



# NATIONAL *Tourism Planning Code* KEY ISSUES + FUTURE DIRECTIONS





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NATIONAL

# *Tourism Planning Code*

KEY ISSUES + FUTURE DIRECTIONS

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# *Tourism Planning Code*

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# 1.0 Introduction

## 1.1 National Significance

Tourism plays a vital role in the strength, diversity and resilience of the Australian economy. It is a \$40 billion industry in Australia. As an activity, tourism is a significant driver of the economy, generating 3.7% of direct Gross Domestic Product, 4.7% of total employment and around 10.4% of export earnings. Despite the effects of the global financial crisis, tourism is forecast to grow by an average of 4.4% per annum by 2017.

The national significance of tourism and its infrastructure goes beyond the direct economic spending has a "multiplier effect" in the local community as it's spend is re-spent. It supplies other sectors and drives demand and return for other industries. Tourism provides opportunities for communities to grow jobs, diversify their economic base and generate higher standards of living.

## 1.2 Policy Engagement

Traditionally, much of the policy engagement in tourism from both industry and government has focused on building the demand side of the industry and, in particular, on attracting international leisure visitors through advertising and marketing campaigns.

This is not to say that demand-side issues are not important and should not be considered, however, the conceptualisation of tourism as a demand-side industry has meant that government policy and industry participation have focused primarily on demand-side considerations.

It is the supply-side of tourism that will require substantial attention to ensure that the industry remains competitive, both within the context of international and domestic tourism and against other competitors for consumer's discretionary expenditure.

Put simply, it is critical that the industry delivers the productive capacity that is necessary to meet future demand. Investment in tourism development and infrastructure –the 'supply-side' of the tourism equation- is therefore pivotal to the task of developing destinations that are attractive, intelligently priced, welcoming, easily accessible and well supported.

In May 2008 the Australian government announced the development of the National Long-Term Tourism Strategy. This strategy recognises the importance of the supply-side of the industry and is directed at maximising the benefits of tourism to the Australian economy.

The strategy aims to ensure that the tourism industry can deliver an attractive and competitive tourism product, consistent with Australia's comparative advantages and the identified long-term trends in demand, in order to secure the nation's position as a premium tourist destination.

Since investors in the tourism product -the essential infrastructure upon which the industry relies- face a range of challenges, the *National Long-term Tourism Strategy* has identified both planning and approval for tourism development as a key regulatory challenge.



## 1.3 The National Tourism Planning Code

Navigating the disconnect between Australia's different town planning systems is emerging as a key concern, as is the means by which the planning process across all levels of government currently recognises and incorporates the needs of the tourism industry. This situation represents an intrinsic impediment to the supply of the tourism product which might stifle the industry's potential if not effectively addressed.

In response to this challenge, the Tourism & Transport Forum (under the auspice of the Federal Government's TQUAL Grants scheme) has commenced the process of formulating a national "Tourism Planning Code".

The National Tourism Planning Code is essentially a policy-based document geared towards the universal identification and delivery of a best-practice approach for the planning, assessment and subsequent development of tourism specific activities.

The Code is proposed to assist in the delivery of a long-term and consistent platform that will foster the strategic alignment of planning policy, as it relates to tourism, across the nation. It aims to assist in achieving the goal of maximising the net economic benefits of tourism activity via an improved planning process and focuses primarily on the supply-side of the industry.

The aim is to provide an approach which improves tourism quality, capacity and sustainability while realising local environmental, social and economic needs. The National Tourism Planning Code will endeavour to:

- Provide policy-makers and decision makers with the tools to plan, assess and approve appropriate tourism product without undue regulation hampering innovation;
- Identify means by which to harmonise and streamline tourism planning across various jurisdictions (to reduce costs and attract investment funds); and
- Provide certainty on planned tourism supply, reduce illegitimate tourism operations and establish standards for private development of quality product.

The National Tourism Planning Code represents an opportunity to cultivate a paradigm shift in how industry and all levels of government engage on tourism and, upon completion, it is envisaged that the Code will be utilised by a range of proponents including policy-makers, approval authorities and the advocates of tourism developments themselves.







## 1.4 The Project

Urbis has been engaged by the Tourism and Transport Forum to aid in the preparation of the National Tourism Planning Code.

In view of the complexities of the undertaking, the study is to be carried out in two distinct stages. The broad intent of each stage is as follows:

**Stage 1** - This initial body of work is aimed at drawing together the key challenges and issues as they relate to the delivery of the tourism product. It involves the review of a range of data, information and various studies made available by the Tourism and Transport Forum, the examination of existing planning frameworks across each state and targeted consultation exercises with key stakeholders. Options and responses to the key challenges and issues will also be explored as part of this stage in order to set the future directions for the development of the Code itself.

**Stage 2** - The subsequent phase of work builds upon the key findings and consultation outcomes of the initial scoping exercise. The future directions will be crystallised into a series of best practice approaches for the planning, assessment and subsequent development of tourism specific activities that not only expertly responds to the challenges and issues that have been identified, but further fulfils the aspirations of key stakeholders.

A key objective of the project is to deliver a Code that is concise yet sufficiently detailed and sophisticated enough to manage the complex demands associated with the supply-side of tourism and in particular the effective delivery of essential tourism infrastructure.

It is intended that upon completion, the National Tourism Planning Code will provide the Tourism and Transport Forum (with the support of the Tourism Ministers' Council) with an advocacy document that is sufficiently robust to set the agenda for national reform under the auspices of the National Long-Term Tourism Strategy.

## 1.5 This Report

This report (Key Issues and Future Directions Report) identifies and addresses the fundamental issues that the project team for the study believes are significant matters needing consideration, discussion and debate in formulating the National Tourism Planning Code.

They have been developed in a brief analysis phase following the commencing of the project and have been derived from an analysis of available data, liaisons with the Tourism and Transport Forum, in-depth consultation with various stakeholder groups, workshops within the team and a brief examination of international experiences.

When dealing with a proposition as complex as tourism, no list of issues is ever complete or resolved and it is not the intention that this report lists every possible matter of interest. Rather, it is directed at raising strategic matters across a range of aspects relevant to navigating the complexities and inconsistencies regarding the planning and regulation processes and the barriers they create to delivering the tourism product.

Given there exists a wealth of guidance geared towards the issue, it is not the intent of the study to generate new materials. Rather, the primary objective of the study is to draw together key insights via an integrated review process which includes:

- A detailed review of state, regional and local government planning frameworks (both existing and proposed) with regard to their effects on the delivery of tourism development across locations that are identified as supporting key tourism activities.
- Targeted consultation with key planning, policy and decision-makers in locations that are identified as supporting key tourism activities and having regard to those challenges faced by the public sector in planning for tourism development.
- Engagement with State Tourism Organisation and other peak industry bodies across the nation having regard to those issues faced by the industry in planning for the supply-side of tourism.
- Consultation with a developer-based working group (identified by the Tourism Transport) with strong ties to the tourism industry having regard to those barriers faced by the industry in delivering the tourism product.

An interrogation of background materials and studies that have been prepared in response to various issues primarily relating to the supply-side of tourism has also been undertaken to inform the exercise. These source documents have been developed by a range of public sector and consultancy-based entities and vary considerably in terms of geographic coverage.

As part of the approach, the undertaking explores the wider economic benefits generated by the tourism industry nationally in addition to examining the supposed externalities that lead to market failure in order to further justify any reforms to the urban planning policy framework. From this point, the report establishes a set of high-order integrated conclusions and presents a 'road map' for the preparation of the National Tourism Planning Code itself.



## 1.6 Limitations

The scope in developing the National Tourism Planning Code considers a broad range of issues and will ultimately make a number of recommendations with regard to creating a more effective planning regime that is truly cognisant of the supply-side infrastructure and services that are required to match current and future tourism demand.

Although it is recognised that several major reforms are needed to reshape the tourism policy landscape and the broader tourism investment environment (including the restructuring of the existing tax regime, methods of asset valuation and depreciation, labour resourcing and reforms to the Building Code of Australia) the issues identified and recommendations made by this report and as part of the overall development of the National Tourism Planning Code are limited to those that can be resolved through the application of effective planning policy.

## 2.0 Defining the Tourism Product

By definition, 'tourism', as an activity, stretches across multiple industries and ancillary services and further encompasses the visitor journey both to and within a destination. While tourism products such as events, exhibitions, guest services and attractions drive tourism demand and consumption, tourist accommodation (and ancillary facilities and transport operations) supplies the essential services for tourism.

From a land use perspective, and in order to provide focus for the identification of issues and subsequent development of the National Tourism Planning Code, it is necessary to identify those land use activities that are linked to the supply-side of tourism – namely the tourism product.

The concept of the tourism product with regard to land use can be grouped into three distinct categories, as follows:

- **Tourist and Visitor Accommodation** – broadly relating to a building or place that provides for the short term accommodation of tourists and visitors on a commercial basis.
- **Tourist Facilities** – meaning those buildings or places that accommodate (for example) entertainment, recreation, function, information and cultural activities recognising that these facilities may at times serve the broader community.
- **Other Ancillary Services** – typically involving food and beverage, retail, commercial and other integrated services that are generally used by visitors and residents alike.

These categories contain a range of widely accepted land use activities that further shape and define the tourism product.

The figure opposite illustrates the framework of land use activities that underpin the tourism product.

Although these land use activities are, for the most part, inextricably linked to the tourism product, many share a nexus with the wider community in which they are located and are often utilised for purposes that are not explicitly tourism-related.

Further, it is important to recognise that there is no universal definition for each of these land use activities across various state and local government planning systems (their meaning is likely to differ – however slightly) from one location to the next) and each is accepted as having varied potential with regards to the generation of social, economic and environmental impacts that must ultimately be managed.

## THE TOURISM PRODUCT

### Tourist and Visitor Accommodation

Backpacker hostel  
Bed and breakfast  
Caravan park  
Accommodation hotel  
Motel  
Resort complex  
Serviced apartment

Tourist and Visitor  
Accommodation  
(Non urban)

Backpacker hostel  
Bed and breakfast  
Cabins  
Caravan park  
Camping ground  
Ecotourism accommodation  
Farm stay  
Resort complex

### Leisure and Tourism Facilities

Entertainment  
facilities

Environmental  
Facilities

Recreation Facilities  
(indoor)

Recreation Facilities  
(outdoor)

Functional Facilities

Information and  
Cultural Facilities

Wineries

### Ancillary Services

Food and Beverage  
Retail Services  
Commercial Services

Nexus with, and propensity to be used by the local community



## 3.0 The Planning Framework

### 3.1 Priority Tourism Destinations

The planning framework review focuses on a number of key tourism destinations across Australia. These priority destinations have been identified by the Tourism and Transport Forum according to export earnings. The national significance of each is quantified by the destination's share of total Australian exports and share of national Gross Domestic Product.

Australian tourism is primarily measured using 'tourism regions' as determined by State Tourism Organisations for marketing purposes. Therefore, although the priority tourism destinations are each geographically consistent with a group of statistical local areas, they do not necessarily align with the boundaries of local government – the foundation upon which the planning system is built.

The opposite table identifies the priority tourism destinations that form the basis of the planning framework review and the local authority(s) that are primarily responsible for planning and development within the destination. The table further identifies the tourism export rank of the destination and the principal planning instrument that is administered by that local authority.



Priority Tourism Destinations (Local Authorities)

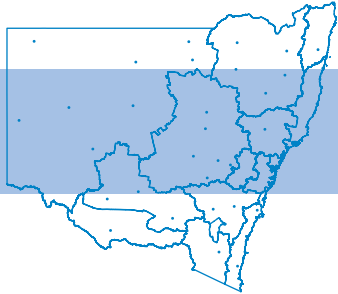
PRIORITY DESTINATION	RANK	LOCAL AUTHORITY	PRINCIPAL PLANNING INSTRUMENT
NEW SOUTH WALES			
Sydney & Surrounds	1	City of Sydney	Sydney Local Environmental Plan 2005
		Woollahra Municipal Council	Woollahra Local Environmental Plan 2005
		Waverley Council	Waverley Local Environmental Plan 2005
		Blue Mountains City Council	Blue Mountains Local Environmental Plan 2005
Northern Rivers	14	Tweed Shire Council	Draft Tweed City Local Environmental Plan 2009
Hunter & Coastal NSW	10	Cessnock City Council	Draft Cessnock Local Environmental Plan 2009
QUEENSLAND			
Brisbane & SEQ	4	Brisbane City Council	Brisbane City Plan 2000
Gold Coast	6	Gold Coast City Council	Gold Coast Planning Scheme 2003
Sunshine & Fraser Coasts	8	Sunshine Coast Regional Council	Maroochy Shire Plan 2000
The Tropics	5	Cairns Regional Council	Consolidated CairnsPlan 2009
Whitsundays & Reef Islands	13	Whitsundays Regional Council	Whitsundays Planning Scheme 2009
VICTORIA			
Melbourne & Surrounds	2	City of Melbourne	Melbourne Planning Scheme
Australian Alps	20	Alpine Shire Council	Alpine Planning Scheme
Western Victoria	19	Corangamite Shire Council	Corangamite Planning Scheme
		Colac-Otway Shire Council	Colac-Otway Planning Scheme
WESTERN AUSTRALIA			
Experience Perth	3	Perth City Council	City Planning Scheme 2004
Australia's South West	17	Shire of Busselton	Shire of Busselton District Town Planning Scheme No. 20
		Shire of Augusta Margaret River	Shire of Augusta-Margaret River Town Planning Scheme No. 11 District Zoning Scheme
Australia's Coral Coast	18	Shire of Broome	Shire of Broome Town Planning Scheme No. 4
SOUTH AUSTRALIA			
Adelaide & Surrounds	7	Kangaroo Island Council	Kangaroo Island Development Plan 1993
		The Barossa Council	Barossa Development Plan 2002
TASMANIA			
Tasmania	9	Sullivans Cove Waterfront Authority Tasman Council	Sullivans Cove Planning Scheme 1997 Tasman Planning Scheme 1979

## 3.2 Planning Framework Review

Planning frameworks across states and territories serve a much broader purpose than that which applies to planning for the delivery of the tourism product. State and territory planning frameworks are designed to consider a more complex scope of issues and whole-of-government interests.

A comprehensive assessment of the various state and territory planning frameworks and their key elements as relevant to planning for the tourism product has been carried out with the aim of identifying inconsistencies and issues in detail. An examination of select local government authority planning instruments in those priority tourism destinations has also been undertaken. The detailed outcomes of the assessment are attached as an appendix to this report.

It is the intent of this section to provide a summary of the evaluation, drawing key insights as they relate to the delivery of the tourism product and those issues posed by the planning framework.



# New South Wales

## State-Wide Planning

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
State-Wide Planning		
Environmental Planning & Assessment Act 1979	Land use planning in New South Wales is governed by the <i>Environmental Planning and Assessment Act 1979</i> (EP&A). The Department of Planning is responsible for administering the EP&A and coordinating land use planning within New South Wales.	<ul style="list-style-type: none"> <li>The EP&amp;A effectively establishes the legislative framework for managing the process by which development takes place. It is the primary tool used to ensure the continuing coordination and integration of planning at the local and state levels.</li> </ul>
Standard Instrument (Local Environmental Plans) Order 2006	On 31 <sup>st</sup> March 2006, the NSW Government gazetted a standard instrument for preparing new Local Environmental Plans (LEPs). The standard instrument is also known as the LEP template. It is intended that through the LEP template, LEPs across NSW will now use standardised planning language, making interpretation across Council areas easier. Councils are able to include localised planning objectives and provisions specific to their area, as well as determine zoning, additional land uses, heritage items, and development standards such as height and minimum lot sizes.	<ul style="list-style-type: none"> <li>A number of Councils have been identified by the Department of Planning as 'prioritised Councils' to prepare new LEPs by March 2011 based on the LEP template. However, all Councils will eventually undertake this process.</li> <li>The LEP template does not provide overall key objectives for development but allows for the inclusion of local aims which apply to the entire LGA.</li> <li>The LEP template provides a standard suite of zones arranged in categories of uses. Only zones included in the LEP template can be used in the new LEP.</li> <li>The LEP template includes a specific tourist zone under the 'Special Purpose Zones' category.</li> <li>The LEP does not refer to 'tourism' as a singular land use activity. Rather, it includes a range of land uses that are considered to contribute towards / constitute a tourism activity such as tourist and visitor accommodation, charter and tourism boating facilities and information and education facilities.</li> </ul>



# New South Wales

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
State Environmental Planning Policies	State Environmental Planning Policies (SEPPs) deal with issues significant to the state and people of New South Wales. When a local Council is developing their local planning scheme, they must ensure that the planning scheme reflects the elements outlined in any relevant SEPPs.	<ul style="list-style-type: none"> <li>There are no SEPPs which specifically address tourism within the state, however, a number of location-specific SEPPs have established desired planning outcomes for tourism related development. These include the State Environmental Planning Policy (Kosciuszko National Park—Alpine Resorts) 2007 and the North Coast Regional Environmental Plan (Deemed State Policy).</li> </ul> <p><b>State Environmental Planning Policy (Kosciuszko National Park—Alpine Resorts) 2007</b></p> <ul style="list-style-type: none"> <li>State Environmental Planning Policy (Kosciuszko National Park—Alpine Resorts) 2007 (SEPPKNP) was established to manage the development of the alpine ski resorts in the Kosciuszko National Park to ensure both commercial viability and ecological sustainability.</li> <li>SEPPKNP encourages tourism through the inclusion of overall policy objectives which support development for the purposes of the provision of services, facilities and infrastructure, and economic and recreational activities which are essential elements in ensuring positive tourism growth.</li> <li>SEPPKNP endeavours to define tourist accommodation and a number of ancillary uses, most of which are considered permissible within the alpine resort locales.</li> </ul> <p><b>North Coast Regional Environmental Plan (Deemed State Policy)</b></p> <ul style="list-style-type: none"> <li>The North Coast Regional Environmental Plan (NCREP) seeks to ensure that development within the region is considered in a holistic manner to achieve consistent outcomes for the wider regional area.</li> <li>As part of wider objectives, NCREP aims to “provide a basis for the co-ordination of activities related to growth in the region and encourage optimum economic and social benefit to the local community and visitors to the region” thus recognising the importance of tourism within the region.</li> <li>In addition to a number of tourism specific definitions, NCREP sets out considered development guidelines for tourism orientated activities within several contexts. This provides both encouragement for the establishment of tourism development within the area whilst also ensuring such development is undertaken in a sustainable manner.</li> </ul>
Regional Planning		
Sydney Metropolitan Strategy	The Sydney Metropolitan Strategy (the Metro Strategy) is a broad non-statutory framework which has been established to provide a strategic policy which seeks to secure Sydney's place in the global economy by promoting and managing growth. It outlines the vision for Sydney over the next 25 years and provides direction for each of the eleven subregions identified within the plan through a number of key matters for consideration.	<ul style="list-style-type: none"> <li>Tourism is not recognised as a key theme of the vision of the Metro Strategy.</li> <li>Tourism is recognised as an important element of the 'economy and employment' theme with regard to its current and potential contribution to the economy.</li> <li>Whilst the Metro Strategy acknowledges the importance of tourism to the Sydney economy, none of the specific actions contained within the plan provide mechanisms or strategies to facilitate tourism development.</li> <li>The draft discussion paper for the Metro Strategy review (a recent undertaking) reinforces the importance of tourism for the economy. However, goals outlined within the discussion paper for tourism development are primarily focused on increasing tourism within the region rather than planning for supply-side issues.</li> <li>The 'centres and corridors' theme of the strategy recognises that tourism is to be primarily focused on the primary centre of Sydney.</li> </ul>

# New South Wales

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
Subregional Strategies	<p>The Metro Strategy identified eleven subregions within the wider Sydney region. A Draft Subregional Strategy has been developed for each subregion which:</p> <ul style="list-style-type: none"> <li>Sets the vision for the future role of the subregion;</li> <li>Defines the roles of the centres;</li> <li>Informs staging and prioritisation of renewal for centres among Councils;</li> <li>Provides the basis for efficient use of infrastructure by identifying capacity;</li> <li>Sets the framework for prioritisation of state infrastructure over long term; and</li> <li>Sets baseline targets for the planning of dwellings and jobs down to LGA level.</li> </ul>	<p><b>Sydney City Draft Subregional Strategy</b></p> <ul style="list-style-type: none"> <li>Tourism is incorporated as part of the overall vision with regard to enhancing global competitiveness through strengthened industries.</li> <li>A number of the key themes of the subregional strategy reinforce the importance of tourism within the Sydney City subregion.</li> <li>Tourism is identified in several key directions and a number of key actions identify target areas for improvement which will assist in facilitating tourism development. For example, one key direction that seeks to ensure capacity for new hotel developments is available, as well as the provision of convention and exhibition facilities and tourism infrastructure.</li> <li>The promotion of tourist destinations is noted as an important objective throughout the subregional strategy.</li> <li>As part of the actions set out to facilitate the desired objectives of the subregional strategy a number of tourism focused initiatives are identified, including undertaking studies to determine whether there is sufficient staff, facilities and accommodation to meet the projected tourism targets, the development of a 'tourism enhancement plan' and undertaking a review into the future demand for convention space within the city.</li> <li>The subregional strategy does not provide definitions nor does it specifically identify geographic locales for tourism development areas. Further, much of the tourism related content of the strategy is focused on the promotion of tourism, rather than on planning for its development.</li> <li>There is a secondary focus on ensuring that tourism does not negatively impact upon the environment, especially in instances where features of the natural environment are the drivers behind tourism.</li> <li>locales for tourism development areas. Further, much of the tourism related content of the strategy is focused on the promotion of tourism, rather than planning for its development.</li> </ul>

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
Subregional Strategies (cont.)		<p><b>North West Draft Subregional Strategy</b></p> <ul style="list-style-type: none"> <li>Tourism is not incorporated as part of the overall vision for the subregion.</li> <li>The 'environment, heritage and resources' key theme of the subregional strategy identifies the need to manage the impacts of tourism on the environment.</li> <li>The subregional strategy identifies the World Heritage listed Greater Blue Mountains area as an important element in the open space and economy of the subregion. Accordingly, the actions of the strategy seek to ensure that tourism development is carried out in a way which is sustainable and environmentally sound.</li> <li>In particular, the actions place an emphasis on the importance of local planning provisions ensuring the careful management of regional open space, natural assets and other natural tourism resources. However, no concrete mechanism to achieve this is proposed.</li> </ul> <p><b>East Draft Subregional Strategy</b></p> <ul style="list-style-type: none"> <li>Tourism is incorporated as part of the overall vision for the subregion which seeks to ensure that the area remains one of the country's top tourist destinations.</li> <li>A range of key themes of the subregional strategy identify the importance of tourism and the role it plays in the subregion.</li> <li>Tourism is identified in a key direction of the strategy which sets forth the objective to protect and promote scenic quality and tourism. A number of key actions under this direction endeavour to facilitate this outcome.</li> <li>The promotion of tourist destinations is noted as an important objective throughout the subregional strategy.</li> <li>As part of the actions set out to facilitate the desired objectives of the subregional strategy, a number of tourism focused initiatives are identified, including undertaking studies to determine whether future accommodation and facilities demand the protection of regionally significant open space and planning for the enhancement of entertainment and nightlife clusters.</li> <li>The subregional strategy does not provide definitions nor does it specifically identify geographic locales for tourism development areas. Further, much of the tourism related content of the strategy is focused on the promotion of tourism, rather than planning for its development.</li> </ul>





## Local Environmental Plans

Local Environmental Plans (LEPs) guide planning decisions for local government areas within New South Wales. Through zoning and development controls, they allow Councils to manage the ways in which land is used. LEPs are the primary planning tool to shape the future of communities through strategic objectives and also seek to ensure the intent of state and regional planning directions are incorporated.

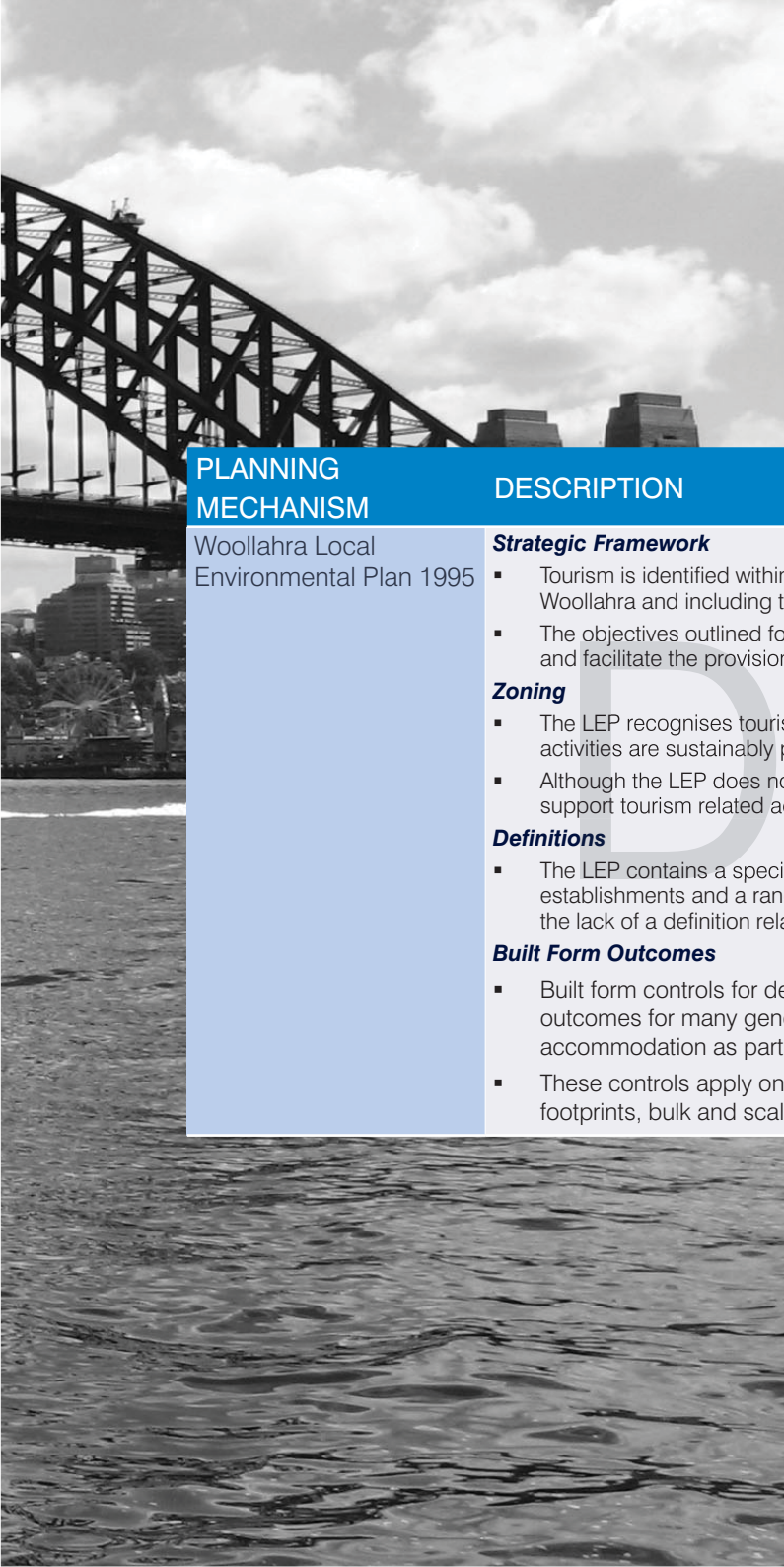
The following series of tables provide an overview of the local government planning framework that guides both planning and development within those priority tourism destinations in New South Wales. It is noted that all LEPs across the state will eventually be reviewed to conform to the standardised LEP template format as per the requirements of the Standard Instrument (Local Environmental Plans) Order 2006.

PLANNING MECHANISM	DESCRIPTION
Sydney Local Environmental Plan 2005	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>Tourism is not specifically recognised as a key theme of Council's vision for the City of Sydney. However, the vision does seek to "establish the City of Sydney as the best place to live in, work in and visit".</li> <li>The overall strategies identified to achieve the vision of the LEP include the provision of visitor and tourist accommodation. In addition, a number of strategic outcomes have been developed which are complementary to and important for tourism development, such as the protection and enhancement of the natural environment, views and vistas to the harbour, parkland and buildings and places of historic and aesthetic significance.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The LEP does not include 'dedicated' tourism / tourist areas as part of its land use classification system (zonings).</li> <li>There are several zones which support tourism related activities. Given the objectives and nature of the 'City Centre Zone' it is particularly conducive to tourism development. The city centre also provides the largest scope of complementary uses which further facilitate the development of tourism related activities.</li> <li>Although restricted to certain sites, a surprisingly large number of tourist related uses are permissible within the 'Maritime and Transport Zone'. Conversely, few tourist activities are supported within the 'Parks and Community Places Zone'.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The LEP does not refer to 'tourism' as a singular land use activity.</li> <li>The plan does however identify a range of land uses that are considered to contribute towards / constitute tourism activities such as tourist and visitor accommodation and other tourist-related uses.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>Built form controls for development within the City of Sydney are generally dealt with on a location basis and, as such, there are no specific built form outcomes for most generic development types.</li> <li>Controls are outlined for serviced apartments and tourist and visitor accommodation. These controls typically relate to the internal functioning of the development (ceiling heights, person to floor space ratios, communal recreation facilities and the like) and are geared towards the delivery of an adequate standard of accommodation product.</li> </ul>









Woollahra

## PLANNING MECHANISM

## DESCRIPTION

Woollahra Local  
Environmental Plan 1995

### **Strategic Framework**

- Tourism is identified within the overall aims of the LEP which, among other matters, seek to ensure a balance of land uses, appropriately located throughout Woollahra and including tourist development.
- The objectives outlined for the LEP address the need to allow for tourist accommodation, ensure the protection of foreshore area and the natural environment and facilitate the provision of infrastructure and services.

### **Zoning**

- The LEP recognises tourism as an important component of the land use fabric established within the area and seeks to ensure that future tourism-related activities are sustainably provided for.
- Although the LEP does not include a 'dedicated' tourism / tourist area as part of its land use classification system (zonings) there are several zones which support tourism related activities. They are primarily business-type zones rather than tourism-specific zones.

### **Definitions**

- The LEP contains a specific definition for tourist facilities which incorporates a range of uses. In addition, supplementary uses such as recreation facilities and establishments and a range of tourist accommodation uses (which provide essential tourism support services) are afforded separate definitions. Of interest is the lack of a definition relating to 'hotel accommodation'.

### **Built Form Outcomes**

- Built form controls for development within Woollahra are generally dealt with on a location basis and as such there are no specific built form outcomes for many generic development types. Despite this, controls have been established for serviced apartments and backpacker accommodation as part of the residential development control plan.
- These controls apply on a site-specific basis and focus on the built form of development, providing guidance with regards to setbacks, building footprints, bulk and scale and landscaping.

PLANNING MECHANISM	DESCRIPTION
Waverley Local Environmental Plan 1996	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>Tourism is not included within any of the general or specific aims of the LEP. However, the aims do seek to ensure a number of tourism supporting outcomes are achieved, such as facilitating the development of open space and recreation facilities, enhancing views and vistas, improving the water quality of beaches within the locality, the provision of services and infrastructure and the strategic location of a range of uses.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The LEP recognises tourism as an important component of the established land use fabric and seeks to ensure future tourism related activities are sustainably provided for.</li> <li>Although the LEP does not include 'dedicated' tourism / tourist areas as part of its land use classification system (zonings) both the 'General Business Zone' and the 'Mixed Business Zone' permit a full range of tourist activities and tourist accommodation (with the exception of serviced apartments), while promoting a mix of additional uses necessary to support tourism development.</li> <li>It is noted that tourist related uses within non-urban zones are limited to recreation areas and facilities and, as such, these zones provide complementary roles only to the primary tourism supporting zones (being general business and mixed uses).</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The LEP scheme does not refer to 'tourism' as a singular land use activity.</li> <li>The Planning scheme does identify a range of land uses that are considered to contribute towards / constitute tourism activities, such as tourist facilities.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>There are no explicit design guidelines that are geared towards the development of 'tourism activities' as a collective. However, certain development objectives are provided for some tourist and visitor accommodation suggesting that Council has made some effort to ensure tourism development in the locality occurs in an orderly manner with minimal adverse impacts.</li> <li>These controls relate both to physical outcomes (height, bulk and scale) and the internal functioning of the development (person to floor space ratios, communal recreation facilities and the like). The controls in some instances endeavour to set 'length-of-stay' parameters and typically apply on a site-specific basis.</li> </ul>

# Blue Mountains

PLANNING MECHANISM	DESCRIPTION
Blue Mountains Local Environmental Plan 2005	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>Tourism is not specifically included within the vision of the LEP. However, the vision makes reference to the sustainable development of the 'City within a World Heritage National Park', highlighting the importance of this significant tourism drawcard in the overall intent of the plan.</li> <li>The primary objectives of the plan not only reference the significance of tourism in fostering local and regional employment opportunities, but also seek to protect and enhance the natural environment, provide for a range of services and facilities and promote ecologically sustainable development, all of which will ensure the viability of tourism within the area.</li> <li>The LEP is generally geared towards the facilitation and management of tourism as a core element of the form and function of the Blue Mountains. In addition, the LEP is heavily oriented towards the importance of conserving the natural environment which sits at the centre of the LGA's tourism function. The LEP endeavours to manage appropriate tourism development whilst ensuring this development occurs in a sustainable manner and with as little impact as possible upon the environmental fabric of the region.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>Most zones allow for some tourist uses and complementary or supporting uses. The LEP includes a tourist specific zone, namely the 'Village – Tourist Zone', the intent of which is to allow for the development of a variety of tourist-orientated land uses and services in a sustainable manner.</li> <li>In any case, tourism uses are also heavily supported in the 'Village – Town Centre Zone' and to a lesser degree in the 'Village – Neighbourhood Centre Zone'. On the other hand, the various 'recreation zones' cater for more outdoor-based tourist activities such as camp sites.</li> <li>Whilst many of the zones do not include mention of tourism or tourism related activities in their objectives and intent, the permissibility of tourist-related uses demonstrates that tourism is considered as an underlying theme within the Blue Mountains.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The LEP incorporates a specific definition for tourist accommodation as well as a number of ancillary definitions, such as visitor facilities, which ensure most aspects of tourism are catered for under the plan.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>Built form controls for development within the Blue Mountains are generally dealt with on a location basis and as such there are limited specific provisions for many generic development types. There are no explicit design guidelines that are geared towards the development of 'tourism activities' as a collective. However, some provisions cover certain developments (such as bed-and-breakfast accommodation). These controls are generally focused on reducing amenity impacts of the activity.</li> </ul>

PLANNING MECHANISM	DESCRIPTION
Draft Cessnock Local Environmental Plan 2009	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>Tourism is not specifically included within the vision of the draft LEP. However, the overall objectives of the draft seek to establish an area which fosters a high quality, sustainable lifestyle for both residents and visitors.</li> <li>The objectives also endeavour to provide for a range of uses and services as well as ensuring the sustainability of development in the context of the natural environment.</li> <li>The draft LEP is generally geared towards the facilitation and management of tourism as a core element of the form and function of Cessnock. In addition, the draft LEP is heavily orientated around the importance of the wine and vineyard industry which sits at the centre of the tourism function. The draft LEP manages to allow for appropriate tourism development whilst ensuring this development occurs in a sustainable manner with as little impact as possible upon the environmental fabric of the region and primary production areas.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>Despite adopting the LEP template, the draft LEP does not include a tourist zone. However, most zones allow for some tourist uses and complementary or supporting uses to be established within the locality.</li> <li>Whilst many of the zones do not include mention of tourism or tourism related activities in their objectives and intent, the permissibility of tourist-related uses demonstrates that tourism is considered as an underlying theme.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The LEP incorporates the specific definition 'tourist and visitor accommodation' as well as a number of ancillary definitions which ensure most aspects of tourism are catered for under the plan.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>Built form controls within the locality are generally dealt with on a location basis and as such there are limited specific provisions for many generic development types. There are no explicit design guidelines that are geared towards the development of 'tourism activities' as a collective. However, some provisions cover certain types of tourist-related development.</li> </ul>




PLANNING MECHANISM	DESCRIPTION
Draft Tweed City Local Environmental Plan 2009	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>▪ The high-level objectives of the draft LEP seek to promote tourism opportunities within the Tweed whilst ensuring the responsible sustainable management and conservation of natural and environmentally sensitive areas, the built environment and cultural heritage.</li> <li>▪ The LEP is generally geared towards the facilitation and management of tourism as a core element of the form and function of the locality. In addition, the LEP is heavily oriented around the importance of the water-based activities which sit at the centre of the LGA's tourism function.</li> <li>▪ The LEP manages to allow for appropriate tourism development whilst ensuring this development occurs in a sustainable manner with as little impact as possible upon the environmental values of the region.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>▪ The draft LEP includes a specific tourist zone and, in addition, most other zones allow for some tourist uses and complementary or supporting uses. Whilst many of the zones do not include mention of tourism or tourism related activities in their objectives and intent, the permissibility of tourist-related uses demonstrates that tourism is considered as an underlying theme.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>▪ The LEP incorporates the specific definition 'tourist and visitor accommodation' as well as a number of ancillary definitions which ensure most aspects of tourism are catered for within the plan.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>▪ There are no explicit design guidelines that are geared towards the development of 'tourism activities' as a collective. However, some provisions cover certain types of tourist related development.</li> </ul>

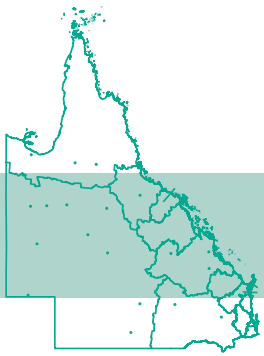
# New South Wales

## SYNTHESIS OF INSIGHTS

- The advent of the LEP template (the primary driver of the plan-making process) provides a consistent platform for the preparation of planning schemes across New South Wales via the introduction of a standardised structure. The LEP template recognises tourism as an important component of the city's nature and its role within the local, regional, national and international contexts. The framework does not recognise 'tourism' as a singular land use activity. Rather, it includes a range of land uses that have strong linkages with the tourism product but similarly share a nexus with the wider community in which they are located. These land uses are often utilised for purposes that are not necessarily tourism-related. This broad approach to defining tourism effectively results in a number of zones proving conducive to the delivery of the tourism product.
- Whilst there are no State Environmental Planning Policies which specifically address tourism within the state, a number of location-specific policies have established desired planning outcomes for tourism-related development that local Councils must have regard to when preparing their local planning scheme. Typically, these policies seek to ensure that development is considered in a holistic manner. They recognise the need to encourage the establishment of tourism development within the area whilst also ensuring such development is undertaken in a sustainable manner.
- The Sydney Metropolitan Strategy (a broad non-statutory framework which seeks to secure Sydney's place in the global economy by promoting and managing growth) identifies tourism as making an important contribution to the economy as opposed to an activity that brings with it a land use imperative that must be actively planned for. The strategy focuses on increasing tourism within the region rather than planning for supply-side issues.
- A series of draft subregional strategies have been developed under the auspice of the Sydney Metropolitan Strategy that aim to set the vision for the future role of subregion and establishes a framework for the delivery of infrastructure. These subregional strategies (and in particular the Sydney City Draft Subregional Strategy) delineate tourist destinations and identify target areas for improvement which will assist in facilitating the tourism development that is necessary to meet projected tourism targets (for example, ensuring capacity exists to aide in the development of new hotels, convention and exhibition facilities and tourism infrastructure). There exists a secondary focus on ensuring tourism does not negatively impact upon the environment, especially in instances where features of the natural environment are the drivers behind tourism. Some of these plans, however, do not provide concrete mechanisms to achieve these desired outcomes.
- In the majority of instances tourism is recognised within the various local planning frameworks as a key driver of economic growth. The extent to which tourism forms a consideration of the various local planning schemes throughout New South Wales is, however, typically dependant on the role tourism plays in the locality. Notably, it forms a key component of the vision and strategic framework of those local government authorities where tourism is highly visible and these overarching intents tend to cascade through the planning scheme itself.
- There exist varied approaches geared towards planning for and fostering the growth of tourism. The majority of local environmental plans, among other matters, seek to ensure a balance of land uses that are appropriately located and well serviced throughout a locality (including tourist development). They further recognise the need to protect and enhance the natural environment and to promote ecologically sustainable development as a means of ensuring the viability of tourism within a particular area, so as to sustain the role of the tourism industry in contributing to continued economic development.
- Local environmental plans tend to identify a range of land uses that have strong linkages with the tourism product but often also share a nexus with the wider community in which they are located. Those definitions that do exist for the tourism product generally make a distinction between tourist accommodation and those facilities that serve a wider tourism function.



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- Although the various local planning frameworks typically recognise tourism as an important component of the land use fabric, they do not necessarily include a dedicated zone to explicitly facilitate tourism development. The broad approach to defining tourism inherently provides for the physical dispersal of tourism related activities throughout local authority areas. Usually, tourism is provided across a range of zones (be they urban or non-urban in nature) in concert with a range of other land uses. The type, scale and intensity of tourism development is typically required to be responsive to the locality in which it is located and the complexity of the assessment process tends to vary depending on a particular zone or from one location to the next.
  - Generally, there are no explicit design guidelines that are geared towards the development of 'tourism activities' as a collective, with controls largely proving applicable on a site-specific basis. Those specific guidelines that have been established generally relate to the delivery of tourist accommodation facilities (such as serviced apartments, tourist and backpacker accommodation) and revolve around the amelioration of potential amenity and environmental impacts, the internal functioning of the development and, in some instances, set 'length-of-stay' parameters.



# Queensland

## State-Wide Planning

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
State-Wide Planning		
Sustainable Planning Act 2009 (SPA)	<p>Land use planning in Queensland is governed by the <i>Sustainable Planning Act 2009</i> (SPA). The Department of Infrastructure and Planning is responsible for administering SPA and coordinating land use planning within Queensland.</p> <p>The SPA allows for the Minister to make standard planning scheme provisions. The Queensland Planning Provisions (QPPs):</p> <ul style="list-style-type: none"> <li>Provide a clear and consistent framework for planning schemes in Queensland;</li> <li>Aide in the implementation of state, regional and local policies affecting land use and development; and</li> <li>Assist in the integration of state, regional, local and community expectations for planning scheme areas.</li> </ul>	<ul style="list-style-type: none"> <li>The SPA is effectively establishes the legislative framework for managing the process by which development takes place. It is the primary tool used to ensure the continuing coordination and integration of planning at the local, regional and state levels.</li> </ul>
The Queensland Planning Provisions (QPP)	<p>The QPPs provide a consistent form for planning schemes across Queensland through the introduction of a standardised structure, format, land use and administrative definitions, zones, levels of assessment, overlays, infrastructure planning provisions, development assessment codes and other administrative matters.</p>	<ul style="list-style-type: none"> <li>The QPPs recognise tourism primarily in the context of 'economic development' which is a theme (requiring the development of a policy statement) that provides a basis for the drafting of a strategic framework for a planning scheme.</li> <li>The QPPs recognise that economic benefits can be maximised through a range of strategies that promote appropriate land uses and minimise conflicts with strategic economic infrastructure. The provision of activities such as tourism (and to a lesser degree eco tourism), services, research and development and the arts are considered important in ensuring economic diversity and greater variety of employment, as well as meeting the changing needs of the community.</li> <li>The QPPs do not refer to 'tourism' as a singular land use activity rather it includes a range of land uses that are considered to contribute towards / constitute a tourism activity be it a 'tourist and visitor accommodation' or 'leisure and tourism facility' type activity.</li> <li>The QPPs provide a standard suite of zones arranged in categories of uses. Only zones from the standard suite can be used in the planning scheme. Significantly the QPPs include a specific zone that is dedicated to 'tourist accommodation'.</li> <li>Beyond this, the QPPs provide for the broad physical dispersal of tourism related activities and make allowances for these uses in all manner of zones be they urban or non-urban in nature.</li> </ul>



# Queensland

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
State Planning Policies	State Planning Policies are planning instruments that are geared towards the protection of things that are of interest to the state. When a local Council is developing their local planning scheme, they must ensure that the planning scheme reflects the elements and key messages as outlined in State Planning Policies.	<ul style="list-style-type: none"> <li>Although some of the State Planning Policies acknowledge tourism as an activity that can drive growth, offer opportunities to diversify the economic and employment base of an area or alternatively as a use that has the potential to impact upon a locality, there exists no policy that explicitly relates to tourism development as a land use concept.</li> </ul>
Other State Legislation	The <i>Integrated Resort Development Act 1987</i> (IRDA) regulates development and management of integrated resorts. It was introduced to meet a need for planning, development and management mechanisms for large-scale resort developments similar to Sanctuary Cove, which has its own Act. The Act was amended in 2002 to allow greater flexibility in the way future development of resorts can occur.	<ul style="list-style-type: none"> <li>Queensland has in the past facilitated unique tourism development such as Kingfisher Bay Report on Fraser Island through the <i>Integrated Resort Development Act 1987</i>. As indicated by the Acts age it is dated, largely obsolete and rarely used to promote new development.</li> </ul>
Regional Planning		
Statutory Regional Plans	<p>Statutory regional planning plays a key role in helping Queensland meet the challenges associated with managing rapid growth, population change, economic development, and protecting the environment and infrastructure provision across multiple local government areas.</p> <p>Statutory regional plans are intended to identify desired regional outcomes (including policies and actions for their achievement) the future regional land use pattern and the necessary regional infrastructure required to service the future regional land use pattern. Statutory regional plans operate in conjunction with other statutory planning tools and generally take precedence over most planning instruments.</p> <p>Several Queensland regions have non-statutory plans in place and although these plans have been developed in close partnership with local Councils, communities and business and industry representatives they do not have legislative power.</p>	<p><b>South East Queensland Regional Plan</b></p> <ul style="list-style-type: none"> <li>Tourism is not recognised as a key theme of the vision for the South East Queensland region.</li> <li>The strategic directions of the SEQ Regional Plan recognise, however, that tourism is an economic driver.</li> <li>The plan acknowledges future employment growth will be accommodated within urban areas and that it will also occur in rural and regional landscape areas through greater rural production, diversification of rural industries, tourism and recreation.</li> <li>The cultural heritage and tourism appeal of the region's rural towns and villages is also recognised as becoming increasingly important.</li> <li>The regulatory provisions support diversification of rural (non-urban) economies by allowing a range of developments, including small- to medium-scale tourist activities.</li> <li>The plan further acknowledges the long-term viability of maintaining inter-urban breaks through effective management and by supporting appropriate rural industries, including rural production, tourism and recreation opportunities.</li> </ul>

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
Statutory Regional Plans (cont.)		<p><b>Far North Queensland Regional Plan</b></p> <ul style="list-style-type: none"> <li>Although tourism is referenced as a driver of economic development, it is not explicitly recognised as a key theme of the vision for the Far North Queensland region.</li> <li>The strategic directions of the plan do however acknowledge an existing reliance on tourism as a significant element of the regions economic foundation, encouraging the provision of mixed-use developments with high levels of diversified employment opportunities.</li> <li>The plan aims to maintain a mix of tourism choice by focusing medium to large-scale tourism developments in urban-footprint areas, while allowing smaller scale tourism developments within regional landscape and rural production areas.</li> <li>Importantly, the plan recognises that the focus of tourism and subsequent development requirements will vary considerably from one location to the next. The plan requires development to be of a nature and scale that is sympathetic to a locality.</li> <li>Tourism activities (including development that incorporates short-term accommodation for tourists) is supported within the Regional Landscape and Rural Production Area (non-urban) where there is an identified need and where it can be demonstrated that a facility is functionally dependant on being linked with the rural, ecological or resource values of the locality.</li> <li>The plan explicitly prohibits permanent residential development associated with tourist accommodation (typically integrated resorts) in non-urban locations.</li> </ul>



## Local Planning Schemes

Within Queensland local planning schemes outline a Council's plan for a local government area, typically over a timeframe spanning 20 years. Local planning schemes provide detailed directions for an area, focusing on community planning and aspirations, while ensuring the needs of the state and the regional community are incorporated. Local planning schemes:

- Identify the strategic outcomes for the area;
- Include measures that facilitate achieving the strategic outcomes;
- Coordinate and integrate community, state and regional needs and wants; and
- Include a priority infrastructure plan.

Local planning schemes typically focus on land use and development. They identify various land use zones, set out the preferred land use categories for each zone and outline the type of assessment. It is noted that in response to the introduction of the *Sustainable Planning Act 2009* each local planning scheme must be updated (when their scheduled review becomes due) to reflect the new Queensland Planning Provisions.

The following series of tables provide an overview of the local government planning framework that guides both planning and development within those priority tourism destinations within Queensland. It is noted that following the recent state-wide reform processes of amalgamation within Queensland, a number of local authorities are currently administering the planning schemes of a number of former Councils. For the purpose of this exercise the primary (or most relevant) planning scheme has been analysed.



PLANNING MECHANISM	DESCRIPTION
Brisbane City Plan 2000	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>Tourism is not recognised as a key theme of Council's vision for Brisbane as articulated by the Brisbane City Plan 2000.</li> <li>The strategic plan recognises tourism primarily in the context of economic development. It encourages cultural and leisure facilities and events that enhance the city's attractiveness to tourists, business visitors and residents as a means of facilitating and supporting the growth of the city's economy and employment, improving the business environment and furthering the city's role as the leading industrial and commercial economy in Queensland.</li> <li>The strategic plan also recognises that there is a need to promote the optimum location of community services and facilities to meet community needs through reinforcing existing cultural precincts or creating new cultural precincts by encouraging the concentration of community and commercial arts, and cultural and tourist facilities in readily identifiable locations.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The Brisbane City Plan does not include 'dedicated' tourism / tourist areas as part of its land use classification system (zonings).</li> <li>The majority of tourism activities are supported within the 'urban area' of the city and in particular those 'multi-purpose' zones where a mix of land uses, including commercial, retail and residential activities are also encouraged. Few tourism activities are supported in non-urban zones. Those that are typically supported relate to outdoor sport and recreation type activities and are generally subject to more demanding (impact) assessment processes.</li> <li>Although the intent of some zones indicates that some forms of tourism development are supported, this premise is not reflected in the levels of assessment (which are the primary means of determining the appropriateness of a land use activity).</li> <li>It is noted that the City Centre Local Area Plan specifically identifies key sites within the CBD that are to primarily support major hotel developments (being a hotel comprising not less than 100 lettable rooms and capable of attracting a five star rating by AAA Tourism). In these localities the scheme effectively necessitates that development must contribute substantially to provision of additional office floor space in the city (a key concern) or alternatively provide for hotel activities.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The plan does not refer to 'tourism' as a singular land use activity. It does, however identify a range of land uses that are considered to contribute towards / constitute a tourism activity be it a 'tourist and visitor accommodation' or 'leisure and tourism facility' type activity.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>There exist no explicit design guidelines that are geared to wards the development of 'tourism activities' as a collective. Some of the development provisions cover certain development that is defined as comprising a tourism type activity (i.e. short term accommodation, caravan parks etc,) however the majority of tourism related activities fall within the more general design guidelines of the codes such as those relating to the development of particular localities..</li> <li>Those specific codes that do exist generally revolve around the amelioration of potential amenity impacts and achieving development that is compatible with its surrounds.</li> </ul>



PLANNING MECHANISM	DESCRIPTION
Maroochy Shire Plan 2000	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>Tourism is not recognised as a key theme of Council's vision for Maroochy Shire. However, it does form an integral element of the strategic plan of the region. The strategic plan outlines a tourist strategy that is designed to promote the growth of tourism through various implementation measures.</li> <li>The plan acknowledges tourism primarily in the context of economic sustainability. Council recognises tourism is a key driver in the economy, and seeks to maintain a vibrant, diverse and sustainable tourism industry through the identification and protection of tourist nodes.</li> <li>The plan identifies key 'tourist centres' that are spatially delineated as tourist nodes and tourist facilities. The concentration of tourist facilities is encouraged within these locations and a range of tourist related facilities including shops, restaurants, cafes, commercial activities and short term accommodation are also supported.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The Maroochy Shire Plan 2000 does not include a 'dedicated' tourism / tourist area as part of its land use classification system (zonings). Rather such activities are inherently supported in a range of zones in conjunction with a range of other land uses. The complexity of the assessment processes, however, can differ depending on a particular zone or from one location to the next.</li> <li>Limited tourism activities are supported in 'non-urban areas'. Those that are supported typically revolve around the provision of outdoor sport and recreational activities or short term accommodation (bed and breakfast). These however are generally subject to more demanding assessment processes.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The plan does not limit tourism to a singular land use activity, instead it identifies a range of alternative land uses that are considered to contribute towards / constitute a tourism activities (be it short-term accommodation or community services and facility type activities) but may also share a nexus with the wider community in which they are located and may thus be utilised for purposes that are not necessarily tourism related.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>The plan does not provide explicit guidelines that are geared towards the development of tourism activities as a collective. Some development provisions cover specific types of tourist related development (i.e. caravan, bed and breakfast, motel etc,) however the majority of tourism related activities fall within the more general design guidelines. Those specific codes that do exist generally revolve around the amelioration of potential amenity impacts and achieving development that is compatible with its surrounds.</li> </ul>

PLANNING MECHANISM	DESCRIPTION
Gold Coast Planning Scheme 2003	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>Tourism is pivotal to the vision for the Gold Coast and is a key theme of the desired outcome for the region as articulated by the Gold Coast Planning Scheme.</li> <li>The Council recognises the economic impact of the tourism industry. It acknowledges tourism is the cities strongest industry and recognises that it is of national significance.</li> <li>The scheme is recognised by Council as having a significant influence on the potential ability of the tourist industry. It acknowledges and accepts that the protection of existing assets and the facilitation of new market opportunities are required on the Gold Coast to expand and evolve to meet the changing needs of potential tourist markets, both nationally and internationally.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The Gold Coast Planning Scheme recognises tourism as a dedicated area as part of its land use classification system (domains).</li> <li>In this regard, the 'Tourist and Residential Domain' is a dedicated land use classification that is intended to provide for the combination of tourist accommodation and permanent residential activity in those coastal parts of the city that have good access to transport and services. It endeavours to concentrate tourist accommodation in the coastal areas of the city, while retaining opportunities for long term residential activity in the same locations.</li> <li>Tourism is not limited to the 'Tourist and Residential Domain', however, and is supported in a range of other locations throughout the city as part of a mixed use offering. The scheme, in fact, has a considerably high proportion of tourism activities identified as preferred uses within general 'urban areas'.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The plan does not refer to 'tourism' as a singular land use activity. It does, however identify a range of land uses that are considered to contribute towards / constitute a tourism activity be it a 'tourist shop' or 'tourist facility' type activity.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>The 'Tourist and Residential Domain' includes specific development controls and criteria to guide tourism development and direct tourism related facilities and activities.</li> <li>The plan provides reasonable development guidelines geared towards the development of specific tourist activities (regardless of the domain it is located within). These provisions primarily relate to 'accommodation' type developments such as tourist cabins, bed and breakfast, eco-tourist facility, low-rise commercial tourist accommodation and high-rise residential and tourist accommodation and deal with all manner of built form outcomes (including site area, bulk, scale, setbacks and the like). There are, however, limited guidelines relating to tourist activities that do not provide an 'accommodation' focus.</li> </ul>

PLANNING MECHANISM	DESCRIPTION
Consolidated CairnsPlan 2009	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>Tourism is not directly recognised as a key theme of Council's vision for Cairns.</li> <li>The strategic framework of the plan, however, recognises that Cairns is a major tourist destination and that tourism is a core component of economic development and driver for the city.</li> <li>The framework recognises that Cairns was traditionally dominated by the domestic tourist market, however significant increase in international visitors has been experienced following the development of significant infrastructure such as the Cairns International Airport.</li> <li>The plan recognises the sustainable use of the resources of the natural environment contributes to the strength of the industry and positions Cairns City as a gateway to tourism attractions (i.e. Great Barrier Reef). The plan identifies that these unique characteristics of the natural, rural and built environment should be retained and that these resources be managed wisely to sustain the role of the tourism industry in the continued economic development of the city and wider region.</li> <li>The plan identifies areas for major tourist accommodation and seeks the concentration and consolidation of future tourist development / activities within these localities.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>Tourist activities are generally supported in urban areas and are predominately targeted toward the city centre and coastal locations. The plan is structured in such a way, however that the complexity of the assessment processes and degree of support for tourism type activities differs depending both on the particular zone and the geographic location of the zone itself.</li> <li>The plan provides a dedicated area as part of its land use classification system (planning areas) that is geared towards the tourism product – namely the 'Tourist and Residential Area'. This area supports the development of tourist accommodation in a wide range of types, establishes opportunities for the delivery of tourist facilities and services within or adjacent to tourist accommodation and provides for permanent residents who are attracted by the particular location or by the proximity to a range of services and facilities.</li> <li>Tourism is not limited to the 'Tourist and Residential Area', however, and is supported in a range of other locations throughout the city as part of a mixed use offering.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The plan does not refer to 'tourism' as a singular land use activity. It does, however identify a range of land uses that are considered to contribute towards / constitute a tourism activity. One such definition of note is that which has been established for 'tourist attractions' – meaning the use of premises for an activity or range of activities designed and operated primarily to attract tourists.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>The plan recognises that there are existing and potential conflicts between tourist accommodation, attractions, facilities and the local community - resulting from an inconsistency in the nature and scale of built form, the nature of activities, hours of operation and associated impacts. Council acknowledges these differences and seeks to minimise conflict, through stringent development provision and controls to guide tourist activities and accommodation.</li> <li>The scale and density of development is also a key consideration in the 'Tourist and Residential Area' as is the delivery of a high standard of amenity. Development is required to achieve an attractive built form, create a pleasant environment be sympathetic to the location and appropriate for the tropical climate of Tropical North Queensland.</li> <li>The plan provides strong development guidelines geared towards the development of specific tourist activities regardless of location. These provisions primarily relate to 'accommodation' type developments and deal with all manner of built form outcomes (including site area, bulk, scale, setbacks and the like). There is, however, limited guidelines relating to tourist activities that do not provide an 'accommodation' focus.</li> </ul>





PLANNING MECHANISM	DESCRIPTION
Whitsunday Planning Scheme 2009	<b>Strategic Framework</b> <ul style="list-style-type: none"><li>Although not a 'pivotal element', tourism is recognised within the vision of the Whitsunday Planning Scheme.</li><li>The strategic plan acknowledges a series of key tourism locations and attractions within the region and identifies the need to maintain and enhance these areas.</li><li>Instead of a direct focus on providing for tourism and tourist related activities or facilities, the strategic plan tends to gravitate towards the protection and conservation of key natural and ecological values within the region as a driver of tourism demand.</li><li>The 'desired environmental outcomes' also recognise tourism in the context of economic sustainability and particularly as a means of maintaining a strong tourism and recreation sector.</li></ul>
	<b>Zoning</b> <ul style="list-style-type: none"><li>Tourism activities are supported within urban areas and encouraged in coastal and island locations.</li><li>Notably, the plan identifies a 'Tourism Zone', the intent of which is to provide for a range of accommodation choices, primarily for tourism purposes. The zone does, however, also support a range of additional commercial, recreation and entertainment activities.</li><li>Tourism is not limited to the 'Tourism Zone', however, and is supported in a range of other locations throughout the region as part of a mixed use offering.</li><li>Notably, the plan identifies Hamilton Island (a major tourist destination within the Whitsundays) as an individual precinct within which detailed provision is made with regard to the type and location of uses that are supported and the rigour of assessment that is applicable.</li></ul>
	<b>Definitions</b> <ul style="list-style-type: none"><li>The plan does not refer to 'tourism' as a singular land use activity. It does, however identify a range of land uses that are considered to contribute towards / constitute a tourism activity.</li></ul>
	<b>Built Form Outcomes</b> <ul style="list-style-type: none"><li>A range of provisions have been established to guide development within the tourism zone. These provisions guide the delivery of densities, heights character and the like. They endeavour to ensure that development achieves an attractive built form, creates a pleasant environment, is appropriate for the tropical climate and sympathetic to the location.</li><li>A range of detailed provisions (the Hamilton Island Integrated Resort Precinct Code) have been established to guide development on Hamilton Island. These provisions are supported by a series of additional 'Building Design and Siting Guidelines' which provide guidance for meeting the requirements of the code. The guidelines are geared towards delivering an integrated tourist resort community and is intended to manage character and amenity visual impacts and the natural environment.</li><li>Beyond this, the plan outlines specific provisions for certain types of tourist related development (i.e. bed and breakfast, caravan, multiple dwelling units and accommodation units etc.) however the majority of tourism related development is controlled by those more general design guidelines.</li></ul>

# Queensland

## SYNTHESIS OF INSIGHTS

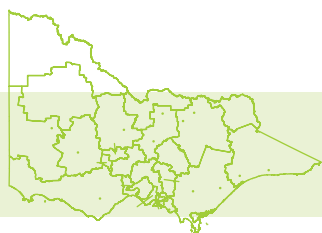
- The advent of the QPPs (the primary driver of the plan making process) provide for a consistent form for planning schemes across Queensland through a standardised structure. This framework primarily recognises tourism in the context of a driver of 'economic development'. The QPPs do not recognise 'tourism' as a singular land use activity. Rather it includes a range of land uses that have strong linkages with the tourism product but similarly share a nexus with the wider community in which they are located. They are often utilised for purposes that are not necessarily tourism related. This broad approach to defining tourism inherently provides for the physical dispersal of tourism related activities, providing for these uses in all manner of zones (be they urban or non-urban in nature) in concert with a range of other land uses.
- Although some of the State Planning Policies acknowledge tourism as an activity that can drive growth, offer opportunities to diversify the economic and employment base of an area or alternatively as a use that has the potential to impact upon a locality, there exists no policy that explicitly relates tourism development as a land use concept.
- The statutory regional planning frameworks that have been established within Queensland again recognise tourism as a key driver of economic development and employment as opposed to an activity that brings with it a land use imperative. These plans typically acknowledge that tourism represents a means of diversifying rural economies and make a clear distinction between the urban and non-urban offer – encouraging an a scale and intensity of development

that is responsive to the locality in which it is located. Tourism development, where located outside of the urban area, is generally required to demonstrate an identified need and that the activity is functionally dependant on being linked with the rural, ecological or resource values of the locality. There is a clear aversion to the provision of permanent residential development associated with tourist activities in non-urban locations.

- In the majority of instances tourism is recognised by local authorities as a key driver of economic growth. The extent to which tourism forms a consideration of the various local planning schemes throughout Queensland is, however, typically dependant on the role tourism plays in the locality. Notably, it forms a key component of the vision and strategic framework of those local government authorities where tourism is highly visible and these overarching intents tend to cascade through the planning scheme itself.
- There exist varied approaches to the use of implementation measures that are geared towards fostering the growth of tourism. They include, for example, the identification and protection of tourist nodes and existing physical assets, the facilitation of new market opportunities and further include those strategies aimed at the retention and management of those unique characteristics of the natural, rural and built environment in order to sustain the role of the tourism industry in contributing to continued economic development.
- Typically, local planning schemes within Queensland do not recognise 'tourism' as a singular land use activity. Rather they tend to identify a range of land uses that have strong linkages with the tourism

product but often also share a nexus with the wider community in which they are located. Those definitions that do exist for the tourism product generally provide for (make a distinction between) tourist accommodation and those ancillary facilities that serve a tourism function.

- The broad approach to defining tourism inherently provides for the physical dispersal of tourism related activities throughout local authority areas. Typically tourism is provided for in all manner of zones (be they urban or non-urban in nature) in concert with a range of other land uses. The complexity of the assessment process, however, varies markedly depending on a particular zone or from one location to the next and in some instances. Although the intent of some zones indicates that some forms of tourism are supported, this premise is not reflected in the levels of assessment (which are the primary means of determining the appropriateness of a land use activity). Those 'dedicated' tourism zones that do exist are, for the most part, geared towards the delivery of tourist accommodation - often in concert with more conventional residential land use activities.
- Generally there are no explicit design guidelines that are geared towards the development of 'tourism activities' as a collective. The majority of tourism related activities typically fall within the more general design guidelines of those provisions for development or are, alternatively, dealt with on a location basis. Those specific guidelines that have been established generally revolve around the amelioration of potential amenity impacts and achieving development that is compatible with its surrounds.



# Victoria

## State-Wide Planning

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
State-Wide Planning		
Planning and Environment Act 1987	Land use planning in Victoria is governed by the <i>Planning and Environment Act 1987</i> . The Department of Planning and Community Development (DPCD) is responsible for administering the Act and coordinating land use planning within Victoria.	<ul style="list-style-type: none"> <li>The <i>Planning and Environment Act 1987</i> establishes the legislative framework for managing the process by which the use, development and subdivision of land takes place. It is the primary tool used to ensure the continuing coordination and integration of planning at the local and state levels.</li> </ul>
The Victorian Planning Provisions (VPPs)	<p>The VPPs are best considered as a state-wide reference document or template from which planning schemes are sourced and constructed. It is a statutory device to ensure that consistent provisions for various matters are maintained across Victoria and that the construction and layout of planning schemes is always the same.</p> <p>The VPPs are a comprehensive set of standard planning provisions which provides a standard format for all Victorian planning schemes. It provides the framework, standard provisions and state planning policy.</p> <p>State Planning Policies are planning instruments that are geared towards the protection of values that are of interest to the state. When a local Council is developing their local planning scheme, they must ensure that the planning scheme reflects the elements and key messages outlined in the State Planning Policies.</p> <p>The planning authority (usually the municipal Council) must provide the local planning policy content, including a Municipal Strategic Statement, and select the appropriate zones and overlays from the VPPs for inclusion in their planning scheme.</p> <p>The VPP also has references to a number of documents which are incorporated documents common to all planning schemes including a suite of standard zones.</p> <p>The suite of standard zones in the VPPs has been designed to be flexible. This approach however reinforces the need for State and Local Policy Frameworks to provide clear guidance for decision makers and applicants alike.</p>	<ul style="list-style-type: none"> <li>The VPPs recognise tourism as an important principle to be taken into account by planning and responsible authorities in the preparation of their plans and in decision-making processes.</li> </ul> <p><b>State Planning Policy Framework (SPPF)</b></p> <ul style="list-style-type: none"> <li>The SPPF comprises general principles for land use and development in Victoria and specific policies dealing with settlement, environment, housing, economic development, infrastructure and particular uses and development.</li> <li>The SPPF recognises tourism primarily in Clause 17.04 'Tourism' (under the Economic Development theme) which has the objective to encourage tourism development to maximise the employment and long-term economic, social and cultural benefits of developing the State as a competitive domestic and international tourist destination.</li> <li>Under this clause, planning authorities and responsible authorities must take account of and give effect to this general principle by encouraging the development of a range of well designed and sited tourist facilities, including integrated resorts, motel accommodation and smaller scale operations such as host farm, bed and breakfast and retail opportunities.</li> <li>The clause also requires responsible authorities to use the <i>Planning and Building Tourism from Concept to Reality: Guidelines for Planning and Developing Tourism Projects in Victoria</i> (Tourism Victoria, 2000) in considering applications for tourist development.</li> </ul>



PLANNING MECHANISM	DESCRIPTION	INSIGHTS
The Victorian Planning Provisions (VPPs): (cont.)		<p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>▪ The zoning approach of the VPPs is generally permissive in that it provides local authorities with the opportunity to permit (either via a permit, or no permit required) land uses within zones, and prohibit only those that are clearly and overwhelmingly inappropriate within a certain location.</li> <li>▪ The VPPs provide the palette of standardised zones from which all local municipalities must select from to comprise local planning schemes. There is some scope in the VPPs allowing bespoke zonings for individual sites or areas. These may contain additional controls with respect to land use and built form outcomes. The 'Comprehensive Development Zone' is a mechanism allowing a site-specific development (for example, a tourism development) to be afforded its own zoning, with land uses on a site to be developed in accordance with a comprehensive development plan that Council approves.</li> <li>▪ The VPPs do not include any specific zones solely dedicated to tourism activities, be it 'tourism development' or 'tourism accommodation'.</li> <li>▪ The VPPs provide for the broad physical dispersal of tourism related activities and make allowances for these uses across its range of zones, be they urban or non-urban in nature.</li> <li>▪ At the State level (primarily Melbourne-specific) the Urban Growth Boundary (UGB) is a strong policy tool that controls the release of non-urban land for future urban use. It is relevant in the context that tourism development is often proposed at the urban fringe or non-urban areas. It is of note that the 'Urban Growth Zone' (the zone allocated to land that is designated within the UGB but not yet the subject of an approved Precinct Structure Plan) still allows for most tourism-related uses.</li> <li>▪ Beyond the UGB, land is generally zoned 'Green Wedge Zone' or 'Public Conservation and Resource Zone'. Again, these zones are generally supportive of appropriately designed tourism development.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>▪ The VPPs do not refer to 'tourism' as a singular land use activity. Rather, the VPPs include a number of land uses that accord closely with uses that constitute various tourism accommodation and facility-type development in a broader context.</li> </ul>

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
Regional Planning	<p>A number of state government departments have a mandate for leading on change and improvement in various aspects of regional and rural Victoria.</p> <ul style="list-style-type: none"> <li>▪ The Department of Planning and Community Development seeks to achieve strategic change and improvement to the sustainability of Victoria's regions by working in partnership with other state government departments, local governments, infrastructure and service providers and local communities to identify sustainable settlement and land use patterns which meet environmental, social and economic objectives.</li> <li>▪ Regional Development Victoria is the Victorian Government's lead agency in developing rural and regional Victoria and was established as a statutory body by the <i>Regional Development Victoria Act 2002</i>. RDV is responsible to the Minister for Regional and Rural Development and has a focus on investment attraction, job creation, exports, creating stronger economies, communities and infrastructure to create a strong and growing provincial Victoria.</li> <li>▪ The Department of Innovation, Industry and Regional Development (DIIRD) has 11 business areas, one of which is Tourism, Aviation &amp; Communications, which promotes Victoria as a great place to live, work, invest, visit and learn, and markets the DIIRD brands and programs. One of its primary responsibilities is for developing Victoria as a premium tourist destination for Australian and international travellers.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There is no statutory regional level planning policy or framework in existence in Victoria.</li> <li>▪ The regional policy function is captured through the Local Planning Policy Framework at the individual municipality level.</li> <li>▪ Local governments are encouraged to embrace and support the development of tourism by integrating appropriate policies and strategies into their Municipal Strategic Statements, Municipal Planning Schemes, Land Use Strategy Plans and Regional Economic Development Strategies, in line with the State Planning Policy Framework and as an ongoing process.</li> </ul>

## Local Planning Policy Framework

The Local Planning Policy Framework sets a local and regional strategic policy context for municipalities within Victoria. It comprises the Municipal Strategic Statement and specific local planning policies and operates consistently with the State Planning Policy Framework.

- A Municipal Strategic Statement (MSS) is a concise statement of the key strategic planning, land use and development objectives for the municipality with related strategies and actions. The MSS provides an opportunity for an integrated approach to planning across all areas of Council and should clearly express links to the Council's corporate plan. The MSS is dynamic and enables community involvement in its ongoing review.
- A Local Planning Policy (LPP) is a policy of the planning scheme and is one of the tools available for implementing objectives and strategies in the MSS. An LPP is a policy statement of intent or expectation. It states what the responsible authority will do in specified circumstances or the responsible authority's expectation of what should happen. An LPP gives a responsible authority an opportunity to state its view of a planning issue and its intentions for an area.

The local planning scheme is constructed by taking the VPP as a basic template, inserting the local vision and policy framework (the MSS and local policies), selecting the zones and overlays needed to implement these and writing the appropriate local provisions to support the

zones and overlays (and schedules). Local planning schemes outline a local Council's plan for the municipal area. Local planning schemes contain:

Zones - standard zones for state-wide application are included in the VPPs. These zones are used in all schemes as required. An important feature of the zones is that they are to be administered to implement the SPPF and LPPF, including the MSS and LPPs. Each planning scheme includes only those zones that are required to implement its strategy. There is no ability to vary the zones or to introduce local zones. Additional zones can only be introduced by an amendment to the Victoria Planning Provisions. Some of the zones have schedules to provide for local circumstances.

- Overlays - the application of an overlay applies further planning provisions to a site or area. As with the zones, standard overlays for state-wide application are included in the VPPs. Each planning scheme includes only those overlays required to implement strategy. Generally, overlays apply to a single issue or related set of issues (such as heritage, environmental concern or flooding).
- Particular provisions - specific prerequisites or planning provisions for a range of particular uses and developments, such as advertising signs and car parking.

- General provisions - operational requirements which are consistent across the state. They include matters such as existing use rights, administrative provisions, ancillary activities and the referral of applications.
- Definitions - a set of consistent state-wide definitions is included in the VPP and applies in all schemes.
- Incorporated documents - the *Planning and Environment Act 1987* allows certain documents to be incorporated in a planning scheme by reference, rather than by physically including them in the scheme.

The following series of tables provide an overview of the local government planning framework that guides both planning and development within those priority tourism destinations within Victoria.



PLANNING MECHANISM	DESCRIPTION
Melbourne City Council	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>Tourism is not recognised as a key theme of Council's vision for Melbourne as articulated by the Local Planning Policy Framework (LPPF).</li> <li>The LPPF recognises that the City of Melbourne is Victoria's Capital City and is the premier location for many of the State's economic, infrastructure and cultural facilities as well as being Victoria's national and international gateway.</li> <li>In the case of Melbourne City Council, the Local Planning Policy Framework is complex, befitting of the scale and complexity of a large city with capital city functions and national and international recognition as a tourism destination in its own right.</li> <li>Tourism, although not explicitly identified in its own section of the policy framework, is addressed indirectly along with other forms of development that are subject to policies with respect to heritage protection, design and built form guidance, gaming and amusement strategies and the protection and enhancement of the CBD lanes, etc.</li> <li>As a broad comment, policy generally promotes tourism activity and development in appropriate locations, but is relatively silent on where those locations are.</li> <li>Significantly there is an understanding that tourism may be enhanced through Melbourne's buildings, streets, open spaces and landscape features, which combine to give the central city its unique appearance and feeling. These elements have created a complex and attractive urban environment, giving Melbourne a grand and dignified city centre filled with diverse activities and possessing unique charm, character and a pleasant street level environment.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The City of Melbourne adopts the broad palette of zones provided under the VPPs. As indicated, the VPPs do not include any specific zones solely dedicated to tourism activities, be it 'tourism development' or 'tourism accommodation'. Rather, the VPPs provide for the broad physical dispersal of tourism-related activities and make allowances for these uses across its range of zones, be they urban or non-urban in nature.</li> <li>The 'Capital City Zone', 'Docklands Zone', and various schedules to the 'Special Use Zone' are examples of localised zoning approaches to areas specifically aimed to achieve tourism-related objectives, or which achieve them by default.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The City of Melbourne adopts the broad palette of definitions provided under the VPPs. The VPPs do not refer to 'tourism' as a singular land use activity. Rather the VPPs include a number of land uses that accord closely with uses that constitute various tourism accommodation and facility-type developments in a broader context.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>Similarly, a number of 'Design and Development Overlay Schedules' provide design guidance to deliver better built form outcomes for sites or areas of recognised significance, including their contribution to tourism broadly.</li> </ul>

PLANNING MECHANISM	DESCRIPTION
Alpine Shire Council	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>The Municipal Strategic Statement acknowledges Alpine Shire as a destination of more than 1 million visitors annually and there is a recognised need to cater for this demand.</li> <li>The Shire is recognised as an integral part of a 'regional economy based upon a diversified economic base including agriculture, timber, tourism, retirement industry, real estate, community services and manufacturing' (Economic Development Strategy 1996-99).</li> <li>In the case of Alpine Shire, the principles and objectives of the Local Planning Policy Framework generally identify the importance and support, tourism as an activity.</li> <li>The Shire is desirous of expanding the tourism economic base further in the future. Growth in tourism is expected to be based on the Shire's natural assets and proximity to the alpine resorts, accordingly the Local Policy Framework further recognises that those unique and highly significant tourism attributes within the locality need to be protected to ensure their future role in attracting visitors to the Shire.</li> <li>Notably, the Local Policy Framework includes a tourism-specific policy (Clause 22.01) that focuses on controlling and managing the impact of tourism proposals upon local townships and landscape character. This policy applies to proposals for tourist facilities (including but not limited to accommodation, leisure and recreation, place of assembly, food and drink premises, and markets) within the whole of the Alpine Shire.</li> <li>The policy encourages tourist facilities to locate in areas with an adequate level of support services and facilities and further ensures that tourist facilities are designed to complement the surrounding environment in terms of character and amenity. The policy encourages tourist facilities (especially accommodation facilities) to locate within the townships and supports tourist activities in rural areas where it can be demonstrated that the development complements and actively interacts with the primary agricultural use of the land, preventing the loss of agricultural production or any negative impacts on surrounding agricultural activities.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>Alpine Shire adopts the broad palette of zones provided under the VPPs. As indicated, the VPPs do not include any specific zones solely dedicated to tourism activities, be it 'tourism development' or 'tourism accommodation.' Rather, the VPPs provide for the broad physical dispersal of tourism-related activities and make allowances for these uses across its range of zones, be they urban or non-urban in nature.</li> <li>There is little directional guidance in the Local Planning Policy Framework as to locations where tourism development is sought and promoted.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>Alpine Shire adopts the broad palette of definitions provided under the VPPs. The VPPs do not refer to 'tourism' as a singular land-use activity. Rather, the VPPs include a number of land uses that accord closely with uses that constitute various tourism accommodation and facility-type developments in a broader context.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>A number of Design and Development Overlay Schedules provide design guidance to deliver better built-form outcomes for sites or areas of recognised significance, including their contribution to tourism broadly.</li> </ul>

PLANNING MECHANISM	DESCRIPTION
Corangamite Shire Council	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>▪ The vision and strategic framework plan recognises that Corangamite Shire, in partnership with the community and through its decisions and actions, will work for the sustainable development of the Shire based on (inter alia) quality tourism development founded on the environmental and cultural qualities of the locality.</li> <li>▪ As part of the Municipal Strategic Statement, tourism forms a significant and growing part of the Shire's economic base. The Port Campbell National Park and the Bay of Islands Coastal Park combine to form a linear reserve along 65 km of Victoria's southern coastline. The coastal townships of Princetown and Port Campbell are recognised as servicing the tourism industry.</li> <li>▪ The Municipal Strategic Statement acknowledges that the challenge for Council is to balance its desire and obligation to protect environmental and cultural values with its desire to encourage growth in the tourism industry and to maintain a profitable agricultural industry.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>▪ Corangamite Shire adopts the broad palette of zones provided under the VPPs. As indicated, the VPPs do not include any specific zones solely dedicated to tourism activities, be it 'tourism development' or 'tourism accommodation.' Rather, the VPPs provide for the broad physical dispersal of tourism related activities and make allowances for these uses across its range of zones, be they urban or non-urban in nature.</li> <li>▪ There is little directional guidance in the Local Planning Policy Framework as to locations where tourism development is sought and promoted.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>▪ Corangamite Shire adopts the broad palette of definitions provided under the VPPs. The VPPs do not refer to 'tourism' as a singular land use activity. Rather, the VPPs include a number of land uses that accord closely with uses that constitute various tourism accommodation and facility-type developments in a broader context.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>▪ A number of Design and 'Development Overlay Schedules' provide design guidance to deliver better built-form outcomes for sites or areas of recognised significance, including their contribution to tourism broadly.</li> </ul>



PLANNING MECHANISM	DESCRIPTION
Colac-Otway Shire Council	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>▪ The vision for Colac-Otway recognises that opportunities for tourism are provided to contribute to the growth of the Shire and that tourism growth needs to be protected and managed sustainably, as do the environmental and landscape assets that attract tourists and new residents alike.</li> <li>▪ The Municipal Strategic Statement recognises that the Shire provides diverse employment opportunities through a range of primary industries, tourism and commercial and community services.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>▪ Colac-Otway Shire adopts the broad palette of zones provided under the VPPs. As indicated, the VPPs do not include any specific zones solely dedicated to tourism activities, be it 'tourism development' or 'tourism accommodation.' Rather, the VPPs provide for the broad physical dispersal of tourism-related activities and make allowances for these uses across its range of zones, be they urban or non-urban in nature.</li> <li>▪ The 'Rural Activity Zone' is identified as a means of introducing a more facilitating zoning framework for tourism-related development. It is intended that the zone provide for uses and development that are compatible with the agriculture and the environmental and landscape characteristics of a locality, particularly in areas with moderate to low agricultural capability and in close proximity to the coast or within the Otway Ranges to provide for tourism and recreational activities.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>▪ Colac-Otway Shire adopts the broad palette of definitions provided under the VPPs. The VPPs do not refer to 'tourism' as a singular land-use activity. Rather, the VPPs include a number of land uses that accord closely with uses that constitute various tourism accommodation and facility-type developments in a broader context.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>▪ A number of Design and Development Overlay Schedules provide design guidance to deliver better built-form outcomes for sites or areas of recognised significance, including their contribution to tourism broadly.</li> </ul>

# Victoria

## SYNTHESIS OF INSIGHTS

- The VPPs are best considered as a state-wide reference document or template from which planning schemes are sourced and constructed. This framework recognises tourism as an important principle to be taken into account by planning and responsible authorities in the preparation of their plans and in decision-making processes. In particular, the framework encourages development to maximise the employment and long-term economic, social and cultural benefits of developing the State as a competitive domestic and international tourist destination.
- The VPPs do not refer to 'tourism' as a singular land use activity. Rather, the VPPs include a number of land uses that accord closely with uses that constitute various tourism accommodation and facility-type developments (in a broader context) and that may also share a relationship with uses that service the wider community.
- The VPPs provide the palette of standardised zones from which all local municipalities must select from to comprise local planning schemes. The zoning approach is generally permissive in that it provides local authorities with the opportunity to permit land uses within zones and prohibit only those that are clearly and overwhelmingly inappropriate within a certain zone. The VPPs do not include any specific zones solely dedicated to 'tourism activities' and

the broad approach to defining tourism inherently provides for the establishment of tourism related activities across a variety of zones (be they urban or non-urban in nature) in concert with a range of other land uses. Notably, tourism-related land uses are supported, for the most part at the urban fringe and other non-urban area.

- There is some scope to allow bespoke zonings for individual sites or areas are inserted into a planning scheme in order to effect additional controls with respect to the use of land and built form outcomes. In particular, the 'Comprehensive Development Zone' is a mechanism allowing a site-specific development (for example, a tourism development) to be afforded its own zoning, with land uses on a site to be developed in accordance with a comprehensive development plan that Council approves.
- There is no statutory regional level planning policy or framework in existence in Victoria. The regional policy function is generally captured through the Local Planning Policy Framework at the individual municipality level, whereby local government is encouraged to embrace and support the development of tourism by integrating appropriate policies and strategies into their Municipal Strategic Statements, Municipal Planning Schemes, Land Use Strategy Plans and Regional Economic Development Strategies.
- The local planning schemes outline a local Council's plan for the municipal area and are effectively

constructed by taking the VPP as a basic template, inserting the local vision and policy framework and selecting the zones and overlays needed to support the desired outcomes for a locality. The complexity of the local planning scheme and the extent to which tourism forms a consideration is typically dependant on the role and 'visibility' of tourism. As a broad comment, policies generally promote tourism activity and development in appropriate locations, but tend to be relatively silent on where those locations are.

Significantly, there is an understanding that the tourism experience (particularly in the metropolitan area) may be enhanced through buildings, streets, open spaces and landscape features which contribute to deliver a unique appearance and feeling. These elements have the potential to create a complex and attractive urban environment that is conducive to the tourist. Conversely, regional locations tend to focus on tourism as means by which to achieve a diversified economic and employment base and there is an identified need to protect those unique and highly significant tourism attributes within the locality to ensure their future role in attracting visitors. These overarching intents tend to cascade through the planning scheme itself.

- A number of 'Design and Development Overlay Schedules' provide design guidance to deliver better built form outcomes for sites or areas of recognised significance, including their contribution to tourism broadly.



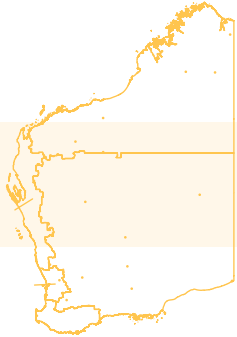


Australian Racing Museum

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# Western Australia

## State-Wide Planning

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
State-Wide Planning		
Planning and Development Act 2005 (P&D Act) and the Western Australian Planning Commission	<p>Land use planning in Western Australia is governed by the <i>Planning and Development Act 2005 (P&amp;D Act)</i> (SPA). The Western Australian Planning Commission is responsible for administering the P&amp;D Act and coordinating land use planning within Western Australia.</p> <p>The WAPC operates with the support of the Department of Planning (DoP), which provides professional and technical expertise, administrative services and resources to advise the WAPC and implement its decisions. In this partnership, the WAPC has responsibility for decision-making and a significant level of funding, while the department provides the human resources and professional advice.</p> <p>The WAPC determines:</p> <ul style="list-style-type: none"> <li>Amendments to Regional and Local Planning Schemes; and</li> <li>All subdivision applications;</li> </ul> <p>Development applications are determined by Local Governments under delegated authority from the WAPC, unless they are identified as having State or regional significance.</p>	<ul style="list-style-type: none"> <li>The P&amp;D Act establishes the legislative framework for all land use planning and development within the state. The P&amp;D Act is an enabling act that gives a head of power to a range of subsidiary documents, which provide specific guidance on planning and development matters at a state, regional and local level.</li> <li>The state provides a good level of recognition of tourism as an important sector of the economy. The role of land use planning in the delivery of successful tourism outcomes on the ground is recognised through the development of tourism strategies supported at the state and local level (and prepared with assistance from Tourism Western Australia and the State Department of Planning) and via the identification and protection of tourism assets through local government planning schemes.</li> </ul>

# Western Australia

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
State Planning Strategy	<p>The State Planning Strategy (1996) establishes a state-wide strategic planning framework based on key principles which should guide the way in which future planning decisions are made. It provides a comprehensive list of strategies and actions for government to improve our environment, community, economy and infrastructure, as well as regional specific priorities and actions. The Strategy adopts a whole-of-government approach to ensure that change can be pursued cooperatively.</p>	<ul style="list-style-type: none"> <li>▪ The State Planning Strategy identifies the value of tourism in diversifying the state and regional economic base. It promotes the investigation of opportunities to increase tourism's role in the future, and protect and enhance areas that have significant potential for tourism uses.</li> <li>▪ Tourism in Western Australia is largely nature-based or rural-based. There is a recognition that growth in tourism will be in areas that have high natural intrinsic values. The State Planning Strategy focuses on facilitating land use planning for the growth of the tourism industry (which is recognised as being sensitive to environmental constraints) and acknowledges that the planning process should also endeavour to support regional tourism development.</li> <li>▪ The strategy also focuses on the minimisation of environmental and social impacts and on ensuring that local character and needs are not compromised by tourism development. It promotes low-key, rural-based tourist accommodation and supports the concentration of large-scale tourism developments in key development nodes,</li> <li>▪ The strategy identifies the following criteria to achieve the tourism objective: <ul style="list-style-type: none"> <li>- Identify sites for tourism facilities;</li> <li>- Identify environmentally sensitive areas; and</li> <li>- Take account of regional tourism strategies.</li> </ul> </li> </ul>
State Planning Policies	<p>State Planning Policies are prepared and adopted by the Commission under the statutory procedures set out in Part 3 of the P&amp;D Act. State planning policies provide broad planning guidance on a range of issues. They are "directed primarily toward broad general planning and facilitating the coordination of planning throughout the State by all local governments".</p> <p>The WAPC and local governments must have 'due regard' to the provisions of state planning policies when preparing or amending local planning schemes and when making decisions on planning matters. The State Administrative Tribunal is also required to take account of state planning policies when determining appeals.</p>	<ul style="list-style-type: none"> <li>▪ Policies that identify requirements for tourism specifically include the SPP 7 Leeuwin-Naturaliste Ridge and SPP – Ningaloo Coast. These were developed given the pressure for urban (including tourism) development within these areas of high environmental or agricultural value.</li> <li>▪ The statement of intent in relation to tourism development is based on encouraging nature-based and cultural tourism opportunities by focusing coastal tourism in designated nodes; integrating large-scale tourism developments into existing settlements; promoting low-scale tourism development that is consistent with local characteristics; assessing land use proposals for their impact on tourism; and conserving the landscape, cultural and environmental values that offer future tourism potential.</li> <li>▪ Notably, under SPP 7 tourist accommodation is defined as "Establishments which provide predominantly short-term accommodation (i.e. for periods of less than two months) to the general public. These include hotels, motels and guesthouses with and without facilities; holiday flats, units and houses; and visitor hostels".</li> </ul>

# Western Australia

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
Development Control Policies	<p>Development control policies are operational policies that guide the assessment of applications by the Department of Planning</p> <p>DRAFT</p>	<ul style="list-style-type: none"> <li>Of relevance to tourism is WAPC Policy DC 1.3, which deals with strata titling. In addition to other matters, the policy reinforces the Caravan Parks and Camping Grounds Act 1995 prohibition of the strata titling of caravan parks. The policy acknowledges that applications for other forms of tourist accommodation, that do not fall within the definition of a caravan park, can be approved for strata titling and will be dealt with on their merits having regard to the local government scheme. No distinction is made in the policy between built strata and survey strata subdivision.</li> <li>While not set out in the policy, the approval of strata subdivision of tourist accommodation development generally is subject to a number of relatively standard conditions, which relate to the restriction of use to tourist accommodation, the preparation of management statements that deal with building controls, fit-out and maintenance (and require specific management and leasing arrangements), staging and servicing.</li> </ul>

# Western Australia

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
Ministerial Tourism Taskforce	<p>A Ministerial Taskforce was established to investigate the impact of planning controls on tourism in Western Australia. In 2006, Cabinet endorsed the recommendations set out in the Tourism Planning Taskforce Report. In 2002, a Ministerial Taskforce was established to examine the impact of combining tourist and permanent residential accommodation on tourist zoned land, and the strata titling of tourist developments. The taskforce included members of government agencies and the tourism and land development industries.</p>	<ul style="list-style-type: none"> <li>A State Planning Policy on Tourism is being developed to facilitate the following recommendations of Tourism Taskforce: <ul style="list-style-type: none"> <li>Tourism zonings <ul style="list-style-type: none"> <li>The report recommended a more defined tourism zoning structure, separating general tourism zonings into caravan/camping, cabin/chalet and tourist resort. While this split was created to ensure appropriate development occurred at appropriate sites, it is recognised as having the potential to restrain development by removing the short-term ability for different uses and by reducing land values and capital returns.</li> </ul> </li> <li>Percentage of residential allowed on tourism zoned sites <ul style="list-style-type: none"> <li>The report recommended that tourism uses remain the predominant land use in tourism-zoned sites, generally limiting any permanent residential component to 25% of the total development. This was recommended to protect sites valued for tourism and reduce the potential for short-stay and permanent resident conflict.</li> </ul> </li> <li>90-day length-of-stay restriction <ul style="list-style-type: none"> <li>Tourism accommodation is generally subject to a 90-day length-of-stay restriction, protecting tourism accommodation from becoming quasi permanent accommodation. However, this can also limit the flexibility of the sector, particularly in the off-season. It will be investigated whether the length of stay restriction affects the viability of tourism development.</li> </ul> </li> <li>Strata title management statement restrictions <ul style="list-style-type: none"> <li>This recommendation imposed various restrictions regarding strata management for tourism operations for a minimum of 25 years. The restrictions involved requirements for reception areas and the ongoing appointment of a facility manager/operator. It is believed that these restrictions were put in place to protect the quality of service in tourism developments. However, it will be investigated if the restrictions are too onerous such that they affect the viability of projects.</li> </ul> </li> </ul> </li> </ul>



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PLANNING MECHANISM	DESCRIPTION	INSIGHTS
Model Scheme Text	The Model Scheme Text can be used as a template by local governments for the preparation of their schemes. The Model Scheme Text contains land use definitions which can be used in Local Planning Schemes.	<p>The Model Scheme Text does not provide any direction to local government in the preparation of their schemes on the definition of tourist accommodation or the associated issue of permanent occupation of such developments, other than for a bed-and-breakfast establishment.</p> <p>The guide to use the Model Scheme Text recommends the use of a 'Tourist Zone' to accommodate the development of tourism facilities, including ancillary retail and service facilities. However, in practice, many schemes use this zoning in reference to short-stay accommodation.</p>
Planning Bulletins	<p>Planning Bulletins are released by the WAPC to provide advice on operational issues such as legislation, planning practice, subdivision and development control.</p> <p>Of relevance to tourism planning is Planning Bulletin No. 49 'Caravan Parks' (PB49) and Planning Bulletin No.99 'Holiday Homes' (PB99).</p>	<p>PB49 allows for the provision of long-stay and short-stay caravan parks.</p> <p>PB99 recommends that holiday homes be formalised as a land use and dealt with via the local planning framework. This is to be achieved through the introduction of a definition in the Model Scheme Text, the introduction of holiday homes as a use class in the zoning table of local planning schemes, the identification of preferred areas for holiday homes in local planning strategies and the preparation of local planning policies to deal with potential issues.</p> <p>PB99 sets out a requirement for a register of approved holiday homes to be established and maintained by individual local governments, to record basic details of the property, addresses and configuration. Local governments are encouraged to promote voluntary accreditation of holiday homes from the Tourism Council of Western Australia.</p>
Regional Planning		
Regional Planning Strategies	<p>Regional strategies interpret the State Planning Strategy at a regional level and provide a basis for co-operative action by State and local government on land use and development. Regional structure plans provide for the comprehensive planning of a region or sub-region to guide change in the short to medium term.</p> <p>There are a range of regional planning strategies in Western Australia which identify the vision, principles and guidelines for planning within specific regions of the State. Some of these strategies have formed the basis of the preparation of a Region Scheme.</p>	A review of regional strategies identifies that they generally deal with the issue of tourism development from the perspective of facilitating the achievement of the benefits of tourism for regional economic growth. Specific tourism nodes or locations are generally not identified within a spatial land use framework.

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PLANNING MECHANISM	DESCRIPTION	INSIGHTS
Region Planning Schemes (statutory regional plans)	<p>There are 3 statutory regional plans that operate in Western Australia:</p> <ul style="list-style-type: none"> <li>Metropolitan Region Scheme</li> <li>Peel Region Scheme</li> <li>Greater Bunbury Region Scheme</li> </ul> <p>The Region Schemes form the statutory land use planning control for the region which they apply on.</p> <p>The Region Schemes consists of the scheme text and accompanying scheme map. The map divides land into broad zones and reservations. The Western Australian Planning Commission (WAPC) is responsible for administering the region schemes, and delegates some of its authority to Regional Planning Committees to determine significant proposals. Development control is delegated by the WAPC to local government, when on zoned land under the region scheme. Development on reserved land is generally determined by the WAPC (or its delegated Committee).</p> <p>The local governments that are included within a Region Scheme area are required to ensure their local planning schemes, maps and zoning are consistent with the intent of the zones of the region scheme and replicate the scheme reserves.</p> <p>The region schemes use broad land use zonings. However, the intensity of land uses is determined by local government planning schemes.</p>	<p>At a regional level, tourism as a land use is not identified within existing statutory planning schemes.</p>

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PLANNING MECHANISM	DESCRIPTION	INSIGHTS
Local Planning Strategies	<p>A Local Planning Strategy (LPS) is prepared by local government and sets out the long-term planning directions for the jurisdiction, applies State and regional planning policies and provides the rationale for the zones and other provisions of the Local Planning Strategy. It provides the strategic framework within which future amendments to local planning schemes will be considered.</p>	<p>A review of local planning strategies prepared to date show limited attention to tourism issues and a lack of guidance on how tourism demand and existing sites should be dealt with in a zoning framework. The provision of a strategic framework for tourism, including the identification of tourism sites or precincts, is also generally absent.</p> <p>As a result of the Tourism Taskforce recommendations and the subsequent Planning Bulletin 83, there will be a requirement for local governments to strategically plan for tourism either as part of the local planning strategy process or, if the need requires, as a separate local tourism planning strategy.</p> <p>The aim of the tourism component of a local planning strategy is to provide local government and the community with direction on tourism development by establishing a land use planning framework for tourism. The tourism component of a local planning strategy will need to address current and future demand, identify tourism sites and provide guidance on tourism development zones and infrastructure needs. It will also identify potential state strategic tourism sites or locations and non-strategic tourism sites to meet projected demand in the locality. The strategy will be reflected through appropriate provisions in local planning schemes. This may involve local governments amending an existing scheme or incorporating provisions into a new scheme.</p> <p>Tourism Western Australia is currently preparing a guide on how to prepare local tourism planning strategies.</p>



## Local Planning Schemes

Local planning schemes are prepared by local government and are the primary documents that control land use and development. Local governments are required to review the schemes every five years to ensure consistency with the requirements and principles of the State planning framework.

A local planning scheme consists of the scheme text and accompanying scheme map. Local governments also prepare a range of planning policies to guide assessment and decision making on particular planning issues, land uses or precincts.

Local planning schemes are required to be prepared in accordance with the Model Scheme Text (MST) currently under review, with the preliminary draft outlining the intention to enforce consistency between schemes. The MST intends to establish standards that apply to all local planning schemes, while still allowing for local variation. It is anticipated that the MST will be gazetted towards the end of 2010 and all new schemes prepared/reviewed after this date will be required to be in accordance with the new provisions.

The following series of tables provide an overview of the planning schemes of 4 local governments which are important in terms of tourism development in the State.



PLANNING MECHANISM	DESCRIPTION
City of Perth - City Planning Scheme No. 2	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>Tourism is not recognised as a specific objective of the scheme.</li> <li>The scheme aims to cater for a diversity of demands, interests and lifestyles, by encouraging a mixture of activities. The promotion and safeguarding of the economic wellbeing and functions of the city is also encouraged. Inherently, tourism fits within this broad strategic objective.</li> <li>While tourism is not explicitly outlined as a key objective of the scheme, numerous references are provided that refer to encouraging economic activity, a diversity of uses and maintaining the primacy of the Perth central area within the metropolitan area and the State.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The City Planning Scheme offers an alternative zoning system to most other local governments. The scheme area is divided into a series of 'precincts' within which certain 'use groups' are permitted, contemplated or not permitted. Broadly covering these precincts are 'Scheme Use Areas', which set out the broad goals that permitted 'use groups' should generally comply with. These use groups are complemented by a 'Statement of Intent' which outlines the strategic goals for each precinct. This structure basically provides for a series of 'schemes' across the local government area.</li> <li>The scheme does not include a 'dedicated' tourism precinct. Tourism activity is generally well catered for within this largely flexible scheme, which rarely excludes particular types of land uses. In particular, short-term accommodation is generally permitted or contemplated throughout the local government area, as are most entertainment, dining, retail and other complementary activities.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The plan does not refer to 'tourism' as a singular land use activity. It does, however, identify a range of land uses that are considered to contribute towards / constitute a tourism activity.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>A variety of development requirements are placed on short term and serviced apartments, which encourage the separation of land uses within buildings.</li> </ul>

PLANNING MECHANISM	DESCRIPTION
Shire of Broome Town Planning Scheme No. 4	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>One of the scheme's aim is "to provide a range of Tourist facilities and accommodation" and "to assist in employment and economic growth by facilitating the timely provision of suitable land for retail, commercial, industrial, entertainment and tourist developments".</li> <li>Additional aims relevant to tourism include those relating to the safeguarding and enhancement of the character and amenity of the built and natural environment and to incorporate Aboriginal heritage and cultural values into land use planning. These aims relate to tourism given that Broome is placed as a nature-based tourism provider as well as a centre for aboriginal cultural activities.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The Shire of Broome includes a dedicated 'Tourist Zone'. The aim of the zone is to provide for tourism and associated uses. This includes retail and service uses where they are integral to the tourist component of the development.</li> <li>Council's objectives for the zone are to ensure short term accommodation as the predominant use of the land and to encourage a mixture of recreation activities and accommodation types. Council is able to require a Development Plan (Structure Plan) at its discretion within this zone. A range of uses are, however, permitted (or under discretion) in the 'Tourist Zone', including tourist development and motels; zoological gardens; restaurants and shops; residential; motor vehicle hire; art gallery; single, grouped and multiple dwellings; camping caravan park; bed-and-breakfast accommodation; and civic use.</li> <li>Tourism activities are not limited to the 'Tourist Zone', however, but rather supported in a range of other, predominantly urban locations throughout the city as part of a mixed use offering.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The scheme provides for 'Tourist Development' which is defined as any land or buildings used for the overnight or holiday accommodation of patrons in self contained units and/or shared accommodation that may include on-site recreational facilities such as golf, swimming, bike riding, tennis, bowls, fishing, restaurants, shops, function rooms, entertainment facilities, administration offices, caretaker facilities. It includes dormitory style accommodation, hostel/backpackers, tourist lodging/guest houses, motel and hotel.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>There are only limited development requirements specifically placed on tourism. However, several zones require the creation of a Development Plan which may place additional built form requirements on resulting land use activities.</li> </ul>

PLANNING MECHANISM	DESCRIPTION
Shire of Busselton District Town Planning Scheme No. 20	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>Tourism is not recognised as a key objective of the scheme. Despite this, there are several objectives that could be interpreted as related to tourism, including the need to broaden the Shire's economic base, the need to preserve important natural features and to protect and enhance areas within the Shire identified as being of significant environmental value.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The scheme has a dedicated 'Viticulture and Tourism Zone', the objective of which is to provide for viticulture, winemaking and associate industries and to optimise the tourism potential of viticulture activities in the Shire to sustain that industry. It further aims to ensure viticulture is predominant in the combination of land uses and further encourages nature-based tourism that prevents environmental or agricultural degradation as a result of the activity.</li> <li>Uses supported by the 'Viticulture and Tourism Zone' include bed and breakfast, boatel, caravan park and camping grounds, chalet development, guesthouse, hotel, motel, rural holiday resort, tourist accommodation and winery.</li> <li>A range of other zones allow for some tourist uses and complementary or supporting uses associated with tourism.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The planning scheme does not refer to 'tourism' as a singular land use activity. However, it does define tourist development as "a building or group of buildings substantially used for the temporary accommodation of tourists, visitors and travellers which may have facilities for the convenience of patrons such as restaurants, convention areas and the like but does not include a building or place elsewhere specifically defined elsewhere in the scheme." When considering this, the definition is clearly 'accommodation' oriented.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>Built form controls for development within Shire are generally dealt with on a zone-by-zone basis and, as such, there are limited specific provisions for many generic development types.</li> <li>The Plan does not provide explicit guidelines that are geared towards the development of tourism activities as a collective. Those provisions that do exist place an emphasis on integration with, and preservation of the natural amenity of a locality.</li> </ul>

# Margaret River

PLANNING MECHANISM	DESCRIPTION
Shire of Augusta- Margaret River Town Planning Scheme No. 11 District Zoning Scheme	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>Tourism is not recognised as a key objective of the scheme and there are no related objectives.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The scheme includes a dedicated 'Tourist Accommodation Zone'. The objective of this zone is to provide for the development of tourist accommodation such as guest houses, chalets, motels, lodges and caravan parks in areas which have a close relationship to major access routes or natural features.</li> <li>The zone also intends to ensure that development is of a high, integrated standard, is connected to reticulated sewerage and that development within the zone is for short-stay accommodation purposes only. Significantly, development within the zone shall only be for short-term accommodation and strata title developments are not permitted unless approved by Council.</li> <li>Uses permitted within the 'Tourist Accommodation Zone' include residential buildings (which encompass, for example, a residential hotel, boarding/guest/ lodging, house or bed and breakfast), motel, holiday cabins and chalets, hotel, licensed restaurant and eating house.</li> <li>It is noted that tourism activities are also inherently supported in various other zones (including the 'Town Centre Zone' and 'Rural Zone') in conjunction with a range of other land uses.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The plan does not limit tourism to a singular land use activity. Instead, it identifies a range of alternative land uses that are considered to contribute towards / constitute a tourism activity, be it short-term accommodation or community services and facility-type activities.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>Built form controls for development within Shire are generally dealt with on a zone-by-zone basis and, as such, there are limited specific provisions for many generic development types. It is noted that within the 'Tourist Accommodation Zone' development proposals are considered in terms of impact on visual and natural amenity, the availability of reticulated sewerage and/or suitability for on-site effluent disposal, the provision of sufficient landscape buffers and the density of the development itself. Within rural areas, there is a strong focus on the preservation of natural amenity.</li> <li>There are no explicit design guidelines that are geared towards the development of 'tourism activities' as a collective. Certain types of tourist-related development (motels, caravan parks, holiday cabins and chalets) are however required to comply with Local Government Model By-Laws within regard to specific built form outcomes.</li> </ul>





## Synthesis of Insights

- The State Planning Framework, consisting of the State Planning Strategy, State Planning Policies, Region Schemes and Regional Strategies, identifies tourism as being important for the economic development of the state. While the development of tourism is promoted in these documents, tourism zones (as a land use protection mechanism) are not identified in state level statutory plans.
- The State Planning Framework has various components that either directly, through statutory controls, or via the establishment of a strategic direction influence the development of tourist accommodation.
- Tourism development in Western Australia to date has been largely nature-based or rural-based, with particular demand for development along the coast and in areas of high intrinsic environmental value. Planning for tourism at a local level has largely been around managing land use conflicts, as opposed to strategically facilitating the development of tourism (in a land-use sense).
- Tourism development is impacted by a diverse range of policies at the state level, in particular the State Coastal Planning Policy, which determines the distance from the beach and the height of coastal development. Further, there are specific policies that relate to tourism within distinct locations in the state (Leeuwin-Naturaliste Ridge and Ningaloo Coast). Generally, these policies seek to enhance the tourism value of these locations and provide guidance on matters such as managing land use conflict and

# Western Australia

enhancing amenity and infrastructure availability to service developments.

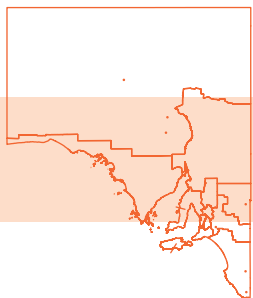
- The introduction of permanent residential components within tourism developments was examined by a Ministerial Taskforce, with the view to develop a state policy that provides direction to local government in assessing mixed use developments and in the identification of strategic tourism sites to be protected for the sole purpose of tourism. There has been much industry debate on these issues and the Department of Planning and Tourism Western Australia is currently reviewing the policy to identify appropriate policy parameters.
- The intention in a majority of local government town planning schemes is that 'tourist zoned' sites are for short-stay accommodation only. The majority of non-metropolitan schemes contain a generic zone for 'tourism' – although they are generally only geared towards the provision of short-stay residential type activities. Schemes also often contain specific development / land use categories for 'Holiday Accommodation', 'Tourism Development' or similar.
- In some instances, Holiday Accommodation is linked to the local government Model Local Laws for Holiday Accommodation (1974), which limits occupation to an aggregate six months in any 12 months. Notably, Busselton's scheme identifies a time restriction for occupation of tourist accommodation based on a maximum of three months in any 12 months, to a maximum of four months. Beyond this, an array of differing mechanisms and approaches have been developed throughout the state to control the emerging trend by which a permanent residential

is delivered as part of a primarily tourism-oriented development.

- The majority of the assessed schemes do not limit the development of tourist accommodation to the specific tourist zone only. Schemes generally provided for low-key facilities as discretionary uses in the residential zones and higher-order facilities in the town centre / commercial and some rural zones.
- Within the Western Australia planning framework there is limited recognition of 'tourism' as a land use requiring specific protection. Where a use has been protected it usually relates to an attraction. In many instances tourism is promoted as a use within identified tourist precincts. The use of zoning to effect or protect tourist accommodation development is also limited.
- Of the local government schemes that were reviewed, the shires of Broome and Busselton have developed scheme policies to guide their consideration and recommendation of conditions with respect to applications for strata subdivision of tourist accommodation developments. The Shire of Broome Policy sets out guidelines for the assessment of strata applications and specific requirements for integrated management designed to ensure the ongoing management of a facility as a bona fide tourism resort. In achieving this, the policy deals with such issues as management structure requirements, common maintenance, servicing and fit-out, availability of units for rent and development of common facilities and amenity buildings as part of first-stage development.
- From a strategic land use planning perspective, a

review of local planning strategies prepared to date shows limited attention to tourism issues and a lack of guidance on how tourism demand and existing sites should be dealt with in a zoning framework. The provision of a strategic framework for tourism, including the identification of tourism sites or precincts, is also generally absent.

- The preparation of local tourism strategies was a recommendation of the Ministerial Taskforce to deal with strategic planning for tourism as a land use. To date, only a handful of local governments have prepared local tourism strategies and, of these, none of the strategies have been endorsed by the WAPC.



# South Australia

## State-Wide Planning

## South Australia

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
State-Wide Planning		
Development Act 1993 and Development Regulations 2008	The <i>Development Act 1993</i> and <i>Development Regulations 2008</i> provide the legislative framework for the planning and development system in South Australia. It sets out the procedures for preparing and amending Development Plans, obtaining development approvals, settling disputes, enforcing compliance with development approvals and other administrative procedures. The Act came into effect on 15 <sup>th</sup> January 1994 but has been amended on several occasions since then in response to emerging matters.	<ul style="list-style-type: none"> <li>The <i>Development Act 1993</i> and <i>Development Regulations 2008</i> establish the legislative framework for managing the process by which development takes place. It is the primary tool used to ensure the continuing coordination and integration of planning at the local, regional and state levels.</li> </ul>

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PLANNING MECHANISM	DESCRIPTION	INSIGHTS
Better Development Plan (BDP) Project	<p>The 'Better Development Plans – Making Policy Easier' is a policy initiative of the state government. The BDP program represents an overhaul and streamlining of the existing plan and policy-making process. The program proposes the introduction of standardised zones and council-wide policies.</p> <p>The project will facilitate the standardisation of zones and a more consistent and clear structure to Development Plans. Development Plans that are converted to the BDP format will be updated to include new formatting, mapping, introduction and general sections, zones, policy areas and precincts and desired character statements. The project has defined approximately 40 different standard zones within South Australia at present. The project seeks to consolidate this to approximately 25 zones.</p> <p>Implementation of the objectives of the Better Development Plans project is now mandatory for all Councils. Until recently, the process to convert Development Plans to the new format had been voluntary. At present, 51 of the SA's 68 Councils have changed or are in the process of changing their Development Plans to the new model. The objective is to have all 68 converted by 30<sup>th</sup> June 2011.</p>	<p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The BDP project provides a library of generic zones from which all local municipalities must select from to establish local Development Plans.</li> <li>The relevant generic zones of the BDP project recognise tourism as an important principle to be taken into account by developers and responsible authorities in the preparation of their site-specific development proposals and in the decision-making process.</li> <li>The zoning approach of the BDP project is generally supportive of tourism development in that it provides local authorities with the opportunity to consent to land uses within zones and prohibits only those that are clearly and overwhelmingly inappropriate within a certain zone.</li> <li>Council-wide policy and zones can be tailored to fit a desired land use or built form outcome. Moreover, if deemed necessary, specific zones can be created to assist with delivering the sought outcome.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The Better Development Plan Program does not provide a specific definition for 'tourism' land uses.</li> <li>Development Plans do however identify a range of land uses that are considered to contribute towards / constitute a tourism activity, be it accommodation, commercial development or some form of supporting facility.</li> <li>The Development Plans do not provide definitions for specific land uses. The Development Regulations 2008 – Schedule 1 provides the definition for land uses within South Australia. Unfortunately, not all of the land uses referred to in Development Plans are included in Schedule 1. Thus, it is not often easy to determine what fits within a land use term. Usually, case law is relied upon to determine definitions.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>The zones largely rely on character statements to influence the built form outcomes sought for within zones, rather than physical requirements (e.g. height or patron limits).</li> </ul>



# South Australia

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
Strategic Plans	<p>The state government's broad vision for sustainable land use and the built development of the State is outlined in the Planning Strategy. There are currently five volumes in the Strategy:</p> <ul style="list-style-type: none"> <li>▪ The Planning Strategy for Metropolitan Adelaide (December 2007);</li> <li>▪ The Planning Strategy for Outer Metropolitan Adelaide Region (December 2007);</li> <li>▪ The Planning Strategy for Regional SA (December 2007);</li> <li>▪ The Yorke Peninsula Regional Land Use Framework (December 2007); and</li> <li>▪ The Greater Mount Gambier Master Plan (February 2008).</li> </ul> <p>The Planning Strategy, which covers a full range of social, economic and environmental issues, informs and guides policies both across Government and in local area Development Plans. The above planning strategies are intended to help inform Councils who are responsible for the preparation, review and amendment of the Development Plans.</p>	<ul style="list-style-type: none"> <li>▪ Tourism is recognised as a key theme in the vision of each of the five strategic plans for South Australia.</li> <li>▪ The strategy recognises tourism as an economic driver for the state. It also acknowledges future growth will occur through the facilitation of sustainable tourism development, which in turn will achieve economic, social and environmental benefits across the State.</li> <li>▪ The strategy recognises that tourist attractions need to be protected and enhanced so that they may continue to contribute to the growth of Adelaide, the regions and the State.</li> <li>▪ The strategy recognises that tourism, which currently generates significant revenue for the state, has the capacity to grow even more, and consequently aims to protect key tourism areas. The aim is to facilitate sustainable tourism development in appropriate locations, assessed against land and environmental capabilities, in order to achieve economic, social and environmental benefits for the state.</li> <li>▪ The plans acknowledge that Adelaide is the focus of tourism in South Australia and that many regional centres and towns are also popular tourism destinations.</li> <li>▪ The documents recognise the need to further strengthen South Australia's reputation for food and wine, nature-based, coastal and marine tourism.</li> <li>▪ The strategy recognises that the state's transport system needs to support tourism.</li> <li>▪ Whilst the strategic plans provide clear direction to local authorities when preparing Development Plans and also materially influence the preparation of council-wide policy, they have not necessarily been translated into any specific policies within the zones.</li> </ul>



## Development Plans

Within South Australia the *Development Act 1993* requires that each Local Authority prepares a Development Plan. The purpose of a Development Plan is to regulate the use and development of land through planning policies and zones and is a legal document prepared and approved under the Act. The administration and enforcement of the Development Plan is generally the responsibility of the Local Authority. A development application is assessed against the relevant policies in the appropriate Development Plan. The structure of a Development Plan may vary slightly from one local authority to the next, although the general framework includes:

- Contents Page;
- Objectives, Principles of Development Control and other council-wide policies;
- Zones; and
- Zoning Maps.

At present, most South Australian Council's Development Plans include a set of different zones which are unique to the council area. The Council determines the name of the zone and the contents of the zone. That said, and as stated above, the state government has implemented the 'Better Development Plan Program' which seeks, amongst other things, to standardise zones across South Australia. A zone will generally be structured in a similar way, include objectives and principles of development control and provide a list of activities that are appropriate (complying) and inappropriate (non-complying) within the zone.

The following series of tables provide an overview of the local government planning framework that guides both planning and development within those priority tourism destinations in South Australia.

# Kangaroo Island

PLANNING MECHANISM	DESCRIPTION
Kangaroo Island Development Plan	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>Tourism is recognised as a key theme in the State Strategic Setting of the Kangaroo Island Planning and Development Area.</li> <li>With regard to economic activity, tourism is noted as being a key contributor in terms of economic initiatives and employment opportunities.</li> <li>The continued growth of tourism on the island and the importance of managing its dependency on the natural resources in order to maintain a 'clean and green' image is viewed as a fundamental driver of development control.</li> <li>The General Policies of the Development Plan specifically address tourism development. The key objective behind tourism is identified as delivering environmentally sustainable and innovative development that assists in the conservation, interpretation and public appreciation of the significant natural and cultural features -including state and local heritage places. Further, tourism development is typically supported under the policy where it sustains or enhances the local character, visual amenity and appeal of the area and protects areas of exceptional natural values. Tourism is also supported where it allows for appropriate levels of visitation, and demonstrates a high quality environmental analysis and design response (one which enhances environmental values and does not infringe on valuable agricultural land).</li> <li>Beyond this, the General Policies recognise that tourism development should have a functional or locational link with its natural, cultural or historical setting and should not damage or degrade any significant natural and cultural features. The policies further ensure that its scale, form and location will not overwhelm, over-commercialise or detract from the intrinsic natural values of the land on which it is sited or the character of its locality. Importantly, the policies recognise that major tourism developments should generally be located within designated areas and existing townships or settlements.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The Development Plan adopts zones and policy areas from the Better Development Plan Program. The Better Development Plan Program does not include any specific zones solely dedicated to tourism activities. Rather, it provides for the broad physical dispersal of tourism related activities and make allowances for these uses across its range of zones, be they urban or non-urban in nature.</li> <li>Additionally, the Development Plan utilises a number of sub-policy areas that are conducive to the tourism product. Notably, the Development Plan includes the 'Tourist Accommodation Zone', which is intended to primarily accommodate sustainable tourist accommodation, entertainment and recreational facilities.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The Development Plan does not provide a specific definition for 'tourism' land uses. The Development Plan does however identify a range of land uses that are considered to contribute towards / constitute a tourism activity, be it accommodation, commercial development or some form of supporting facility.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>There exist no explicit design guidelines that are geared towards the development of 'tourism activities' as a collective. Built form outcomes are typically dealt with on a zone or location basis.</li> </ul>

PLANNING MECHANISM	DESCRIPTION
Barossa Development Plan	<p><i>Strategic Framework</i></p> <ul style="list-style-type: none"> <li>The General Policies of the Development Plan specifically address tourism development. The key objectives behind tourism are identified as supporting the development of sustainable tourism, including accommodation, attractions and facilities which relate to and interpret the natural and cultural resources of the area and increase the opportunities for visitors to stay overnight. The policies indicate a preference for major tourist development contained within towns or specific tourist accommodation zones, whilst recognising small-scale tourist facilities may be located in appropriate rural areas and townships.</li> <li>In addition, the General Policies seek to achieve tourist facilities that are located and designed to minimise impacts on surrounding uses (and heritage places) and to avoid conflict with primary production, wineries and industries.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The Barossa Development Plan has not yet been updated to include the standard suite of zones associated with the Better Development Plan program.</li> <li>The Development Plan provides a list of dedicated areas as part of its land use classification system that are geared towards the tourism product. These zones include the 'Tourist Accommodation Zone', the 'Caravan and Tourist Park Zone' and the 'Recreation Zone'. These areas support the development of tourist accommodation in a wide range of types and establish opportunities for the delivery of tourist facilities and services (to complement tourist accommodation), in addition to allowing for a range of major active and passive recreational facilities for tourists, visitors and the local community.</li> <li>Tourism is not limited to these zones, however, and is supported in a range of other locations throughout the city as part of a mixed use offering.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The Development Plan does not provide a specific definition for 'tourism' land uses. The Development Plan does however identify a range of land uses that are considered to contribute towards / constitute a tourism activity, be it accommodation, commercial development or some form of supporting facility.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>There exist no explicit design guidelines that are geared towards the development of 'tourism activities' as a collective. Built form outcomes are typically dealt with on a zone or location basis.</li> </ul>





## SYNTHESIS OF INSIGHTS

- The 'Better Development Plans – Making Policy Easier' is a policy initiative of the state government. The BDP program represents an overhaul and streamlining of the existing planning policy content and policy-making process. The program proposes the introduction of standardised zones and council-wide policies. The library of generic zones recognises tourism as an important principle to be taken into account by developers and responsible authorities in the preparation of their site specific development proposals and in the decision-making process.
- The zoning approach of the BDP project is generally supportive of tourism development in that it provides local authorities with the opportunity to consent to land uses within zones and prohibits only those that are clearly and overwhelmingly inappropriate within a certain zone. If deemed necessary, a specific zone can be created to assist with delivering a particular land-use outcome.
- The Better Development Plan Program does not provide a specific definition for 'tourism' land uses. It does, however, identify a range of land uses that are considered to not only contribute towards tourism as an activity (be it accommodation, commercial development or some form of facility) but often also share a nexus with the wider community in which they are located. The complexities of the system (Development Regulations 2008 – Schedule 1) though, result in a system that does not clearly define land uses, so it is not often a simple task to determine what activities constitute a particular

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land use term. Usually, case law is relied upon to determine definitions.

- The various planning strategies across the state recognise tourism as an economic driver and also acknowledge future growth will occur through the facilitation of sustainable tourism development, which in turn will achieve economic, social and environmental benefits across South Australia. The strategies recognise that existing tourist attractions need to be protected and enhanced so that they may continue to contribute to the growth of Adelaide, the regions and the state. In short, they aim to facilitate sustainable tourism development in appropriate locations and in consideration of land and environmental capabilities.
- Whilst the strategic plans provide clear direction to local authorities when preparing Development Plans and also materially influence the preparation of council-wide policy, they have not necessarily been translated into the specific policies within the various zones that have been adopted by many local authorities.
- The Development Plans tend to recognise the importance of tourism to the local economy and that future developments must be sustainable if the community and visitors are to continue enjoying the local offer –they are, thus, supportive of sustainable and appropriate tourism development.
- Importantly, these plans tend to recognise that the focus of tourism and subsequent development requirements will vary considerably from one location to the next and typically require development to be of

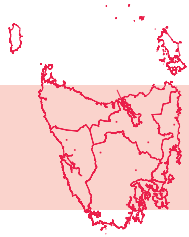
a nature and scale that reflects or is sympathetic to the attributes and values of a locality. They are also geared towards reducing conflicts between tourism activities and other land use pursuits, particularly in non-urban areas.

- The Kangaroo Island Development Plan has been updated as part of the BDP project. As a result, it has adopted and modified many of the generic BDP zones to suit the development outcomes sought for the island -including tourism development. Of note the plan establishes two specific zones which are aimed at facilitating tourism development (namely, the 'Tourist Accommodation Zone' and the 'Recreation Zone'). Each of them has the ability to deliver land-use and built-form outcomes which will directly benefit the island's tourism industry, although both lack a definition of specific land uses. It is noted that maintaining a 'clean and green' image is a fundamental driver of development control.
- The Barossa Development Plan, which is yet to be updated in accordance with the BDP project, recognises that tourism is important to the local economy but does not reinforce this point to the same degree as the Kangaroo Island Development Plan. The Development Plan contains zones which have been specifically drafted for the municipality that are geared towards the tourism product. These areas support the development of tourist accommodation and establish opportunities for the delivery of tourist facilities and services (to complement tourist accommodation). Tourism is not limited to these zones though, but is supported in a range of other locations throughout the city as part of a mixed use

offering.

- There exist no explicit design guidelines that are geared towards the development of 'tourism activities' as a collective. Rather, built form outcomes are typically dealt with on a zone or location basis.





# Tasmania

## State-Wide Planning

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
State-Wide Planning		
Resource Management and Planning System (RMPS)	The Resource Management and Planning System (RMPS) is the overarching planning and environmental framework which promotes the sustainable development of Tasmania's resources. The system requires local governments to further the objectives of the RMPS through their planning schemes. Several pieces of legislation embody the aims of the RMPS.	<ul style="list-style-type: none"> <li>The RMPS embodies a suite of legislation that promotes the sustainable development of Tasmania's resources.</li> </ul>
Land Use Planning and Approvals Act (LUPAA)	<p>The <i>Land Use Planning and Approvals Act 1993</i> (LUPAA) is the central legislation underpinning the RMPS. Broadly, it provides for:</p> <ul style="list-style-type: none"> <li>The making and amendment of planning schemes;</li> <li>The assessment of planning directives;</li> <li>Development control and enforcement and agreements between planning authorities and landowners; and</li> <li>RMPAT to hear appeals into specific development control matters.</li> </ul> <p>The Tasmanian Planning Commission performs a number of functions under the LUPAA, including the approval of planning schemes and the assessment of projects of state significance.</p>	<ul style="list-style-type: none"> <li>The LUPAA is the legislative framework for managing the process by which development takes place. It is the primary tool used to ensure the continuing coordination and integration of planning at the local, regional and state levels and controls the development of land.</li> </ul>
State Policies	<p>State Policies formulated under <i>State Policies and Projects Act 1993</i> represent the government's overarching position on certain policy matters and may contain matters relating to one or more of the following:</p> <ul style="list-style-type: none"> <li>Sustainable development of natural and physical resources, land use planning, land management, environmental management and environment protection; and</li> <li>Any other matter that may be prescribed.</li> </ul>	<ul style="list-style-type: none"> <li>No State Policy exists that explicitly addresses tourism development as a land use concept. A number of State Policies do however acknowledge tourism as an activity that can drive growth and offer opportunities to diversify the economic and employment base of an area.</li> <li>Notably, the Tasmanian State Coastal Policy 1996 identifies tourism development as a use that has the potential to impact upon a locality and must therefore be located appropriately where there is environmental capacity and where it does not significantly conflict with the natural and aesthetic qualities of the coastal zone. It is noted, however, that the draft updated policy (Draft State Coastal Policy 2008) removes mention of tourism as an activity and, instead, couches it in broader economic development terms.</li> </ul>

PLANNING MECHANISM	DESCRIPTION	INSIGHTS
State Directives	<p>Planning directives are a way of giving direction on a wide range of planning matters and can provide for a consistent approach to land use issues, procedural matters associated with the suite of Resource Management and Planning System legislation or application of State Policies.</p> <p>Planning Directive No.1 - Format and Structure of Planning Schemes requires that Councils use a common format and structure, including some common provisions, when they prepare new planning schemes by utilising the Common Key Elements Template. The template was released in 2003 and is presently being updated by the state government, with a consultation draft due to be issued later this year.</p>	<p><b>Zoning</b></p> <p>The template provides the palette of standardised zones from which all local municipalities are to select from to prepare local planning schemes.</p> <p>The template does not include any specific zones solely dedicated to tourism activities. Rather, the zones are structured in a way that provides for the broad physical dispersal of tourism related activities and makes allowances for these uses across a range of urban and non-urban zones-.</p> <p><b>Definitions</b></p> <p>The template does not refer to 'tourism' as a singular land use activity. Rather, the templates include a number of land uses that accord closely with uses that constitute various tourism accommodation and facility-type development in a broader context. Most notable are those definitions that relate to 'tourist accommodation' and 'tourist operation'.</p>
Tasmania Together	<p>Tasmania Together is a vision for the state that has been prepared based on extensive community consultation exercises. It currently includes 12 goals and 151 benchmarks and is enshrined in law via the <i>Tasmania Together Progress Board Act 2001</i>. The document is used to guide decision-making in the government, business and community sectors. An independent statutory authority, the Tasmania Together Progress Board, monitors progress towards the achievement of the goals and benchmarks and results are reported to all Tasmanians through the Parliament.</p>	<p>Although a number of underlying benchmarks deal with tourism, the key goals of Tasmania Together vision are relatively high level and do not specifically address tourism as a product or land use activity.</p>



PLANNING MECHANISM	DESCRIPTION	INSIGHTS
Regional Planning		
Regional Land Use Frameworks	<p>The Regional Land Use Framework initiative is a joint project between the state government, the Councils and the regional planning authorities within the North (Cradle Coast), Northwest and Southern regions of Tasmania. It involves the preparation of regional land-use frameworks that will guide the development of the new planning schemes that are to be prepared under Planning Directive No.1 - Format and Structure of Planning Schemes.</p>	<p>Southern Tasmania Regional Land Use Framework</p> <p>Land-use planning is the sole focus of this framework which is currently being prepared by the Southern Tasmania Councils Authority in conjunction with the state government, partner Councils (including Tasman Council) and the Sullivans Cove Waterfront Authority. Although the draft framework has not been finalised or released to date, a draft background paper (Tourism and Land Use Planning) has been prepared, which explores the implications of planning having regard to the zoning of tourism land uses, the provision of short-term accommodation, visual landscapes and protected area development.</p> <p>Vision East Land Use Framework</p> <p>Land-use planning is the sole focus of this framework which was prepared by the State Government in conjunction with the municipalities of Break O'Day, Glamorgan Spring Bay, Tasman and the eastern coastal and rural parts of Sorell.</p> <p>Tourism is recognised as a key economic driver and as having a land use imperative under the resource utilisation principle, which endeavours to promote a sustainable approach to the utilisation of the East Coast's resources. One of the outcomes it seeks is to provide quality tourism experiences that are sensitive to the natural environment and local communities.</p> <p>Within the urban area, the framework seeks to ensure developments are sensitively sited and designed, having regard to best-practice urban design and sustainability principles. Tourist developments in non-urban areas are to be sensitively sited and designed and subjected to comprehensive planning assessments that consider environmental, social and economic impacts.</p>



## Local Planning Schemes

Planning schemes within Tasmania are regulatory instruments that set out the requirements that apply to new use and development. Each planning authority area may be covered by one or more planning schemes. Planning schemes divide the area they cover into zones. Each zone has its own particular planning controls with regard to the use of land. Some schemes have a further subdivision of zones into smaller sub-areas, usually called 'precincts'. This subdivision provides a further level of refinement of the controls that apply.

Some planning schemes have an additional layer of controls (usually in the form of overlays) that place additional requirements on development or modify those already applying to zones or precincts. Overlays usually designate areas for which special planning considerations apply – for example, areas subject to airport noise, where bush-fire management issues must be considered or that are subject to flooding or prone to landslip. Overlays can cover multiple zones and precincts.

It is noted that when local planning schemes are updated they must utilise the Common Key Elements Template that has been prepared as part of Planning Scheme Directive 1 – Format and Structure of Planning Schemes. The following series of tables provide an overview of the local government planning framework that guides both planning and development within those priority tourism destinations within Tasmania.

# Sullivans Cove

PLANNING MECHANISM	DESCRIPTION
Sullivans Cove Planning Scheme 1997	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>▪ The Sullivans Cove Planning Scheme is somewhat unique in that it covers only a small part of the inner city of Hobart, whereas planning schemes usually cover an entire municipality.</li> <li>▪ The strategic vision recognises the “diverse range of activities for residents and tourists alike” as one of the values and strengths of the Cove.</li> <li>▪ The preferred future for the Cove includes the recognition of tourism as one of the activities that forms the economic base for the future of the locality and recognises the conservation of built form heritage as an economic consideration and important means of attracting tourists and other visitors to the state.</li> <li>▪ The preferred future indicates that the Cove is intended to continue to function as a space for festivals as well as provide for a broad range of tourist facilities and attractions.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>▪ The scheme does not include any specific zones solely dedicated to tourism activities. Rather, it provides for the broad physical dispersal of tourism related activities and makes allowances for these uses across a multitude of zones in concert with a wide range of other land-use activities, which is to be expected given the concentration of tourist attractions and accommodation in this part of the inner city.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>▪ The planning scheme does not refer to ‘tourism’ as a singular land use activity.</li> <li>▪ The planning scheme does however identify a range of land uses that are considered to contribute towards / constitute tourism activities such as visitor and holiday accommodation and tourist-related uses and supporting facilities that are typically utilised by the broader community (including arts, cultural and function centres).</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>▪ Although the scheme includes a range of schedules that apply to specific land-use issues, none specifically relates to tourism activities.</li> <li>▪ It is noted that when assessing and determining planning applications, consideration must be given to the Hobart Waterfront Urban Design Framework 2004.</li> </ul>

PLANNING MECHANISM	DESCRIPTION
Tasman Planning Scheme 1979	<p><b>Strategic Framework</b></p> <ul style="list-style-type: none"> <li>The Tasman Planning Scheme applies to land on the Tasman Peninsula including the Port Arthur Historic Area.</li> <li>Tourism is a key tenet of the goals and objectives for the municipality. In particular, it is the intent of the scheme to develop the economic potential of the Tasman Peninsula, increase tourist expenditure and expand and diversify tourist activities within the region so as to lengthen visitor stays and relieve visitor pressures on particular sites and facilities.</li> <li>The scheme also seeks to promote the development of the Peninsula as a recreational area through the provision of adequate and suitable facilities which are compatible with the retention of the scenic and historic character of the region.</li> </ul> <p><b>Zoning</b></p> <ul style="list-style-type: none"> <li>The scheme does not include any specific zones solely dedicated to tourism activities. Rather, it provides for the broad physical dispersal of tourism related activities and makes allowances for these uses across a multitude of zones in concert with a wide range of other land use activities.</li> </ul> <p><b>Definitions</b></p> <ul style="list-style-type: none"> <li>The planning scheme identifies a range of land-use activities that fall under the broad definition of a 'tourist operation'. A tourist operation generally refers to development that is specifically for tourist purposes and includes such developments as wildlife parks, host farms, country clubs, outdoor historical or bush displays and the like.</li> <li>Under the scheme, a range of additional land uses are considered to contribute towards / constitute tourism activities. Of note, a number of tourist accommodation type land uses (hostel, guest house, boarding house, etc) fall under the general definition of a residential building.</li> </ul> <p><b>Built Form Outcomes</b></p> <ul style="list-style-type: none"> <li>There are no explicit design guidelines that are geared towards the development of 'tourism activities' as a collective.</li> </ul>



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## SYNTHESIS OF INSIGHTS

- No State Policy exists that explicitly addresses tourism development as a land use concept. A number of State Policies do however acknowledge tourism as an activity that can drive growth and offer opportunities to diversify the economic and employment base of an area.
- Although yet to be finalised, the 'common key elements template', which is part of Planning Directive 1, represents a move towards greater consistency in the plan-making process throughout the state. The directive requires Councils to use a common format and structure, including some common provisions, when they approach the preparation of new planning schemes. Although the template does not refer to 'tourism' as a singular land use activity, it does recognise both 'tourist accommodation' and 'tourist operation' as activities that form part of the tourism product. Beyond this, the template includes a range of additional land uses that have strong linkages with the tourism product but similarly share a nexus with the wider community in which they are located. They are often utilised for purposes that are not necessarily tourism related.
- The template further provides for a palette of standardised zones from which all local municipalities must select from to prepare local planning schemes. The template does not include any specific zones that are solely dedicated to 'tourism activities' and the broad approach to defining tourism inherently provides for the establishment of tourism related activities across a variety of zones (be they urban or non-urban in nature) in concert with a range of other land uses.
- The regional land use framework initiative involves the preparation of regional plans that will guide the development of new planning schemes. Land use planning is the sole focus of these frameworks and, although not all have been finalised or released to date, each one identifies tourism as a key economic driver, recognises that tourism brings with it a land use imperative and further explores the implications of planning having regard to zoning of tourism land uses, the provision of short-term accommodation, visual landscapes and protected-area development. These regional frameworks tend to promote a sustainable approach to the utilisation of resources and seek to provide quality-tourism experiences that are sensitive to the natural environment and local communities.
- The local planning schemes typically recognise tourism as an activity that forms the economic base of a number of localities and acknowledge that the conservation of built form heritage is an important means of attracting tourists and other visitors to the state. There is a conscious effort to increase tourist expenditure and expand and diversify tourist activities within the region so as to lengthen visitor stays and relieve visitor pressures on particular sites and facilities. The schemes also seek to promote provision of adequate and suitable facilities which are compatible with the retention of the scenic and historic character of the region.
- As with the 'common elements template', the schemes do not typically include any specific zones solely dedicated to tourism activities. Rather, they provide for the broad physical dispersal of tourism-related activities and make allowances for these uses across a multitude of zones in concert with a wide range of other land uses.
- The approach to defining the tourism product varies between the local planning schemes in that a scheme may either recognise explicit activities such as 'tourist operation' (as an activity that forms part of the tourism product) or, alternatively, a scheme may include a range of land uses that have strong linkages with the tourism product and similarly share a nexus with the wider community in which they are located and are often utilised for a variety of purposes.







### 3.3 Plan Making and Development Assessment Processes

Each state government effectively establishes the legislative framework that manages the plan-making process. These frameworks are the primary tool used to ensure the continuing coordination and integration of planning across all levels of government within a particular state.

Although this framework establishes the process by which development assessment takes place within a state, almost every local government authority plays a central role in assessing and deciding planning proposals. Typically, a Council determines the appropriateness of a proposed development having regard to its consistency with the local planning framework – its vision, intent and desired outcomes - in addition to a range of standard prerequisites, standards or planning requirements that are generally applicable to specified locations, certain use or types of development.

Each of the state-wide planning frameworks (as explored in previous sections) establishes statutory time periods for the key stages associated with both the plan-making process and the administration of the development assessment. These key stages can generally be broken into the public notification stage and the determination stage.

Notably, each of the planning frameworks effectively allows the state to assume (under certain circumstances) the power to assess and determine development proposals. This course of action occurs outside of the standard planning process – the triggers of which vary from one state to the next.

As a basis for comparison, each of the timeframes associated with the various state planning frameworks (and those relevant Ministerial call-in powers) are summarised in the following tables. It is important to note that these timeframes differ markedly (particular with regard to the development assessment process) and depending on the location and complexity of a proposal.



## Analysis of Ministerial Call-in Powers

LEGISLATION MINISTERIAL CALL-IN POWERS	
NEW SOUTH WALES	
Environmental Planning and Assessment Act 1979	<p>Certain types of development with New South Wales are assessed under Part 3A of the Environmental Planning and Assessment Act 1979, requiring determination by the Minister. State Environmental Planning Policy (Major Development) provides the guidelines under which development can be considered under Part 3A of the Act and provides specific criteria for various tourism and recreational facilities.</p> <p>With regard to development for the purpose of tourist related facilities, major convention and exhibition facilities or multi-use entertainment facilities, the minister is responsible for determining proposals that have a capital investment value of more than \$100 million, or employ 100 or more people, or have a capital investment value of more than \$5 million and is located in an environmentally sensitive area of State significance or a sensitive coastal location</p>
QUEENSLAND	
Sustainable Planning Act 2009	<p>The powers are very strong and effectively allow the Minister to take over any other decision. Generally, a Minister may call in a development application where it is significant to the State or a Region, being:</p> <ul style="list-style-type: none"> <li>▪ If it involves a State Interest; or</li> <li>▪ To assess or re-assess a development application that has, or is being, decided</li> </ul> <p>SPA doesn't list a minimum project dollar value for a Ministerial Call-in, rather it focuses on significance (which appears to be a subjective exercise to define for each project). Significantly, a decision made by the Minister cannot be appealed and concurrence agencies are considered advice only until the Minister makes a decision</p>
VICTORIA	
Planning and Environment Act 1987	<p>The Minister for Planning has the power to call in appeals being reviewed by VCAT (Appeal Call-ins) and permit applications from a Responsible Authority (Permit Call-ins). With regard to Permit Call-ins, the Minister has the power, under Section 97 of the Planning and Environment Act 1987, to call-in a planning permit application being considered by a responsible authority, that the Minister considers:</p> <ul style="list-style-type: none"> <li>▪ Raises a major issue of policy and that the determination of the application may have a substantial effect on the achievement of development of planning objectives</li> <li>▪ The decision on the application has been unreasonably delayed to the disadvantage of the applicant</li> <li>▪ The use or development to which the application relates is also required to be considered by the Minister under another Act or regulation and that consideration would be facilitated by the referral of the application to the Minister.</li> </ul>

LEGISLATION MINISTERIAL CALL-IN POWERS	
WESTERN AUSTRALIA	
Planning and Development Act 2005	<p>Section 246 of the Act allows the Minister to 'call in' an application made to the State Administrative Tribunal if it is of 'State or regional importance'. An application to the Tribunal is only made upon appeal of an initial local government planning determination. The Minister can take public interest concerns into account, as well as planning considerations. The Minister's decision is final. Objectors to development have no right of appeal to the SAT.</p>
SOUTH AUSTRALIA	
Development Act 1993	<p>Under Section 46 of the Development Act 1993, the Minister for Urban Development and Planning can declare a proposed development a 'Major Development' if it is believed such a declaration is appropriate or necessary for proper assessment of the proposed development, and where the proposal is considered to be of major economic, social or environmental importance.</p> <p>This triggers a thorough state-run assessment process with opportunity for public comment before any decision is made on whether the proposal warrants an approval.</p> <p>When deciding whether a development or project should be 'declared', the Minister applies two 'tests' (outlined in Section 46(1) of the Development Act 1993). The Minister must first form the opinion that the development or project is of 'major environmental, social or economic importance'. Secondly, the Minister must form the view that such a declaration is 'appropriate' or 'necessary' for the 'proper' assessment of the proposal.</p>
TASMANIA	
Land Use Planning and Approvals Act 1993	<p>A project is eligible to be a project of State significance if it possesses at least two of the following attributes:</p> <ul style="list-style-type: none"> <li>▪ Significant capital investment;</li> <li>▪ Significant contribution to the States economic development;</li> <li>▪ significant consequential economic impacts;</li> <li>▪ Significant potential contribution to Australia's balance of payments;</li> <li>▪ Significant impact on the environment;</li> <li>▪ Complex technical processes and engineering designs; and/or</li> <li>▪ Significant infrastructure requirements.</li> </ul> <p>The Minister directs the Tasmanian Planning Commission (TPC) to undertake an integrated assessment of the proposal in accordance with the requirements of the State Policies and Projects Act 1993. The government will consider the Commission's report and determine whether the project is to proceed, and if so, on what conditions.</p>



## Statutory Time Frame Analysis - Plan Making and Development Assessment

LEGISLATION	DEVELOPMENT TYPE	PERIOD OF PUBLIC NOTIFICATION	STATUTORY DECISION MAKING PERIOD	DECISION MAKING BODY
<b>NEW SOUTH WALES</b>				
Environmental Planning and Assessment Act 1979	Major Project	At least 30 Days	28 days to issue Environmental Assessment Requirements 21 days for review of adequacy of project Application / Concept Plan 10 days for DG to forward copies of submissions received to proponent No timeline for final determination, however an applicant can appeal against deemed refusal after 30, 60 or 120 days from the end of the environmental assessment period, depending on whether the application involves a 'complex environmental assessment'	Relevant State Minister
	Local Environmental Plan	Minimum 14 days	Appeal against non determination can be made after 40 days	Relevant Local Government or JRPP depending on type and value of development
	Integrated, Concurrence or Designated Development	Minimum 30 days	Appeal against non determination can be made after 60 days	Relevant Local Government
<b>QUEENSLAND</b>				
Sustainable Planning Act 2009	Local Government Planning Scheme	At least 60 business days	NA	Relevant State Minister
	Impact assessable development	Notification period: 15-30 business days (Application made available for public scrutiny from the time the application is lodged – potentially 1.5 years)	20-40 business days	Relevant Local Government
<b>VICTORIA</b>				
Planning and Environment Act 1987	Local Government Planning Scheme Amendment	At least 1 calendar month	NA	Relevant Minister
	Development application	At least 14 Days	As soon as the last referral authority reply, and 14 Days after giving last public notice	Responsible Authority

LEGISLATION	DEVELOPMENT TYPE	PERIOD OF PUBLIC NOTIFICATION	STATUTORY DECISION MAKING PERIOD	DECISION MAKING BODY
<b>WESTERN AUSTRALIA</b>				
Planning and Development Act 2005	Local Planning Scheme	3 months	NA	Minister for Planning and Infrastructure
	Interim Development Order	28 days	NA	NA
	Development Control	14 days if an "A" use (Model Scheme Text Provisions – varies between Local Government)	60 days (Model Scheme Text Provisions – varies between Local Government)	Local Government. WAPC when on reserved land or when 'called in'.
<b>SOUTH AUSTRALIA</b>				
Development Act 1993	Development Plan	Released for public consultation for a minimum of 8 weeks	Time varies -depending on how complicated or contentious the proposed changes are, and whether or how many revisions are required at various stages.	Minister for Urban Development
and Development Regulations 2008	Major Development Proposals	3 weeks (for Development Report)  6 weeks (for Environmental Impact Statement or Public Environmental Report)	NA	The Governor of South Australia
	Complying Development	10 business days	2 weeks (+ 6-10 weeks for every agency the application must be referred to)	Relevant Authority (Local government; Regional Development Assessment Panel; Development Assessment Commission; and/or a relevant minister)
<b>TASMANIA</b>				
Land Use Planning and Approvals Act 1993	Draft Planning Schemes	Draft planning scheme to be placed on public exhibition for a period of 2 months	As soon as practicable	The Planning Commission
	Permitted or Discretionary Development	Generally 14 days	Council has 42 days to determine the application	Relevant Local Government
	Prohibited Development	There is a minimum advertising period of 21 days	Council has 21 days to request additional information	Relevant Local Government
			Council has 42 days to decide whether or not to initiate a proposed planning scheme amendment	
			Council has 28 days to request additional information	



4.0

## Stakeholder Engagement

### 4.1 Tourism Organisations and Developers

A series of consultation exercises have been carried out with a range of stakeholders in order to rapidly identify concerns, issues and perceived challenges relevant to planning for and ultimately delivering the tourism product. The process aimed to capitalise on the experiences and wealth of knowledge of a number of key sectors of the Tourism and Transport Forum membership group. The undertaking primarily involved:

- Consultation with a developer-based working group (identified by the Tourism and Transport Forum) with strong ties to the tourism industry having regard to those barriers faced by the industry in delivering the tourism product; and
- Engagement with State Tourism Organisation and other peak industry bodies across the nation having regard to those issues faced by the industry in planning for the supply-side of tourism.

The consultation process also proved an effective means of identifying the underlying goals, objectives and intents of these stakeholders with regard to the achievement of a consistent platform for the strategic alignment of planning policy. The exercise further helped inform the formulation of measures geared towards resolving a number of key challenges and issues.

The following provides a summary of the various outcomes of the consultation with the developer-based working group and various State Tourism Organisations, drawing key insights as they relate to the delivery of the tourism product and those challenges posed by the planning framework.

## Identified Challenges

### Stakeholder Group:

#### Developer Based Working Group

Accor Hospitality

Blake Dawson

InterContinental Hotels Group

Mirvac Hotels & Resorts

Bovis Lend Lease

Toga Group

Ryan Lawyers

### Planning for Tourism

- There is a general lack of understanding regarding the benefits of tourism to the local economy and it is believed that tourism is not adequately considered in the process of planning for infrastructure. There is little understanding that it is the ease of access of tourists to Australia that is key to the supply-side issue and there is a consensus that under-investment in tourism infrastructure is inhibiting the industry's performance and its growth prospects.
- Tourism is permitted in many places but, as a whole, it is an activity that is not actively planned for nor generally recognised as having a land use imperative. As a result, tourism products must compete with other land use activities. There is a perceived need for tourism to be identified as an exclusive land use within some locations.
- Those planning initiatives that have been established in relation to the supply of the tourism product tend to have been developed without adequate contemplation of the definitive Tourism Strategies that have been prepared for a particular locality (such as those prepared by State Tourism Organisations).
- Planning-based initiatives relating to the supply of the tourism product are often not based on robust demand targets (such as those that are typically established for the delivery of dwellings). It is recognised, however, that the suite of data that is collected does not allow for meaningful interpretation at a local level.

### Delivering the Tourism Product

- From a developer perspective, there is an inherent complexity in the planning system, its hierarchy and procedures, as well as lack of transparency and politicisation of the decision-making process. A key impediment arises from the actions of an overarching planning framework that involves multiple layers of government (and agencies) across state, local and, in some instances, the federal setting.
- The task of delivering the tourism product differs greatly from one location to the next and the complex and lengthy approval processes add to costs and increase the uncertainty associated with a tourism project. It is often difficult to predict the length of time it will take to have a proposal accepted or rejected.
- Planning schemes do not necessarily recognise that the tourism product (its impacts and associated built form outcomes) has specific locational attributes and requirements and is an outcome in its own right. In recognition of this, a tailored response to assessment (to such issues as car parking, design outcomes, the

demand placed on infrastructure, etc) is considered necessary.

- Tourism development is, however, poorly understood and often not approved. Tourism development applications tend to be a rarity in some locations as compared to other land use activities and are not well understood by council officers and developers.
- When a tourism development is approved, it is often done so with conditions which make investment unviable. In particular, contribution to infrastructure and head-work charges for tourism development (notably water, electricity, telecommunications and roads) often do not recognise or reflect tourism's economic multiplier effect.

### Commercial Considerations

- Non-tourism related uses are in most instances the highest and best use of land and dedicated tourism activities (and in particular hotel development) remains largely unfeasible in Australia as values have not kept pace with the rapid growth in construction and land costs. There is a general perception that incentives are necessary in order to facilitate the delivery of a viable product.
- There is an increased tendency to establish a mix of tourist and permanent accommodation in the same development, particularly in regional areas, as a means of underpinning the feasibility of development and it is recognised that strata titling has been one of the key drivers for tourism growth as it allows for flexible investment (breaking-up and selling of product).

### Short Term Accommodation

- The rise of strata title apartment units (in Class 2 buildings) being let on a short-term basis is emerging as a key challenge. A new class of agent/operator has emerged which specialises in obtaining the management rights of strata title units in a building. By pooling these units the residential building effectively enters the short-term accommodation market.
- From a hotelier's perspective, any improvement in potential returns on investment is reduced by the entry of these residential units to the short term accommodation market. They expand supply (reducing revenue per available room), undercut Class 3 tourism rooms on price (through avoiding GST and costs associated with BCA compliance) and leave the short term market when rental tenancy rates increase, leaving an accommodation shortfall.



## Identified Challenges

### Stakeholder Group:

#### State Tourism Organisations

Australian Capital Tourism

Australia Hotels Association

Brisbane Marketing

South Australian Tourism Commission

Tourism New South Wales

Tourism Northern Territory

Tourism Queensland

Tourism Tasmania

Tourism Victoria

Tourism Western Australia

Federal Department of Resources,  
Energy & Tourism

#### Planning for Tourism

- The strategic economic, social and environmental value of tourism to regions is not adequately considered in the process of planning for infrastructure.
- The existing planning framework is complex and the dynamics are markedly different from one destination to the next. There is a disconnect between the various state planning frameworks and often between those local government authorities within each.
- There is no single unified and consistent approach to planning schemes and the way in which they address the delivery of the tourism product. Neither appears to be a strong connection between overriding planning frameworks and various tourism strategies (for example, those strategic directions developed by the various State Tourism Organisations). Their key messages are often not translated into effective land-use policy as part of the plan-making process.
- Although supply and demand data exist to allow for the effective planning of a range of land uses (residential, commercial, industrial etc), this information is not as readily available for tourism drivers and does not allow for likely land use consumption to be effectively determined or planned for. In addition, the data that are collected do not allow for meaningful interpretation at a local level and are not of a robustness that is sufficient enough to influence the decision-making process. The existing information base is geared towards demand stimulation and promotion of tourism and needs realigning with supply-side and industry development requirements.
- There is a lack of formality in coordination amongst authorities and strategic tourism bodies and there is often no formal requirement for tourism developments to be referred to State Tourism Organisations as part of the assessment and determination process. It is recognised that when referral does occur, it usually happens on an ad hoc basis.

#### Delivering the Tourism Product

- There is an absence of tourism-specific performance benchmarks and a poor understanding of the tourism sector (and its needs) in government planning and assessment processes. This situation is often compounded in the absence of effective mechanisms and criteria to allow for effective and informed decision-making.
- There exists limited scope to demonstrate the appropriateness of a proposal, particularly in the context of a non-urban location and those measures that do exist often focus on minimising amenity impacts and provide little latitude for the tabling of innovative measures.
- In terms of the facilitation of development assessment, development geared towards the delivery of visitor accommodation is often perceived as having high land use and amenity impacts when compared to conventional residential activities or other commercial type land uses (such as office and retail development). In particular, the potential for conflict to arise between short-stay tourists and residents is often a concern (due to different lifestyle priorities) as this can lead to the devaluation of the tourism experience.
- Development controls are recognised as an effective means to preserve natural, cultural and heritage values of destinations and encourage appropriate tourism development.
- There is a recognised need to support strategic destination development planning and planning at local and regional levels and to further protect destination character and the natural, cultural and heritage values of destinations.

### Commercial Considerations

- There is an increased trend towards the development industry seeking a mix of tourist and permanent accommodation in the same development, particularly in regional areas, as a means of achieving feasible outcomes. The approach, however, is viewed as having the potential to result in the introduction of urban infrastructure and an enduring population in environments that do not necessarily have an adequate capacity to cope with resulting impacts or may, conversely, 'lock up' developments on land that is to support genuine tourism activities.
- It is recognised that some tourism development is not simply about wealth generation but is rather geared towards establishing a legacy. This is most relevant to small-scale or regional operators.
- There is a perception that appropriate (planning and non-planning) incentives must be established to encourage tourism development. It is recognised, however, that an in-depth understanding of 'market failure' is firstly required (including confirmation that it truly exists) prior to crystallising any subsidy concepts aimed at market intervention.
- The rise of strata title apartment units (in Class 2 buildings) being let on a short-term basis is emerging as a key challenge. There is, however, recognition that this emerging phenomenon does have some benefits in that it allows a given location to cope with peak seasonal demands. It is, in fact, acknowledged as the 'backbone' of some locations and a key driver for repeated visits.

## 4.2 Plan Makers and Decision Makers

The process of engagement also sought to foster a better understanding across all levels of government of the key challenges faced by the industry as precursor to delivering effective planning solutions. Accordingly, target consultation was carried out with various state planning bodies and those in destinations identified as supporting key tourism activities.

In particular, the process allowed for greater insight to be gained into those policy and decision maker's perceptions and experiences in planning for and delivering the tourism product (at the state and local level). The engagement process explored:

- The role of planning in developing the tourism industry;
- Policy approaches to facilitating, and means by which to regulate, tourism development;
- Ways by which to improve methods and mechanisms aimed at addressing tourism development;
- Barriers faced by proponents of tourism development (particularly in a commercial sense); and
- Those other key challenges that have emerged in practical dealings with the tourism industry.

The following provides a consolidated summary of the targeted consultation process. It highlights the diverse (and sometimes conflicting) perceptions and experiences of key policy and decision-makers having regard to the planning framework and the delivery of the tourism product.

## Identified Challenges

### Stakeholder Group:

#### State Planning Bodies

Department of Planning (NSW)

Department of Infrastructure and Planning (QLD)

Department of Planning and Community Development (VIC)

Department of Planning (WA)

Planning South Australia

Tasmanian Planning Commission

#### Local Government Authorities

City of Sydney

Woollahra Municipal Council

Waverley Council

Blue Mountains City Council

Tweed Shire Council

Cessnock City Council

Brisbane City Council

Gold Coast City Council

Sunshine Coast Regional Council

Cairns Regional Council

Whitsundays Regional Council

City of Melbourne

Alpine Shire Council

Corangamite Shire Council

Colac-Otway Shire Council

Perth City Council

Shire of Busselton

Shire of Augusta Margaret River

Shire of Broome

Kangaroo Island Council

The Barossa Council

Sullivans Cove Waterfront Authority

Tasman Council

### The Role of Planning

- There is a recognised need across local authorities for clear direction to be provided from the state with regard to how local authorities should embark on the process of catering for requirements of tourism in the plan-making process.
- In a planning sense, there is a strong state role on joining up metropolitan policy with state policy through a focus on Victoria's regions, clearly identifying which regional centres should be encouraged (Bendigo, Ballarat and the 'next tier' of cities) –tourism is a key sector influencing regional economies.
- It is recognised that planning has the potential to act as an enabler for tourism –it can serve as a means to remove inhibitors and obstructions and may allow the market to operate efficiently in deciding the highest and best use of land.
- On the other hand, many localities (in particular major metropolitan areas) do not see the deliberate restriction of land uses, via the planning process, as an effective way of encouraging particular classes of development.
- Planning has a key role to play in facilitating the adequate provision of land for tourism purposes and can prove instrumental in managing overall built-form outcomes, the character and presentation of a location.
- Planning can facilitate the creation of venues and places that are conducive to the overall package offered to tourists. In major metropolitan areas, however, tourism (from a land use perspective) is not often actively planned for by local government nor does it regularly garner more attention (nor is it more fettered) than any other land-use activities.
- Rather, the role of planning is focused on the delivery of a complex and attractive urban environment (through buildings, streets, open spaces and landscape features) that is conducive to both the community and the tourist –recognising that there exist 'crossover' effects that attract both locals and visitors alike.
- There exist varied approaches to the use of planning mechanisms that are geared towards fostering the growth of tourism –ranging from the identification and protection of key tourist destinations and existing physical assets to the formulation of strategies aimed at the retention and management of those unique characteristics of the natural, rural and built environment, in order to sustain the role of the tourism industry in contributing to continued economic development.

### Policy Approaches, Regulation and Improved Mechanisms

- Many municipalities acknowledge that they need to work together with tourism operators and the broader industry to ensure effective planning that provides for the delivery of a good integrated offer –often across municipal boundaries.
- There is also a belief, however, that the tourism product is not fettered (nor should it be treated) differently to any other activity that brings with it a land use imperative.
- Many local authorities place confidence in the overarching strategic 'tourism intent' for a locality under the planning scheme and the cascading effect this has throughout the remainder of the document.
- Although the cascade effect may result in the effective development of local policy, zones, overlays and provisions, it is considered critical for this 'policy support' to flow through 'on the ground', in order to facilitate and direct development.
- A number of regional localities delineate 'tourism zones' geared towards the provision of visitor accommodation. Tourism activities, however, are not typically limited to these zones, but rather supported in a range of other locations as part of a mixed-use offering -in competition with other activities.
- This broad approach provides for the physical dispersal of tourism related activities (be they urban or non-urban in nature) and is typically consistent with the performance-based approach to planning that is fostered by the majority of the state planning frameworks.
- Beyond this, the notion of delineating dedicated 'tourism zones' often proves counter-intuitive to existing best practice approaches to establishing land uses and the challenge of delineating both the extent and locations of such zones is either confronting to many local authorities or simply not considered necessary.
- Rezoning can be a long and costly process and is often viewed as reactionary rather than strategic or pro-active. It can at times be driven by developers looking to add value to the site (rather than sound planning policy), it is not necessarily in the public interest, can create an uneven playing field or lead to windfall gains for one, potentially at the expense of others.
- Some planning authorities currently or in the past have provided one or several incentives (beyond the delineation of specific land use zones) to facilitate the delivery of the tourism product. These incentives generally relate to the urban setting and include

permitting increases in development area on land through increased heights, greater floor space ratios, reduced contributions or by allowing development to be strata titled.

- There is a considered move across many states towards the introduction of a standardised planning approach. These reforms generally represent an overhaul and streamlining of the existing plan and policy-making process and represent an ideal opportunity to enact change with regard to the way the tourism product is planned for.
- In particular, the various reform agendas provide for a uniform approach to the formulation of such matters as zones, land use definitions, levels of assessment, overlays, infrastructure planning provisions, development assessment codes and other administrative matters.

### **Barriers to Tourism Development**

- Although the planning framework is focused on the delivery of performance based outcomes, the move towards a standardised approach to definitions and the formulation of consistent zones as part of the plan making process results in a degree of rigidity, that may preclude certain forms of tourism development.
- The lack of infrastructure in remote locations (where tourism development may be drawn because of the qualities of such locations) and the need to deal with substantial environmental considerations are significant matters that can act as a barrier - curtailing prospective development. In these locations, the inability of the Councils (which tend to have a low rating base) to provide essential infrastructure such as road upgrades to support tourism developments, compounds this situation.
- The absence of robust demand data and targets inhibits policy development around tourism and does not allow the delivery of the tourism product to be adequately planned for. Research and statistics are essential underlying elements in evidence-based policy development and informed decision-making.
- There remains little support to the provision of permanent residential development associated with tourist activities in non-urban locations particularly where an identified need (other than from a commercial perspective) cannot be demonstrated or where the activity is not dependant on being linked with the rural, ecological or resource values of the locality.

- Tourism development is, for the most part, poorly understood by many council officers and developers alike. Eco-tourism proposals typically prove to be a difficult proposition and it is acknowledged that they have higher hurdles to overcome. There has been a historic absence of benchmarks around the assessment of such proposals and this situation is often compounded due to a lack of effective mechanisms and criteria that allow for effective and informed decision making.
- What is needed are planning controls that are flexible and that have reasonable, sustainability-based criteria. There are few good examples and it is recognised across the board that it is difficult to develop a 'one size fits all' approach.

### **Other Key Challenges and Insights**

- The tourism industry's perception towards 'short term accommodation conversion' is not necessarily mirrored by many local authorities.
- There is recognition that this emerging phenomenon does have its benefits. It allows a given location to cope with demand and, in many cases, short term residential conversions (although difficult to quantify) are an important contributor to the overall tourist accommodation pool. The key challenge in such locations is in fact the ongoing loss of this form of accommodation to more long term residential activities.
- In a number of localities the impact of short-term accommodation activities are not considered to be any greater on the amenity of a locality nor is it viewed as placing greater demand on essential infrastructure than conventional residential development.
- There is general acknowledgement, however, that the practice of converting residential units for short term activities is often inconsistent with local provisions regarding the use of premises, the intents of zones and may further contradict those conditions of approval that are intended to minimise and manage any impacts associated the on-going operation of an approved activity.

- A number of local authorities indicated that the short-term letting of single unit dwellings (i.e. houses) is becoming more prevalent. The use of these dwellings for short-term letting is not supported and actively discouraged in some local government areas (in view of potential amenity impacts). In others, it is actively encouraged as a means of meeting the requirements of the market.
- It was recognised that there is an inherent danger in choosing to cater to the needs of the visitor above that of resident.



## 5.0 An Emerging Challenge

The stakeholder consultation exercises that have been carried out, the examination of background materials and ongoing liaisons with the Tourism and Transport Forum have revealed an array of underlying matters that will require a considered response as the National Tourism Planning Code is progressed (as detailed in a latter section of this report).

Each process, however, identified the perceived risk in hotel investment and the advent of the short term accommodation product (serviced apartments) as emerging challenges, the significance of which warrants further investigation.

It is the intent of this section to explore the state of market with regard to tourism accommodation, in consideration of competing products and the wider economic benefits generated by the tourism industry nationally.

The supposed externalities that lead to market failure is also examined as are the potential means by which to overcome these barriers to investment. It is expected that this undertaking (albeit at a relatively high level) will serve inform any reforms to the urban planning policy framework, particularly where market intervention is proposed.

### 5.1 Benefits of Tourism

Tourism is recognised as an important industry to Australia in terms of its economic, environmental and social contribution.

Economically it is estimated to account directly for around \$40.6 billion (2007-08) of Australia's Gross Domestic Product (3.6% of total GDP). The nature of the tourism industry is that it contributes a similar amount of expenditure indirectly to the Australian economy through flow on activities. Importantly the tourism industry is Australia's largest services export industry contributing \$23.6 billion (10.1%) of Australia's total exports in 2007-08 (The Jackson Report, 2009).

From an employment perspective the tourism industry is even more significant - directly employing in the order of 498,000 people (2007-08) which represents 4.7% of the Australian workforce. Flow on employment is estimated to represent a further 380,000 employees equating to 878,000 workers overall or some 8.3% of the total Australian workforce.

From a social perspective the tourism industry generates jobs for regional and remote communities and facilitates the diversification of these communities (with 47% of tourism expenditure occurring in regions). Further, tourism generates a broad range of job types from full time, part time, and casual all of which meet the needs of the wider workforce and community also creates jobs for and expenditure within Indigenous communities. As a whole tourism generates a sense of national pride generated

through communication of positive experiences by domestic and international visitors.

In terms of environmental benefits, the tourism industry (amongst other things) provides investment and incentive to protect and enhance natural, cultural heritage and environmental assets, and the broader environment and provides an avenue for the delivery of sustainable development forms and businesses.

It would be negligent to ignore the benefits that the tourism industry receives from the different levels of government through a range of mechanisms. Whilst the tourism industry does not receive protectionist benefits through tariffs and non-tariff barriers (as is the case with some of Australia's manufacturing industries) it does benefit from significant capital and recurrent funding from Australia's governments.

At both the federal and state level government invests in tourism organisations that market Australia and its states internationally and nationally, develop brands, undertake market research, and facilitate tourism activity in their jurisdiction - the demand side of tourism. Larger local government authorities also invest in similar activities to generate tourism for their areas (particularly in Queensland which has a number of large local government authorities and has a strong tourism market).

In addition to these recurrent programs, the federal, state, and local governments develop and maintain important tourism infrastructure and attractions. These include cultural and arts facilities, transport infrastructure, public spaces, waterways, beaches, iconic places, natural attractions, and heritage places and facilities.

This supply chain of infrastructure underpins the ability of the industry to meet the growing global demand for tourism and realise potential benefits to Australia.

The work undertaken by the Australian Bureau of Statistics (Tourism Satellite Account) and Tourism Australia (Tourism's contribution to the Australian economy, 1997-98 to 2007-08) recognise that the tourism industry is a significant net contributor to the Australian economy and that continued investment and additional support is warranted. At an Australia wide level, however, it is difficult to precisely determine how government investment in the tourism industry compares to the wider economic, social, and environmental benefits generated by the industry

## 5.2 Competing Products

Although it is not focus of this report to review the state of tourism in Australia at this point, it is considered pertinent to provide some background to assist the understanding of some of the key challenges facing the industry.

There are a range of sub-sectors that comprise the tourism industry as a whole including accommodation, transport, manufacturing, and retail trade. Accommodation represents the largest component of the tourism industry and is identified as the most tourism dependent sector. It is subsequently an appropriate barometer of the state of the sector. This analysis is, therefore focused on tourist accommodation and facilities.

Direct demand and supply for tourism product is most easily measured through the growth in occupied room nights and number of rooms for the major forms of tourism accommodation – Licensed Hotels, Serviced Apartments, and Motels and Guest Houses. This information collected by the ABS is presented for the period from 1998-2009 in the following tables and charts.

Clearly the Serviced Apartment market has experienced the greatest increase in demand over this period growing at an annual rate of 8.5% per annum (p.a.) compared to 3% p.a. for all accommodation. Demand for Serviced Apartments has significantly outstripped the demand for Hotels (2.6% p.a.), and both Motels and Guest Houses (0.8% p.a.) which have experienced extremely limited demand growth over this period.

The strength in demand growth for Serviced Apartments was most notable over the period five year period 1998-2003 when growth in occupied room nights averaged a phenomenal 12.3% p.a. Notably the Serviced Apartment market benefited far more from the Sydney Olympic affect than the Hotel market (3.4% p.a.). Demand for both Serviced Apartments (5.5% p.a.) and Hotels (1.9% p.a.) dropped off after this period though Serviced Apartment growth was still at healthy levels up to 2008 when the Global Financial Crisis impacted all forms of tourism accommodation which have registered declines in 2009.

Highlighting the increasing significance of Serviced Apartments as a form of tourism accommodation is the share of the market that they represent. This has increased from 14% in 1998 to 21% in 2003 and 25% in 2009. This has been principally at the expense of the market share of

the Motel and Guest House market which declined from 44% in 1998 to 38% in 2003 and 35% in 2009. The Hotel sector has only lost a small proportion of its market to the Serviced Apartment sector declining from 42% market share in 1998 to 40% in 2009.

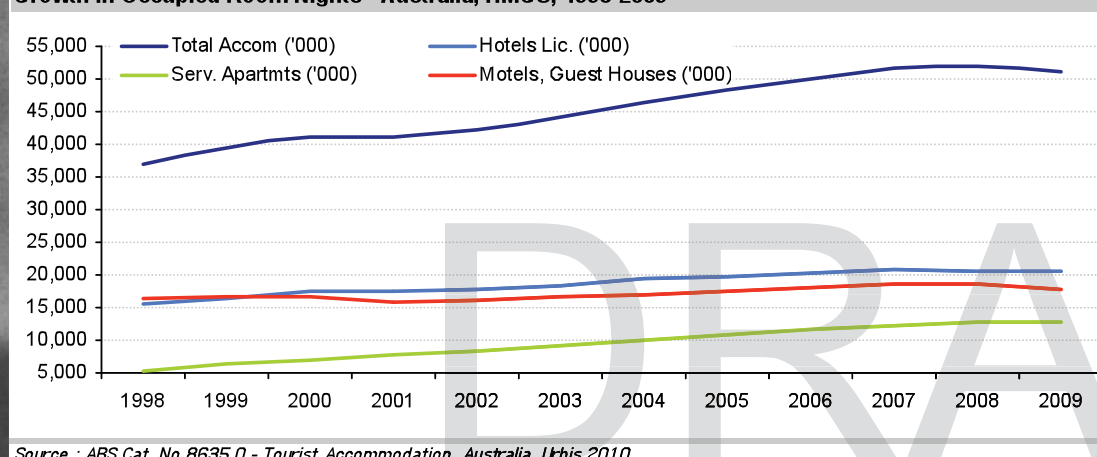
The increase in demand for tourism accommodation has not, however, been equally matched by supply. Whilst overall demand increased by 3% p.a., the supply of rooms increased by only 2.1% p.a.. Each of the accommodation market sectors has reflected a similar trend which has led to increases in occupancy levels and some increase in average achieved room rates. This has been of benefit to the industry and reflects an improved balance of supply and demand. It provides better conditions for tourism accommodation investment.

Notably the supply of Serviced Apartment has increased at far higher rates than the supply of Hotels (1.8% p.a.) and Motels and Guest Houses (0.4% p.a.). Whilst the supply of Serviced Apartments has increased faster than other forms of tourism accommodation its share of the total market supply has increased from 15% in 1998 to 24% in 2009 which is a marginally smaller increase compared to its increase in occupied room nights.

Put simply, its increase in supply has been slightly less than its increase in demand thereby providing the impetus for improvements in the sector's financial performance through increased occupancy and increased room rates.

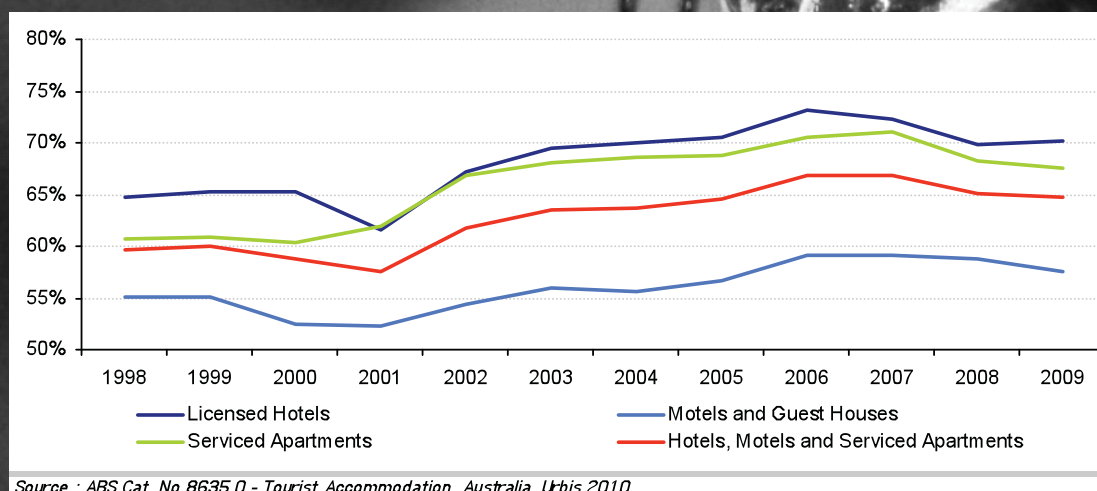
## Growth in Occupied Room Nights - Australia, HMGS, 1998 - 2009

Growth in Occupied Room Nights - Australia, HMGS, 1998-2009



Source : ABS Cat. No 8635.0 - Tourist Accommodation, Australia Urbis 2010

## Summary of Accommodation - Room Occupancy Rate (%) - As at December



Source : ABS Cat. No 8635.0 - Tourist Accommodation, Australia Urbis 2010

The reverse has been the case for Motels and Guest Houses which have seen their share of supply decrease less than their share of demand. Hotels have experienced relatively equivalent declines in supply and demand of around 2% yet still benefit from having a higher share of demand (40%) than of supply (38%).

An examination of tourism accommodation takings and average achieved room rates is insightful for an understanding of the performance of the Australian tourism industry. Consistent with the growth in demand for Serviced Apartment accommodation has been the growth in takings (revenue) for this sector which has averaged 12.4% p.a growth over the period 1998-2009 compared to 6.4% for all major tourist accommodation over this period.

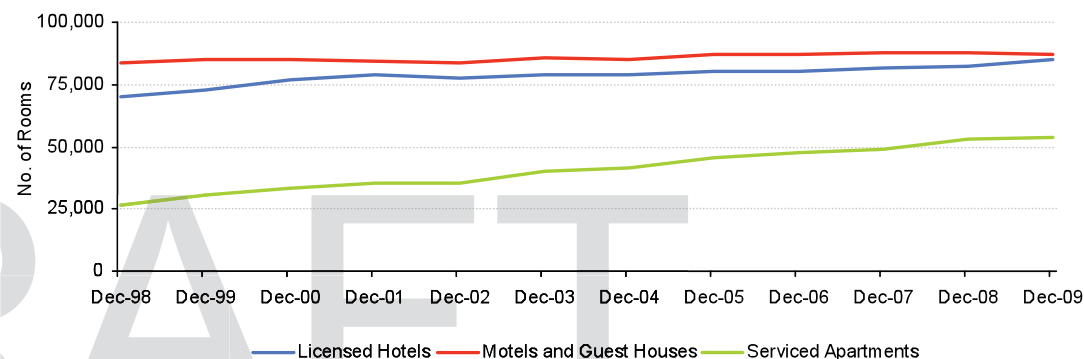
In comparison Hotels (5.3% p.a.) and Motels and Guest Houses (4.4% p.a.) have lagged this growth significantly. Of note is the share of overall accommodation revenue that the different sectors have achieved. Serviced Apartments have increased their share of overall takings from 14.6% in 1998 to 26.7% in 2009. Importantly their share of overall takings is greater than both their share of room supply (24%) and room demand (25%). At a macro level this has resulted in an improved financial performance for the Serviced Apartment accommodation sector.

This has not been replicated by the other sectors of the accommodation market. The Motel and Guest House sector has reduced its share of overall takings from 33.1% to 26.7% and this is notably lower than its share of room supply (38.5%) and room demand (35%).

Similarly the Hotel sector has experienced a decline in its share of overall takings from 52.3% in 1998 to 46.6% in 2009. Whilst this represents a higher share of both its share of room supply (37.6%) and room demand (40%) it is a more significant decline in share than has been the case for both demand and supply of rooms. This is likely to reflect a decline in the financial performance of the Hotel sector at a time when the Serviced Apartment sector has improved its financial performance.

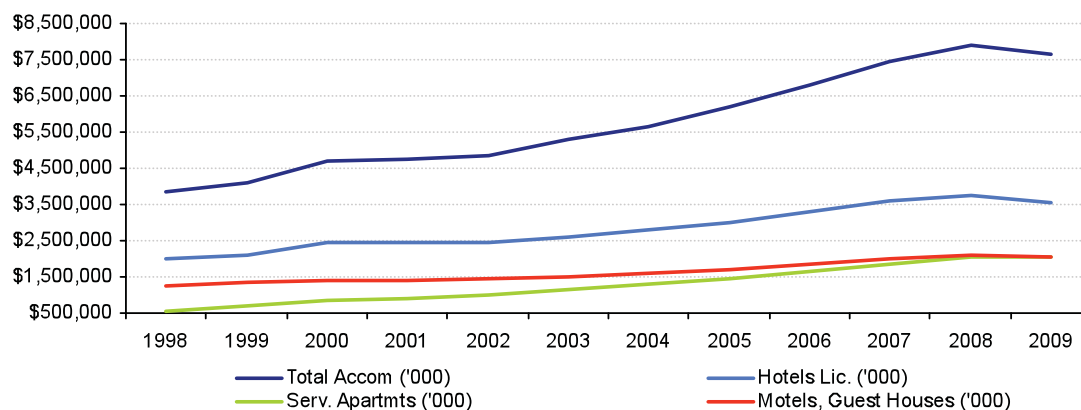
This has significant implications for investment in tourism accommodation infrastructure and the different forms of accommodation that are ultimately delivered.

### Summary of Accommodation - Number of Rooms



Source : Data retrieved from ABS Cat. No. 8635.0 Tourist Accommodation, Table 1; Urbis

### Growth in Takings - Australia, HMGS, 1998 - 2009



Source : ABS Cat. No 8635.0 - Tourist Accommodation, Australia Urbis 2010



## 5.3 Barriers to Tourism Investment

Though recognised as providing wide ranging benefits to the Australian economy and its people, the Tourism industry has struggled to attract investment for a number of years. This can be attributed to the following factors:

- Poor comparative financial performance and return
- High investment risk
- Competition from higher and better uses
- The limited size of the market
- Government policies.

### Financial Performance and Return

An examination of Australia's tourism industry in recent years indicates a decline in industry performance. This is reflected in a decline in the overall share of Australia's GDP represented by tourism (3.6% in 2007-08 down from 4.7% in 2000-01 – though this was the year of the Sydney Olympics). Internationally Australia's share of global tourism has also declined from 0.7% in the mid 1990s to 0.6% in 2008 (The Jackson Report, pg 11, 2009). This decline has been most notable since 2006. This industry performance has been reflected in the financial performance and return of tourism accommodation assets.

Assets such as tourism accommodation compete for investment funds against other forms of assets (equities, bonds) and other classes of property such as retail, office, and industrial assets. An investor's investment decision is influenced by the expected rate of return the investment will generate. Returns for most asset classes have been mixed over the past few years, substantially impacted by the Global Financial Crisis. Over the longer period (25 years) the property industry has been outperformed by equities however some property classes have performed comparatively well – notably retail and industrial property assets.

Tourism property assets are not a major asset class and subsequently do not have a property index of asset performance. There are a select number of tourism based organisations and trusts that have been publicly listed over the past decade, however, a number of these have now been delisted indicating the difficulty in meeting publicly listed performance expectations. Other trusts such as General Property Trust (GPT) have adopted a portfolio approach to investment in property assets where the risk of assets is spread across property classes. Notably GPT recently sold down all its tourism based assets which may reflect a move to reduce its risk levels and improve its financial performance.

A proxy comparator for the performance of the tourism accommodation sector is the growth in Average Achieved Room Rates (ARR) in comparison to residential rental growth. Over the period from 2002 to 2009 ARR for all major tourism accommodation in Australia has grown at a rate of 3.7% p.a. Over the slightly longer period from 1998 to 2009 ARR has grown at a slower rate of 3.4% p.a.

In comparison to growth in ARR residential rental growth across Australia's capital cities has been generally higher. Sydney (3.5% p.a.) and Melbourne (3.2% p.a.) have been slightly less and Adelaide (3.9% p.a.) slightly above, however Brisbane (6.1% p.a.), Perth (6% p.a.) and Darwin (5.7% p.a.) have been substantially higher. In addition to these rental returns the increase in capital value of residential assets has increased substantially across all these major city markets, further increasing the attractiveness of the residential sector for investment.

### Investment Risk

In making the decision to invest in a particular type of property the investor considers the risk and return of the investment and how it fits with their portfolio of investments. Typically the higher the risk the higher the return the investor will demand. Tourism accommodation is a notably risky investment impacted by a wide range of varying factors. These include:

#### The Cyclical Nature of the Industry

Tourism visitation is typically a seasonal activity impacted by holiday periods, and seasonal characteristics – swimming destinations in summer, skiing destinations in winter, etc. It is also impacted by changes from year to year that may be a result of economic conditions, the level of war or conflict around the world, international diseases, and fluctuations in weather patterns.

### Exchange Rate Variations

The exchange rate in the host country or country of origin influences the level of visitation. When a country's exchange rate is high it will make visitation to that country more expensive and subsequently less attractive. Similarly it will make it attractive for domestic tourists to travel overseas thereby also negatively impacting the local tourism market.

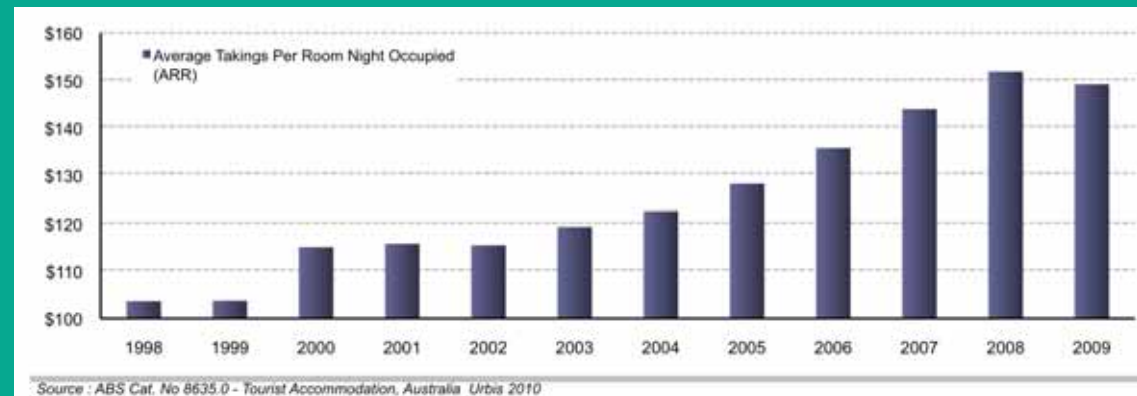
### Supply Chain Reliance

The tourism industry places significant reliance on a chain of activities and services to facilitate visitation to a particular location. This includes transportation through air, road, rail, and/or sea; provision of suitable accommodation; presentation of local events or attractions; provision of supporting services such as retail shops, food and beverage services, etc. If any one of these factors breaks down or does not meet the tourists expectations, then damage is done to the potential for repeat visitation or flow on visitation. This creates a wide range of potential risks for the industry.

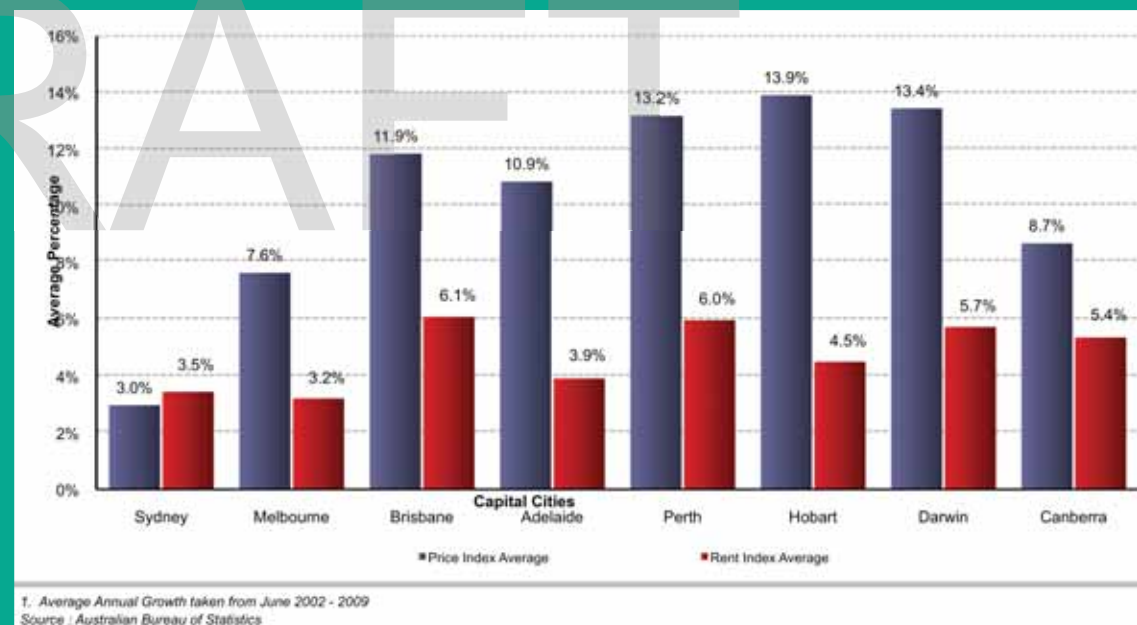
### Demand and Supply Mismatch

Tourist accommodation is destination based. New tourist accommodation facilities can establish themselves within a destination and compete with existing establishments without necessarily being in close proximity. This is different to other property sectors such as the retail sector where locations for retail facilities are effectively regulated through town planning zonings.

Growth in ARR - Australian Hotels Motels and Serviced Apartments (1998 - 2009)



Comparison of the Average Annual Growth in House Prices and Rents for Major Capital Cities - 2002 - 09



In addition, when large scale tourist accommodation developments are brought to the market they can represent a substantial increase in the supply of product to that market. There is typically a start up period where a new establishment takes a certain period to gain the occupancy levels required to be financially viable. If the supply is mis-timed it will adversely affect all providers in the market.

All of these factors lead to tourism accommodation facilities being penalised when undertaking feasibility assessments for new developments. The higher risk associated with tourism accommodation is reflected in higher discount rates and thus comparatively higher levels of return. This is also reflected in the access to capital. Discussions with financial institutions and industry sources indicate that the current loan to value ratios (LVRs) for commercial and residential property assets are more favourable than for tourism accommodation assets as indicated below:

Property Asset LVRs

Property Asset Class	LVR
Tourism Accommodation	50%
Commercial Assets	65-70%
Residential Assets	80-90%

Source: Commonwealth Bank, Westpac, JLL, Urbis, 2010

The interpretation of the LVRs is that a financial institution will lend up to 50% of a tourism accommodation asset's value where it will lend higher proportions of commercial assets (65-70%), and residential assets (80-90%). This is a reflection of the financial institution's assessment of the risk of these different asset classes. This reflects a disincentive to invest in tourism assets as it requires the investor to contribute 50% of the asset value in equity or find another source.

## Highest and Best Use

Associated with the issues of investment performance and investment risk is the issue of highest and best use for land. When assessed against other property asset development tourism accommodation rarely is assessed as the highest and best use. This is due to the larger scale of the market of competing uses such as residential, commercial, or retail; the lower risk associated with these forms of developments and average higher returns. There are specific instances where tourism accommodation will be the highest and best use however these are generally where other uses are prohibited through planning or environmental reasons.

A particularly difficult area for tourism accommodation to compete in is the CBD market. Significant competition comes from both commercial and residential developments. This is reflected in the comparable income for levels for these land uses. As an example the average return (gross rent) for a 1,000 sq.m floor in the Brisbane CBD for commercial, residential, and tourism accommodation is shown in the table below.

Brisbane CBD Property Returns – 1,000 sq.m floor

Property Asset Class	Annual Income (Rent)
Hotel (20 rooms)	\$182,000
Residential Units (12 one bed)	\$216,000
Commercial (1,000 sq.m)	\$600,000

Source: Industry sources, Urbis, 2010

From an income perspective the commercial floor space reflects a significantly higher and better use than the Hotel. The residential units also provide a higher and better use. Though this is not as marked the residential product also achieves a higher capital return which increases its attractiveness from a higher and better use perspective.

## Limited Size of the Investment Market

An important barrier to investment in the tourism accommodation market is the limited size of the market. With respect to new product construction of accommodation product represents 17.3% of the commercial market, 24.3% of the retail market, and 2.7% of the residential market. Associated with this and the relatively poor performance and high risk of the tourism accommodation sector has been the limited opportunity for securitisation of this product. We noted previously that a number of publicly listed vehicles comprising tourism accommodation assets had either delisted or sold down their tourism assets.

The attraction for investors to the accommodation market is impacted by its volatility as reflected by the difference between its average annual construction value (\$82,655) over the past ten years and its peak (\$179,051) in 2009. The average represents only 46.2% of the peak compared to the residential sector where the average represents 67.3% of the peak and the retail sector where the average represents 55.6% of the peak. The commercial sector has been similarly volatile to the tourism accommodation sector where its average has represented 47.4% of its peak.

Within the tourism accommodation sector there are vast differences in the size of the investment market in terms of individual investors. The market for Hotels is quite limited, particularly for large scale hotels, being dominated by private investors and select owner-operators, with few managed funds currently in the market. In comparison the Serviced Apartment market is quite vast as the ability to strata title small units of a larger product opens the market to the small and medium investment market including mums and dads investors. This is an important issue for the tourism accommodation market that is discussed in more detail in a later section.

## Government Policy

Beyond land use and planning, there are a substantial range of government policies that influence investment in the tourism accommodation market. These include federal and state government taxation policies, building codes, transport policies, infrastructure investment policies, and tourism promotion policies.

Significant work has been undertaken by the Tourism and Transport Forum in outlining the impact of these policies. Of particular relevance to this analysis, however, are land use and planning policies and those that focus on taxation as these policies provide advantages or disadvantages in relation to increasing the financial performance of, and subsequently investment in, the tourism accommodation sector. These impacts are summarised in the following tables.





Table 2.3.4 – Taxation Impacts on Tourism Accommodation

Policy/Instrument	Impacts	Impact on Tourism
Land tax exemptions for owner occupiers	Benefits residential land use over tourism. Residential development can be split into smaller ownership parcels which may reduce or eliminate land tax for owners.	Negative
First home owners grant	Benefits residential land use	Negative
Negative gearing	Attracts investors to small assets such as residential dwellings	Negative
GST exemptions on residential rental tenancies	Increases ROI on residential use over tourism	Negative
Payroll tax	Greater impact on tourism accommodation due to labour intensive nature	Negative
Depreciation allowance (4%)	Benefit to tourism accommodation through ability to depreciate asset over shorter time frame	Positive

Table 2.3.5 – Land Use and Planning Impacts on Tourism Accommodation

Policy/Instrument	Impacts	Impact on Tourism
Development Approval	Tourism land uses require consent even if they comply with development controls	Negative
Crown Land	Tourism development on crown land requires approval in the form of granting of a lease	Negative
	Peppercorn rentals	Positive
	Tourism zones only	Positive
Building Code of Australia	Building codes for tourism accommodation (Class 1B, 3) are significantly higher than for residential uses (Class 1A, 2) including disabled access, fire safety standards	Negative
Zoning	Defined zones for land uses such as retail that limit the proximity of competition	Negative
	Tourism only zones	Positive
	Floor space ratios favouring tourism	Positive
	Car parking exemptions	Positive
	Exemptions from development levies	Positive

## 5.4 Opportunities for Increased Tourism Investment

The principal issues impacting future investment in the tourism industry are the level of risk and rate of return. These are the main drivers of any form of investment and need to be addressed if investment in tourism accommodation facilities is to increase.

The international economy and the Australian economy are recovering from a significant economic downturn that occurred over 2007-2009. The strong economic growth in the decade leading up to this is likely to make the path of economic recovery longer and slower than in previous economic cycles. Financial institutions have tightened borrowing requirements and indicated that they wish to reduce their exposure to property assets. This does not auger well for investment in property assets and tourism property assets in particular. Significantly, discussions with industry operators indicate they do not expect to see many if any major hotel developments around Australia in the next 5-10 years.

Investment in new tourism accommodation product needs to be supported by increased levels of return which will be through increased achieved room rates. These will be driven by demand rising faster than supply. Current forecasts, however, indicate subdued visitation growth and this is likely to be met with limited additions to supply.

Government policy can influence the level of visitation through increased expenditure on tourism promotion and investment in tourism infrastructure (including attractions. Further, government policy can reduce risk of investing in tourism accommodation product through initiatives aimed at reducing barriers to investment (particularly those posed by the planning framework) or alternatively it proffer a range of incentives geared towards enhancing the overall attractiveness of the tourism product and increasing returns.

The tourism industry, however, also needs to respond to changing market forces - and it is the development of greater product flexibility that shapes as a key driver of any paradigm shift.

## Greater Product Flexibility

There are a range of initiatives that can be considered to reduce risk and increase returns for tourism accommodation facilities. The most significant strategy that has the greatest impact on both of these factors is, however, the development of a more flexible tourism accommodation product.

If this product is able to change its use in line with seasonal and annual fluctuations it reduces the exposure to these risks. It also allows a better response to issues of oversupply and undersupply of accommodation product. In reality this product already exists in the form of Serviced Apartments.

This is a controversial issue within the industry. The analysis undertaken in this study indicates that over the past decade Serviced Apartments have significantly impacted the other sectors of the accommodation market.

They take room demand market share from the Motel and Guest House sector and revenue market share from the Hotel sector (impacting on their profitability and attractiveness as a viable investment).

The tourism accommodation market as a whole however has grown solidly over the past ten years. Room demand has exceeded population growth and revenue growth has been in excess of inflation and GDP. Most of the financial benefits of this growth have flowed to the Serviced Apartment market to the detriment of the other sectors. The Serviced Apartment market has been able to provide a more flexible product, at lower cost and price, and importantly, to a broader investment market.

In some instances, the delivery of this product has been facilitated in conflict with government land use policies. Whilst it is important to tighten those mechanisms that serve to regulate Serviced Apartment uses (particularly with regard to 'length of stay parameters and BCA compliance) there is merit in reviewing the beneficial aspects of Serviced Apartment product delivery to see how these can be applied to the other accommodation sectors, most notably to Hotels.

Hotels suffer a number of disadvantages as compared to Serviced Apartments - principally in the amount of back of house space and common areas that are traditionally incorporated in a hotel development. Effectively they are required to establish markets for food and beverage consumption (restaurants and bars) and meetings and conventions space (conference rooms) in addition to a short term accommodation product. Further, there are international standards associated with hotels that allow operators to establish brands built on quality and service.

It is expected that hotel operators would not want to compromise their brand.

This may not be necessary as is the case with the new Hilton development on the Gold Coast which is being sold in a strata title format. Alternatively such operators may wish to develop a new product line that works on a Serviced Apartment model. This would allow them to develop accommodation product with minimal common areas and without restaurants, bars, and conference rooms thereby reducing both development and operating costs.

Room design would be comparable to Serviced Apartments where there are a significant proportion of one bedroom units with kitchen facilities and a number of dual key units that convert to two bedroom or three bedroom units. This strategy also has the benefit of increasing the size of the investment market for hotel accommodation - opening it up to the small and medium size investor.

## 6.0 Key Issues and Challenges

The preceding sections of this report endeavoured to identify those fundamental challenges and significant matters needing consideration, discussion and debate in formulating the National Tourism Planning Code.

They have been developed as part of a brief analysis phase following the commencement of the project and have been derived via the comprehensive analysis of the various state planning frameworks and select local government authority planning instruments, as well as through in-depth consultation with various stakeholder groups and ongoing liaisons with the Tourism and Transport Forum.

It is the intent of the table opposite to concisely draw together the key insights of the review and engagement process. Given the abundance of guidance geared towards the challenge, it is not the aim to neither generate new materials nor list every possible matter of interest. Rather, it serves as a vehicle to identify significant and recurring strategic matters relevant to navigating the complexities of the planning and regulation process and the barriers they create to delivering the tourism product. For ease of interpretation, these challenges have been assembled with regard to policy, regulatory, commercial considerations and short-term accommodation.

The process has been informed by an interrogation of background materials and studies that have been prepared in response to various issues primarily relating to the supply-side of tourism. It also benefits from an examination of the wider economic benefits generated by the tourism industry and those supposed externalities that lead to market failure.

It is recognised that several major reforms are needed to reshape the tourism policy landscape and the broader tourism investment environment. The integrated summary, however, resolves to delineate those challenges that can be best addressed through the planning framework and further identifies those effective planning responses that may be employed to navigate a given issue.

This 'planning toolkit' encompasses a diversity of mechanisms and levers that can achieve strategic and proactive reform and it is important to note that any number of responses may prove effective in resolving a particular issue. Within the hierarchy of the planning framework these responses tend to gravitate towards:

- **Plan Making** – developing a planning framework to assist in the expression of state, regional, local and community expectations for areas and land uses. It is the primary vehicle to facilitate the implementation of state, regional and local policies affecting land use and development.
- **State-wide Policy Development** – providing a clear and consistent policy framework for coordinated plan making, land use, development and regulatory processes across state, regional and local levels of government.
- **Regional Policy Development** - determining appropriate actions, strategic directions, principles and policies and regulatory measures that are required to be taken into account in the plan making and development decision-making process in order to address emerging regional issues.
- **Strategic Plan Development** - setting out the aspirations, major strategies and policies for urban growth and development at the city wide level. Strategic plans are a key vehicle for achieving the vision of a locality and generally form the basis from which all other provisions of a planning scheme flow.
- **Land Use Planning and Assessment Processes** – responding appropriately to existing and desired land use directions. The process essentially identifies where and what kind of use and development can occur within a locality and determines whether an application must be made. It is a key tool for ensuring the strategic alignment of land uses and the overarching physical and policy outcomes for a locality.
- **The Definition of Land Uses** – executing a suite of land use definitions that are explicitly detailed to enable consistent interpretation and a clear understanding of land use terms across a range of settings.
- **Requirements for Specific Aspects of Development** – establishing clear objectives and standards that must be met in order to achieve desirable and consistent development outcomes. They typically provide for the means by which the built form outcomes of a proposal are evaluated.
- **Conditioning of Development** – serving a planning purpose and intended to minimise and manage any impacts associated with construction activities and the on-going operation of a land use activity.

These initial and broad measures provide the platform for developing a number of recommendations with regard to creating a more 'effective planning regime' that is truly cognisant of the supply-side infrastructure and services that are necessary to match current and future tourism demand.

## Strategic Importance of Tourism Infrastructure

There is a general lack of understanding regarding the strategic economic, social and environmental value of tourism and it is believed that tourism is not adequately considered in the process of planning for key infrastructure. There is little understanding that it is the ease of access of tourists to Australia that is key to delivering the supply and there is a consensus amongst the industry that under-investment in tourism infrastructure is inhibiting the industry's performance and its growth prospects.

**Planning Response** ● ● ● ● ● ● ● ●

## Inherent Complexities in the Planning System

There is an inherent complexity in the planning system (its hierarchy and procedures) and a perceived lack of transparency in the decision-making process. A key impediment arises from the actions of an overarching planning framework that involves multiple layers of governments (and agencies) across local, state and, in some instances the federal setting. It is important to recognise that this is a factor of planning that cannot be influenced by this project.

It is the opinion of the tourism industry that there is a disconnect between the various state planning frameworks and those local government authorities within each. The task of delivering the tourism product tends to differ greatly from one location to the next and complex and lengthy approvals processes add to costs and increase the uncertainty associated with a tourism project. It is often difficult to predict the length of time it will take to have a proposal accepted or rejected. It is noted that this issue is not solely related to tourism but to all land use sectors.

**Planning Response** ● ● ● ● ● ● ● ●

## Disconnect Between Tourism Strategies and Planning Frameworks

There is no single unified and consistent approach to the way in which planning frameworks address tourism and the delivery of the tourism product. Significantly, there does not appear to be a strong connection between those various tourism strategies that may exist for a location (for example, those strategic directions developed by the relevant State Tourism Organisations) and its overriding planning framework.

A range of the state-based planning policies acknowledge tourism as an activity that can drive growth, offer opportunities to diversify the economic and employment base of an area or alternatively as a use that has the potential to impact upon a locality. There tends to be, however, no policy focus that explicitly requires the plan-making process to ensure that the infrastructure, planning and approval processes and capacity of development supports future tourism activities in a destination.

Further, there is a lack of formality in coordination amongst planning authorities and strategic tourism bodies and as such their key messages are often not translated into effective land use policy as part of the plan making process.

**Planning Response** ● ● ● ● ● ● ● ●

## Understanding Supply and Demand

Research and statistics are essential underlying elements in evidence-based policy development and informed decision-making for both government and industry particularly in relation to investment, product and market development. Although supply and demand data exists to allow for the effective planning of a range of land use activities (residential, commercial, industrial etc), this information is not as readily available for tourism drivers (such as tourist accommodation).

The suite of data that is collected (the information base) is geared toward demand stimulation and promotion of tourism. It requires realignment with supply-side and industry development needs. It currently does not allow for meaningful interpretation at a local level and is not sufficient enough to influence the decision making process. The absence of robust demand data and targets inhibits policy development around tourism and does not allow the delivery of the tourism product to be planned for.

**Planning Response** ● ● ● ● ● ● ● ●

## Definitions and Land Use Zones

There is a considered move across many states towards the introduction of a standardised planning approach. These reform agendas generally represent an overhaul and streamlining of the existing plan and policy making process. The key aim is to deliver a consistent template from which local planning schemes are sourced and constructed - encouraging a uniform approach to the formulation of such

matters as zones, land use definitions, levels of assessment, overlays, infrastructure planning provisions, development assessment codes and other administrative matters.

These emerging planning frameworks primarily recognise tourism in the context of a driver of 'economic development' and although designed to be flexible (providing Council's with the opportunity to select zones and utilise other various planning components in a manner that best reflects local circumstances) they tend not define 'tourism' as a singular land use activity and, for the most part, do not include any specific zones solely dedicated to 'tourism activities'.

Rather, the new standardised approaches often identify a range of land uses that are considered to not only contribute towards tourism as an activity (be it accommodation, commercial development or some form of facility) but similarly share a nexus with the wider community in which they are located. They are often utilised for purposes that are not necessarily tourism related.

Where dedicated 'tourism zones' do exist, they are primarily geared towards the delivery of tourist accommodation (and often in concert with other uses and services). Tourism activities are generally not limited to these zones, however, and are supported in a range of other locations throughout the city as part of a mixed use offering and in competition with other activities. This broad approach to defining tourism inherently provides for the physical dispersal of tourism related activities (be they urban or non-urban in nature).

Beyond this, the notion of delineating dedicated 'tourism zones' often proves counter intuitive to existing best practice approaches to establishing land uses and the challenge of delineating both the extent and locations of such zones in confronting to many local authorities. It may prove appropriate, however, in situations where the unique context of an area requires specificity and where a performance based approach to the use of land would result in unintended outcomes.

**Planning Response** ● ● ● ● ● ● ● ●

**Planning Response**





## Urban and Non-Urban Offers

Tourism is typically acknowledged as a means of diversifying regional and rural economies and it is further recognised that there often exists a clear distinction between the urban and non-urban offer - necessitating a scale and intensity of development that is responsive to the locality in which it is located.

There has been a shift in philosophy (and legislation) to recognise that non urban areas (rural localities, national parks etc) ought to exist for the enjoyment of the community and its visitors - as opposed to primarily being protected. In this regard, tourism development, where located outside of the urban area is generally required to demonstrate an identified need and that the activity is functionally dependant on being linked with the rural, ecological or resource values of the locality. Significantly there remains a clear aversion to the provision of permanent residential development associated with tourist activities in non-urban locations and anecdotal evidence suggests eco-tourism proposals typically have higher hurdles to overcome and these requirements have cost implications on the industry.

### Planning Response



## Effective Translation of Policy

In the majority of instances, tourism is recognised by local authorities as a key driver of economic growth however the extent to which tourism forms a consideration of a local planning scheme is typically dependant on the significance of the role tourism plays in a locality. There is a tendency to focus on the generation of tourism demand as opposed to supply.

In major metropolitan areas, tourism (from a land use perspective) is not often specifically planned for by local government nor does it regularly garner more attention (nor is it more fettered) than any other land use activities. Rather, there is an understanding that the delivery of a complex and attractive urban environment (through buildings, streets, open spaces and landscape features) is conducive to both the community and the tourist – there exists “crossover” effects that attract both locals and visitors alike.

On the other hand, tourism forms a key component of the vision and strategic framework of those local government authorities where tourism is ‘highly visible’ and these overarching intents tend to cascade through the planning scheme itself. In other circumstances however, the material influence of Council-wide aspirations do not necessarily

translate into the specific policies actions and the overall land use imperative (i.e. an absence of effective planning mechanisms). As a broad comment, those policies that do generally promote tourism activity and development tend to be relatively silent on where this should actually occur.

### Planning Response



## Planning Approaches

There exist varied approaches to the use of implementation measures that are geared towards fostering the growth of tourism. These approaches include, for example, from the identification and protection of tourist nodes and existing physical assets (i.e. key tourism infrastructure and facilities), the facilitation of new tourism opportunities (to expand and evolve to meet the changing needs of potential tourist markets, both nationally and internationally) and strategies aimed at the retention and management of those unique characteristics of the natural, rural and built environment in order to sustain the role of the tourism industry in contributing to continued economic development.

### Planning Response



## The Regulatory Process

The regulatory impediments to development are viewed as a major constraint on the creation of new properties (and the promotion of those properties). Their impact is felt principally in those localities with substantial tourism growth potential and deliver a disincentive to prospective tourism investors.

Development applications often bring into play complex planning and regulatory requirements in order to take a tourism development from concept to completion. Each varies from jurisdiction to jurisdiction and has the potential to involve all levels of government and multiple and often overlapping approval processes.

### Planning Response



## Understanding the Tourism Product

Planning schemes do not necessarily recognise that the tourism product (its impacts and associated built form outcomes) has specific locational attributes and requirements and is an outcome in its own right. Tourism development is, for the most part, poorly understood by Council officers and developers alike - particularly in locations where the role of tourism is not abundantly obvious or where development applications tend to be a rarity (as compared to other land use activities).

When tourism development is approved, it is often done so subject to conditions which make investment unviable. In particular, contribution to infrastructure and head works charges for tourism development (notably water, electricity, telecommunications and roads) often do not recognise the requirements of tourism or reflect its economic multiplier effect.

### Planning Response



## Informed Decision Making and Performance Approaches

There has been a historic absence of tourism specific performance benchmarks and this situation is often compounded due to a lack of effective mechanisms and criteria that allow for effective and informed decision making. Despite a move towards performance based planning, there exists limited scope to ‘demonstrate the appropriateness’ of a proposal, particularly in the context of a non-urban location. Those measures that do exist are rigid and often focus on minimising amenity impacts. They provide little latitude for the tabling of innovative measures that may result in an equally acceptable (or better) development outcome.

### Planning Response



## Referral Processes

There is a lack of formality in coordination amongst authorities and tourism bodies and there is often no prescribed requirement for tourism developments to be referred to State Tourism Organisations as part of the assessment and determination process. It is recognised that when referral does occur, it usually happens on an ad hoc basis.

**Planning Response** ○ ○ ○ ○ ● ○ ○ ○ ○

## Guidelines for Development

Generally, there are no explicit design guidelines that are geared towards the development of 'tourism activities' as a collective. The majority of tourism related activities typically fall within the more generic design guidelines of those provisions for conventional development or are, alternatively, dealt with on a location basis. Those specific guidelines that have been established generally revolve around the amelioration of potential amenity impacts and achieving development that is compatible with its surrounds.

**Planning Response** ○ ○ ○ ○ ● ○ ○ ● ●

## Impacts of Development

There is a recognised need to support strategic destination development planning and planning at local and regional levels. The protection of a destination's character and the natural, cultural and heritage values of a locality are a primary concern in the planning process.

In terms of the facilitation of development assessment, proposals geared towards the delivery of the tourist product are often perceived as having high land use and amenity impacts when compared to other land use activities (such as residential, office or retail development).

In particular the potential for conflict to arise between short-stay tourists and residents is often a concern (due to different lifestyle priorities, inconsistency in the nature and scale of built form, the nature of activities, hours of operation etc) and this can lead to the devaluation of the tourism experience. Balancing the need of tourists and locals who often share the same areas and resources is a key planning concern.

**Planning Response** ○ ○ ○ ○ ● ○ ○ ○ ○

## Highest and Best Use

Non-tourism related uses are, in most instances, considered to be the highest and best use of land and dedicated tourism activities (and in particular hotel development) remain largely unfeasible in Australia as values have not kept pace with the rapid growth in construction and land costs. There is a general perception that incentives are necessary in order to facilitate the delivery of a viable product.

It is recognised, however, that an in-depth understanding of 'market failure' is firstly required (including confirmation that it truly exists) prior to crystallising any subsidy concepts aimed at market intervention. In any case, it is recognised that some tourism development is not simply about wealth generation but is rather geared towards establishing a legacy. This is most relevant to small scale or regional operators.

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## Underpinning Feasibility

There is an increased tendency to establish a mix of tourist and permanent accommodation as part of proposed development, particularly in regional areas as a means of underpinning the feasibility of development. It is recognised that strata titling has been one of the key drivers for tourism growth as it allows for flexible investment. In this regard, strata title is an effective investment vehicle to raise finance and de-risk a development (allowing a developer to sell units off the plan to multiple investors rather than finance an entire development).

The approach, however, is viewed as having the potential to result in the introduction of urban infrastructure and an enduring population in environments that do not necessarily have an adequate capacity to cope with resulting impacts or may conversely 'lock up' developments on land that is to support genuine tourism activities.

**Planning Response** ● ○ ○ ○ ● ○ ○ ○ ○

## Residential Conversion and Short Term Occupancy

The rise of strata title apartment units (in class 2 buildings) being let on a short term basis is emerging as a key challenge. A new class of agent/operator has emerged which specialise in obtaining the management rights of strata title units in a building. By pooling these units the residential building effectively enters the short term accommodation market. It is, however, difficult to quantify the degree to which this phenomenon is occurring given a lack of robust data and the ease by which the product can enter and exit the market.

From a hotelier's perspective, any improvement in potential returns on investment is reduced by the entry of these residential units to the short term accommodation market. They expand supply (reducing revenue per available room), undercut Class 3 tourism rooms on price (through avoiding GST and costs associated with BCA compliance) and leave the short term market when rental tenancy rates increase, resulting in an accommodation shortfall.

There is however recognition that this emerging phenomenon does have some benefits in that it allows a given location to cope with peak seasonal demands. It is, in fact, acknowledged as the 'backbone' of some locations and a key driver for repeat visits and the loss of this form of accommodation to permanent residents can prove a concern.

The short term letting of single unit dwellings (i.e. houses) is also becoming more prevalent. The use of these dwellings for short term letting is, however not supported by in some local government authority areas (in view of potential amenity impacts) and is actively encouraged in other locations.

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**Planning Response**



## 7.0 Strategic Directions

Navigating the disconnect between Australia's different town planning systems is emerging as a key concern, as is the means by which the planning process across all levels of government currently recognises and incorporates the needs of the tourism industry. This situation represents an intrinsic impediment to the supply of the tourism product that might stifle the industry's potential if not effectively addressed.

This initial body of work has endeavoured to draw together those key challenges and issues that relate to the delivery of the tourism product. It is founded on the examination of the existing planning frameworks across each state, targeted consultation exercises with key stakeholders and a supplementary review of a range of data, information and various studies made available by the Tourism and Transport Forum.

The challenges that have been identified are recurring strategic matters relevant to navigating the complexities of the planning and regulation process and the barriers they create to delivering the tourism product. They are undoubtedly diverse in nature. They span policy, regulatory and commercial considerations and their relevance has the potential to vary markedly from one location to the next.

Although it is recognised that several major reforms are needed to reshape the broader tourism investment landscape – each fundamental challenge has the potential to be addressed through the planning framework.

This 'planning toolkit' encompasses a diversity of mechanisms and levers that can achieve strategic and proactive reform. It is important to note, however, that any number of responses may prove effective in resolving a particular issue. It would therefore be imprudent to assume that universal agreement can be attained with regard to delivering a best-practice approach – particularly in consideration of the varied (and sometimes competing) positions of (and often within) government, state tourism organisations and the proponents of development. Consideration, discussion and debate is required.

Regardless of approach, what is clear is that tourism is an important industry to Australia in terms of its environmental, social and, principally, its economic contribution. Tourism has a vital role in the strength, diversity and resilience of the Australian economy and a common theme in tourism is that the benefits of additional activity flow disparately throughout the economy. A single entity does not capture these benefits. Rather, the gains accrue to a host of different businesses across industry sectors and geographic bounds. This premise alone lays the foundation for government involvement in tourism markets.

### 7.1 Laying the Foundation

The National Tourism Planning Code itself is proposed as means of establishing a rationale for the delivery of a long-term and consistent platform that will foster the strategic alignment of planning policy and processes, as it relates to tourism.

The primary endeavour of the Code is to improve the planning framework and its processes. It is recognised that in doing so, it must aim to remove barriers and address the suite of key challenges in order to advance the goal of maximising the benefits of tourism activity.

To achieve this, it is evident that the National Tourism Planning Code must provide policy and decision-makers across all levels of government with the tools to plan for, assess and approve appropriate tourism development.

The following strategic directions are in essence a series of high-order approaches that will inform the preparation of the National Tourism Planning Code. They respond directly to the key challenges identified as part of this undertaking – although it is not intended that every finding will necessarily have a corresponding direction. The strategic directions are based around responses that address the following:

- Plan Making and Policy Development.
- State and Regional Tourism Planning Responses.
- Local Responses to Tourism.

## Plan Making and Policy Development

- Often, planners and policy makers are not equipped with the relevant information to enable effective evidence-based policy development and informed land-use planning decisions. Data relating key indicators of tourism demand and supply (including forecast growth in occupied room nights, anticipated growth in achievable room rates, expected market share and likely take up) must be made available to the planner in a format that allows for meaningful interpretation.
- Effective institutional arrangements are required to facilitate coordination between planning authorities and strategic tourism bodies to ensure the key messages of existing and definitive tourism strategies are adequately contemplated and reflected in the plan making process and its resulting land use imperative.
- Clear guidance is necessary in order for planners and policy makers to identify the requirements of tourism within their respective community and analyse, and modify, if necessary, their planning framework to remove barriers to, and provide opportunities for, a range of tourism products.

## State and Regional Tourism Planning Responses

- Regardless of the jurisdiction, higher order state and regional planning instruments must ensure that due regard is given to tourism not only as an important economic driver but as an activity that brings with it a land use dimension.
- The basis and fulcrum of these higher order instruments typically include vision statements, objectives and desired outcomes. Clearly, these overarching aspirations must enshrine tourism as a key driver of both the economy and the end use of land.
- It is critical that these instruments allow for these higher order intents to cascade downwards into local policies (and associated zones, overlays and provisions). This is equally applicable to the strategic planning content of local planning instruments.
- It is acknowledged that within the national planning framework some planning jurisdictions do provide a greater specificity with regards to the regulation of tourism development. This concept should be addressed on a case by case basis in consideration of relevant state and regional tourism planning requirements.
- There is the potential to develop a standardised suite of these higher order planning aspirations and principles that may be adapted in response to local context and relevant circumstances.
- There are situations where the complexity or significance of tourism development warrants the intervention of higher-order planning bodies. Notably, the majority of planning frameworks effectively allow the state to assume the power to assess and determine development proposals. There is scope for standardised triggers to be developed to ensure adequate protection and assessment rigour is afforded to the assessment of tourism development.

## Local Responses to Tourism

- The local planning framework is perhaps the most critical mechanism for achieving tourism outcomes within a given location. It represents the point at which planning policy intersects with tourism development outcomes. Local planning instruments are, in this regard, the primary means by which most development proposals are assessed and determined.
- Contemporary planning is, for the most part, a performance-based system that allows for the delivery of flexible outcomes that can expertly respond to changing contexts and market conditions. Departure from the performance based approach to planning generally occurs at the discretion of the local government – particularly where a highly prescriptive response is considered appropriate and where there is overwhelming evidence to suggest that flexibility may result in unintended or adverse outcomes.
- Regardless of the planning jurisdiction there exist a number of key components that influence the form and nature of tourism development – including zones, levels of assessment, definitions, requirements for specific aspects of development (i.e. controls) and the conditioning of development. These components are explored overleaf.



## Local Responses to Tourism

### Zoning

- There exists a range ways in which tourism as a land use can be addressed through a zoning based approach. In this regard, a dedicated tourism zone that explicitly identifies tourism as the sole outcome may be pursued. Alternatively, a mixed-use approach to facilitating the tourism product may be adopted whereby a range of land uses (not necessarily related to tourism) are supported in competition. The way in which tourism is ultimately provided for through zoning, however, will largely depend on the local context and circumstance.

### Levels of Assessment

- In order to facilitate tourism development in areas where it is desired or supported, it is important that the level and rigour of assessment be reduced. For example, within dedicated tourism zone the bypassing of the formal planning approval process should be promoted or at the very least, exposure to third party appeals should be limited. It is also important that these levels of assessment likewise prohibit or restrict uses that may have a detrimental impact on the delivery and functioning of the tourism offer.

### Definitions

- There is a need to execute a suite of land use definitions that are explicitly detailed to enable consistent interpretation and a clear understanding of land use terms across a range of settings.

### Requirements for Specific Aspects of Development

- It is critical that clear objectives and standards are formulated in order to achieve desirable and consistent development outcomes. These standards must recognise that the tourism offer has specific locational attributes and requirements and is an outcome in its own right. Typically these standards address:
  - Built-form outcomes (i.e. density, bulk, scale, height and massing)
  - Amenity considerations (i.e. hours of operation, noise impacts ad traffic generation)
  - Other specific outcomes (i.e. carparking, servicing, access and provision of on-site facilities)

### Conditioning of Development

- A greater understanding of the implications the conditioning of a development approval (i.e monetary contributions, currency periods, construction hours, ongoing operations and the like is vital to enable certainty of development outcomes subsequent to the approval process.





The National Tourism Planning Code represents an opportunity to cultivate a paradigm shift in how industry and all levels of government engage on tourism and, upon completion, it is envisaged that the Code will be utilised by a range of proponents including policy makers, approvals authorities and the advocates of tourism developments themselves.

It will aid in the reshaping the tourism policy landscape and will assist the tourism industry to realise its full potential placing it on a dynamic path for growth, delivering a revitalised and resilient industry that can achieve its full economic potential.

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