

**ADELAIDE HILLS COUNCIL
STRATEGIC PLANNING & POLICY COMMITTEE MEETING
Tuesday 24 September, 2013
CONFIDENTIAL AGENDA BUSINESS ITEM**

Item: 15.2

Originating Officer: Mike Flehr, Senior Strategic and Policy Planner

Responsible Director: Marc Salver, Director Strategy & Development

Subject: Primary Production Lands DPA: Community Engagement Strategy

File No: 03.71.7.20

SMP Goal: 2: Sustainable Natural, Built & Agrarian Environments

SMP Key Issue: 2.3: Agrarian Environment

1. Primary Production Lands DPA: Community Engagement Plan – Exclusion of the Public

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Pursuant to Section 90(2) and (3)(m) of the Local Government Act 1999, an order be made that the public, with the exception of appropriate Council staff:

- CEO, Andrew Aitken**
- Director Engineering & Assets, Tim Hancock**
- Director Strategy & Development, Marc Salver**
- Director Corporate Services, Tim Piper**
- Director Community & Customer Service**
- Senior Strategic & Policy Planner, Mike Flehr**
- Minute Secretary, Leanne Llewellyn**

be excluded from attendance at the meeting in order to receive, discuss or consider in confidence any information or matter relating to Section 90(3):

- (m) information relating to a proposed amendment to a Development Plan under the Development Act 1993 before a Plan Amendment Report relating to the amendment is released for public consultation under that Act;**

2. Primary Production Lands DPA: Community Engagement Plan – Confidential Item

2.1 SUMMARY

This report seeks the Committee's endorsement of the Community Engagement Strategy for consultation on the land capability maps (which form the basis for the development of land use policy for the Primary Production Lands DPA), and to obtain stakeholder and community input at this early stage of the DPA formulation process.

2.2 GOVERNANCE

➤ Strategic Management Plan (SMP)

The Primary Production Lands DPA is primarily intended to preserve and protect the District's 'priority' farm land for food production and agricultural production purposes.

SMP Goal: 2: Sustainable Natural, Built & Agrarian Environments

SMP Key Issue: 2.3: Agrarian Environment

➤ Legislation

Development Act 1993, Sections 24 and 25.

➤ Sustainability

- Economic
- Social
- Environmental
- Governance

➤ Budget

Any expenses for the advertising and conducting of this community consultation process will be within the current approved budget.

➤ Consultation

This report describes the proposed stakeholder and community consultation process relating to the development of policy for the Primary Production Lands DPA.

2.3 BACKGROUND

Areas within 100kms of the Adelaide GPO consistently generate around 25% of South Australia's total farm-gate value of production, much of it from high value horticulture, wine-grape and livestock industries. This distinctive pattern of production is due to a combination of favourable natural resources and climate, major investments in infrastructure, and good access to labour, transport and support industries. Few other parts of the State enjoy this combination of factors.

Within this region, SA's farm-sector and food supply are buffered from external shocks by the high rainfall, cool climate conditions of the Mt Lofty Ranges, by access to multiple water resource options, including recycled urban wastewater, and by proximity to a major market and national freight network.

The recent *30 Year Plan for the Greater Adelaide* proposed identification of 'areas of primary production significance' in order to better manage the region's primary industry lands. In response to this strategic direction, PIRSA has been developing the *Primary Production Priority Areas* mapping ('PPAs' or 'priority areas') for a number of council areas in outer metropolitan Adelaide. The objectives of the PPPA project have been to:

- develop a method to broadly differentiate rural land on the basis of its significance for primary production
- identify and map provisional Primary Production Priority Areas within selected local government areas across the region, and
- provide information in a form that will assist Local and State government in developing land use policy for primary industry land.

However, despite the *30 Year Plan for Greater Adelaide* giving clear direction about incorporating such mapping into Development Plans, at the time of writing there is no schedule for that to occur.

Adelaide Hills Council has assisted this process as the pilot Council for PIRSA's work. The Council's Rural Land Management Advisory Group (RLMAG) have used their local knowledge and experience to 'ground-truth' PIRSA's computer-generated land capability analysis, and in some cases made 'local adjustments' to the designation of 'priority primary production areas'.

This mapping, including the 'local adjustments', is the key component to Council's Primary Production Lands DPA (PPL DPA) which will implement the PIRSA findings. This mapping is also likely to be contentious as a land owner's position in or out of the 'priority primary production area' could have an impact on their farm operations. Farmers wanting to continue to farm will benefit from the proposed land use policy changes in the PPL DPA, however land owners wanting to sell their land for the maximum value may not benefit.

The essence of this project is to protect good farmland in ways that will keep it available for farming for the benefit of future generations.

2.4 DISCUSSION

Public understanding of the PIRSA mapping and the local adjustments will be critical to the preparation of the PPL DPA.

As the DPA is likely to, in essence, create two rural areas, one oriented to "farming", and the other oriented to rural activities, rural living and some hobby farming, the boundaries between the two areas will be of great interest to many people who live, work, and own land in the District.

Recognising the importance of this mapping, the PPL DPA study team consider it important to consult the public and affected industry groups at two stages in the DPA's development.

The first stage of the Engagement process will occur shortly, and will involve consultation on the mapping itself, and seek input from the farming community into land use issues facing them. This will enable the PPL DPA study team to more comprehensively scope the issues and associated investigative work to be undertaken as part of the DPA formulation process. This engagement will be

conducted in three steps, addressing the primary industry groups, then local farmers and the general public. This is explained in more detail below.

The second stage of the Engagement process will occur when the draft Primary Production Land DPA is available for public consultation, and will involve consultation of the package of mapping and policy that will form the DPA. This is also explained in more detail below.

An advantage of consulting on the mapping at an early stage of the process is that issues arising from the mapping can be dealt with, and inform the policy development process.

Alternatively, not consulting on the mapping at this early stage, and waiting to consult on the complete package of mapping and proposed policy in a draft DPA, is likely to create greater contention by being perceived as a *fait accompli*, and will miss the necessary input of the potential beneficiaries on the mapping, and any other relevant issues to inform the scope of the investigative DPA work.

2.5 THE CONSULTATION PROCESS – Stage One

The Stage One consultation process is directed primarily at rural industry groups and farmers. This consultation stage will involve consultation on the Primary Production Priority Areas mapping undertaken by PIRSA, as it is the basis of designating areas of primary production priority or significance. (See **Appendix 4**)

By identifying the areas to be protected, the mapping is key to the DPA formulation process, and the subsequent development of planning policy. As the mapping defines which properties are in or out of the primary production priority areas, it may be the most contentious element of the PPL DPA. As a result, it is considered important to consult the affected community on this element in the early stages of the project. Another advantage of this consultation process at this time is that Council's Planning Policy Team will be well informed on the rural planning policy issues to be investigated at the policy development stage of the DPA.

Consultation during this stage will focus on farmers and their industry/stakeholder representative bodies. Broader community consultation will also be undertaken as the third step of this process. The consultation process will use an information package of leaflets and information papers, media 'stories' to demonstrate key points, local 'champions', and a database of community comments, issues and responses.

The three steps:

In the first step, all relevant primary production industry groups in the district have been identified, and their CEOs and Executive Officers will be briefed and consulted in a number of group workshop sessions.

In the second step, meetings will be held in 2 or 3 locations across the district to brief and consult with farmers, rural land holders and the general rural community. These meetings will be chaired by industry representatives from the RLMAG, who will explain the process and objectives of this DPA.

In the third step, the wider community will be engaged through 'champions' and media releases of 'stories' to demonstrate key points. They will also be invited to attend the same 2 or 3 meetings mentioned in step 2 above.

Consultation materials will include (See also **Appendices 1 to 3**):

- a Project Information Sheet: explaining the land capability mapping process undertaken by PIRSA, what Council has done and why, and what the Primary Production Lands DPA will do and why.
- A Question and Answer Sheet: explaining impacts on farmers and rural residential land holders, value adding, planning requirements, what development is possible, transferring titles, and potential impacts on property values.
- a “Value Adding” Information Sheet: explaining what value-adding is, why it is important to farm viability, and what can be done in terms of policy development.

Anticipated Outcomes:

At the end of this process, it is expected to have achieved the following:

- an informed community on what is proposed through the preparation of the PPL DPA and the associated mapping
- a supportive and involved farm sector
- (if warranted) an Industry Working Group to be involved with reviewing policy issues
- a comprehensive list of concerns, issues and policy requirements
- a list of people to be kept informed through the remainder of the process, and to be consulted by email or similar.

2.6 THE CONSULTATION PROCESS – Stage Two

This second stage will occur when the draft Primary Production Lands DPA has been approved for public consultation by the Minister.

At this point, the mapping will have been consulted on, refined and presented as a workable basis for policy application.

Also at this point, issues and concerns raised during Stage One will have been considered, thought through and where necessary investigated, and addressed in the context of Council’s planning policy development process.

It may also be that at this time, the State Government will be close to completing the rural planning policy module(s) of the SA Planning Policy Library, which will, contribute substantially to the final form of the DPA’s planning policy.

This part of the consultation process will follow the legislated requirements of the Development Act (i.e. this will be a 2 step process (in accord with Process A - S24(7) of the Development Act, 1993), meaning that agency consultation is to occur prior to community consultation) and will involve:

- notices in local newspapers and on Council’s website
- draft DPAs available at Council Customer Service Centres, and online
- Information Papers on the DPA and the process that has been followed
- 2 or 3 information sessions open to the public
- A final public meeting where people who have previously made submissions may address the SPDPC.

Anticipated Outcomes:

At the end of this second stage, the community will have been consulted in detail on the concepts, mapping and planning policy.

Following a review of the submissions received, SPDPC will review and endorse any suggested changes, and the final draft DPA will be forwarded to the Minister of Planning for final approval.

2.7 CONCLUSION

This will be the second largest DPA after the Townships & Urban Areas DPA, undertaken in the Council area, and will cover all lands within the rural areas of the district. It is also well-known fact that globally, the area of available good farming land is decreasing as urban and rural lifestyle development encroaches into food production areas. Protecting this important farm land resource is essential for securing local food production capacity to supply food for future populations. This is the main goal of the PPL DPA. It is considered essential to engage with the district's farming and rural communities at the outset to identify the issues facing them and scope the necessary DPA investigative work. Staff have prepared an appropriate engagement strategy for this work as detailed in the report and associated attachments, and are recommending that the Committee endorse this to enable the progression of the formulation of the PPL DPA.

2.8 RECOMMENDATION

That the Strategic Planning and Development Policy Committee approves the Community Engagement Strategy as outlined in this report.

2.9 APPENDICES

- (1) PPL DPA Project Information Sheet
- (2) Question & Answer Sheet
- (3) Value Adding Industries Information Sheet
- (4) Community Engagement Strategy PPL DPA

3. Primary Production Lands DPA: Community Engagement Strategy – Period of Confidentiality

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That having considered this matter in confidence under section 90(2) and 90 (3)(m) of the Local Government Act 1999, the Council, pursuant to section 91(7) of the Local Government Act 1999, orders that the documents, reports and minutes pertaining to this matter, including discussions and considerations, be retained in confidence until the matter is determined, but not longer than 12 months, pursuant to section 91(9).

That, pursuant to section 91(9)(c) of the Local Government Act 1999, the Chief Executive Officer be authorised to release documents at the conclusion of the period of confidentiality.

Appendix 1
PPL DPA Project Information Sheet

ADELAIDE HILLS COUNCIL
PRIMARY PRODUCTION LANDS DEVELOPMENT PLAN AMENDMENT
PRIMARY PRODUCTION PRIORITY AREAS MAPPING

The Adelaide Hills Council area is renowned as having some of the best farming land in the State. The district comprises a mix of high rainfall, cool climate primary production, remnant natural areas and distinctive, small local communities. Together these produce a landscape that is admired and valued by visitors and locals alike. It is also well-known that globally, the area of available good farming land is decreasing as urban and rural lifestyle development encroaches into food production areas. Protecting this important farm land resource is essential for securing local food production capacity to supply food for future populations.

Primary production has a long and proud history in the district, with some farms and orchards having been established only a few years after arrival of the South Australian colony in 1836. Almost 200 years on, Adelaide is different from many other cities in that it still has substantial “food bowls”, such as the Adelaide Hills, on its doorstep.

This situation presents a range of opportunities and advantages for local producers, regional businesses, South Australian consumers and the wider economy. These opportunities and advantages can be measured in terms of access to productive land and water resources, economic benefits and jobs, reliable supply of fresh food and insulation from the uncertainties associated with future climate change and energy costs.

However, the district is under constant pressure from unplanned development and proposals that have created uncertainty for the primary producers who maintain so much of this landscape. Maintaining a productive and sustainable primary production landscape in the Adelaide Hills is going to require new ideas about how to manage this important asset.

One way in which the Adelaide Hills community can protect its primary production landscape is through the land use planning process. The Adelaide Hills Council, with assistance from the Rural Land Management Advisory Group and input from industry groups, has developed a concept to protect important primary production land through changes to the Council Development Plan. The Council is looking at changing its planning policy to protect its good farm land by preparing a Primary Production Lands Development Plan Amendment. This project will cover all rural areas of the Council District including those which fall in the Watershed (Primary Production) Zone [W(PP)]. The primary intent of this project is to protect Primary Production Priority Areas (PPPA) for farming, to secure this important and diminishing resource for future food and fibre production. It is also intended to review land use policy guidelines to respond to emerging trends in primary production, and to make it easier for farmers to seek approval to undertake a range of primary production and value adding activities on their land.

Before starting on the main investigation work of this project, Council is seeking input from farmers and their industry or representative groups. This process will enable Council to identify the main land use and planning issues that need to be addressed in the DPA project.

A significant element of this investigative work has been the mapping and designation of priority primary production areas (PPPA) with the intent of protecting these areas for primary production activities. The intent of this information sheet is to provide an overview of how this mapping process was undertaken by Primary Industries and Regions SA (PIRSA), and how it was reviewed by the Council’s Rural Land Management Advisory Group (RLMAG). A copy of the map will be displayed at the forthcoming meetings.

The attached package gives you more details about this and your input into this process is essential to ensuring the DPA project addresses land use planning issues confronting primary producers.

For further information in this regard, please do not hesitate to contact Mike Flehr, Senior Strategic & Policy Planner on 8408-0503 or email: mflehr@ahc.sa.gov.au

Marc Salver
Director Strategy & Development
Adelaide Hills Council

PRIMARY PRODUCTION PRIORITY AREAS (PPPA) MAPPING

The Department of Primary Industries & Regions SA (PIRSA) has been working with Councils and State government agencies to identify and map areas of primary production significance within the Greater Adelaide region. This summary outlines the project, its methodology and the intended use of the mapping.

BACKGROUND

Areas within 100kms of the Adelaide GPO consistently generate around 25% of South Australia's total farm-gate value of production, much of it from high value horticulture, winegrape and livestock industries. This distinctive pattern of production is due to a combination of favourable natural resources and climate, major investments in infrastructure, and good access to labour, transport and support industries. Very few parts of the State enjoy this combination of factors.

These same areas also present important opportunities for adapting to the impacts, risks and uncertainties of climate change, water scarcity, 'peak oil' and a carbon-constrained economy. Within this region, SA's farm-sector and food supply are buffered from external shocks by the high rainfall, cool climate conditions of the Mt Lofty Ranges, by access to multiple water resource options, including recycled urban wastewater, and by proximity to a major market and national freight network.

The recent 30 Year Plan for the Greater Adelaide region proposes identification of 'areas of primary production significance' in order to better manage the region's primary industry lands. In response to this strategic direction, PIRSA has been developing the Primary Production Priority Areas mapping project (hereafter 'PPPAs' or 'priority areas'). The objectives of the PPPA project have been to:

- develop a method to broadly differentiate rural land on the basis of its significance for primary production;
- identify and map provisional Primary Production Priority Areas within selected local government areas across the region; and
- provide information in a form that will assist Local and State government in developing land use policy for primary industry land.

METHOD

PPPAs in the Adelaide Hills Council area have been provisionally identified and mapped on the basis of a range of 'enabling' factors. These factors include land capability, industry investment and land use, access to water, climatic considerations (including anticipated climate change) and other local conditions that give rural land special significance for primary production. Figure 1 shows conceptually how these various enabling factors were combined. A multi-dimensional assessment technique was used because soil conditions alone are rarely an adequate indicator of the strategic importance of land.

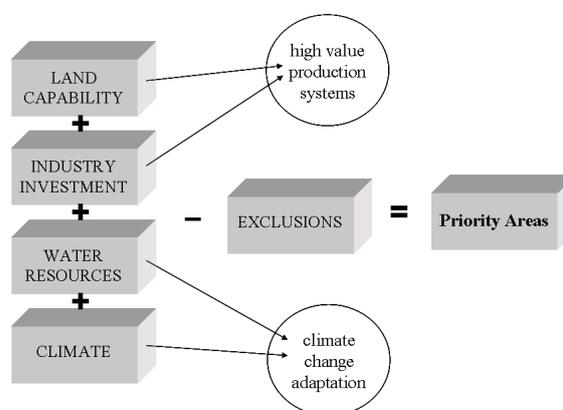


Figure 1. Conceptual outline of the PPPA project

Areas where PPPAs could not or should not be established were excluded from the assessment process on the basis of information about zoning, national parks, reservoir reserves and other public or special purpose land. The effect of these exclusions was that PPPAs have only been identified on land that has already been zoned for primary production or similar use. Zones and policy areas were excluded where there was not a clear and unambiguous priority to agriculture, farming, grazing or primary production in their stated objectives or in the zone/policy area name.

The conceptual model shown in Figure 1 also gives emphasis to areas of existing or potential high value production systems¹, especially where options for that production are limited or under threat; and to areas providing significant scope for

¹ This equates to intensive and (usually) irrigated viticulture, horticulture and grazing systems. In the initial phase of PPPA development this definition did not include any broadacre or dryland cropping production systems.

climate change adaptation in agriculture. These emphases are consistent with current State Government plans and strategies in the Food, Natural Resources Management and Climate Change arenas. An important and intentional consequence of this decision is that PPPA mapping does not identify all potentially productive land in the region as a priority area: the project simply seeks to identify the more important parts of the region that are already zoned for primary production.

Data describing the various enabling and exclusion factors were employed in a staged mapping process that included:

- desktop modelling using GIS² techniques to produce generalised maps of potential PPPAs across the Greater Adelaide region;
- pilot studies in the Alexandrina and Adelaide Hills council areas; and
- several phases of fieldwork in each Greater Adelaide region council area, preceded and followed by project team review.

The fieldwork stage was important to 'ground-truth' potential PPPAs, take account of any local circumstances not evident from the GIS analysis, and adjust draft PPPA mapping to cadastral (property) boundaries. Cadastre-based mapping is necessary for the eventual policy applications anticipated by the 30 Year Plan.

The resulting PPPA mapping comprises areas of land with one or more of the following characteristics:

- existing high value land use (viticulture, horticulture, dairying and irrigated pastures, major forestry plantations); OR
- land with capability for high value land use (Class 1&2 land according to DWLBC crop potential modelling for viticulture and pasture grasses³) AND access to irrigation water in the form of groundwater with salinity <1500ppm,

average annual rainfall >650mm, or proximity to local pipeline schemes; OR

- land suited to cool climate production (Class 1-3 land according to DWLBC crop potential modelling for viticulture and pasture grasses) AND average annual rainfall >650mm⁴; OR
- land without fundamental limitations for irrigation AND groundwater with salinity <1500ppm; OR
- land with high capability for cropping AND average annual rainfall of 350-650mm.

Small, isolated areas with these characteristics (out-liers <40ha in the hilly areas and <100ha on the slopes and plains) were generally omitted from the PPPA mapping. Likewise, small areas of land without these characteristics but surrounded by better land (in-liers) were included. This rule was adopted to avoid excessive fragmentation in the final map. Where necessary, individual allotments were assessed according to a 'decision-tree', as shown in **Figure 2**.

There were also several theme-specific rules developed by the project team that influenced decisions about PPPA status:

- Within PPPA polygons, remnant native vegetation on private land was generally ignored unless it comprised, separately or in combination with other limiting factors, such as slope, a potential in-lier of >40/>100 ha;
- Steeply sloping land was ignored where the balance of the allotment comprised existing high value production and was part of a locality characterised by production systems adapted to steep sites;
- Small lot subdivision was ignored where substantial rural residential development had not occurred and where land use remains predominantly agricultural;
- Allotments that were substantially smaller than the locality average were generally ignored unless they were part of a cluster of limiting factors that was potentially an in-lier of >40/>100 hectares; and
- Large allotments comprising a mix of high and low priority land could be split and partially included/omitted provided a dividing line

² Geographic information systems (GIS) techniques enable rapid modelling and analysis of land use policy options.

³ Capability for pasture grass production was based initially on crop potential modelling for Perennial Ryegrass. This was subsequently modified with the addition of modelling for Phalaris, which is more suited to sandy soils found in some parts of the region.

⁴ In the absence of suitable temperature modelling, average annual rainfall of >650mm was used as a proxy for cool climate conditions.

could be established between two cadastre-based points on their surveyed boundary.

INTERPRETATION AND USE

The PPPA mapping project seeks to provide a starting point for formal identification of areas of primary production significance in the Greater Adelaide region. The project is not intended to identify primary industry development opportunities; nor is it an expression of agricultural land needs.

Likewise, PPPA mapping needs to be viewed as the product of a multi-dimensional, strategic-level assessment conducted at the regional and district scale. It is not a paddock-scale soil survey; nor is it an assessment of the viability of individual farm businesses or parcels of land. Rather than guaranteeing the presence of specific attributes at any one point, these maps simply indicate the likelihood of encountering certain generalised conditions within a locality.

It should be noted that reports provided to Councils do not propose any changes to land use policy for the proposed PPPA areas, or for land not given PPPA status. In any case, such policies would not affect existing uses; would not prescribe crops, production systems or management regimes; and could not oblige landholders to undertake agricultural activity. Likewise, it is not intended that PPPA status would in any way change landholders' NRM, EPA, farm chemicals or other environmental management obligations.

Mapping has been provided to all Councils in the Greater Adelaide region for an open-ended period of review and consultation. Although the 30 Year Plan for Greater Adelaide gives clear direction about incorporating this or similar mapping into Development Plans, at the time of writing there is no schedule for that to occur. Councils have been invited to review provisional PPPA mapping and suggest local adjustments where they can be justified.

FURTHER INFORMATION

A more detailed description of the mapping method used in the PPPA project can be found in the report *Primary Production Priority Areas:*

Project Design and Method. Electronic copies of the report are available free from the Council or PIRSA Consumer Services. Printed copies can be viewed at Council's Libraries or can be purchased from PIRSA Consumer Services.

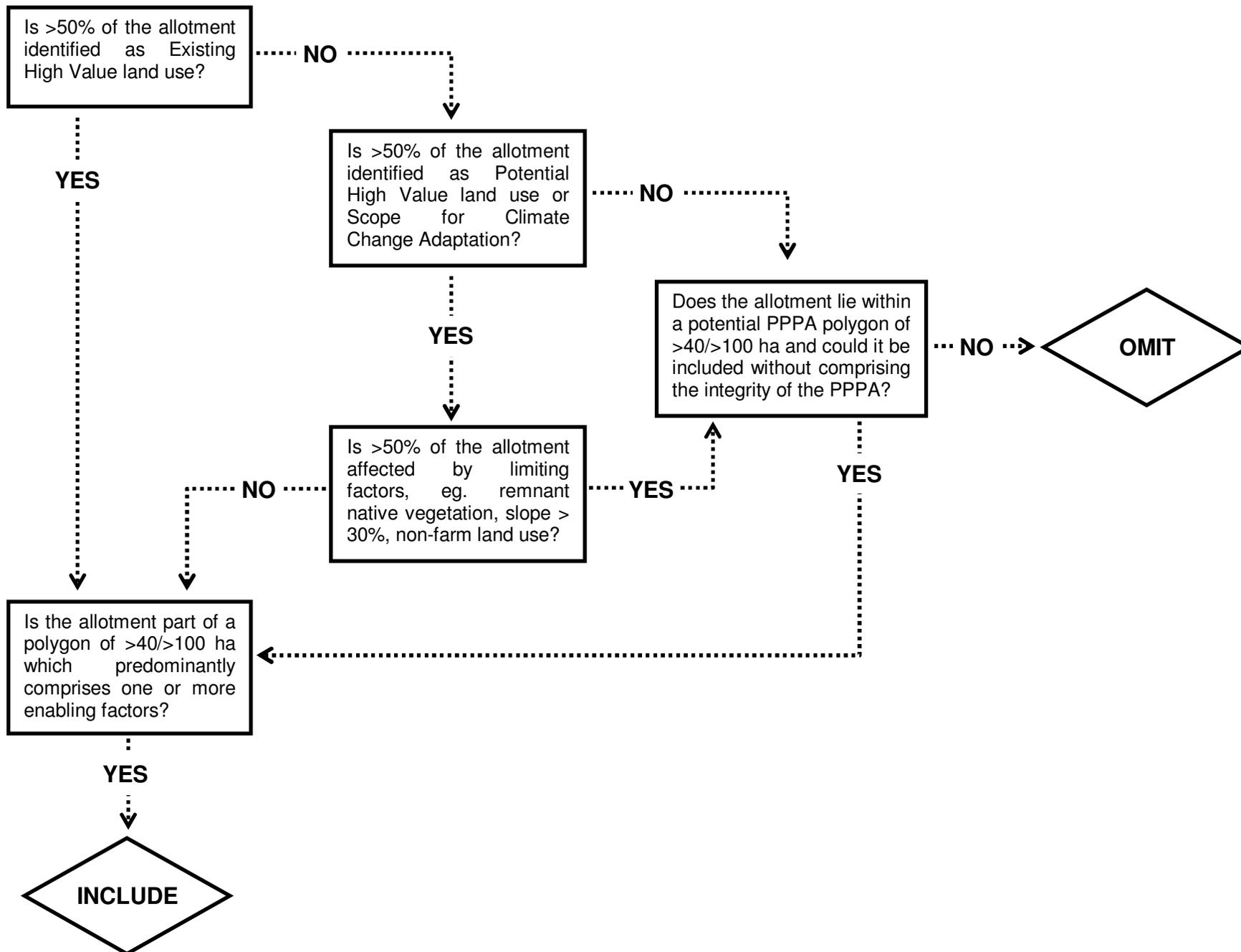


Figure 2. Generalised decision-tree for PPPA assessment of allotments

HORTICULTURE INDUSTRY COMMENT

The Council's Rural Land Management Advisory Group (RLMAG) undertook ground truthing of the material supplied by PIRSA and included additional areas to the map based on the assessment of current primary production activities on the land.

Through the ground truthing the members of the RLMAG endeavoured to think laterally and into the future. Whilst some land was originally rejected due to steepness, being in a planning policy area with a non-primary production focus, and the property sizes being considered too small, it was considered that land with primary production potential should be included within the PPPA, including the smaller land parcels which could be amalgamated into larger parcels of land for some primary production pursuit in the future.

This approach was adopted in recognition of the fact that we do not know what might be the 'new' and appropriate farming activity in 10, 20 or 50 years' time. Therefore we must leave the land in the best possible arrangements to allow for the new primary production activity.

The industry representatives of the RLMAG are supportive of the PPL DPA work being undertaken by the Council as they believe that:

- a) recognition and retention of primary production land is a part of the Council's Strategic Plan,
- b) the community wants such land to be protected and retained,
- c) the region is an important 'food bowl' for Adelaide and South Australia,
- d) the concept delivers certainty to the current and future primary producers,
- e) allows the land to be used to its maximum potential to ensure the appropriate productive capacity is achieved,

- f) the process will maintain the economic viability of the land and the region,
- g) the process will establish a set of guidelines which all existing and potential residents can use to make appropriate decisions about land purchases, and
- h) the recognition of PPPA mapping will minimise future adverse reaction/land use conflicts to primary production activities.

By establishing PPPA's and implementing appropriate Good Agricultural Practices, the Council and industry will ensure environmental viability and sustainability with the appropriate usage of the natural resources.

By establishing PPPA's the Council will protect a significant high rainfall agricultural region within South Australia and ensure the regions appropriate use during any future climate changes.

VITICULTURE INDUSTRY COMMENT

What has happened in the viticulture industry could be regarded as an indicator of what will steadily happen in other food growing industries, that is the phenomenon of value being placed on quality. Most wine grapes are grown to supply the \$5 to \$15/ bottle market, which is really a commodity market that places little or no value on complexity or subtlety of flavour, the story behind the product or other intangibles. However, over the past decades a significant subset of wine consumers has developed which places high value on these aspects and who will willingly pay much higher prices. This in turn has driven the development of vineyards on sites that 50 years ago would have been regarded as unviable follies, and preserved old vineyards on sites that are only viable with high grape prices. Many of these sites are in the cooler parts of the Adelaide Hills.

Interestingly, the Slow Food Movement, which places value on similar characteristics in food and its raw materials, has developed in parallel with

this. This is part of the driving force behind the resurgence (or were they ever here?) of farmers markets and it is considered likely that we will see the development of payment for quality in other agricultural industries. This already happens overseas and in certain crops such as cereals (e.g. barley for beer, wheat for pasta), and now that a cider industry is getting on to its feet, may begin in apples and pears.

With the above points in mind, the issue at hand is that land that is currently considered marginal may not be considered so in another decade. Because we don't know what the next valuable crop will be, we can't really expect that only flat rich soil will be the most desirable.

It is therefore important that we should err on the side of optimism as we consider what to include and exclude in terms of land for designation within the PPPA.

By way of direct example, 50 years ago the most desirable grape growing land in South Australia was warm (for early ripening), flat (for ease of working), had rich soils (for big plants) and plenty of water (for big crops). Such land was mostly located within the Riverland. This is still true for lower value wines, but the opposite is true for high value producers, who value cooler sites for later ripening, low vigour soils for low crops, slopes for protection from afternoon sun or certain winds, and little or no irrigation.

It is noted that a lot of Taiwan is mountainous (not just hilly), and primary production thrives in a lot of the mountains; driven by the Japanese market which is willing to pay high prices for extra quality in crops such as peaches, tea, rice, and many other products. Such an approach has a host of spin off benefits for tourism, employment, and sustainability.

By establishing PPPA's the Council will help to protect a significant area within South Australia for the growing of quality wine and encourage the sustainability of the wine industry within the Adelaide Hills Council area.

NATURAL RESOURCES ADELAIDE & MT LOFTY RANGES COMMENT

The office of Natural Resources Adelaide and Mount Lofty Ranges is supportive of the Adelaide Hills Council identifying priority primary production land through the development plan. The inclusion of areas based on potentially suitable primary production areas in a changing climate is particularly important as it provides the opportunity now to protect important areas for future primary production.

From an NRM perspective PPPA's designation also potentially provides an opportunity to target on-ground works, as if the land is primary production zoned then there is less chance of it changing to rural living or residential and therefore it is likely that the NRM works will remain for a longer time. This provides the Board with the opportunity to promote and involve agricultural industries in NRM related activities.

As the project progresses it is also important to consider how the PPPAs align with the water management zones within the Western Mount Lofty Ranges Water Allocation Plan, to ensure that the two policies are not contradictory.

Appendix 2

Question and Answer Sheet

PRIMARY PRODUCTION LANDS DEVELOPMENT PLAN AMENDMENT QUESTIONS & ANSWERS

	QUESTION	ANSWER
1	What is a Development Plan Amendment or DPA?	<p>The State’s Planning System has three main components:</p> <p>Strategic Planning, which provides clear direction for land use planning throughout the state</p> <p>Development Plan Policy, which translates strategies into actual spatially based land use policies</p> <p>Development Assessment, which is the practical application of policies.</p> <p>For this project, <i>strategic planning</i> is this process of deciding what needs to be done, how to do it, and consulting you for your input.</p> <p>The project is implemented through <i>Development Plan Policy</i> contained in a Development Plan, which is a document used by a planning authority (such as Council) to assess development applications.</p> <p>Development Plans provide controls for “development” (e.g. a new building or structure or change of land use).</p> <p>A Development Plan Amendment (DPA) is a document which justifies and details planned changes to a Development Plan with a view to responding to current or emerging trends (e.g. changes in population needs, changes in primary production activities) and improving development outcomes or process.</p> <p>Development Plan Amendments are usually initiated by a Council, but must be approved by the Minister for Planning at specific stages.</p>
2	How will this DPA affect primary producers?	<p>The cost of farmland in the Hills is considered artificially high because of high demand for rural lifestyle allotments by urban based commuters. This economic driver is making it more costly to farm some of the State’s best farm land.</p> <p>The intent of the Primary Production Lands DPA is to:</p> <ul style="list-style-type: none"> • keep the rural areas of the Adelaide Hills as a farming region and counter the trend to rural residential uses; • designate high quality farm land as priority farming areas; • provide improved planning policy guidelines for a range of buildings, structures and farming activities in the farming areas; • limit rural lifestyle housing in farming areas to housing associated with a productive farm;

		<ul style="list-style-type: none"> • provide for rural lifestyle housing and activities <i>outside priority farming areas;</i> • provide a mechanism for transferring land titles from inside the priority farming areas to areas <i>outside farming areas;</i> and, • to provide improved planning policy guidelines for value-adding agricultural activities in ways which do not pollute the watershed/water catchment. <p>The impact of the DPA is likely to result in a reduction in the cost of land inside farming areas, as it no longer has potential to be developed solely for rural lifestyle housing. Land at its agricultural value would then be affordable for farmers looking to expand. The cost of farming in this area is likely to be reduced.</p> <p>Existing farmers in the priority farming area with more than one land title would be able to amalgamate land titles and “sell” extra titles into the area outside farming areas.</p>
3	How will this DPA allow/assist primary producers to continue to farm?	<p>In essence the DPA will simplify the development approval process as it will list a wider range of land use activities as “on-merit” rather than “non-complying¹” uses making it simpler to get some development approvals. Further, value adding agricultural activities will also be defined and listed as on-merit development to simplify the development approval process and enable farmers to use their land for a wider range of activities other than just farming.</p> <p>The DPA may result in the reduction of the cost of land within the priority farming areas which will make expanding a farm and sharecropping more economical.</p> <p>Limiting the available locations for rural lifestyle housing reduces the potential for “buffer issues” to do with spray drift, noise, night harvesting, etc. This would reduce the amount of land farmers have to set aside for buffers near neighbouring houses, but will not affect buffer requirements between different crop/grazing types.</p>
4	How will this DPA affect rural lifestyle land owners?	<p>This DPA will limit the areas in which land can be used solely for rural lifestyle/living to areas which are not designated priority farming areas. Should a person still wish to build a rural lifestyle house in such priority areas, such development is proposed to be “non-complying”.</p>
5	How will the opportunities for land leasing for primary production purposes be affected?	<p>Opportunities for leasing should be improved, as farm land will be valued as agricultural land, and leases provide a regular income for retired farmers who choose not to sell their land on retiring.</p>

¹ Please refer to the attached information sheet for further information on what non-complying development is and the process involved for such applications.

6	How will this DPA restrict or encourage “value adding” primary production activities?	<p>Value adding primary production activities will be clearly defined and controlled, however, the intent of the DPA is to facilitate a wide range of such activities so that farmers can derive more income from their land than just farming.</p> <p>The key issue being investigated is to encourage activities which will not pollute the Watershed/water catchment in order to protect metropolitan Adelaide’s water supply and the Adelaide Hills farmlands.</p>
7	How will this DPA affect planning requirements for changing from one type of farming to another?	<p>The current planning principle is that a development application is required where farming activity becomes more intense or results in a change of land use (for example changing from grazing to horticulture or from horticulture to viticulture). The assessment process looks at impacts on surround land uses and the environment such as water quality impacts, spray drift management, impacts on adjoining agricultural uses, noise impacts, need for buffers, etc.</p> <p>Farming activities which are of the same or lesser activity do not require a Development Application. For more information in this regard, please contact the Council’s Development Services Department on 8408-0558.</p> <p>Opportunities to make the development application process easier for farmers will also be investigated as part of this DPA.</p>
8	How will this DPA affect the ability of farmers to build farm sheds or other ancillary farm buildings?	<p>The DPA will define and allow for the types of sheds and buildings which support primary production activities for the production of food and fibre within and outside priority farming areas.</p>
9	How will this DPA facilitate shifting developable titles?	<p>Land Division is non-complying within the Watershed (Primary Production) Zone, and will remain that way. Boundary realignments (i.e. shifting of title boundaries) is currently only permitted in certain circumstances. This DPA proposes to provide guidelines to facilitate the transferring of a farmland title to a more suitable location. The intent is to allow for the shifting of a farmland title to areas outside of the priority farming area, thus enabling a farmer to raise capital from selling that surplus title. This has the knock-on positive impact of creating larger and more viable primary production allotments within the priority farming areas.</p> <p>The “Transfer of Titles” policy guidelines will be developed to define source areas from which land titles can be sourced, and target areas into which the land titles can be shifted and used for a land division. This will assist farmers in raising capital funds to either expand or maintain their businesses.</p> <p>Land with multiple land titles in a farming area or source area, can then be amalgamated into one title, and the “extra” titles can be transferred to one or more</p>

		<p>target areas.</p> <p>This scheme is designed to shift “residential development potential” from priority farming areas to places outside farming areas.</p>
10	Will this DPA change the ability to build a house on an existing vacant title?	<p>Outside farming areas, a house can be built on a vacant title where it meets access, septic tank and other legislative requirements.</p> <p>In the priority farming areas, a proposed house which will be part of a farming operation will be an on-merit form of development subject to the normal legislative requirements. However, where <u>no farming</u> is being undertaken on the vacant title, a proposed house will be a “non-complying” form of development.</p>
11	How will this DPA affect requirements for service type businesses?	<p>Currently, service type businesses are effectively limited to locations within township areas only. By providing impact standards for development in the rural areas, some service businesses may be permitted within rural locations where there is no impact (noise, traffic, pollution, water runoff, chemical disposal, etc) on the environment or adjoining properties.</p>
12	Will this DPA affect property values?	<p>Yes, in a positive way for farming purposes. Much of the value of vacant rural land in the hills is the potential to put a house on a property, which usually takes such land out of production. On land which has good potential for farming, housing is proposed to be restricted to housing associated with a productive farm and making rural living development a non-complying form of development. In these cases good farming land will therefore have an agricultural value. It is proposed that farmers with multiple titles may be able to sell or transfer some titles into other areas, to offset any change in their land value (refer to question 9 for more information in this regard).</p>
13	Will this DPA affect property rates?	<p>It may result in a decrease in rates as rates are based on the value of the property and buildings being rated. If your land increases in value, your rates will increase. If your land decreases in value, then your rates will decrease.</p> <p>However, it should be noted that the DPA is completely independent of Council’s rating policy position on Primary Production Land. Council will be undertaking a separate exercise to review its rating policy and the future treatment of Primary Production properties, including such devices as the Primary Production rebate.</p>

Appendix 3
Value Adding Industries Information Sheet

Adelaide Hills Council

Primary Production Lands Development Plan Amendment

Value Adding Industries

Introduction:

As part of the Primary Production Lands Development Plan Amendment (PPL DPA), Council intends to make it easier for farmers to obtain approval for a range of activities which will add value to their current farming activities, and thereby improve the sustainability of their operations. The purpose of this information paper is to define what “value adding” industries are and seek input from farmers and their industry representatives, regarding the type of “value adding” industries which should be considered for inclusion in the PPL DPA.

Please also note that “value adding” to the range of business activities in the Hills will also be a key component of Council’s forthcoming *Economic Development Strategy*.

Background:

In its broadest sense, “value adding” is taking a raw material, processing it or adding something to it, to create a saleable item which appeals to a different or wider group of buyers. Branding a product can also add value by “justifying” a higher sale price.

In a conventional business chain, raw material (e.g. cherries, apples, vegetables) is sold to a processing business (e.g. a canning plant), with the processed product being distributed to retailers, who sell the product to the final consumer. In this case, “value adding” could involve a grower making a different product line (e.g. cherry or apple pies), the growers setting up their own canning plant, or the co-operative canning plant selling direct to the public. Each case can result in greater returns to the primary production level having value added to it.

Currently, many business options in the Hill’s Water Catchment areas are not able to be undertaken because of their potential impact on the drinking water quality. State Government land use policy as contained in Council’s Development Plan is focused on protecting water quality runoff within the Mt Lofty Ranges Watershed and only allows, for example, those agricultural industries that wash, grade, sort and pack produce. Any additional processing, or other value adding activity, is not currently identified as a desirable activity in the watershed and is classed as a “non-complying” form of development (i.e. that should not be permitted).

Council’s intention through this DPA is to see an assessment of proposed value adding developments based on their actual potential impacts rather than their type of activity, and make the processing of such development applications easier.

What we need from you:

Council has some ideas for activities which should be permitted to occur in rural/primary production areas. We need your ideas on what sorts of activities and “value added” products should be considered as part of this process. These activities may be undertaken by individual farmers or as a group of farmers.

Council’s Ideas:

The Adelaide Hills district has economic strengths primarily in Agriculture and Tourism. However the area has limited demand and ability to allow for any major retail activities due to a number of factors including its location in the Watershed (which provides no scope for high impact manufacturing or related industries), being in a high bushfire prone environment and the general lack of service infrastructure (mains water, sewer, and stormwater).

While local agriculture produces food and fibre mainly as raw materials, there are opportunities to “value add” both at the industry level and at the individual farm level. For example, at the farm level, products requiring in-house processing can be sold at road sides, or sold in a small on-site shop (where approval has been obtained), or grouped with similar scale products and marketed under a common brand, eg, Adelaide Hills Farm Fruits. At a larger scale, co-operatives have been established which work at the industry level to process and pack produce for distribution. Options exist for related industry groups to similarly “process and pack” or to create new products from existing raw materials, eg baking fruit goods.

The wine industry already excels at value adding, through processing grapes, manufacturing wine, selling through cellar doors, and adding restaurants, functions and related products to their income streams.

Tourism has great potential for value adding through linking and cross-marketing attractions, accommodation and events. For example, farm-stay accommodation can link with restaurants, wineries and specialist shops to cross-market and provide a wider experience for their guests

Professional Services in the Council area tend to operate effectively as single practitioners, however there is scope for Serviced Offices to provide specialist reception, meeting and IT services for professional, investment and other small businesses.

Large land holdings like farms and rural residential lots also have small businesses capacities ranging from home office based businesses, to joineries, to minor fabrication, to storage, and with high speed internet, online sales and distribution.

Council, together with its Rural Land Management Advisory Group (RLMAG) have come up with the following ideas for value adding activities within the different types of farming as are detailed in the table below. In essence it seems that there are a range of options to widen the range of products that farmers can produce, for example:

Agro-forestry	drying, milling, oils, resins, wood products such as mulch, boards
Alpacas	fibre, weaving, knitting, doonas/quilts using fibre, manure
Cattle	meat, milk and milk products, manure, skins, leather and leather products
Flowers	cut flowers, dried flowers, oils, perfumes, internet sales
Goats	fibre (angora) meat, milk and milk products, manure, skins, leather
Herbs/Spices	dried herbs, oils, seeds, recipe packets, potpourri, internet sales
Horses	agistment, training, riding equipment, fashion products, horsehair products
Horticulture	fruit, wine, grapes, drying of fruit, vegetables, mulch, seeds, medicines, health care products, making of pies and delicacies, juices, fruit bottling and preserves
Other animals	free range eggs
Nuts	nut products (spreads, etc), mixed nuts & dried fruits
Sheep	meat, milk and milk products, skins, wool, manure

Farm stall/shop	allowing for the establishment of a small (up to 100m ²) farm stall on a farming property for the sale of produce grown on that property. This could also include the sale of value added products (e.g. jams, juices, oils) produced on the property. Such a use is currently non-complying in the rural areas.
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Note that the intent to consider permitting the manufacturing of a product on a rural property will only be permitted if it will be small scale, not result in pollution of the environment or negatively impact on surrounding neighbours by way of noise, smells and general amenity. The proposed planning policies will clearly define these conditions or principles of development control.

How you can help:

Council is seeking your ideas in this regard. Please either write, email or call Council with your ideas, questions and suggestions for consideration as part of the preparation of the PPL DPA

Write to: The CEO
Adelaide Hills Council
PO Box 44
WOODSIDE SA 5244

Contact: Mike Flehr
Senior Strategic & Policy Planner
Email: mflehr@ahc.sa.gov.au
Phone: 8408 0503

Appendix 4
Community Engagement Strategy
Primary Production Lands DPA

PRIMARY PRODUCTION LANDS DPA
STAKEHOLDER & COMMUNITY ENGAGEMENT STRATEGY
(Internal Document)

This document outlines the Community Engagement Strategy to be undertaken with regard to the Primary Production Lands Development Plan Amendment (PPL DPA). It should be noted that consultation will occur in two stages, namely:

1. Stage 1: Issues & Scoping exercise - will involve consultation on the Primary Production Priority Areas mapping undertaken by PIRSA as it forms the basis of designating areas of primary production priority or significance. It is intended that the mapping will be used to protect areas for primary production purposes through the drafting of appropriate planning policy. As the mapping may be the most contentious element of the PPL DPA, it is therefore considered important to consult on this element in the first instance. Further, engaging with the stakeholders and the broader community regarding rural planning policy at the outset will enable Council's Planning Policy Team to comprehensively identify issues and possible changes to the Development Plan which would need to be investigated. Consultation in this stage will focus on farmers and their industry/stakeholder representative bodies. Broader community consultation will also be undertaken as part of this process.
2. Stage 2: Draft DPA Stage - will occur after the PPL DPA has been drafted and endorsed by the Minister for Planning for broader public and State Government Agency consultation.

There will therefore be two opportunities for farmers and interested community members to provide input into the DPA formulation process, namely Stage 1 (Issues and scoping exercise) and stage 2 (draft DPA stage).

The following is a detailed breakdown of the consultation strategy for stage 1:

1. Primary Production Industry (including farmers)

- Identify all primary production industry groups relevant to the Adelaide Hills Council area. Group these by common areas of interest and hold separate meetings with each group.
- Prepare a package of information for distribution to primary production industry stakeholder groups.
- Organise a number of meetings of industry CEOs (grouped by areas of common interest) at which a detailed presentation is given detailing all of the issues and then answering any questions. These meetings to be chaired by industry reps on the RLMAG.

- Preparation of a Question and Answer information leaflet for inclusion in the Information Package
- Offer one-on-one presentations to industry organisation executive committee and/or members if requested
- Hold public meetings in 2 – 3 locations across the district for farmers and the general rural community to attend. These meetings to be chaired by industry reps on the RLMAG to explain the process and the objectives.
- Develop a list of issues/concerns and possible planning policy changes in response to these
- If necessary, establish an industry working group to work through the planning policy issues which the DPA could address.
- Develop industry stories based on strong statistical information to place in industry magazines and newsletters in order to raise awareness of what is being done to try and address planning policy changes to assist farmers.

2. Broader Community

- Prepare a package of information for distribution including a question and answer information leaflet
- Engage some 'champions', prepare some appropriate stories and take that out into the community via the media
- Hold public meetings in 2 – 3 locations across the district for farmers and the general rural community to attend. These meetings to be chaired by industry reps on the RLMAG to explain the process and the objectives.
- Develop a list of community concerns.
- Work through those concerns in a comprehensive manner so that all issues are considered and responded to.
- Maintain a database of issues and responses.

- Establish a section on the Council website that allows for exchange of information.

Both the above processes to occur over a period of 4 – 5 months commencing in October 2013.

In all processes those leading the discussion/debate/consultation need to be

- Transparent
- Willing to listen
- Record all issues
- Respond to all issues
- Empathy with those affected by the program,

Stage 2 of the process (Draft DPA Stage) will follow the legislated requirements for public and agency consultation.

“Involving the community in decisions makes for better decisions. We should not always assume we know best. Involving people creates for better results. All decisions need to be informed. It is then important to execute the decisions very well.” Fred Hansen CEO Urban Renewal Authority, Adelaide

10 September 2013