attraction to purchasers because of matters such

as access, homesite qualities, aspect and that some un-subdivided land has significant constraints and development costs.

It seems reasonable, therefore, for Council to slowly commence a review process over the coming 5 years to identify additional supply. Section 4.5 of DP10 details a range of principles Council might consider in selecting additional areas for rural residential zoning.

5.8.3 Directions for Rural Residential Lands

- There is a comfortable supply of vacant lots and potential lots in the existing rural residential zones to address at least 5 to 10 years demand for all types of rural residential living experience.
- Council might commence a review process, within the next 5 years, to identify additional areas to zone for rural residential. Principles for such a review are provided in Section 4.5 of DP10.

5.9 RURAL PLANNING CONTROLS

It is important Council resolve a clear structure regarding the range of zones, overlays and lot sizes it will utilise in its rural land use planning moving forward.

Discussion Papers 3, 9 and 10 all detail approaches and recommended methods of dealing with zoning, overlays and lot sizing for dwellings and dwelling related subdivision.

The conclusions of these Papers are presented below.

5.9.1 A Review of Permissible Uses

The range of permissible uses in the current Eurobodalla LEP 2012 are quite wide and reasonable. Following the survey of 19 Councils as detailed on Discussion Paper 3, general reading of the range of permissible uses and review of public submissions on the draft strategy, a small number of additional uses are recommended to be made permissible in the 2012 LEP. These are detailed in Section 6.2.4.

Extensive agriculture is currently prohibited as a new activity in the E2 zone. Small scale extensive agriculture is common now in parts of the E2 zone under existing use rights provisions. There are a range of habitat values in the current E2 zones and as such instances may arise where it would be reasonable for some extensive activities such as light grazing to be permissible provided the dominant objective of the betterment of the natural system could be achieved. To allow extensive agriculture without consent would permit activities such as cropping in undisturbed sections of wetland and other habitats without any control or assessment. It is therefore recommended extensive agriculture be permissible in E2 zoned land subject to development consent.

There is also an issue of making the definition of permissible uses a little clearer where generic terms like 'tourist and visitor accommodation' are currently used to cover a number of more specialised use definitions. The current LEP often has tourist and visitor accommodation permissible in rural zones but then prohibits elements of that broader definition such as motels. The legal function of the plan is correct and the prohibitions appear justified, but for laypersons reading the LEP this is cumbersome and confusing. It is better in these cases to remove the wider term and only specify the actual uses permitted or prohibited.

5.9.2 Appropriate Zones for the Coming 20 Years

There are prospects the State Government may change the mix of zoning options open to Council. But there does not seem to be prospects of such change in the near future. As such recommendations need to be made within the available zones of the state wide Standard Instrument template.

5.9.2.1 Rural Residential Zones

Council's current use of the 3 rural residential zones is supported:

- The R5 Large Lot Residential zone should continue to be used for small lot (generally 5 ha or less) rural living and smaller scale hobby farm activity in estate style developments covering predominantly cleared lands.

- The RU4 Primary Production Small Lot Zone should continue to be used to define areas of small lot farming with lot sizes ranging up to 40 ha.
- The E4 Environmental Living zone should continue to be used to define areas where there is an emphasis on rural living in bushland surroundings.

However, there may be a need to constrain the creation of E4 zones in the future to areas where smaller lots can perhaps be clustered on lands where biodiversity improvement may be effected and alternatively areas of existing biodiversity be avoided.

Rezoning to E4 could be a useful tool to equitably and economically foster the completion of several of the desired Shire bio-corridors between existing areas of high biodiversity. This could be achieved through strategic placement of E4 zones so that the landowners are rewarded with some development potential in return for securing and rehabilitating bio-corridors.

5.9.2.2 General Rural Zone

The RU1 Primary Production Zone is considered appropriate to define the broadscale areas of rural Eurobodalla. The single zone approach for the current RU1 area and bulk of the deferred lands in the 2012 LEP is supported when combined with the proposed Native Vegetation Overlay and range of lot sizes proposed in Section 5.9.4.2.

5.9.2.3 Environmental Zones

The NSW Government's review of the use of environmental zones on the North Coast of NSW (see Discussion Paper 4 for detail) has indicated that use of zones such as E3 needs to be justified and only define areas of verified biodiversity value.

Council has previously resolved not to use the E3 zone. This position is supportable but strengthens the argument for retention of an overlay of native vegetation in the LEP as a transparent and readily accessible way of defining the lands where native vegetation poses some constraint when development consent is required from Council.

The combination of RU1 zoning and the overlay is seen to have the following benefits over E3 in broader rural areas with extensive native forest:

- It saves the employment of extensive resources in determining the limits of E3 zones across the broad rural landscape, particularly as the role and use of the zoning and data ultimately is mostly for the processing of scattered small rural DAs.
- It allows the landowner to retain the more flexible permissible uses and development objectives of the RU1 zone and the ability to demonstrate in a DA that a particular proposal has merit.
- It fosters a more cooperative and flexible approach to biodiversity.
- The Native Vegetation Act applies and requires state approval for large scale clearing regardless of whether land is zoned RU1 or E3.

The current E2 Environmental Conservation Zone should be retained to define important wetlands and coastal protection areas.

5.9.3 Use of Mapping Overlays

There were concerns raised by a large number of rural land owners in the exhibition processes for both the 2012 LEP and the earlier phases of this Strategy relating to the use of the E3 zone and the terrestrial biodiversity overlay.

The Rural Lands Steering Committee has formally resolved that a Native Vegetation Overlay be placed in the DCP and not the LEP.

However, the provisions of the current legislation that Council is required to apply in the assessment of development applications with respect to threatened species, warrants the use of best available vegetation mapping to define areas where detailed assessment is not required from those where further investigation is required.

The recommended retention of an overlay of native vegetation in the LEP is a transparent way of displaying this constraint and as such of ensuring people preparing development applications are informed early in the process of land within their property which may have more development constraints.

The current Terrestrial Biodiversity Overlay has been in the LEP since 2012 and has been useful in ensuring clear advice on environmental constraints to prospective developers. In addition little issue seems to have been generated by its use by approximately 60 % of NSW councils with such an overlay. The majority of coastal and tableland councils have elected to contain an overlay on native vegetation in their LEPs.

5.9.4 Appropriate Rural Lot Sizes for Dwellings

5.9.4.1 Rural Residential Lot Sizes

Council currently provides a diversity of types and sizes of allotments in the rural residential zones (zones R5, E4 and RU4). Other than continuing to ensure ongoing supply as lots are developed, the current mix of rural residential zones and various lot sizes is appropriate. The general rural area, characterised by the RU1 zone will address larger lot options.

5.9.4.2 Lot Sizes in the RU1 Zone

A mix of lot sizes from 20 ha to 500 ha is proposed for the general rural areas as contained within the existing and proposed RU1 zone. This is termed a “landscape” approach to lot sizing.

Generally properties over 100 ha should be lot sized to minimise further subdivision potential. This is because the majority of properties of that size have some prospects of commercial agriculture – at least at part-time scale. This commercial agricultural resource warrants protection from excessive fragmentation of larger holdings.

There are also areas of smaller holdings and fragmented ownership patterns where access is poor and/or there are other constraints such as bushfire hazard and biodiversity values. These areas are also included in larger lot size areas to limit development essentially to that permissible under the current 2012 LEP.

The fragmented areas where there is reasonable road access and where most ownerships are under 100 ha can be reviewed for smaller lot sizes. The initial approach is not to increase supply significantly but to provide some limited opportunities for more small lot farms in the 20 to 40 ha range and some discrete small extensions to the existing rural

residential zone network. Some of these areas warrant also being rezoned to RU4 or E4 to reflect the current and planned uses.

These fragmented areas can then be further assessed in stages over the 20 year life of the strategy to deliver further supply of rural residential and small lot farming opportunities.

The consultants have prepared detailed mapping of the recommended lot sizes. This detail is presented in the Mapping Volume Three of the Strategy in Section 2.

Hypothetically this work might generate an additional 150 to 180 dwelling opportunities across the general rural area. But in reality perhaps 50 % of these opportunities will not be taken up given development challenges and preferences of some owners to retain the holding as is.

5.9.5 Dwelling Entitlements

Research for this Strategy has estimated there are approximately 400 current vacant properties in the general rural area and that a majority of these likely qualify for a dwelling under the current controls.

Some of the parcels may qualify for the right to apply for a dwelling as an existing holding or 1987 holding as specified in Clause 4.2A (2) of the LEP. That clause also imposes a sunset provision which would remove any such right after 2017. The intent in applying a sunset clause was to phase out these old and cumbersome provisions that often require an historic title search to prove an entitlement. It was intended that a schedule or other provisions conserve all possible existing rights, but resources to effect the complex searching to replace the holdings provisions have not been found to date. It is recommended Council remove the sunset clause from the LEP and progress towards replacing the existing holding provisions with simple Lot Size mapping as resources permit.

A suggested approach for replacement is to use an approximation method as follows:

- Using the research from this Strategy, review the identified vacant ownerships to see which seem physically suitable for a dwelling.
- Write to those owners inquiring if they seek to claim one of the existing holding rights.
- For those who respond positive – request evidence or the payment of a reasonable fee to address Council's searching to validate the claim.
- For proven vacant existing holdings and 1987 holdings, provide a lot size that ensures a dwelling is permissible, or include the subject property on the Dwelling Entitlement Map.
- Exhibit the planning proposal to lot size or map such parcels and give the opportunity for any other landowner that considers their property has been missed and has such right to also be assessed.
- At the conclusion replace the cumbersome holding provisions in the LEP with appropriate lot sizing to protect the right to apply for a dwelling.

5.9.6 Amendment to the Eurobodalla Contribution Plan

The Roads and Maritime Services has made submission to Council suggesting Council consider introducing contributions on new rural dwellings and lots where there is impact on intersections with State highways. This request has been reviewed and it is noted the increased yields likely under the current provisions in the general rural area and under the changes recommended in this strategy are too modest to warrant such a plan amendment.

Council may create new rural residential areas with more significant traffic generation as part of the proposed 5 year review and as such a specific area contribution for highway intersection improvements may be warranted at that time.

It is recommended that Council inform the RMS of the above information.

6 SUMMARY OF RECOMMENDED COUNCIL ACTIONS

6.1 THE 20 YEAR VISION AND OBJECTIVES

6.1.1 Suggested 20 Year Vision for the Rural Lands of Eurobodalla

Council's vision for the coming 20 years is that the rural area be prosperous with a viable commercial agricultural sector, value adding to its production and keeping up with technology and market trends. Small scale farming will expand and increase in its importance regarding production of local produce.

Tourism assets in the rural areas will be expanded and the contribution of tourism increased with respect to the support it provides to rural land owners and the wider tourist industry.

People will find a wide diversity of satisfying opportunities for living and working in the rural areas.

The rural community will continue to support the retention of adequate biodiversity and natural tourism assets on private rural land but Council will strive to ensure this work is recognised in the wider community and as far as possible that any real economic constraints on landowners are balanced with some type of offset.

6.1.2 Objectives for Commercial Agriculture

- **Foster part-time commercial agriculture.** Eurobodalla is already more of a part-time agricultural area than a full-time one. There are hundreds of small non-agricultural businesses in the rural areas supplementing part-time farm incomes and there are many farming families with off-farm employment. There are increasing numbers of early retirees with a part-time business and these trends seems set to continue and grow.
- **Retain the agricultural land resource.** Fragmentation of properties – especially below 100 ha can lessen the overall commercial scale productivity of agriculture in Eurobodalla. Lot size controls on subdivision and dwellings are still warranted to achieve this objective.

6.1.3 Objective for Small Lot Farming

- **Ensure adequate supply of small lot farming opportunities.** There is demand for small lot farms to cater for hobby and small commercial scale agriculture. There is an extensive area of smaller ownerships across the rural lands of the Shire and additional small lot farming should be confined to such areas and not cause the break up larger holdings.

6.1.4 Objective for Rural Tourism

- **Improve opportunities for rural land owners to develop rural scale tourism accommodation and attractions.** There is some demand for farm stay and rural cabin experiences and such accommodation can provide supplementary farm income.

- **Continue to work with State land management agencies to best promote the diversity of tourism attractions across the rural areas and in public lands.**

There is opportunity for more shared tourism use of the private/public land interfaces. For example some private lands have potential for cabins or primitive camp grounds in proximity to access points to public attractions in parks and forests.

Further pooling of brochures and signage planning can have mutual benefits.

6.1.5 Objective for Rural Living

- **Continue to supply a diversity of rural living opportunities in Eurobodalla.**

There is capacity to supply rural living opportunities without fragmenting commercial agricultural properties and there appears to be ongoing interest in rural living ranging from pure rural residing to serious part-time agriculture.

6.2 RECOMMENDED AMENDMENTS TO THE EUROBODALLA LEP TO IMPROVE THE FUNCTION OF THE RURAL LANDS

Subject to the outcomes of the public consultation process, the following amendments to the Eurobodalla LEP 2012 are recommended:

6.2.1 Zoning Actions

6.2.1.1 Use of Zone E3 and E2 Zones

Action:

1. **That Council not utilise the E3 Environmental Management Zone in the general rural areas of Eurobodalla.**

Rationale:

Council has previously resolved not to use the E3 zone. This position is supportable but strengthens the argument for retention of an overlay of native vegetation in the LEP as a transparent and readily accessible way of defining the lands where native vegetation poses some constraint when development consent is required from Council.

The combination of RU1 zoning and the Native Vegetation Overlay is seen to have the following benefits over E3 in broader rural areas with extensive native forest:

- It saves the employment of extensive resources in determining the limits of E3 zones across the broad rural landscape, particularly as the role and use of the zoning and data ultimately is mostly for the processing of scattered small rural DAs.
- It allows the landowner to retain the more flexible permissible uses and development objectives of the RU1 zone and the ability to demonstrate in a DA that a particular proposal has merit.
- It fosters a more cooperative and flexible approach to biodiversity.
- The Native Vegetation Act applies and requires State approval for large scale clearing regardless of whether land is zoned RU1 or E3.

Action:

2. **That Council continue to use the E2 zone as presented in the 2012 LEP.**

Rationale:

The current use of E2 covers only important wetland and coastal protection areas and is justified.

6.2.1.2 General Rural Areas

Action:

3. **That Council retain the RU1 Primary Production Zone as the zone to cover the bulk of the general rural area outside of the rural residential zones. That the current deferred areas not proposed for rural residential zoning, be zoned RU1.**

Rationale:

Given the recommendation concerning the E3 zone, the recommendations below relating to lot sizing and to the retention of an overlay in the LEP to depict native vegetation, it is reasonable that the bulk of the general rural areas be zoned RU1 Primary Production. The detailed lot sizing and zoning maps in Volume Three also define some minor areas of existing RU1 or deferred land to be rezoned for rural residential development. With the exception of these minor rezonings for rural residential use all current areas zoned as RU1 are recommended to remain as RU1 and all deferred areas be zoned RU1.

Action:

- 4. That, as part of the development of the Planning Proposal to implement this strategy, Council effect further consultations with Office of Environment and Heritage to review in detail their concerns expressed for the specific parcels in their submission where OEH are concerned about the exhibited proposal to zone these lands RU1 Primary Production. That the results of that consultation be the subject of a subsequent report to Council with recommendations for the specific areas.**

Rationale:

The Office of Environment and Heritage has made detailed submission raising concerns as to the proposal to zone specific lands RU1- particularly in the eastern section of the Shire.

Further consultation will be required as part of the development of a Planning Proposal to implement the actions in this Strategy and that is seen as the appropriate time to discuss these specific parcels further with OEH.

6.2.1.3 Use of Rural Residential Zones

Action:

- 5. That Council continue to use the following zones for rural residential development:**
 - *Zone R5 Large Lot Residential:* as a zone to define small lot areas for predominantly rural living with very small if any agricultural use.**
 - *Zone E4 Environmental Living:* as a zone to distinguish environmental living in bushland areas with low emphasis on agricultural use.**
 - *Zone RU4 Primary Production Small Lots:* as a zone to depict small lot rural residential scale farming, usually comprising lands of reasonable agricultural quality.**

Rationale:

There may be action by the State government to introduce a true generalised rural residential zone, similar to the Rural 1(c) zone that existed before the Standard Instrument was introduced. However, at this point in time (September 2015) there is no definite proposal. Council's current use of the above zones to define rural residential categories of use is supported.

6.2.1.4 Further Supply of Land for Rural Residential Development

Mid Term Action:

- 6. That over the coming 5 years, Council effect a review to identify further rural residential estate options and possible further reduction of lot sizing in some of the identified areas in Section Two of Volume Three of this Strategy.**

Rationale:

The findings of independent research as part of this Strategy into supply and demand for rural small holdings estimate there is up to 10 years supply of most types of rural living and small scale farming opportunity in the Shire. This confirms the prior opinion that Council established from its land monitor work.

The minor rezonings and lot size variations recommended in Section 2 of Volume Three will add to supply and provide a small number of fresh development opportunities.

6.2.2 Use of Native Vegetation Overlay in the LEP

Action:

- 7. That Council retain a Native Vegetation overlay in the LEP but limit it to definition of extant native vegetation.** (A map of the proposed overlay forms Map 6 in Volume Three.)

Rationale:

Retention of an overlay that depicts native vegetation of some significance is considered important for the following reasons:

- If Council is not to have an E3 zone over more sensitive rural lands, then some definition of lands with possible environmental constraint in terms of development assessment requirements, is warranted.
- The overlay is a more flexible approach allowing merit assessment of development proposal in areas of native vegetation.
- The overlay is only triggered in circumstances where development consent of Council is required. It does not constrain normal agricultural practices carried out under the exempt development provisions for agriculture.
- The presentation of an overlay in the LEP is transparent and discoverable by most prudent land owners.
- Most Coastal and Tableland Councils have some form of native vegetation overlay and there is little evidence of any significant negative impact on landowners in these council areas to date.

6.2.3 Lot Sizing for Dwellings and Dwelling Entitlements in the General Rural Area

Action:

- 8. That a Planning Proposal be prepared to set the revised lot sizes and zones as presented in Section Two of Volume Three of this Strategy.**

Midterm Action:

- 9. That the land areas recommended for further review as defined in the mapping and notes presented in Section Two of Volume Three of this Strategy be effected over the coming 5 years.**

Rationale:

As detailed in Section 5.9.4.2, a landscape approach to lot sizing is recommended where most properties above 100 ha in area are conserved for primary production. Furthermore, selected areas of smaller ownerships be lot sized down to 40 or 20 ha to reflect the current use and in suitable cases allow modest further subdivision or dwellings.

Detailed mapping of proposed lot sizes across the general rural areas of the Shire is presented in Section Two of Volume Three of this Draft Strategy.

6.2.4 Existing Entitlements to Apply for a Dwelling

Action relating to dwelling entitlements:

- 10. That the sunset clause 4.2A (3) be removed from the Eurobodalla LEP 2012.**

Medium term Action on dwelling entitlements:

- 11. That mapping be prepared as resources allow to lot size existing holdings utilising the streamlined methodology suggested in Section 5.9.5 and such mapping then replace the existing holding and 1987 holding provisions in the LEP.**

Rationale:

Currently, some landowners face the prospect of their existing rights to apply for a dwelling being extinguished due to the 5 year sunset clause applying to specified holdings in Clause 4.2A (3) of the Eurobodalla LEP 2012. While action to simplify and clarify dwelling entitlements has merit, it is reasonable for existing provisions to be retained until a satisfactory alternative approach can be resourced and developed.

6.2.5 Allow minimum averaging in the RU4 zone

Action:

- 12. That Clause 4.1E of the Eurobodalla LEP 2012 be amended to add the RU4 zone as a zone where minimum averaging provisions apply. Further that the new clause be subject to a requirement that no lot be created below 2 ha in area**

Rationale:

The current 2012 LEP only allows minimum averaging in the E4 and R5 zones. While the broader objective of RU4 is recommended to move more towards being a zone for small lot agriculture, the advantage that minimum averaging brings of permitting a wider range of lot sizes, while still containing density to the average of the mapped lot size is worth supporting. Each DA would be assessed on its merits. However to make sure the small lot farming objectives are met, it is proposed no lot be able to be created under minimum averaging in RU4 below 2 ha as this is seen as a desirable minimum for the zone objectives of being small lot farms.

6.2.6 Additional Permissible Uses

Action:

13. That Council add the following permissible uses (with consent) to the LEP 2012:

Table 6-1: RU 1 zone

Suggested Additional Uses	Comment
Education facilities/ establishments	Public schools would be permissible under SEPP Infrastructure but possibly suitable to have consideration of private education options.
Function centres	Reception centres and similar seem supportable in low impact locations subject to assessment.
Information and education facilities	This category includes many rural tourist related activities such as galleries.
Places of public worship	Not unreasonable to site some religious centres in the rural area.

Table 6-2: RU 4 zone

Suggested Additional Uses	Comment
Detached dual occupancies	Attached dual occupancy is permissible and lots are large enough in this zone to allow the flexibility of detached dual occupancy.
Function centres	Allowing consideration of tourist related function centres seems justified subject to DA assessment of merit.
Community facilities	The RU4 zone covers a range of areas and the need for a community facility may arise
Jetties	Several sections of RU4 border waterways, subject to development assessment and any needed approvals to use public lands, a jetty may be warranted – eg for a private tourist facility.
Recreation areas	The RU4 zone covers a range of areas and the need to consider a recreation area may arise.
Rural industry (but prohibiting): <ul style="list-style-type: none"> - Livestock processing industries - Sawmill or log processing works - Stock and sale yards 	Council has found in the past it has been unable to approve some legitimate small scale rural industries in the RU4 zone such as compost farms and small agriculture produce businesses. It is recommended that rural industries be permitted but with the large intensive rural industries as listed in the column to the left, prohibited.
Secondary dwellings	Secondary dwellings are small ancillary dwellings that can be useful for family accommodation.

Table 6-3: R5 zone

Suggested Additional Uses	Comment
Aquaculture	A small aquaculture activity might be accommodated in R5, with consent.
Extensive agriculture	Very small scale extensive agriculture is common now in the R5. Grazing and bee keeping are already permissible without consent.

	It is recommended extensive agriculture be permissible without consent.
Farm buildings	Ancillary farm style buildings are justified in R5, with consent.
Plant nurseries	A reasonable activity in R5 subject to impact assessment re neighbour amenity protection.
Jetties	Not unreasonable given the interest in and importance of water based recreation and tourism in the Shire. A number of R5 zoned parcels adjoin waterways.
Detached dual occupancies	Attached dual occupancy is permissible and lots are large enough in this zone to allow the flexibility of detached dual occupancy.

Table 6-4: E4 zone

Suggested Additional Uses	Comment
Community facility	This use is considered reasonable with assessment of merit.
Environmental facility	This use meets zone objectives and is a low impact use.
Extensive agriculture	Very small scale extensive agriculture is common now in the E4. Grazing and bee keeping are already permissible without consent. It is recommended this use be permissible without consent.
Jetties	Not unreasonable given the interest in and importance of water based recreation and tourism in the Shire. A number of E4 zoned parcels adjoin waterways.
Detached dual occupancies	Attached dual occupancy is permissible and lots are large enough in this zone to allow the flexibility of detached dual occupancy.

Table 6-5: E2 zone

Suggested Additional Uses	Comment
Add the E2 zone to the list of zones where “grazing of livestock” is exempt development in Schedule 2 of the Eurobodalla LEP 2012	Extensive agriculture is currently prohibited as a new activity in the E2 zone. Small scale extensive agriculture is common now in parts of the E2 zone under existing use rights provisions. There are a range of habitat values in the current E2 zones and as such instances may arise where it would be reasonable for some extensive activities such as light grazing to be permissible provided the dominant objective of the betterment of the natural system could be achieved. It is recommended grazing be exempt development in the E2 zone.

6.2.7 Additional Boundary Adjustment Clause

Action:

- 14. That Council amend the Eurobodalla LEP 2012 to include the expanded boundary adjustment clause for rural land – an example of which is presented in the Wellington LEP 2012, Clause 4.2B.**

Rationale:

Occasionally, rural property owners seek to adjust common property boundaries to facilitate better land management for agriculture. For example one landowner may negotiate to buy a paddock from a neighbour.

The current provisions in the Eurobodalla LEP 2012 are those of the Standard Instrument and limit such subdivision if dwellings are involved on the subject land. The Department of Planning and Environment has now developed a model clause that allows such subdivision where dwellings are involved provided no additional dwelling opportunities or lots are created.

6.2.8 Deletion of the "sealed road" Clause in LEP 2012

Action:

- 15. That Council amend the Eurobodalla LEP 2012 to delete clause 4.2(2)(a). Further that the Planning Proposal to make that change give consideration to measures to ensure the reasonable expectations of owners of such vacant lots are conserved.**

Rationale:

This clause only permits consideration for a dwelling where the lot is 40 ha or greater and has direct access to a Council managed sealed road. There are relatively few lots that can take advantage of this clause and the alternative provisions recommended in this strategy have a planned basis for setting further dwellings in the general rural area. As such it is recommended the clause be deleted. But given a few people may have purchased such lots with the objective of applying for consent to develop a dwelling, the planning proposal should consider the impact of removing the clause on those lots.

6.2.9 Issues with the definition of intensive livestock agriculture

Action:

- 16. That Council make submission to the NSW Department of Planning and Environment to review the definition of "intensive livestock agriculture" in the Standard instrument so that minor supplementary feeding activity associated with extensive agriculture is made exempt development but subject to some specified performance criteria that might be developed in consultation with the Department of Primary Industries.**

Rationale:

From the strategy consultation with livestock producers, a need has been identified for revision of the definition of "intensive livestock agriculture" in the Standard Instrument as it is considered that some level of this activity should be exempt where simple deemed to comply criteria could apply. The practice of occasional supplementary feeding is common across many extensive agricultural grazing operations and the current potential for stringent interpretation of the definition of "intensive livestock agriculture" and the associated need for formal DA, warrants review.

6.3 RECOMMENDED OTHER LAND USE POLICIES AND GUIDELINES FOR RURAL EUROBODALLA

6.3.1 Recommended DCP Amendments

Medium term action (5 year horizon):

- 17. That Council effect masterplanning of proposed rural residential estates to ensure a structure is set to guide future subdivision and to strategically address constraints such as maintaining the quality of downstream (receiving) waters, bushfire, topography and biodiversity and to set structure for road and possible private services such as bore water schemes.**

Rationale:

Where additional DCP controls may be warranted is for more significant rural residential subdivisions. Given the fact much land in Eurobodalla has various development constraints relating to maintaining water quality, topography, bushfire, on site sewerage capacity and biodiversity, more detailed site master planning is recommended. This would give surety to developers and allow better approximation of the yield potential of existing and proposed rural residential areas. It may also allow planning of coordinated initiatives such as shared private bore water schemes.

The DCP should require master planning of new rural residential estates as part of Planning Proposals to rezone land or development applications. There is also the need for masterplanning of some existing zoned lands that are yet to be developed and where there are constraints and multiple small developers. Council might coordinate the masterplan with the various owners to contribute proportionately. Use of Planning Agreements under Section 93F of the EPA Act is also then an option to allow these small developers to make proportionate contributions to planning or works.

Once masterplanning is in place it will also be easier to improve accuracy with respect to the remaining subdivision capacity of undeveloped zoned lands.

**Insert: concept of “neutral impact” to be built into the model for such masterplanning.

6.3.2 Recommended codes

6.3.2.1 Landscape

Medium term action (5 year horizon):

- 18. That Council develop a Scenic and Cultural Landscape Code, in consultation with the Rural Lands Committee and the general community, to guide rural development with respect to protecting scenic quality and building community ownership of the landscape values. Suggestions for such a code/guideline are outlined in the appendix of Discussion Paper 5.**

Rationale:

Discussion Paper 5 details the argument for Council to develop a scenic and cultural landscape code/guideline to apply to development applications to help protect and foster awareness of the diverse high quality landscape values of Eurobodalla.

Action:

- 19. That the proposed code in Action 18 include a set of management guidelines for the Bodalla Cultural Landscape Area's historic values in a manner that does not impede or constrain current or future farming use.**

Rationale:

There are not many dairy farming areas in Eurobodalla with the depth of history and associations as the Bodalla Cultural Landscape Area that have not succumbed to urban or rural subdivision, or changed farming practice. To this extent Bodalla is rare, and a detailed study of its landscape in the context of the historic record and management guidelines is considered worthwhile.

Management guidelines are less formal than DCP controls.

6.3.2.2 Rural Tourism Development Guide

Medium term action:

- 20. That Council consider the preparation of a fact sheet to assist rural landowners contemplating a tourism development.**

Rationale:

From interviews with tourism operators it was identified it could be useful to have a fact sheet of matters to address when planning small rural tourism developments such as cabins, farm stays and short term letting of existing accommodation. It may assist to have more detail on what actions do not require consent from Council and develop an outline for a typical rural accommodation proposal.

Actions:

- 21. Consider development of a guideline for roadside stalls.**
- 22. Develop a self-help DA kit specifically aimed at the works most commonly sought by small agricultural producers.**

Rationale:

A guide may encourage proponents of projects to progress them to a DA stage or beyond at low cost and a degree of certainty/understanding. Such a guide could be supportive of rural tourism, local food production and agri-tourism.

6.4 SOCIAL AND ECONOMIC STRATEGIES AND ACTIONS FOR RURAL EUROBODALLA

6.4.1 What growth targets for the rural population?

Action:

- 23. That Council plan for an uptake of 50 new dwellings per year across the rural and rural residential areas while continuing to monitor trends.**

Rationale:

Data from Council's DA register indicates an uptake of about 50 new dwellings a year across the rural areas. While there have been significant peaks and troughs in new dwelling starts over the past 15 years it is not unreasonable Council plan for a continued uptake of around 50 per year.

6.4.2 Support for local food promotion

Actions for local food promotion:

- 24. Identify small scale food production as a business opportunity in Council's business development website.**
- 25. Promote Eurobodalla as a place where small scale agriculture is a viable lifestyle and business opportunity.**
- 26. Integrate local food and fibre production materials into Council community and tourist information websites. Promote more food related tours.**
- 27. Council Business Development Unit in association with SAGE and other producers to further develop programs to raise awareness and consumption of locally produced food. This could be extended to promote co-operatives or group marketing initiatives for small producers to achieve sufficient scale of production and critical mass to access new markets and investors.**

Rationale:

Emerging food producers warrant some support in their establishment phase.

6.4.3 Education

Actions for Local Food education and training:

- 28. Council could consider providing assistance to local food groups to assist with producer education and training. For example, an annual program could be developed in partnership between Council's Business Development Unit and local food groups such as SAGE.**
- 29. Support the SAGE Intern program through Council's Business Development and Environmental Health Units and NSW Health by providing guidance on business planning, marketing, regulations, occupational health and safety and food handling safety.**
- 30. Streamlined Food Act requirements and training for small producers.**

Rationale:

Education and training relating to local food production will expand profitability and scale and grow the industry.

Action regarding new rural settlers:

- 31. Council might consider preparing a welcome brochure for new rural settlers – including information on responsible land management and helpful data sources.**

Rationale:

A proportion of new settlers in the rural areas have limited rural knowledge and appreciation of bushfire, weed and pest control requirements and neighbour boundary issues

Actions on demystifying rural building requirements:

- 32. Develop a fact sheet/guide for farm buildings and structures and how they fit into exempt and complying development.**
- 33. Review the trigger points for exempt development for farm structures (e.g. shed size) as they apply to small scale local food and fibre production.**

Rationale:

A guide may encourage proponents of projects to progress them to a DA stage or beyond at low cost and with a degree of certainty/understanding. Such a guide could be supportive of rural tourism, local food production and agri-tourism.

6.4.4 Market focus for local food

Action:

- 34. That Council consider the development of a “Local Food Production Policy” with input from local food producers and other relevant stakeholders. That this policy also explore ways for local producers to expand production and sales into the Canberra market.**

Rationale:

Production of local food shows considerable potential. A formal Council policy with economic development emphasis might be a vehicle to assist this growing business activity.

An opportunity has been identified to expand access and product volumes to the Canberra market including possible improvements to shared transport and marketing opportunities.

6.4.5 Additional support for rural tourism

Action:

- 35. That Council consider the development of a “Local Rural Tourism Promotion Policy” with input from current rural tourism operators and other relevant stakeholders.**

Rationale:

Rural tourism expansion, shows considerable potential. A formal Council policy with economic development emphasis might be a vehicle to assist this growing business activity and help supplement rural incomes.

Action:

36. Council might identify the opportunities for private business growth relating to cultural and farm/produce style tours and scenic tours in the hinterland areas.

Rationale:

There are a number of aspects of rural tourism that might benefit from further Council support and promotion:

- Growth of specialised tours relating to farm activities and local produce. These have the capacity to provide off season tourism opportunities.
- Aboriginal cultural tourism.
- Support commercial off road tours.

Action:

37. Incorporate cultural landscapes into existing touring routes or develop new routes which emphasise and interpret the rich scenic and cultural landscapes, including of past dairy industry at Tilba and Bodalla.

Rationale:

Eurobodalla's rich landscapes are under-utilised in specific drive brochures and similar products.

Action:

38. Install signage infrastructure at key points along tourist routes.

Rationale:

There could be scope for more interpretation for self-drive tourists relating to the rich Eurobodalla Landscape. For example, an interpretation board could be located at Bodalla using information about the Bodalla Cultural Landscape Area.

Action:

39. Investigate developing a mobile application for new or revised scenic driving routes that incorporates interpretation and GPS technology.

Rationale:

A majority of tourists have mobile technology and online tours are a growing trend.

Actions for food tourism:

40. The Business Development Division and Tourism Division might further co-ordinate co-operative marketing with key food producers to develop a food and wine tourism drive.

41. Encourage activities such as road side stalls, farm gate sales, tasting rooms in appropriate locations.

42. Incorporate local food sampling and inspection of local food production/preparation into tour itineraries.

43. Establish a multi-agency task group to undertake a Tourist Signage Plan for the Shire.

Rationale:

These options fit in well with the increasing interest in local food provenance (Local Food DP7 p. 12). They are actions that can be achieved without a great cost.

6.4.6 Growing on-farm income options

Action:

44. Council might develop plain English fact sheets or brochures to identify the range of non-agricultural activities that are permissible and encouraged in rural areas, and to outline in simple language any relevant approvals required or controls that apply.

Rationale:

Discussion Papers 1 and 2 point to widespread reliance of farmers on off-farm income in Eurobodalla and already in the order of possibly 1000 non-farm related small businesses. Provided the scale and impacts on agriculture are regulated, non-farm business has a place and an important role in supporting the agricultural viability of the district.

6.4.7 "Right to Farm"

Action:

45. That Council develop a policy on suitable buffer distances to be required between commercial agricultural operations and new residential development. The policy is to have control elements for both DA planning and Planning Proposals to zone new rural residential or residential land. (Note The Greater Hume Shire policy is recommended by the NSW Government)

Further that Council monitor the implementation of the NSW Government's new policy on "Right to Farm" for a period of 12 months then consider if Council should support measures for actual legislative protection for established agricultural operations.

Rationale:

There are increasing examples where new residential and rural residential development encroaches close to established commercial agricultural operations and through a process of complaints and enforcement of the Protection of the Environment Operations Act, the agricultural operation is either reduced in scale or in some cases even forced to close.

The theory of some sort of legislative "buyer beware" where new residences close to established agriculture has to tolerate a higher level of odour and noise disturbance, is well identified but legislators have struggled to date to convert this to an enforceable requirement.

Victoria and Western Australia have both experimented with legislation with very limited success to date. Tasmania is the only State with current legislation and the effectiveness of it has yet to be proven.

The best solution is to have well planned buffers and other controls in the planning instrument so the conflict does not arise in the first instance. But perhaps Council may make submission to support the concept of “right to farm” being further developed in NSW. The NSW Government has just released a policy on the topic:

<http://www.dpi.nsw.gov.au/agriculture/resources/lup/legislation/right-to-farm-policy>

However this policy relies on the existing legislation and while a good guide to a farmer’s rights when facing complaints, the pollution legislation still stands and if Councils (through poor planning) allow residential development too close to dairies, stock feeding areas, intensive agricultural operations, etc, then the farmer is still required not to exceed the specified noise and odour levels, which may become impossible to comply with given the proximity of the new residences.

One of the key foundations of the new policy is the suggestion for local councils to have adequate buffers in their DA and strategic planning.

The NSW Government is monitoring the situation and may move to introduce actual legislation to limit constraints. Given the new policy, Council might wait 12 months to see what effect it has before reviewing if representations are needed for actual legislation.

But adequate buffers of several hundred metres between established commercial agriculture and proposed new rural residential and residential zones are the only sure measure and this is a policy area where Council has power to act now.

6.5 ENVIRONMENTAL STRATEGIES FOR RURAL EUROBODALLA

6.5.1 Protection of landscape and biodiversity values

Action:

- 46. Possible measures might be expanded to encourage land owners to maintain or enhance landscape qualities and biodiversity as part of development offsets.**

Rationale:

For example, land owners may wish to voluntarily offer some vegetated areas of their land as biodiversity offsets and sell the credits for the offset area to developers. Under the NSW bio-banking scheme, ongoing funds can be made available to the land owner to manage the offset area.

The rural landowner would receive benefits and landscape protection can flow from such initiatives. A positive outcome at relatively low or no cost.

Action:

- 47. That Council retain a Native Vegetation overlay in the LEP but limit it to definition of extant native vegetation.** (A map of the proposed overlay forms Map 6 in Volume Three.)

Rationale:

Retention of an overlay that depicts native vegetation of some significance is considered important for the following reasons:

- If Council is not to have an E3 zone over more sensitive rural lands, then some definition of lands with possible environmental constraint in terms of development assessment requirements, is warranted.
- The overlay is a more flexible approach allowing merit assessment of development proposal in areas of native vegetation.
- The overlay is only triggered in circumstances where development consent of Council is required. It does not constrain normal agricultural practices carried out under the exempt development provisions for agriculture.
- The presentation of an overlay in the LEP is transparent and discoverable by most prudent land owners.
- Most Coastal and Tableland Councils have some form of native vegetation overlay and there is little evidence of any significant negative impact on landowners in these council areas to date.

Action:

48. Council should advocate for the following requirements once a discussion paper is released by the government.

- Reasonable exemptions and self-management. Smaller scale clearing and associated works should have reasonable exemptions from the need to obtain consent and some self-assessment processes be possible.
- Resourcing clearing powers if returned to councils. If, as suggested in the draft work to date, control of clearing on rural lands is to return to council's this needs to be resourced in terms of skill development for Council assessment staff.
- Support an expanded Biodiversity Fund from the State Government to assist landowners conserve local biodiversity.
- Advocate for Federal tax concessions and/ or funding bases.
- Carbon banking. There are programs of carbon banking developing around the world and if applied at sufficient level this could be a significant support income source for rural landowners.
- Philanthropy made easier. There are mechanisms such as Voluntary Conservation Agreements where landowners volunteer to provide long term protection for important vegetation, but they could be better promoted.
- Expanded programs and funding for landholder education on the values of biodiversity and practical measures landholders may take to conserve important features such as wetlands.

6.5.2 Possible review of water policy applicable to coastal catchments.

Action:

49. That Council hold discussions with Department of Primary Industries (Water) to test the potential for a variation in policy approach to water resources in coastal catchments.

Council might question:

- **Whether the limitation of 10% of catchment area for rural property dams is reasonable in coastal catchments where environmental flows may be higher than inland catchments?**
- **Similarly, if there may be capacity for granting of additional small water extraction licences for horticultural developing producers and related to that issue, whether all current water allocations are being efficiently used?**

Rationale:

A need was identified through the strategy consultation with small producers to further explore with Department of Primary Industries (Water) the possible potential for a different approach to water policy in the coastal catchments to that of inland.

6.6 ADVOCACY ISSUES

6.6.1 The direction in the legislation reviews:

6.6.1.1 Planning legislation reviews

Actions:

50. **Need for a rural residential zone.** It has been flagged that the Minister for Planning may be considering adding a specific rural residential zone to the Standard instrument. Council may wish to encourage this additional option although the current 3 zones employed in Eurobodalla seem to service community needs.
51. **Need for a fragmented areas zone.** There may be benefit in a further zone being identified in the Standard Instrument for the smaller lot farming areas where holdings are less than commercial scale. If a specific rural residential zone is created, then the RU4 zone may be retargeted to provide this distinction in land use.
52. **Two levels of LEP amendment.** Progress has been made at State level in speeding up the processing time for minor LEP amendments but there still seems scope for a clear 2 level approach where very minor amendments can be processed by mere addition to a schedule or similar and avoid having to progress through all the steps of more complex amendments.

6.6.1.2 Biodiversity review

The State Government's review of the biodiversity legislation is likely in 2016.

Action:

53. **Council could press for the following requirements once a discussion paper is released by the government.**
 - Reasonable exemptions and self-management. Smaller scale clearing and associated works should have reasonable exemptions from the need to obtain consent and some self-assessment processes be possible.
 - Resourcing clearing powers if returned to councils. If, as suggested in the draft work to date, control of clearing on rural lands is to return to council's this needs to be resourced in terms of skill development for Council assessment staff.
 - Support an expanded Biodiversity Fund from the State Government to assist landowners conserve local biodiversity.
 - Seek Federal tax concessions and/ or funding bases.
 - Carbon banking. There are programs of carbon banking developing around the world and if applied at sufficient level this could be a significant support income source for rural landowners.

- Philanthropy made easier. There are mechanisms such as Voluntary Conservation Agreements where landowners volunteer to provide long term protection for important vegetation, but they could be better promoted.

6.6.1.3 Leasing legislation

Action:

54. Approach the State Government to review its conveyancing legislation to make it simpler to lease private land for longer periods of time, providing more certainty for small producers to operate on land they do not own, and for those land owners interested in leasing their land to others for primary production.

Rationale:

A simple leasing process could increase access to small parcels of fertile land for food production, particularly on the Moruya River flats. SAGE market management has identified the inability of growers to supply adequate quantity to meet demand as a major issue.

6.6.2 Food and value adding

Action:

55. Council might ask the State Government to see if a review is possible to focus on provisions for safe food preparation at small scale.

Rationale:

Small food producers have indicated the requirements of legislation such as the Food Act are not user friendly to small scale local food production. While public health has to be paramount, there may be potential for simpler procedures for local processing such as mini abattoirs and food packaging.

6.6.3 Weed and pest funding

Action:

56. Council might press for more regional funding for weed and pest control on public lands.

Rationale:

Management of weeds and pests on public lands is a perennial problem and funding is never sufficient for the desired level of control. Council can probably only continue to press State Government for additional funding.

6.6.4 Technology

Action:

57. Continue to apply pressure to the Federal Government for mobile and broadband improvement.

Rationale:

The National Broadband Network will increase potential for home based business, education and marketing.

6.6.5 Transport

Action:

58. That Council continue to advocate for B-Double capacity to be provided for the Princes Highway.

Rationale:

B-Double capacity for all of the Princes Highway would improve competitiveness for Eurobodalla producers – both in terms of haulage of feed products in and products such as milk and beef out.

6.6.6 Aged services

Action:

59. Council to continue to advocate for adequate services for rural aged, including ambulance access, community transport and programs to foster the retention of the aged in their own homes.

Rationale:

While the general population is ageing, the challenges for elderly rural people to stay longer on their properties are often greater.

6.7 MONITORING ACTIONS

Council already effects a wide range of monitoring actions to collect data to assist it in making appropriate decisions about future direction. The following suggestions relate to possible variations or additions to Council's monitoring programs.

6.7.1 Monitoring Implementation of this Strategy

Section 6 of this Strategy divides actions into short and longer term tasks. Once Council has considered public comment on this draft and resolved final actions, it is important that reviews be effected, perhaps at 5 yearly intervals, to test the progress on recommendations but just as importantly to test the success or otherwise of a particular strategic action.

6.7.2 Land and Building monitors

60. Expanded monitoring actions for Council to consider:

Council currently effects monitoring of subdivision and housing activity and reports annually on statistics such as number of dwelling applications and number of lots subdivided.

There may be opportunity to better integrate Council's DA and subdivision certificate registers with GIS data so that spatial monitoring of where houses and lots are being created can be easier to effect. As occupation certificates or subdivision certificates are released, the lot affected could be mapped and browser data entered to enable automatic report generation. A percentage of DAs and approved subdivisions never proceed so monitoring of occupation certificates and subdivision certificates provides data on actual creation.

There is a reservoir of un-subdivided land, especially in the E4 zones and to date only approximations have been possible of the potential lot yield. It would be desirable to improve accuracy of this potential lot yield but the complex factors of assessment of bushfire, access and environmental constraints make this challenging. The issue is now becoming a higher priority as current land stocks are reducing and hence it is becoming more important to more accurately understand the remaining yield. A targeted consultancy to constraint map the undeveloped rural residential lands would yield benefits, both by improving the strategic layout of the coming development and by improving Council's estimate of remaining yield of lots.

6.7.3 Business Monitor

61. Expanded monitoring actions for Council to consider:

Discussion Paper 1 developed mapping of the statistics on business types and locations in the rural areas. This is important for Council to gain an appreciation of the scale and types of economic activity in the rural areas (which was identified to be significant).

Council currently subscribes to the Australian Business Register but could possibly take this subscription to the next stage by establishing and maintaining a model, so updates of the types of businesses (with an ABN) and their location in the Shire occur automatically and reports can be easier to generate.

There are also services such as Yellow Pages that map business and that will sell data to allow wider modelling to include some businesses that do not have an ABN.

6.7.4 Monitoring Agricultural Data

62. Expanded monitoring actions for Council to consider:

In addition to review of the Census and Agricultural Census data as it is released by ABS from time to time, Council might monitor the Annual Stock Return data of the Local Lands Service so that the historic pattern of agricultural production in the Shire developed in Discussion Papers 1 and 2 is carried forward to monitor trends in the local agricultural economy.

6.7.5 Legislation and State Guidelines

As detailed in the Discussion Paper 4, the State Government has both the planning and biodiversity legislation under various reviews. All local councils are monitoring these reviews as the implications for future Council responsibilities could be significant. For example, if the State Government is to return land clearing controls to Councils this can have resource implications.

6.7.6 State and Federal Government Rural Service Delivery

As part of its normal management planning, Council monitors the service delivery in Eurobodalla of the State and Federal Agencies. The following areas are of particular interest for rural people:

- Aged services-with an aging rural population, programs to support seniors to stay on their properties longer need expanding but the challenge is often the cost to provide support services to rural locations is more expensive.
- NBN – the roll out of the NBN continues and high speed broadband will have some significant benefits and expand the range of business possible from “home” in rural areas. Council is monitoring the pace of provision in the Shire and should continue to ensure all areas are being serviced within timelines comparable to other growing coastal areas.
- Biodiversity funding – the State government has indicated the biodiversity fund to stimulate conservation of native vegetation on private rural lands may be expanded. This fund will always be insufficient to reimburse all desired conservations works on private lands so Council should endeavour to assess its use to ensure funds are targeted to landowners where the land protected had some real potential to be economic farm land if cleared. Many areas of native vegetation on private lands have no prospects of being developed by a prudent farmer and as such the “burden” of conserving such land is less.
- Implementation of the White Paper on Agriculture and tapping into overseas markets – several programs seem likely to flow from the Federal Government’s White Paper on Agriculture and of particular interest for Eurobodalla will be to monitor efforts to better access overseas and national markets for the types of special, value added agricultural produce Eurobodalla may produce (see Discussion Paper 2 for examples).

7 APPENDICES

7.1 MEANING OF TERMS AND DEFINITIONS

Types of living in rural residential zones:

1. Purely **rural residential living** with practically no agricultural use. This in turn has two components:
 - a. rural residential living on small lots in estate type development with some urban style services but often not reticulated sewer or water; and
 - b. rural retreats on often larger “bush blocks” and sometimes more remote locations. (These are addressed in Discussion Paper 9).
2. **Rural living** but with very small scale hobby interests of an agricultural nature e.g. keeping horses for private recreation. Often in estate style developments but with larger lot sizes and some agricultural land.
3. **Hobby farms/small “part-time” farms**. Small farms running hobby scale agricultural operations in the main although some may have small-scale income generating activities feeding into the Shire’s growing demand for value added local food and fibre products as detailed in Discussion Papers 2 and 7.

Use of the term “hobby farm”

Throughout this Strategy, the term “hobby farm” or “hobby scale agriculture” is used. To the extent this hobby scale use encroaches on commercial agricultural activity, the Strategy concludes it should be controlled.

It is appreciated this is a term, often the subject of debate, as to when a landowner is using agricultural land for a private hobby and when there is commercial agriculture occurring. The answer is not straight forward, especially in a Shire with the diversity of land quality of Eurobodalla.

Discussion Paper 2 presents data that shows even larger holdings might be struggling to produce a net return able to support a family or where the net return from agriculture has some prospects of being better than bank interest on the capital value of the land.

But we argue a point is reached, probably around 50 hectares or less of “average” Eurobodalla farm land, where the activity starts to slip into being such a small part-time income generator, that the landowner is “farming” for reasons other than the net income he/she seeks to make from the property. The **net income** is stressed. For example, there might be people with substantial off land income adding inputs of fertiliser and technology into a little 20 hectare beef operation that make that small holding produce 4 or 5 times the Shire average production per hectare. But when you deduct the input costs from the gross return from cattle sales the return is very much negative.

Hobby farming has an important place in the Eurobodalla lifestyle and economy. Many hobby farmers invest in machinery, farming materials and produce and are a cornerstone of the rural supply sector of the rural economy. But there are ample opportunities for supply of

hobby scale farms throughout Eurobodalla without fragmenting those remaining larger holdings in the Shire that have potential to at least produce a part-time income.

Eurobodalla is already more of a part-time agriculture area than a full-time one. There are hundreds of small non-agricultural businesses in the rural areas supplementing part-time farm incomes, and there are increasing numbers of early retirees with a part-time operation and this trend seems set to continue and grow.