
9.7 Planning Proposal to Amend the Land Use Table for the E1 Local Centre Zone to Permit Tourist and Visitor Accommodation with Consent

Report of: Susan Stannard
Acting Manager Strategic Outcomes

Authorised by: Michael McCabe
Director Communities and Place

PURPOSE

To progress to a Gateway Determination a Planning Proposal to amend WLEP 2010 to permit with consent additional *tourist and visitor accommodation* within the E1 Local Centre zone.

The matter was considered at the Wingecarribee Local Planning Panel Meeting of Wednesday 25 June 2025 with the following outcome:

PANEL'S ADVICE

The Panel supports the Planning Proposal accompanying this report to amend Wingecarribee Local Environmental Plan (WLEP) 2010 to permit with consent tourist and visitor accommodation in the E1 Local Centre zone for submission for a Gateway Determination.

PANEL REASONS:

The Panel agrees with the officer's report

VOTING: Unanimous 4/0

OFFICER'S RECOMMENDATION

THAT the Planning Proposal accompanying this report to amend Wingecarribee Local Environmental Plan (WLEP) 2010 to permit with consent tourist and visitor accommodation in the E1 Local Centre zone be submitted for a Gateway Determination.

REPORT

BACKGROUND

On 26 April 2023 the Wingecarribee Local Environmental Plan (WLEP) 2010 was amended to reflect amendments to the Standard Instrument LEP. These amendments replaced the previous B1-B7 business zones with E1-E5 employment zones. In so doing, the previous B1 Neighbourhood Centre and B2 Local Centre zones were combined into a new E1 Local Centre zone.

DISCUSSION

Under the previous B1 zone, the group land use term *tourist and visitor accommodation* was prohibited without exceptions while under the previous B2 Local Centre zone, *tourist and visitor accommodation* was permitted with consent without exceptions.

The Standard Instrument LEP Dictionary identifies the group term *tourist and visitor accommodation* as comprising the following specific land use terms - *backpackers' accommodation, bed and breakfast accommodation, farm stay accommodation, hotel and motel accommodation* and *serviced apartments*.

Under the new E1 zone, the Department included only *hotel and motel accommodation* as permitted with consent. The result of this decision was that land which has previously been zoned B2 and within which all forms of *tourist and visitor accommodation* were previously permitted with consent, is now restricted to *hotel or motel accommodation* with other approved forms of *tourist and visitor accommodation* now relying on existing use rights. Properties within the E1 zone seeking a new approval for *tourist and visitor accommodation* are restricted to *hotel or motel accommodation* only.

Council has received requests from smaller town and village associations, including Robertson and Bundanoon, seeking support to enable a broader range of *tourist and visitor accommodation*, particularly *backpackers' accommodation, bed and breakfast accommodation* and *serviced apartments*, being land uses well suited to these locations and which make a valuable contribution to their local visitor economy. The adopted Robertson Village Place Plan includes the intervention to *review the planning framework to ensure a range of tourist-related accommodation options are permitted (3.2.4)*. This proposed amendment will achieve that desired outcome. This benefit would also extend to future proposals seeking to provide, or extend existing, E1 Local Centre zoned land.

Council has discussed this Planning Proposal with the Department of Planning, Housing and Infrastructure's Local Planning and Council Support (Southern, Western and Macarthur Region) and has received in principle support for the proposed amendment.

Although the proposed amendment would enable all forms of *tourist and visitor accommodation* within the smaller towns and villages which were previously zoned B1, this is not considered to be potentially detrimental to those Local Centres due to the application of clause 7.11 of WLEP 2010 which was introduced into WLEP2010 when the E zone amendments came into force. This clause applies to all E1 zoned land which was previously zoned B1 and, as the objectives indicate, is to ensure that the character and amenity of these smaller areas, many of which have historical significance, are protected in the assessment of any Development Application, be it for a form of *tourist and visitor accommodation* or any other development permitted with consent in the E1 zone. Clause 7.11 is reproduced below.

7.11 Development in local centres

- 1) *The objectives of this clause are as follows—*
 - (a) *to ensure the scale and function of development in local centres are appropriate for the location,*
 - (b) *to ensure development in local centres is compatible with the desired future character and amenity of surrounding residential areas.*
- 2) *This clause applies to land identified as "Area A" on the [Land Zoning Map](#).*
- 3) *Development consent must not be granted to development on land to which this clause applies unless the consent authority has considered—*
 - (a) *the impact of the development on—*
 - i. *the amenity of surrounding residential areas, and*
 - ii. *the desired future character of the local centre, and*
 - (b) *whether the development is consistent with the hierarchy of centres.*

These provisions apply in addition to any provisions incorporated into the new comprehensive DCP.

It is noted that *Farm stay accommodation*, which is also a form of *tourist and visitor accommodation*, is not specifically included in this proposed amendment as this land use applies only to a working farm and this Proposal is limited to the E1 Local Centre employment zone only. However, it is further noted that the

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Parliamentary Counsel's Office (PCO) prefers to use its discretion in determining how best to reflect supported amendments within a Local Environmental Plan.

PLANNING PROPOSAL

Introduction

The role of the Planning Proposal is to identify those specific terms within the group term *tourist and visitor accommodation* which Council deems a desirable minimum to include as permitted with consent in the E1 Local Centre zone, namely *backpackers' accommodation, bed and breakfast accommodation, hotel and motel accommodation and serviced apartments*.

The Planning Proposal does not affect current complying development pathways which may apply under relevant State Environmental Planning Policies, or to the operation of short term rental accommodation.

Strategic Merit

The objectives of the E1 zone set out in the Standard Instrument LEP and in the WLEP 2010 are:

- *To provide a range of retail, business and community uses that serve the needs of people who live in, work in or visit the area.*
- *To encourage investment in local commercial development that generates employment opportunities and economic growth.*
- *To enable residential development that contributes to a vibrant and active local centre and is consistent with the Council's strategic planning for residential development in the area.*
- *To encourage business, retail, community and other non-residential land uses on the ground floor of buildings.*
- *To generally conserve and enhance the unique sense of place of business centre precincts by ensuring new development integrates with the distinct urban scale, character, cultural heritage and landscape setting of the precincts, particularly when located within a heritage conservation area or where the development may impact a heritage item.*
- *To ensure adequate provision is made for infrastructure that supports the viability of business centre precincts, including public car parking, traffic management facilities, public transport facilities, cyclist facilities, pedestrian access paths, amenities, facilities for older people and people with disabilities and general public conveniences.*
- *To maximise the efficient use of land in business centre precincts to promote more compact and accessible places.*
- *To ensure new development has regard to the character and amenity of adjacent and nearby residential areas.*

Permitting *tourist and visitor accommodation* within the E1 Local Centre provides opportunities for property owners to diversify their existing businesses and increased overnight visitation which would benefit the entire local economy. It would also contribute to the efficient use of existing business areas.

More modest forms of *tourist and visitor accommodation* within the E1 Local Centre, other than just *hotel or motel accommodation*, are particularly well suited to smaller towns and villages and would encourage adaptive reuse of buildings to enhance the presentation of the town or village and offer protection to heritage buildings.

The SE & Tablelands Regional Plan 2036 provides several Directions which this Proposal would support.

- Direction 8 (Protecting important agricultural land) is identified as attracting tourism with accommodation in nearby towns and villages ideally placed to support this Direction.

- Direction 9 (grow tourism in the region) is relevant as tourist and visitor accommodation across the towns and villages of the Shire is crucial to achieving this Direction. Tourism is recognised as essential for regional prosperity.
- Direction 12 (Promote business activities in urban centres) recognises the role tourism plays in supporting these centres. Tourist and visitor accommodation would enhance these initiatives. Action 12.2 (Encourage mixed use developments that cater for commercial, retail, residential and tourism uses through local planning controls) relates directly to this Planning Proposal.

The draft SE & Tablelands Regional Plan 2041 includes the objective of promoting a year-round visitor economy. Supporting this objective is Strategy 12.3 *to investigate the suitability of tourist and visitor accommodation and supporting land uses in strategic centres*. The draft Plan also recognises the importance of tourist and visitor accommodation in providing worker accommodation thereby supporting broad economic goals.

The Planning Proposal supports all of these Regional objectives and strategies and actions.

The Wingecarribee Local Strategic Planning Statement (LSPS) also includes several references to the importance of tourism to the local economy, noting that *tourism is a key economic driver for the Shire and an important component of the Southern Highlands economy. Tourism provides employment opportunities across a broad age range and across a broad range of skill sets, as well as flow-on employment opportunities in related industries*. (page 37)

Planning Priority 3.19 of the Wingecarribee LSPS (Our Shire supports businesses and attracts people to work, live and visit) specifically addresses tourism:

Wingecarribee Shire Council is committed to developing and promoting the Southern Highlands as a destination in which to live, work, invest, play, learn, visit and enjoy. Our Shire has a healthy and diverse economy, driven by the health, tourism, education, manufacturing, agriculture, construction and professional industry sectors. Our proximity to Sydney, Canberra and Wollongong provides a strong base for economic development, and our natural areas, rural landscapes and vibrant towns and villages will continue to support our visitor economy. (page 40)

Identified Actions in the Wingecarribee LSPS to achieve this outcome include:

- *ensure our planning framework facilitates new and innovative business opportunities, and*
- *ensure our planning framework facilitates a broad range of tourism opportunities and balances the economic benefits of tourism with impacts on our environment and community.*

This Planning Proposal specifically addresses these Actions.

It is further noted that certain forms of *tourist and visitor accommodation* support local workers as well as tourists. *Backpacker accommodation* and *serviced apartments* particularly serve this function. Increased opportunities to provide such accommodation benefit the Shire more broadly and not just the visitor economy.

Site Specific Considerations

It is proposed that *tourist and visitor accommodation* be permitted with consent in the E1 zone. The location and size of E1 zones varies across the Shire. It is the role of the Development Application process to determine if a specific site is suitable for a specific form of land use. A new comprehensive Wingecarribee Development Control Plan is currently being prepared. It will include specific objectives and

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controls for the assessment of *tourist and visitor accommodation* which will be applied as appropriate to each proposed locality.

External Referrals

Initial conversations have occurred with the NSW Department of Planning, Housing and Infrastructure resulting in verbal in-principle support for the Planning Proposal. It is acknowledged that this does not pre-empt any outcome.

Formal external references have not occurred at this stage, however, in anticipation of mandatory referrals, the following observations are provided.

Referrals	Advice/Response/Conditions
WaterNSW	WaterNSW would need to be consulted prior to the Planning Proposal being submitted for a Gateway Determination. It is noted however, that any consequent Development Application would be required to demonstrate compliance with the NorBE test at the assessment stage.
NSW Rural Fire Service	It is anticipated that the NSW RFS would be consulted post Gateway. Established towns and villages are generally less fire prone than rural areas, but any consequent Development Application would be required to demonstrate compliance with the RFS requirements specific to the proposed site.

Internal Referrals

No internal references have occurred at this stage.

Public Exhibition

If a Gateway Determination is received to proceed with the Planning Proposal, public exhibition would be undertaken in accordance with Council's adopted Community Engagement Strategy.

The Planning Proposal seeks to enhance economic opportunities within towns and villages through enabling consideration of a broader range of tourist and visitor accommodation. This would reinstate land use permissibilities previously available to towns and larger villages under WLEP 2010 while expanding opportunities for smaller villages, subject to clause 7.11 Development in Local Centres, of WLEP 2010.

COUNCIL BUDGET IMPLICATIONS

There are no budget implications associated with this Proposal. The Planning Proposal would be undertaken by the Strategic Outcomes Branch.

LINK TO STRATEGY

This report relates to the Wingecarribee 2035 Community Strategic Plan Outcome and Strategy:

Our Economy

Outcome - 4.3 We are a visitor destination

Strategy - 4.3.3. Facilitate a visitor economy that supports our environmental and social goals

Indicator - Total Number of Domestic Nights Spent

Increased tourist and visitor accommodation provides more opportunities to attract overnight and extended stay visitation.

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Director Communities and Place

OFFICER'S RECOMMENDATION

***THAT** the Planning Proposal accompanying this report to amend Wingecarribee Local Environmental Plan (WLEP) 2010 to permit with consent tourist and visitor accommodation in the E1 Local Centre zone be submitted for a Gateway Determination.*

MN 2025/185

***MOTION** moved by Cr Champion, seconded by Cr Kent*

***THAT** the Planning Proposal accompanying this report to amend Wingecarribee Local Environmental Plan (WLEP) 2010 to permit with consent tourist and visitor accommodation in the E1 Local Centre zone be submitted for a Gateway Determination.*

CARRIED (7/2)

***For:** Cr Champion, Cr Duffy, Cr Farrell, Cr Fitzpatrick, Cr Foley, Cr Moylan and Cr Smith*

***Against** Cr Kent and Cr Russell*