

## Ordinary Council Meeting - 28 April 2026 Attachments

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**Capital Works Detail**

Glamorgan Spring Bay Council  
Budget 2025-26

Dept	Capital Item	Cost YTD	% Cost Spent	Status	Revised Budget 2026	Budget 2025/26	New Budget Adjustments	Actual Carried Forward	Estimated Carry Fwd Amount	New Budget	Council Funded	Grant Funded
<b>Roads, Footpaths, Kerbs</b>												
	Resheet Program	136,392	68%	Underway	200,000	200,000				200,000	200,000	
	Pavement Renewal Program	518,146	94%	In progress	550,000	500,000	50,000	-	-	550,000	440,000	110,000
	Reseal Program	633,730	97%	In progress	650,000	700,000	- 50,000			650,000	190,000	500,000
	Swansea St Margaret's Court seal and kerb	39,182	131%	Completed	30,000	30,000				30,000	30,000	
	Fisheries Coles Bay	39,435	99%	Completed	40,000	40,000				40,000	40,000	
	Triabunna Tomorrow Streetscapes Year 2	79,289	6%	In progress	1,359,420	445,000	299,500	614,920	614,920	744,500	-	1,359,420
	Foothpath Seal to Bark mill	-	0%	Not Started	30,000	30,000				30,000	30,000	
	Foothpath & Disability Compliance Renewal Program	137,956	92%	In progress	150,000	150,000				150,000	150,000	
	Gulch Car Park Pavement Rehabilitation	25,381	100%	Completed	25,381	25,000	381			25,381	25,381	
	Morrison St Bicheno -cul-de-sac head	53,419	107%	Completed	50,000	50,000				50,000	50,000	
	Cross St to Walpole install Kerb	43,812	100%	Completed	43,812	40,000	3,812			43,812	43,812	
	West Shelly cul-de-sac K&C	55,319	104%	Completed	53,410	65,000	- 11,590			53,410	53,410	
	Kerb & Channel Renenwal Program	56,611	57%	In progress	100,000	100,000				100,000	100,000	
	Nailer Avenue top to Gamble Crescent	66,749	111%	Completed	60,000	60,000				60,000	60,000	
	Design Allocation	8,524	9%	Commenced	100,000	100,000				100,000	100,000	
	Contingency	-		Not Started	-	40,000	- 40,000			-	-	40,000
	<b>Total Roads, Footpaths, Kerbs</b>	<b>1,893,944</b>	<b>55%</b>		<b>3,442,023</b>	<b>2,575,000</b>	<b>252,103</b>	<b>614,920</b>	<b>614,920</b>	<b>2,827,103</b>	<b>1,472,603</b>	<b>1,969,420</b>
<b>Bridges, Culverts</b>												
	Wielangta Pipe Bridge	95,692	100%	Completed	95,692	100,000	- 4,308			95,692	95,692	
	Wielangta Sandspit Bridge Overflow	19,885	12%	Not Started	170,000	100,000	70,000			170,000	170,000	
	Redecking timber Bridges	80,642	81%	In Progress	100,000	100,000				100,000	100,000	
	Duck Park Bridge	1,307	0%	Tender Phase	390,000	100,000	290,000			390,000	390,000	
	<b>Total Bridges, Culverts</b>	<b>197,526</b>	<b>49%</b>		<b>755,692</b>	<b>400,000</b>	<b>355,692</b>	<b>-</b>	<b>-</b>	<b>755,692</b>	<b>755,692</b>	<b>-</b>
<b>Parks, Reserves, Walking Tracks, Cemeteries</b>												
	CDG Bicheno Triangle	515,911	100%	Completed	515,668	620,190	179,514	- 284,036	620,190	- 104,522		515,668
	Playground Renewals & Upgrade	81,059	41%	Underway	200,000	200,000				200,000	200,000	
	Playground Bicheno Lions Park	11,440	4%	IFC drawing	300,000	90,000	200,000	10,000	90,000	210,000	300,000	
	Orford Foreshore Masterplan	-	0%	Not Started	218,400	218,400			218,400		218,400	
	Our Park Precinct Plan	-	0%	Not Started	10,000	10,000			10,000		10,000	
	FAI Coles Bay History Plaques	-	0%	Not Started	12,000	12,000				12,000	12,000	
	Coles Bay Dump Point	4,000	6%	Not Started	65,000	65,000				65,000		65,000
	Deck/Boardwalk renewal outside loo with a view	23,694	28%	In progress	85,000	85,000				85,000	85,000	
	Barbecue Replacement Program	70,384	94%	In progress	75,000	75,000				75,000	75,000	
	Bicheno Skate Park BBQ shelter	604	1%	Commenced	45,000	45,000				45,000	45,000	
	<b>Total Parks, Reserves, Walking Tracks, Cemeteries</b>	<b>707,091</b>	<b>46%</b>		<b>1,526,068</b>	<b>1,420,590</b>	<b>379,514</b>	<b>- 274,036</b>	<b>938,590</b>	<b>587,478</b>	<b>945,400</b>	<b>580,668</b>
<b>Stormwater &amp; Drainage</b>												
	49 Rheban Rd design to West Shelley Bch Nautilus Detention Basin	-	0%	Not Started	200,000	200,000			200,000	-	200,000	
	Holkham Court	44,476	100%	Completed	44,476	-	3,717	40,759	40,759	3,717	44,476	
	Pit and Pipe Renewal Program	63,595	32%	In progress	200,000	200,000				200,000	200,000	
	Gordon St Bicheno Stormwater	-	0%	Not Started	-	80,000	- 80,000			-	-	
	Morrison St Stormwater replacement	-	0%	Not Started	-	30,000	- 30,000			-	-	
	Nautilus Drive - increased funding	-	0%	Not Started	-	50,000	- 50,000			-	-	
	SQID program	-	0%	Not Started	-	25,000	- 30,000	5,000	-	-	-	
	<b>Total Stormwater &amp; Drainage</b>	<b>108,071</b>	<b>24%</b>		<b>444,476</b>	<b>585,000</b>	<b>- 186,283</b>	<b>45,759</b>	<b>240,759</b>	<b>203,717</b>	<b>444,476</b>	<b>-</b>
<b>Building</b>												
	Public Amenities - Loo with a View	43,785	100%	Completed	43,785		492	43,293	43,293	492	43,785	
	Bicheno Skate Park Toilet	59,575	79%	In progress	75,479			75,479	75,479			75,479
	Cranbook Hall	13,805	89%	In progress	15,500	15,500				15,500	15,500	
	Harold Street Reserve	1,261	4%	Not Started	35,000	35,000				35,000	35,000	

Capital Works Projects 2026-03

**Capital Works Detail**Glamorgan Spring Bay Council  
Budget 2025-26

Dept	Capital Item	Cost YTD	% Cost Spent	Status	Revised Budget 2026	Budget 2025/26	New Budget Adjustments	Actual Carried Forward	Estimated Carry Fwd Amount	New Budget	Council Funded	Grant Funded
	Muir's Beach Toilets	5,413	68%	In progress	8,000	8,000				8,000	8,000	
	Toilet Strategy Works	7,810	2%	Not Started	320,000	320,000				320,000	320,000	
	Bicheno Hall new stage lighting	23,982	100%	Completed	23,982	27,500	- 3,518			23,982	23,982	
	Bicheno Surf Club and Toilet Upgrade	11,334	5%	Not Started	250,000	250,000			250,000		100,000	150,000
	Triabunna Recreation Ground	-	0%	Not Started	69,831	70,000	-	169	70,000	- 169	69,831	
	Triabunna Tomorrow New Amenities	740	2%	Design underway	46,606	50,000	-	3,394	50,000	- 3,394		46,606
	Swansea Football Clubrooms	23,077	40%	In progress	57,500	57,500				57,500	57,500	
	Swansea Hall floor revarnish	-	0%	Not Started	8,000	8,000				8,000	8,000	
	Public Amenities Marina Toilets and Shower	676	0%	Not Started	300,000	300,000				300,000		300,000
	Bicheno Lunch room facility	36,805	100%	Completed	36,805	35,000	1,805			36,805	36,805	
	Triabunna Office Carpet Replacement	49,429	90%	Completed	55,000	55,000				55,000	55,000	
	Buckland Blackwater Upgrade	39,240	100%	Completed	39,240	65,000	- 25,760			39,240	39,240	
	<b>Total Building</b>	<b>316,932</b>	<b>23%</b>		<b>1,384,728</b>	<b>1,296,500</b>	<b>- 26,981</b>	<b>115,209</b>	<b>488,772</b>	<b>895,956</b>	<b>812,643</b>	<b>572,085</b>
	<b>Marine Infrastructure</b>											
	Lighting Bicheno Boat Ramp	23,086	100%	Completed	23,085	23,085	-			23,085		23,085
	Marina Renew 6 Piles	10,582	20%	Not started	54,000	54,000	-			54,000	54,000	
	Saltworks Boat Ramp Upgrade	-	0%	Not started	99,123	99,123	-		99,123	-		99,123
	<b>Total Marine Infrastructure</b>	<b>33,668</b>	<b>19%</b>		<b>176,208</b>	<b>176,208</b>	<b>-</b>	<b>-</b>	<b>99,123</b>	<b>77,085</b>	<b>54,000</b>	<b>122,208</b>
	<b>Sewerage</b>											
	Swanwick Waste System Pump Upgrade	9,131	23%	In progress	40,237	15,000		25,237	25,237	15,000	40,237	-
	<b>Total Sewerage</b>	<b>9,131</b>	<b>61%</b>		<b>40,237</b>	<b>15,000</b>	<b>-</b>	<b>25,237</b>	<b>25,237</b>	<b>15,000</b>	<b>40,237</b>	<b>-</b>
	<b>Plant Equipment &amp; Other</b>											
	Truck 16t tipper replace 2008 Hino16t A85NU Swansea	198,714	100%	Completed	198,714		8,714	190,000	190,000	8,714	198,714	
	Waste Chipper	186,259	101%	Completed	183,571			183,571	183,571		183,571	
	IT - Laptop & PC Replacements	16,568	55%	In progress	30,000	30,000				30,000	30,000	
	IT - Server, NAS and Backup Hard Drives	27,510	100%	Completed	27,510	37,000	- 9,490			27,510	27,510	
	Office Equipment	-	0%	Not started	20,000	10,000		10,000	10,000	10,000	20,000	
	Subaru replacement	-		Defer to Election in	-	40,000	- 40,000			-	-	
	GM Vehicle replacement	54,669	100%	Completed	54,689	60,000	- 5,311			54,689	54,689	
	Waste Bulk Skip Bins	99,078	99%	Underway	100,000	100,000				100,000	100,000	
	Facilities Coordinator ute	43,888	100%	Completed	43,888	48,000	- 4,112			43,888	43,888	
	MUX replacement	43,237	102%	Completed	42,237	50,000	- 7,763			42,237	42,237	
	2 x tilt mower trailers	12,869	64%	In progress	20,000	20,000				20,000	20,000	
	Coles Bay WTS half container	7,308	100%	Completed	7,308	9,000	- 1,692			7,308	7,308	
	Swansea dual cab	48,650	100%	Completed	48,650	48,000	650			48,650	48,650	
	16 tonne - water cart	191,853	97%	In progress	197,000	200,000	- 3,000			197,000	197,000	
	Rapid Spray water tank	59,800	100%	Completed	59,800	37,000	22,800			59,800	59,800	
	John Deere mower	29,227	100%	Completed	29,227	32,000	- 2,773			29,227	29,227	
	JCB replacement	104,921	100%	Completed	104,921	130,000	- 25,079			104,921	104,921	
	small plant	10,881	54%	In progress	20,000	20,000				20,000	20,000	
	New Vehicle - Acting Chief Executive Officer	51,804	80%	Underway	65,000		65,000			65,000	65,000	
	New Pool Car	-	0%	Underway	50,000		50,000			50,000	50,000	
	<b>Total Plant Equipment &amp; Other</b>	<b>1,187,233</b>	<b>91%</b>		<b>1,302,515</b>	<b>871,000</b>	<b>47,944</b>	<b>383,571</b>	<b>383,571</b>	<b>918,944</b>	<b>1,302,515</b>	<b>-</b>
	<b>Total Capital Works</b>	<b>4,453,596</b>	<b>49%</b>		<b>9,071,947</b>	<b>7,339,298</b>	<b>821,989</b>	<b>910,660</b>	<b>2,790,972</b>	<b>6,280,975</b>	<b>5,827,566</b>	<b>3,244,381</b>

Capital Works Projects 2026-03

**Profit and Loss**

Glamorgan Spring Bay Council  
For the 9 months ended 31 March 2026

<b>Account</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Budget Var</b>	<b>Var %</b>	<b>Annual Budget</b>	<b>Notes</b>
<b>Trading Income</b>						
Rate Revenue	14,564,508	14,543,079	21,429	0%	14,543,079	
Statutory Charges	611,493	596,806	14,687	2%	793,968	
User Charges	602,980	772,620	(169,640)	-22%	922,390	1
Grants	676,890	612,473	64,417	11%	1,661,585	2
Interest & Investment Revenue	825,312	621,290	204,022	33%	828,282	3
Other Revenue	499,985	525,437	(25,452)	-5%	827,915	
<b>Total Trading Income</b>	<b>17,781,168</b>	<b>17,671,705</b>	<b>109,463</b>	<b>1%</b>	<b>19,577,219</b>	
<b>Gross Profit</b>						
	<b>17,781,168</b>	<b>17,671,705</b>	<b>109,463</b>	<b>1%</b>	<b>19,577,219</b>	
<b>Capital Grants</b>						
Grants Commonwealth Capital - Other	1,266,509	0	1,266,509	0%	677,126	
Grants Commonwealth Capital - Roads to Recovery	650,000	0	650,000	0%	1,134,041	
Grants State Capital - Other	1,647,957	1,357,845	290,112	21%	1,975,574	4
<b>Total Capital Grants</b>	<b>3,564,466</b>	<b>1,357,845</b>	<b>2,206,621</b>	<b>163%</b>	<b>3,786,741</b>	
<b>Other Income</b>						
Net Gain (Loss) on Disposal of Assets	140,565	12,500	128,065	1025%	50,000	5
Contributions	68,037	135,000	(66,963)	-50%	180,000	6
Other Revenue - Donations, Contributions NON CASH	330,000	0	330,000	0%	0	
<b>Total Other Income</b>	<b>538,602</b>	<b>147,500</b>	<b>391,102</b>	<b>265%</b>	<b>230,000</b>	
<b>Operating Expenses</b>						
Employee Costs	4,131,646	4,508,702	(377,056)	-8%	5,949,486	7
Materials & Services	5,930,800	6,512,905	(582,105)	-9%	8,518,015	8
Depreciation	3,136,324	3,051,231	85,093	3%	4,065,306	
Interest	64,624	64,624	(0)	0%	167,803	
Other Expenses	153,919	228,100	(74,181)	-33%	299,914	9
<b>Total Operating Expenses</b>	<b>13,417,314</b>	<b>14,365,562</b>	<b>(948,248)</b>	<b>-7%</b>	<b>19,003,524</b>	
<b>Net Profit</b>						
	<b>4,363,855</b>	<b>3,306,143</b>	<b>1,057,712</b>	<b>32%</b>	<b>573,695</b>	
<b>Total Comprehensive Result (incl Capital Income)</b>						
	<b>8,466,923</b>	<b>4,811,488</b>	<b>3,655,435</b>	<b>76%</b>	<b>4,590,436</b>	

NOTES OF BUDGET VARIANCES > \$50k and >10%.

- TIMING:** Prosser Plains Raw Water Scheme(PPRWS) is down by 42k, floating structure down by 55k and Marina Fees 3 phase power of \$34k was not in the budget.
- PERMANENT:** 65k received for Council infrastructure grant was not in the budget .
- PERMANENT:** Higher than expected interest on investments.
- TIMING:**Received capital grant earlier than budgeted.
- PERMANENT:** Net gain on asset sold.
- PERMANENT:**Contribution for public open space down by \$67k.
- PERMANENT:** Staff vacancies resulting in the budget variance.
- TIMING:** Some periodic charges not received for IT, medical, insurances, water, waste and infrastructure activities.
- TIMING:** Expected audit cost not received.

**Statement of Financial Position**

Glamorgan Spring Bay Council  
As at 31 March 2026

<b>Account</b>	<b>31 Mar 2026</b>	<b>30 June 2025</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash & Cash Equivalents	15,420,833	12,794,856
Trade & Other Receivables	3,758,987	1,621,436
Other Assets	135,396	44,397
<b>Total Current Assets</b>	<b>19,315,217</b>	<b>14,460,689</b>
<b>Non-current Assets</b>		
Investment in Water Corporation	34,533,233	34,533,233
Property, Infrastructure, Plant & Equipment	219,550,170	222,374,169
<b>Total Non-current Assets</b>	<b>254,083,403</b>	<b>256,907,402</b>
<b>Total Assets</b>	<b>273,398,620</b>	<b>271,368,091</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade & Other Payables	1,243,835	1,431,730
Trust Funds & Deposits	423,228	442,225
Provisions	666,372	666,372
Contract Liabilities	0	1,604,871
Interest bearing Loans & Borrowings	989,725	1,147,209
Trust Funds & Deposits - Retention Monied Held	8,392	19,074
<b>Total Current Liabilities</b>	<b>3,331,551</b>	<b>5,311,481</b>
<b>Non-current Liabilities</b>		
Provisions	69,930	69,930
Interest Bearing Loans & Borrowings	4,287,484	4,287,484
<b>Total Non-current Liabilities</b>	<b>4,357,414</b>	<b>4,357,414</b>
<b>Total Liabilities</b>	<b>7,688,965</b>	<b>9,668,895</b>
<b>Net Assets</b>	<b>265,709,655</b>	<b>261,699,196</b>
<b>Equity</b>		
Current Year Earnings	4,013,327	3,823,579
Retained Earnings	103,282,218	99,458,639
Equity - Asset Revaluation Reserve	156,572,516	156,575,385
Equity - Restricted Reserves	1,841,594	1,841,594
<b>Total Equity</b>	<b>265,709,655</b>	<b>261,699,196</b>

**Statement of Cash Flows**

Glamorgan Spring Bay Council  
For the 9 months ended 31 March 2026

<b>Account</b>	<b>YTD Actual</b>	<b>2025</b>
<b>Operating Activities</b>		
Receipts from Customers	14,632,597	17,755,492
Operating Grants	626,890	1,677,967
Payment to employees and Suppliers	(9,750,878)	(13,630,277)
Other Payments	(161,607)	(244,092)
Finance Costs Paid	(102,438)	(182,876)
Rates Charged - Sewerage	45,599	0
<b>Net Cash Flows from Operating Activities</b>	<b>5,290,163</b>	<b>5,376,214</b>
<b>Investing Activities</b>		
Proceeds from sale of property, plant and equipment	170,909	189,055
Payment for property, plant and equipment	(4,851,188)	(4,979,253)
Receipts from capital grants	2,203,257	4,520,451
<b>Net Cash Flows from Investing Activities</b>	<b>(2,477,023)</b>	<b>(269,747)</b>
<b>Financing Activities</b>		
Trust funds & deposits	(29,679)	36,380
Proceeds from/ repayment of long term loans	(157,484)	(384,912)
<b>Net Cash Flows from Financing Activities</b>	<b>(187,163)</b>	<b>(348,533)</b>
<b>Net Cash Flows</b>	<b>2,625,977</b>	<b>4,757,934</b>
<b>Cash and Cash Equivalents</b>		
Cash and cash equivalents at beginning of period	12,701,948	7,944,014
Cash and cash equivalents at end of period	15,327,925	12,701,948
<b>Net change in cash for period</b>	<b>2,625,977</b>	<b>4,757,934</b>

**Profit and Loss**

Glamorgan Spring Bay Council  
For the 9 months ended 31 March 2026

<b>Account</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Budget Var</b>	<b>Var %</b>	<b>Annual Budget</b>
<b>Trading Income</b>					
Rate Revenue	14,564,508	14,543,079	21,429	0%	14,543,079
Statutory Charges	611,493	596,806	14,687	2%	793,968
User Charges	602,980	772,620	(169,640)	-22%	922,390
Grants	676,890	612,473	64,417	11%	1,661,585
Interest & Investment Revenue	825,312	621,290	204,022	33%	828,282
Contributions	68,037	135,000	(66,963)	-50%	180,000
Other Revenue	499,985	525,437	(25,452)	-5%	827,915
<b>Total Trading Income</b>	<b>17,849,205</b>	<b>17,806,705</b>	<b>42,500</b>	<b>0%</b>	<b>19,757,219</b>
<b>Gross Profit</b>	<b>17,849,205</b>	<b>17,806,705</b>	<b>42,500</b>	<b>0%</b>	<b>19,757,219</b>
<b>Capital Grants</b>					
Grants Commonwealth Capital - Other	1,266,509	0	1,266,509	0%	677,126
Grants Commonwealth Capital - Roads to Recovery	650,000	0	650,000	0%	1,134,041
Grants State Capital - Other	1,647,957	1,357,845	290,112	21%	1,975,574
<b>Total Capital Grants</b>	<b>3,564,466</b>	<b>1,357,845</b>	<b>2,206,621</b>	<b>163%</b>	<b>3,786,741</b>
<b>Other Income</b>					
Net Gain (Loss) on Disposal of Assets	140,565	12,500	128,065	1025%	50,000
Other Revenue - Donations, Contributions NON CASI	330,000	0	330,000	0%	0
<b>Total Other Income</b>	<b>470,565</b>	<b>12,500</b>	<b>458,065</b>	<b>3665%</b>	<b>50,000</b>
<b>Operating Expenses</b>					
Employee Costs	4,131,646	4,508,702	(377,056)	-8%	5,949,486
Materials & Services	5,930,800	6,512,905	(582,105)	-9%	8,518,015
Depreciation	3,136,324	3,051,231	85,093	3%	4,068,306
Interest	64,624	64,624	(0)	0%	167,803
Other Expenses	153,919	228,100	(74,181)	-33%	299,914
<b>Total Operating Expenses</b>	<b>13,417,314</b>	<b>14,365,562</b>	<b>(948,248)</b>	<b>-7%</b>	<b>19,003,524</b>
<b>Net Profit</b>	<b>4,431,892</b>	<b>3,441,143</b>	<b>990,749</b>	<b>29%</b>	<b>753,695</b>
<b>Total Comprehensive Result (incl Capital Income)</b>	<b>8,466,923</b>	<b>4,811,488</b>	<b>3,655,435</b>	<b>76%</b>	<b>4,590,436</b>

**Profit and Loss Summary - Governance**

Glamorgan Spring Bay Council  
For the 9 months ended 31 March 2026

Department is Governance.

<b>Account</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Budget Var</b>	<b>Var %</b>	<b>Annual Budget</b>
<b>Trading Income</b>					
Statutory Charges	48	173	(125)	-72%	173
<b>Total Trading Income</b>	<b>48</b>	<b>173</b>	<b>(125)</b>	<b>-72%</b>	<b>173</b>
<b>Gross Profit</b>	<b>48</b>	<b>173</b>	<b>(125)</b>	<b>-72%</b>	<b>173</b>
<b>Other Income</b>					
Net Gain (Loss) on Disposal of Assets	21,357	0	21,357	0%	0
<b>Total Other Income</b>	<b>21,357</b>	<b>0</b>	<b>21,357</b>	<b>0%</b>	<b>0</b>
<b>Operating Expenses</b>					
Employee Costs	288,721	347,511	(58,790)	-17%	451,765
Materials & Services	109,385	118,551	(9,166)	-8%	154,611
Depreciation	13,177	15,903	(2,726)	-17%	21,203
Other Expenses	115,176	130,986	(15,810)	-12%	174,650
<b>Total Operating Expenses</b>	<b>526,459</b>	<b>612,951</b>	<b>(86,492)</b>	<b>-14%</b>	<b>802,229</b>
<b>Net Profit</b>	<b>(526,411)</b>	<b>(612,778)</b>	<b>86,367</b>	<b>-14%</b>	<b>(802,056)</b>
<b>Total Comprehensive Result (incl Capital Income)</b>	<b>(505,054)</b>	<b>(612,778)</b>	<b>107,724</b>	<b>-18%</b>	<b>(802,056)</b>

**Profit and Loss Summary - Corporate Services**

Glamorgan Spring Bay Council  
For the 9 months ended 31 March 2026

Department is Corporate Services.

<b>Account</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Budget Var</b>	<b>Var %</b>	<b>Annual Budget</b>
<b>Trading Income</b>					
Rate Revenue	12,207,072	12,191,335	15,737	0%	12,191,335
Statutory Charges	87,513	70,550	16,963	24%	94,064
Grants	116,804	116,805	(1)	0%	268,276
Interest & Investment Revenue	819,843	613,199	206,644	34%	817,494
Other Revenue	361,699	343,405	18,294	5%	345,676
<b>Total Trading Income</b>	<b>13,592,932</b>	<b>13,335,294</b>	<b>257,638</b>	<b>2%</b>	<b>13,716,845</b>
<b>Gross Profit</b>					
	<b>13,592,932</b>	<b>13,335,294</b>	<b>257,638</b>	<b>2%</b>	<b>13,716,845</b>
<b>Operating Expenses</b>					
Employee Costs	661,980	830,064	(168,084)	-20%	1,080,046
Materials & Services	1,293,338	1,457,902	(164,564)	-11%	1,804,833
Depreciation	30,507	33,434	(2,927)	-9%	44,576
Other Expenses	38,460	97,114	(58,654)	-60%	125,264
<b>Total Operating Expenses</b>	<b>2,024,286</b>	<b>2,418,514</b>	<b>(394,228)</b>	<b>-16%</b>	<b>3,054,719</b>
<b>Net Profit</b>					
	<b>11,568,646</b>	<b>10,916,780</b>	<b>651,866</b>	<b>6%</b>	<b>10,662,126</b>
<b>Total Comprehensive Result (incl Capital Income)</b>					
	<b>11,568,646</b>	<b>10,916,780</b>	<b>651,866</b>	<b>6%</b>	<b>10,662,126</b>

**Profit and Loss Summary - Community Development**  
 Glamorgan Spring Bay Council  
 For the 9 months ended 31 March 2026

Department is Community Development.

<b>Account</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Budget Var</b>	<b>Var %</b>	<b>Annual Budget</b>
<b>Trading Income</b>					
Grants	350	300	50	17%	300
Other Revenue	6,621	595	6,026	1013%	7,756
<b>Total Trading Income</b>	<b>6,971</b>	<b>895</b>	<b>6,076</b>	<b>679%</b>	<b>8,056</b>
<b>Gross Profit</b>					
	<b>6,971</b>	<b>895</b>	<b>6,076</b>	<b>679%</b>	<b>8,056</b>
<b>Operating Expenses</b>					
Employee Costs	201,646	113,821	87,825	77%	147,940
Materials & Services	60,214	86,166	(25,952)	-30%	113,860
Depreciation	39,872	40,122	(250)	-1%	53,496
<b>Total Operating Expenses</b>	<b>301,732</b>	<b>240,109</b>	<b>61,623</b>	<b>26%</b>	<b>315,296</b>
<b>Net Profit</b>	<b>(294,760)</b>	<b>(239,214)</b>	<b>(55,546)</b>	<b>23%</b>	<b>(307,240)</b>
<b>Total Comprehensive Result (incl Capital Income)</b>	<b>(294,760)</b>	<b>(239,214)</b>	<b>(55,546)</b>	<b>23%</b>	<b>(307,240)</b>

**Profit and Loss Summary - Tourism and Economic Development**

Glamorgan Spring Bay Council  
For the 9 months ended 31 March 2026

Department is Tourism & Economic Development.

<b>Account</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Budget Var</b>	<b>Var %</b>	<b>Annual Budget</b>
<b>Gross Profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>
<b>Operating Expenses</b>					
Materials & Services	71,746	85,000	(13,254)	-16%	85,000
<b>Total Operating Expenses</b>	<b>71,746</b>	<b>85,000</b>	<b>(13,254)</b>	<b>-16%</b>	<b>85,000</b>
<b>Net Profit</b>	<b>(71,746)</b>	<b>(85,000)</b>	<b>13,254</b>	<b>-16%</b>	<b>(85,000)</b>
<b>Total Comprehensive Result (incl Capital Income)</b>	<b>(71,746)</b>	<b>(85,000)</b>	<b>13,254</b>	<b>-16%</b>	<b>(85,000)</b>

**Profit and Loss Summary - Development Services**

Glamorgan Spring Bay Council  
For the 9 months ended 31 March 2026

Department is Development Services.

<b>Account</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Budget Var</b>	<b>Var %</b>	<b>Annual Budget</b>
<b>Trading Income</b>					
Statutory Charges	524,337	514,849	9,488	2%	684,755
User Charges	4,302	17,241	(12,939)	-75%	22,988
Contributions	68,037	135,000	(66,963)	-50%	180,000
Other Revenue	3,023	2,083	940	45%	2,443
<b>Total Trading Income</b>	<b>599,700</b>	<b>669,173</b>	<b>(69,473)</b>	<b>-10%</b>	<b>890,186</b>
<b>Gross Profit</b>	<b>599,700</b>	<b>669,173</b>	<b>(69,473)</b>	<b>-10%</b>	<b>890,186</b>
<b>Other Income</b>					
Net Gain (Loss) on Disposal of Assets	23,661	0	23,661	0%	0
<b>Total Other Income</b>	<b>23,661</b>	<b>0</b>	<b>23,661</b>	<b>0%</b>	<b>0</b>
<b>Operating Expenses</b>					
Employee Costs	854,228	993,344	(139,116)	-14%	1,291,344
Materials & Services	352,648	539,122	(186,474)	-35%	727,454
Depreciation	24,586	29,041	(4,455)	-15%	38,719
<b>Total Operating Expenses</b>	<b>1,231,462</b>	<b>1,561,507</b>	<b>(330,045)</b>	<b>-21%</b>	<b>2,057,517</b>
<b>Net Profit</b>	<b>(631,762)</b>	<b>(892,334)</b>	<b>260,572</b>	<b>-29%</b>	<b>(1,167,331)</b>
<b>Total Comprehensive Result (incl Capital Income)</b>	<b>(608,101)</b>	<b>(892,334)</b>	<b>284,233</b>	<b>-32%</b>	<b>(1,167,331)</b>

**Profit and Loss Summary - Animal Control**

Glamorgan Spring Bay Council  
For the 9 months ended 31 March 2026

Department is Animal Control.

<b>Account</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Budget Var</b>	<b>Var %</b>	<b>Annual Budget</b>
<b>Trading Income</b>					
Statutory Charges	(406)	11,234	(11,640)	-104%	14,976
User Charges	15,325	26,654	(11,329)	-43%	36,388
<b>Total Trading Income</b>	<b>14,919</b>	<b>37,888</b>	<b>(22,969)</b>	<b>-61%</b>	<b>51,364</b>
<b>Gross Profit</b>					
	<b>14,919</b>	<b>37,888</b>	<b>(22,969)</b>	<b>-61%</b>	<b>51,364</b>
<b>Operating Expenses</b>					
Employee Costs	44,281	29,525	14,756	50%	38,387
Materials & Services	4,101	24,796	(20,695)	-83%	32,795
Depreciation	1,928	5,785	(3,857)	-67%	7,711
<b>Total Operating Expenses</b>	<b>50,310</b>	<b>60,106</b>	<b>(9,796)</b>	<b>-16%</b>	<b>78,893</b>
<b>Net Profit</b>					
	<b>(35,391)</b>	<b>(22,218)</b>	<b>(13,173)</b>	<b>59%</b>	<b>(27,529)</b>
<b>Total Comprehensive Result (incl Capital Incom</b>					
	<b>(35,391)</b>	<b>(22,218)</b>	<b>(13,173)</b>	<b>59%</b>	<b>(27,529)</b>

**Profit and Loss Summary - Medical Services**

Glamorgan Spring Bay Council  
For the 9 months ended 31 March 2026

Department is Medical Centres.

<b>Account</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Budget Var</b>	<b>Var %</b>	<b>Annual Budget</b>
<b>Trading Income</b>					
Other Revenue	5,906	0	5,906	0%	0
<b>Total Trading Income</b>	<b>5,906</b>	<b>0</b>	<b>5,906</b>	<b>0%</b>	<b>0</b>
<b>Gross Profit</b>					
	<b>5,906</b>	<b>0</b>	<b>5,906</b>	<b>0%</b>	<b>0</b>
<b>Operating Expenses</b>					
Materials & Services	382,299	418,420	(36,121)	-9%	543,420
Depreciation	30,000	31,780	(1,780)	-6%	42,376
<b>Total Operating Expenses</b>	<b>412,298</b>	<b>450,200</b>	<b>(37,902)</b>	<b>-8%</b>	<b>585,796</b>
<b>Net Profit</b>	<b>(406,392)</b>	<b>(450,200)</b>	<b>43,808</b>	<b>-10%</b>	<b>(585,796)</b>
<b>Total Comprehensive Result (incl Capital Income)</b>	<b>(406,392)</b>	<b>(450,200)</b>	<b>43,808</b>	<b>-10%</b>	<b>(585,796)</b>

**Profit and Loss Summary - Marina & Wharf**

Glamorgan Spring Bay Council  
For the 9 months ended 31 March 2026

Department is Marina & Wharf.

<b>Account</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Budget Var</b>	<b>Var %</b>	<b>Annual Budget</b>
<b>Trading Income</b>					
User Charges	456,639	538,980	(82,341)	-15%	610,573
Other Revenue	864	268	596	222%	268
<b>Total Trading Income</b>	<b>457,503</b>	<b>539,248</b>	<b>(81,745)</b>	<b>-15%</b>	<b>610,841</b>
<b>Gross Profit</b>	<b>457,503</b>	<b>539,248</b>	<b>(81,745)</b>	<b>-15%</b>	<b>610,841</b>
<b>Operating Expenses</b>					
Employee Costs	28,623	17,524	11,099	63%	22,786
Materials & Services	132,244	118,155	14,089	12%	163,259
Depreciation	117,751	101,106	16,645	16%	134,808
Interest	20,266	20,266	(0)	0%	51,735
<b>Total Operating Expenses</b>	<b>298,884</b>	<b>257,051</b>	<b>41,833</b>	<b>16%</b>	<b>372,588</b>
<b>Net Profit</b>	<b>158,619</b>	<b>282,197</b>	<b>(123,578)</b>	<b>-44%</b>	<b>238,253</b>
<b>Total Comprehensive Result (incl Capital Income)</b>	<b>158,619</b>	<b>282,197</b>	<b>(123,578)</b>	<b>-44%</b>	<b>238,253</b>

**Profit and Loss Summary - Building & Facilities**

Glamorgan Spring Bay Council

For the 9 months ended 31 March 2026

Department is Buildings &amp; Facilities.

<b>Account</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Budget Var</b>	<b>Var %</b>	<b>Annual Budget</b>
<b>Trading Income</b>					
Interest & Investment Revenue	5,468	8,091	(2,623)	-32%	10,788
Other Revenue	417,298	76,104	341,194	448%	101,475
<b>Total Trading Income</b>	<b>422,766</b>	<b>84,195</b>	<b>338,571</b>	<b>402%</b>	<b>112,263</b>
<b>Gross Profit</b>	<b>422,766</b>	<b>84,195</b>	<b>338,571</b>	<b>402%</b>	<b>112,263</b>
<b>Capital Grants</b>					
Grants Commonwealth Capital - Other	0	0	0	0%	300,000
Grants State Capital - Other	121,931	98,845	23,086	23%	716,574
<b>Total Capital Grants</b>	<b>121,931</b>	<b>98,845</b>	<b>23,086</b>	<b>23%</b>	<b>1,016,574</b>
<b>Operating Expenses</b>					
Employee Costs	81,638	87,489	(5,851)	-7%	113,737
Materials & Services	519,438	532,283	(12,845)	-2%	707,895
Depreciation	454,239	475,650	(21,411)	-5%	634,200
<b>Total Operating Expenses</b>	<b>1,055,315</b>	<b>1,095,422</b>	<b>(40,107)</b>	<b>-4%</b>	<b>1,455,832</b>
<b>Net Profit</b>	<b>(632,549)</b>	<b>(1,011,227)</b>	<b>378,678</b>	<b>-37%</b>	<b>(1,343,569)</b>
<b>Total Comprehensive Result (incl Capital Income)</b>	<b>(510,618)</b>	<b>(912,382)</b>	<b>401,764</b>	<b>-44%</b>	<b>(326,995)</b>

**Profit and Loss Summary - Works & Services**

Glamorgan Spring Bay Council  
For the 9 months ended 31 March 2026

Department is Bridges & Culverts, Emergency Management, Parks & Reserves, Plant Costs & Recoveries, Private Works, Roads & Footpaths, Sewer, Stormwater & Drainage, Town Maintenance, Waste Management.

<b>Account</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Budget Var</b>	<b>Var % Annual Budget</b>	<b>Annual Budget</b>
<b>Trading Income</b>					
Rate Revenue	2,311,838	2,300,884	10,954	0%	2,300,884
User Charges	126,713	147,490	(20,777)	-14%	196,101
Grants	559,736	495,368	64,368	13%	1,393,009
Other Revenue	21,367	102,982	(81,615)	-79%	139,054
Rates Charged - Sewerage	45,599	50,860	(5,261)	-10%	50,860
<b>Total Trading Income</b>	<b>3,065,253</b>	<b>3,097,584</b>	<b>(32,331)</b>	<b>-1%</b>	<b>4,079,908</b>
<b>Gross Profit</b>	<b>3,065,253</b>	<b>3,097,584</b>	<b>(32,331)</b>	<b>-1%</b>	<b>4,079,908</b>
<b>Capital Grants</b>					
Grants Commonwealth Capital - Other	1,266,509	0	1,266,509	0%	377,126
Grants Commonwealth Capital - Roads to Recovery	650,000	0	650,000	0%	1,134,041
Grants State Capital - Other	1,526,026	1,259,000	267,026	21%	1,259,000
<b>Total Capital Grants</b>	<b>3,442,535</b>	<b>1,259,000</b>	<b>2,183,535</b>	<b>173%</b>	<b>2,770,167</b>
<b>Other Income</b>					
Net Gain (Loss) on Disposal of Assets	95,547	12,500	83,047	664%	50,000
<b>Total Other Income</b>	<b>95,547</b>	<b>12,500</b>	<b>83,047</b>	<b>664%</b>	<b>50,000</b>
<b>Operating Expenses</b>					
Employee Costs	2,010,062	2,142,705	(132,643)	-6%	2,785,493
Materials & Services	2,868,211	3,018,604	(150,393)	-5%	4,036,485
Depreciation	2,343,806	2,234,053	109,753	5%	2,978,739
Other Expenses	283	0	283	0%	0
<b>Total Operating Expenses</b>	<b>7,222,362</b>	<b>7,395,362</b>	<b>(173,000)</b>	<b>-2%</b>	<b>9,800,717</b>
<b>Net Profit</b>	<b>(4,157,109)</b>	<b>(4,297,778)</b>	<b>140,669</b>	<b>-3%</b>	<b>(5,720,809)</b>
<b>Total Comprehensive Result (incl Capital Income)</b>	<b>(619,028)</b>	<b>(3,026,278)</b>	<b>2,407,250</b>	<b>-80%</b>	<b>(2,900,642)</b>

**Profit and Loss Summary - Prosser Plains Raw Water Scheme**  
 Glamorgan Spring Bay Council  
 For the 9 months ended 31 March 2026

Department is Prosser Plains Raw Water Scheme.

<b>Account</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Budget Var</b>	<b>Var %</b>	<b>Annual Budget</b>
<b>Trading Income</b>					
User Charges	0	42,255	(42,255)	-100%	56,340
Other Revenue	0	0	0	0%	231,243
<b>Total Trading Income</b>	<b>0</b>	<b>42,255</b>	<b>(42,255)</b>	<b>-100%</b>	<b>287,583</b>
<b>Gross Profit</b>					
	<b>0</b>	<b>42,255</b>	<b>(42,255)</b>	<b>-100%</b>	<b>287,583</b>
<b>Operating Expenses</b>					
Materials & Services	38,552	43,433	(4,881)	-11%	56,340
Depreciation	80,459	84,357	(3,898)	-5%	112,478
Interest	44,358	44,358	0	0%	116,068
<b>Total Operating Expenses</b>	<b>163,369</b>	<b>172,148</b>	<b>(8,779)</b>	<b>-5%</b>	<b>284,886</b>
<b>Net Profit</b>					
	<b>(163,369)</b>	<b>(129,893)</b>	<b>(33,476)</b>	<b>26%</b>	<b>2,697</b>
<b>Total Comprehensive Result (incl Capital Incom</b>					
	<b>(163,369)</b>	<b>(129,893)</b>	<b>(33,476)</b>	<b>26%</b>	<b>2,697</b>

## ACTION REGISTER

MEETING DATE	ITEM NO.	DECISION NO.	TITLE	ACTION OFFICER	DECISION	OFFICERS UPDATE	STATUS
23 September 2025	8.1	200/25	Sale of 50 Beattie Avenue land and Lions Park Playground Upgrade	DP&D	That Council 1. RESOLVE under section 178 of the Local Government Act 1993 (the Act) to form an intention to dispose, exchange or lease of public land, 50 Beattie Avenue, Bicheno (Title Ref: 62307/50) (the Land). 2. Proceeds with the playground construction for Lions Park, funding the budget shortfall from the land asset sales and public open space financial reserves.		April 2026
27 January 2026	8.1	290/25	Capital Purchase of Two New Vehicles	GOV	That Council authorise an increase to the Capital Works Program for the 2025/2026 Financial Year of \$115,000 to cover the purchase of a new Executive Vehicle and a new Pool.		Completed
27 January 2026	8.2	291/25	Annual General Meeting - Notice of Motion/Question on Notice - John Heck	GOV	That Council does not proceed with the action stated in the motion 289/25 carried at the 9 December Annual General Meeting of 9 December 2025.		Completed
24 February 2026	8.2	315/25	Audit Panel Committee Member		That Council appoint Clr McQueeney to the audit panel for the remainder of this council term.		Completed
24 February 2026	8.7	320/25	Emergency Management Roles	DWI	That Council makes the following nominations to be forwarded to the Minister for appointment in accordance with the Emergency Management Act 2006: Municipal Coordinator - Manager Works and Infrastructure – Darren Smith Deputy Municipal Coordinator - Southern Lead – Hayden Arnol		Completed
24 February 2026	8.8	322/025	Event Support Request - East Coast Harvest Odyssey Festival (ECHO) 2026	CC	That Council approve the application for event support for East Coast Arts Events Tasmania Ltd for \$4,000 towards the East Coast Harvest Odyssey Event.		Completed
24 February 2026	8.9	323/25	Event Support Request - Bicheno Surf Life Saving Club Inc (Bicheno Devil of a Swim).	CC	That Council approve the application for event funding of \$2,500 and in-kind assistance to Bicheno Surf Life Saving Club Inc for the Devil of a Swim event.		Completed
24 February 2026	8.10	324/25	Event Support Request - Swansea Local Events Committee - Auspiced by Swansea Community and Men's Shed Inc (Swansea Car, Bike and Truck Show)	CC	That Council approve the application for event support from Swansea Local Events Committee (auspiced by Swansea Community and Men's Shed) \$2,000 and in-kind assistance towards the Swansea Car, Bike and Truck Show.		Completed
24 February 2026	8.11	325/25	Event Support Request - Spoke Motorcycle Festival 2026	CC	That Council approve the application for event support from Swansea Motorcycle Association Ltd (Trading as Spoke Motorcycle Festival) for \$2,000 towards the event.		Completed
24 March 2026	8.3	345/25	Small Grant Application - Tivoli Theatre	CC	That Council approve the application for Community Small Grant funding of \$1,000 to Triabunna Tivoli Theatre Group Incorporated for provision towards ongoing operational costs.		Completed
24 March 2026	8.4	346/25	Event Support Request - Coastrider Surf Academy Surf Event	CC	That Council approve an event support grant of \$1,400 to the Bicheno Crays Youth Club Inc to support the delivery of the Coastrider Surf Academy Surf Event.		Completed
24 March 2026	8.5	347/25	Event Support Request - Skate of Mind - Big Hart Project	CC	That Council approve an events grant of \$2,000 to the Bicheno Community Development Association Subcommittee to support the delivery of the Skate of Mind event at Bicheno Skate Park, providing skateboarding and creative workshops for young people in the community.		Completed
24 March 2026	8.6	349/25	Community Small Grant Application - Tasmanian Bushland Gardens Inc	CC	That council provide the Tasmanian Bushland Garden with a sum of \$3,750 for the purchase of infrastructure for water provision.		Completed
24 March 2026	9.1	350/25	Councillor Motion with Notice	GOV	That the matter be deferred to the April Ordinary Council Meeting.		In Progress



Glamorgan Spring Bay Council

# **LONG TERM FINANCIAL MANAGEMENT PLAN**

**2026 – 2036**



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## 1. Executive Summary

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The Long Term Financial Management Plan (LTFMP) seeks to inform the reader about how the Glamorgan Spring Bay Council (Council) intends to govern the financial aspects of its Strategic Framework. Underpinning this is Council's goal of managing its operations in a financially sustainable manner now and into the future.

This plan has been developed with Council's key financial strategies at its core: moderate underlying surpluses, sufficient liquidity and cash flow, minimise debt, and asset renewal requirements being satisfactorily funded.

Council recently considered its long term asset management plans, acknowledging the need to focus capital spending on asset renewals over the next ten years. Both the LTFMP and the long term asset management plans are to be reviewed annually.

The forecasts contained within this LTFMP and which are necessarily based upon certain assumptions, produce the following outcomes over the 10-year horizon of this plan: -

- The achievement of modest underlying operating surpluses. Over the next 10 year period, Council is forecast to achieve underlying surpluses in the range 1.7% to 3.3% of revenue, averaging 2.3%. It is important that Council has sufficient revenue to cover all of its cash and non-cash costs, with a small buffer.
- Long term borrowings will decrease by more than 45% over the 10 year period.
- Cash balances are currently at acceptable levels. Balances and cash flow requirements will need to be closely monitored.
- 100% funding of forecast asset renewal requirements will be achieved in every year.

These outcomes, together with the underpinning assumptions of revenue and cost growth indicate annual general rate revenue increases in the order of 4.5% in year 1, increasing to 5.1% per annum, including natural growth, over the remaining life of the plan. This is exclusive of the State Government fire levy, service charges any redistributive effects of revaluations, Assessed Annual Value (AAV) indexation or changes to council rating policy.

These outcomes ensure a continued financially sustainable position for the Council, thus ensuring the ability to deliver services into the future. It will ensure an equitable distribution of costs between current and future generations (intergeneration equity).

## **2. Background**

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### ***Glamorgan Spring Bay Council***

The Council is a small regional council situated on the southeast coast of Tasmania. The Council services an immediate population of 5,012 residents and a significantly fluctuating population in the holiday periods and weekends with a high number of properties used as holiday homes and holiday rentals as well as a popular destination with the 1.3 million tourists visiting the State annually. Glamorgan Spring Bay municipality has one of the highest growth rates of any municipality in Tasmania relation to the number of development applications approved for dwellings on a population pro rata basis. Council offers critical services to the community and the infrastructure required of a regional location.

Council has over \$302 million in gross assets (replacement cost) and will generate operating revenues of \$19.6 million in 2025-26, comprising \$14.5 million of rates and charges and \$2.6 million of fees, charges and other income and \$800k in interest and investment revenue. \$1.7 million is expected from operational grants, including \$1.6 million in Financial Assistance Grants. Council has a workforce of 46 full time equivalent employees as at 1 July 2025.

One of Council's corporate priorities is planning for its financial sustainability. Strategies to achieve this priority include the development of this 10-year Financial Management Plan.

### ***What is Financial Sustainability?***

For Council, financial sustainability means whether Council can sustain its current practices in financial terms and whether community needs are currently met and will be met in the future, as prioritised through community engagement and consultation, without unplanned increases in rates and charges or disruptive cuts to services.

### ***Importance for Local Government***

Financial sustainability is particularly important for Local Government because councils hold assets worth in the billions of dollars (large relative to revenue base), that have lives, in some cases, well over 100 years.

Council has over \$222 million in physical assets, including buildings, parks infrastructure, plant, vehicles and equipment, playground equipment, road infrastructure, sporting facilities, stormwater infrastructure, marine infrastructure and the Prosser Plains Raw Water Scheme. The expected life of physical assets varies from 3 years to 100 years.

It is important for Council to adequately fund asset management to ensure its assets achieve their full expected service life but can also be renewed without incurring large rate increases in the future.

In addition, councils face continuing expectations and pressures to maintain and increase service levels while at the same time keep rate rises to a minimum and have sound long-term financial management.

### **3. Council's Planning and Reporting Framework**

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#### ***Strategic Framework***

The Council's Community Vision was developed for Council by residents in 2019-20. In 2020 the Council endorsed a new 10 year Strategic Plan, 2020-2030, for the Glamorgan Spring Bay Council and this was then revised in 2024. All councils are required to have a 10 year plan which is reviewed every four years. The Plan is built around five key foundations and will guide the Council's work over the 10 year period. Each key foundation has outcomes that detail what we are trying to achieve and how we will measure success.

Performance in achieving the major actions and initiatives outlined in the Annual Plan are reported to the community through Council's Annual Report.

#### ***Key foundations***

##### **Key foundation 1 – Our Governance and Finance**

- Sound governance and financial management that shows Council is using ratepayer funds to deliver best value and impact for the Glamorgan Spring Bay Council community.

##### **Key foundation 2 – Our Community**

- Cohesive, inclusive and resilient communities that work together across the region to make the most of our collective talents, skills and resources and help and support each other.

##### **Key foundation 3– Infrastructure and Services**

- Delivering high quality, cost-effective infrastructure and services that meet the needs of our communities, residents and visitors.

##### **Key foundation 4 – Our Environment**

- Collaborating with our communities to value, manage and improve our natural resources and built environment.

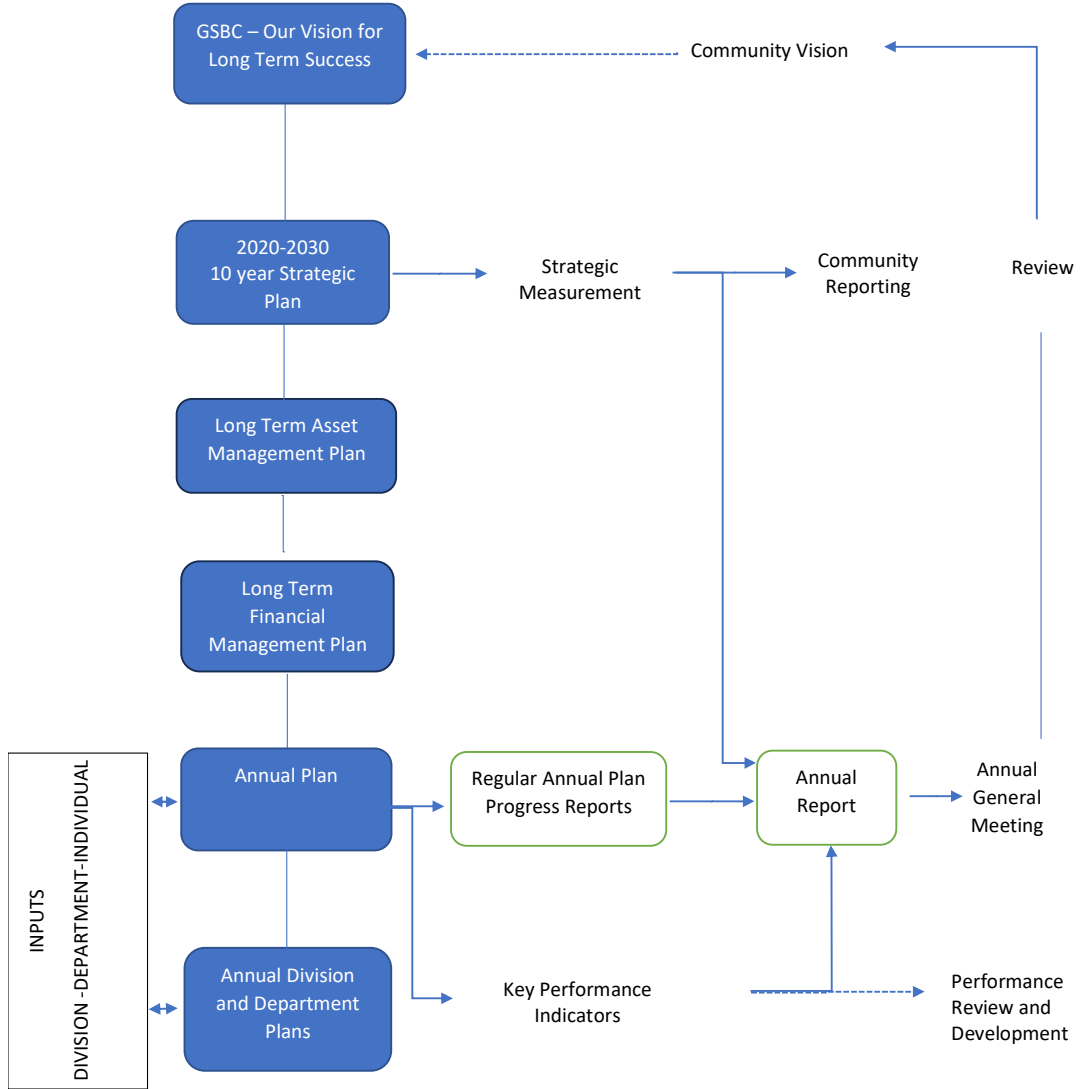
### ***Linkages with the Strategic Framework***

The relationship between long-term financial planning and Council's strategic framework is represented in the diagram overleaf. Long-term financial planning provides for the optimum allocation of available resources to deliver Council's strategic and corporate objectives. Long-term financial planning supports the delivery of Council's community vision.

Long term financial sustainability can only be said to have been achieved when Council is providing expected services at defined levels to its community that is adequately funded, not only on an annual basis, but over the long term. This includes infrastructure asset renewal funding requirements.

Council's 10-year Financial Management Plan and 10-year Asset Management Plan are integral documents. Council's Asset Management Strategy sets out the most appropriate long term course of action for implementing the asset management policy which aims to forecast long-term asset renewal requirements.

### Council's Planning & Reporting Framework



## **4. Introduction to Long-Term Financial Management Plan**

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The LTFMP sets out Council's objectives, goals and desired outcomes in financial terms. The purpose of the LTFMP is to express in financial terms the activities that Council proposes to undertake over the medium and longer term to achieve its strategic objectives and community expectations. The key objective of the LTFMP is the achievement of financial sustainability in the medium to long term whilst achieving Council's strategic objectives.

The LTFMP provides a tool for Council to consider the financial impact of its decisions on Council's future financial sustainability. It includes consideration of cost increases: salaries and wages, fire levy, energy costs and other operating costs; and revenue increases: rates, rental income, operating grants and other fees and charges.

The LTFMP is aimed at: -

- Developing systems to ensure the financial impacts of new initiatives are included in long-term financial planning;
- Achieving modest operating surpluses;
- Maintaining stable and predictable rate increases; and
- Maintaining and enhancing community service levels.

The LTFMP has been prepared over a rolling 10 year period with the first planning year being 2025-26 and concluding in 2035-36. The LTFMP is a 'living' document and is updated annually as part of Council's annual planning and budget process and on an ongoing basis to reflect changing internal and external circumstances.

### ***Measuring Financial Sustainability***

Council has adopted the recommended suite of financial sustainability measures identified in *The Framework for Long-term Financial and Asset Management Planning for all Tasmanian Councils* reports as key to securing long-term financial sustainability.

The 7 measures have been adopted for the purposes of the LTFMP and are as follows:

- Underlying operating result
- Operating surplus ratio
- Net financial liabilities
- Net financial liabilities ratio
- Asset sustainability ratio
- Asset consumption ratio
- Asset renewal funding ratio

Appendix 1 provides a full explanation of these indicators. The first two are measures of profitability, the next three are measures of indebtedness, and the last three are measures of asset management.

## 5. Assumptions and Methodology

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The preparation of the LTFMP is underpinned by a 10-year financial model. The financial model allows for analysis and modelling of various financial scenarios. For the purpose of financial modelling the following key assumptions for years beyond 2025 have been made:

### General

- The LTFMP generally provides for maintenance of existing core services.
- Triabunna Marina & Wharf operations are self-funding in that income equals or exceeds the cost of operations.
- Annual asset renewal requirements are based on Council's Asset Management Plans, which set out the forecast capital renewal requirements for the next 10 years. These plans are expressed in today's dollars, but for the financial model have been indexed at 4% per annum.
- All maturing debt will be repaid as it falls due, with the exception of 3 long term loans that require refinancing after their 10 year maturity dates for up to an additional 10 year period (maximum loan terms are 10 years).

### Specific

- The percentage of revenue uncollected on average at year-end is 3.0%.
- The percentage of creditors' payable on average at year-end is 8%, targeting to reduce this to 6%.
- The percentage of commission received for collecting the Tasmanian fire service levy is 4%.
- The employee on-cost percentage relating to payroll tax, contribution scheme superannuation, personal leave, public holidays, annual leave and long services leave and workers compensation insurance is 60%.
- Council can afford to spend \$5.6 million in capital works in year 1 increasing to \$6.8 million by year 10. 100-110% funding of forecast asset renewal requirements will be achieved in every year. With the assumption of receiving \$641,741 in Roads to Recovery grant revenue in year 1 increasing to \$762,068 in year 2 and \$802,177 in all other years.

The specific assumptions have been based on an analysis of recent experience. The variables used to underpin Council's long-term financial strategy are based on a historical analysis of cost and revenue increases over the last five years. These variables are summarised on the following page: -

		Y/E 30 June	2026	2027	2028	2029-2036
<b>Operating Items</b>						
<b>INFLOWS</b>	Rate increase (Council operations – including growth)	% change	4.5	5.1	5.1	5.1
	Rate increase (fire levy)	% change	2.0	2.0	2.0	2.0
	Rate base growth	% change	0.7	1.1	1.1	1.1
	Waste rates	% change	4.0	4.0	4.0	4.0
	Sewerage rates	% change	5.0	5.0	5.0	5.0
	Operating grants	% change	3.0	3.0	3.0	3.0
	Other fees and charges	% change	3.0	3.0	3.0	3.0
	Interest revenue rate	% change	4.0	4.0	4.0	4.0
<b>OUTFLOWS</b>	Operating costs	% change	3.0	3.0	3.0	3.0
	Employee salary & wages	% change	4.1	5.7	5.5	4.5
	Fire levy	% change	2.0	2.0	2.0	2.0
	Contractors	% change	5.0	5.0	5.0	5.0
	Insurance	% change	8.0	8.0	8.0	8.0
	IT Expenses	% change	5.0	5.0	5.0	5.0
	Interest expense rate	% change	5.0	5.0	5.0	5.0

Whilst the LTFMP will be updated annually, the underpinning financial model will be regularly updated. Revisions will included: -

- The inclusion of prior years’ actual results;
- The inclusion of the current year budget;
- Revisions to the current year budget as approved by Council half yearly;
- Updated assumptions;
- Revisions to depreciation forecasts; and
- Revisions to the 10 year capital expenditure forecasts sourced from the updated asset management plans.

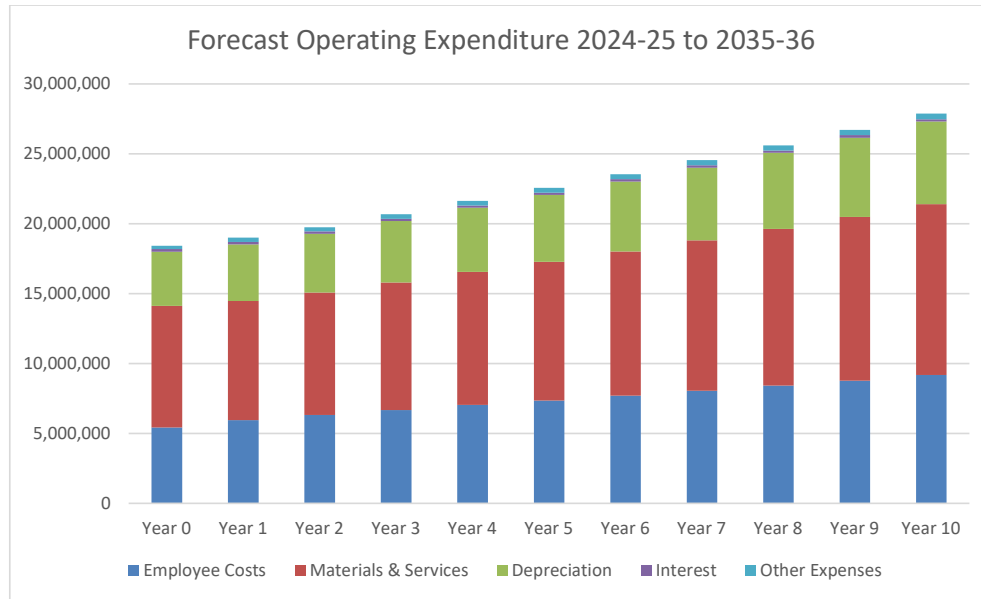
Forecasts from 2025-26 onwards are based, in the short term, on Council’s focus on maintaining a financial sustainable position, specifically;

- General rate revenue increases of 4.5% for year 1, increasing to 5.1% in years 2-10, based on 4% increase in general rate and 1.1% increase in natural growth.
- Sufficient funding for core operations and to meet statutory obligations.
- Achieving a modest surplus, sufficient to finance asset renewals at 100-110% and meet loan repayments.
- Ensuring liquidity by improving the balance of cash on hand sufficient that Council can cover a minimum of 3 months operations and all obligations and is not in a position to be spending funding received in advance prior to the period it was intended for.

## 6. Key Financial Strategies

In order for Council to remain financially sustainable the following financial strategy has been adopted. The financial strategy reflects an appropriate mix of cost and revenue levels designed to maintain financial stability and, as far as possible, whilst ensuring sufficient resources are available to achieve Council’s strategic objectives and community expectations.

### Forecast Operating Expenses 2024-25 to 2035-36



### Operating Items - Expenses

#### Salaries and Wages

Salaries and wages is gross salaries and wages, net of leave amounts paid and amounts capitalised, and redundancy payments (if any).

Costs have been assumed to increase by 4.1% per annum in 2025-26, 5.7% in 2026-27, 5.5% in 2027-28 and 4.5% per annum from 2028-29 onwards, inclusive of reclassifications and any new positions. It is inherent in the assumption that leave amounts paid and amounts capitalised will increase by the same amount.

### **Employee On-costs**

Employee on-costs include superannuation, leave entitlements, payroll tax, and workers compensation less labour on-costs capitalised. On costs for these items are assumed at 60% of salaries and wages, based on the 2025-26 forecast rate.

### **Employee Leave Entitlements Expense**

Leave entitlements expense is the annual accruals for employee leave. This has been assumed to increase by the same amount as salaries and wages per annum.

### **Materials and Services**

Materials and services is all expenditure not included elsewhere. Major items include communication costs, licences, external labour, fuel, advertising and marketing, equipment maintenance, water and sewer charges, energy costs printing and stationery costs, and legal costs. These are generally been assumed to increase by 3% per annum.

Contractor and consultant costs are included in materials and services these are assumed to increase by 5% per annum.

Insurance costs can fluctuate year on year this is assumed to increase by 8% per annum.

IT expenses is another major component of materials and services and is assumed to increase by 5% per annum.

### **Fire Levy**

Pursuant to the *Fire Services Act 1979*, local government acts as a collection agent for this levy, which is paid directly to the State Fire Commission. This item is difficult to forecast as given its method of calculation by the State Fire Commission, is prone to substantial fluctuations, year on year. Annual increases of 2% have been assumed from 2025-26. A 4% commission is received for collecting the levy.

### **Other Expenses**

Other expenses include audit fees and councillor allowances and expenses. These are assumed to increase by 3% per annum.

### **Depreciation and Amortisation**

Depreciation is the financial representation of the annual decrease in the value of, or consumption of service potential inherent in, Council's assets. Depreciation therefore approximates the funds that will need to be spent at some time in the future to renew assets. This expense is forecast to increase at 4% per annum, due to rising asset valuations and capital expenditure.

### **Asset Write-offs**

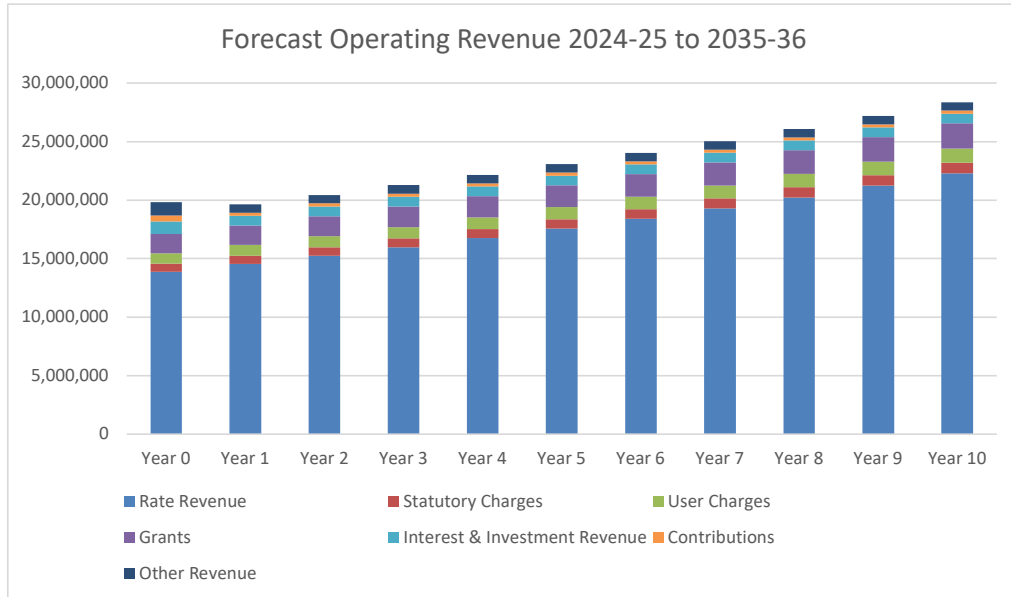
Asset write offs represents the residual value of infrastructure assets replaced. The forecast is difficult to predict, therefore no allowance has been made for asset write-offs.

### **Interest Expense**

Interest expense is payable on debt. All loans have fixed interest rates, varying between 3.14-5.05%. A commercial interest rate of 5.0% has been assumed for new debt forecast in the plan.

## Operating Items - Revenue

### Forecast Operating Revenue 2024-25 to 2035-36 ('000s)



### Rates

Rates include revenue from general rates, service rates (fire protection) and service charges (waste management and sewerage) and supplementary rates. Increases in general rate revenue from 2025-26 are forecast to be 4.5% per annum increasing to 5.1% from 2026-27. Waste management is forecast to increase at 4% and the Sewerage charges are forecast to increase at 3% in 2025-26 then 5% per annum thereafter. Fire levy is forecast to increase by 2% per annum.

This plan is not in any way affected by changes in the Council's rating strategy – it simply models total rate revenue required per annum irrespective of how that is apportioned to individual properties. For the same reason, the LTFMP is unaffected by periodic revaluations or the application of AAV indexing by the Valuer-General. However, the impact on individual ratepayers may be affected by these factors.

It is assumed that natural growth would be 0.66% in 2025-26 and 1.1% thereafter.

### Fire Levy Commission

A commission of 4% is earned for collecting the State Government fire levy.

### **Fees and Charges**

Fees and charges income includes all user fees and charges including landfill, private works income, building and development fees, animal licences, marina leases, hall hire and community events income. Most user fees and charges are forecast to increase 3% per annum over the 10 year period.

### **Operating Grants**

Operating grants are predominantly the Commonwealth financial assistance grants. Over recent years revenue from Finance Assistance Grants has been slightly increasing overall. The general component remains low compared to other Tasmanian councils due to Council's ability to increase its own revenue sources and low permanent population base. Overall, there is forecast to be a 2.5% increase in 2025-26 and 3% increase per annum in Financial Assistance Grants over the 10 year period.

Given the unpredictable nature of grant revenue, no forecast has been made for other operating grants.

### **Interest and Investment Revenue**

Interest revenue is earned on cash investments. An interest rate of 4% has been assumed from 2025-26 on the basis of current rates. Only a proportion of Council's cash holdings is held in investments that attract interest.

### **Distributions from TasWater**

Distributions are received as a result of Council's ownership interest in TasWater. They comprise dividends and tax equivalent payments. Additional payments have been received in recent years to make up for lower dividends received during covid, these are forecast to return to normal levels from 2025-26. This forecast has been carried for each year of the 10 year plan.

## ***Non-Operating Items***

### **Contributed Assets**

Contributed assets are assets contributed to Council by developers. Council does not budget for these contributions as they cannot be reliably forecast.

### **Capital Grants**

Capital grants are grants received to upgrade existing assets or to create new assets. They include Roads to Recovery grants and other specific-purpose capital grants. These are also difficult to reliably forecast and are therefore not included unless specific advice has been received. Only Roads to Recovery grants at current advised levels has been included in the plan.

### **Asset Revaluations**

Asset revaluations are revaluation increments and decrements arising from periodic asset values. Usually these amounts are credited or debited directly to equity but on occasions are accounted for through the income statement.

### **Movement in TasWater Investment**

This represents the annual adjustment to the value of Council's ownership interest in TasWater. This cannot be forecast reliably so no amounts have been included.

## ***Capital Items***

### **Asset Replacement**

An integral component of the LTFMP is Council's approach to asset management and in particular to the renewal of assets. Council controls assets worth over \$222 million and it is important that each generation pays their way, rather than allowing assets to run down creating a financial impost (or lower service levels) on future generations.

To ensure that Council discharges its asset management obligations responsibly, as set out in this plan, Council aims to achieve modest underlying operating surpluses and fully fund renewals for every year of the plan. This will ensure that the current generation is fully paying for the current cost of service provision and asset consumption.

Asset management plans will continue to be enhanced over time across all asset classes.

### **Capital works program**

The forecast works program has a strong focus on asset renewal over the 10 year period with a small allowance for new assets with a particular focus on investing in expanding the stormwater and drainage network, upgrading roads and footpaths and improving parks and recreation facilities for the community.

### **Borrowings**

Principal repayments of \$0.277 million on existing borrowings will be made in 2025-26, with \$870,000 refinanced. In 2028-29 \$2.29 million is to be refinanced and in 2029-2030 another \$1.19 million to be refinanced.

Over the 10 year period a number of loans will mature that need to be refinanced. Council is limited to a maximum of 10 year borrowing terms, and in some cases the project and/or amount of borrowing justifies a longer borrowing period. In these situations, the balance is refinanced every 10 years. Apart from refinancing, no new borrowing are forecast over the 10 year period. Over the 10 year period, Council aims to continue repaying debt to ensure a manageable level of repayments and capacity to borrow is available if required.

## **7. Long Term Risk, Contingency and Reserves**

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The LTFMP has included all known variables and has made certain assumptions about the future. However, the future is uncertain. There is an inherent risk that circumstances may change, some of which may be within Council's control (e.g. policy decisions, service delivery decisions) and some which will be outside of Council's control (e.g. legislative change, funding streams, demographics, and macro-economic conditions).

Council's three largest expense categories are employee salaries and wages, materials and services, and depreciation. As such the outcomes of the LTFMP are significantly affected if actual results in these three categories are different to forecast. Chapter 10 sets out a sensitivity analysis of these two largest categories – employee costs, and materials and services, as well as the LTFMP's sensitivity to rates increases being different to those currently assumed. In addition, asset management outcomes have a significant impact on the LTFMP. Updates to asset management plans and cyclical revaluations may materially impact on asset valuations, depreciation expense, asset write-offs and forecast asset renewal requirements.

The LTFMP is to be reviewed and updated regularly – on at least an annual basis to coincide with the adoption of the Council budget, and more frequently when new information is available which may have an impact on the LTFMP.

In order to mitigate financial risk, the LTFMP has made provision for contingencies and reserves. These are outlined below.

### **Contributions in Lieu of Public Open Space**

A reserve has been established to separately account for funds provided to Council for the express purpose of providing areas of Public Open Space throughout the municipality.

### **Developer Contributions**

A reserve has been established to separately account for funds provided to Council for the express purpose of providing infrastructure in the vicinity of developments that have been approved with a contribution to infrastructure as a condition.

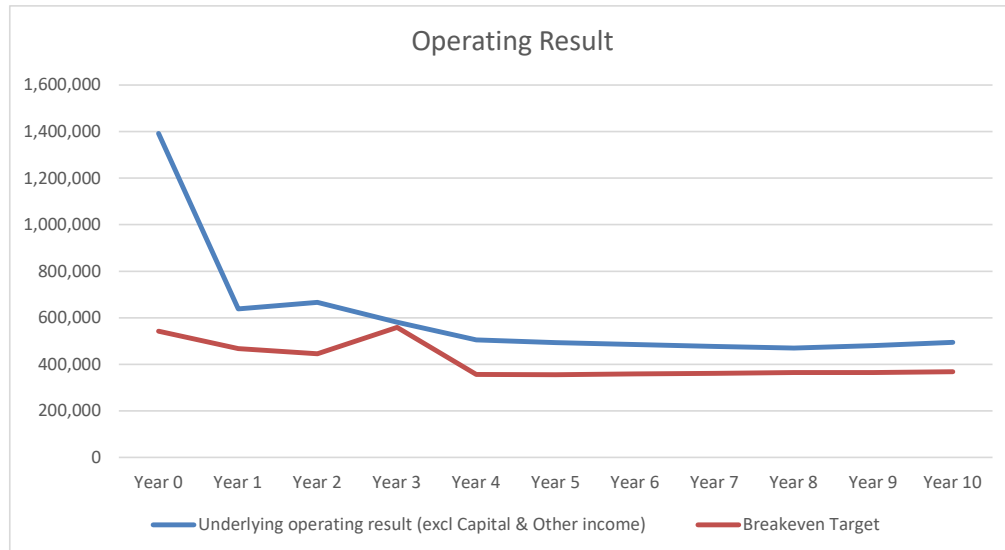
### **Eldercare**

A reserve has been established to provide for the future upgrade and expansion of the Council owned Eldercare Units that provide independent aged care housing.

## 8. Forecast Position and Analysis

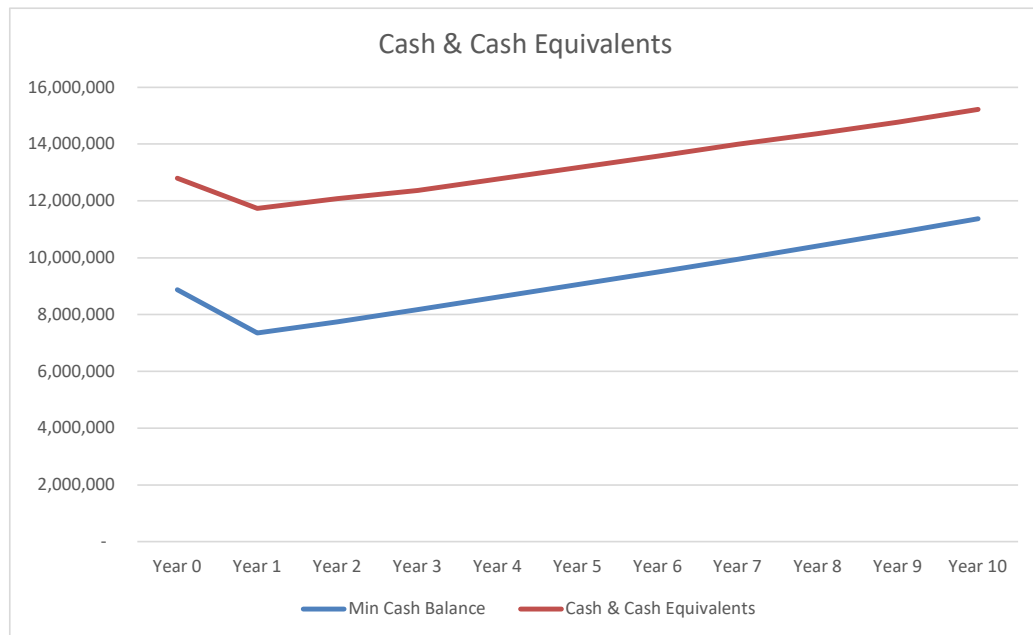
Based on the long-term financial strategy, the following outcomes will be achieved. More detail is provided in the forecast financial statements at Appendix 2.

### Operating Result



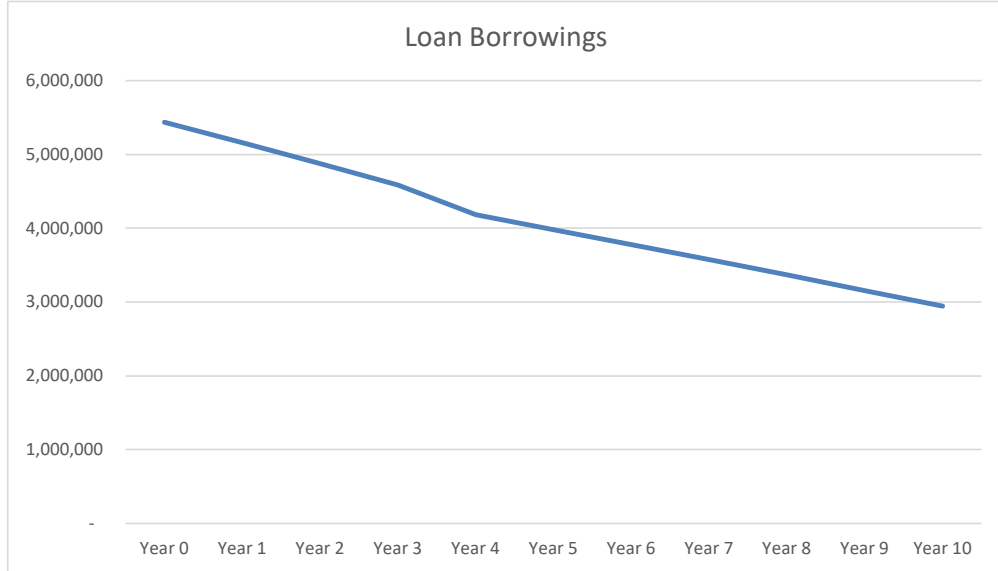
Based on the financial strategy Council will continue in a financially sustainable position with ongoing modest underlying operating surpluses. This is discussed further in Chapter 9.

### Cash



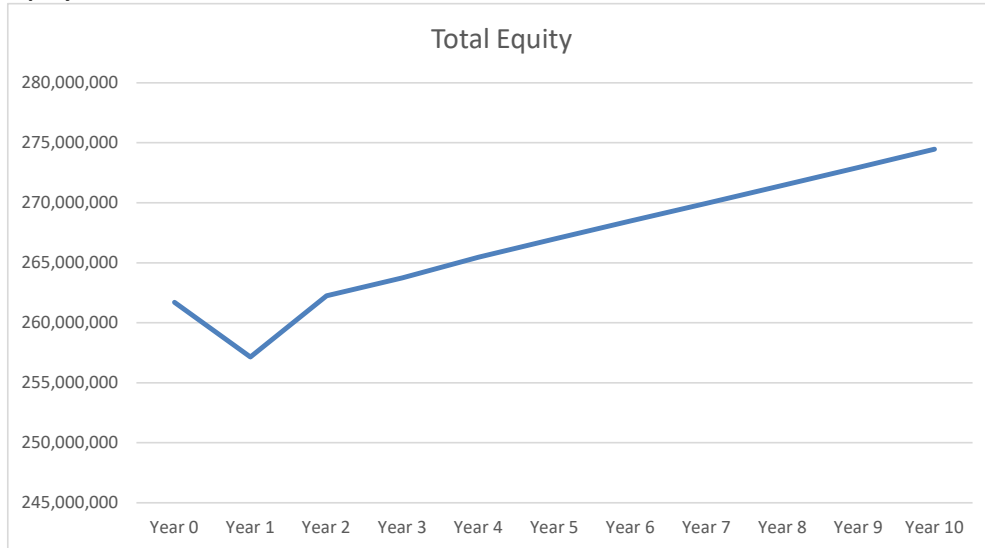
Cash balances are currently at acceptable levels. A concerted effort to maintain cash balances is required to ensure Council’s liquidity, to provide for asset replacement requirements and to provide for unforeseen events. Balances and cash flow requirements will need to be closely monitored and refined as necessary.

**Debt**



Borrowings are currently at high levels and apart from refinancing, no new loans are forecast in the 10 year period. The aim is to keep Council’s debt within manageable levels and under acceptable benchmarks to provide the facility to borrow funds in the future if required. See also Indicators 4 and 5 in Chapter 9.

**Equity**



Over the life of the plan, equity is forecast to increase due to operating surpluses.

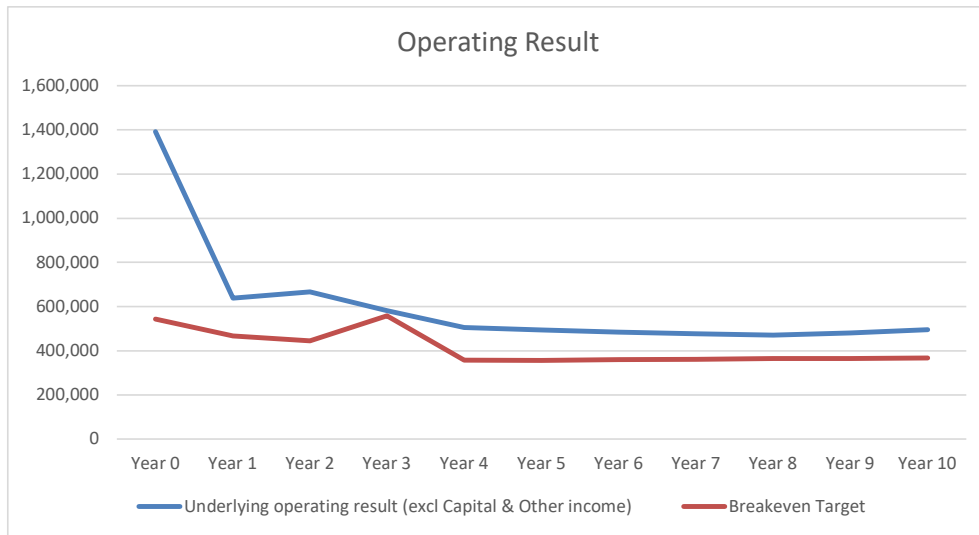
## 9. Financial Sustainability Outcomes

As outlined in Chapter 4, for the purpose of measuring Council’s financial sustainability, seven financial sustainability measures have been adopted.

- Indicators 1 – 2 are measures of profit performance and the extent to which expenses are covered by revenues.
- Indicators 3 – 4 are measures of indebtedness and the amount Council owes others (debt, employee provisions, creditors) net of financial assets (cash, investments) and amounts owed to Council.
- Indicators 5 – 7 are measures of asset management.

### **Indicator 1 – Underlying Operating Result**

This indicator measures the difference between day-to-day income and expenses for the period and is recognised as a better indicator of sustainability than the all-inclusive operating result. The underlying operating result excludes capital grants which can be project specific and thus non-recurring, and other amounts which are required to be recognised as income by accounting standards.



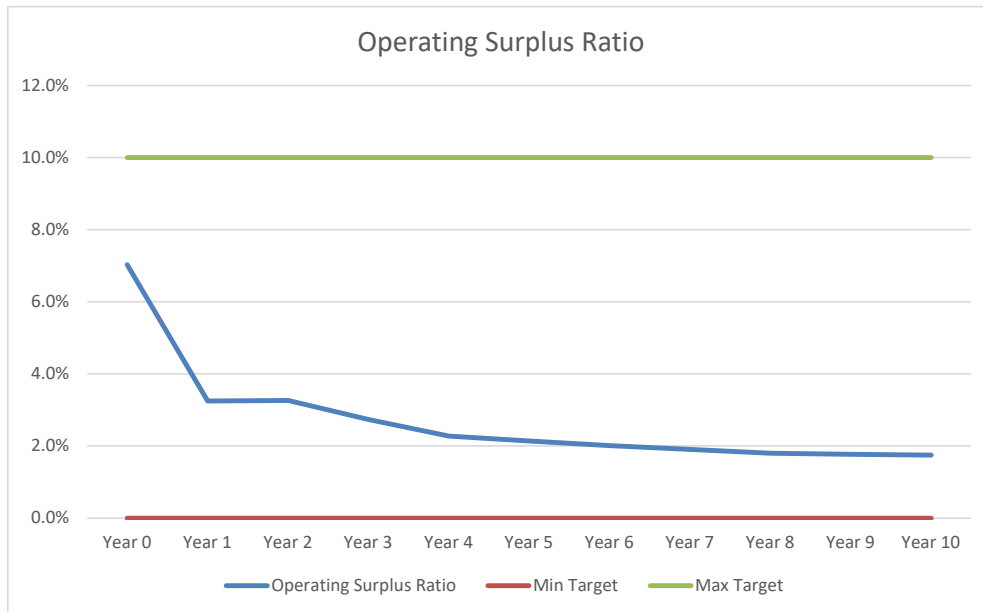
An operating surplus arises when operating revenue exceeds operating expenses for the period. An operating deficit arises when the opposite is true. Council’s long term financial sustainability is dependent upon ensuring that on average, over time, its expenses are less than associated revenues. This ensures equity between generations of ratepayers in that each generation is responsible for the cost of the resources they consume.

Research indicates that there is no clear agreement on what an appropriate target should be. For example, the Victorian Auditor-General recommends generating surpluses consistently, the Tasmanian report “Framework for Long Term Financial and Asset management Planning for all Tasmanian Councils” September 2009 recommends breakeven, or better, on average over medium term, and some state studies recommend sizeable surpluses.

Shown in the previous graph is the breakeven target including principal loan repayments. This provides for sufficient cash to fund operations, asset replacements on a consistent basis and provide sufficient funds to meet loan repayments as required. Without the funding of loan repayments over and above breakeven, there would be reduced funds available for asset replacements and place a burden on future ratepayers.

**Indicator 2 – Operating Surplus Ratio**

The operating surplus ratio is the operating surplus (deficit) expressed as a percentage of total revenue (adjusted by excluding capital grants, contributed PP&E and asset revaluation increments/decrements). It expresses the underlying operating result relative to annual revenue.



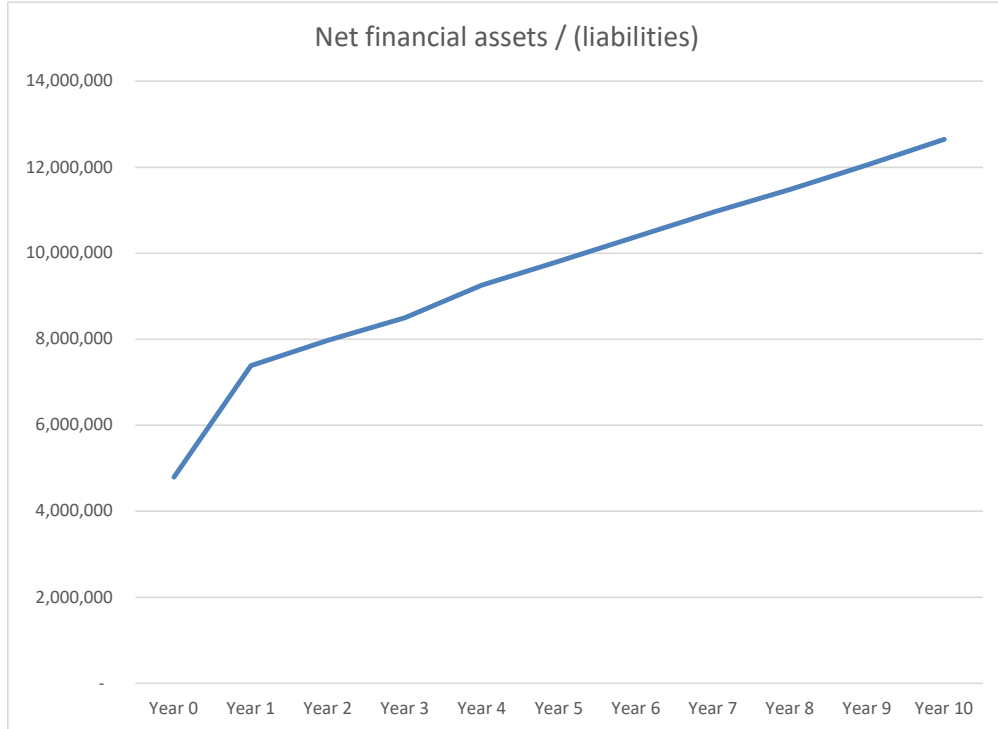
Over the next 10 year period, Council is forecast to achieve underlying surpluses in the range 1.7% and 3.3% of revenue, and averaging 2.3%. Surpluses then continue beyond this 10 year period to generate cash surpluses needed for asset replacement. These forecasts will continue to be reviewed. It is important that Council generates sufficient revenue to cover all of its cash and non-cash costs, with a small buffer.

Research indicates a wide range of views on appropriate targets. Reviews indicate targets of 0% to 15%, 2.5% to 7.5%, 5% but within the range of 0% to 10% and greater than 0%. It is recommended that Council support a 2-4% Operating Surplus ratio as part of its LTFMP which provides a small margin in the event of unexpected events. Operating surpluses also generate cash surpluses required to retire debt (principal payments are not recorded in the

operating result). Differences in the asset valuation rates used for financial reporting purposes and asset renewal purposes also require cash surpluses to be generated.

**Indicator 3 – Net Financial Assets/ (Liabilities)**

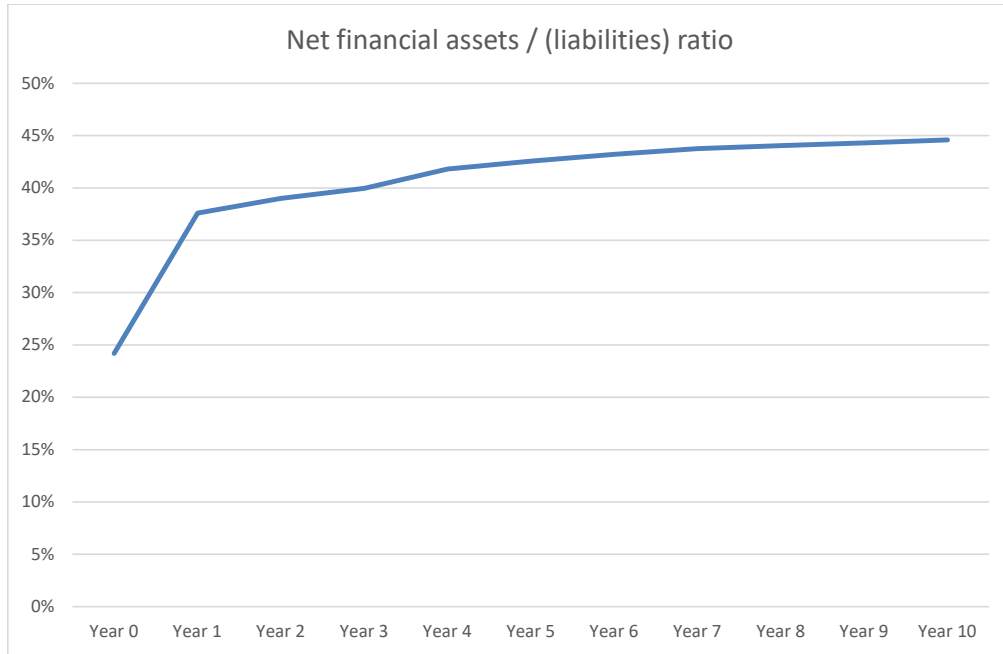
What is owed to others less cash held/invested and receivables and is thus a measure of net indebtedness. It is broader than just loan debt, as it includes amounts owed to creditors, employee provisions, amounts held in trust and all other liabilities.



Council’s LTFMP indicates through the graph above that it will continue to operate in a net financial asset position.

**Indicator 4 – Net financial liabilities ratio**

This ratio is net financial liabilities expressed as a percentage of income. It indicates the extent to which net financial liabilities can be met by the Council’s income. Where the ratio is increasing it indicates the Council’s capacity to meet its financial obligations from income is strengthening.

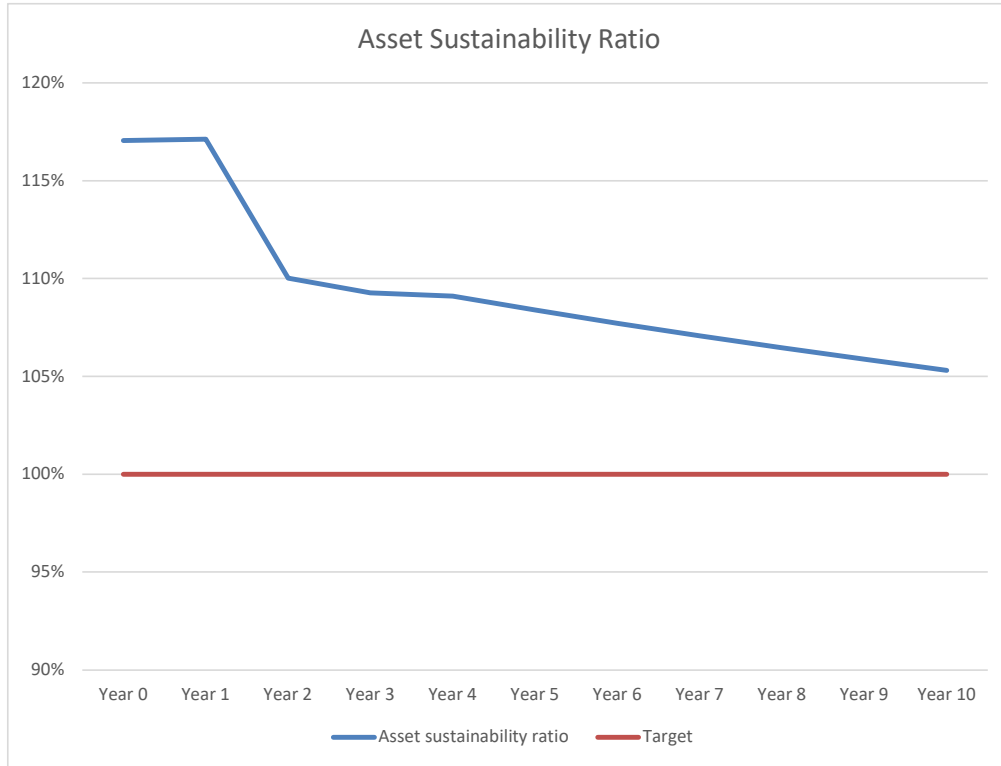


As set out above, Council will continue to operate in a net financial asset position. Council's net financial asset ratio will peak at 45% in 2023-36. The Tasmanian Auditor-General suggests a ratio of 0% to -50% represents low risk, -50% to -100% moderate risk, and greater than -100% high risk.

Indicators 3 and 4 show that Council's level of indebtedness will remain within benchmarks. Council's financial recovery approach adopted in this plan provides Council with the ability to service current debt.

**Indicator 5 – Asset sustainability ratio**

This ratio is asset replacement capital expenditure expressed as a percentage of depreciation expense. It measures whether assets are being replaced at the rate at which they are wearing out. With a young asset portfolio, the target may be quite low. If old, it may be greater than 100%. Over time, if it averages at or near 100% the service of the asset portfolio is being maintained.

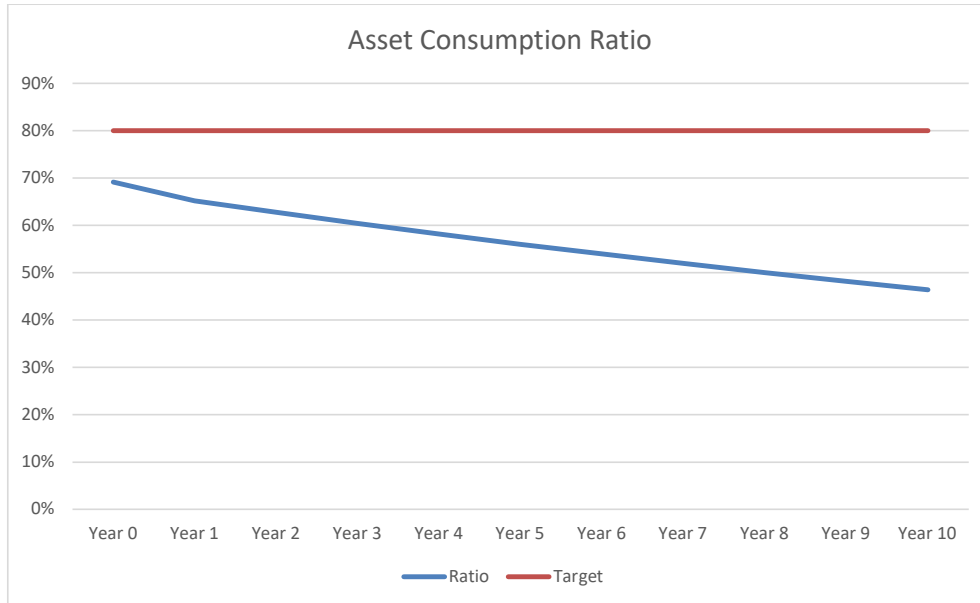


Council’s LTFMP indicates through the graph above that it will operate at an average of more than 100% across the plan period. Local government proposed targets are typically set at 100%, however this does not allow for the sometimes legitimate periods of less than 100% or more than 100%.

**Indicator 6 – Asset consumption ratio**

This indicator expresses asset written-down value as a percentage of replacement cost and thus seeks to measure the proportion of life remaining in assets. A lower measure indicates an older, on average, portfolio of assets and could indicate the potential for large renewal expenditure.

However, a low or declining ratio is not a concern provided assets are being maintained/replaced in accordance with asset management plans and the organisation is operating sustainably i.e. recording a breakeven or better underlying operating result. The cash generated by operating sustainably funds the renewal of assets when required.

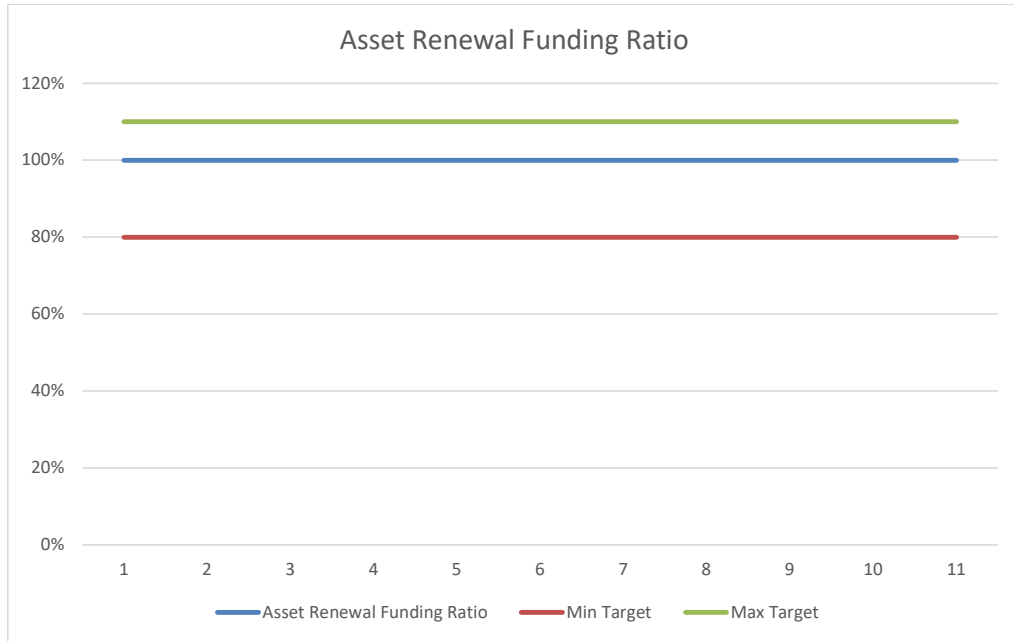


Council’s LTFMP indicates through the graph above that the asset consumption ratio will decline over the plan period.

An appropriate target is difficult to define and one source suggests a ratio between 40% and 80%. The Tasmanian Auditor-General considers the road asset class in isolation and suggests a ratio of >60% to represent low risk, 40 to 60% moderate risk and less than 40% high risk. Council’s road assets are currently at 65% (2024/25).

**Indicator 7 – Asset renewal funding ratio**

This indicator is the ratio of future asset renewal expenditure as per this plan relative to the future asset renewal expenditure requirement sourced from asset management plans. It therefore measures the capacity to fund asset renewal requirements. An inability to fund future requirements will result in revenue or expense or debt consequences, or a reduction in service levels.



For the duration of the plan Council’s focus will be on asset renewals, looking after the assets we have while the Council concentrates on reaching a financially sustainable position.

Across the entire plan period, known asset renewal requirements will be fully-funded. That is, 100% of known asset renewal needs, as identified in Council’s asset management plans, will be funded.

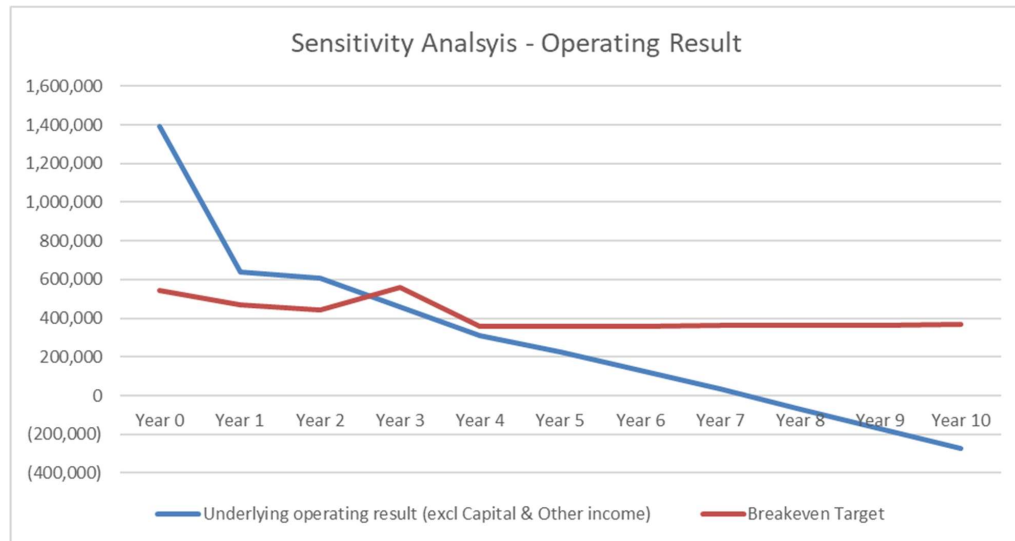
## 10. Sensitivity Analysis

As mentioned in chapter 7, Council’s three largest expense items are employee salaries and wages, materials and services and depreciation. Council’s largest revenue item is rate revenue. The outcomes of the LTFMP can be significantly affected if actual results for any of these items are different to forecast.

The analysis below demonstrates the sensitivity of the LTFMP to changes in assumptions for the above categories.

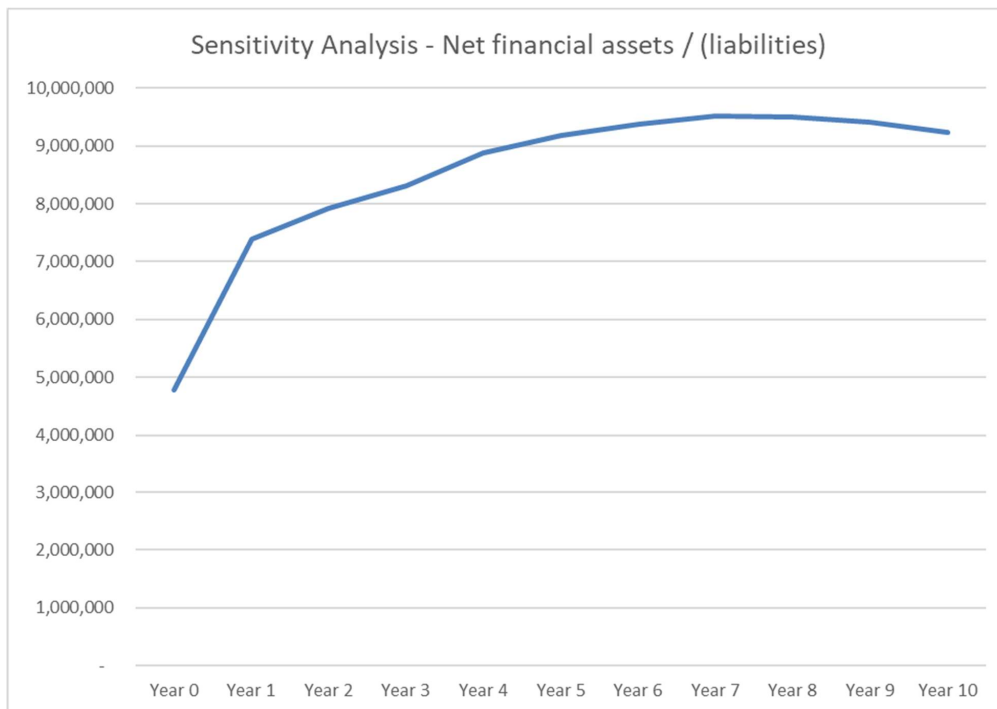
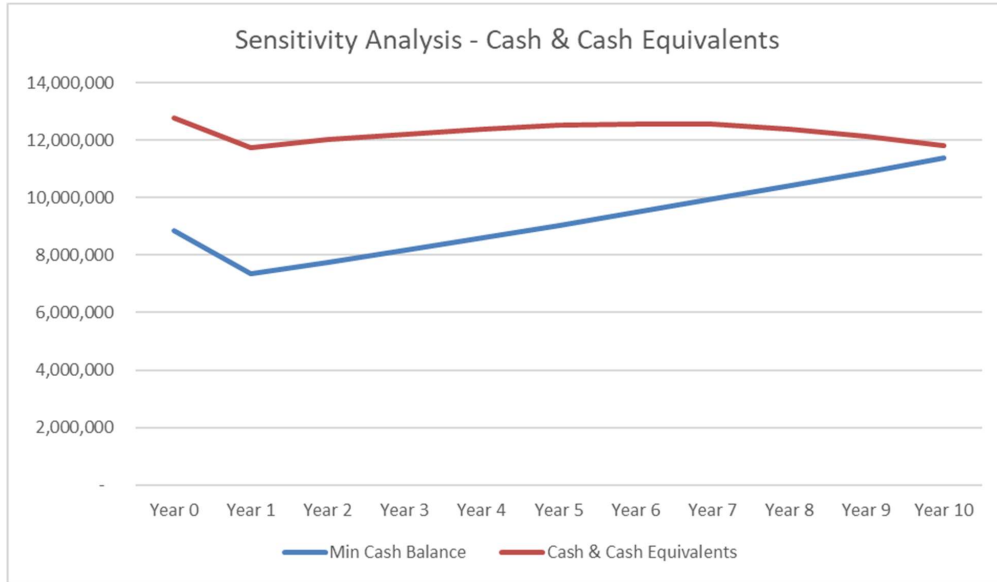
### Rates

The LTFMP assumes general rate revenue increases (for Council operations) of 4.5% in year 1, increase to 5.1% per annum in years 2-10 of the plan. If these rate increases are 0.5% per annum lower over the next 10 years the effect is as shown below.



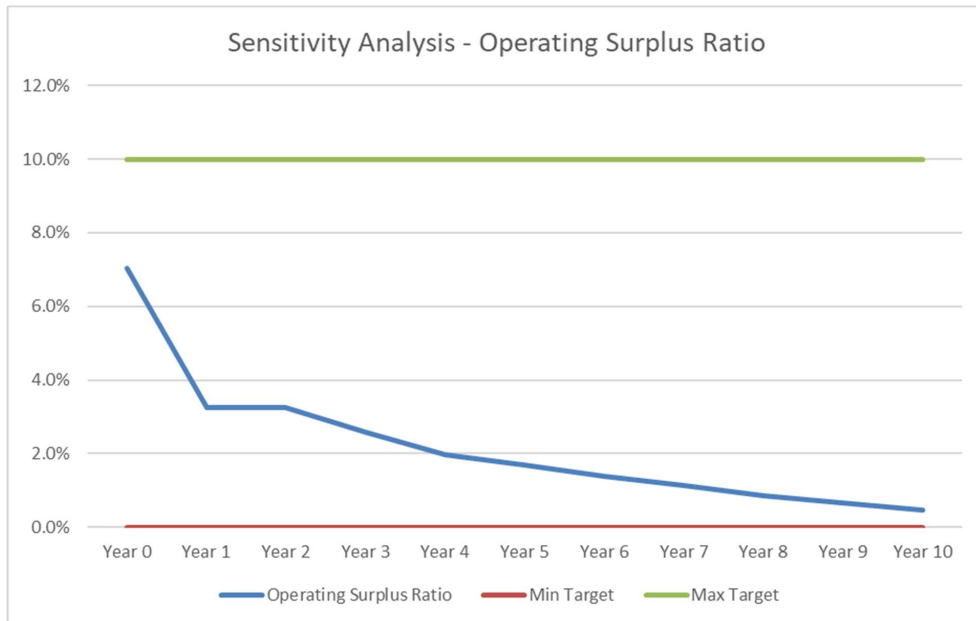
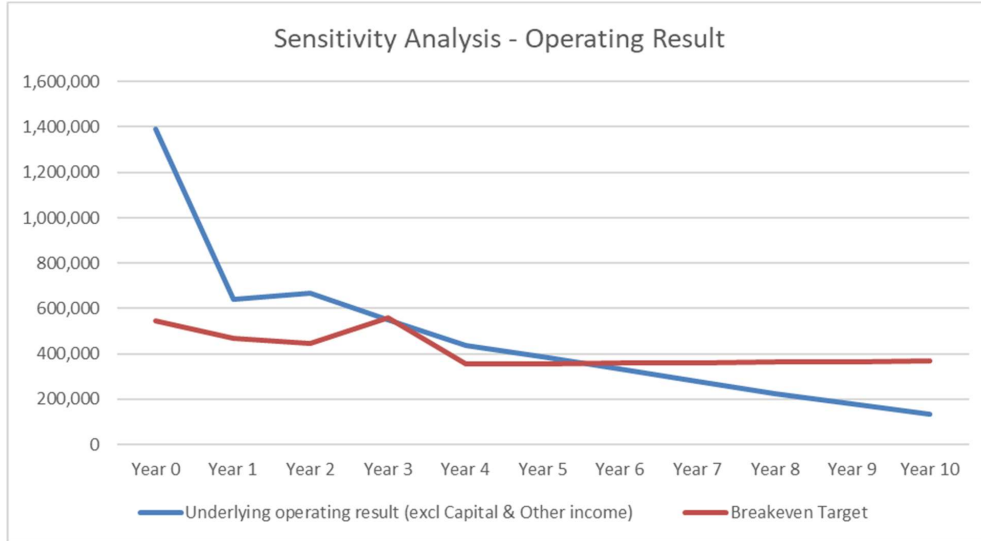
With rate increases 0.5% per annum lower over the next ten years, surpluses would not be recorded in most years, and the operating surplus would remain below the benchmark to fund principal loan repayments in all years.

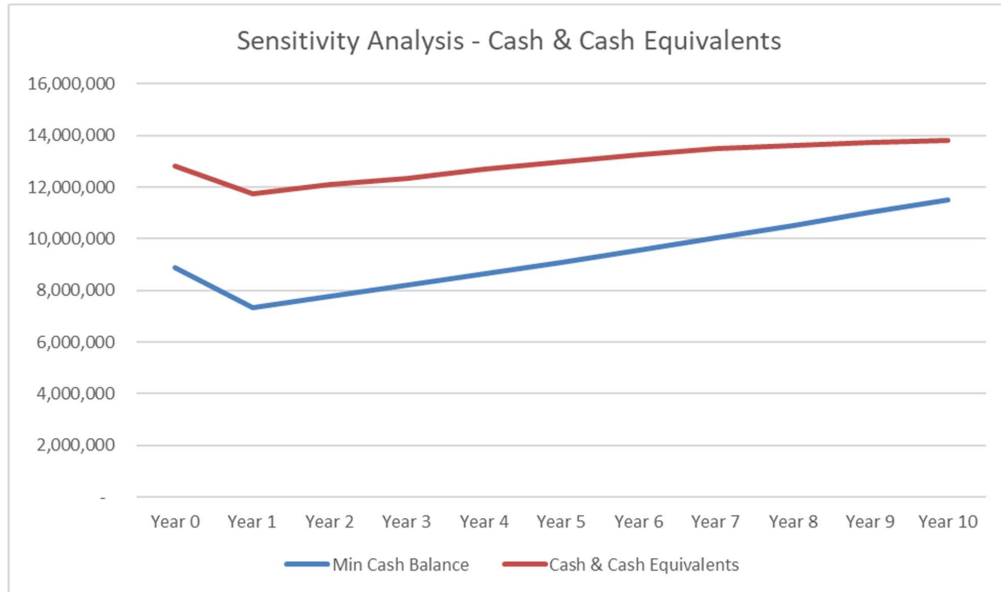
The graphs below show the impact on the cash balances and net financial assets/(liabilities) if rate revenue was 0.5% lower over the 10 year period.



**Employee Salaries and Wages**

The LTFMP assumes increases in employee salaries and wages of 4.1-5.7% per annum. If employee salaries and wages increases are 0.5% per annum higher over the next ten years, the effect is as shown below.

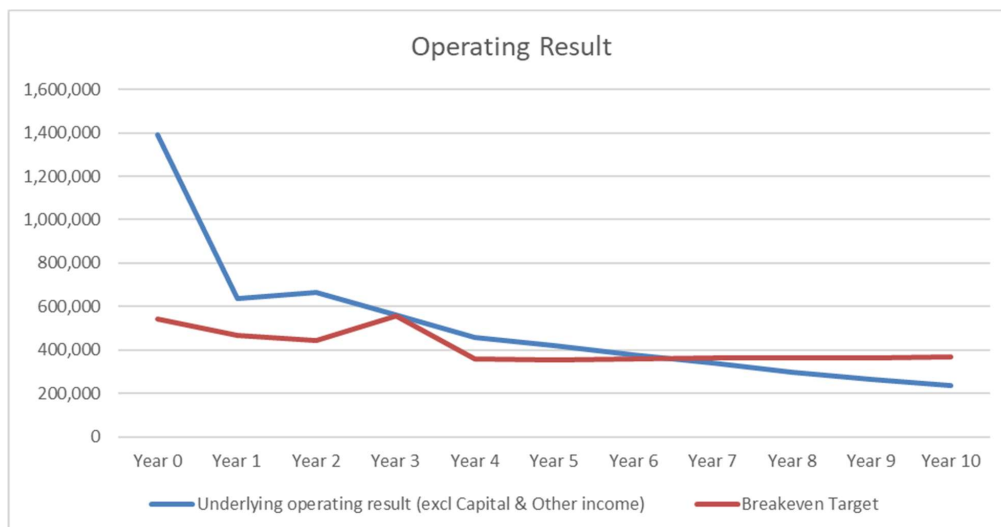


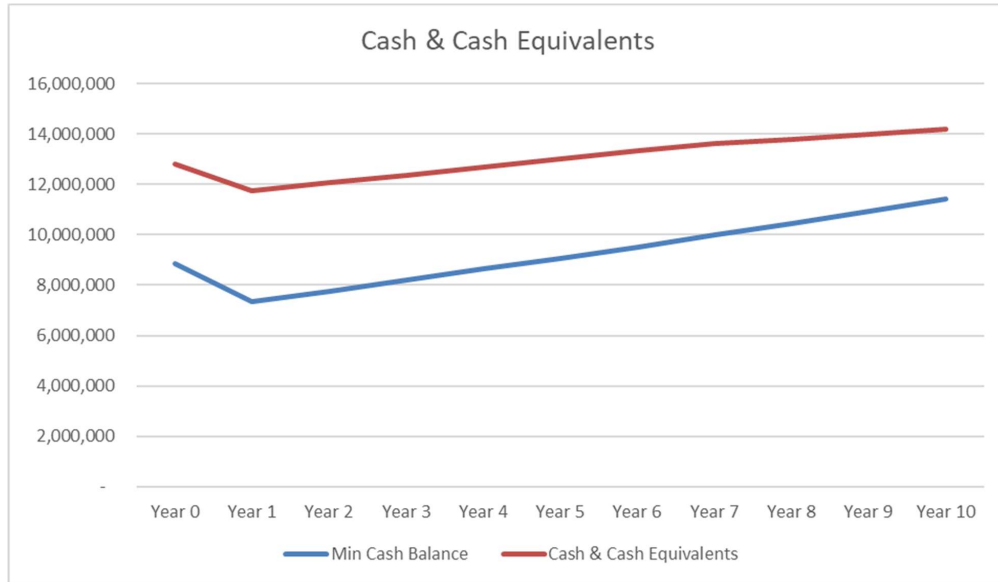


With employee salary and wage increases 0.5% per annum higher over the next ten years, surpluses would continue to be recorded, but the benchmark level would not be achieved over the 10 year period. Cash balances would be lower by the end of the plan period. To restore the status quo, rate increases would need to be approximately 0.25% per annum higher over the next ten years.

**Materials and Services**

The LTFMP assumes increases in materials and services of, on average, 3-4.3% per annum over the life of the Plan. If these materials and services increases are 0.5% per annum higher over the next ten years, the effect is as shown below.





With materials and services increases 0.5% per annum higher over the next ten years, surpluses would continue to be recorded, however fall below benchmark levels. Cash balances would reduce by \$1.04 million by the end of the plan period. To restore the status quo, rate increases would need to be approximately 1.5% per annum higher over the next ten years.

## 11. Conclusions

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The purpose of the LTFMP is to express, in financial terms, the activities that Council proposes to undertake over the medium to longer term to achieve its stated objectives. It is a guide for future action. Without a LTFMP Council would have insufficient data to determine sustainable service levels, affordable asset management strategies, appropriate revenue targets or appropriate treasury management.

Council has worked with the community to establish a 10-year vision for the municipality and a strategic framework outlining the key strategies that will need to be undertaken by the Council to achieve the community vision.

Long-term financial planning provides for the optimum allocation of available resources to deliver Council's strategic and corporate objectives. Long-term financial planning supports the delivery of Council's community vision.

Long-term financial sustainability can only be said to have been achieved when Council is providing expected services at defined levels to its community that is adequately funded, not only on an annual basis, but over the long-term. This includes infrastructure asset renewal funding requirements.

In financial terms, it will result in: -

- A decreased, manageable and affordable level of debt.
- The funding of 100% of forecast asset renewal requirements over the Plan period.
- Cash balances maintained above estimated minimum levels over the plan period.

These outcomes, together with the underpinning assumptions of revenue and cost growth indicate annual general rate revenue increases in the order of 5.1% including natural growth (excluding fire levy increases, service charge, any redistributive effects of revaluations, AAV indexation or changes to council rating policy).

## 12. Appendices

### Appendix 1 – Financial Sustainability Indicators

Financial Indicator	Calculation	Description
Underlying Operating Result	(\$ Operating income (excluding amounts received specifically for new or upgraded assets, physical resources received free of charge and revaluation increments) less operating expenses for the reporting period.	The difference between day-to-day income and expenses for the period.
Operating Surplus Ratio	(%) Operating surplus (deficit) divided by total revenue – adjusted (excluding amounts received specifically for new or upgraded assets, physical resources received free of charge and revaluation increments).	The operating surplus ratio is the operating surplus (deficit) expressed as a percentage of total revenue (adjusted by excluding capital grants, contributed PP&E and asset revaluation increments/decrements).
Net Financial Liabilities	(\$ Total liabilities less financial assets (cash and cash equivalents + trade & other receivables + other financial assets).	What is owed to others less money held, or invested or owed to the entity. Net financial liabilities equals total liabilities less financial assets.
Net Financial Liabilities Ratio	(%) Net financial liabilities divided by operating income.	Indicates the extent to which net financial liabilities could be met by operating income.
Asset Sustainability Ratio	(%) Capital expenditure on replacement/renewal of existing plant and equipment and infrastructure assets divided by their annual depreciation expense.	The ratio of asset replacement expenditure relative to depreciation for a period. It measures whether assets are being replaced at the rate they are wearing out.

Financial Indicator	Calculation	Description
Asset Consumption Ratio	(%) Depreciated replacement cost of plant and equipment and infrastructure assets divided by current replacement cost of depreciable assets.	Shows the depreciated replacement cost of an entity's depreciable assets relative to their 'as new' (replacement) value.
Asset Renewal Funding Ratio	(%) Future asset replacement expenditure as per long term financial plan divided by future asset replacement expenditure requirement as per asset management plans.	Measures the capacity to fund asset replacement requirements. An inability to fund future requirements will result in revenue or expense or debt consequences, or a reduction in service levels.

**Appendix 2 – Forecast Financial Statements**

**LTFMP - Profit & Loss**  
Glamorgan Spring Bay Council  
2026-2036

Account	Year 0 2025	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030	Year 6 2031	Year 7 2032	Year 8 2033	Year 9 2034	Year 10 2035
<b>Trading Income</b>											
Rate Revenue	13,874,052	14,543,079	15,244,151	15,979,658	16,751,309	17,560,899	18,410,312	19,301,528	20,236,623	21,232,919	22,278,854
Statutory Charges	701,081	703,968	725,087	746,839	769,244	792,322	816,091	840,574	865,791	891,765	918,518
User Charges	862,044	922,391	950,063	978,565	1,007,922	1,038,160	1,069,304	1,101,383	1,134,425	1,168,458	1,203,511
Grants	1,674,289	1,661,586	1,702,470	1,753,535	1,806,132	1,860,307	1,916,107	1,973,582	2,032,780	2,093,755	2,156,558
Interest & Investment Revenue	1,054,742	828,282	828,282	828,282	828,282	828,282	828,282	828,282	828,282	828,282	828,282
Contributions	519,977	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000
Other Revenue	1,131,237	712,735	712,735	712,735	712,735	712,735	712,735	712,735	712,735	712,735	712,735
<b>Total Trading Income</b>	<b>19,817,422</b>	<b>19,642,040</b>	<b>20,432,788</b>	<b>21,269,614</b>	<b>22,145,624</b>	<b>23,062,704</b>	<b>24,022,832</b>	<b>25,028,083</b>	<b>26,080,636</b>	<b>27,197,913</b>	<b>28,368,459</b>
<b>Gross Profit</b>	<b>19,817,422</b>	<b>19,642,040</b>	<b>20,432,788</b>	<b>21,269,614</b>	<b>22,145,624</b>	<b>23,062,704</b>	<b>24,022,832</b>	<b>25,028,083</b>	<b>26,080,636</b>	<b>27,197,913</b>	<b>28,368,459</b>
<b>Capital Grants</b>											
Grants Commonwealth Capital - Other	1,341,175	1,169,426	0	0	0	0	0	0	0	0	0
Grants Commonwealth Capital - Roads to Recovery	478,204	641,741	762,068	802,177	802,177	802,177	802,177	802,177	802,177	802,177	802,177
Grants State Capital - Other	759,935	1,975,574	0	0	0	0	0	0	0	0	0
<b>Total Capital Grants</b>	<b>2,579,314</b>	<b>3,786,741</b>	<b>762,068</b>	<b>802,177</b>	<b>802,177</b>	<b>802,177</b>	<b>802,177</b>	<b>802,177</b>	<b>802,177</b>	<b>802,177</b>	<b>802,177</b>
<b>Other Income</b>											
Net Gain (Loss) on Disposal of Assets	(259,942)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Other Revenue - PPRWS Reimbursement of Principal Loan	111,895	115,175	115,175	115,175	115,175	115,175	115,175	115,175	115,175	115,175	115,175
<b>Total Other Income</b>	<b>(148,047)</b>	<b>165,175</b>	<b>165,175</b>	<b>165,175</b>	<b>165,175</b>	<b>165,175</b>	<b>165,175</b>	<b>165,175</b>	<b>165,175</b>	<b>165,175</b>	<b>165,175</b>
<b>Operating Expenses</b>											
Employee Costs	5,426,566	5,949,486	6,309,782	6,672,985	7,043,381	7,362,423	7,695,884	8,044,416	8,408,698	8,789,441	9,187,389
Materials & Services	8,704,154	8,518,028	8,769,973	9,134,127	9,515,355	9,914,515	10,332,513	10,770,302	11,228,891	11,709,339	12,212,765
Depreciation	3,871,875	4,068,291	4,209,673	4,394,393	4,586,502	4,786,296	4,994,081	5,210,178	5,435,751	5,670,348	5,914,329
Interest	180,908	167,803	167,803	167,803	167,803	167,803	167,803	167,803	167,803	167,803	167,803
Other Expenses	241,617	299,913	308,910	318,177	327,723	337,554	347,681	358,111	368,855	379,920	391,318
<b>Total Operating Expenses</b>	<b>18,425,110</b>	<b>19,003,520</b>	<b>19,766,141</b>	<b>20,687,486</b>	<b>21,640,764</b>	<b>22,568,591</b>	<b>23,537,961</b>	<b>24,550,810</b>	<b>25,609,998</b>	<b>26,716,851</b>	<b>27,873,604</b>
<b>Underlying operating result (excl Capital &amp; Other income)</b>	<b>1,392,312</b>	<b>638,520</b>	<b>666,647</b>	<b>582,128</b>	<b>504,861</b>	<b>494,114</b>	<b>484,871</b>	<b>477,274</b>	<b>470,638</b>	<b>481,062</b>	<b>494,855</b>
<b>Total Comprehensive Result (incl Capital Income)</b>	<b>3,823,579</b>	<b>4,590,436</b>	<b>1,593,890</b>	<b>1,549,480</b>	<b>1,472,213</b>	<b>1,461,466</b>	<b>1,452,223</b>	<b>1,444,626</b>	<b>1,437,990</b>	<b>1,448,414</b>	<b>1,462,207</b>

**LTFMP - Statement of Financial Position**

Glamorgan Spring Bay Council

2026-2036

Account	Year 0 2025	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030	Year 6 2031	Year 7 2032	Year 8 2033	Year 9 2034	Year 10 2035
<b>Assets</b>											
<b>Current Assets</b>											
Cash & Cash Equivalents	12,794,856	11,731,963	12,086,563	12,373,372	12,768,431	13,170,760	13,579,032	13,995,630	14,372,283	14,779,848	15,219,525
Trade & Other Receivables	1,665,832	2,871,261	2,871,261	2,871,261	2,871,261	2,871,261	2,871,261	2,871,261	2,871,261	2,871,261	2,871,261
<b>Total Current Assets</b>	<b>14,460,689</b>	<b>14,603,224</b>	<b>14,957,824</b>	<b>15,244,633</b>	<b>15,639,692</b>	<b>16,042,021</b>	<b>16,450,293</b>	<b>16,866,891</b>	<b>17,243,544</b>	<b>17,651,109</b>	<b>18,090,786</b>
<b>Non-current Assets</b>											
Investment in Water Corporation	34,533,233	33,872,244	33,872,244	33,872,244	33,872,244	33,872,244	33,872,244	33,872,244	33,872,244	33,872,244	33,872,244
Property, Infrastructure, Plant & Equipment	222,374,169	219,358,405	220,405,164	221,362,514	222,329,877	223,281,656	224,217,225	225,135,937	226,087,118	227,020,065	227,934,051
<b>Total Non-current Assets</b>	<b>256,907,402</b>	<b>253,230,649</b>	<b>254,277,408</b>	<b>255,234,758</b>	<b>256,202,122</b>	<b>257,153,900</b>	<b>258,089,469</b>	<b>259,008,181</b>	<b>259,959,362</b>	<b>260,892,310</b>	<b>261,806,296</b>
<b>Total Assets</b>	<b>271,368,091</b>	<b>267,833,873</b>	<b>269,235,232</b>	<b>270,479,391</b>	<b>271,841,814</b>	<b>273,195,921</b>	<b>274,539,762</b>	<b>275,875,072</b>	<b>277,202,906</b>	<b>278,543,418</b>	<b>279,897,082</b>
<b>Liabilities</b>											
<b>Current Liabilities</b>											
Trade & Other Payables	1,431,730	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Trust Funds & Deposits	461,299	424,919	424,919	424,919	424,919	424,919	424,919	424,919	424,919	424,919	424,919
Provisions	666,372	781,654	826,208	871,650	910,874	951,863	994,697	1,039,459	1,086,234	1,135,115	1,186,195
Contract Liabilities	1,604,871	0	0	0	0	0	0	0	0	0	0
Interest bearing Loans & Borrowings	1,147,209	281,798	290,281	404,022	201,828	201,288	204,288	207,288	210,288	210,288	213,288
<b>Total Current Liabilities</b>	<b>5,311,481</b>	<b>2,288,371</b>	<b>2,341,408</b>	<b>2,500,591</b>	<b>2,337,621</b>	<b>2,378,070</b>	<b>2,423,904</b>	<b>2,471,665</b>	<b>2,521,441</b>	<b>2,570,321</b>	<b>2,624,402</b>
<b>Non-current Liabilities</b>											
Provisions	69,930	56,067	59,263	62,522	65,336	68,276	71,349	74,559	77,914	81,421	85,084
Interest Bearing Loans & Borrowings	4,287,484	4,875,685	4,585,404	4,181,382	3,979,554	3,778,267	3,573,979	3,366,691	3,156,404	2,946,116	2,732,828
<b>Total Non-current Liabilities</b>	<b>4,357,414</b>	<b>4,931,752</b>	<b>4,644,667</b>	<b>4,243,904</b>	<b>4,044,890</b>	<b>3,846,543</b>	<b>3,645,327</b>	<b>3,441,250</b>	<b>3,234,318</b>	<b>3,027,536</b>	<b>2,817,913</b>
<b>Total Liabilities</b>	<b>9,668,895</b>	<b>7,220,123</b>	<b>6,986,075</b>	<b>6,744,496</b>	<b>6,382,511</b>	<b>6,224,613</b>	<b>6,069,231</b>	<b>5,912,916</b>	<b>5,755,759</b>	<b>5,597,858</b>	<b>5,442,314</b>
<b>Net Assets</b>	<b>261,699,196</b>	<b>260,613,750</b>	<b>262,249,157</b>	<b>263,734,895</b>	<b>265,459,303</b>	<b>266,971,308</b>	<b>268,470,531</b>	<b>269,962,157</b>	<b>271,447,147</b>	<b>272,945,561</b>	<b>274,454,767</b>
<b>Equity</b>											
Current Year Earnings	3,823,579	4,590,436	1,593,890	1,549,480	1,472,213	1,461,466	1,452,223	1,444,626	1,437,990	1,448,414	1,462,207
Retained Earnings	99,458,639	94,920,638	99,331,074	100,744,964	102,114,444	103,406,657	104,688,123	105,960,345	107,224,971	108,482,961	109,751,375
Equity - Asset Revaluation Reserve	156,575,385	155,987,990	159,498,465	159,434,724	159,686,918	159,737,458	159,784,458	159,831,458	159,878,458	159,928,458	159,975,458
Equity - Restricted Reserves	1,841,594	1,645,727	1,825,727	2,005,727	2,185,727	2,365,727	2,545,727	2,725,727	2,905,727	3,085,727	3,265,727
<b>Total Equity</b>	<b>261,699,196</b>	<b>257,144,792</b>	<b>262,249,157</b>	<b>263,734,895</b>	<b>265,459,303</b>	<b>266,971,308</b>	<b>268,470,531</b>	<b>269,962,157</b>	<b>271,447,147</b>	<b>272,945,561</b>	<b>274,454,767</b>

**LTFMP - Statement of Cash Flows**

Glamorgan Spring Bay Council

2026-2036

Account	Year 0 2025	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030	Year 6 2031	Year 7 2032	Year 8 2033	Year 9 2034	Year 10 2035
<b>Operating Activities</b>											
Rates	13,770,500	14,543,079	15,244,151	15,979,658	16,751,309	17,560,899	18,410,312	19,301,528	20,236,623	21,232,919	22,278,854
Statutory fees and fines	707,066	703,968	725,087	746,839	769,244	792,322	816,091	840,574	865,791	891,765	918,518
User Charges	737,577	922,391	950,063	978,565	1,007,922	1,038,160	1,069,304	1,101,383	1,134,425	1,168,458	1,203,511
Operating Grants	1,677,967	1,661,586	1,702,470	1,753,535	1,806,132	1,860,307	1,916,107	1,973,582	2,032,780	2,093,755	2,156,558
Contributions	519,977	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000
Interest Received	557,942	414,282	414,282	414,282	414,282	414,282	414,282	414,282	414,282	414,282	414,282
Investment Revenue from Water Corporation	496,800	414,000	414,000	414,000	414,000	414,000	414,000	414,000	414,000	414,000	414,000
Other receipts	965,630	827,910	827,910	827,910	827,910	827,910	827,910	827,910	827,910	827,910	827,910
Payments to Employees	(5,486,915)	(5,916,492)	(6,262,032)	(6,624,284)	(7,001,343)	(7,318,493)	(7,649,978)	(7,996,444)	(8,358,567)	(8,737,055)	(9,132,645)
Payments to Suppliers	(8,143,362)	(8,518,028)	(8,769,973)	(9,134,127)	(9,515,355)	(9,914,515)	(10,332,513)	(10,770,302)	(11,228,891)	(11,709,339)	(12,212,765)
Other Payments	(244,092)	(299,913)	(308,910)	(318,177)	(327,723)	(337,554)	(347,681)	(358,111)	(368,855)	(379,920)	(391,318)
Finance Costs Paid	(182,876)	(167,803)	(167,803)	(167,803)	(167,803)	(167,803)	(167,803)	(167,803)	(167,803)	(167,803)	(167,803)
<b>Net Cash Flows from Operating Activities</b>	<b>5,376,214</b>	<b>4,854,980</b>	<b>5,039,245</b>	<b>5,140,397</b>	<b>5,248,576</b>	<b>5,439,514</b>	<b>5,640,033</b>	<b>5,850,598</b>	<b>6,071,696</b>	<b>6,318,971</b>	<b>6,579,103</b>
<b>Investing Activities</b>											
Proceeds from sale of property, plant and equipment	189,055	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Payment for property, plant and equipment	(4,979,253)	(8,066,131)	(5,256,432)	(5,351,743)	(5,553,866)	(5,738,074)	(5,929,650)	(6,128,890)	(6,386,932)	(6,603,296)	(6,828,314)
Receipts from capital grants	4,520,451	2,418,375	762,068	802,177	802,177	802,177	802,177	802,177	802,177	802,177	802,177
<b>Net Cash Flows from Investing Activities</b>	<b>(269,747)</b>	<b>(5,547,756)</b>	<b>(4,394,364)</b>	<b>(4,449,566)</b>	<b>(4,651,689)</b>	<b>(4,835,897)</b>	<b>(5,027,473)</b>	<b>(5,226,713)</b>	<b>(5,484,755)</b>	<b>(5,701,119)</b>	<b>(5,926,137)</b>
<b>Financing Activities</b>											
Trust funds & deposits	36,380	0	0	0	0	0	0	0	0	0	0
Proceeds from/ repayment of long term loans	(384,912)	(277,209)	(290,281)	(404,022)	(201,828)	(201,288)	(204,288)	(207,288)	(210,288)	(210,288)	(213,288)
<b>Net Cash Flows from Financing Activities</b>	<b>(348,533)</b>	<b>(277,209)</b>	<b>(290,281)</b>	<b>(404,022)</b>	<b>(201,828)</b>	<b>(201,288)</b>	<b>(204,288)</b>	<b>(207,288)</b>	<b>(210,288)</b>	<b>(210,288)</b>	<b>(213,288)</b>
<b>Net Cash Flows</b>	<b>4,757,934</b>	<b>(969,985)</b>	<b>354,600</b>	<b>286,809</b>	<b>395,059</b>	<b>402,329</b>	<b>408,272</b>	<b>416,598</b>	<b>376,653</b>	<b>407,565</b>	<b>439,678</b>
<b>Cash and Cash Equivalents</b>											
Cash and cash equivalents at beginning of period	7,944,014	12,701,948	11,731,963	12,086,563	12,373,372	12,768,431	13,170,760	13,579,032	13,995,630	14,372,283	14,779,848
<b>Cash and cash equivalents at end of period</b>	<b>12,701,948</b>	<b>11,731,963</b>	<b>12,086,563</b>	<b>12,373,372</b>	<b>12,768,431</b>	<b>13,170,760</b>	<b>13,579,032</b>	<b>13,995,630</b>	<b>14,372,283</b>	<b>14,779,848</b>	<b>15,219,525</b>
Net change in cash for period	4,757,934	(969,985)	354,600	286,809	395,059	402,329	408,272	416,598	376,653	407,565	439,678

**LTFMP - Capital Works Summary**Glamorgan Spring Bay Council  
2026-2036

	Year 0 Forecast 2025	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030	Year 6 2031	Year 7 2032	Year 8 2033	Year 9 2034	Year 10 2035
<b>New Capital</b>											
Roads, Footpaths, Kerbs	766,059	385,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Parks, Reserves, Walking Tracks, Cemeteries	1,886,098	77,000	175,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Buildings & Facilities	416,000	105,500	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Marine Assets	199,123	23,085									
Flood mitigation											
Stormwater, Drainage	346,795	90,000	200,000	200,000	200,000	200,000	200,000	200,000	250,000	250,000	250,000
Plant & Equipment	406,000	146,000									
<b>Total New Capital</b>	<b>4,020,075</b>	<b>826,585</b>	<b>625,000</b>	<b>550,000</b>	<b>550,000</b>	<b>550,000</b>	<b>550,000</b>	<b>550,000</b>	<b>600,000</b>	<b>600,000</b>	<b>600,000</b>
<b>Renewal of Assets</b>											
Roads, Footpaths, Kerbs	1,530,000	2,090,000	2,016,725	2,105,394	2,197,610	2,293,514	2,393,255	2,496,985	2,604,864	2,717,059	2,833,741
Parks, Reserves, Walking Tracks, Cemeteries	230,000	405,000	435,770	457,201	479,489	502,669	526,776	551,847	577,921	605,037	633,239
Stormwater, Drainage	120,000	270,000	223,656	235,936	248,707	261,988	275,801	290,167	305,940	322,344	339,405
Buildings & Facilities	796,806	821,000	729,226	756,395	784,651	814,037	844,598	876,382	909,438	943,815	979,568
Marine Assets		54,000	188,852	194,406	225,182	231,189	237,437	243,934	250,691	257,719	265,028
Sewerage	15,000		19,061	19,824	20,617	21,441	22,299	23,191	24,118	25,083	26,087
Bridges, Culverts	810,440	400,000	340,607	347,231	354,120	361,285	368,736	376,486	384,545	392,927	401,644
Plant & Equipment	1,030,000	725,000	631,622	637,607	643,831	650,304	657,036	664,038	671,319	678,892	686,768
IT & Office Equipment			45,913	47,750	49,660	51,646	53,712	55,861	58,095	60,419	62,836
<b>Total Renewal Capital</b>	<b>4,532,246</b>	<b>4,765,000</b>	<b>4,631,432</b>	<b>4,801,743</b>	<b>5,003,866</b>	<b>5,188,074</b>	<b>5,379,650</b>	<b>5,578,890</b>	<b>5,786,932</b>	<b>6,003,296</b>	<b>6,228,314</b>
<b>Total Capital Works</b>	<b>8,552,321</b>	<b>5,591,585</b>	<b>5,256,432</b>	<b>5,351,743</b>	<b>5,553,866</b>	<b>5,738,074</b>	<b>5,929,650</b>	<b>6,128,890</b>	<b>6,386,932</b>	<b>6,603,296</b>	<b>6,828,314</b>

# Memorandum of Understanding

## Wielangta Forest Mountain Bike Trail – Stage 1 Governance

between:

**Sorell Council** (ABN 12 690 767 695) of 47 Cole Street, Sorell, Tasmania

and

**Glamorgan Spring Bay Council** (ABN 95 641 533 778) of 9 Melbourne Street Triabunna, Tasmania

### 1. Purpose

This Memorandum of Understanding (MoU):

- outlines the shared intentions of Sorell Council and Glamorgan Spring Bay Council (the Councils) to collaborate on the development, establishment and initial operation of the proposed Wielangta Forest Mountain Bike Trail (the Project);
- describes the governance arrangements that the Councils intend to adopt for approximately two-years from the date of execution of this MoU; and
- sets out the pathway for transitioning management of the Project to a separate legal entity and establishing a new long-term governance model for the Project.

These stages are described in more detail in the *Wielangta Forest Mountain Bike Trail Business Case*, prepared by TRC Tourism Pty Ltd dated July 2025 (TRC Business Case).

This MoU is not intended to be legally binding and does not override statutory obligations or the independent decision-making powers of either Council, nor create or imply a fiduciary relationship or any other form of relationship, partnership, agency or joint venture between the Councils.

Neither Council will have, nor will represent that it has, any authority to make any commitments on behalf of the other Council.

Each Council shall bear its own costs in relation to the preparation and negotiation of this MoU and any independent legal and financial advice sought in relation to the Project.

## 2. Background

The Project is intended to be a nationally significant trail network located within the municipal areas of the Councils, traversing land managed by Sustainable Timber Tasmania (STT), the Tasmanian Parks and Wildlife Service (TPWS), and private landowners.

Robust interim governance is required to:

- secure binding landowner consent to, and stakeholder approvals of, the Project;
- meet legislative and risk management obligations;
- support commercial operations and visitor experience; and
- establish a clear, agreed pathway to long-term governance.

Both Councils are members of the South East Region Development Association (SERDA). SERDA is not intended to serve as the long-term governance entity but may contribute to the Project's business development and regional economic outcomes.

## 3. Principles

The Councils agree to operate in accordance with the following principles:

- **Collaboration** – Cooperative, open engagement with regular communication.
- **Transparency** – Clear roles, decision-making processes, and reporting.
- **Accountability** – Defined responsibilities for the delivery and management of the Project until the transition to a new governance model has been achieved.
- **Sustainability** – Long-term financial and operational sustainability.
- **Community and Stakeholder Engagement** – Meaningful engagement, including First Peoples participation, reflected in planning and delivery.
- **Regulatory Compliance** – Compliance with the *Local Government Act 1993 (Tas)*, *Corporations Act 2001 (Cth)*, applicable land management legislation and policies.

## 4. Stage 1 Governance Structure (Years 1–2)

### 4.1 Lead Council – Sorell Council

Sorell Council will act as Lead Council and will:

- apply for and manage Project grants;
- lead project management and delivery;
- provide asset management and procurement capability;
- participate in the Project Control Group (PCG) and Advisory Group;
- contribute in-kind resources as agreed between the parties; and
- coordinate Project partners, contractors and consultants.

### 4.2 Partner Council – Glamorgan Spring Bay Council

Glamorgan Spring Bay Council (GSBC) will:

- participate in strategic oversight and decision-making;
- support stakeholder engagement;
- contribute to landowner negotiations within the GSBC municipal area;
- participate in the Project Control Group (PCG) and Advisory Group; and
- contribute in-kind resources as agreed between the parties.

### 4.3 Project Control Group (PCG)

A PCG will be established comprising representatives from:

- Sorell Council (Chair);
- Glamorgan Spring Bay Council;
- Sustainable Timber Tasmania;
- Tasmanian Parks and Wildlife Service;
- Destination Southern Tasmania; and
- Additional agencies or specialists as required.

The PCG will provide strategic oversight, monitor progress, and maintain inter-agency coordination in relation to the Project.

## 4.4 Advisory Group

An Advisory Group will be established with representation from:

- the Councils;
- the South East Mountain Bike Association (SEMBA);
- industry and tourism bodies;
- community stakeholders;
- First Peoples organisations; and
- private landowners and operators (as relevant).

The Advisory Group will provide strategic and technical advice relating to planning, construction, operations, marketing, events, and commercial development in relation to the Project.

## 5. Roles and Responsibilities

### 5.1 Sorell Council

Sorell Council will:

- act as Project proponent;
- deliver project management, procurement and asset management functions;
- manage Project documentation, reporting and financial controls;
- coordinate trail operations, maintenance, risk management and communications; and
- prepare a draft Stage 2 governance transition plan for review by the parties and relevant stakeholders.

### 5.2 Glamorgan Spring Bay Council

GSBC will:

- support stakeholder engagement within its municipal area;
- facilitate landowner approvals and statutory processes within its municipal area;
- participate in project planning, monitoring and decision-making;
- support fundraising and regional promotion; and

- contribute to the development of long-term governance arrangements.

### 5.3 Joint Responsibilities

The Councils will jointly:

- ensure compliance with applicable legislation;
- participate in PCG and Advisory Group meetings;
- share information relevant to project development and operations;
- ensure any leases or easements negotiated with landowners permit assignment of those arrangements to the long-term governance entity;
- cooperate in evaluating governance models;
- manage a joint RFT with separable portions such that each council would enter into a contract with the construction party for their respective municipal area and take responsibility accordingly; and
- progress transition to the governance model agreed between the parties.

## 6. Funding, Resources and Cost Sharing

- Each Council will contribute staff time as reasonably required for appropriate oversight and governance of the Project, subject to each Council's budgetary and personnel constraints.
- It is the intention of the parties that capital costs for the Project, including the procurement of required technical and engineering reports, the development of planning documentation, regulatory fees and subsequent construction costs will be funded through grants, partner contributions, or other agreed sources.
- Additional cost-sharing arrangements for the Project in relation to matters not addressed above may be set out in supplementary agreements agreed between the Councils in writing or as variations to this MoU.

## 7. Transition to Stage 2 Governance

During Stage 1, the Councils will jointly:

- evaluate the preferred governance structure;

- develop a draft constitution for the new entity;
- determine Board composition for the new entity and appointment processes;
- select members (if the entity is a company limited by guarantee);
- assess the potential for a Foundation Arm for fundraising;
- evaluate operational, financial and risk arrangements; and
- prepare the transition plan and timeline.

Transition is anticipated after approximately two years or at another mutually agreed time.

## 8. Reporting and Communication

- The Lead Council will provide quarterly progress reports to GSBC.
- PCG meeting records will be shared with both Councils.
- Public communications, including the final branding for the Wielangta Forest Mountain Bike Trail will be jointly managed and agreed between the parties.
- Each Council may not disclose any confidential information of the other Council to any third party (unless the recipient Council is required by law to make disclosure, and then only to such extent); and must keep any documents and other material containing or incorporating any confidential information in safe custody.
- Each Council grants to the other Council a non-exclusive, revocable, royalty-free licence for the term of this MoU to use that Council's Project Material (and any material developed by that Council prior to or independently of this MoU) and provided to the other Council pursuant to this MoU, only for the purposes of performing their obligations under this MoU. The licences granted under this clause terminate when this MoU ends for any reason.

## 9. Dispute Resolution

- Disputes will first be addressed informally at officer level.
- Matters which remain unresolved within 5 Business Days after a Council notifies the other in writing that an issue is formally in dispute, will be escalated to the Chief Executive Officers of each Council.

- If the dispute remains unresolved for a further 10 Business Days after escalation, the matter will be referred to the Mayors of each Council for discussion and resolution.

## 10. Variation, Term and Termination

- This MoU will commence on the date of signature by both the Mayor and Chief Executive Officer of each Council.
- It will remain in effect for two years unless extended or terminated earlier by mutual written agreement of both Councils' Mayors and Chief Executive Officers.
- Either Council may propose amendments in writing. Amendments will not take effect unless they are agreed in writing and signed by both the Mayor and Chief Executive Officer of each Council.
- Either Council may withdraw from the MoU with 60 days' notice, provided such withdrawal is communicated in writing by both the Mayor and Chief Executive Officer of the relevant Council.
- If a Council withdraws from this MoU, it will be liable to the other Council for any indirect or consequential loss incurred by the other Council arising out of the withdrawal.
- If both parties agree to early termination of this MoU:
  - each Council must take all reasonable steps necessary to mitigate all losses, costs and expenses arising from the withdrawal or termination;
  - neither Council will be liable to the other for any indirect or consequential loss incurred by the other Council arising out of the termination;
  - each Council shall take all reasonable steps to exit any commercial arrangements it has entered into in relation to the Project; and
  - each Council will provide full accounts to the other Council of any grant or contribution funds received in relation to the Project and promptly facilitate a return or refund of those moneys in accordance with any applicable laws or funding agreements.

## 11. Signatures

**Signed for and on behalf of Sorell  
Council (ABN: 12 690 767 695)**

**Mayor:**

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Chief Executive Officer:**

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Seal:**

**Signed for and on behalf of Glamorgan  
Spring Bay Council (ABN: 95 641 533  
778)**

**Mayor:**

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Acting Chief Executive Officer:**

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Seal:**



# Wielangta Forest Mountain Bike Trail

## Business Case

July 2025





**This Business Case for the Wielangta Forest Mountain Bike Trails was prepared by TRC Tourism as next stage in the consideration for developing the Wielangta Forest Mountain Bike Trail in Southeast Tasmania.**

**DISCLAIMER**

Any representation, statement, opinion or advice expressed or implied in this document is made in good faith but on the basis that TRC Tourism Pty. Ltd., directors, employees and associated entities are not liable for any damage or loss whatsoever which has occurred or may occur in relation to taking or not taking action in respect of any representation, statement or advice referred to in this document.

**ACKNOWLEDGEMENT OF COUNTRY**

We acknowledge the Indigenous peoples of the lands, waters and communities we work together with. We pay our respects to their cultures; and to their Elders – past, present and emerging.

**IMAGE CREDIT**

South East Mountain Bike Association

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**ACRONYMS**

Name	Abbreviation
South East Region Development Association	SERDA
Wielangta Forest Mountain Bike Trail	WFMBT
ERA	ERA
South East Mountain Bike Association	SEMBA
Tasmanian Parks and Wildlife Service	TPWS
Local Government Authority	LGA

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# Executive Summary

## The proposal

This business case has been prepared for Sorell Council on behalf of the South East Region Development Association (SERDA). The case considers a proposal to construct and operate a mountain bike trail and potentially a walking track between Kellevie and Orford, located in southeast Tasmania.

The 70km proposed trail traverses the Wielangta Forest reasonably close to the Wielangta Forest Road. The proposal is outlined in the 2023 Strategic Plan<sup>1</sup> undertaken by GHD for SERDA.

The trail offers a chance to enhance mountain bike tourism in Tasmania and Australia with a point-to-point experience. It can be enjoyed over a weekend, either serviced or independently, or through day and short trips using access trails from the Wielangta Forest Road.

The Timber Trail in New Zealand is the closest model to the proposed trail and provides a strong case study for this experience.

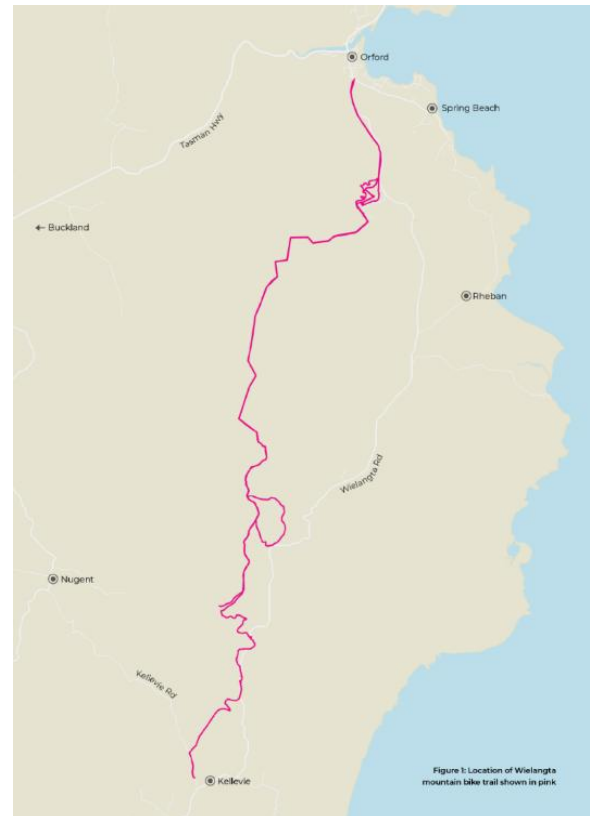
Land tenure is complex and the trail, which seeks to utilise existing old trails, forest roads and tracks and other infrastructure, crosses several land tenures and private land blocks. Obtaining the necessary approvals from all relevant landowners and managers will require significant time and the adoption of appropriate risk management measures. The business case addresses this issue and proposes a suitable governance regime.

## Governance

The proposed governance model is a two stage model. Stage one involves both Sorell and Glamorgan Spring Bay Councils establishing a MOU to cooperate on the development of the trail. Sorell Council would, subject to the adoption of the business case and plan, become the proponent. The Council would be supported by a project control group (PCG) or working group that contained a range of partners and stakeholders in the trail’s development and ultimately operation.

Stage 2 forms a company limited by guarantee as a special purpose company to run the trail. Both Sorell and Glamorgan Spring Bay Councils would be shareholders. It is likely the constitution would be established to include a Board of Management containing the appropriate skills and representatives to operate the trail and experience.

**Figure 1. Proposed Route of the Wielangta Forest Mountain Bike Trail**



Source: ERA and SEMBA. June 2025

<sup>1</sup> Southeast Tasmania Mountain Bike Strategic Plan – Factors for success of mountain bike recreation. SERDA 2023. GHD.

## Environment and planning

ERA Planning has undertaken the environmental and planning assessment component of the business case for TRC Tourism. The trail is classified as Passive Recreation, pursuant to the *Tasmanian Planning Scheme*. The Proposal would pass through four different zonings (General Residential, Rural, Environmental Management and Utilities) where passive recreation is a no permit required use class in all zones. The Proposal passes through multiple land tenure types that requires various consents including consent from the Tasmanian Parks and Wildlife Service (TPWS) through the Reserve Activity Assessment process.

ERA does not anticipate any significant impediments to obtaining planning approval under the *Tasmanian Planning Scheme* subject to the sensitive micro-siting of the Proposal. The following key supporting technical reports are likely to be required to satisfy the planning scheme requirements:

- a landslip hazard report
- a natural values assessment (including an ecological survey).

Advice was sought from Aboriginal Heritage Tasmania who identified that the Proposal would require an Aboriginal Heritage Assessment.

A desktop environmental review has identified information surrounding the land, water and ecology of the proposed trail route. Based on the results of the desktop review the following environmental studies/inputs are likely to be required:

- An ecological survey of the proposed route and immediate surrounds should be undertaken for any areas where ground disturbance or other impact to native vegetation is required<sup>2</sup>.
- If impacts within the Sandspit River Sandstone Cliffs/Caves Complex geosite are anticipated, a specialist geomorphologist should be engaged.

<sup>2</sup> The need for environmental permits and approvals are dependent on the outcomes of the ecology survey

## Economic impacts

### Trail users and spending

Mountain biking is a growing activity as the community is increasingly focused on fitness and active leisure. In addition, visitors are increasingly interested in active experiences during their stay in a region. Trail users are likely to comprise of local and regional residents who live in the local government areas adjacent to and accessible to the trail and visitors from outside the region who ride the trail or segments of it.

The demand analysis estimates that Year 1 is projected to have 12,410 total users, with 7115 being local and regional users and visitors accounting for 5295 users. By year 10, total users are expected to have grown to around 24,333 (14,465 local/regional users and 9868 visitors). The growth occurs with the increased interest in mountain biking by locals/regionals and visitors and the promotion of the trail experience.

Projections of overnight stays linked to trail use have been developed to indicate the likely future demand for accommodation both along the trail and within the broader region. The trail will provide a boost to the regional accommodation sector, with new stay options likely to emerge to service this demand.

Spending in the region by trail users is modelled and estimated.

- Visitors are expected to spend approximately \$1.466 million in year 1, increasing to \$2.538 million by year 10.
- Local and regional trail users spend at a lower rate. In year 1, these users are projected to spend \$0.602 million, growing to \$1.231 in year 10.
- Total spending in the region by trail users increases from \$2.068 million in year 1 to \$3.769 million in year 10.

### Construction phase

Construction impacts for trail are analysed. During the construction period for the trail: Overall 15.8 FTE jobs would be generated (12.2 FTE direct jobs and 3.6 FTE indirect jobs). Of the 12.2 direct jobs, 8.7 are in onsite construction, 2.0 are in materials supply, and 1.4 in design and project management.

During the trail construction period a total of \$1.766 million in regional income would be generated (\$1.542 million direct income and \$0.224 million indirect).<sup>3</sup>

### Operations – Wielangta Forest Mountain Bike Trail

Trail users and their spending in the region will have a major impact and generate an increase in jobs and regional income.

The analysis shows the total jobs (direct and indirect) generated in the region by the operations of the trail. The number of jobs increase as the trail is promoted and recognised, and businesses servicing the trail expand and develop (e.g. bike hire, accommodation).

Total jobs increase from 11.2 FTE in year 1 to 20.5 FTE jobs in year 10. These comprise direct jobs servicing trail users (7.9 year 1 & 14.3 in year 10) and indirect jobs (3.4 year 1 & 6.1 in year 10).<sup>4</sup>

Regional income (in \$2025 prices) increases from \$0.988 million in year 1 to \$1.800 million in year 10. Total income over the 10 year period is \$14.027 million. Regional income includes wages, salaries, and profits. Direct income is that generated in the businesses directly servicing the trail users. Indirect income is that in businesses servicing consumer needs of the direct employees.

### Benefit cost analysis

A cost benefit analysis was conducted for the project.

- **Benefits of the trail** comprise: the increase in regional income; health benefits – the reduction in health costs associated with exercise (trail rides/walking); the valuation of the trail experiences, based on a shadow price (per trail user) as there are no user charges for the trail; and the improvement in productivity (for persons in employment) associated with exercise on the trail.
- These benefits total \$22.031 million over this period: regional income (\$14.027 million); health benefits (\$4.147 million); user valuation (\$3.142 million); and productivity benefits (\$0.715 million).
- **Costs:** project costs comprise \$5.0 million in development and construction costs and maintenance and operational costs (over 10 years) of \$2.5 million.

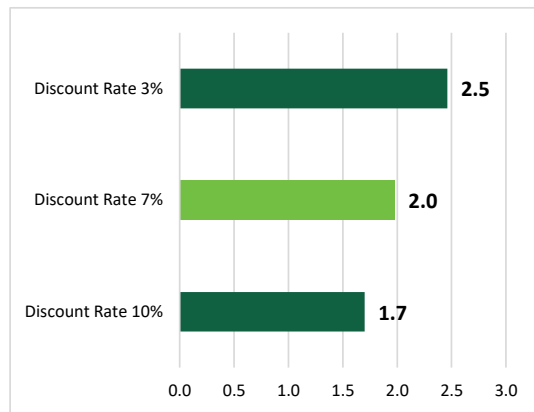
<sup>3</sup> This assumes the construction workforce would come from the region and adjacent areas.

<sup>4</sup> These indirect jobs are in local businesses supplying inputs to direct servicing businesses and businesses supplying goods and services to the direct employees.

- The benefits of the trail are compared with the capital costs for the new trail development. Benefits are discounted by 3 discount rates (3%, 7%,10%).<sup>5</sup>
- **Benefit Cost Ratio:** The project yields a benefit cost ratio (BCR) of 2.5 for a 3% discount rate, a BCR of 2.0 for a 7% discount rate and 1.7 for a 10% discount rate. Benefit cost ratios compare the aggregated discounted benefits over 10 years with the total project costs over this period.

A BCR above 1 indicates that benefits exceed project costs. For the 7% discount rate every dollar spent on the trail (over 10 years) delivers a benefit of two dollars.

**Figure 2. Benefit cost ratio – Wielangta Forest Mountain Bike Trail**



Source: MCA Modelling & Analysis, June 2025

### Other matters

This business case outlines the risks attached to the proposal that can be foreseen at this stage and provides some mitigation strategies. It also provides a simple pathway forward for the Council’s – subject to their adoption and endorsement of the business case.

The proposal has many benefits and will require some careful and detailed planning to progress, including aligning stakeholders and land managers behind the vision.

<sup>5</sup> These discount rates are those required by state governments and the Australian Government for business cases and cost benefit assessments. Discounting means a present value can be calculated for the future benefits over the 10 year period and these values are aggregated for a comparison with the project costs.

# 1 Introduction and context

## 1.1 Background and intent

The Wielangta Forest Mountain Bike (MTB) Trail Project is a long-term initiative aiming to create a network of MTB trails connecting Kellevie and Orford on Tasmania's East Coast. The project is a partnership between Sorell Council, the South East Region Development Association (SERDA) and South East Mountain Bike Association (SEMBA).

The proposal has been developed by mountain bike enthusiasts and industry members with several objectives in mind – notably to develop a world class series of connected trails that provide wilderness riding through the forests of SE Tasmania, connecting Kellevie and Orford. The region is also close to the Wielangta Forest Road.

The project seeks to repurpose disused forestry tracks, transforming them into world-class mountain biking trails that will drive tourism and promote outdoor recreation in the region.

An initial feasibility study has been conducted and its findings are included in the South East Tasmania Mountain Bike Strategic Plan document 2023<sup>6</sup>. The plan details factors for success of trail development of the proposed Wielangta Trail Project.

The strategic development of a series of trails in Southeast Tasmania has in part been undertaken with a view to deliver significant economic and social benefits to the region – and particularly the local government areas of Sorell and Glamorgan Spring Bay.

The development of this trail is also part of a proposed project to complete a cycling circuit of Tasmania using and linking up existing trails.<sup>7</sup>

The 2023 Strategic Plan<sup>8</sup>, developed by GHD for SERDA outlines a number of benefits and costs of the proposal.

The plan outlines the vision and principles for the proposal and aligns the proposal to a series of current Federal, State and Local strategies and policies.

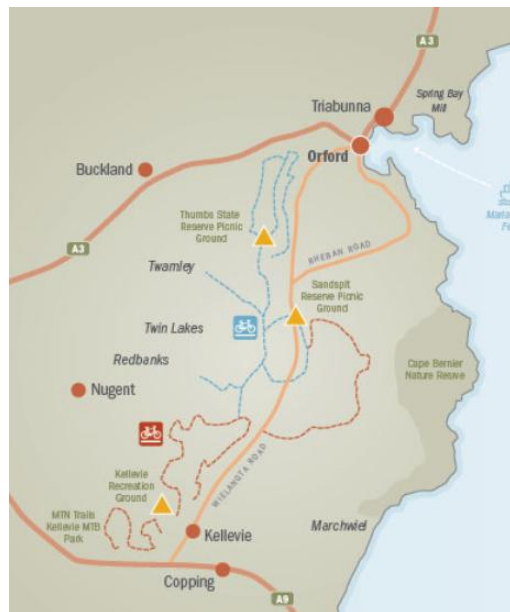
The plan identifies markets for the proposed trails and provides some commentary on the demographics of the region. The plan provides a cost benefit analysis for the proposed trails.

This business case provides an update on the GHD work. Further, it provides a detailed governance section, provides insights into revenue raising and costs of running the trail, and contains a detailed assessment of the regulatory pathway and environmental considerations required.

This report has been developed with the support of the land managers and land owners along the proposed route. All have been helpful in the provision of comments on their concerns and their aspirations for the trails and these are included in this report.

Figure 3 below shows the intended route of the proposed Wielangta Forest MTB Trail. While Figure 4 shows the intended circuit for the Tasmanian Mountain Tourism.

**Figure 3. Proposed route of the Wielangta Forest Mountain Bike Trail<sup>9</sup>**



<sup>6</sup> GHD 2023, South East Tasmania Mountain Bike Strategic Plan - Factors for success of mountain bike recreation

<sup>7</sup> W. Chapman and D. Giblin for SERDA; South East Tasmanian Mountain Bike Proposal Development Plan

<sup>8</sup> GHD 2023 Southeast Tasmania Mountain Bike Strategic Plan. Factors for Success of Mountain Bike Recreation. SERDA 21 April 2023

<sup>9</sup> Source: Southeast Tasmania Mountain Bike Strategic Plan. GHD for SERDA.

**Figure 4. Tasmanian overview of the proposed Mountain Bike network in Tasmania**



## 1.2 Location and proposed route of main trail

The proposed trail is located approximately 80km from Hobart and the international airport, and near other renowned tourism destinations such as Maria Island, Freycinet National Park and Port Arthur Historic Site. The area for the project is approximately 150 hectares (Ha) and is located off Wielangta Road -approximately 13km from Orford and 15km from Kellevie.

The project involves development of around 70km of trails in the Wielangta State Forest - linking the towns of Kellevie and Orford with access loops (road verge access trails) at both ends. The main trail will be a point to point trail from Kellevie to Orford, with some additional loops and side trails included in the package. The trails will traverse the Wielangta Forest through various forest ecologies, utilising access lines established over 100 years of historical milling operations in the area.

The project concept envisages development of a primary trail as a potential access link to provide opportunities for development of trail and visitor facilities on adjoining private properties along the route. The intent is to develop the primary trail as an adventure style trail open to a broad range of rider skill levels.

**Figure 5. Google Earth overlay of the proposed trail**

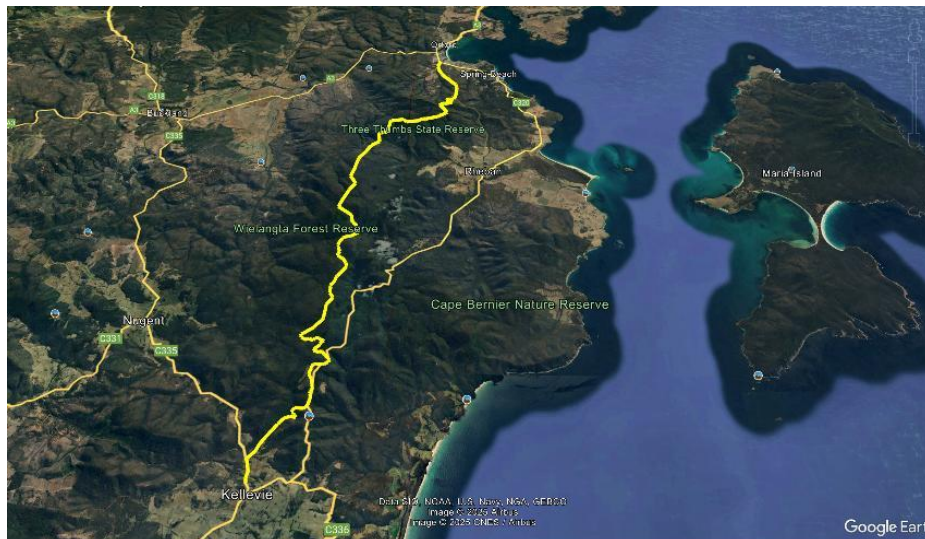
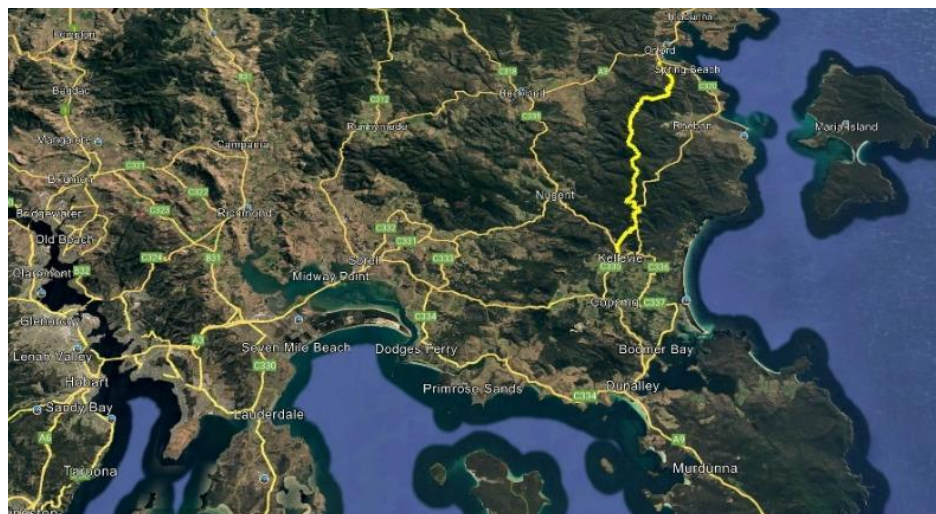


Image source: Google earth



### 1.3 Objectives

The objectives of the trail project as described in the 2023 GHD report are to:

- **Increase visitation** for cycling tourists by contributing to a diverse range of state-wide cycling experiences.
- **Stimulate the economy** for the Southeast and Eastern regions of Tasmania.
- **Provide recreational infrastructure** and activity for visitors and local communities.
- **Protect and enhance** the natural, cultural, and historic values of the area.

These objectives are still considered sound and are not revisited in this business case and update.

The objectives of this business case are to outline the trail's financial viability, environmental sustainability, and socio-economic benefits, ultimately enabling the securement of funding and providing the necessary roadmap to make the Wielangta Forest MTB Trail a reality.

### 1.4 Economic profile

#### Resident population<sup>10</sup>

Based on the 2021 census, there were 557,571 residents in Tasmania; 41,734 residents in the South East region; 247,086 in the Greater Hobart region<sup>11</sup>; 16,734 in the Sorell Council area; 5,012 in the Glamorgan Spring Bay Council area and 2,593 in the Tasman Council area.

The population of Tasmania is projected to increase from an estimated current population of 573 156 persons in 2023 to 641,045 persons in 2053, with an aging population trend. The populations of the Council areas included above are all expected to increase.<sup>12</sup>

#### Tourism as an industry

Headline Gross Regional product for the SERDA region (Sorell Council, Glamorgan Spring Bay Council and Tasman Council) has been steadily growing at a rate of 3.0% p.a. Tourism has been identified as a key growth sector in the SERDA region with strong growth over the past five years. Major investment is occurring in the precinct starting with airport runway strengthening. The case to advance the development of the Wielangta MTB Project has been identified as high priority.<sup>13</sup>

<sup>10</sup> Australian Bureau of Statistics Census 2021

<sup>11</sup> N.b. categories are not mutually exclusive – indicating proximity of population to trail

<sup>12</sup> <https://www.treasury.tas.gov.au/economy/population-projections>

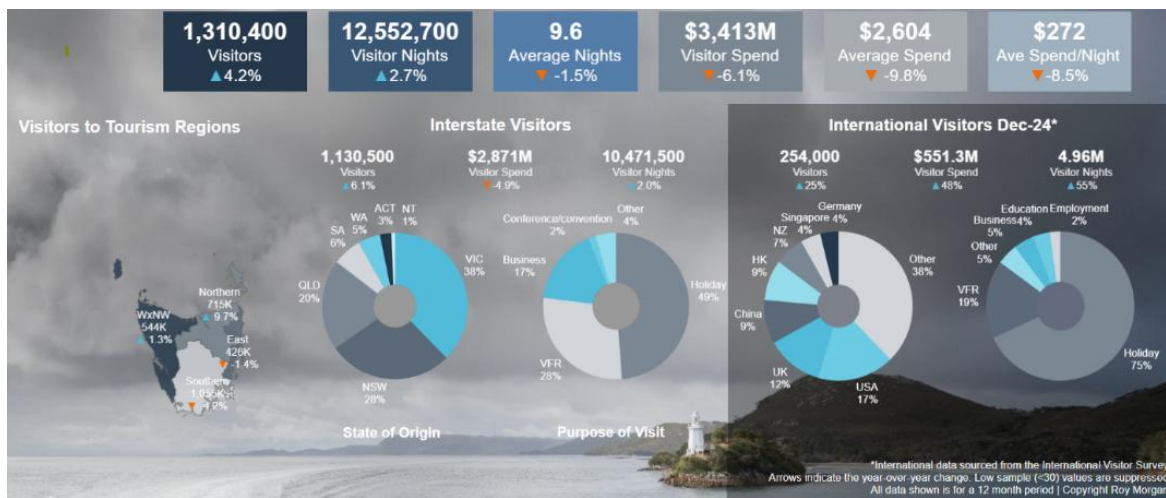
<sup>13</sup> South East Region Development Association (SERDA) Infrastructure Strategy October 2024

## 1.5 Tourism and mountain biking demand

Tasmania is a key destination for outdoor nature-based tourism and recreation, with mountain biking in particular a fast-growing recreational activity in the state.

### A snapshot of tourism in Tasmania

**Figure 6. Snapshot of Tasmania's tourism performance<sup>14</sup>**



- Tasmania received 1,310,400 visitors in the year ending December 2024, 254,000 international and 1,130,500 interstate visitors<sup>15</sup>
- Key markets are Victoria, New South Wales, and Queensland followed by international visitors
- The total spend across all interstate & international visitors was \$3.413m – down 6.1% on the previous year
- The average spend per trip was \$2,604, and \$272 per night
- Interstate visitors have a higher proportion of visiting friends and relatives (VFR) than international visitors
- Average nights stayed was 9.6
- Outdoor experiences that showcase the wild places and wide-open spaces of the state are a central part of Tourism Tasmania's positioning.
- The main activities visitors participate in are outdoors based, including bushwalking, visiting historic sites, visiting national parks, mountain biking and going on day trips
- The 2030 outlook for Tasmania's visitor economy signals continued growth in visitors and associated expenditure, along with growth in travel by Tasmanians around the state and the spend benefit this provides
- By 2030, Tasmania is expected to welcome 1.6 million interstate visitors and 400,000 international visitors.<sup>16</sup>

<sup>14</sup> Source: Tasmanian TVS Analyser – tvsanalyser.com.au

<sup>15</sup> Tourism Tasmanian Visitor Survey December 2024

<sup>16</sup> Tasmanian Government and Tourism Industry Council Tasmania, 2030 VISITOR ECONOMY STRATEGY TASMANIA

## Regional Tasmania – Hobart and the East Coast<sup>17</sup>

- Hobart and Surrounds received 1,055,000 visitors in the year to December 2024
- East Coast region received 426,000 visitors, of which 326,000 stayed overnight in the year to December 2024
- More than 370,000 tourists are estimated to travel through Sorell on their way to the east coast, the World Heritage Site of Port Arthur and Hobart each year<sup>18</sup>
- Key visitor activities near Sorell include historic buildings, fruit farms, southern beaches, Pittwater – Orielton Lagoon (a wetland of international significance/Ramsar site), whale watching at Spectacle Head - forming part of the Whale Trail along Tasmania’s East Coast, and the Wielangta forest drive and walk<sup>19</sup>
- Orford marks the southern starting point of the Great Eastern Drive, one of Australia’s greatest road journeys and located at the mouth of the Prosser River – a classic Tasmanian fishing town<sup>20</sup>
- Key visitor attractions near Glamorgan Spring Bay include the Maria Island National Park and multi-day walk
- There are 10 properties listed on Discover Tasmania located near to Orford and Twamley road, in addition to a number of smaller Bed and Breakfast operators.

## Existing trails and trail events in Tasmania

Tasmania is Australia’s undisputed mountain biking lead State. Some of the better known and popular **mountain bike trails and parks** are as follows:

- Blue Derby Network
- Hollybank Mountain Bike Park
- Maria Island National Park
- North-south Track, Mount Wellington
- Penguin MTB Park and Dial Range
- Wild West MTB Trails
- Maydena Bike Park
- Mt Owen
- Silver City
- Wild Mersey.

<sup>17</sup> Tourism Tasmanian Visitor Survey September 2024

<sup>18</sup> <https://www.sorell.tas.gov.au/visitor-information/>

<sup>19</sup> <https://www.sorell.tas.gov.au/visitor-information/>

<sup>20</sup> <https://eastcoasttasmania.com/discover>

<sup>21</sup> Mountain Bike Tourism Action Plan, 2024, Robert Potter for the Mountain Bike Network – Tasmania

Aside from Maydena Bike Park most mountain bike trails and parks have been developed and are managed by Councils on primarily public land with small areas of private land included in some networks. They are also all free to access. Most have been funded through a combination of Council contribution, State funding with a strong majority of Federal grant funding.<sup>21</sup>

A full list of mountain bike tracks as of 2023 are contained in the Southeast Tasmania Mountain Bike Strategic Plan.

A range of mountain bike events already takes place in Tasmania. These are similarly described in the 2023 strategic plan. Of note is the existence of events using the Kellevie and Wielangta area.

## Mountain biking participation

### MOUNTAIN BIKE TRAIL DEMAND AND TRENDS

Mountain biking is recognised as one of the fastest growing recreational and tourism activities in the world. More people seek ways to reconnect with nature, prioritise their health, and enjoy recreational activities with friends and family.

Electric bikes (e-bikes) have rapidly emerged as a popular option for many users and are causing significant changes to the mountain biking landscape. E-bikes are improving the accessibility of mountain biking, with all ages participating and leisure cyclists being able to explore longer distances and more challenging terrains.

### MOUNTAIN BIKING PARTICIPATION – AUSTRALIA

Some estimates on national mountain bike participation suggest that approaching one million Australians engage in some form of mountain biking activity, ranging from beginner through to competition level.<sup>22</sup>

In terms of growth, the AusPlay<sup>23</sup> report indicates that mountain biking has a market opportunity to grow considerably. Key findings include:

- 327,000 Australian adults (1.6% of the population) and 12,600 children participated in mountain biking during the year

February 2024

<sup>22</sup> Warburton Mountain Bike Destination 2019 – Instinct and Reason

<sup>23</sup> Ausplay National Sports and Physical Activity survey, aggregate June 2015- June 2023

- 41% of participants undertake mountain biking at least once per week
- 24% of Australian mountain bikers ride for three hours or more on average
- 21.6% of mountain biking participation was organised (e.g. through a club)
- High skew towards males aged 35-54, and higher income
- Nationally, NSW (31.4%), Victoria (21.8%) and Queensland (21.4%) have the highest percentage share of mountain bikers. Comparatively the Northern Territory has 1.7% participation
- Top reasons to participate in mountain biking are for fun, enjoyment, and physical health and fitness.

Other data on actual participation in mountain biking in Australia is from Mountain Bike Australia's (MTBA) statistics; *Mountain Biking in Australia - An Economic and Participation Analysis* (AusCycling 2021); and research undertaken by Instinct and Reason on behalf of the Yarra Ranges Council for the Warburton MTB Trail Hub project in Victoria.

Demand for cycling products and experiences has grown at an unprecedented rate, with the global cycling market set to increase from \$130 billion to \$200 billion in 2027. As a key market segment, mountain bikes are expected to drive a significant portion of this growth, reflecting the strong demand for mountain biking activities.

The 2021 AusCycling report found that mountain biking participants spend between \$136.9 and \$630.8 million annually in Australia simply riding on local trails. This expenditure provides significant support to retail, accommodation and food, professional, scientific and technical services industries.

In addition to this local expenditure, mountain bikers also contribute significantly to the Australian tourism industry and broader visitor economy through regular travel to mountain biking destinations. Approximately 40% of riders went on a bike-specific interstate holiday in the past 12 months, averaging a spend of \$2,485.75 per trip and travelling 1-2 times per year. Approximately 65% of riders went on 1-3 intrastate holidays in the past 12 months with an average spend of \$1,707.95 per trip.

**PLANNING TO RIDE:** 32% of the adult Australian population has incorporated or considered a mountain bike experience in a holiday. Of this, 82% have specifically added an MTB experience into their holiday.<sup>24</sup>

This data is particularly important for the style of product and experience being considered for the Wielangta Forest MTB trail.

### MOUNTAIN BIKING PARTICIPATION – TASMANIA<sup>25</sup>

Approximately 29,986 visitors to Tasmania participated in mountain biking (2% of all visitors) but accounted for 4% of visitor nights (521,829).

The highest proportion of mountain biking visitors visit Hobart and surrounds.

They are more likely to be families with older children or couples with no children, in the 45-54 age group, and have a household income of \$150,000 or more.

In terms of local riders, Tasmania has the highest participation rate of all Australian states at 3.4% or 14,959 adults (over 15).<sup>26</sup>

### Benefits of mountain biking<sup>27</sup>

Mountain biking can deliver environmental, social, health and economic benefits to individuals and communities. There are numerous opportunities to leverage these benefits for the broader community including:

- Environmental benefits, through contributions to conservation efforts and preservation of natural areas, and providing access to open space for communities to enjoy and nurture
- Social and health benefits, through improved physical and mental health, increased community cohesion and connection and volunteer opportunities
- Economic benefits, through increased tourism and spend in local communities with mountain bike trails (e.g. spend on bike hire, shuttle services and at local food and beverage outlets).

<sup>24</sup> Warburton Mountain Bike Destination 2019 – Instinct and Reason

<sup>25</sup> Tourism Tasmanian Visitor Survey September 2024

<sup>26</sup> Ausplay National Sports and Physical Activity survey, aggregate June 2015- June 2023

<sup>27</sup> Mountain Biking in Australia: An Economic and Participation Analysis AusCycling, March 2021

## Economic contribution of mountain bike riders

In terms of mountain bikers' economic contributions, approximately two-thirds of respondents in the Auscycling survey<sup>28</sup> went on a mountain bike specific intrastate holiday in the 12 months preceding.

Typically, people who went on intrastate holidays for the primary reason of mountain biking spent \$1,707.95 per trip with accommodation being the largest expenditure item at \$525.70 per trip, followed by meals and beverages at \$510.90 and ground transport at \$279.20 per trip.<sup>29</sup>

**Table 1. Intrastate mountain bike holiday expenditure**

Average intrastate mountain bike holiday	Total Rider Spend \$
Airfares	119.60
Ground transport	279.20
Meals and beverages	510.90
Accommodation	525.70
Retail purchases	154.50
Bike rental	22.55
Equipment and spare parts	95.50
<b>TOTAL AVERAGE EXPENDITURE</b>	<b>1,707.95</b>

Approximately 40% of respondents went on a mountain bike specific interstate holiday in the preceding 12 months, spending on average \$2,485.75 per trip. Tasmania is typically the most popular location for an interstate mountain bike holiday within Australia.

The added health and wellbeing contributions of mountain biking can be estimated and quantified as per the table 2.

**Table 2. Social values of mountain biking, annually and per ride<sup>30</sup>**

Social benefit	Overview of benefit	Estimated annual benefit	Estimated benefit per ride
Health benefits	The personal and health system benefits due to healthier and active individuals		\$1.58 per km ridden
Productivity benefit	Improved workplace productivity through decreased absenteeism and presentation	\$767	\$7.59 per ride
Human capital benefit	Positive association between sport and recreation and educational outcomes	\$252	\$2.50 per ride
Consumer surplus	The satisfaction people derive from participating in sport and active recreation	\$2,624	\$25.98 per ride
Criminal and social justice benefit	Benefits from decreased crime rates due to increased engagement from sport and recreation	\$79	\$0.78 per ride
Civic/volunteering benefit	The value people place on volunteering and enjoying sport and recreation activities	\$3,214 per volunteer	-

Source: GHD 2021, Southeast Tasmania Mountain Bike Strategic Plan - Factors for success of mountain bike recreation

<sup>28</sup> Mountain Biking in Australia: An Economic and Participation Analysis AusCycling, March 2021

<sup>29</sup> GHD 2021, Southeast Tasmania Mountain Bike Strategic Plan - Factors for success of mountain bike recreation

<sup>30</sup> GHD 2021, Southeast Tasmania Mountain Bike Strategic Plan - Factors for success of mountain bike recreation

## Mountain bike trail case studies

A series of case studies on mountain bike destinations and trails are presented in Appendix A.

Included are:

### BLUE DERBY

Australia's mountain bike success story showcasing the small rural town of Derby and its revitalisation due to mountain bike tourism.

#### Key Points

- Economic Revisitation – bike trails has significantly boosted local and regional economy Trail Network and Events solidifying its reputation as an international MTB destination
- Operational Management transition - Dorset Council transferred operations of Blue Derby to the Foundation, while the Council retains responsibility for trail construction and maintenance
- The Blue Derby Foundation is an independent charity focused on supporting local community development, raising funds for trail maintenance.

### MYSTIC PARK, BRIGHT

The case study that highlights the commercial reform of mountain biking in Australia with a pay to ride and pay to shuttle business model.

#### Key Points

- Community NFP was not financially sustainable
- Rider contributions and events are core revenues
- Economic Impact value to local economy.

### THE TIMBER TRAIL – NEW ZEALAND.

This case study highlights the benefits of mountain bike touring and the business model that could be applied to the proposed Wielangta Forest mountain bike trails.

This model is an ideal fit for the Wielangta Forest Mountain Bike Trail. It is a point to point ride that offers riders outstanding forest experiences, with the option of accommodation in the middle of the trail.

The lessons learned from the Timber Trail development include ensuring:

- There is a well-developed business case that is confident there is a market
- The trail has legal access secured
- The trail has a governance group
- Leadership for the development of the concept
- Opportunities for the public sector to support the start-up of SMEs.

## 2 The Concept

### 2.1 A Trail through the heart of Tasmania’s stunning East Coast forests

This business case assesses the potential to develop a trail through the East Coast of Tasmania from Kellevie to Orford.

The figure below shows the intended routes of the trail(s) as they are located close to and west of the Wielangta Forest Road.

The intent is to develop the trail with some supporting loops as a touring route with an adventure style trail open to a broad range of rider skill levels and market segments. The rise of e-bikes in the market place supports this concept.

The spine trail will be approximately 70km in length – making it a perfect 2 day ride for the beginner to intermediate markets, and allowing for stops, interpretation and storytelling on the history of the working forest, the environment and Tasmanian Aboriginal living culture (subject to free and informed consent of the Tasmanian Aboriginal Centre representing the Tasmanian Aboriginal People).

The trail can be ridden in either direction, or for the purpose of a route description, the route is described from south to north.

### 2.2 Route description

The proposed trail head for the southern end of the trail and route is the Kellevie Recreation Reserve, a small reserve that is both ideally located and has existing facilities that can be utilised including a public toilet and water.

The reserve provides easy access to the start of the trail, and also provides parking and access to the private mountain bike trails located west of Kellevie.

Heading north, the trail passes through forested country that was once used for timber production, and in some areas is still likely to be a working forest in the future.

**Figure 7. General location map for the proposed Wielangta Forest MTB Trail<sup>31</sup>**



<sup>31</sup> South East Tasmania Mountain Bike Strategic Plan. Factors for Success of Mountain Bike Recreation. GHD for SERDA 2023

**Figure 8. Proposed trail southern route**



Source: SEMBA 2025

The trail is proposed to utilise some of the existing old forest roads, snig tracks and log haulage tracks, and then utilise some of the existing Hellfire Cup trail event network that also currently exists.

The routes proposed are generally for mountain bike use, but some sections will lend themselves to walkers and cyclists sharing the trail.

**Figure 9. Kellevie Recreation Reserve proposed southern trail head**



Source: TRC Tourism / Chris Rose

**Figure 10. Kellevie Recreation Reserve existing facilities**



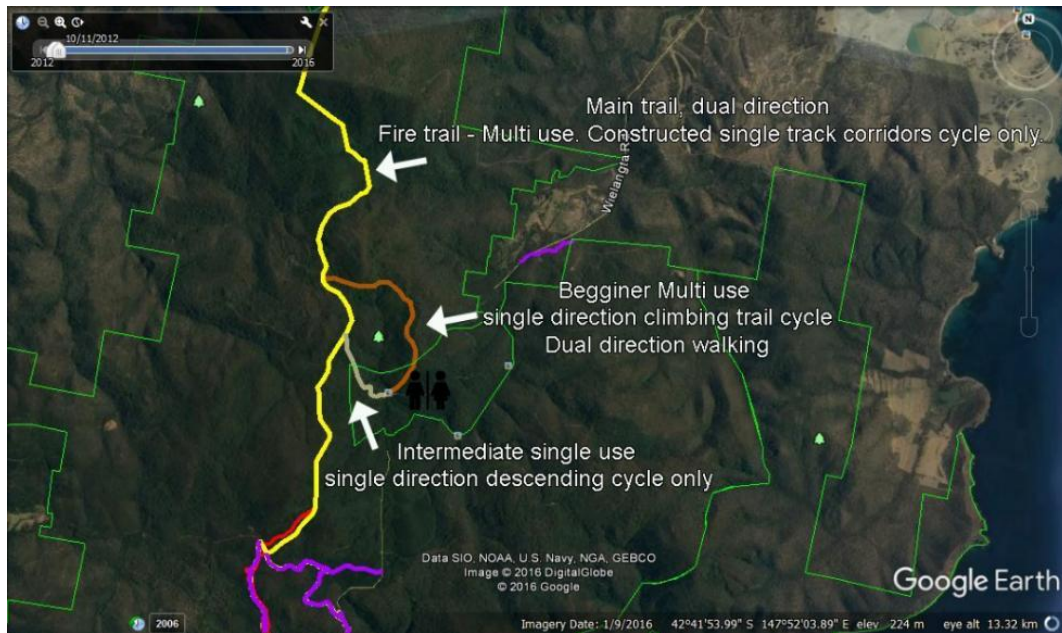
Source: TRC Tourism / Chris Rose 2025

The middle section of the trail includes a loop through the Sandspit Nature Reserve and is proposed to utilise the existing car park and toilet facilities that are managed by the TPWS.

For the most part, where existing fire trails and other pre formed roads and trails are utilised, they can be multi directional and shared with walkers. Where specific sections of trail are constructed as single track – then they will generally be for mountain biking only.

The trail passes through a variety of forest types and will include some older tramway sections and tall forests. Where the trail traverses ridge tops, spectacular views over Mercury Passage and Maria Island frame the horizon to the east.

**Figure 11. Mid-section of the proposed Wielangta MTB Trail**



Source: SEMBA 2025

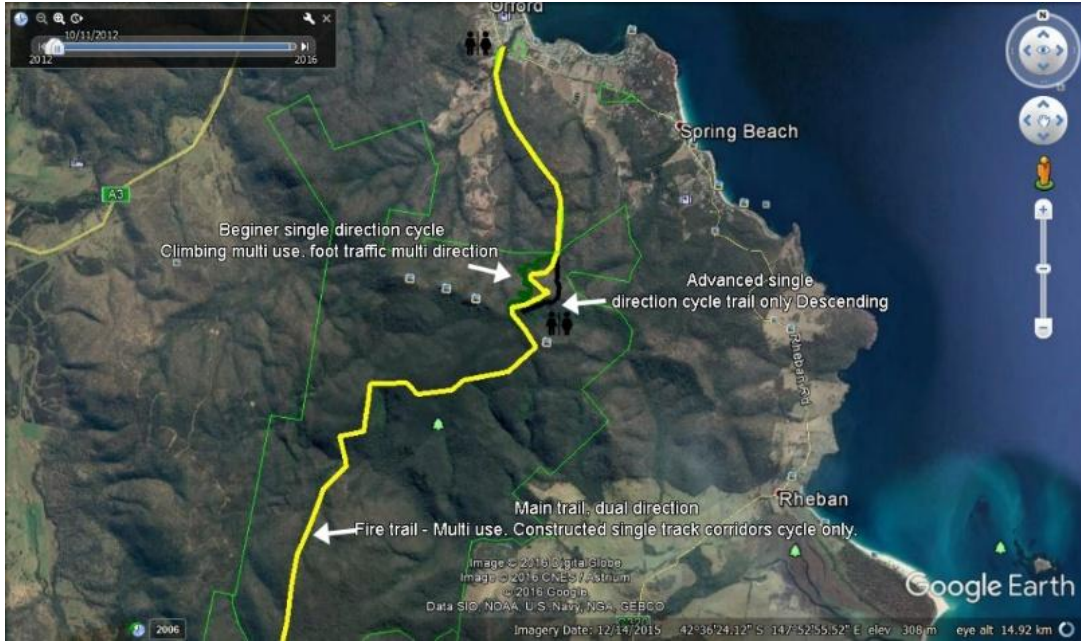
Heading north from the proposed Sandspit River reserve, the trail climbs through forest and predominantly passes through drier forest types that offer great riding environments and trail construction soils.

Approximately half way between Kellevie and Orford, the proposed accommodation areas are located off reserve and on private land.

Both Twamley Farm (to the west of the trail) and Rheban Farm (to the east of the trail) have existing accommodation facilities that could potentially be utilised for trail accommodation – most likely with some form of shuttle or trail leading to the farms. Investment is required although it is noted that Twamley Farm already has some accommodation.

As the trail heads north, it traverses the ridge top and finds its way to the Thumbs Lookout.

**Figure 12. Northern section of the route - into Orford**



Source: SEMBA 2025

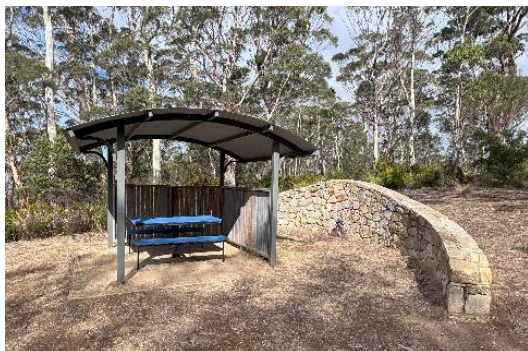
At this point, the route can possibly have more than one trail component as it drops steeply off the ridge line. An easier route for beginners and climbing or a more difficult descending trail provide the choice of either a safer or more exciting experience.

The trail route then continues its descent into Orford and passes through a working farm and private land (with the free and informed consent of the land owner formally agreed to later in the development process).

A trail head has not been determined in Orford, but the reserve and car park on the waterfront would lend itself ideally for the purpose. It is close to facilities, shops and car parking.

The route as described is subject to further assessment and ground truthing and this will occur in the next stage of the development of the proposed trail – detailed master planning and on ground environmental assessments.

**Figure 13. The Thumbs Lookout facilities**



Source: TRC Tourism / Chris Rose 2025

**Figure 14. Spectacular views over Rheban and Mercury Passage to Maria Island**



Source: TRC Tourism / Chris Rose 2025

## 2.3 The trail experiences and product type

The proposed trail is designed to offer experiences to a range of different markets. The following table summarises these.

For all experiences on offer, the premise is that the trail will be well maintained and suitable for intermediate riding and higher end beginners. The trail, while it might contain some tricky sections, is not designed to be a downhill extreme mountain bike park. These are catered for in other locations in Tasmania.

**Table 3. Table of market segments and the trail offering**

Market	Offering
<b>Locals and visitors day riding</b>	<ul style="list-style-type: none"> <li>• The proposed trail will be accessible from Orford, Kelleve and at various locations along the Wielangta Forest Road.</li> <li>• Car parking may be limited at several access points on the forest road. Some shuttling may be required as the trail is predominantly a one way ride.</li> <li>• Access to the trail is free of charge.</li> <li>• Most riders from the local municipalities including Hobart would ride for a day or a portion of day and provide their own transport to and from the trail sections being ridden.</li> <li>• Economic benefits accrue through transport, bike sales, maintenance and spare parts, food and beverage sales and other sources.</li> </ul>
<b>Two-day trail rides – independent riders</b>	<ul style="list-style-type: none"> <li>• The 70 kilometre through trail from Kelleve to Orford (or vice versa) can be ridden as a long day in summer by enthusiasts, or as a 2-day trip by free and independent travellers.</li> <li>• Riders can car pool and shuttle their cars from one end of the trail to the other or seek commercial services to retrieve transport located at one end of the trail.</li> <li>• Accommodation could be sought at one of the trail’s proposed accommodation partners at Rheban Farm and Twamley Farm (assuming they chose to invest in suitable accommodation as indicated).</li> <li>• Otherwise, accommodation can be found in one of the many smaller boutique accommodation providers in the south and the larger motel and conference centres near Orford.</li> <li>• Benefits accrue as per the day riders with the added expenditure on accommodation, food and beverage.</li> </ul>
<b>Guided day trips</b>	<ul style="list-style-type: none"> <li>• This market is mostly aimed at visitors to Tasmania. For the most part they will hire bikes, be shuttled to and from the trail’s entry and exit points (depending on where the particular ride is located) and be provided with food for the day.</li> <li>• Transport is included and it is most likely pick up and drop off will be from Hobart.</li> <li>• Other add on experiences could include Barilla Bay Oysters, wine tasting at Bream Creek of other local vineyards and other visitor experiences.</li> <li>• Significant economic benefits accrue from the group.</li> </ul>
<b>Guided overnight trips</b>	<ul style="list-style-type: none"> <li>• This market segment is most likely to be visitors to Tasmania from interstate or overseas.</li> <li>• It will include a range of services including bike hire (e-bikes and standard mountain bikes).</li> <li>• They will likely be adding this tour to a trip of Tasmania.</li> <li>• They seek a full service experience in a similar way to those undertaking the Three Capes Track, or the Overland Track (with the Tasmanian Walking Company).</li> <li>• Pick up and drop off in Hobart or surrounds.</li> <li>• Accommodation could be provided at one of the possible private (situated just off the trail on private property at Rheban Farm and Twamley Farm) providers. Full service accommodation would include meals, a glass of local wine, spa, fire pits and storytelling etc.</li> <li>• If not accommodation near the trail, shuttle services could take people into Orford or Triabunna from the Wielangta Forest Road</li> <li>• This market segment accrues the most economic benefits to the region from the trail.</li> </ul>

## 2.4 Mountain bike market segments

Generally, there are six types of mountain bikers, and the relevance of each to the Wielangta Forest Mountain Bike Trail is outlined in the table below (as defined in the Australian Mountain Bike Trail Guidelines).<sup>32</sup>

**Table 4. Mountain Bike segments and their relevance to the Wielangta Forest Mountain Bike Trail**

Type	Description	Potential for Wielangta
<b>Leisure</b>	Include general cyclists of all ages and abilities and is potentially the largest market. Typically, they ride infrequently, often have limited skills and require very accessible trails. They are not members of clubs, and they are more likely to use routes closer to home or make the journey to trail facilities with amenities such as bike hire, cafes and toilets.	<ul style="list-style-type: none"> <li>• Significant</li> <li>• Wielangta Forest will provide for easy and intermediate riders and is accessible to Hobart, Sorell, Orford and the Tasman Peninsula.</li> <li>• Will form a component of the interstate and overseas visitors seeking a full service riding experience.</li> </ul>
<b>Enthusiast</b>	Enthusiasts are purely mountain bikers with moderate skills and variable fitness, and ride weekly. They are typically aged 29-49 and form the majority of mountain bikers. They typically do not compete in events and have limited outdoor experience. They prefer trails with good signage and seek technical but not overly challenging trails. Enthusiast mountain bikers are most likely to take short breaks.	<ul style="list-style-type: none"> <li>• Strong</li> <li>• Local enthusiasts will provide significant visitor numbers for Wielangta.</li> <li>• Tasmania and interstate riders will seek out 2 days on the Wielangta trail and will most likely be independent.</li> </ul>
<b>Sport</b>	Competitive mountain bike riders who compete, ride once or twice a week and members of clubs. They are willing to seek less accessible trails and are influential. They ride a variety of trails.	<ul style="list-style-type: none"> <li>• Limited.</li> <li>• Events may form a component of the visitor numbers on Wielangta and this market is important for word of mouth and generating excitement.</li> </ul>
<b>Independent</b>	Skilled outdoor enthusiasts who ride once a week and are technically proficient with good levels of fitness. Generally, they are a small market. Often involved in other outdoor activities, they are capable of planning their own rides and ride a very wide variety of trail classifications. They are adventurous and seek more remote trails.	<ul style="list-style-type: none"> <li>• Small but important cohort.</li> <li>• Will be self-sufficient but are important in promoting the trail and spending on direct services.</li> </ul>
<b>Gravity</b>	Highly skilled technical riders who seek very challenging trails, typically ride at least once a week and are often members of clubs. They represent a small market that required purpose built trails, which are repeatedly used in a concentrated manner. Gravity riders seek specific trails with the highest classification.	<ul style="list-style-type: none"> <li>• Small and not relevant to this trail unless during specific events.</li> </ul>

<sup>32</sup> Mountain Biking in Australia: An Economic and Participation Analysis AusCycling, March 2021

## 3 Project vision and principles

### 3.1 Vision

The 2023 Southeast Mountain Bike Strategic Plan contains the vision:

The southeast region will be an exemplar mountain biking destination that supports and enhances Tasmania's established and sought after nature based tourism offer – not only be delivering exciting, diverse and quality mountain bike trails – but through bold initiatives that protect the environment, share site values, and connect with surrounding visitor attractions.

This business case sees merit in having a shorter and more succinct vision – with many of the sentiments in the 2023 version maintained but in the principles.

The proposed vision is:

**The Wielangta Forest Mountain Bike Trail is recognised as Australia's pre-eminent mountain bike touring trail that is sought out by visitors and residents alike.**

### 3.2 Project principles

A range of principles support the development of the trail. The proposed principles below build on and are adapted from those contained in the 2023 GHD report.<sup>33</sup>

#### Provide positive community impacts

The impact of the trail must have a positive impact across the broader community.

These impacts can be expressed as:

- Increased participation in outdoor recreation
- Increased use of the forest areas including providing a greater level of community use and oversight of areas currently being used illegally for rubbish dumping and firewood cutting
- Aboriginal culture can be told and expressed in a self-determined way (note that this has not occurred as part of this business case) showcasing the living culture of the First Nations
- The history of the use of the forest by Europeans since settlement can be shared
- Having a community roundtable or advisory group as part of the governance structure for the proposed trail
- Using the trail for training and other educational and employment outcomes.

#### Provide economic benefits to the region

The economic outcomes of the trail's construction and operation must be positive and applied broadly and regionally.

This can take the shape of:

- increased local and regional direct and indirect employment across multiple sectors
- increased regional income across the region
- maintenance funds are derived from visitor expenditure sourced from visitors external to the

<sup>33</sup> Southeast Tasmania Mountain Bike Strategic Plan 2023. GHD for SERDA.

region, as well as government sources (i.e. Local Government).

### Strong and transparent governance

The governance of the trail needs to be clear, as simple as possible, and transparent.

This can be expressed as:

- the governance structure contains the necessary skills and experience to run the trail as a nationally important trail and experience
- the structure promotes transparent decision making and reporting to the stakeholders involved
- all trail stakeholders and land managers support the implementation of the trail's business plan (when completed)
- the governance entity is mindful of the broader impacts of the trail on the environment, on the land managers and their legal and policy obligations.

### Inclusive and access

Strong relationships and support for multiple users can be seen through:

- successful relationships between users, the governance entity, the land managers and owners and the broader community
- other lawful uses and users are recognised and supported in the forests and farms around the trail
- trail design promotes a range of users including some all abilities trail sections
- the trail operates for the benefit of the broader community and recognises that it will contain local users, visitors and those willing to pay for a premium experience.

### Sustainable and culturally appropriate

It is vital the trail is well designed, constructed and maintained so that environmental values, and cultural heritage; both First Nations and European, are protected is protected.

This can be seen through:

- all environmental legislation and policy is respected and adhered to
- culture is respected and First Nations involvement is encouraged
- all IMBA and Auscycle standards are adhered to, and the trail is promoted as part of the broader Tasmanian mountain bike network (informally at present)

- the trail is managed in a financially sustainable way
- all maintenance is undertaken as scheduled to ensure the asset is protected and the local environment is managed appropriately
- the trail seeks to improve the environment in which it passes, through greater awareness and involvement in the health of the forest by community, residents and users alike.

## 3.3 Success factors for Wielangta Forest Mountain Bike Trail

Successful trails offer visitors a distinct outdoors experience anchored in landscapes unique to that location. The Wielangta Forest MTB Trail will seek to implement the trail's vision through adoption of the principles and will:

- showcase the natural and cultural landscapes and/or enable users to interact with local people and heritage
- include complimentary, linked-in experiences and a choice of accommodation that adds character and variety
- offer ways for the riders to immerse themselves in the area, such as through interpretation and storytelling to enable people to learn about the place and its people
- enable and facilitate visitors from arrival to departure via supporting services and abundant information available on and off trail.

Successful multi day trails such as Wielangta Forest Mountain Bike Trail:

- are developed according to a bold vision and with a long-term view of increasing visitation
- offer an iconic, striking and variable landscape context including changes in environment, terrain and altitude with a strong line-up of natural features of interest
- are based on market demand and proven commercial viability
- offer a suite of integrated high-quality experiences suited to different markets including options for trip length, varying skill level, logistical demands and budgets
- enable visitors to make choices about the style and setting for accommodation
- are driven through effective leadership and positive attitude from an agency, investor or community and reflected through presentation and maintenance

- reflect the commitment of the partners to provide exciting, authentic and engaging experiences for visitors to enjoy
- generally involve partnerships between community, private and public sector
- leverage the positioning off existing successful destinations and attractions
- use a range of marketing techniques including social media and on-line activities to engage with visitors.

### **3.4 Branding**

Developing a working brand for the ride that excites the market and generates interest is critical. Branding and logos can be expensive and timely, it is recommended for this project that the working title continue to be 'Wielangta Forest Trail' during the project planning and development phase.

If the proposal proceeds to construction and operational phases, a more market aligned name and logo could be developed.

The Timber Trail in New Zealand (see case studies) is a simple name that has generated interest due to the quality of the experience, and the nature of the trail.

## 4 Strategic alignment

### 4.1 Government and tourism strategy alignment

The project aligns with several federal, state, and local government and tourism strategies and objectives.

The Project directly aligns with the Federal Government's objectives in the revised version of the Re-Imagined Visitor Economy (THRIVE 2030) Strategy<sup>34</sup> which has targets to support visitor expenditure, major transformational projects, long-term economic growth, and regional job creation.

Tasmania's 2030 Visitor Economy Strategy provides a collective vision through to 2030 for sustainable growth, ensuring that the visitor economy continues to have a positive impact on the environment, economy and way of life.

Mountain bike trails have been specifically identified as iconic infrastructure and facilities that are game-changing for host communities, boosting visitation and local amenity for residents and visitors alike, and providing an influx of investment and employment during and following development.<sup>35</sup>

The project also aligns with the Tasmanian State Government's strategic goals as expressed through the T21 Visitor Economy Action Plan, the Southern Tasmania Regional Land Use Strategy (currently being updated), the Tasmanian Cycle Tourism Strategy 2017 and the Tasmanian Open Space Policy and Planning Framework 2010.

The project is identified as high priority in the Southeast Region Development Association (SERDA) Infrastructure Strategy October 2024.

The project aligns with the vision of the 2024 Mountain Bike Tourism Action Plan<sup>36</sup> for mountain bike tourism in Tasmania that will provide a sustainable, diverse range of unique mountain bike experiences that support communities and compel visitors to enjoy Tasmanian environments through trails.

The plan states that there is opportunity to maintain and enhance the appeal of Tasmania as an MTB destination by providing visitors access to further iconic Tasmanian environments and landscapes through trails. Whilst several potential infrastructure projects are identified the Wielangta Forest MTB trail is not specially included.

Similarly, the project is aligned with the now dated Tasmanian Mountain Bike Plan (2009)<sup>37</sup> which provides a framework for the coordinated development, management and marketing of mountain bike opportunities in Tasmania with a vision to provide a world-class, diverse range of outstanding mountain bike riding experiences showcasing Tasmania's natural environment to entice local, national and international riders.

Mountain biking developments are identified as a catalyst project under the pillar of Accessible Natural Wilderness and Cultural Heritage in the Southern Tasmania Destination Management Plan 2022—2025,<sup>38</sup> with the Southeast Mountain Bike Plan identified as an investment priority.

<sup>34</sup> Austrade 2023, THRIVE 2030 revised. The Re-Imagined Visitor Economy

<sup>35</sup> Tasmanian Government and Tourism Industry Council Tasmania, 2023, 2030 Visitor Economy Strategy Tasmania

<sup>36</sup> Mountain Bike Tourism Action Plan Developed by Robert Potter for the Mountain Bike Network – Tasmania February 2024

<sup>37</sup> Tasmanian Mountain Bike Plan September 2009, prepared for the Department of Economic Development, Tourism and the Arts - Sport and Recreation Tasmania, Inspiring Place with Dirt Art

<sup>38</sup> Southern Tasmania Destination Management Plan 2022—2025, TRC Tourism

## 5 SWOT analysis

### Strengths

- ✓ Point to point trail utilising existing tracks and routes through a working forest that has outstanding views and stories to tell.
- ✓ An existing model in NZ with similar background, length etc has a strong track record of operational and financial success as a case study to utilise.
- ✓ The visitor economy infrastructure and skills regionally and locally are widespread and good.
- ✓ Sorell Council and SEMBA have commitment and strengths related to this proposal.
- ✓ Tasmanian MTB sector is strong and continues to grow with this potential product complimentary to the broader network.

### Weaknesses

- ✓ The model of a point to point trail over 2 days with accommodation in the middle is not tested in Australia despite it being successful in NZ.
- ✓ Costly planning and regulatory approval processes may add to the cost.
- ✓ Commercialising the trail experience will be problematic and may not raise enough money to assist with maintenance.
- ✓ Land manager concerns may make the proposed alignment difficult to be approved.
- ✓ The trail experience has many partners and at times the partners may not agree on the directions or the costs and benefits of the trail's operations.

### Opportunities

- ✓ To create a nationally significant MTB trail that offers stories and scenery.
- ✓ To generate economic growth to the region including increased regional income and employment.
- ✓ To involve the community and younger people in a worthwhile project that increases health and well-being outcomes.
- ✓ To diversify the economy of the region with additional product.
- ✓ To work with land managers on increased use of the area providing better community ownership and less illegal activity.
- ✓ Engagement with partners including the Tasmanian Aboriginal Centre.

### Threats

- ✓ Emergency management response issues will need to be addressed including evacuation of injured trail users.
- ✓ Mountain bike markets become saturated, and visitors do not take on the premium experience offered on this trail.
- ✓ Wildfire or floods destroy the trail for an extended period of time making business continuity difficult for operators.
- ✓ The governance arrangement does not operate as effectively as proposed leaving the land managers and Councils exposed.

## 6 Governance models

Establishing an appropriate governance model for the proposed Wielangta Forest Mountain Bike Trail is essential to securing stakeholder and landowner approvals, and to enabling the trail to operate on a commercial basis that generates revenue for ongoing maintenance and the high-quality experience expected of a nationally significant trail.

Further, the governance of the proposed Wielangta MTB Trail needs to be transparent and effective so that the many groups involved in the trail's success can be a part of trail management and decision making.

Mountain bike parks in Australia and further afield (noting governance regulatory models differ in international destinations) have differing models depending on the circumstances for the individual park, the land tenure of the park, the communities and clubs involved, and the appetite of Local and State Governments to play an active role in governing the trail parks.

A range of options are available and discussed in this section of the business case.

### 6.1 Current broader regional governance

Sorell and Glamorgan Spring Bay Councils currently form a part of the SERDA. SERDA exists to promote and develop the economy of the SE Region covered by the four Council areas: Glamorgan Spring Bay, Tasman, Sorell and Clarence Councils, and advocate for economic and community outcomes in the region.

SERDA is unlikely to be part of the longer-term governance of the proposed Wielangta Forest Mountain Bike Trail due to the respective Councils being the managers of activities across their footprint. SERDA may however play a role in seeking business outcomes on and from the trail.

### 6.2 Good governance elements for mountain biking parks and trails

This list covers a range of factors that are considered essential for strong governance arrangements for trails. Very little work has been undertaken on evaluating different governance models for trails. One such report is the New Zealand Cycle Trail Evaluation Report from 2016.<sup>39</sup> We recognise that New Zealand operates under different legislative frameworks and management approaches; however, we have drawn on general conclusions from their experience where relevant.

Strong governance elements include:

- Clear committed and skilled governance entity
- Effective trail planning
- Clear coordination functions
- People resources dedicated to management
- Adequate resources for trail operations
- Ongoing funding
- Stakeholder and community partnerships and support
- Supportive government environment (particularly Local and State Government)
- Marketing, promotion, and experience development (linked to the regional trail entity and tourism organizations)
- Monitoring and evaluation ability in conjunction with the land manager.

Each element is discussed below.

<sup>39</sup> Ministry of Business, Innovation and Employment. Nga Haerenga – the New Zealand Cycle Trail Evaluation Report 2016.

## Clear committed and skilled governance entity

Mountain bike destinations that realise their potential and deliver outstanding and sustainable experiences will have entities that have:

- Clear mandates for trail development and provision of leadership and vision
- Clear statements of roles and responsibilities of the various parties involved in the governance structure and in management tasks, particularly if the land manager is a Forest agency or Park Service where legislative parameters and risk controls must be considered
- Personnel with the skills and experience relevant to leadership, effective decision-making related to the trail and governance tasks
- Arrangements/agreements at a senior level with any agencies tasked with trail management and maintenance.

Where volunteer, non-profit organisations play a large role in trail governance, the skills and experience of Board members have been critical in driving trail development and gaining government, business and community support. This has been the case with the South Eastern Mountain Bike Association (SEMBA) leaders to date.

The availability of people with the appropriate skills and commitment to be Board members is an important factor in a decision to establish a non-profit organisation as a governing body for a trail. One risk for these types of governance arrangements can be the loss of key personnel with the organisations ability to deliver dependent upon one or two skilled people. Trail governance by local councils or land management agencies works best when those agencies are committed to the trail at a senior level and allocate ongoing people and financial resources to the trail.

## Effective trail planning

Strategic planning by the trail governance entity for development and operation of the trail over time is important, just as working collaboratively with land managers is. The Concept Plan for the development of the Wielangta Forest MTB Trail has been driven by the community and used local knowledge and industry experience to their advantage.

## Clear coordination function

Where trail governance and management involves multiple partners, there needs to be clear allocation of coordination responsibility. There needs to be an organisation, group or person that can drive an

integrated and consistent approach to trail management, follow up on tasks and planning priorities, and report to the governance entity on progress. The entity must also be accountable to the land managers (in this case, there will be several spread across two Local Government Areas LGAs) in addition to State owned entities and private land owners.

Entities likely to be involved (to a greater or lesser degree) in the proposed trail should it be approved and funded include:

- Sorell Council (potential controlling entity and funding partner)
- Glamorgan Spring Bay Council (potential controlling entity and funding partner)
- Sustainable Timbers Tasmania (land manager)
- TPWS (land manager)
- SEMBA (user association and volunteer base)
- Private landowners in the south and north of the trail (potential hosts of part of the trail)
- Potential accommodation providers at Twamley Farm and Rheban (potential commercial service providers)
- Destination Southern Tasmania (potential promotion, industry engagement and marketing)
- East Coast Tourism (potential promotion, industry engagement and marketing)
- Others as appropriate.

## Human resources dedicated to trail management

Trail management requires human resources with clear roles and accountability to provide executive support to, and implement the decisions of, the governance body (whatever its structure); oversee implementation of actions in trail plans; and coordinate activities by other agencies and stakeholders. Although costs are entailed, there are advantages in employing or contracting people with expertise in administration, financial management and other trail-related functions to supervise or assist in trail management tasks. In the case where a Council takes on management accountability for the trails, these skills will likely already exist within the organisation.

Many trails are managed mainly or entirely by volunteers, particularly trails that have been developed through the efforts of local community committees or user groups. There are risks in relying heavily on volunteer resources in an expanded trail network to manage functions such as administration,

coordination, day-to-day operations, marketing and promotion, and planning. While trail volunteers are often highly committed to the trail, their involvement over time may not be sustainable due to other life commitments and volunteer 'burn out.' As with many voluntary organisations, activities may lose impetus if key people leave. Use of trail Board members to carry out management tasks may also blur the distinction between governance and management and divert their attentions from leadership and governance to day-to-day operations.<sup>40</sup>

### Adequate resources for trail maintenance and operation

Operating a trail entails a host of tasks that impinge on land management and may include:

- Infrastructure maintenance and repair (trail surfaces, signage, parking areas, amenities, waste management)
- Environmental management – erosion and runoff control, vegetation management, weed and pest control, significant species protection and fire management which will have associated legislative requirements
- Emergency management – emergency access provision, issue of emergency notices (such as for fire, flood) and trail closures
- Visitor management – overseeing compliance with any use requirements, management of trail events.

Both funding and supervision skills and resources are required for day-to-day trail operations, either in-house, contracted or through partnerships. Operational programs are needed to schedule the conduct of works particularly on complex trails where different parties are involved in operations.

Further, the premium experience proposed to be offered as part of the suite of experiences on the Wielangta Forest MTB Trail means that the trail and associated infrastructure needs to be in very good condition for people to be willing to pay for the experiences on offer.

### Ongoing funding

The lack of ongoing funding and a high reliance on government grants for construction has characterised the development of many trails in Australia, especially regional trail developments such as Wielangta. Trail development can occur in a 'stop-start' sequence dependent on successful grant applications and in some cases, there has been limited provision of funds for future management and maintenance, leading to heavy reliance on volunteers, or the deterioration of the trail and experience post construction.

Obtaining an allocation for initial management or ongoing maintenance costs in grants has been an effective strategy. For example, the 1996 Federal Government grant that assisted completion of the Bibbulmun Track included funds allocated to the establishment of the Foundation and funding of its initial operations.

The most successful trails and parks have also been most successful in obtaining and managing funds, whether by managing agency budget allocation, government grants, in-kind partnerships, fundraising (such as through donations, sponsorships), revenue from use, events and concession fees, earned income from sale of products and merchandise, and investment. Typically, these successful trails will utilise a diverse range of financial and in-kind resources. The governing entities of these trails have the skills and experience to gain support and funds allocation within agencies, government, business and the community and to utilise a range of funding opportunities.

There may be statutory and policy limitations on the types of fundraising that can be conducted by government agencies and local councils, and often limitations in grant guidelines on the types of organisations that can apply for grants. These limitations can extend to the use of funds raised. Non-profit organisations (such as Incorporated Associations and foundations) have more flexibility in developing alternative funding sources, provided they have the skills and resources to manage fundraising programs.

In the case of Wielangta this would most likely require funds to be raised off park (where the land is managed by the TPWS) to avoid the funds being returned to consolidated revenue without the necessary allocations for the maintenance and operations.

<sup>40</sup> Ministry of Business, Innovation & Employment (2013). *Nga Haerenga – The New Zealand Cycle Trail Evaluation Report 2016*.

## Stakeholders and community partnerships

The mechanisms used for involving the community, business and tourism stakeholders in trail development and visitor experiences vary widely and include:

- representation on governance boards, steering or advisory groups
- coordination groups, such as the Otago Central Rail Trail Operators' Group (NZ)
- friends groups, which serve as a focus for community stewardship, volunteering and donations
- liaison with local user and health groups and organisations to develop opportunities for local people, health and exercise initiatives and events
- schemes to encourage tourism operators to provide trail-related products and services – such as the Bibbulmun Track Foundation's Walker Friendly Business Program and the Queenstown Trails Trust's (NZ) Official Partners Program.

Successful tourism trails and parks will usually have a supportive local tourism industry that has been built through active negotiation with operators, offering of incentives to encourage support and participation in the trail, and regular liaison and coordination.

## Supportive government environment

Local, regional, state and national government policies, plans and programs that encourage and support mountain bike trails and parks and identify investment priorities are important for the funding of trail development and management. Ideally, trail governance entities need to have the skills and resources to leverage such potential opportunities offered by a supportive government environment in applying for grant funding.

## Marketing promotion and experience development

Understanding a trail's current and potential local and visitor markets is an important part of business – it assists promoting the trail to, and developing the right products and services for, the people most likely to be attracted to it. Most MTB parks will involve a combination of local and visitor markets.

Analysis of mountain biking markets, needs and preferences and comparison with best practice mountain biking tourism in other places was included in a feasibility study and concept plan for new mountain biking trails near Derby in north east Tasmania. This was factored into the development and design of the trails which have quickly attracted a range of visitors and events and the development of new local bike-related products and accommodation.<sup>41</sup>

The most successful tourism trails are supported by effective information, marketing and promotion activities that attract visitor markets. Trail management needs to have the skills and resources to conduct these activities, or work in partnership with regional entities such as Destination Southern Tasmania and SERDA and negotiate with the tourism industry on the development of trail-related products and services. These skills are provided in several ways:

- in-house promotion and marketing
- partnerships with local or regional tourism organisations.

A dedicated trail website providing comprehensive information about trail opportunities, conditions and related products and accommodation is central to trail promotion. Increasingly the websites of successful parks are becoming 'one-stop-shops' where it is possible to learn about the trails and linked experiences, make bookings, make donations, purchase merchandise, catch up on news, volunteer and participate in the trail's community. Some trail organisations offer an integrated booking service for trail experiences although it is more common to provide links to operator websites. The Hauraki Rail Trail Charitable Trust (responsible for the 82 km Hauraki Rail Trail in New Zealand's North Island) provides a central accommodation booking service and organises self-guided rides.<sup>42</sup>

<sup>41</sup> TRC Tourism (March 2013), *Potential for Mountain Biking in North Eastern Tasmania*, prepared for Northern Tasmania Development; TRC Tourism (April 2016), *Review of the Economic Potential of Stage*

<sup>2</sup> *Development of Blue Derby MTB Trails – Extension to the East Coast*, prepared for Break O' Day Council.

<sup>42</sup> <http://www.haurakirailtrail.co.nz>

## Partnerships with first peoples

Developing partnerships with the First Peoples is critical for the successful operation and development of mountain biking in Australia.

A governance model will ideally involve The Tasmanian Aboriginal Centre and deliver on the intent of the partnership approach.

## Monitoring and evaluation

Ideally, effective trail management will include systems for monitoring trail conditions, use levels and visitor characteristics so that management can be adjusted over time to address new situations. Frequently visitor monitoring has been a low priority of trail managers due to lack of funds and personnel. The Wielangta Forest MTB Trail have the advantage of most of the trails being accessed through the Wielangta Forest Road. Resources and personnel (whether staff, contract or volunteer) are required to maintain electronic counters and interpret results. Periodic visitor surveys are also desirable to develop an understanding of trail markets and their satisfaction with the trail experience.

## 6.3 Governance models for the Wielangta Forest MTB Trails

The purpose of this section is to determine 4 options for the governance model for the Wielangta Forest MTB Trail with all models being designed to provide governance of the trails and raise the necessary funds to ensure adequate trail maintenance over the short, medium and long term.

In developing the models, we have considered the principles described in the previous section, and the need to ensure a model that works for the community and consistent with the Local Government Act and other regulatory mechanisms.

The models are assessed against criteria to determine the most beneficial model, noting that there is not one that is a perfect fit.

The models described and assessed are:

1. Sorell Council or Glamorgan Spring Bay Council (or an entity controlled by both organisations) takes control. The choice of entity will be important and while it can be developed over the 2 year period, the entity type is recommended in this section
2. The existing SEMBA take the lead in managing the trail corridor
3. A new entity purpose designed (Incorporated Association) takes the lead in managing the trails
4. Another existing entity takes the lead in managing the trail
5. TPWS takes the lead in managing the trails.

Option 5 has been discounted and not further assessed. Advice from TPWS is that they do not have the resources to manage the day to day operations of the trail, and the legislative and policy setting would make innovative funding difficult.

### Option 1 – Sorell Council or Glamorgan Spring Bay Council

Under this option, Sorell or a joint entity controlled by both organisations would take the lead and assume the land management responsibilities under licence or lease from the land owners and managers (voluntarily or through agreement as appropriate).

Either Council or the proposed entity could implement an advisory committee. It is also assumed strong collaboration with SEMBA will occur to ensure strong volunteer support continues.

The LGA would provide an underwriting capability and capacity to provide certainty to the landowners around maintenance and risk management and also continue the partnership with SEMBA and tourism organisations.

### Option 2 – South Eastern Mountain Bike Association lead with the trails

SEMBA is a well led and established as an Incorporated Association that may be able to support the ongoing management and maintenance of the Wielangta Forest MTB Trail.

The ability for SEMBA to continue their current role under the expanded maintenance regime needs further consideration. The shift to a nationally significant trail experience will require professional resources to continue to progress the trail experiences and commerciality.

### Option 3 – A new entity takes on management of the trails.

This option explores the creation of a purpose-built organisation (most likely an incorporated association) to take on management of the trails and experience.

The entity can have a constitution created specifically for the tasks at hand. The Board can be stipulated for the skills and any representation required.

The entity could be a new joint entity created by Sorell and Glamorgan Spring Bay Councils and the other land managers and most likely have representatives on the board.

### Option 4 – Another existing entity takes on management of the trail.

This option would see the existing organisations maintain their respective roles in the ongoing operation of the trails, but another entity adapt their operations to take on management.

There may be options for another entity to adapt their constitution and purpose to take on management. This option has not been tested with any organisations or any other group as part of this business case. In some ways it is a variance of SEMBA taking on management of the trail.

## 6.4 Assessment of options

To assess the alternative governance models a set of criteria has been developed to determine to what degree each model will meet the vision and outcomes sought. Each model has been assessed against the following set of questions:

- 1) Is the model simple to initiate and administer over the longer term (including the need for legislative change)?
- 2) Does the model provide clear accountability? Does it appropriately allocate responsibilities and authority?
- 3) Does the model maximise the expertise offered by each partner?
- 4) Will the visitor experience and presentation of the trail network be substantially improved?
- 5) Will the new model facilitate commercial tourism opportunities across the trail network?
- 6) Does the model rely entirely on public funding?
- 7) Does the model leverage the opportunity to access a range of funding sources including enhanced cash flow to enable self-generated investment into facilities, assets and services?
- 8) Does the model provide an effective control environment to reduce key risks (to organisations, staff, volunteers, visitors, natural and cultural values) and indemnity?
- 9) Does the model provide for input and expertise of local user and community groups?
- 10) Does the model reduce overlap and inefficiencies between agencies and partners?

The following table assesses each of the four models against these criteria and applies a simple red, yellow or green rating to each:

<b>Does not meet</b>	<b>Partially meets</b>	<b>Fully meets or has the potential to fully meet</b>
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**Table 5. Assessment of governance options**

Criteria	Model 1 – Existing LGA Lead	Model 2 – SEMBA Lead	Model 3 – New Entity Lead	Model 4 – Another existing entity lead
<b>Is the model simple to initiate and administer over the longer term (including the need for legislative change)?</b>	Partially. The entity would need agreement between the two LGAs (in the event of Sorell taking overall management). Once established, reporting of profit and loss, visit numbers, incidents and other performance measures could be instituted by Council and shared with land managers.	Partially. SEMBA already exists and has committed volunteers and leaders. Changes to the constitution may be required to expand the operation and employ staff. Some risk is evident if existing skilled office bearers leave, or the work load becomes too much.	Possibly. A new entity could be established over a period of time. The type of entity is critical. Engagement with partners would be critical.	Possibly. It would depend on the entity and its structure and constitution. No visibility on who this may be outside the Parks and Wildlife Service and SEMBA, so not considered simple.
<b>Does the model provide clear accountability? Does it appropriately allocate responsibilities and authority?</b>	Yes. Assuming Sorell Council takes the lead and has formal agreements in place with Glamorgan Spring Bay and the suite of land owners and land managers. Council can then enter into agreements with operators, clubs, companies and service providers to progress the vision and experience.	Partially. SEMBA is the representative MTB user group for the area and has established an Incorporated Association. It does not however have any existing agreements with land managers in the trail area.	Mostly. Any new entity established to manage the trail would be purpose built to ensure that it succeeded.	Possibly. It would depend on the structure of the entity and its constitution. Changes may be required.
<b>Does the model maximise the expertise offered by each partner?</b>	Yes. Sorell or Glamorgan Spring Bay could involve SEMBA in the ongoing management of the trail. A business enterprise(s) could also be established to support maintenance and volunteerism.	Possibly. Management of the expanded trails would be a stretch for the existing SEMBA. It would need to partner with, or contract others to maximise opportunities. Paid employment would be required in SEMBA to deliver the opportunities presented by the expansion as it would likely be beyond the capacity of existing volunteers.	Yes, The new entity would be designed to partner with Sorell and Glamorgan as well as the enthusiasts in SEMBA. It would seek expertise as required from partners including Destination Southern Tasmania and other land managers	Possibly. Depending on which entity takes on management of the trail. For example, Destination Southern Tasmania has expertise in industry engagement and marketing but not bike park operations.

Criteria	Model 1 – Existing LGA Lead	Model 2 – SEMBA Lead	Model 3 – New Entity Lead	Model 4 – Another existing entity lead
			including Sustainable Timbers Tasmania and private owners.	
<b>Will the visitor experience and presentation of the trail network be substantially improved?</b>	Yes. Sorell or Glamorgan Spring Bay would utilise its resources to implementing the Business Plan to a high degree of presentation and visitor experience.	Yes. Dependent upon ongoing funding for the provision of expanded professional services and the service model being developed and implemented.	Yes. Assuming the new entity can establish itself and begin a revenue stream to re-invest in quality service provision.	Possibly. Skills and governance arrangements would need to be put in place to augment the existing entity.
<b>Will the new model facilitate commercial tourism opportunities across the trail network?</b>	Possibly. The council will need to be able to act within an agreed business plan and involve partners. The existing Sorell and Glamorgan Spring Bay have strong business connections. Another entity such as Destination Southern Tasmania and East Coast Tourism can assist in business partnership facilitation.	Possibly. Resources will be required and a strong business plan to implement will need to be established with the partners. Existing SEMBA leadership has the skills to implement this.	Yes. On the assumption the new entity is purpose built and it has the skills required to work with industry and partners.	Possibly. Dependent upon the existing entity – and the rules governing their fund raising ability.
<b>Does the model rely entirely on public funding?</b>	Initially. Sorell would need to underwrite the maintenance and risk management of the trails post construction to satisfy the land managers and owners. Commercialising the trail to receive income offset costs but examples such as Derby indicate that Council will need to underwrite costs to show the benefits of the trails.	No. SEMBA would require support in the early years – most likely from Sorell and Glamorgan Spring Bay Council, to employ the skills and undertake the professional services that volunteers cannot undertake.	No. Support would be required initially from Sorell and Glamorgan Spring Bay Councils or another entity while the establishment phase of the entity and trail were underway. The plan would be to move to a supported role and eventually stand alone.	No. Depending on the entity, support from the LGAs would be required. Once established, the entity would raise funds through various means (see the chapter in this business case).
<b>Does the model leverage the opportunity to access</b>	Possibly. Sorell Council (or Glamorgan Spring Bay) would most likely need to create a business	Yes. SEMBA could undertake commercial opportunities but would need additional management skills.	Yes. The purpose-built entity could allow for	Possibly. To be fit for purpose, any existing entity taking management of the trail would need these skills and may

Criteria	Model 1 – Existing LGA Lead	Model 2 – SEMBA Lead	Model 3 – New Entity Lead	Model 4 – Another existing entity lead
<b>a range of funding sources including enhanced cash flow to enable self-generated investment into facilities, assets and services?</b>	enterprise to innovatively collect revenue.	Revenue collection off reserve (in the case of TPWS) is needed to ensure funds raised from the trail are able to be directly used in the ongoing management and maintenance of the trail.	this and would require appropriate skills.	need to alter constitution and employ skills.
<b>Does the model provide an effective control environment to reduce risks (to organisations, staff, volunteers, visitors, natural and cultural values)</b>	Yes. Council has appropriate procedures and skills within to manage risks, and to work with Sustainable Timbers Tasmania and TPWS and other land managers and owners on the management of the assets.	Possibly. Significantly increasing the size of the trail footprint and aligning the trail experiences to the	Possibly. Resources and skills would be required. It could be possible to utilise Sorell or Glamorgan Spring Bay policies and skills as a partner.	<b>No. The existing entity would most likely not have the required skills and control policies and procedures to manage risk on the land.</b>
<b>Does the model provide for input and expertise of local user and community groups?</b>	Yes. Sorell has good connections through the community. Strong relationships with SEMBA, other land managers and owners, Councils and others is critical.	Yes. SEMBA is a community group. Connections and partnerships with business, land owners and other groups is important and currently strong. Some risk if leadership changes.	Yes. A key for success will be the ability of the proposed new entity to work across sectors and groups and form strong partnerships.	Yes. Any fit for purpose organisation must be able to undertake this by working across groups and the community.
<b>Does the model reduce overlap and inefficiencies between agencies and partners?</b>	Partially. Council(s) will be required work with existing groups and utilise their own skills in project delivery, customer service and risk and asset management. Organisations such as TPWS and Sustainable Timbers set standards and targets for the entity to meet.	Partially. SEMBA would be required in some ways to duplicate functions currently undertaken by Council and the land managers including risk management	Possibly. This model does create another organisation – albeit purpose built to facilitate the effective development and running of the parl.	Possibly.

## 6.5 Proposed governance model.

Utilising the analysis undertaken above, a 2-stage governance model is proposed.

Stage 1 sees the proposal where Sorell Council taking on project management of the expanded trail network across both LGAs. Sorell Council would partner with Glamorgan Spring Bay Council and work on their behalf for the trail sections within their LGA. This proposal sees the larger size of Sorell Council and the resources at their disposal being able to be applied with duplication costs to both Councils.

It is suggested a Project Control Group (PCG) be established that includes Sorell Council, Glamorgan Spring Bay Council, Sustainable Timbers Tasmania, TPWS and Destination Southern Tasmania (on behalf of both regional tourism boards) and other relevant agencies or people. Sorell Council can apply for grant funding on behalf of the project with the support of the other partners. Sorell Council can utilise their asset management and project delivery experience in the trail's construction and expansion.

## 6.6 Recommended structure (Stage 1):

### COUNCIL-LED PROJECT GOVERNANCE WITH INTER-COUNCIL MOU WITH AN ADVISORY GROUP OR WORKING GROUP

The working group or advisory group would include both LGAs, community reps, and stakeholders with a role that oversees planning, maintenance, marketing, and early-stage business development. Council would be the proponent and would work with SEMBA on construction.

#### LEGAL BASIS

This model is permitted under **s.20 & s.21** of the Local Government Act – councils may provide services and enter arrangements jointly.

An inter-council Memorandum of Understanding (MoU) or Section 21 agreement to clarify roles and responsibilities would be put in place.

#### FUNDING/MANAGEMENT APPROACH:

Sorell would underwrite operations and maintenance for two years. Early commercial activities (e.g. events, merchandise) can be managed via the existing council structure (subject to competitive neutrality obligations under Part 8 of the Act or via contracting out under procurement policies).

A period of 2 years would most likely allow the trail's establishment and the successful development of the second phase.

## Recommended Stage 2 (Operational phase – post-Year 2): Establishment of a Special Purpose Entity (SPE)

The model most likely to meet the governance principles, regulations and legislation obligations is a company limited by guarantee.

#### COMPANY LIMITED BY GUARANTEE (CLG)

The company limited by guarantee model can have several shareholders (likely to be Sorell and Glamorgan Spring Bay Council) and appoint a Board based on the constitution formed, the purpose of the company and the skills required.

#### LEGAL BASIS

Created under the Corporations Act 2001 (Cth). It would be a separate entity from Council, with representation from both LGAs, industry, and community.

The entity can operate commercially while complying with competitive neutrality, principles and regulations.

Two alternate but less flexible options include:

- **Joint Authority (s.30, LGA 1993)** – formal statutory body established by two or more councils
- Limited agility for commercialisation
- Suitable only if a statutory, governance-heavy model is needed
- Incorporated Association (under Associations Incorporation Act 1964) – less suitable for managing commercial ops.

The Company Limited by Guarantee option is the preferred model for several reasons:

- It provides for transparent governance
- It is eligible for deductible gift recipient (DGR) status via foundation arm
- It can offer a clear separation from council to address commercialisation concerns, and
- It avoids risk of breaching competitive neutrality principles when earning income (e.g. via bike hire, events, café ops).

To assist with fundraising, a Foundation Arm (experience development + services) is also proposed.

The foundation would operate under the CLG (as a public fund or DGR-eligible foundation) and would focus on:

- Trail activation and tourism development
- Securing sponsorships and philanthropic investment
- Supporting community and volunteer participation.

To support appropriate governance, the foundation arm would be a separate subcommittee or trust under CLG. It can collaborate with tourism boards, industry groups, local businesses and others as appropriate.

#### KEY LEGAL AND GOVERNANCE CONSIDERATIONS

Several important considerations are taken into account in recommending this model:

- **Commercialisation:** CLG provides legal separation from councils and avoids perception of unfair advantage
- **Competitive Neutrality:** CLG structure with commercial governance model (including market-based pricing and open access) satisfies Part 8 of the LGA
- **Local Government Constraints:** Councils may not run a business unless complying with competitive neutrality. A CLG provides a compliant pathway
- **Shared Governance:** Inter-council MoU or S21 agreement in Stage 1, and shared Board appointments in Stage 2 as per a draft constitution
- **Funding & Grants:** CLG and Foundation can seek external grants more flexibly than councils directly.

## Summary recommendation

1. Establish a Council-led governance arrangement with inter-council MoU in the first 2 years, where Sorell Council underwrites operational costs, and both Councils contribute to strategic oversight.
2. Transition after 2 years (or an appropriate time determined by the partners) to a Special Purpose Company Limited by Guarantee, with:
  - A commercial governance framework
  - Transparent oversight by both LGAs and community stakeholders
  - A foundation or sub-entity for experience development, partnerships, and grant acquisition.

## 7 Preliminary planning and environmental advice

This chapter of the business case has been prepared on behalf of TRC Tourism by ERA Planning and Environment Consultants and has been reproduced in this business case with minor additions based on consultation undertaken by TRC Tourism with Sustainable Timbers Tasmania and the Parks and Wildlife Service.

### 7.1 Environmental assessment

#### Environmental desktop

A desktop review of the Proposal was undertaken via review of available information on the LIST database and the generation of a Natural Values Report and *Environment Protection Biodiversity Conservation Act 1999* (EPBC Act) Protected Matters Search.

Salient information from the desktop review is as follows:

- **Reserved land** – The proposed trail passes through several areas of reserved land including Three Thumbs State Reserve, Wielangta Conservation Area, Sandspit River Conservation Area and areas of Private Reserve and Informal Reserve. Approval for works within reserved land will be required (refer below)
- **Acid sulfate soils** – There are no areas of acid sulfate soil mapped along the proposed trail route. Although this does not mean acid sulfate soils could not be encountered, it suggests the risk is very low and, given the small scale of proposed excavation, further consideration of acid sulfate soils is unlikely to be required
- **Geoconservation sites** – One short section of the proposed trail (approx. 500m in length) passes through a mapped geoconservation site, namely the Sandspit River Sandstone Cliffs/Caves Complex. This geosite (ID 2750) is described as ‘sandstone cliffs with large seepage-style caves and overhangs’. Management notes for the site indicate that mechanical impacts of various sorts, including excavation, would damage features and that visitor impacts are possible and should be monitored. This suggests that trail construction (and the access facilitated by the trail) could have implications for the geosite, however with input from a suitably qualified geomorphologist it is likely that the trail can be sited and managed such that impacts can be avoided. As this geosite lies within the Sandspit River Conservation Area, protection of this geosite is likely to be addressed via Parks and Wildlife approvals.
- **Contaminated sites** – There are no mapped contaminated sites currently regulated by the Environmental Protection Authority (EPA) on the LIST database. Although areas of contaminated soils may be encountered, given the desktop results, the relatively minimal soil disturbance proposed and the generally natural state of the proposed trail route, risk of disturbing contaminated soils is low, and further consideration is unlikely to be warranted
- **Water bodies** – The proposed trail crosses several waterways including Orford Rivulet, Griffiths Rivulet, Wielangta Creek, Sandspit River and several other tributaries. The trail will need to be designed and constructed to minimise impacts to these waterways including physical impact to the waterways and downstream effects associated with erosion or sedimentation. This can likely be resolved via appropriate siting and engineering design
- **Ecology** –
  - Most of the proposed trail route is mapped as native vegetation, dominated by dry eucalypt forest and woodland in the north and wet eucalypt forest and woodland in the south. Some sections of the trail also pass through areas mapped as threatened vegetation communities (listed under the *Tasmanian Nature Conservation Act 2002* (NC Act)) including *Eucalyptus globulus* dry forest and woodland and *Callitris rhomboidei* forest
  - There are many threatened flora species, listed under the *Tasmanian Threatened Species Protection Act 1995* (TSP Act) and/or the EPBC Act 1999, either mapped along or nearby the proposed trail route or predicted to occur in

the region based on habitat mapping. There is a section of the trail in the north near Orford with several nearby records of *Ozothamnus lycopodioides* (clubmoss everlasting) and another section in the south (near Franklins Road) with many records of *Odixia achlaena* (golden everlasting). It is relevant to note that absence of previous records on the Natural Values Atlas is often a reflection of past survey effort, not a genuine representation of species distribution

- Being largely native, most of the proposed trail route is likely to be providing habitat for native fauna. The Natural Values Atlas Report and EPBC Act Protected Matters Report, identify many threatened fauna species either previously recorded or predicted to occur in the vicinity based on range and habitat mapping. Of particular note, the proposed trail lies within the Swift Parrot Important Breeding Areas (SPIBA), which are areas known or suspected to have supported a large portion of the swift parrot breeding population in any given year. The swift parrot (*Lathmus discolor*) is listed under both the Tasmanian TSP Act and Commonwealth EPBC Act. There are also several raptor nests within 1 km of the proposed trail alignment, including nest ID 397 which lies approximately 140 m from the proposed trail and nest ID 398 which lies approximately 500 m from the proposed trail. Both nests are mapped in a gully near Seventeen Acre Creek in the northern part of the route
- There are environmental and declared weeds mapped in the vicinity of the proposed trail, predominantly in the southern section.

## Environmental approvals and recommendations

Based on the results of desktop review the following environmental studies/inputs are likely to be required:

- An ecological survey of the proposed route and immediate surrounds should be undertaken for any areas where ground disturbance or other impact to native vegetation is required. The ecological survey should include threatened vegetation communities, flora and fauna listed under both state and federal legislation. Consideration should also be given to weed and hygiene management, to minimise the risk of weed or pathogen introduction from either construction or operation of the trail
- If impacts within the Sandspit River Sandstone Cliffs/Caves Complex geosite are anticipated, a specialist geomorphologist should be engaged to assess potential impacts and provide advice on mitigation measures
- The track should be designed to minimise impacts to water bodies, where crossings are required, and generally ensure stable landforms which are not subject to erosion and associated offset impacts.

The following environmental approvals may be required for the trail construction, depending on the outcomes of the above tasks:

- As the trail passes through several formal reserves, associated approvals will be required
- Depending on the outcomes of the ecological survey, permits and approvals may be required under the Tasmanian TSP Act, NC Act, and *Nature Conservation (Wildlife Regulations) 2021* if impacts to listed vegetation communities, listed species or products of wildlife are anticipated. Additionally, a referral under the EPBC Act may be required in the event that impacts to EPBC Act listed species or communities cannot be avoided (this is considered unlikely, as avoidance can likely be achieved).

**Figure 15. Zoning with administrative boundary between Glamorgan Spring Bay and Sorell Council areas.**

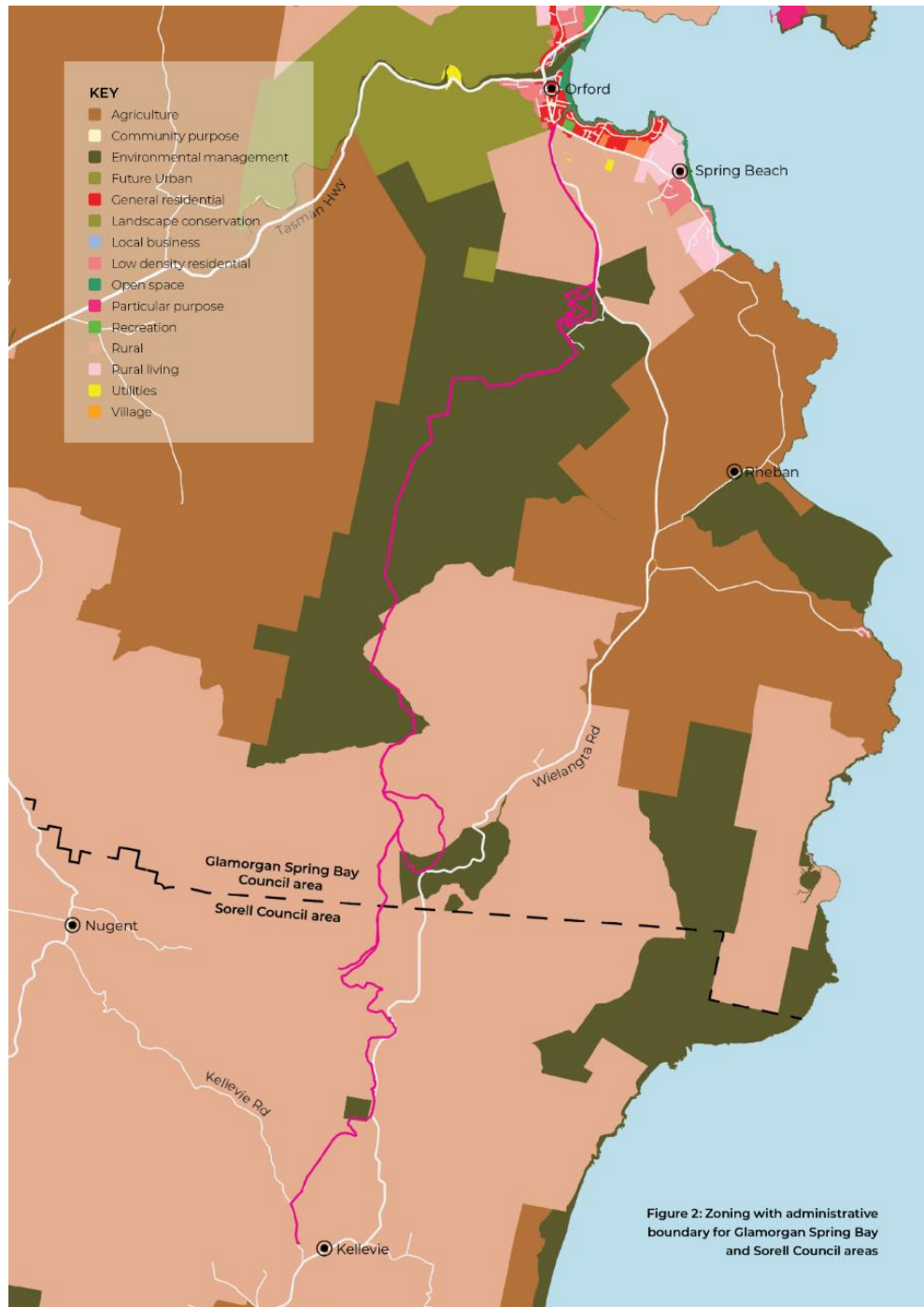


Figure 2: Zoning with administrative boundary for Glamorgan Spring Bay and Sorell Council areas

Source: ERA Planning 2025

## 7.2 Planning controls

### Planning scheme

The Proposal crosses through two local government areas. This includes the Sorell Council and the Glamorgan Spring Bay Council areas. See figure 15 for the boundary of the two administrative areas.

Both Council areas are subject to the *Tasmanian Planning Scheme*, with each area having a *Local Provisions Schedule*, which are planning scheme controls specific to that jurisdiction. Key controls such as the use class, and the requirements for satisfying zoning and code standards are identical for each jurisdiction for the Proposal. That is there are not local provisions in the form of a specific area plan or particular purpose zone that are applicable to the Proposal.

### Use class

The Proposal will fall into the use class of *Passive Recreation*, pursuant to the *Tasmanian Planning Scheme*.

Passive Recreation has the following definition:

- *use of land for informal leisure and recreation activities principally conducted in the open. Examples include public parks, gardens and playgrounds, and foreshore and riparian reserves.*

It is understood that the Proposal includes 'works' through the construction of, or upgrades to trails, but does not include buildings.

Pursuant to *Part 1 – Preliminary, 3. interpretation (1) of the Land Use Planning and Approvals Act 1993 (LUPA Act)* 'works' has the following definition:

- *includes any change to the natural or existing condition or topography of land including the removal, destruction or lopping of trees and the removal of vegetation or topsoil, but does not include forest practices, as defined in the Forest Practices Act 1985, carried out in State forests.*

### Zoning

The Proposal would cross the following zones:

- General Residential zone
- Rural zone
- Environmental Management zone
- Utilities zone

See figure 15 for the applicable zonings.

### GENERAL RESIDENTIAL ZONE

The zone purpose of the General Residential zone, pursuant to *Clause 8.1 Zone Purpose*, as follows:

*8.1.1 To provide for residential use or development that accommodates a range of dwelling types where full infrastructure services are available or can be provided.*

*8.1.2 To provide for the efficient utilisation of available social, transport and other service infrastructure.*

*8.1.3 To provide for non-residential use that:*

- primarily serves the local community, and*
- does not cause an unreasonable loss of amenity through scale, intensity, noise, activity outside of business hours, traffic generation and movement, or other off site impacts.*

*8.1.4 To provide for Visitor Accommodation that is compatible with residential character.*

#### Use

The use of Passive Recreation in the General Residential zone is classified as a '*no permit required*' use class pursuant to *Table 8.2* of the planning scheme. Accordingly, it is expected that the Proposal is consistent with the zone purpose statements.

#### Use standards

The use standards only apply to discretionary uses and Visitor Accommodation and are therefore not applicable to this project.

#### Development standards

The development standards only apply to buildings. As there are no buildings proposed, these standards are not applicable to the Proposal.

### RURAL ZONE

The zone purpose of the Rural zone, pursuant to *Clause 20.1 Zone Purpose*, of the planning scheme, is as follows:

*20.1.1 To provide for a range of use or development in a rural location:*

- where agricultural use is limited or marginal due to topographical, environmental or other site or regional characteristics*
- that requires a rural location for operational reasons*
- is compatible with agricultural use if occurring on agricultural land, and*

d. *minimises adverse impacts on surrounding uses.*

20.1.2 *To minimise conversion of agricultural land for non-agricultural use.*

20.1.3 *To ensure that use or development is of a scale and intensity that is appropriate for a rural location and does not compromise the function of surrounding settlements.*

### Use

The zone purpose of the Rural zone, pursuant to *Clause 20.1 Zone Purpose*, of the planning scheme, is as follows:

20.1.1 *To provide for a range of use or development in a rural location:*

- a. *where agricultural use is limited or marginal due to topographical, environmental or other site or regional characteristics*
- b. *that requires a rural location for operational reasons*
- c. *is compatible with agricultural use if occurring on agricultural land, and*
- d. *minimises adverse impacts on surrounding uses.*

20.1.2 *To minimise conversion of agricultural land for non-agricultural use.*

20.1.3 *To ensure that use or development is of a scale and intensity that is appropriate for a rural location and does not compromise the function of surrounding settlements.*

### Use standards

The use standards only apply to discretionary uses and are therefore not applicable to this project.

### Development standards

The development standards only apply to buildings. As there are no buildings proposed these standards are not applicable to this project.

## ENVIRONMENTAL MANAGEMENT ZONE

The zone purpose of the Environmental Management zone, pursuant to *Clause 23.1 Zone Purpose*, of the planning scheme, is as follows:

23.1.1 *To provide for the protection, conservation and management of land with significant ecological, scientific, cultural or scenic value.*

23.1.2 *To allow for compatible use or development where it is consistent with:*

- a. *the protection, conservation and management of the values of the land, and*
- b. *applicable reserved land management objectives and objectives of reserve management plans.*

### Use

The use of Passive Recreation in the Environmental Management zone is a *'no permit required'* use class pursuant to *Table 23.2* of the planning scheme. Accordingly, it is expected that the Proposal is consistent with the zone purpose statements.

### Use standards

The use standards only apply to discretionary uses and are therefore not applicable to this project.

### Development standards

The following key clauses are relevant to the project:

#### Clause 23.4.1 Development area

The objective of this clause is to ensure that the development area is compatible with the values of the site and surrounding area and minimises disturbance.

To satisfy the acceptable solution the proposed development area would need to be less than 500m<sup>2</sup> or be in accordance with an authority under *National Parks and Reserve Management Regulations 2019* granted by the Managing Authority or the NC Act. It is anticipated that the permitted development area will be greater than 500 m<sup>2</sup> and it is unknown whether the Parks and Wildlife Service will issue the authority required to satisfy the acceptable solution.

Accordingly, consideration of the corresponding performance criteria is required. The corresponding performance criteria requires that the development area does not cause an unreasonable impact on the values of the sites and surrounding area, having regard to the following:

- (a) *the design, siting, scale and type of development*
- (b) *the operation of the use*
- (c) *the impact of the development on the values of the site and surrounding area*
- (d) *the need for the development to be located on the site*
- (e) *how any significant values are managed, and*
- (f) *any protection, conservation, remediation or mitigation works.*

It is anticipated that the Proposal could satisfy the above criteria subject to the impacts on natural values being avoided or mitigated adequately through the micro-siting of the trail and the footprint being minimised to that necessary.

#### Clause 23.4.4 Vegetation management

The objective of this clause is to ensure that the site contributes to the values of the surrounding area by restricting vegetation removal. The acceptable solution can be met if the works are located on land where the native vegetation has been lawfully removed or is in accordance with an authority under *National Parks and Reserve Management Regulations 2019* granted by the Managing Authority or the NC Act.

It is unknown whether the Parks and Wildlife Service will issue the authority required and therefore consideration of the corresponding performance criteria is required. A Natural Values Assessment would be required to ensure compliance with the corresponding performance criteria. Subject to the sensitive micro-siting of the trail, ERA does not anticipate any issues with meeting the performance criteria.

## UTILITIES ZONE

The zone purpose of the Utilities zone, pursuant to *Clause 26.1 Zone Purpose*, of the planning scheme, is as follows:

*26.1.1 To provide land for major utilities installations and corridors.*

*26.1.2 To provide for other compatible uses where they do not adversely impact on the utility.*

### Use

The use of Passive Recreation in the Utilities zone is classified as a 'no permit required' use class, pursuant to *Table 26.2* of the planning scheme. Accordingly, it is expected that the Proposal is consistent with the zone purpose statements.

### Use standards

Use standards *Clauses 26.3.1 A1* and *A2* are not applicable to the proposal; acceptable solution *A3* relates to Commercial vehicle movements and the loading and unloading of commercial vehicles. It is understood that there will be no commercial vehicle movements required for the operations of the use. These clauses are therefore not applicable.

Use Standard *Clause 26.3.2 Discretionary uses* is not applicable to the project as the proposed use is a no permit required use class.

### Development standards

The development standards only apply to buildings. As there are no buildings proposed these standards are therefore not applicable to this project.

### Planning scheme codes

The development standards only apply to buildings. As there are no buildings proposed these standards are therefore not applicable to this project. Any accommodation buildings would be developed privately on private land.

## PARKING AND SUSTAINABLE TRANSPORT AND ROAD AND RAILWAY ASSET CODES

The parking and sustainable transport code applies to all use and development; the road and railway asset code applies to various use and developments including if a new junction or vehicle crossing is proposed.

There is no requirement for the provision of car parking spaces for a passive recreation use. Nonetheless if new parking spaces are proposed at either end of the trail Council has the capacity to request a traffic impact statement that confirms all parking spaces are compliant with *Australian Standard AS 2890*. Similarly, if a new vehicle crossing or junction is proposed, Council has the capacity to request a traffic impact statement that confirms the proposal does not create any adverse effects on the safety of a junction, vehicle crossing or level crossing or on the safety or efficiency of the road.

## NATURAL ASSETS CODE

This code applies to development on land within the waterway and coastal protection area, the future coastal refugia area and within the priority vegetation area (if within the Rural zone and the Environmental Management zone).

The Proposal crosses through areas within the waterway and coastal protection area and the priority vegetation area. This code therefore applies to the proposal.

Accordingly, any application to Council is likely to require a natural values assessment to address the following development standards:

1. *Clause C7.6.1 Buildings and works within a waterway and coastal protection area or a future coastal refugia area.*
2. *Clause C7.6.2 Clearance within a priority vegetation area.*

## LANDSLIP HAZARD CODE

This code applies to use or development of land within a landslip hazard area. The Proposal crosses through areas within both the low and medium landslip hazard areas. This code therefore applies to the proposal.

The use standards are not applicable to the proposal as the use of land for Passive Recreation is exempt pursuant to *Clause C15.4.1(c)(ii)* of the planning scheme.

A landslip hazard report will be required to address the following development standard:

1. *Clause C15.6.1 Building and works within a landslip hazard area.*

## LOCAL HISTORIC HERITAGE CODE

The Proposal does not affect sites are listed in the Local Historic Heritage code in the Sorell Local Provisions Schedule or the Glamorgan Spring Bay Local Provisions Schedule.

## 7.3 Land tenure

The proposed trail is located within the following land tenures listed below and identified in Figure 13. The summary of the consents required to submit a valid planning application to Council is presented in this section. Other landowner consents and lease agreements will be required to undertake works on all land tenures. Detailing these requirements are beyond the scope of this advice.

It is also important that engagement with the relevant landowner whether it be TPWS, Sustainable Timbers Tasmania or private freehold is undertaken as soon as possible. Early engagement is required to determine whether obtaining consent is feasible or whether the Proposal needs to be rerouted.

### Private freehold

Any application on land located within private freehold will require notifying the owner of the intention to make a planning application, pursuant to s52 of the LUPA Act. It is highlighted that this consent is for planning approvals only.

### Future potential production forest (Crown)

Pursuant to s52 of the LUPA Act, any planning application on Crown land requires the signature of the Minister, or their delegate, on the application form, accompanied by the written permission of that Minister, or Ministers delegate. Again, this is for planning approval only. Other landowner consents and lease agreements will be required to undertake works.

## Conservation area

In addition to Crown land requiring the signature of the Minister or their delegate (a Reserve Activity Assessment (RAA) process is required for proposals located on reserved land managed by the Parks and Wildlife Service under the *National Parks Reserves Management Act 2002* and may also be required for public reserves managed by PWS under *Crown Land Act 1976*. This process determines whether a proposed use or development is acceptable on reserved land. The RAA process considers legislative requirements, statutory management plans (if applicable) and management objectives of the class of reserve, PWS policies and procedures, and the potential impacts on, or risks to natural, cultural and social values associated with a reserve. There are no public applicable management plans or site plans prepared by Parks and Wildlife Service for this area.

## Local government area

Any application on land owned by local government requires written consent from the relevant Council General Manager, pursuant to s52 of the LUPA Act.

## Permanent timber production zone land

Permanent timber production zone land refers to state-owned land in Tasmania designated for timber production, managed by Sustainable Timber Tasmania (STT) under the *Forest Management Act 2013*. These areas are primarily used for activities like native forest harvesting, reforestation, plantation harvesting, and related infrastructure like road and quarry construction. Consent from STT will be required. Recent empirical evidence has shown that STT are very hesitant to allow for mountain biking trails in proximity to areas designated for forest harvesting, reforestation and the like. Further engagement with STT should be undertaken as soon as possible to determine whether obtaining their consent is feasible or whether the Proposal should reroute around STT land. Initial consultation with STT confirms their hesitancy to approve recreational assets such as mountain biking. Consultation also indicated that they would consider any application on good faith.

## 7.4 Historic heritage

None of the subject sites are located on the Tasmanian Heritage Register.

## 7.5 Aboriginal heritage

An Aboriginal Heritage Desktop Review has been undertaken by Aboriginal Heritage Tasmania (AHT). It is identified that an Aboriginal heritage assessment be prepared for the Proposal. Refer below to further details.

*There are a number of known Aboriginal heritage sites recorded within the proposed works footprint; however, AHT notes that records indicate the proposed works area has not been comprehensively assessed and therefore the absence of known Aboriginal heritage in these instances cannot be taken as an indication that there is no Aboriginal heritage present, but rather a result of the area having never been surveyed.*

*Accordingly, an Aboriginal heritage assessment is recommended to identify whether the future development of the tracks, as well as related, an/or ancillary infrastructure will impact on Aboriginal heritage and to offer avoidance and mitigation advice. This assessment should be undertaken jointly by a Consulting Archaeologist and Aboriginal Heritage Officer.*

## 7.6 Conclusion

This environmental and planning advice relates to the MTB trail project that proposes the development of approximately 70 km of trails, linking the towns of Kelleve and Orford. The advice has addressed both the planning and environmental controls around the use and development of the trail.

The trail is classified as Passive Recreation, pursuant to the *Tasmanian Planning Scheme*. The Proposal would pass through four different zonings (General Residential, Rural, Environmental Management and Utilities) where passive recreation is a no permit required use class in all zones. The Proposal passes through multiple land tenure types that requires various consents including consent from the TPWS through the Reserve Activity Assessment process.

ERA does not anticipate any significant impediments to obtaining planning approval under the *Tasmanian Planning Scheme* subject to the sensitive micro-siting of the Proposal. The following key supporting technical reports are likely to be required to satisfy the planning scheme requirements:

- A landslip hazard report.
- A natural values assessment (including an ecological survey).

Advice was sought from Aboriginal Heritage Tasmania who identified that the Proposal would require

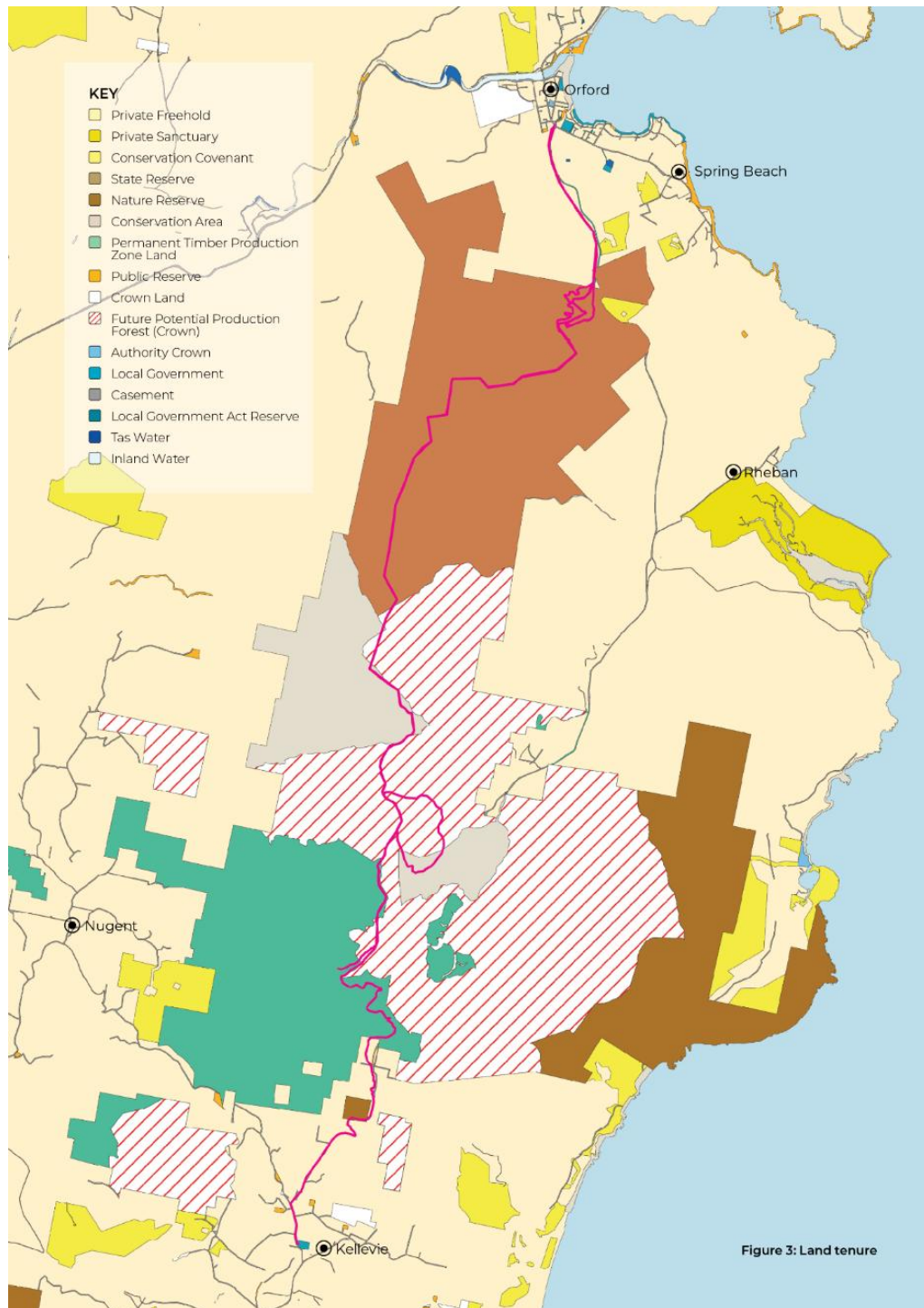
- An Aboriginal Heritage Assessment.

A desktop environmental review has identified information surrounding the land, water and ecology of the proposed trail route. Based on the results of the desktop review the following environmental studies/inputs are likely to be required:

- An ecological survey of the proposed route and immediate surrounds should be undertaken for any areas where ground disturbance or other impact to native vegetation is required<sup>43</sup>.
- If impacts within the Sandspit River Sandstone Cliffs/Caves Complex geosite are anticipated, a specialist geomorphologist should be engaged.

<sup>43</sup> The need for environmental permits and approvals are dependent on the outcomes of the ecology survey

**Figure 16. Land tenure map**



Source: ERA Planning. 2025

## 8 Demand and use assessment

The operations of the trail are modelled with 10 year estimates developed for a mix of trail users, comprising local and regional residents and visitors to the region.

This modelling provides estimates of the likely users of the trail and the growth over time and are designed to be an indicative guide for the development and operation of the trail. The analysis was conducted in May-June 2025.

The analysis has been conducted by economic consultants MCA, a *Specialist Partner* of TRC.

### 8.1 Trail use numbers

This section outlines 10 year projections of trail users and their spending in the region (Sorell LGA and Glamorgan Spring Bay LGA). Appendix B outlines the basis of the modelling of user estimates and associated spending in the region. In the modelling, the user numbers grow over time as the trail is recognised and promoted to visitors and local residents/riders and MTB riders located in adjacent LGAs (including Hobart). Visitors who would use the trail are also estimated.

Mountain biking is a growing activity as the community is increasingly focused on fitness and active leisure. In addition, Visitors are increasingly interested in active experiences during their stay in a region.

These trail projections are used in the economic impact assessment and in the benefit cost analysis for the trail project.

#### Trail users – summary

There is limited direct information on potential trail users. Trail user numbers are modelled and estimated for a 10-year period of operations.

Trail users comprise local/regional residents in the LGAs adjacent to and accessible to the trail and visitors who ride the trail or segments of it. Modelling is used to estimate the number of local & regional users and visitors (day visitors and overnight visitors).

The assumptions used in the modelling are outlined in Appendix B. Generally conservative assumptions have been used in estimating users and their spending patterns in the region during their visit and use of the trail.

**Table 6. Catchment area for the proposed trail**

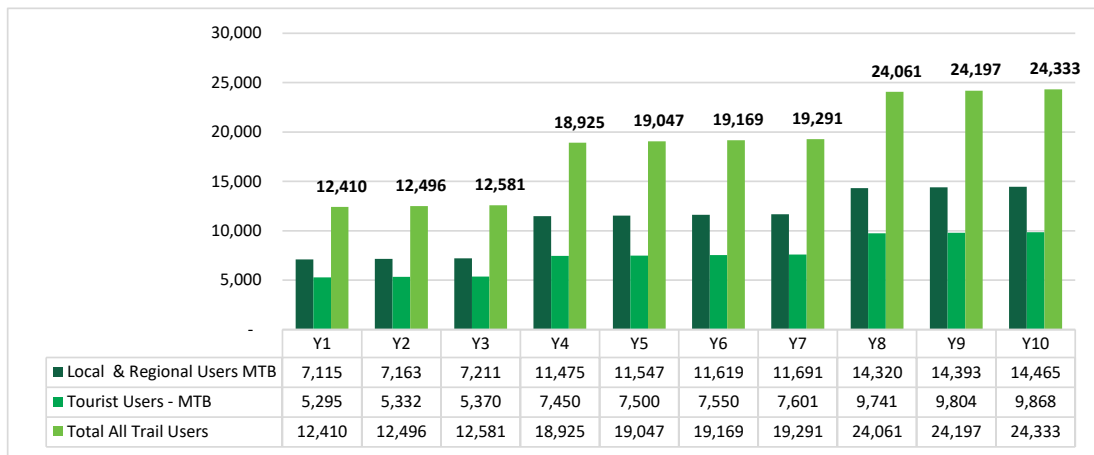
Catchment	LGAs		
<b>Local &amp; Regional Users</b>			
Primary Catchment	Sorell & Glamorgan Spring Bay	Mainly day visitors but some overnight stays	Based on Tasmanian Govt population projections & AusPlay participation data & likelihood of using trail & average uses per year
Secondary Catchment	Break O Day, Northern Midlands, Southern Midlands, Brighton, Clarence, Hobart	A mix of day visitors & overnight visitors	Based on Tasmanian Govt population projections & AusPlay participation data & likelihood of using trail & average uses per year.
<b>Visitor Users</b>			
Visitors who use trail	Sorell LGA, Glamorgan Spring Bay LGA	Internationals, domestic overnight visitors, day visitors	Based on TRA data on cycling (2023) during vacations, and likelihood to use the trail

Source: MCA modelling & analysis, June 2025

The following chart shows estimates of all trail users over a 10-year period. Users are segmented into local users and visitors (tourists).

- Year 1 is projected to have 12,410 total users, with 7,115 being local and regional users and visitors accounting for 5,295 users
- By year 10, total users are expected to have grown to around 24,333 (14,465 local/regional users and 9,868 visitor users)
- The growth occurs with the increased interest in mountain biking by locals regionals and visitors and the promotion of the trail experience.

**Figure 17. Wielangta Forest Mountain Bike Trail (annual no.)**



Source: MCa modelling & projections, June 2025. May be differences due to rounding.

**Table 7. Wielangta Forest Mountain Bike Trail users (annual no.)**

Total MTB Trail Users (annual)	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Wielangta Trail	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Local & Regional Residents - MTB Trail Users	7115	7163	7211	11,475	11,547	11,619	11,691	14,320	14,393	14,465
Visitors - MTB Trail Users	5,295	5,332	5,370	7,450	7,500	7,550	7,601	9,741	9,804	9,868
<b>Total Trail Users</b>	<b>12,410</b>	<b>12,496</b>	<b>12,581</b>	<b>18,925</b>	<b>19,047</b>	<b>19,169</b>	<b>19,291</b>	<b>24,061</b>	<b>24,197</b>	<b>24,333</b>
<b>Average Trail Users per Week (52 weeks)</b>										
Local & Regional Residents MTB Trail Users	137	138	139	221	222	223	225	275	277	278
Visitors MTB Trail Users	102	103	103	143	144	145	146	187	189	190
<b>Total Trail Users (ave. per week)</b>	<b>239</b>	<b>240</b>	<b>242</b>	<b>364</b>	<b>366</b>	<b>369</b>	<b>371</b>	<b>463</b>	<b>465</b>	<b>468</b>

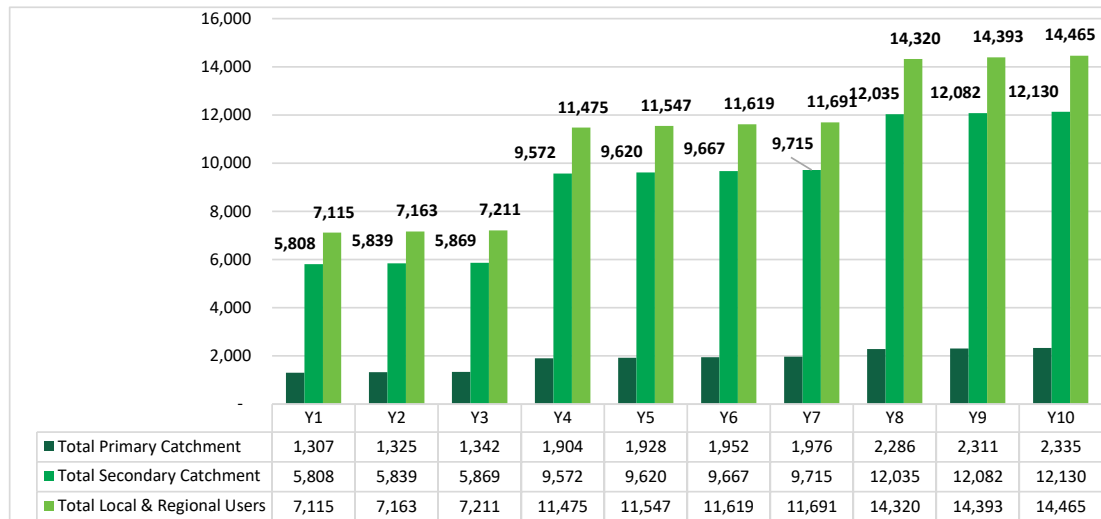
Source: MCa modelling & analysis, June 2025. May be differences due to rounding

### Local and regional trail users

The chart below shows projections of local/regional trail users over the 10 year period. The primary catchment LGAs, include Sorell and Glamorgan Spring Bay. The secondary regional catchment (where most users come from) includes adjacent LGAs of Break O Day, Northern Midlands, Southern Midlands, Brighton, Clarence and Hobart.

- In year 1, the total number of local/regional users are projected at 7115, of which, 1,307 live in a primary catchment LGAs, and 5,808 live in a secondary catchment LGA
- By year 10, total local/regional users are 14,465 (2,335 from the primary catchment and 12,130 from the secondary catchment)
- The projected growth in local users reflects a combination of regional population growth, recognition of the trail and an increased interest in active recreation (mountain biking and cycling activities).

**Figure 18. Wielangta Forest Mountain Bike Trail users – local and regional**



Source: MCa modelling & analysis, June 2025. May be differences due to rounding.

**Table 8. Wielangta Mountain Bike Trail local and regional users (annual no.)**

MTB Trail Users (annual)	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Wielangta Forest MTB Trail	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Local & Regional Residents - MTB Trail Users	7,115	7,163	7,211	11,475	11,547	11,619	11,691	14,320	14,393	14,465
Primary Catchment	1,307	1,325	1,342	1,904	1,928	1,952	1,976	2,286	2,311	2,335
Secondary Catchment	5,808	5,839	5,869	9,572	9,620	9,667	9,715	12,035	12,082	12,130

Source: MCa modelling & analysis, June 2025. May be differences due to rounding.

### Trail users - visitors

The tables and charts below shows projections of visitors of the trail by the characteristics of their stay

- As outlined, total visitors are projected to be 5,295 in the first year of operation. By year 10, this is expected to increase to 9,868 annual users
- International visitors are projected to account for 931 of the users in year 1 and grow to 1,697 users by year 10
- Domestic overnight visitors/users make up the largest projected proportion of trail users. In year 1, they account for 3556 users, rising to 5701 users by year 10. These domestic visitors are made up of interstate visitors (Y1 1713 & Year 10 2811) and intrastate visitors (Y1 1842 & Year 10 2890)
- Visitors on day visits account for 801 users in year 1 and increase to 2,470 users in year 10.

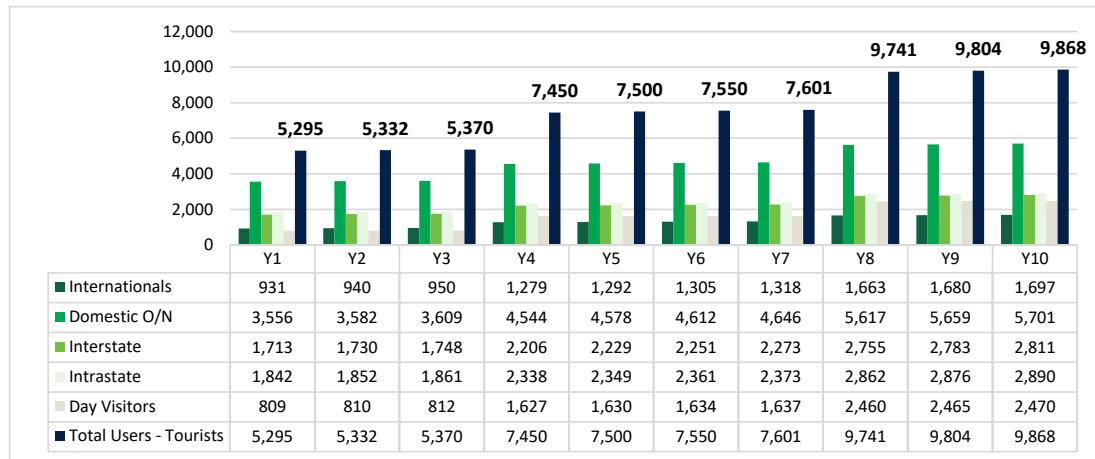
This growth in visitors reflects the combination of projected growth in total visitors to the region (Sorell and Glamorgan Spring Bay LGAs), promotion and recognition of the trail and businesses being established or extended to service users/visitors (e.g. bike hire and other on-trail activities/services, includes accommodation).

**Table 9. Visitors to the Wielangta Forest Mountain Bike Trail (annual no.)**

MTB Trail Users (annual)	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Wielangta Forest Trail	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
<b>Visitors - MTB Tail Users</b>	<b>5,295</b>	<b>5,332</b>	<b>5,370</b>	<b>7,450</b>	<b>7,500</b>	<b>7,550</b>	<b>7,601</b>	<b>9,741</b>	<b>9,804</b>	<b>9,868</b>
Sorell LGA	1,371	1,379	1,387	2,022	2,033	2,045	2,057	2,706	2,721	2,735
Glamorgan Spring Bay LGA	3,925	3,954	3,983	5,428	5,466	5,505	5,544	7,035	7,083	7,133

Source: MCa modelling & analysis, June 2025. May be differences due to rounding.

**Figure 19. Wielangta Mountain Bike Trail users – visitors (annual no.)**



Source: MCa modelling & analysis, June 2025. May be differences due to rounding.

**Table 10. Visitors using the Wielangta Forest Mountain Bike Trail user estimates – 10 years)**

Total Visitors	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Overnight Visitors</b>										
Internationals	931	940	950	1,279	1,292	1,305	1,318	1,663	1,680	1,697
<b>Domestic O/N</b>	<b>3,556</b>	<b>3,582</b>	<b>3,609</b>	<b>4,544</b>	<b>4,578</b>	<b>4,612</b>	<b>4,646</b>	<b>5,617</b>	<b>5,659</b>	<b>5,701</b>
Interstate	1,713	1,730	1,748	2,206	2,229	2,251	2,273	2,755	2,783	2,811
Intrastate	1,842	1,852	1,861	2,338	2,349	2,361	2,373	2,862	2,876	2,890
<b>Day Visitors</b>										
Day Visitors	809	810	812	1,627	1,630	1,634	1,637	2,460	2,465	2,470
<b>Total Users - Visitors</b>	<b>5,295</b>	<b>5,332</b>	<b>5,370</b>	<b>7,450</b>	<b>7,500</b>	<b>7,550</b>	<b>7,601</b>	<b>9,741</b>	<b>9,804</b>	<b>9,868</b>

Source: MCa modelling & analysis, June 2025. May be differences due to rounding.

### Overnight stays

Estimates are developed of potential overnight stays in the region associated with the trail as an indicator of future demand for accommodation (on-trail and in the region). Overnight stays comprise international visitors and domestic overnight visitors (average stay of 2 nights); and some local/regional users who stay overnight as part of their trail visit (average 1 night).

The trail will provide a boost to the regional accommodation sector, with new stay options likely to emerge to service this demand.

### LOCAL AND REGIONAL TRAIL USERS – OVERNIGHT STAYS

Some local/regional trail users (particularly those from the secondary catchment) may have an overnight stay (average 1 night) associated with their trail use. These increase from 2,514 in year 1 to 5,169 in year 10. In the modelling it is assumed that for this group 40% would be on trail accommodation and 60% in other regional accommodation. Based on this mix there would be 1,006 nights in on trail accommodation and 1,508 other in year 1 and increasing to 2,067 and 3,101 nights year 10.

**Table 11. Overnight stays – local and regional trail users (estimates annually)**

Locals & Regionals	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Overnights Stays</b>	<b>2,514</b>	<b>2,529</b>	<b>2,544</b>	<b>4,101</b>	<b>4,124</b>	<b>4,147</b>	<b>4,171</b>	<b>5,123</b>	<b>5,146</b>	<b>5,169</b>
On trail Accommodation (40%)	1,006	1,012	1,018	1,640	1,650	1,659	1,668	2,049	2,058	2,067
Other Accommodation (60%)	1,508	1,518	1,527	2,461	2,475	2,488	2,502	3,074	3,087	3,101
<b>Nights - Local &amp; Regionals (Ave stay 1 night)</b>	<b>2,514</b>	<b>2,529</b>	<b>2,544</b>	<b>4,101</b>	<b>4,124</b>	<b>4,147</b>	<b>4,171</b>	<b>5,123</b>	<b>5,146</b>	<b>5,169</b>
On trail Accommodation	1,006	1,012	1,018	1,640	1,650	1,659	1,668	2,049	2,058	2,067
Other Accommodation	1,508	1,518	1,527	2,461	2,475	2,488	2,502	3,074	3,087	3,101

Source: MCa modelling & analysis, June 2025. May be differences due to rounding.

## VISITOR TRAIL USERS – OVERNIGHT STAYS

For visitors, persons staying overnight increase from 4,487 in year 1 to 7,398 in year 10. With an average stay of 2 nights, total nights increase from 8,973 in year 1 to 14,796 in year 10. These would be a mix for on trail accommodation (Y1 3,962 nights; Y10 6,597 nights) and other accommodation in the region (Y1 5,012 nights; Y10 8,199 nights).

**Table 12. Overnight stays – visitor (estimates annual)**

Visitors	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Visitors</b>										
<b>Internationals</b>	<b>931</b>	<b>940</b>	<b>950</b>	<b>1,279</b>	<b>1,292</b>	<b>1,305</b>	<b>1,318</b>	<b>1,663</b>	<b>1,680</b>	<b>1,697</b>
On trail Accommodation (60%)	559	564	570	767	775	783	791	998	1,008	1,018
Other Accommodation (40%)	372	376	380	512	517	522	527	665	672	679
<b>Domestic O/N</b>	<b>3,556</b>	<b>3,582</b>	<b>3,609</b>	<b>4,544</b>	<b>4,578</b>	<b>4,612</b>	<b>4,646</b>	<b>5,617</b>	<b>5,659</b>	<b>5,701</b>
On trail Accommodation (40%)	1,422	1,433	1,443	1,818	1,831	1,845	1,859	2,247	2,264	2,280
Other Accommodation (60%)	2,133	2,149	2,165	2,726	2,747	2,767	2,788	3,370	3,395	3,421
<b>Total Visitors Overnight</b>	<b>4,487</b>	<b>4,522</b>	<b>4,558</b>	<b>5,823</b>	<b>5,870</b>	<b>5,916</b>	<b>5,964</b>	<b>7,280</b>	<b>7,339</b>	<b>7,398</b>
On trail Accommodation	1,981	1,997	2,013	2,585	2,606	2,628	2,649	3,245	3,272	3,299
Other Accommodation	2,506	2,525	2,545	3,238	3,263	3,289	3,315	4,036	4,067	4,099
<b>Nights – Visitors (Ave stay 2 nights)</b>										
<b>Internationals</b>	<b>1,862</b>	<b>1,880</b>	<b>1,899</b>	<b>2,558</b>	<b>2,583</b>	<b>2,609</b>	<b>2,635</b>	<b>3,327</b>	<b>3,360</b>	<b>3,394</b>
On trail Accommodation	1,117	1,128	1,140	1,535	1,550	1,565	1,581	1,996	2,016	2,036
Other Accommodation	745	752	760	1,023	1,033	1,044	1,054	1,331	1,344	1,358
<b>Domestic O/N</b>	<b>7,111</b>	<b>7,164</b>	<b>7,217</b>	<b>9,088</b>	<b>9,156</b>	<b>9,224</b>	<b>9,293</b>	<b>11,234</b>	<b>11,318</b>	<b>11,402</b>
On trail Accommodation	2,845	2,866	2,887	3,635	3,662	3,690	3,717	4,494	4,527	4,561
Other Accommodation	4,267	4,298	4,330	5,453	5,493	5,534	5,576	6,740	6,791	6,841
<b>Total Nights</b>	<b>8,973</b>	<b>9,044</b>	<b>9,116</b>	<b>11,646</b>	<b>11,739</b>	<b>11,833</b>	<b>11,928</b>	<b>14,561</b>	<b>14,678</b>	<b>14,796</b>
On trail Accommodation	3,962	3,994	4,026	5,170	5,212	5,255	5,298	6,490	6,543	6,597
Other Accommodation	5,012	5,051	5,090	6,476	6,527	6,578	6,630	8,071	8,135	8,199

Source: MCA modelling & analysis, June 2025. May be differences due to rounding.

## OVERNIGHT STAYS – ROOM REQUIREMENTS

Room requirements were estimated based on the total potential nights over the 10 year period. Based on the overnight stays and 360 nights, daily room requirements (single occupancy) increase from 32 in year 1 to 55 in year 10. If demand was all twin share daily rooms are 16 in year 1 and 28 in Year 10.

**Table 13. Overnight stays – nights and room requirements (estimates annual)**

Nights Accommodation	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Nights - Local &amp; Regionals (Ave stay 1 night)</b>										
On trail Accommodation	1,006	1,012	1,018	1,640	1,650	1,659	1,668	2,049	2,058	2,067
Other Accommodation	1,508	1,518	1,527	2,461	2,475	2,488	2,502	3,074	3,087	3,101
<b>Total Locals &amp; Regionals</b>	<b>2,514</b>	<b>2,529</b>	<b>2,544</b>	<b>4,101</b>	<b>4,124</b>	<b>4,147</b>	<b>4,171</b>	<b>5,123</b>	<b>5,146</b>	<b>5,169</b>
<b>Nights - Visitors</b>										
On trail Accommodation	3962	3,994	4,026	5,170	5,212	5,255	5,298	6,490	6,543	6,597
Other Accommodation	5012	5051	5090	6476	6527	6578	6630	8071	8135	8199
<b>Total Visitors Over night</b>	<b>8,973</b>	<b>9,044</b>	<b>9,116</b>	<b>11,646</b>	<b>11,739</b>	<b>11,833</b>	<b>11,928</b>	<b>14,561</b>	<b>14,678</b>	<b>14,796</b>
<b>Nights – Total Trail Users</b>										
On trail Accommodation	4967	5006	5044	6810	6862	6914	6966	8539	8601	8665
Other Accommodation	6520	6568	6617	8937	9001	9066	9132	11,145	11,222	11,300
<b>Total All Nights</b>	<b>11,487</b>	<b>11,574</b>	<b>11,661</b>	<b>15,747</b>	<b>15,863</b>	<b>15,980</b>	<b>16,098</b>	<b>19,684</b>	<b>19,824</b>	<b>19,965</b>
<b>Ave per Night (360 nights)</b>										
On trail Accommodation	14	14	14	19	19	19	19	24	24	24
Other Accommodation	18	18	18	25	25	25	25	31	31	31
<b>Total Rooms (single use)</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>44</b>	<b>44</b>	<b>44</b>	<b>45</b>	<b>55</b>	<b>55</b>	<b>55</b>
<b>Twin Share Rooms</b>										
On trail Accommodation	7	7	7	9	10	10	10	12	12	12
Other Accommodation	9	9	9	12	13	13	13	15	16	16
<b>Total Rooms – Twin Share</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>27</b>	<b>28</b>	<b>28</b>

Source: MCa modelling & analysis, June 2025. May be differences due to rounding.

## 9 Economic analysis

### 9.1 Trail use spending

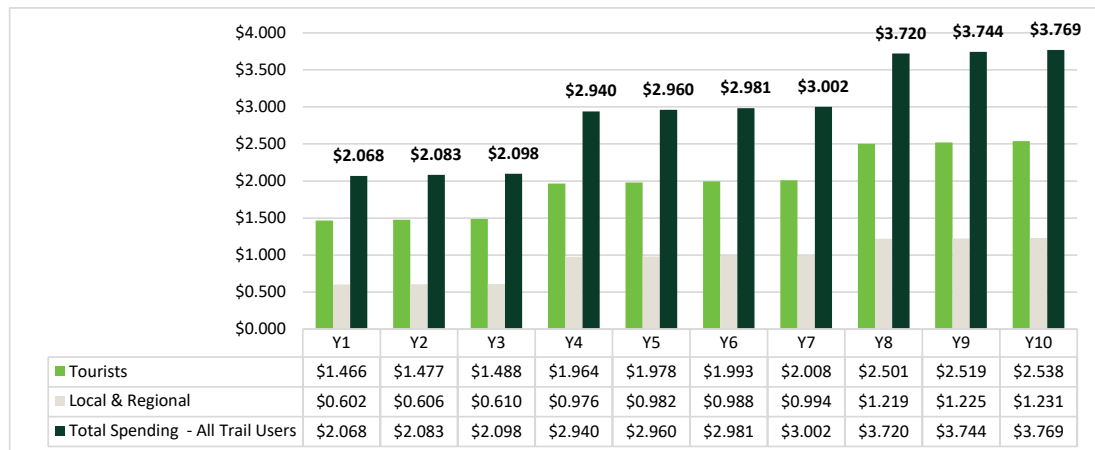
#### Summary – spending across all trail users

The chart below highlights varying spending levels across the broad trail user categories. Even though visitors account for a smaller proportion of trail users, they account for a much higher proportion of all spending.<sup>44</sup>

- Visitors are expected to spend approximately \$1.466 million in year 1, increasing to \$2.538 million by year 10.
- Local and regional trail users spend at a lower rate. In year 1, local users are projected to spend \$0.602 million, growing to \$1.231 in year 10.
- Total spending in the region by trail users increases from \$2.068 million in year 1 to \$3.769 million in year 10.

Appendix B outlines all the assumptions used in estimating trail user spending in the region (all spending is in constant \$2025 prices).<sup>45</sup>

Figure 20. Spending in region by trail users (\$m 2025 prices)



Source: MCA modelling & projections June 2025, May be differences due to rounding.

#### Spending by trail user type

The following table and charts show spending in the region by trail user type and for day visits and overnight stays. Trail users who stay overnight account for around 80% of spending in the region. Over the 10 years, a total of \$29.364 million would be spent in the region by trail users, with visitors accounting for \$19.932 million and local & regional users for \$9.432 million.

Spending by visitors increases from \$1.466 million in year 1 to \$2.538 million in year 10. For local & regional users, spending increases from \$0.602 million in year 1 to \$1.231 million in year 10. Overall, total annual spending increases from \$2.068 million in year 1 to \$3.769 million in year 10.

<sup>44</sup> This includes spending on accommodation, food and other visitor services.

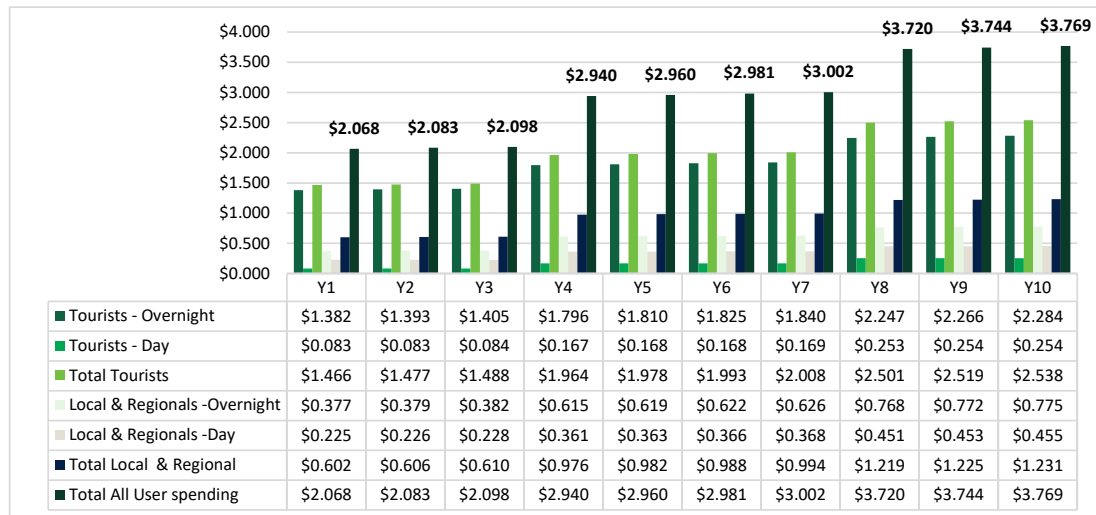
<sup>45</sup> Average spending estimates for users are derived from Tourism Research Australia data for Sorell and Glamorgan Spring Bay LGAs (see Appendix B).

**Table 14. Trail user spending – annual (\$m 2025 prices)**

Total Spending Trail Users	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Total 10 Years
<b>Visitors</b>											
Visitors - Overnight	\$1.382	\$1.393	\$1.405	\$1.796	\$1.810	\$1.825	\$1.840	\$2.247	\$2.266	\$2.284	\$18.248
Visitors - Day	\$0.083	\$0.083	\$0.084	\$0.167	\$0.168	\$0.168	\$0.169	\$0.253	\$0.254	\$0.254	\$1.684
<b>Total Visitors</b>	<b>\$1.466</b>	<b>\$1.477</b>	<b>\$1.488</b>	<b>\$1.964</b>	<b>\$1.978</b>	<b>\$1.993</b>	<b>\$2.008</b>	<b>\$2.501</b>	<b>\$2.519</b>	<b>\$2.538</b>	<b>\$19.932</b>
<b>Local &amp; Regionals</b>											
Local & Regionals - Overnight	\$0.377	\$0.379	\$0.382	\$0.615	\$0.619	\$0.622	\$0.626	\$0.768	\$0.772	\$0.775	\$5.935
Local & Regionals -Day	\$0.225	\$0.226	\$0.228	\$0.361	\$0.363	\$0.366	\$0.368	\$0.451	\$0.453	\$0.455	\$3.497
<b>Total Local &amp; Regional</b>	<b>\$0.602</b>	<b>\$0.606</b>	<b>\$0.610</b>	<b>\$0.976</b>	<b>\$0.982</b>	<b>\$0.988</b>	<b>\$0.994</b>	<b>\$1.219</b>	<b>\$1.225</b>	<b>\$1.231</b>	<b>\$9.432</b>
<b>All Spending</b>											
<b>Total All User spending</b>	<b>\$2.068</b>	<b>\$2.083</b>	<b>\$2.098</b>	<b>\$2.940</b>	<b>\$2.960</b>	<b>\$2.981</b>	<b>\$3.002</b>	<b>\$3.720</b>	<b>\$3.744</b>	<b>\$3.769</b>	<b>\$29.364</b>

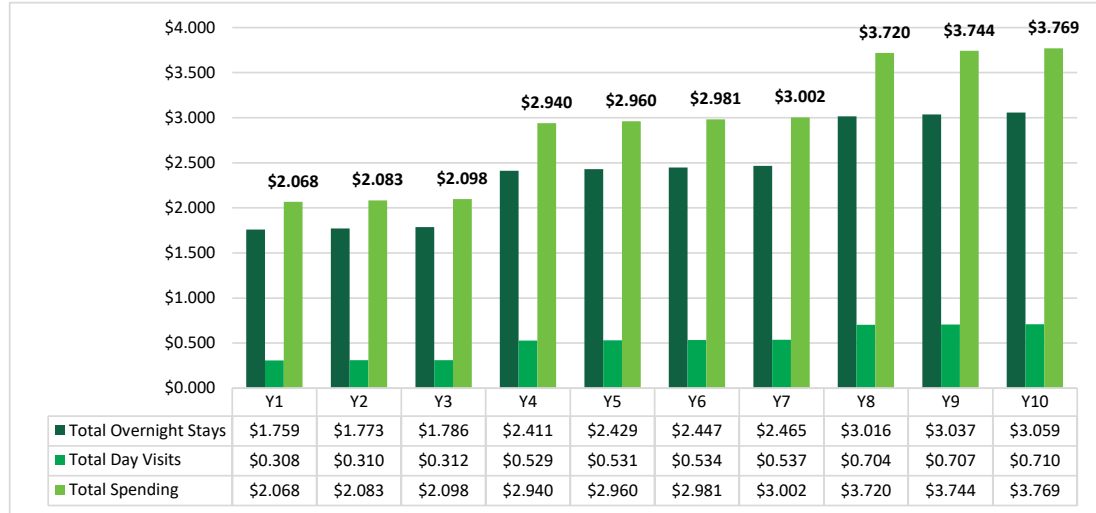
Source: MCA modelling & projections June 2025, May be differences due to rounding.

**Figure 21. Spending in region by trail user types (\$m 2025 prices)**



Source: MCA modelling & projections June 2025, May be differences due to rounding.

**Figure 22. Total spending in region by trail users (\$m 2025 prices)**



Source: MCa modelling & projections June 2025, May be differences due to rounding.

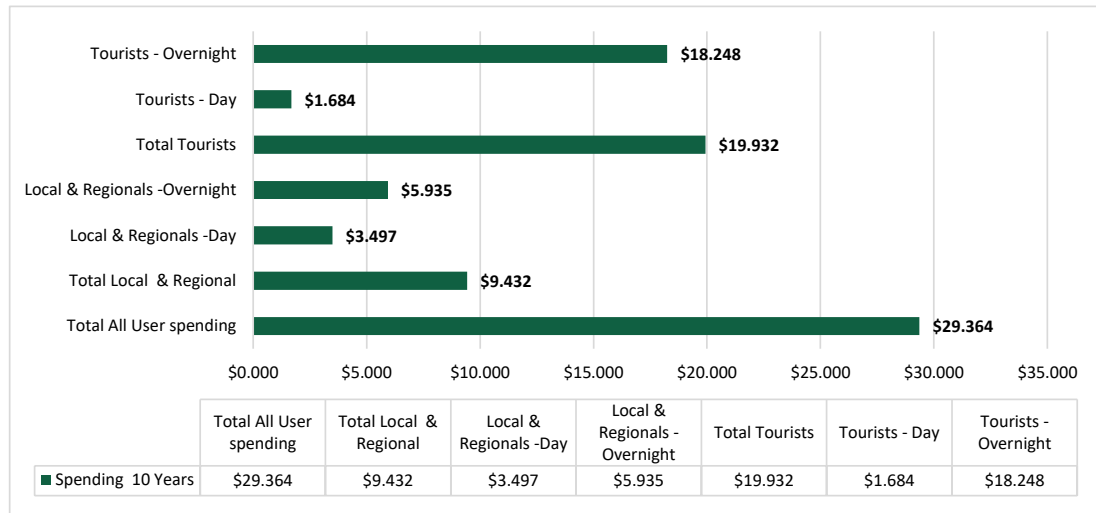
### Spending – 10 years

The following chart show total trail user spending (in constant \$2025 prices) over the 10 year period.

Spending by all users totals \$29.364 million over this period. This comprises total local and regional users \$9.432 million and all visitors \$19.932 million.

For visitor users spending is overnight visitors \$18.248 million; and day visitors \$1.684 million. Local and regional trail users spending comprises overnight stays \$5.935 million and day visitors/users \$3.497 million.

**Figure 23. Spending in region by trail users over 10 years (\$m 2025 prices)**



Source: MCa modelling & projections June 2025, May be differences due to rounding.

## 9.2 Trail construction costs

The total estimated cost of constructing the trail (inclusive of trail alignment, surface, signs, wayfinding, and other minor infrastructure such as trail bridges etc) is \$5 million.

This is based on the estimate contained in the Southeast Tasmania Mountain Bike Strategic Plan<sup>46</sup>. The \$5 million is comprised of:

The 2023 estimated costs of \$3,795,000

- Cost increases associated with 2.5 years of CPI increase
- Contingency sum for unknown events
- Project management fees
- Some planning funds.

A \$5 million estimate is considered appropriate for the purposes of the business case.

Should the project proceed, then detailed alignment and costing would be appropriate at that step.

## 9.3 Trail construction – economic impacts

The economic impacts of the development of the trail are modelled for both the construction phase and the operations phase. The impacts are measured in terms of full time equivalent jobs (FTE) and the increase in regional income that is generated by construction activity and by trail users and their spending in the region.<sup>47</sup> Construction for the trail is estimated at \$5.0 million, and this estimate is used in the modelling of construction impacts and the cost benefit analysis.

MCA's construction model allocates the \$value of project costs to a number of categories:

- on site construction design & management
- materials supply and
- plant hire and wages.

It also includes a gross margin of 20% for the businesses doing the work. For estimating direct employment/regional income, the model uses ABS (2023) weekly wage rates (annualised) for the various activities (plus oncosts of 25%).

Indirect/indirect employment & regional income generated by employee spending is modelled based on:

- average employee/consumer spending patterns (CPI 2022 basket)
- average tax rates of 25% and
- a 3% savings rate.

The model estimates the local value added (\$) component of each industry category of spending. The same approach is used in relation to annual wages by activity and oncosts.

**Table 15. Wielangta Forest Mountain Bike Trail construction costs (\$2025)**

Summary Construction Costs (ex GST)	Construction Cost (\$2025 Prices)
<b>Construction</b>	
Trail Construction	\$5,000,000
<b>Total Costs</b>	<b>\$5,000,000</b>

Source: TRC estimates based on the 2023 Strategic Plan

<sup>46</sup> Southeast Tasmania Mountain Bike Strategic Plan. GHD for SERDA. 2023

<sup>47</sup> Regional income is the total net income generated from the activity and covers wages and salaries of employees and profits of businesses within the region. It includes income generated directly within the business and indirect income, which is generated in other regional businesses (wages and profits) from the multiplier impacts of employee spending on the region. In the modelling of income generated, income tax and GST on spending, are both treated as leakages from the region. A significant % of the value of purchases is a leakage outside of the region. MCA's economic model measures the local value added component of the spending in the region.

## Construction employment impacts

During the construction period for the trail overall 15.8 FTE jobs would be generated (12.2 FTE direct jobs and 3.6 FTE indirect jobs) and of the 12.2 direct jobs, 8.7 are in onsite construction, 2.0 are in materials supply, and 1.4 in design and project management.

**Table 16. Jobs generated in the construction phase (FTE No.)**

Summary Jobs	Direct Jobs	Indirect Jobs	Total Jobs
<b>Construction on Site</b>			
Construction on Site	8.7	2.5	11.2
Design & Management	1.4	0.4	1.8
Plant Hire	0.1	0.0	0.2
Materials Supply	2.0	0.6	2.6
<b>Total Jobs</b>	<b>12.2</b>	<b>3.6</b>	<b>15.8</b>

Source MCA modelling & analysis, June 2025. May be differences due to rounding.

## Regional income impacts

During the construction period a total of \$1.766 million in regional income would be generated in the Sorell/Glamorgan Spring Bay Region (\$1.542million direct income and \$0.224million indirect). Profits for the business building the trail are included in the regional income.

**Table 17. Regional income generated in construction phase (\$m 2025 prices)**

Summary Regional Income	Direct Income	Indirect Income	Total Income
Construction on Site	\$1,100,000	\$160,050	\$1,260,050
Design & Management	\$175,000	\$25,463	\$200,463
Plant Hire	\$15,000	\$2,183	\$17,183
Materials Supply	\$252,000	\$36,666	\$288,666
<b>Total Regional Income</b>	<b>\$1,542,000</b>	<b>\$224,361</b>	<b>\$1,766,361</b>

Source MCA modelling & analysis, June 2025. May be differences due to rounding.

## 9.4 Trail operations – economic impacts

MCA's *Regional Economic Impact Model* is used to estimate impacts in the region of trail operations over a 10 year period.

- The inputs are the spending in the region by the various categories of trail users, which is then allocated by industry category
- The model estimates the local value added associated with each type of spending and the wages share of these industries. Estimates are then generated of direct jobs (full time equivalent) in the businesses where trail users spend
- The model also produces estimates of indirect jobs generated by the spending of these direct employees with other businesses in the region
- Regional income (direct and indirect) estimates are also provided.

Appendix C contains a full description of the model.

### Jobs in region

The following table and figures show the total jobs (direct and indirect) generated in the region by the operations of the trail. The number of jobs increase as the trail is promoted and recognised, and business servicing the trail develop and expand (e.g. bike hire, accommodation).

Total jobs increase from 11.2 FTE in year 1 to 20.5 FTE jobs in year 10. These comprise direct jobs servicing trail users (7.9 year 1 & 14.3 in year 10) and indirect jobs (3.4 year 1 & 6.1 in year 10).<sup>48</sup> The jobs are generated by the spending of trail users while they are in the region. The increase reflects the progressive growth in trail users over the period.

**The jobs are mainly in sectors servicing visitor – accommodation, food & beverage, retail and recreation services (bike hire, shuttles and guides)**

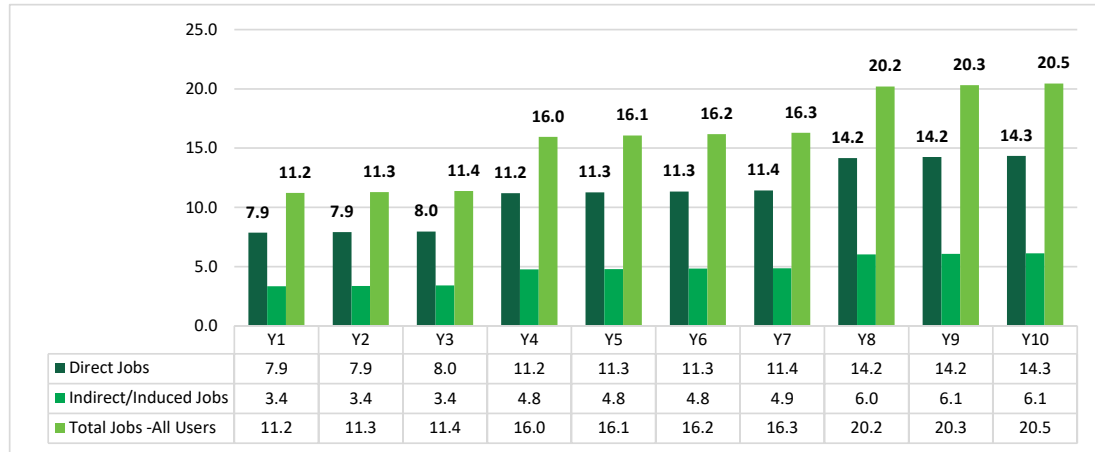
**Table 18. Regional jobs generated by trail users (FTE number)**

Total Trail Users -Locals & Regional Users	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Trail Users -Locals &amp; Regional Users</b>										
Direct Jobs	2.3	2.4	2.4	3.8	3.8	3.8	3.9	4.7	4.8	4.8
Indirect Jobs	1.0	1.0	1.0	1.6	1.6	1.6	1.6	2.0	2.0	2.0
<b>Total Trail Users - L &amp; R</b>	<b>3.3</b>	<b>3.3</b>	<b>3.4</b>	<b>5.4</b>	<b>5.4</b>	<b>5.4</b>	<b>5.5</b>	<b>6.7</b>	<b>6.8</b>	<b>6.8</b>
<b>Total Trail Users - L &amp; R</b>										
Overnight	2.0	2.0	2.1	3.3	3.3	3.4	3.4	4.1	4.2	4.2
Day	1.3	1.3	1.3	2.1	2.1	2.1	2.1	2.6	2.6	2.6
<b>Total Trail Users - L &amp; R</b>	<b>3.3</b>	<b>3.3</b>	<b>3.4</b>	<b>5.4</b>	<b>5.4</b>	<b>5.4</b>	<b>5.5</b>	<b>6.7</b>	<b>6.8</b>	<b>6.8</b>
<b>Trail Users - Visitors</b>										
Direct Jobs	5.5	5.6	5.6	7.4	7.4	7.5	7.6	9.4	9.5	9.6
Indirect Jobs	2.4	2.4	2.4	3.2	3.2	3.2	3.3	4.1	4.1	4.1
<b>Total Trail Users - Visitors</b>	<b>7.9</b>	<b>8.0</b>	<b>8.0</b>	<b>10.6</b>	<b>10.7</b>	<b>10.7</b>	<b>10.8</b>	<b>13.5</b>	<b>13.6</b>	<b>13.7</b>
<b>Trail Users - Visitors</b>										
Overnight	7.4	7.5	7.6	9.7	9.8	9.8	9.9	12.1	12.2	12.3
Day	0.4	0.4	0.5	0.9	0.9	0.9	0.9	1.4	1.4	1.4
<b>Total Trail Users - Visitors</b>	<b>7.9</b>	<b>8.0</b>	<b>8.0</b>	<b>10.6</b>	<b>10.7</b>	<b>10.7</b>	<b>10.8</b>	<b>13.5</b>	<b>13.6</b>	<b>13.7</b>
<b>Total All Trail Users</b>										
Direct Jobs	7.9	7.9	8.0	11.2	11.3	11.3	11.4	14.2	14.2	14.3
Indirect Jobs	3.4	3.4	3.4	4.8	4.8	4.8	4.9	6.0	6.1	6.1
<b>Total Trail Users</b>	<b>11.2</b>	<b>11.3</b>	<b>11.4</b>	<b>16.0</b>	<b>16.1</b>	<b>16.2</b>	<b>16.3</b>	<b>20.2</b>	<b>20.3</b>	<b>20.5</b>
<b>Total Trail Users</b>										
Local & Regional Users	3.3	3.3	3.4	5.4	5.4	5.4	5.5	6.7	6.8	6.8
Visitors Users	7.9	8.0	8.0	10.6	10.7	10.7	10.8	13.5	13.6	13.7
<b>Total Trail Users</b>	<b>11.2</b>	<b>11.3</b>	<b>11.4</b>	<b>16.0</b>	<b>16.1</b>	<b>16.2</b>	<b>16.3</b>	<b>20.2</b>	<b>20.3</b>	<b>20.5</b>

Source MCA modelling & analysis, June 2025. May be differences due to rounding.

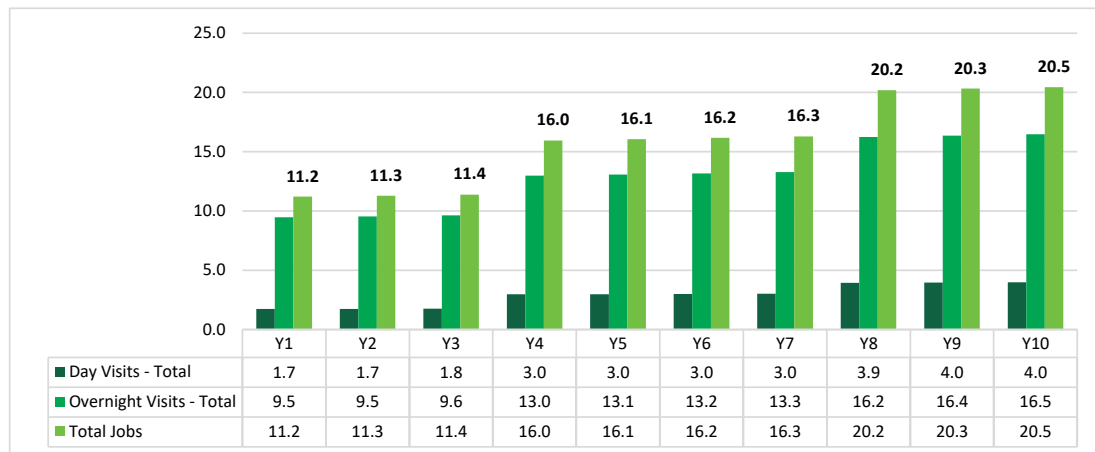
<sup>48</sup> These indirect jobs are in local businesses supplying inputs to direct servicing businesses and businesses supplying goods and services to the direct employees.

**Figure 24. Jobs generated by all trail users (FTE number)**



Source MCa modelling & analysis, June 2025. May be differences due to rounding.

**Figure 25. Total jobs generated by all trail users (FTE number)**



Source MCa modelling & analysis, June 2025. May be differences due to rounding.

### Jobs by industry

The table below shows the direct jobs generated by industry. Most of the direct jobs are in tourism characteristic industries (year 1 – 5.9 FTE jobs, increasing to 10.7 in year 10), with others in tourism connected industries (year 1 – 1.6 FTE jobs, increasing to 2.9 in year 10).

**Table 19. Direct jobs by industry**

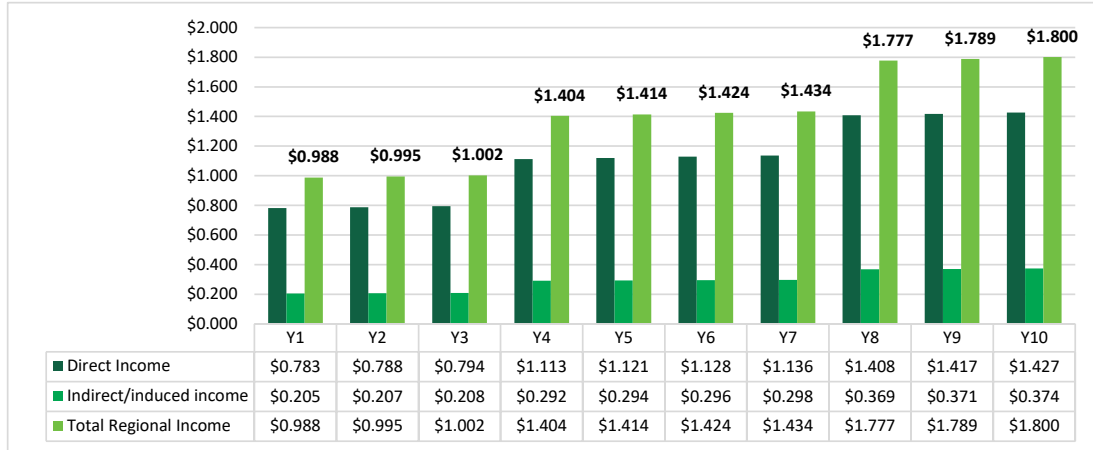
Direct Jobs by Industry	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Total Tourism Characteristic Industries</b>										
Accommodation	1.3	1.3	1.3	1.8	1.8	1.8	1.8	2.2	2.3	2.3
Cafes, restaurants and takeaway food services	1.1	1.1	1.1	1.5	1.6	1.6	1.6	2.0	2.0	2.0
Clubs, pubs, taverns and bars	1.3	1.3	1.3	1.9	1.9	2.0	2.0	2.5	2.5	2.5
Rail transport	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Taxi transport	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Other road transport	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2
Air, water and other transport	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2
Transport equipment rental	0.4	0.4	0.4	0.5	0.5	0.6	0.6	0.7	0.7	0.7
Travel and information services	0.6	0.7	0.7	0.9	0.9	0.9	0.9	1.2	1.2	1.2
Recreation Services	0.8	0.8	0.8	1.1	1.1	1.1	1.1	1.4	1.4	1.4
<b>Total Tourism Characteristic Industries</b>	<b>5.9</b>	<b>5.9</b>	<b>5.9</b>	<b>8.3</b>	<b>8.4</b>	<b>8.5</b>	<b>8.5</b>	<b>10.6</b>	<b>10.6</b>	<b>10.7</b>
<b>Tourism Connected Industries</b>										
Automotive fuel retailing	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Other retail trade	1.2	1.3	1.3	1.8	1.8	1.8	1.8	2.2	2.3	2.3
Education and training	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.3	0.3	0.3
<b>Total Tourism Connected Industries</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>2.2</b>	<b>2.2</b>	<b>2.3</b>	<b>2.3</b>	<b>2.8</b>	<b>2.8</b>	<b>2.9</b>
All Other Industries	0.4	0.4	0.4	0.6	0.6	0.6	0.6	0.8	0.8	0.8
<b>Total Direct Jobs (Employees &amp; Working Proprietors)</b>	<b>7.9</b>	<b>7.9</b>	<b>8.0</b>	<b>11.2</b>	<b>11.3</b>	<b>11.3</b>	<b>11.4</b>	<b>14.2</b>	<b>14.2</b>	<b>14.3</b>

Source MCa modelling & analysis, June 2025. May be differences due to rounding.

## Regional income

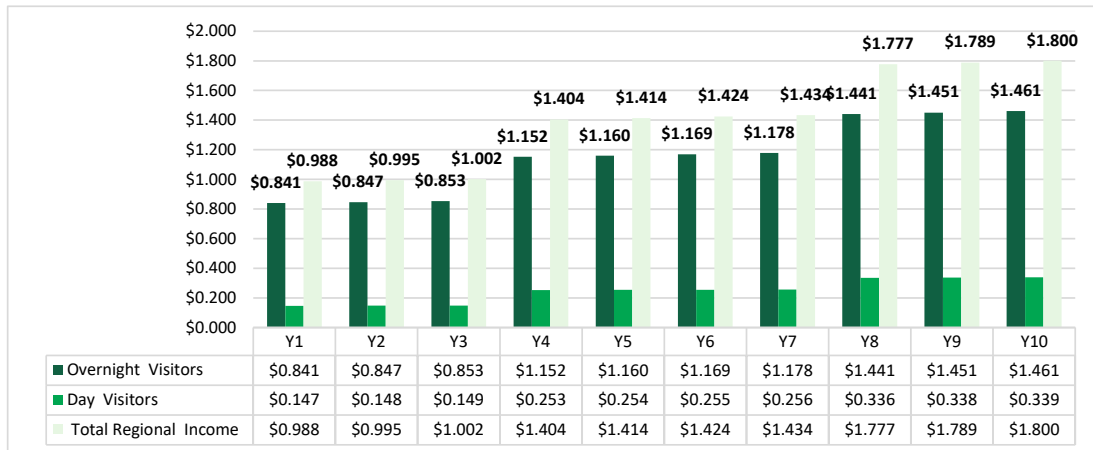
The following charts and table show the regional income generated by trail users and their spending over the 10 year period. Regional income (in \$2025 prices) increases from \$0.988 million in year 1 to \$1.800 million in year 10. Total income over the 10 year period is \$14.027 million. Regional income includes wages, salaries, and profits. Direct income is that generated in the businesses directly servicing the trail users. Indirect income is that in businesses servicing consumer needs of the direct employees.

**Figure 26. Trail operations - regional income by direct and indirect (\$m 2025 prices)**



Source MCa modelling & analysis, June 2025. May be differences due to rounding.

**Figure 27. Trail operations - regional income by visitor type (\$m 2025 prices)**



Source MCa modelling & analysis, June 2025. May be differences due to rounding.

**Table 20. Regional income generated by all trail users (\$m 2025 prices)**

Total All Users (\$m 2025 prices)	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Total 10 years
Direct Income	\$0.783	\$0.788	\$0.794	\$1.113	\$1.121	\$1.128	\$1.136	\$1.408	\$1.417	\$1.427	\$11.115
Indirect income	\$0.205	\$0.207	\$0.208	\$0.292	\$0.294	\$0.296	\$0.298	\$0.369	\$0.371	\$0.374	\$2.912
<b>Total Regional Income</b>	<b>\$0.988</b>	<b>\$0.995</b>	<b>\$1.002</b>	<b>\$1.404</b>	<b>\$1.414</b>	<b>\$1.424</b>	<b>\$1.434</b>	<b>\$1.777</b>	<b>\$1.789</b>	<b>\$1.800</b>	<b>\$14.027</b>
Overnight Visitors	\$0.841	\$0.847	\$0.853	\$1.152	\$1.160	\$1.169	\$1.178	\$1.441	\$1.451	\$1.461	\$11.553
Day Visitors	\$0.147	\$0.148	\$0.149	\$0.253	\$0.254	\$0.255	\$0.256	\$0.336	\$0.338	\$0.339	\$2.475
<b>Total Regional Income</b>	<b>\$0.988</b>	<b>\$0.995</b>	<b>\$1.002</b>	<b>\$1.404</b>	<b>\$1.414</b>	<b>\$1.424</b>	<b>\$1.434</b>	<b>\$1.777</b>	<b>\$1.789</b>	<b>\$1.800</b>	<b>\$14.027</b>

Source MCa modelling & analysis, June 2025. May be differences due to rounding.

## 9.5 Benefit cost analysis

Benefit cost analysis is the approach used to assess a project or investment and the returns that it will deliver. In an assessment of a trail the measured benefits to the community are compared with the total costs (initial investment in the construction and the estimated costs of maintaining the trails). Benefits and costs are compared over a 10 year period.<sup>49</sup>

### Project costs

The construction costs and operational costs associated with the development of the trail are shown below. The costs comprise \$5.0 million in development and construction costs and maintenance and operational costs (over 10 years) of \$2.5 million.<sup>50</sup>

**Table 21. Trail project costs over 10 years (\$2025 prices)**

Summary Construction Costs (ex GST)	Project Costs
Trail Construction Costs	\$5,000,000
Maintenance Costs - 10 Years	\$2,500,000
<b>Total Costs – 10 Years</b>	<b>\$7,500,000</b>

Source: TRC estimates, June 2025

### Benefits of trail operations

#### MODELLING BENEFITS

The benefits of the trail comprise:

- the increase in regional income generated by user spending
- health benefits – the reduction in health costs associated with exercise (trail rides)
- the user valuation of the trail experiences, based on a shadow price (per trail user) as there are no user charges for the trail, and
- the improvement in productivity (for persons in employment) associated with exercise on the trail.<sup>51</sup>

See Appendix B for definition and sources.

The benefits are quantified (in \$ million 2025 prices) over a 10 year period. These benefits total \$22.031 million over this period:

- regional income (\$14.027 million)
- health benefits (\$4.147 million)
- user valuation (\$3.142 million)
- productivity benefits (\$0.715 million).

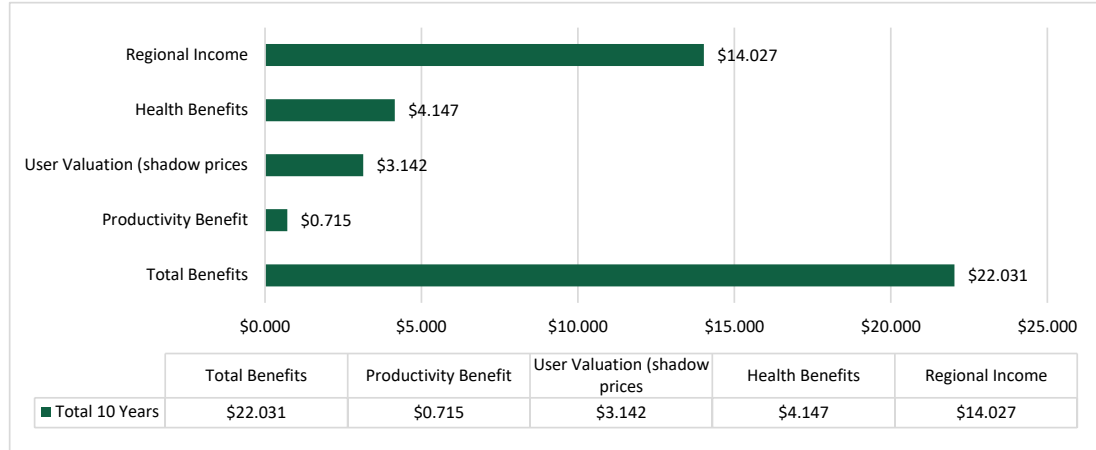
The following chart shows the project benefits.

<sup>49</sup> It is normally a requirement for funding provided by the Commonwealth and State Governments for projects, that a cost benefit analysis be prepared.

<sup>50</sup> Estimated costs of \$250,000 (in \$2025 prices) per year and \$2.5 million over 10 years. Annual costs estimated at 5% of capital cost.

<sup>51</sup> As there are no charges for using the trail, a consumer valuation of the user experience is measured by providing a shadow price (what a user might be willing to pay). For this analysis a shadow price of \$20 per person was applied (see Appendix B).

**Figure 28. Project benefits - total over 10 years (\$m 2025 prices)**



Source MCA modelling & analysis, June 2025. May be differences due to rounding.

The following tables break the benefits down by benefit type and year.

**Table 22. Measuring benefits from trail operations**

Benefits (included in analysis)	Description	Value 10 Years (\$ million 2025 prices)
Regional Income	Increase in regional income generated by users and their spending in the region.	\$14.027
Health Benefits	Reduced health costs (public & private) associated with exercise activity. Benefits calculated for local users & visitors.	\$4.147
User valuation (shadow price)	Based on a shadow price of \$20 per trail user (\$2025 prices). Valuation for local users & visitor users.	\$3.142
Productivity Benefit	Exercise improves a person’s productivity and reduces absenteeism. Valuation for local users & visitor users.	\$0.715
<b>Total Benefits</b>		<b>\$22.031</b>

Source MCA modelling & analysis, June 2025. May be differences due to rounding.

**Table 23. Benefits of the trail by year (\$m 2025 prices)**

Benefits of Trail	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Total 10 years
Regional Income	\$0.988	\$0.995	\$1.002	\$1.404	\$1.414	\$1.424	\$1.434	\$1.777	\$1.789	\$1.800	\$14.027
Health Benefits	\$0.282	\$0.284	\$0.286	\$0.423	\$0.426	\$0.428	\$0.431	\$0.526	\$0.529	\$0.532	\$4.147
Users Value – (Shadow Price)	\$0.213	\$0.215	\$0.216	\$0.320	\$0.323	\$0.325	\$0.327	\$0.399	\$0.401	\$0.403	\$3.142
Productivity Workforce	\$0.049	\$0.049	\$0.049	\$0.073	\$0.073	\$0.074	\$0.074	\$0.091	\$0.091	\$0.092	\$0.715
<b>Total Benefits</b>	<b>\$1.531</b>	<b>\$1.542</b>	<b>\$1.553</b>	<b>\$2.221</b>	<b>\$2.236</b>	<b>\$2.251</b>	<b>\$2.266</b>	<b>\$2.793</b>	<b>\$2.810</b>	<b>\$2.828</b>	<b>\$22.032</b>

Source MCA modelling & analysis, June 2025. May be differences due to rounding.

### Benefit cost analysis

Annual benefits (\$2025 prices) are estimated for a 10 year period and these benefits are then discounted to calculate an aggregate present value to compare with the construction and maintenance costs. Several discount rates (3%, 7%,10%) are used for this present value calculation. These discount rates are those required by state governments and the Australian Government for business cases and cost benefit assessments.

The following analyses construction costs and benefits over the 10 year period for the trail. The benefits for trail are compared with the capital costs for the new trail development. Benefits are discounted by the 3 discount rates.

When the benefits and construction/maintenance costs are considered, the project yields a benefit cost ratio (BCR) of 2.5 for a 3% discount rate, a BCR of 2.0 for a 7% discount rate and 1.7 for a 10% discount rate. Benefit cost ratios compare the aggregated discounted benefits over 10 years with the total project costs over this period.

For the 7% discount rate every dollar spent on the trail (over 10 years) delivers a benefit of two dollars.

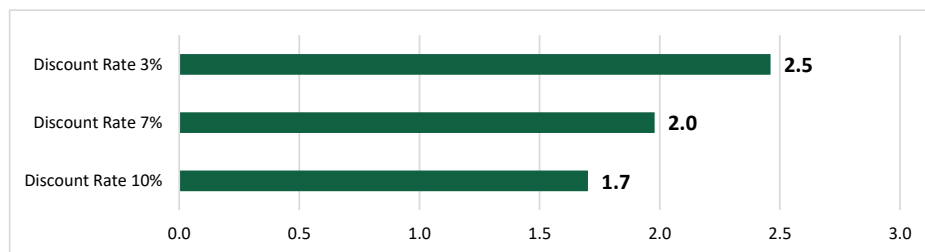
**Table 24. Benefit cost analysis – Wielangta Forest Mountain Bike Trail**

Wielangta Trail Regional Cost Benefit (\$2025 prices) Period: 10Years	Discount Rate 3%	Discount Rate 7%	Discount Rate 10%
<b>A. Project Costs</b>			
Capital Costs	\$5,000,000	\$5,000,000	\$5,000,000
Costs - Maintenance (10 years)	\$2,500,000	\$2,500,000	\$2,500,000
<b>Total Costs</b>	<b>\$7,500,000</b>	<b>\$7,500,000</b>	<b>\$7,500,000</b>
<b>B. Project Benefits</b>			
Direct Benefits - User Value (Shadow Price)	\$3,142,077	\$3,142,077	\$3,142,077
Regional Income Increase (users)	\$14,027,330	\$14,027,330	\$14,027,330
Health Benefits (exercise)	\$4,147,541	\$4,147,541	\$4,147,541
Workforce Productivity	\$715,451	\$715,451	\$715,451
<b>Total Benefits</b>	<b>\$22,032,399</b>	<b>\$22,032,399</b>	<b>\$22,032,399</b>
Total Benefits (\$) Present Value	\$18,454,860	\$14,837,371	\$12,757,640
<b>Net Present Value (\$) Total Benefits</b>	<b>\$10,954,860</b>	<b>\$7,337,371</b>	<b>\$5,257,640</b>
NPV/Cost	1.5	1.0	0.7
<b>Benefit Cost Ratio (BCR)</b>	<b>2.5</b>	<b>2.0</b>	<b>1.7</b>

Source: MCA Modelling June 2025.

The following shows the benefit cost ratios across the 3 discount rates.

**Figure 29. Benefit cost ratio (BCR) – Wielangta Forest MTB Trail (10 years)**



Source: MCA Modelling June 2025.

## 10 Trail operations – financials

### 10.1 Income sources

Table 25 below examines the various types of revenue for the Wielangta Forest MTB Trail, identifying their strengths, weaknesses, and opportunities. Where applicable, specific examples are included.

An estimated amount that could potentially be raised is provided, based on market knowledge and probability. This estimate is intended solely to determine a total figure from the discussed sources.

**Table 25. Income source and strengths, weakness and opportunity for Wielangta Forest MTB Trail**

INCOME SOURCE	STRENGTH	WEAKNESS	OPPORTUNITY
<b>Government funding for maintenance</b>	<p>Can be applied for as a grant or as an annual amount.</p> <p>The Tasmanian Government or the land managers (Predominantly Parks and Wildlife Service, Sustainable Timbers Tasmania) would be likely to support the application to de-risk maintenance on the trail.</p> <p>Would provide the base funding for the asset maintenance – with raised revenue from other sources adding to the base.</p>	<p>Difficult to attract maintenance funding for a mountain bike park outside of agency funds.</p> <p>PWS are stretched for funding and have a large asset base. STT are not likely to fund directly as it outside the core business.</p>	<p>Unlikely to be available but it is worth applying for.</p> <p>Funding may be available as a ‘start-up’ fund to enable the new governance model to be put in place.</p> <p>No estimate is provided for this.</p>
<b>Local Government Funding</b>	<p>The trails are located in two LGAs – Sorell and Glamorgan Spring Bay. Both could apply funds for the trails operation in agreement – but not necessarily in even portions.</p> <p>LGA funds could be considered as for any other public recreational facility such as a sporting oval or a pool.</p> <p>Could be applied in a cap and collar method – whereby the funds are for an initial period, capped at a certain amount and applied on a dollar-for-dollar basis with the proposed new entity (Company Limited by Guarantee) once operational.</p>	<p>Both Local Governments would need to consider the model and benefits to the broader rate base.</p>	<p>Strong potential.</p> <p>Most successful mountain bike parks on public land have local government support of some kind.</p> <p>A seed or initial fund would help the trail and its governance establish a strong foundation.</p> <p>Assumed that in the first two years, approximately \$250,000 would be required, then to \$100,000 to \$200,000 per annum could be contributed assuming other revenue sources can be put in place<sup>52</sup>.</p>
<b>Philanthropy</b>	<p>Developing the appropriate relationships and business model that</p>	<p>The appropriate governance</p>	<p>Longer term.</p>

<sup>52</sup> Note – Sorell and Glamorgan Spring Bay Councils are yet to confirm this approach and it is dependent upon the acceptance or otherwise of this business case.

INCOME SOURCE	STRENGTH	WEAKNESS	OPPORTUNITY
	<p>allows for philanthropic donations will assist.</p> <p>The governance model proposed has a foundation arm attached to it to seek revenue and funds from a variety of sources including philanthropy.</p>	<p>arrangements including tax deductibility etc would need to be established for the trails.</p> <p>Would require a strong selling position as most philanthropy in Australia tends to be towards medical or arts sectors.</p>	<p>Continue to establish the governance and business models to allow for it.</p> <p>An estimate of \$10,000 is applied in the first instance.</p>
<p><b>Sponsorship</b></p>	<p>This works well at a number of mountain bike parks.</p> <p>Sponsorship may not appropriate in the reserves that the trail passes through, so any sponsorship approach would be towards the proposed governance entity, bike hire, and / or merchandise and events.</p> <p>Appropriate sponsorship could be undertaken (depending on approvals) from the trailheads.</p>	<p>Difficulty in sponsoring trails on the ground due to policy and regulation matters within the trail area.</p> <p>In tighter economic times, discretionary sponsorship from businesses may be harder to come by.</p> <p>Sponsorship would need to be 'appropriate' for use with mountain bikers and trail users.</p>	<p>Strong.</p> <p>Some constraints exist but there are opportunities to develop appropriate off-trail sponsorship.</p> <p>An estimate of \$10,000 across all elements of sponsorship is considered reasonable for year 2 onwards.</p>
<p><b>Trail Use Fees</b></p>	<p>Applied in many parks through Australia and New Zealand – particularly private parks that need the income for trail operations.</p> <p>Collection of fees for this trail is not recommended – other than donations.</p>	<p>Most revenue collected from reserves in Tasmania is returned to consolidated revenue.</p> <p>This approach makes it more difficult to 'sell' to users who most likely would want to see the trail fees put back into the facilities they are paying for directly.</p>	<p>Moderate.</p> <p>This should be considered in the context of the regional trail pass.</p> <p>Investigations could occur into what may be applicable off trail including the partnership with the reserves.</p> <p>No estimate is provided given the likelihood of the funds being returned in general revenue.</p>
<p><b>Events and Fees</b></p>	<p>The Wielangta Forest MTB Trail would be partially suitable to hold events, although these are likely to be cross country events.</p> <p>Events for the entire trail are not aligned with the lack of black diamond downhill trails.</p>	<p>Events need to well-planned and offer riders a strong event experience.</p> <p>Non race events such as family days with free give-aways etc., need to be considered in</p>	<p>Moderate.</p> <p>An event strategy could be prepared aimed at selling the strengths of SE Tasmania,</p> <p>An estimate of \$5,000 per annum is provided.</p>

INCOME SOURCE	STRENGTH	WEAKNESS	OPPORTUNITY
		addition to competitive events.	
<b>Merchandise</b>	<p>A good branding strategy that captures the essence of Wielangta and becomes something that not only riders want to associate with, but more broadly outdoor active and the general community.</p> <p>Merchandise can take many forms and include traditional items such as T-shirts as well as a broader range.</p>	<p>Merchandise can be expensive to stock and if it is not market aligned or mis-priced, it can lose money.</p> <p>Bringing in commercial partners to aid with merchandise, or having licencing agreements can help but can also introduce an element of risk if they do not share the same values.</p>	<p>Strong.</p> <p>A branding and merchandise strategy should be undertaken as a first step.</p> <p>An estimate of \$10,000 profit is suggested.</p>
<b>Commercial Fees</b>	<p>This is a broad description for a range of services the governance entity may wish to and may be able to undertake. It can include things such as:</p> <ul style="list-style-type: none"> <li>• Bike Hire</li> <li>• Bike Repairs</li> <li>• Shuttles and transfers</li> <li>• Accommodation and beverage providers near the trail etc.</li> </ul> <p>Each needs to be well thought through to ensure that the costs of the service do not outweigh the benefits.</p> <p>Commercial partners can be licensed to operate with a percentage of fees being returned to the trail.</p>	<p>Commercial fees for services are an important mix of fees.</p> <p>They require people to manage and run them and often investment in facilities and equipment.</p> <p>Commercial partners can be licensed to operate but this would need to accord with Tasmanian Government policies and regulations.</p> <p>Revenue raised in this way may have to be returned to the State. Advice will be required.</p>	<p>Strong.</p> <p>Business planning for the trails should identify the highest return options.</p> <p>Assuming all services are provided by the entity, a profit of \$10,000 could be reasonable.</p>
<b>Membership</b>	<p>Consideration needs to be made as to whether it is best undertaken at a club level, or a trail.</p>	<p>Only a small percentage of riders are likely to be a member of SEMBA or another club, so a model would need to consider the broader cohort.</p>	<p>Needs further assessment in a business plan.</p> <p>No estimate is provided.</p>
<b>Donations</b>	<p>Donations would need to occur outside the reserves to avoid them going into consolidated revenue.</p> <p>Modern techniques including QR codes to donation pages, GoFundMe sites and other means can be employed.</p>	<p>Donations are notoriously difficult to collect and get meaningful amounts into the revenue streams.</p>	<p>Needs further assessment.</p> <p>Consider doing even if the amounts are small.</p>

INCOME SOURCE	STRENGTH	WEAKNESS	OPPORTUNITY
		It is worth pursuing a donation system as once established, any amount will help.	A modest \$5,000 is assumed.
<b>Volunteerism</b>	Volunteerism is a worthy goal, but the reality of the longer trail and premium experience proposed makes this unlikely to be able to achieve significant goals.  It is acknowledged that the existing SEMBA volunteers have contributed enormously to the trails proposal.	The current volunteer base is reducing nationally,  The trails are not located near a major centre where a source of volunteers can easily be found.	Continue to engage volunteers as a means to help reduce the money required to maintain the trail.  Volunteering must be seen as a part but a smaller part of the trails resources.
<b>Other Forms of Revenue</b>	A range of other revenue streams may become available.  Good business planning, an entrepreneurial spirit and good governance will work through these options with a mind to the rules that apply to the State land.	The main sources of revenue have been captured in this business case, other forms may not be material or may have higher costs associated with them	Continue to evolve and seek out new ideas and test them before committing.

### Summary – potential revenue sources

The following table presents the summary of revenue that is forecast as likely to be achieved. Further business planning will be required by the governing entity to ensure revenue is collected and put towards the cost of trail operations.

**Table 26. Summary – potential trail revenue sources**

Revenue Type	Description	Estimated Revenue (annual) \$2025 Prices
<b>Philanthropy &amp; Donations</b>	Funding from philanthropic organisations or donations from mountain bikers.	\$10,000
<b>Sponsorship</b>	From regional tourism organisations or businesses.	\$10,000
<b>Events and Fees</b>	Fees charged to event organisers for use of trail	\$5,000
<b>Merchandise</b>	Profit on sales of branded merchandise	\$10,000
<b>Business Operations</b>	Operating entity for the trail could operate trail services – bike hire, shuttle services, food & beverage operations on trail. Profit on operations.  Alternative is licensing businesses to operate services on the trail with fees paid.	\$10,000
<b>Donations</b>	Small donations from visitors and local trail users	\$5,000
	<b>Total Revenue</b>	<b>\$50,000</b>

Source: TRC estimates 2025

## 10.2 Operational expenses

Total annual expenses for management and maintenance of the trail are estimated at \$250,000 per year (in constant \$2025 prices). This primarily comprises maintenance work to maintain the quality and safety of the trail and for some ongoing improvements. It also includes a position to manage the trail and its operations. This leaves a substantial budget gap (around \$200,000).

For other trails Councils have:

- taken on the management responsibility by allocating part of a staff position and
- funded maintenance based on the community and tourism benefits of trail use and increased visitation.

Other models have been to partner with mountain bike clubs to use volunteers (with supervision) for trail maintenance as a way of offsetting some costs.

## 11 Risk analysis

A range of risks present themselves when considering a mountain bike trail project across at least 70 kilometres of land that is managed and owned by multiple agencies, individuals, organisations and is spread across two local government areas.

The following table presents a high level analysis of the risks that can be foreseen and some mitigation strategies that may be available.

Detailed planning assuming the project is approved in principle to get to that stage will identify further and more detailed risks.

**Table 27. Table of risks and potential mitigations**

RISK	RISK & MITIGATION	RISK RATING AFTER MITIGATION		
		CONSEQUENCE	LIKELIHOOD	RATING
<b>Land manager/owner approval</b>	<p>This is seen as a major risk.</p> <p>The proposed route of the Wielangta Forest MTB trail cross several land tenures, and the land is managed or owned by different agencies (and individuals in the case of private land)</p> <p>Different planning arrangements will be likely across reserves managed by the PWS and the Sustainable Timbers Tasmania managed land.</p> <p>Altering the route to reduce likely conflicts such as Hospital Swamp Nature Reserve (advice is that recreation facilities are not allowed in nature reserves) and avoiding STT land will reduce differing planning complexities and processes.</p>	<p>High.</p> <p>Alternate routes may be required to avoid land where the trail is not appropriate, or the manager will not approve it.</p>	<p>High.</p> <p>Detailed planning will be required in the form of a Reserve Activity Assessment (RAA) (as outlined in this business case) and further planning is required among a range of planning regulations, policies and acts.</p>	High
<b>Alignment alteration due to planning</b>	<p>The strategic plan provides the route and locations of trails. The business case relies on the plan for costing, trail alignment and trail types.</p> <p>Detailed planning should occur prior to construction to ensure the route is planned and known. planning pathways are explained in this business case, and each presents some element of risk and opportunity around the overall route changes.</p> <p>The existing trail is planned to use old trails where ever possible. New trail alignment makes planning more complex.</p>	<p>Possible.</p> <p>Alignment changes, where the project's alignment and deliverables change or expand beyond the initial plan.</p> <p>Trail alignment changes due to planning and land management including natural and cultural assets being potentially</p>	<p>Possible</p> <p>Alignment changes lead to potential loss of experience – a vital element in this proposed trail.</p> <p>Significant redesign may be required.</p> <p>The existing route is planned to utilise existing trails where ever possible.</p>	Moderate

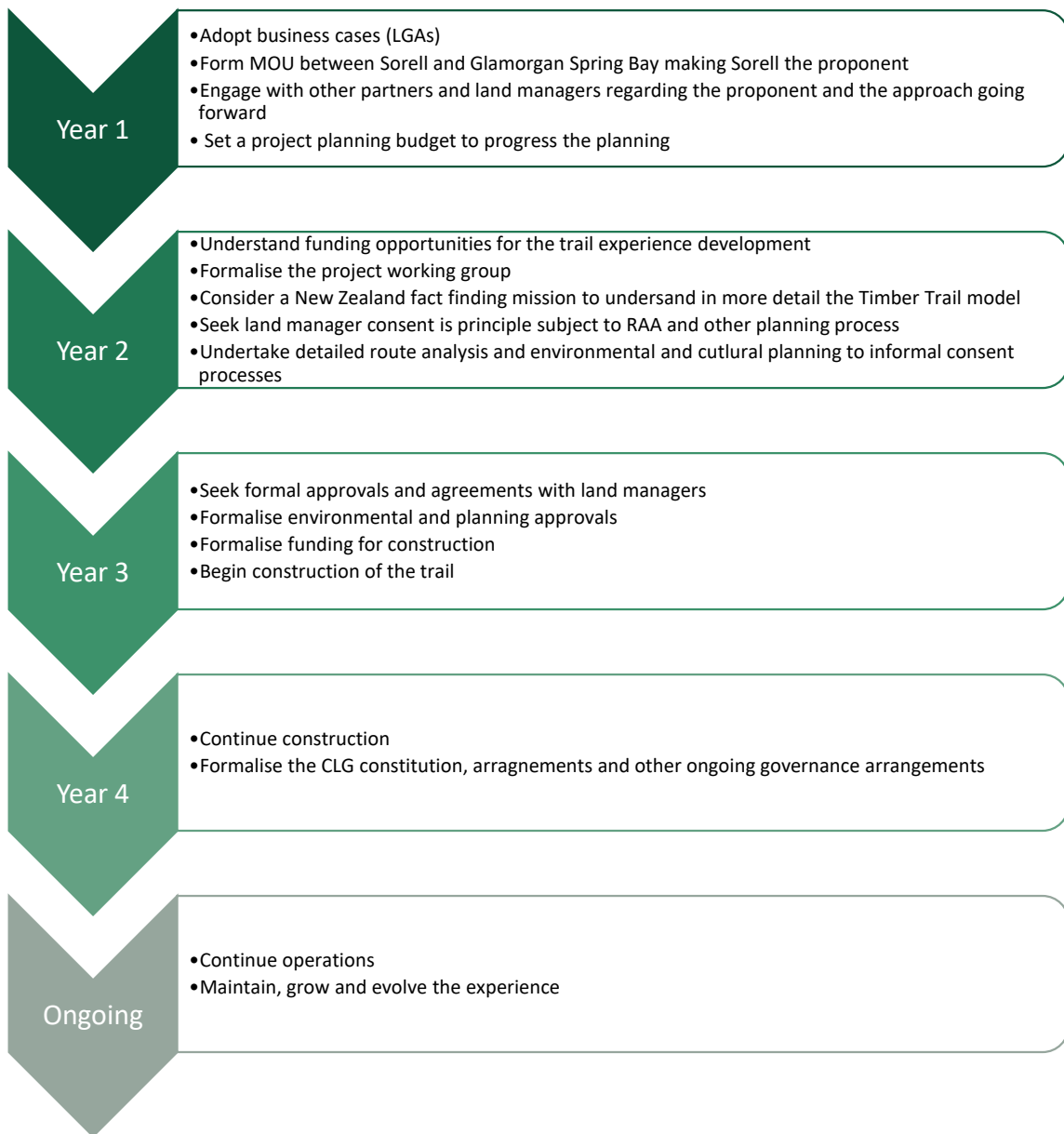
RISK	RISK & MITIGATION	RISK RATING AFTER MITIGATION		
		CONSEQUENCE	LIKELIHOOD	RATING
	Establish a change control and variation process, and regularly review and communicate the scope to stakeholders	impacted by the proposed trails.		
<b>Construction</b>	Having one proponent among the trail partners (Sorell Council is suggested) will reduce construction risk. Conduct a thorough detailed design process and site assessment to guide construction, and have contingency plans for adverse weather, and establish good working relationships with contractors.	Delays and increased costs due to possible factors such as unplanned environmental issues and weather delays.	Likely Construction delays may occur, but good planning and contingency can reduce the impact.	Moderate
<b>Financing</b>	Grant funds and budgets must be known before construction commences to avoid finance risk. Planning approvals and formal consent of land managers must be in place prior to construction commencing to reduce risk. Governance and maintenance models agreed to and put in place prior to construction beginning. Carefully plan and monitor the budget, secure contingency funds, withhold 5% retention monies until end of defects and liability period, and regularly update stakeholders on the financial status of the project.	Less trail constructed, or budget overruns. The consequence of less trail construction is the trail's model is a through trail from Kellevie to Orford. Avoid dropping standards to get more done as this impacts maintenance later on the trail's asset life.	Possible Major infrastructure projects often have cost pressures and finance issues. Good cost control and contingency is critical.	Moderate
<b>Legal</b>	Ensuring the planning approvals and agreements with land managers and land owners is formalised is critical. The trail should not be commenced until the agreements are in place. Council resources may be required. The partnership approach can help prevent some legal issues. A close and respectful relationship with the land managers is critical.	Legal disputes and or litigation are possible but unlikely. A strong partnership approach will see many issues resolved without legal matters arising.	Possible Legal issues can lead to delays.	Moderate
<b>Sustainability</b>	Detailed design should include sustainability criteria and procurement can contain sustainable material sourcing as a criterion for selection of contractors. The trails can be a showcase for modern material and design with	Failure to address community expectations on sustainability and missed opportunity to position the trail in the market.	Possible	Moderate

RISK	RISK & MITIGATION	RISK RATING AFTER MITIGATION		
		CONSEQUENCE	LIKELIHOOD	RATING
	sustainability and Cultural Awareness to the forefront.			
<b>Emergency Management</b>	<p>Significant emergencies can occur. This might include bushfires and east coast low pressure systems causing flood impacts. Significant accidents can also occur.</p> <p>Egress and access points must be maintained along the Wielangta Forest Road into the trail. Helicopter evacuation pads should be considered in detailed design.</p> <p>Well designed, built and maintained trails can offer some resilience to natural disasters.</p> <p>Good governance will mitigate risks to the extent they can be (mountain biking generally is a risky activity). Ensure the trails are graded as per the design guidelines for mountain bike trails so users know what to expect.</p>	<p>Significant. Natural events can and do occur, some damage can be expected that may force the closure of the entire trail for extended periods. Poorly graded or maintained trails can lead to injury.</p>	<p>Considered likely. Natural events do occur. Injuries from rider error and also from trail design can and do occur.</p>	<p>Moderate to High</p>
<b>Marketing and Visitors</b>	<p>Failure to market the trail well may lead to a loss of confidence or lack of knowledge in the opportunity that exists. Branding is important to develop the point of difference and unique selling point for this point to point trail based on the New Zealand Timber Trail model.</p> <p>Less visitors than forecast in the business case could lead to less revenue and the maintenance of the trail</p>	<p>Less visitors could mean less income and less relevance leading to poor maintenance and the MTB trail becoming not relevant.</p>	<p>Not likely. The visitor estimates are conservative. Strong governance of the trail is proposed. Branding and marketing is important.</p>	<p>Low to moderate.</p>
<b>Loss of Partnerships</b>	<p>Partnerships are critical to the success of the trail. Partnerships and agreements with the following will provide important contributions:</p> <ul style="list-style-type: none"> <li>Both local governments taking a lead in the governance entity for the trail</li> <li>Land managers being seen as partners and landlords</li> <li>Tourism marketing and product development expertise through both Destination Southern Tasmania and East Coast Tourism and Tourism Tasmania</li> <li>Tasmanian Aboriginal Centre in a self-determined way may</li> </ul>	<p>Failure of these relationships and partnerships could lead to loss of expertise and ability to function.</p>	<p>Possible. Strong relationships exist currently and can be built upon. More formal partnership structures including positions on the governance entity can help bring people together.</p>	<p>Moderate.</p>

RISK	RISK & MITIGATION	RISK RATING AFTER MITIGATION		
		CONSEQUENCE	LIKELIHOOD	RATING
	<p>wish to contribute to the project</p> <ul style="list-style-type: none"> <li>Private sector investors such as Twamley Farm and Rheban Farm as well as a transport providers, hire bikes, tours, food and beverage etc understanding and willingness to invest in services to support the trail experience.</li> </ul> <p>Regular communication and in some cases, having the relevant people on the Board will assist.</p> <p>A strong strategic plan with a vision and aligned objectives can help keep groups working to their strengths in partnerships.</p>			

## 12Next steps

The following pathway provides guidance to the Councils on how to progress the trail proposal from this concept and business case stage to an operational and nationally significant mountain bike experience. The governance arrangements put in place will confirm and adapt this pathway to meet the changing requirements as the experience development progresses.



## 13 Conclusion

The proposed Wielangta Forest Mountain Bike Trail is likely to deliver substantial benefits to the southeast region of Tasmania, and more broadly the state.

The proposal sits well within the existing mountain bike infrastructure, by not duplicating existing parks, but by creating a unique Australian forest ride from Kellevie to Orford. The ride can be undertaken by a range of users and markets with the potential option of staying off the trail in bike friendly accommodation depending on private sector interest.

From a planning and environmental regulation perspective, there are currently no foreseen significant impediments to obtaining planning approvals. Detailed assessment will need to be undertaken including route alignment, a landslip hazard assessment and a natural values assessment report being undertaken. Further, an Aboriginal Heritage Assessment will be required and should involve the Tasmanian Aboriginal Centre. Further, an ecological survey of the proposed route and immediate surrounds should be undertaken for any areas where ground disturbance is or other impact to native vegetation is required.

The proposal is likely to generate significant benefits to the community, the region and the state.

Once operational, total spending in the region by trail users is estimated to increase from \$2.068 million in year one of operations to \$3.769 million per year in year 10 of operations.

The construction of the trail, estimated at \$5 million is likely to generate over 15.8 full time equivalent jobs across the region, generating \$1.542 million in direct income.

Trail operations will provide a total of 11.2 full time equivalent jobs in year 1 rising to 20.5 in year 10 of trail operations.

The benefit cost ratio is a health 2.0 at the 7% discount rate (recommended for this type of project) – meaning that for every dollar spent, \$2 are returned in benefits.

Governance of the trail is critical, as is the operating model. For this project, the Timber Trail in New Zealand provides the best case study, and a trail experience not yet found in any comparable way in Australia. The governance model provides the longer term legal and regulatory pathway for the trail to succeed and for land managers and owners to have some risk controls in place.

This business case has outlined the risks and opportunities for the trail and experience. While there are significant steps that must be completed before approval can be considered complete, and land managers to authorise access to the land, the prospects of success are strong.

## Appendix A – Case Studies

### Blue Derby Case Study

**Location:** Tasmania, located in the town of Derby, approximately 90 minutes from Launceston.

**Established:** 2015

**Trails** Over 125kms of trails with an additional 45km of trail in development with 4 private shuttle operators.

**Elevation:** Sits between 100 and 800 metres.

**Events:** Hosts national and international competitions including the Enduro World Series (EWS) in 2017 and 2019.

**Amenities:** The town of Derby supports the amenities including bike hire and retail and repair workshops, shuttle services, pump track, sightseeing tours, cafés, bar, skills coaching and group skills sessions, and a range of tours.

**Market:** Families, beginners and professional mountain bikers seeking leisure and technical trails.

**Visitor Numbers:** Approximately 30,000 riders annually with steady year-round attendance due to Tasmania's mild climate and built reputation as a mountain bike destination.

**Economic impact:** the development of Blue Derby has revitalised the local economy attracting investment and property development including a substantial increase in property values, cafes, accommodation providers and retail stores and the trail network is credited with creating 20-30 new jobs in the local area.

**Ownership:** Dorset Council maintains the trails which are located on Crown land. Break O Day Council makes an annual contribution of \$25,000.

**Government Funding:** \$2.5 million Federal Grant plus \$550k from other private project partners enabling early development and other later grants for further improvements.

**Operational Management:** In 2022 Dorset Council handed over operations to the Blue Derby Foundation with the council retaining management of construction and ongoing maintenance.

**Revenue:** Blue Derby Trust (merchandise, partners) donations, event income and sponsorships.

**Pricing:** Free to ride but shuttles can be booked through private operators.

#### RISK IDENTIFICATION

**Financial Risks:** The park faces financial risks associated with maintaining its extensive trail network due to its reliance on various revenue streams e.g. merchandise and event profits can vary year to year.

Risks include maintenance costs outpacing income and over reliance on grants and sponsorships from external sources due to a significant portion of funding coming from external sources including variable. Blue Derby Foundation is volunteer base and relies on the energy and connections of its board members that can lead to unpredictable income streams.

**Operational Risks:** Operational risks include coordination challenges between council and the Blue Derby Foundation, potential for lack of clarity as volunteer directors manage the foundation. Changes in leadership or inconsistent governance could disrupt planning and strategic direction.

**Environmental Risks:** Soil erosion from heavy use, extreme weather events as experienced with a landslide in 2022 that took out 3 trails and impacted the season opening. Native logging in areas close to the trail network impact on trail experience and potential erosion issues.

#### Key Points

- Economic Revisitation – bike trails has significantly boosted local and regional economy Trail Network and Events solidifying its reputation as an international MTB destination
- Operational Management transition - Dorset Council transferred operations of Blue Derby to the Foundation, while the Council retains responsibility for trail construction and maintenance
- The Blue Derby Foundation is an independent charity focused on supporting local community development, raising funds for trail maintenance.



## Mystic Park, Bright, Victoria

**Location:** Bright, Victoria approximately 3.5 hours from Melbourne.

**Established:** 2014

**Trails:** Over 45kms of trails for all riding styles and abilities from technical cross-country singletrack to gravity fed flow and jump trails.

**Elevation:** 964m with a 490m vertical drop.

**Events:** Hosts local and regional events, as well as competitions that attract riders from across Australia.

**Amenities:** Elevation Parks operate shuttle services.

**Market:** Families, recreational riders, and professional mountain bikers seeking competitive and leisure riding experiences.

**Visitor Numbers:** 63,000 annual riders.

**Economic impact:** \$27 million into the local economy.

**Ownership:** The park operates on Crown land leased to HVP Plantations for timber harvesting. Since July 2024, the MTB Park has been managed by Elevation Parks (previously operated by Alpine Community Plantation ACP a not-for-profit group).

**Government Funding:** The previous NFP received \$1.35m in federal funding for a significant upgrade.

**Operational:** Alpine Shire Council contracted Elevation Parks in July 2024 to oversee management, operations and maintenance of Mystic Park

**Stakeholder Engagement:** Mystic MTB engages with key stakeholders HVP and ACP and Bright chamber of commerce and the Alpine Cycling Club to keep the community feel at the park.

### Pricing:

- 1 day gravity pass = \$100
- Mountain access pass = \$15
- Annual mountain pass from \$112.

### RISK IDENTIFICATION

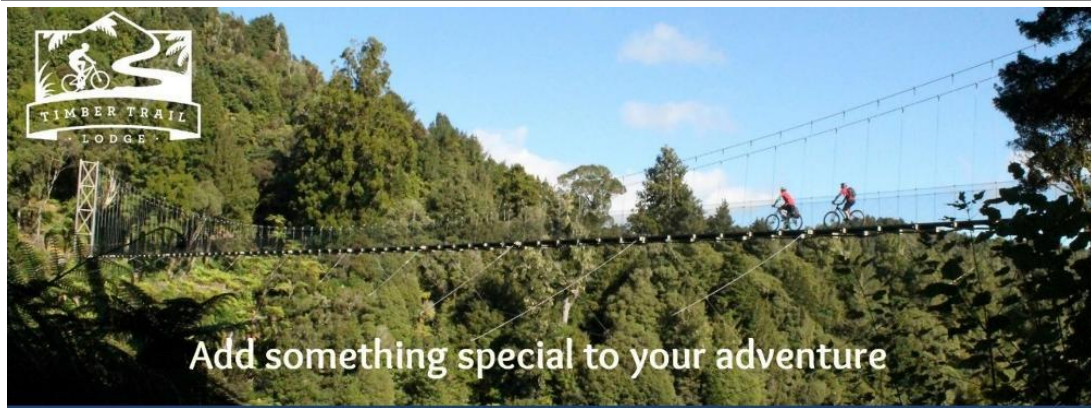
**Financial:** Mystic MTB Park relies on visitor numbers, event revenue, and shuttle services. Variability in tourism flows, influenced by weather, economic conditions, or increased competition, could impact income. The park's remote location also makes marketing efforts essential to maintain visibility and attract visitors.

**Operational:** Operating on Crown land leased to HVP Plantations introduces risks. Rent changes in management from ACP to Elevation Parks may create operational risks.

**Environmental:** Balancing timber harvesting and recreation poses challenges to visitor satisfaction and trail access. Climate risks are an issue due to the alpine location along with trail degradation from overuse.

#### Key Points

- Community NFP was not financially sustainable
- Rider contributions and events are core revenues
- Economic Impact value to local economy



## Timber trail, New Zealand

An 85km, two-day intermediate mountain bike ride in an economically depressed region of New Zealand.

### Background

There were several economic initiatives as part of New Zealand's economic recovery programme after the 2007-8 Global Financial Crisis. One was the NZ Cycle Trail ([www.nzcycletrail.com](http://www.nzcycletrail.com)). The idea was to use cycle tourism to economically stimulate depressed rural regions.

The concept was based on the successful Otago Central Rail Trail in the South Island of New Zealand. This is now a 180km, 4-day, easy off-road cycle trail through farm country, using a decommissioned rail line from Middlemarch to Clyde. The trail is for cycling, walking and horse-riding. It was started in 2000 and by 2010 was hosting 10-12,000 multi-day riders a year plus up to 30,000 day riders. It has become the biggest non-farming economic activity in the region.

The success of the Otago trail was due to its originality for New Zealand, the easy trail (grade 1-2) and the role of the private sector in providing trail services such as bike hire, transportation, cafes and accommodation. The initial cafes and accommodations were often in disused shearing quarters, railway stations or old farm or school houses.

### The Timber Trail in the Central North Island

The Department of Conservation's concept of an 85km cycle trail through Pureora Forest Park was agreed to in 2010. The trail starts in the old forestry village of Pureora and heads south along disused logging roads through huge mature forests to the farmland and village of Ongarue. The trail is grade 2-3 and is in the remote Pureora Forest Park. New bridges and basic facilities such as toilets and signage were constructed. Total cost was NZ\$5 million.

The trail opened in March 2013 and within a year 3,000 cyclists were using it, many riding it in a single day due to a lack of accommodation. The trail immediately received excellent reviews as the best 1-2 day remote mountain bike Great Ride in New Zealand.

The constraint to growth in the markets was accommodation on the trail. Whilst accommodation at the start and end of the trail was developed from old forestry houses, and camping was available along the way, it took time for the private sector to commit to building a lodge. In early 2017, a 50 bed, dedicated trail lodge (the Timber Trail Lodge, [www.timbertrailodge.co.nz](http://www.timbertrailodge.co.nz)) was opened at the (almost) halfway point of the trail at Piropiro. Stage One of 10 rooms with shared facilities was followed by 10 ensuite rooms and a licensed restaurant and dedicated cycle touring facilities. The lodge was initiated by local investors who received some financial assistance from the Tourism Growth Partnership Fund. The total Lodge build cost NZ\$3.5 million, with the NZ Government grant contributing a third.

More recently a privately owned glamping operation opened in Piropiro, offering a range of accommodation and package options ([www.thetimbertrail.nz/campepic](http://www.thetimbertrail.nz/campepic)).

The accommodation developments complement a range of local transport and bike hire providers and guiding companies. There has also been the rejuvenation of the villages at the start and finish of the trail with the development of cafes and accommodation.

The users of the trail were initially hard-core mountain bikers from the main North Island cities who would do the trip in a day. This market stimulated the growth of the transport providers. The providers also offered transport from the trail at the half-way point to nearby accommodation and this grew the market for a two-day option with accommodation.

The market shifted and expanded to include the older (60-70-year-olds) and family groups. This trend was exacerbated by the growth in popularity of e-bikes. E-bike riders now make up about a third of Timber Trail users. The markets now predominately come from throughout New Zealand and there are now strong emerging markets from Australia and Europe.

Walker numbers on the Timber Trail have also increased and small group company retreats, and social groups are a strong emerging market for the lodge.

The Timber Trail has been incorporated into a major mountain bike event from the top of NZ to the bottom, the Tour of Aotearoa, and it has also been incorporated into the Te Araroa Trail, a 3,000 km walk the length of New Zealand (with approximately 3,500 walkers on the Timber Trail section per annum).

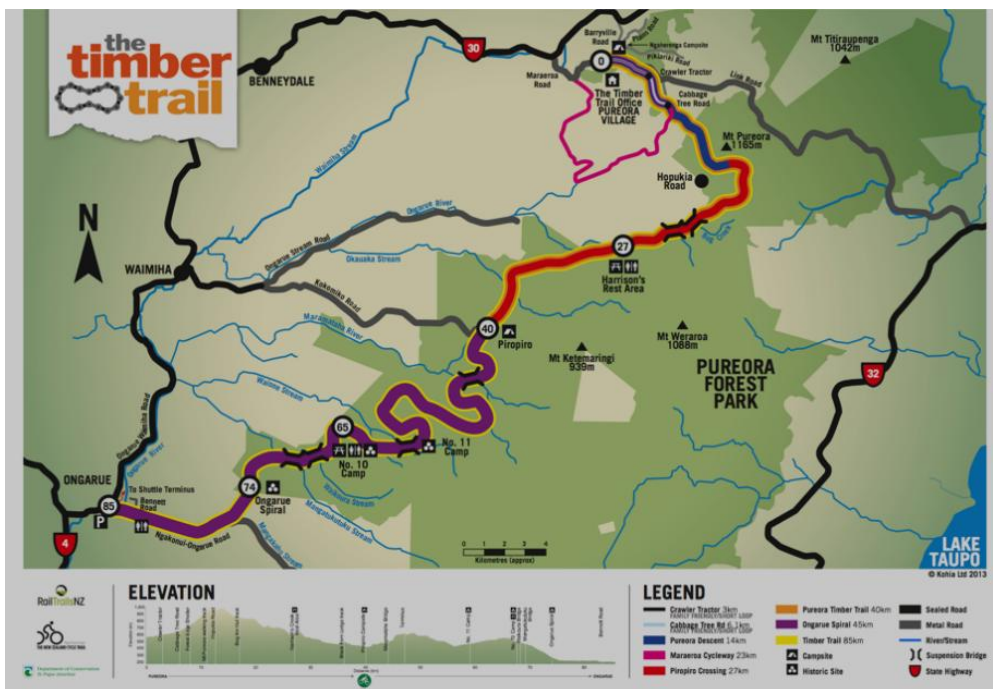
Now more than 10 years old, the Timber Trail is rated one of the country's premier two-day wilderness bike rides, receiving approximately 22,000 riders per annum and injecting more than \$7 million a year into the regional economy.

The impact of the trail for the local region has been regarded, both nationally and internationally, as a very successful part of the regional economic development programme.

The lessons learned from the Timber Trail development include ensuring:

- There is a well-developed business case that is confident there is a market
- The trail has legal access secured
- The trail has a governance group
- Leadership for the development of the concept
- Opportunities for the public sector to support the start-up of SMEs

Key components that are often overlooked are ongoing maintenance and financial support after natural disasters on the trail. Ongoing collaborative marketing must also be factored in. Separating out the two roles of trail maintenance and trail marketing is being used on the Timber Trail.



## Appendix B – Modelling assumptions

### Wielangta Forest MTB Trail – Estimating Trail Users

Variable	Description	Sources
<b>1. Trail Locations</b>	<b>LGAs</b>	
Wielangta Forest MTB Trail: Kellevie to Orford	Sorell LGA Glamorgan Spring Bay LGA	
<b>2. Trail Users - Local/Regional Residents</b>	<b>Estimate local users for each trail</b>	
Local Residents	Estimate of local residents using the trails. Use the trail which is located in or adjacent/in proximity to their LGA. <ul style="list-style-type: none"> <li>• <b>Primary Catchment (LGAs):</b> Sorell &amp; Glamorgan Spring Bay</li> <li>• <b>Secondary Catchment (LGAs):</b> Break O Day; Northern Midlands; Southern Midlands; Brighton, Clarence; Hobart</li> </ul>	MCA modelling based on population data and likely catchment for trail use
<b>Potential users:</b> persons who cycle in each LGA (primary catchment & secondary catchment)	LGA population 10 years from Tasmanian Govt projections. Population projections examined for 10 years 2026 to 2035. Potential users bike users <ul style="list-style-type: none"> <li>• Mountain bikers in the LGAs: apply participation rate <u>2.1%</u> (average for 7 years 2016-2022). For Glamorgan Spring Bay LGA participation rate assumed to be <u>only 1% due to older age</u> structure of population.</li> <li>• Modelling assumes that trail users will mainly be cyclists on MTBs.</li> <li>• Applies to population at Primary &amp; Secondary LGAs</li> </ul> User numbers grow in line with population growth	Tasmanian Government: <i>Draft medium series population projections for Tasmania - Treasury population projections 2023 Ausplay Data Tables, April 2023 &lt;Sports &amp; Recreation Participation&gt;</i>  MCA modelling
<b>Likely to use the trail</b> (% of MTB bikers)	Percentage probability assigned to each LGA: 60% of Mountain Bikers in the primary catchment LGAs (Sorell & Glamorgan Spring Bay); and secondary catchment LGAs: Break O Day (30%); Northern Midlands (40%); Southern Midlands (40%); Brighton (30%); Clarence 30%; Hobart (60%).	MCA assumptions
<b>Average uses per year MTB Trail on users</b> <Based on accessibility of trail increase over time as trail experience becomes known.>	Average uses per year <b>Primary Catchment (LGAs):</b> Sorell & Glamorgan Spring Bay: Year 1-3 - 5; Year 4- 7 7; Year 8-10 8. <b>Secondary Catchment LGAs (except Hobart LGA):</b> Year 1-3 2; Year 4- 7 3; Year 8-10 4. <b>Hobart LGA:):</b> Year 1-3 6; Year 4- 7 10; Year 8-10 12.	MCA assumptions

Variable	Description	Sources
<b>3. MTB Trail Users – Visitors</b>		
<b>Visitors</b> (in trail locations) Sorell & Glamorgan Spring Bay LGAs Visitors	Visitor numbers for each LGA: international overnights; domestic overnights (interstate & intrastate); and day visitors. <b>Assumed annual growth visitors over 10 years:</b> International overnights (1%). Domestic overnights (interstate 1% & intrastate 0.5%); and day visitors (0.2%).	TRA Local Government Area Profiles, 2019 <ul style="list-style-type: none"> <li>Sorell GA</li> <li>Glamorgan Spring Bay LGA</li> </ul>
<b>Potential users:</b> visitors who may be cycle tourists	Cycle tourists – 21% of visitors in each category. <i>“Approximately 21% of the Australian adult population have participated in a cycle tourism activity in the past year”.</i> Percentage (21%) applied to projected visitor numbers to each LGA (Sorell & Glamorgan Spring Bay) to estimate the number of tourists who are mountain bikers.	<ul style="list-style-type: none"> <li>TRC: Cycle Market Insights note.</li> <li>Cycle Tourism Insights Sept 2021, Angus &amp; Associates <a href="https://www.mbie.govt.nz/dmsdocument/19860-cycle-tourism-insights-new-zealand-and-australian-summary-september-2021-pdf">https://www.mbie.govt.nz/dmsdocument/19860-cycle-tourism-insights-new-zealand-and-australian-summary-september-2021-pdf</a></li> </ul>
<b>Likely to use the trail during their visit.</b> <% of MTB cycle tourists using trail>	<p><b>% of MTB bikers - tourists- Sorell LGA Tourists</b> International overnights: Y1-3 30%; y 4-7 40%; Y8-10 50% Domestic overnights: Y1-3 8%; y 4-7 10%; Y8-10 12% Day visitors: Y1-3 1%; Y4-7 2%; Y8-10 3% % using trail increases over time as the trail becomes promoted &amp; known.</p> <p><b>% of MTB bikers - tourists- Sorell LGA Tourists</b> International overnights: Y1-3 6%; y 4-7 8%; Y8-10 10% Domestic overnights: Y1-3 4%; y 4-7 5%; Y8-10 6% Day visitors: Y1-3 1%; Y4-7 2%; Y8-10 3% The percentage of tourists using trail increases over time as the trail becomes promoted &amp; known.</p>	MCA assumptions
<b>3. MTB User Spending in Region</b>		
<b>(\$2025 prices)</b>		
Local & Regional Trail Users	Average spend: Day visitors: \$50 per day; Overnight stays: \$150 per day/person	TRA data 2019 for LGAs (Sorell & Glamorgan Spring Bay), updated to 2025 prices
Visitor trail users – day visitors	Trail use is the reason for the visit. Average spending/person based on TRA data for 2 LGAs - averaged. Average spend per day \$90/person	TRA data 2019 for LGAs (Sorell & Glamorgan Spring Bay), updated to 2025 prices.
Visitor trail users – international overnights	Average stay associated with trail use: 2 nights. Spending levels per day: \$150 / <u>person</u>	MCA assumptions TRA data 2019 for LGAs (Sorell & Glamorgan Spring Bay), updated to 2025 prices.
Visitor trail users – domestic overnights	Average stay associated with trail use: 2 nights. Spending levels per day: \$150 / <u>person</u>	MCA assumptions TRA data 2019 for LGAs (Sorell & Glamorgan Spring Bay), updated to 2025 prices >

Variable	Description	Sources
<b>4. Benefits (for benefit cost analysis)</b>		
Regional Income	Increase in regional income generated by users and their spending in the region	Estimates generated from MCA's regional impact model.
Health Benefits	Reduced health costs (public & private) associated with exercise activity and fitness. Based on average trail ride per person of 12kms & health cost saving of <b>\$2.20 per km</b> . Benefits calculated for <u>local users &amp; domestic visitors</u> . Health benefits for cycling comprise private health benefits of \$1.48 per km cycled; and health system benefits of \$0.72 per km (ATAP Guidelines -M4 Active Travel 2023). <ATAP estimate used for local & regional users and domestic visitors riding on the trail. International visitors users not included>	Australian Transport Assessment and Planning Guidelines – M4 Active Travel, Infrastructure and Transport Ministers, July 2023 Page 17 <i>Mountain Biking in Australia: An Economic and Participation Analysis (AusCycling)</i> , GHD Advisory, March 2021 MCA assumptions.
Consumer valuation of Trail Experience	Based on a <b>shadow price of \$20 per trail user</b> (\$2025 prices) Indicative valuation for <u>local users &amp; domestic visitors</u> , as no fees charged for trail use.	MCA assumption. Users would be willing to pay \$20 if fees were applied.
Productivity Benefit	Exercise improve a person productivity and reduces absenteeism. Assumed that 60% of all trail users are in employment and the benefit is valued at <b>\$7.60 per ride</b> . Valuation for <i>local users &amp; domestic visitors</i> . <Mountain bike estimate used for riding on trail>	<i>Mountain Biking in Australia: An Economic and Participation Analysis (AusCycling)</i> , GHD Advisory, March 2021 <i>Social Value of Community Sport &amp; Recreation - Value Assessment Report</i> , KPMG 21 October 2021 (for City of Melbourne)

## Appendix C – Economic Impact Model

The MCA economic impact model is a regional model, which assesses the impacts of a project or new infrastructure on the region in which it is located. The model works in the following way.

It takes estimated visitor spending in the region (net of 10% GST, which is treated as a leakage out of region) and allocates it across a number of industry sectors based on the average spending patterns of visitors.<sup>53</sup> The model takes account that a significant part of this total spending leaks outside of the region (as it comprises inputs into the goods and services sold by local businesses - and these inputs come from outside the region).

- **Direct Jobs:** the model estimates the proportion of this spending by each industry sector and that which represents local value added and income to local employees and income to local business owners. Job numbers are then derived by industry sector using average wages (plus labour on costs) for each sector. The sector jobs generated are then aggregated to get the total direct jobs figure. These jobs are full time equivalent (FTE) jobs and may represent part of job spread across a large number of businesses in the region (rather than additional jobs in a few enterprises in each sector).
- **Indirect Jobs:** these are the jobs generated by the spending of the employees, who are in the direct jobs. The spending of these direct employees is calculated net of both income tax (based on average tax rates) and savings (an average savings rate). The model allocates this spending (net of 10% GST) across industry sectors based on the spending patterns of a local resident (not a visitor).<sup>54</sup> The model then estimates the proportion of this spending by sector that represents incomes to local employees and income to local business owners and job numbers are then derived by industry sector using average wages (plus labour on costs) for each sector. The sector jobs are then aggregated to get the total indirect jobs figure. These jobs are full time equivalent (FTE) jobs and may represent part of a job spread across a large number of businesses in the region (rather than

jobs concentrated in a few enterprises in each sector).

- **Regional income:** is the total net income generated from the activity and covers wages and salaries of employees and profits of businesses within the region. It includes income generated directly within the business supplying the services to visitors and indirect income, which is generated in other regional businesses (wages and profits) from the multiplier impacts of employee spending in the region. In the modelling of income generated, income tax and GST on spending, are both treated as leakages from the region.

<sup>53</sup> For an overnight visitor this comprises spending on accommodation, food, recreational services, and other retail. For a

day visitor this comprises spending on food, recreational services and other retail.

<sup>54</sup> The spending pattern of employees is based the ABS CPI 2022 product mix.



# Wielangta Forest Mountain Bike Park

## Investment Opportunity

Wielangta Forest Mountain Bike Trail is potentially a very significant addition to the mountain biking experience in Australia. Planned to be over 70 km long, stretching from Kelleve in the south to Orford in the north – it provides an outstanding opportunity to deliver a world class point to point ride, with the potential for off-trail accommodation near the mid-point of the trail, that is market aligned.

Based on the New Zealand Timber Trail model – where riders stay in 4\* accommodation, have access to local wines, spas and great meals, this can be the Australian mountain biking example of the great serviced walks in Tasmania such as Three Capes and the Overland Track.



# Mountain biking the world over is a growth sport

*that can deliver large benefits to communities, businesses, riders and to regional economies*





## Financials

- Approximately \$5M build cost plus any private investment in accommodation and rider servicing.
- During construction – \$1.766M of regional income is generated.
- Total regional income generated by trail users over 10 years of trail operations is \$14.07M.
- Total benefits over the first 10 years of trail operations total \$22.03 M which includes regional income, health benefits, productivity gains and user valuations.



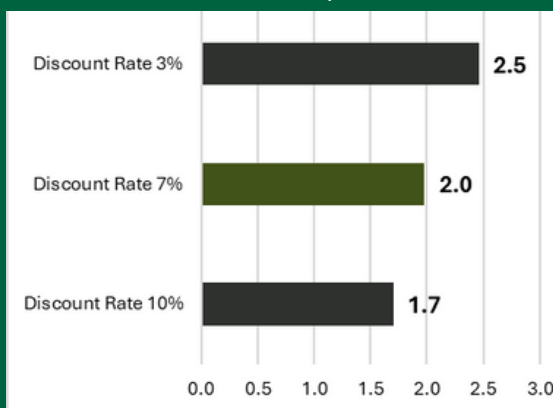
## Jobs created

- During construction, 12.2 FTE jobs are directly created, and 3.6 FTE indirect jobs created regionally.
- Of the 12.2 direct jobs, 8.7 are in trail construction with 2 in material supply and a further 1.4 in planning, design and project management.
- Once operational, jobs created start at 11.2 FTE in year 1 and rise to 20.5 FTE in year 10
- In year 10 – 14.3 are in servicing trail users and 6.1 are indirect and induced jobs.



## Cost benefit ratio

- The project yields a cost benefit ratio of 2 using a 7% discount rate. This compares the aggregated discounted benefits over 10 years with the total project costs (including maintenance) over this period.



## Economic and Community Benefits

During construction, regional income generated

**\$1.76 MILLION**

Total regional income generated by trail users

**\$14.07 MILLION**



in the region over 10 years.

**12.2 FTE JOBS**

during construction

**20.5 FTE JOBS**



by Year 10 in tourism, hospitality, and supporting industries.

Social and Health Outcomes include:



ENHANCED WELL-BEING



REDUCED HEALTHCARE COSTS




INCREASED COMMUNITY CONNECTIVITY

delivering:

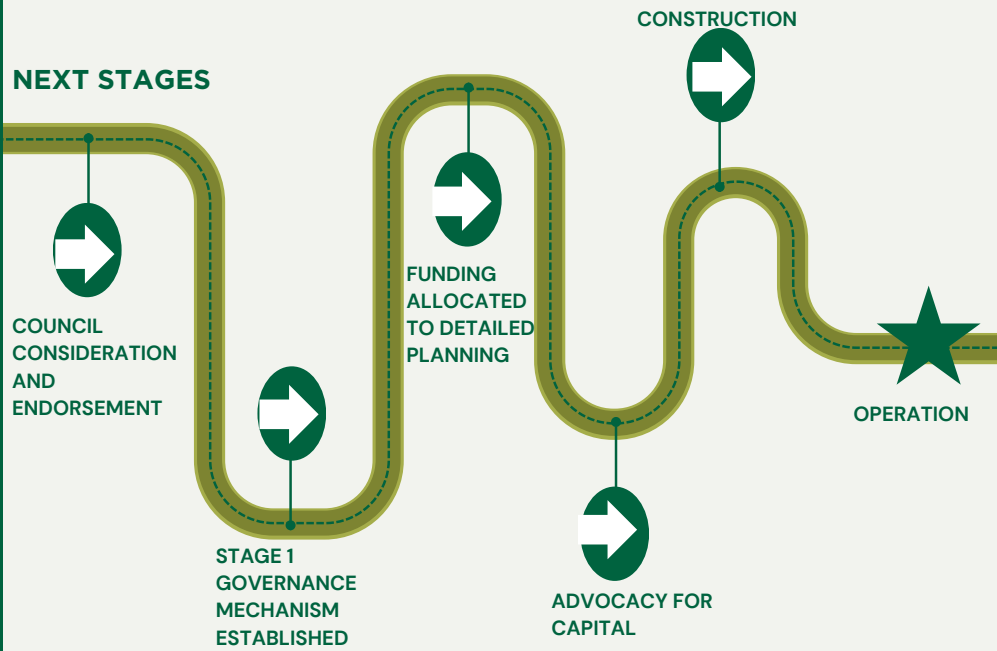
**\$22.03 MILLION**

in health benefits over a decade.

# What stage is it at?

 **Business Case COMPLETED** – found it feasible.

- The trail has a preliminary route that is predominantly on existing or old alignments including old forest tracks, fire access trails and timber haulage lines.
- An initial desktop assessment of the planning, cultural and environmental processes required has found no reason at this stage it cannot proceed – but subject to more detailed planning and ground truthing.
- Land managers and owners will be further engaged in the next stage of planning – a detailed alignment and master plan.



## Impact and alignment

-  **First mover in Australia** on point to point serviced and non-serviced trail attracting several different markets
-  **Provides for locals and visitors**
-  Forecast to have a **demand of 12,400 riders** (including 5,295 local and regional riders) in year 1, **rising to 24,333 in year 10** of operations (14,465 local and regional riders and 9,868 visitors)
-  **Strongly aligned to Tasmania’s nature-based tourism strengths**
-  Sorell and Glamorgan Spring Bay Councils working together on the proposal
-  Continues to **develop regional tourism experiences** that deliver benefits to investors and community
-  To be **well governed** through a purpose-built governance model

Funded by



Tasmanian Government

This project offers both Tasmanian and Australian governments a **unique opportunity** to showcase **leadership in sustainable regional development**, with a **high-impact, scalable model** for future projects.



~~Glamorgan Spring Bay Council~~

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## Council Motor Vehicle Policy

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Version 1

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Adopted By Council On:  
**Minute No.:**

## Document Control

<b>Policy Name</b>	
<b>First issued/approved</b>	
<b>Source of approval/authority</b>	
<b>Last reviewed</b>	
<b>Next review date</b>	
<b>Version number</b>	
<b>Responsible Officer</b>	
<b>Department responsible for policy development</b>	
<b>Related policies</b>	
<b>Publication of policy</b>	

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# 1 Introduction

## 1.1 Purpose

The aims of this Policy are to:-

- set out the requirements and procedures that relate to the use of Council mMotor vVehicles;
- define the responsibility of eEmployees when using Council mMotor vVehicles;
- ensure the use of Council mMotor vVehicles is properly managed;
- ensure the reliability and good performance of Council mMotor vVehicles; and
- operate in conjunction with aApplicable lLaws, iIndustrial iInstruments and rRelated dDocuments.

## 1.2 Scope

This policy covers all light motor-vehicles owned by Council.

## 1.3 Definitions

Council <u>Motor Vehicle</u>	A light motor vehicle owned or leased by Council.
Commuter Use	An entitlement to use a Council <u>mMotor vVehicle</u> to commute to and from work and garage the Council <u>mMotor vVehicle</u> overnight.
Designated Work Vehicle	An outdoor/works vehicle assigned to a designated driver for a specific works function such as a grader crew utility.
Full Business and Private Use	An entitlement to use a Council <u>mMotor vVehicle</u> at all times during and outside business hours.
Industrial Instrument	An instrument recognised under the <i>Fair Work Act 2009</i> that has legal application with respect to minimum entitlements to those <u>eEmployees</u> covered within its scope (e.g. Award or Enterprise Agreement).
Infringing Workplace Behaviour	Any act or omission, which amounts to a breach of any Council policy, contractual obligation or misconduct at common law.
Nominated Alternate Driver	A person who the <u>Chief Executive Officer (General Manager)</u> has approved in writing as a person who is authorised to drive a Council <u>mMotor mVehicle</u> that has been allocated to an <u>eEmployee</u> for Full Business and Private Use.
Pool Vehicle	A Council <u>mMotor vVehicle</u> that forms part of a group of vehicles that are not allocated to one specific tasks or function or Employee.
Private Use	Any use of a Council <u>mMotor vVehicle</u> for reasons other than the performance of the <u>eEmployee's</u> duties for Council.
Worker	A person, other than a Councillor, who carries out work in any capacity for Council, including work as:- <ul style="list-style-type: none"> <li>• an <u>eEmployee</u>;</li> <li>• a contractor or subcontractor;</li> <li>• an employee of a contractor or subcontractor;</li> </ul>

	<ul style="list-style-type: none"> <li>• an employee of a labour hire company who has been assigned to work at Council;</li> <li>• an apprentice or trainee;</li> <li>• a student gaining work experience;</li> <li>• a volunteer.</li> </ul>
Workplace	A place where work is carried out for Council.

#### 1.4 Related Policies and Legislation

This policy relates to and depends on other Council policies, as well as legislation, including:

##### Key Policycies:

- Alcohol and Other Drugs Policy and Procedure 2024
- Disciplinary Policy 2016
- Employee Code of Conduct 2024
- Fitness for Work Policy 2016
- ~~Presentation in the Workplace~~ Presentation Policy 2023
- Working Remote Policy 2023
- Workplace Behaviour Policy 2023

##### Key Legislation:

- ~~Age Discrimination Act 2004 (Cth)~~
- Anti-Discrimination Act 1998 (TAS)
- ~~Australian Human Rights Commission Act 1986 (Cth)~~
- ~~Disability Discrimination Act 1992 (Cth)~~
- Fair Work Act 2009 (Cth)
- Local Government Act 1993 (TAS)
- ~~Racial Discrimination Act 1975 (Cth)~~
- ~~Sex Discrimination Act 1984 (Cth)~~
- Work Health & Safety Act 2012 (TAS)
- Workers Rehabilitation & Compensation Act 1988 (TAS)
- Road Rules 2019
- Traffic Act 1925
- Road Safety (Alcohol and Drugs) Act 1970

## 1.5 Policy Review and Update Cycle

This policy is ~~to be reviewed initially in March 2026???? [insert month and year] and thereafter, every 4 years (March 2030??), subject to review every two years, or sooner where reasonable to do so.~~

## 2 Policy

### 2.1 General Requirements

Employees are required to comply with this Policy and Applicable Laws. Managers/Supervisors are required to reasonably promote this Policy within their area of responsibility and take reasonable steps to ensure that any breaches or potential breaches of this Policy are identified, taken seriously and acted upon appropriately.

### 2.2 Eligibility

Council maintains a motor vehicle fleet of a size and type sufficient to support the effective delivery of its operations and services.

~~The~~ Council allows employees to drive Council owned motor vehicles only where it is a necessary component of their operational duties, which may also include the casual use of motor vehicles outside of core business hours.

Where specific business operations require it and the need is justified, an employee may be offered a 'home-to-work' vehicle by the ~~General Manager~~ Chief Executive Officer.

Under special or restricted circumstances, an employee may be offered a full private use or part private/business use motor vehicle by the ~~General Manager~~ Chief Executive Officer, ~~under the terms and conditions of the Motor Vehicle Procedure.~~

### 2.3 Motor Vehicle Acquisition & Disposal

The purchase price of a vehicle is subject to the budget available and the discretion of the Chief Executive Officer.

Vehicles will be typically purchased by Council with consideration of the following:

~~All motor vehicle acquisitions will be considered by the Council on the basis of:-~~

- Safety standards
- ~~Environmental sustainability principles and omissions~~ credentials;
- ~~Fitness for p~~ Purpose and use; ~~work requirements,~~ flexibility and corporate image;
- Purchase and sale price
- Utilisation and capacity ~~An optimum fleet size and format that will be relative to demand and/or usage to meet business requirements;~~

- ~~Availability through public tenders, competitive quotations and Local Government procurement contracts.~~

Vehicles will be typically disposed by Council with consideration of the following:

Council will generally replace its fleet subject to the following:-

- Passenger motor vehicles after a minimum of three (3) years or 60,000 – 80,000 kilometres, whichever is sooner.
- Light commercial **motor** vehicles after a minimum of three (3) years or 60,000 – 80,000 kilometres, whichever is sooner.
- Replacement **motor** vehicles will be purchased or leased as determined by Council in its annual budget.
- Note – that with advances in motor vehicle technology and changing price settings and market conditions, there may be reasons to dispose of a vehicle beyond the above metrics.

Levels of Motor Vehicle Acquisitions:

Mayor – Motor Vehicles can be purchased to a maximum value of \$90,000 (Exclusive of GST);

Chief Executive Officer (General Manager) – Motor Vehicles can be purchased to a maximum value of \$80,000 (Exclusive of GST);

Directors – Motor Vehicles can be purchased to a maximum value of \$70,000 (Exclusive of GST);

Managers – Motor Vehicles can be purchased to a maximum value of \$60,000 (Exclusive of GST);  
and

Other Staff – Motor Vehicles can be purchased to a maximum value of \$50,000.

#### **2.52.4 Full Business and Private Use**

The following conditions apply to Full Business and Private Use:

- An Employee will be entitled to Full Business and Private Use if the entitlement is expressly provided for in their employment contract.
- Where an ~~e~~Employee has Full Business and Private Use, the value of the Private Use will form part of their remuneration package and will be quantified by their employment contract.
- The Council ~~v~~Vehicle allocated to the ~~e~~Employee for Full Business and Private Use may be replaced by another vehicle at any time at the discretion of the General Manager's/Chief Executive Officer. ~~discretion.~~
- The only people authorised to drive the Council ~~m~~**Motor v**Vehicle outside business hours will be the ~~e~~Employee and a Nominated Alternate Drivers.

- During business hours, the Employee may authorise other Employees to use the Council mMotor vVehicle allocated to them ~~for the performance of duties.~~
- ~~Use of the Council Motor Vehicle and the provision of fuel are limited to travel within Tasmania.~~
- Use of ~~at~~ the Council mMotor vVehicle and the provision of fuel outside Tasmania ~~is~~are subject to the written approval by the Chief Executive Officer. ~~(General Mmanager).~~
- Without limiting Council's rights, Council may withdraw the Council mMotor vVehicle for a period of time determined by Council if the eEmployee:
  - a. suffers any medical condition which impairs the eEmployee's ability to drive the Council mMotor vVehicle.;
  - b. takes a period of leave ~~without pay or long service leave~~ longer than 10 business days over a 14 day period.;
  - c. is working through a period of notice of termination.;
  - d. ceases to hold a valid driver's licence or has their driver's licence suspended.;
  - e. is involved in what Council considers to be an excessive number of 'at fault' accidents.;
  - f. is subject to disciplinary action in accordance with the Disciplinary Policy; ~~or~~
  - g. breaches the terms of this Policy.
  - g-h. For any other reason deemed appropriate by the Chief Executive Officer.

If the provision of the Council mMotor vVehicle is withdrawn, the eEmployee will receive compensation in accordance with the value allocated to the Private Use of the Council mMotor vVehicle in the eEmployee's contract of employment, unless the eEmployee is on a period of unpaid leave.

The value of the Private Use of the Council mMotor vVehicle will be included in the calculation of long service leave, annual leave and payments made in lieu of notice which are paid on termination. ~~as a result of termination.~~

~~The value of the Private Use of the Council Motor Vehicle will not be included in the calculation of any leave entitlements taken during the employment unless the Council Motor Vehicle is withdrawn during the period of leave.~~

#### 2-62.5 Commuter Use

The following conditions apply to Commuter Use:-

- An Employee who is entitled to Commuter Use of a Council mMotor vVehicle must not use the Council mMotor vVehicle for any purpose other than commuting to and from work and for business use. Other Private Use of the Council mMotor vVehicle is prohibited unless it is to support maintenance and operation of the vehicle, for emergency purposes, and to support Council functions.

- ~~Travel is to be strictly to and from home/work by the most direct route. There are to be no deviations from, interruptions to or stops along, this route. The only exception to this is in the case of extreme emergency which is to be reported in writing to the Manager Supervisor within one (1) business day.~~
- The only person authorised to drive the allocated vehicle for commuting purposes is the Employee who has the Commuter Use. The only exception to this is in the case of emergency.
- ~~All Council Vehicles used for Commuter Use are to be permanently badged with the Council logo stickers. Badging will be provided by Council.~~
- ~~The Council Vehicle is not to be used to transport family members during working hour's e.g. transporting family to work/school etc.~~
- The Council Vehicle made available for Commuter Use must be available for use as a Pool Vehicle during business hours and be returned to Council during periods of ~~RDO, Public Holidays, personal leave, annual leave and long service leave.~~ consecutive leave greater than five business days.
- Where an Employee is on personal leave, Council may collect the Council ~~v~~Vehicle and return it to Council at Council's cost.
- The Chief Executive Officer (General Manager) may approve use of the Council ~~m~~Motor ~~v~~Vehicle for the purposes of attending a course of work-related study or professional development outside normal office hours.
- The Chief Executive Officer (General Manager) may withdraw the Commuter Use at any time and for any reason. The Employee will receive no compensation if Commuter Use is withdrawn.

#### 2.7.2.6 Pool Vehicles

Employees may only use Pool Motor Vehicles:-

- if they are authorised to do so by their ~~Manager/Supervisor;~~
- for the performance of their duties for Council and not for any Private Use.
- a Council staff member or department will be assigned with the responsibility for the upkeep, maintenance and servicing of the vehicles.

#### 2.7 Designated Work Vehicles

A staff member will be assigned as the responsible driver of a Designated Work Vehicle who will be responsible for the upkeep, maintenance and service of the vehicle. The responsibility for servicing is defined as booking the servicing and organising the vehicle to be taken to be serviced and for collection.

#### 2.8 Responsibilities

##### Council Obligations

Council will be responsible for all running costs of the Council ~~v~~Vehicle including all registration, insurance, fuel, maintenance and repair costs.

~~Pool and outdoor Council Vehicles are to be permanently badged with the Council logo stickers. Badging will be provided by Council. Any pool vehicle can be required to be badged at any time, for any duration, as a Council vehicle.~~

### Employee Obligations

When using a Council Motor Vehicle Employees must:-

- a) ~~only drive a Council mMotor vVehicle if they hold a valid driver's licence.;~~
- b) ~~take good care of the Council mMotor vVehicle which includes ensuring the:~~
  - e) ~~cleanliness of the Council mMotor vVehicle at all times;~~
  - d) ~~carrying out the logbook services on the Council Vehicle; and~~
  - e) ~~provisions of any policy of insurance relating to the Council mMotor vVehicle are observed.;~~
- f) ~~not do anything that would breach or cause a breach of a lease or cause an insurer to refuse to provide insurance cover for the Council mMotor vVehicle, including third party insurance cover.;~~
- g) ~~pay any excess on any claim made against the insurance cover for the Council Motor Vehicle;~~
- h) ~~assume full responsibility for any traffic, parking or other infringements and for the payment of all fines incurred while driving a Council mMotor vVehicle.;~~
- i) ~~where valuables or potentially valuable items (mobile phones, notebooks, packages, cases etc) are left in an unattended Council Motor Vehicle, ensure they are not visible from outside the Council Motor Vehicle; and~~
- j) ~~not alter the Council mMotor vVehicle without the approval of Council the Chief Executive Officer.~~

### 2.9 Notification

Employees who use Council mMotor vehicles for any purpose must report the following to their Manager/Supervisor as soon as is reasonably practicable:-

- they are charged with an offence relating to driving a vehicle (except a speeding offence).;
- the Council mMotor vVehicle they are driving, or are a passenger in, is involved in an accident.;

- they cease to hold a valid driver's licence or have their driver's licence suspended or revoked.
- they suffer from a medical condition which impairs their ability to drive a motor vehicle.

#### 2.10 Inappropriate Use of **Motor** Vehicles

- a) An Employee who is involved in an accident in a Council **Motor** Vehicle while under the influence of drugs or alcohol will, in the event that Council's insurer disclaims liability, may be responsible for all costs incurred.
- b) ~~Council **Motor** Vehicles are not to be used for the purposes of teaching or instructing learner drivers.~~
- c) ~~Council **Motor** Vehicles are not to be entered in any race, rally or competition.~~
- d) ~~Smoking and vaping, taking illicit drugs, drinking alcohol and other infringing workplace behaviour is not permitted in any Council **Motor** Vehicle at any time.~~
- e) ~~Employees are required to comply with all road rules and other Applicable Laws.~~

### 3 Implementation

Implementation of this Policy rests with the Chief Executive Officer (General Manager).



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**Glamorgan Spring Bay Council**  
**Council Motor Vehicle Policy**

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Version 4

Adopted by Council on:  
**Minute No.:**

Document Control

<b>Policy Name</b>	
First issued/approved	24 September 2019
Source of approval/authority	Glamorgan Spring Bay Council
Last reviewed	April 2026
Next review date	April 2028
Version number	4
Responsible Officer	Chief Executive Officer
Directorate responsible for policy development	Infrastructure and Works
Related policies	<ul style="list-style-type: none"> <li>Code for Tenders and Contracts.</li> </ul>
Publication of policy	Website

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## 1 Introduction

### 1.1 Purpose

The aims of this Policy are to:

- set out the requirements and procedures that relate to the use of Council motor vehicles;
- define the responsibility of employees when using Council motor vehicles;
- ensure the use of Council motor vehicles is properly managed;
- ensure the reliability and good performance of Council motor vehicles; and
- operate in conjunction with applicable laws, industrial instruments and related documents.

### 1.2 Scope

This policy covers all light motor-vehicles owned by Council.

### 1.3 Definitions

Council Motor Vehicle	A light motor vehicle owned or leased by Council.
Commuter Use	An entitlement to use a Council motor vehicle to commute to and from work and garage the Council motor vehicle overnight.
Designated Work Vehicle	An outdoor/works vehicle assigned to a designated driver for a specific works function such as a grader crew utility.
Full Business and Private Use	An entitlement to use a Council motor vehicle at all times during and outside business hours.
Industrial Instrument	An instrument recognised under the <i>Fair Work Act 2009</i> that has legal application with respect to minimum entitlements to those employees covered within its scope (e.g. Award or Enterprise Agreement).
Infringing Workplace Behaviour	Any act or omission, which amounts to a breach of any Council policy, contractual obligation or misconduct at common law.
Nominated Alternate Driver	A person who the Chief Executive Officer (General Manager) has approved in writing as a person who is authorised to drive a Council motor vehicle that has been allocated to an employee for Full Business and Private Use.
Pool Vehicle	A Council motor vehicle that forms part of a group of vehicles that are not allocated to one specific tasks or function or Employee.
Private Use	Any use of a Council motor vehicle for reasons other than the performance of the employee's duties for Council.
Worker	A person, other than a Councillor, who carries out work in any capacity for Council, including work as:

	<ul style="list-style-type: none"> <li>• an employee;</li> <li>• a contractor or subcontractor;</li> <li>• an employee of a contractor or subcontractor;</li> <li>• an employee of a labour hire company who has been assigned to work at Council;</li> <li>• an apprentice or trainee;</li> <li>• a student gaining work experience;</li> <li>• a volunteer.</li> </ul>
Workplace	A place where work is carried out for Council.

1.4 Related Policies and Legislation

**Key Policy**

- Alcohol and Other Drugs Policy and Procedure 2024
- Disciplinary Policy 2016
- Employee Code of Conduct 2024
- Fitness for Work Policy 2016
- Workplace Presentation Policy 2023
- Working Remote Policy 2023
- Workplace Behaviour Policy 2023

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**Key Legislation**

- Age Discrimination Act 2004 (Cth)
- Anti-Discrimination Act 1998 (TAS)
- Australian Human Rights Commission Act 1986 (Cth)
- Disability Discrimination Act 1992 (Cth)
- Fair Work Act 2009 (Cth)
- Local Government Act 1993 (TAS)
- Racial Discrimination Act 1975 (Cth)
- Sex Discrimination Act 1984 (Cth)

- Work Health & Safety Act 2012 (TAS)
- Workers Rehabilitation & Compensation Act 1988 (TAS)
- Road Rules 2019
- Traffic Act 1925
- Road Safety (Alcohol and Drugs) Act 1970

#### 1.5 Policy Review and Update Cycle

This Policy is subject to review every two years or sooner where reasonable to do so.

## 2 Policy

### 2.1.1 General Requirements

Employees are required to comply with this Policy and Applicable Laws.

Managers/Supervisors are required to reasonably promote this Policy within their area of responsibility and take reasonable steps to ensure that any breaches or potential breaches of this Policy are identified, taken seriously and acted upon appropriately.

### 2.1.2 Eligibility

Council maintains a motor vehicle fleet of a size and type sufficient to support the effective delivery of its operations and services.

Council allows employees to drive Council owned motor vehicles only where it is a necessary component of their operational duties, which may also include the casual use of motor vehicles outside of core business hours.

Where specific business operations require it and the need is justified, an employee may be offered a 'home-to-work' vehicle by the Chief Executive Officer.

Under special or restricted circumstances, an employee may be offered a full private use or part private/business use motor vehicle by the Chief Executive Officer.

### 2.1.3 Motor Vehicle Acquisition & Disposal

The purchase price of a vehicle is subject to the budget available and the discretion of the Chief Executive Officer.

Vehicles will be typically purchased by Council with consideration of the following:

- Safety standards
- Environmental credentials
- Purpose and use;
- Purchase and sale price
- Utilisation and capacity
- Availability

Vehicles will be typically disposed by Council with consideration of the following:

- Passenger motor vehicles after a minimum of three (3) years or 60,000 – 80,000 kilometres, whichever is sooner.
- Light commercial motor vehicles after a minimum of three (3) years or 60,000 – 80,000 kilometres, whichever is sooner.
- Replacement motor vehicles will be purchased or leased as determined by Council in its annual budget.
- Note – that with advances in motor vehicle technology and changing price settings and market conditions, there may be reasonable reasons to dispose of a vehicle beyond the above metrics.

#### 2.1.4 Full Business and Private Use

The following conditions apply to Full Business and Private Use:

- An Employee will be entitled to Full Business and Private Use if the entitlement is expressly provided for in their employment contract.
- Where an employee has Full Business and Private Use, the value of the Private Use will form part of the remuneration package.
- The Council vehicle allocated to the employee for Full Business and Private Use may be replaced by another vehicle at any time at the discretion of the Chief Executive Officer.
- The only people authorised to drive the Council motor vehicle outside business hours will be the employee and a Nominated Alternate Drivers.
- During business hours, the Employee may authorise other Employees to use the Council motor vehicle allocated to them.
- Use of a Council motor vehicle and the provision of fuel outside Tasmania is subject to the written approval by the Chief Executive Officer.
- Without limiting Council's rights, Council may withdraw the Council motor vehicle for a period of time determined by Council if the employee:
  - a. suffers any medical condition which impairs the employee's ability to drive the Council motor vehicle.
  - b. takes a period of leave longer than 10 business days over a 14 day period.
  - c. is working through a period of notice of termination.
  - d. ceases to hold a valid driver's licence or has their driver's licence suspended.
  - e. is involved in what Council considers to be an excessive number of 'at fault' accidents.
  - f. is subject to disciplinary action in accordance with the Disciplinary Policy
  - g. breaches the terms of this Policy.
  - h. For any other reason deemed appropriate by the Chief Executive Officer.

If the provision of the Council motor vehicle is withdrawn, the employee will receive compensation in accordance with the value allocated to the Private Use of the Council motor vehicle in the employee's contract of employment, unless the employee is on a period of unpaid leave.

The value of the Private Use of the Council motor vehicle will be included in the calculation of long service leave, annual leave and payments made as a result of termination.

#### 2.1.5 Commuter Use

The following conditions apply to Commuter Use:

- An Employee who is entitled to Commuter Use of a Council motor vehicle must not use the Council motor vehicle for any purpose other than commuting to and from work and for business use. Other Private Use of the Council motor vehicle is prohibited unless it is to support maintenance and operation of the vehicle, for emergency purposes, and to support Council functions
- The only person authorised to drive the allocated vehicle for commuting purposes is the Employee who has the Commuter Use. The only exception to this is in the case of emergency.
- The Council Vehicle made available for commuter use must be available for use as a Pool Vehicle during business hours and be returned to Council during periods of consecutive leave greater than five business days.
- Where an Employee is on personal leave, Council may collect the Council vehicle and return it to Council at Council's cost.
- The Chief Executive Officer may approve use of the Council motor vehicle for the purpose of attending a course of work-related study or professional development outside normal office hours.
- The Chief Executive Officer may withdraw the Commuter Use at any time and for any reason. The Employee will receive no compensation if Commuter Use is withdrawn.

#### 2.2 Pool Vehicles

Employees may only use Pool Motor Vehicles:-

- if they are authorised to do so by their Manager
- for the performance of their duties for Council and not for any Private Use.
- a Council staff member or department will be assigned with the responsibility for the upkeep, maintenance and servicing of the vehicles.

#### 2.7 Designated Work Vehicles

A staff member assigned as the responsible driver of a Designated Work Vehicle is responsible for the upkeep and service of the vehicle. The responsibility for servicing is defined as booking the servicing and organising the vehicle to be taken to be serviced and for collection.

#### 2.8 Responsibilities

##### Council Obligations

Council will be responsible for all running costs of the Council vehicle including registration, insurance, fuel, maintenance and repair costs.

Any pool vehicle can be required to be badged at any time, for any duration, as a Council vehicle.

#### Employee Obligations

When using a Council Motor Vehicle Employees must:

- a) only drive a Council motor vehicle if they hold a valid driver's licence.
- b) take good care of the Council motor vehicle which includes ensuring the:
  - c) cleanliness of the Council motor vehicle at all times;
  - d) carrying out the logbook services on the Council Vehicle; and
  - e) provisions of any policy of insurance relating to the Council motor vehicle are observed.
- f) not do anything that would breach or cause a breach of a lease or cause an insurer to refuse to provide insurance cover for the Council motor vehicle, including third party insurance cover.
- g) assume full responsibility for any traffic, parking or other infringements and for the payment of all fines incurred while driving a Council motor vehicle.
- h) not alter the Council motor vehicle without the approval of the Chief Executive Officer.

#### 2.9 Notification

Employees who use Council motor vehicles for any purpose must report the following to their Manager/Supervisor as soon as is reasonably practicable:

- they are charged with an offence relating to driving a vehicle (except a speeding offence).
- the Council motor vehicle they are driving, or are a passenger in, is involved in an accident.
- they cease to hold a valid driver's licence or have their driver's licence suspended or revoked.
- they suffer from a medical condition which impairs their ability to drive a motor vehicle.

#### 2.10 Inappropriate Use of Motor Vehicles

- a) An Employee who is involved in an accident in a Council motor vehicle while under the influence of drugs or alcohol will, in the event that Council's insurer disclaims liability, may be responsible for all costs incurred.
- b) Smoking and vaping is not permitted in any Council motor vehicle at any time.

### 3 Implementation

Implementation of this Policy rests with the Chief Executive Officer.



**GLAMORGAN  
SPRING BAY  
COUNCIL**

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## **Driveway Construction and Maintenance Policy**

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Version 1

**Adopted:  
Minute No.:**

## Document Control

<b>Policy Name</b>	<b>Driveway Construction and Maintenance Policy</b>
<b>First issued/approved</b>	April 2026
<b>Source of approval/authority</b>	Council Adoption
<b>Last reviewed</b>	Nil
<b>Next review date</b>	April 2028
<b>Version number</b>	1
<b>Responsible Officer</b>	Director Works & Infrastructure
<b>Department responsible for policy development</b>	Works & Infrastructure
<b>Related policies</b>	•
<b>Publication of policy</b>	Website

## Table of Amendments

<b>No.</b>	<b>Date</b>	<b>Brief Details</b>

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## 1 Purpose

- The Policy supports Council’s vision and strategic objectives of appropriately managing assets. In order to regulate and ensure works in the road reserve are carried out to an appropriate standard and in a safe manner, the Council requires those working within the road reserve to apply for a Works in Road Reservation Permit.
- The policy establishes a consistent approach for those persons or contractors wishing to carry out works in the road reserve to ensure that all access and egress onto Council roads are constructed to Council’s municipal standard.

## 2 Scope

- This policy applies to all driveways on Council roads and State Government roads where Council has maintenance responsibility (refer to Local Government (Highways) Act 1982).

## 3 Definitions

- The following definitions apply to this policy:

Term	Definition
Council Road	Means a road for which the Local Government is responsible
Council Standard Drawings	Tasmanian Municipal Standard Drawings (IPWEA/LGAT)
Driveway	The driveway is a private asset and the property owner is responsible for its maintenance
Driveway Culvert	Driveway culverts are private assets required to allow access over the table drain. The property owner is responsible for its maintenance.
Endwalls	Endwalls are private assets required to retain fill at the ends of culverts. The property owner is responsible for maintenance of these items. The Council is responsible for maintenance of the table drain upstream and downstream of the endwalls
Footpath	The section where the driveway crosses the footpath is considered to be part of the footpath. This is a Council asset and Council is responsible for its maintenance. If no footpath exists, then the property owner has full responsibility for the driveway
Local Government	Glamorgan Spring Bay Council
Road Reserves	The parcel of land between the boundaries facing properties which include roadways, footpaths and nature strips; as well as Council's off street car parks
Vehicular Crossing	The vehicular crossing serves two purposes. It allows vehicles to safely access the driveway and conveys stormwater along the kerb. The vehicle crossing is a Council asset, the same as the upstream and downstream kerb. Council maintains the vehicle crossing so that it can effectively convey stormwater

## 4 Legislation

- Local Government Act 1993
- Local Government (Highways) Act 1982

## 5 Policy Review and Update Cycle

- This policy will be reviewed by the Council at least once every 2 years.

## 6 Policy

### 6.1 General

- Alterations or improvements are not permitted to be constructed or obstructions placed on the road reserve unless approval has been obtained and the work is undertaken in accordance with Council's standards and conditions and is to the satisfaction of the Chief Executive Officer or delegated Council Officer.
- The costs of construction of any vehicular crossing or driveway will be borne by the property owner.

### 6.2 Ownership and Maintenance – Urban Area

- In urban areas, there are up to three distinct parts to a driveway, these include:

6.2.1 Vehicular Crossing - The vehicular crossing serves two purposes. It allows vehicles to safely access the driveway and conveys stormwater along the kerb. The vehicular crossing is a Council asset, the same as the upstream and downstream kerb. The Council maintains the vehicle crossing so that it can effectively convey stormwater.

6.2.2 Driveway - The driveway is a private asset and the property owner is responsible for its maintenance, replacement and upkeep.

6.2.3 Footpath - (if footpath is present) The section where the driveway crosses the footpath is considered to be part of the footpath. This is a Council asset and Council is responsible for its maintenance. If no footpath exists, then the property owner has full responsibility for the driveway. If footpaths are constructed across a driveway crossing then the common section shall be constructed (as best as possible) to the same standard as the driveway and of the same material as the footpath as shown in Tasmanian Municipal Standard Drawings. Council will not be responsible for replacing additional sections of a driveway to match the footpath renewal.

- The diagrams below are provided to assist residents understand the responsibilities in relation to footpaths and driveways. These diagrams are not for technical or construction purposes.

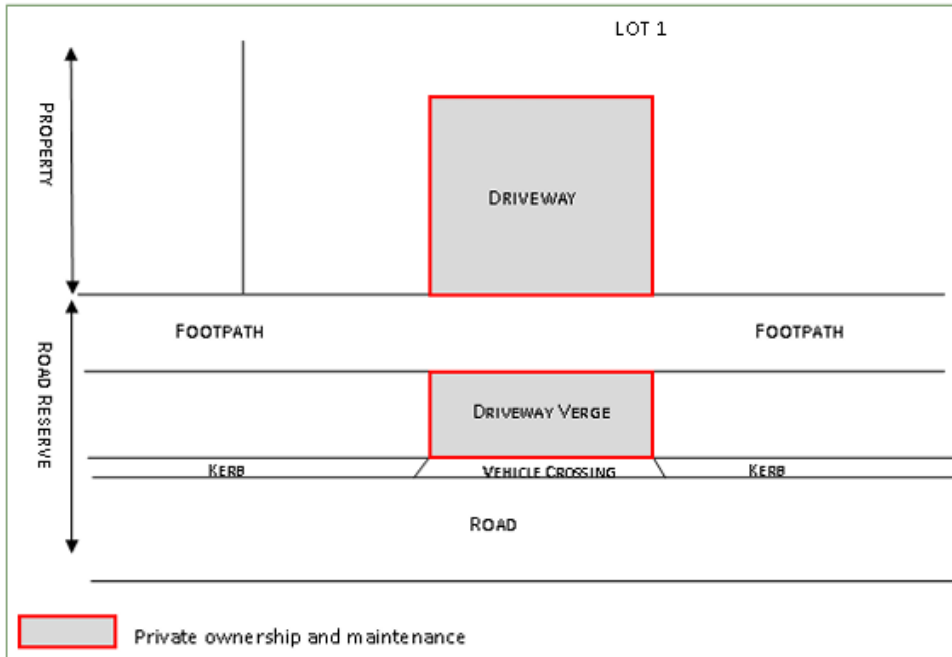


Figure 1 - Urban Driveway, Footpath at Boundary

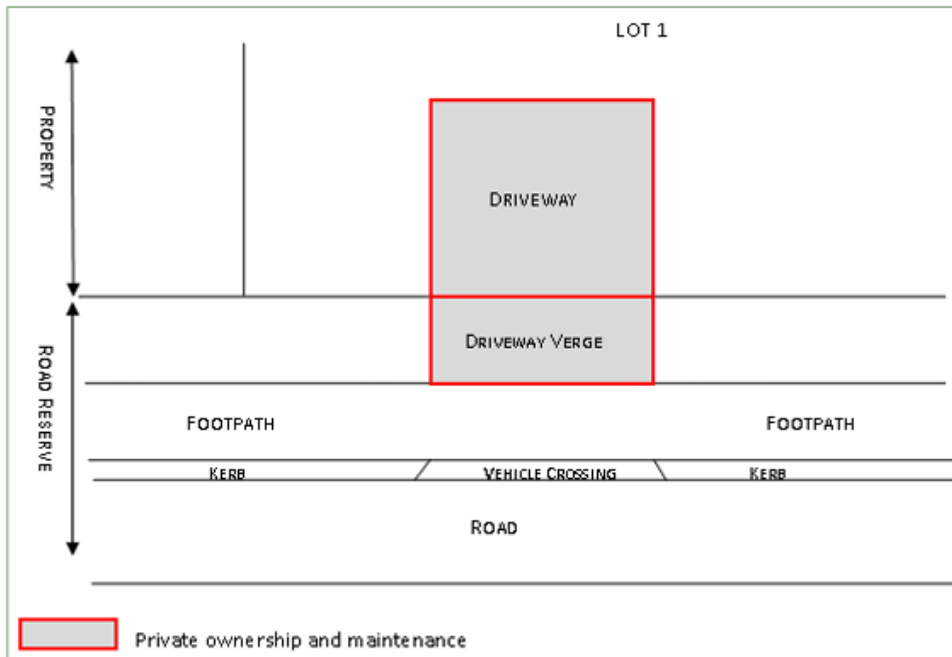
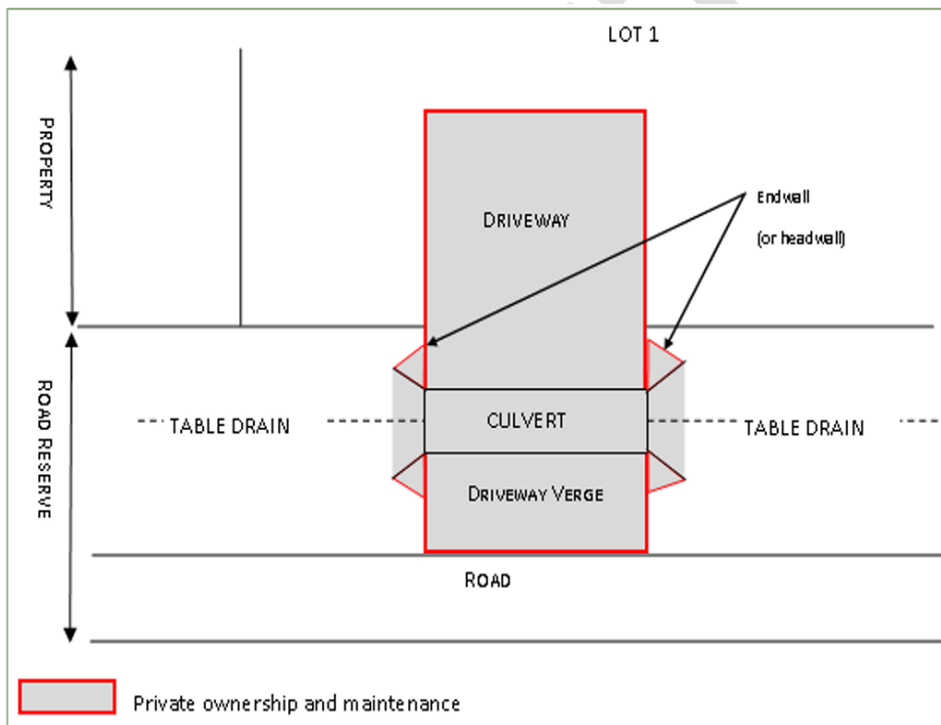


Figure 2 - Urban Driveway, Footpath at Kerb

### 6.3 Ownership and Maintenance – Rural Area

- In Rural areas, there are up to three distinct parts to a driveway, these include:

- 6.3.1 Driveway Culvert - A driveway culvert is a private asset required to allow access over the table drain. The property owner is responsible for its cleaning and maintenance.
- 6.3.2 Endwalls (Headwalls) - Endwalls are private assets required to retain fill at the ends of culverts. The property owner is responsible for maintenance of these items. The Council is responsible for maintenance of the table drain upstream and downstream of the endwalls.
- 6.3.3 Driveway - The driveway is a private asset and the property owner is responsible for its maintenance, replacement and upkeep. As per the Tasmanian Municipal Standard Drawings, driveways on sealed roads should adopt the adjacent seal type (i.e asphalt / sprayed seal) while a seal is not required for property accesses off unsealed roads.



#### 6.4 Council Projects that Affect Driveways

- If the Council undertakes road works which change the level of the footpath or road, then the Council is responsible to change any components of the driveway necessary to suit the new levels. The new construction material will be the minimum standard required by the Tasmanian Municipal Standard Drawings.
- A property owner may request to upgrade their driveway at this time, although all additional costs must be borne by the property owner and applications will be determined by the Council on receipt of application. The Council will take no responsibility for the ongoing maintenance of

the driveway.

- If a Council project increases flow to a driveway culvert by the redirection of drainage paths, then the Council is responsible for upgrading driveway culverts to suit.

## 6.5 Works Within a Road Reserve

- Permission from the Council is required for the works listed in section 46 of the Local Government (Highways) Act 1982 and includes the following works:
  - New driveway construction
  - Works on nature strips
  - Trenching and excavation
  - Works affecting pedestrian traffic
  - Works affecting vehicular traffic
- The purposes of this is to:
  - Ensure that Council assets are protected
  - Ensure that impact on the public is managed
  - Avoid conflict with other projects, events and activities
- Any person wishing to undertake construction or modification works to a driveway or property access within the road reserve must obtain a '[Work Within Road Reserve Permit Application](#)'.
- All works must be completed by a suitably qualified and experienced contractor to Council standards, to ensure that it is capable of withstanding vehicle loads and to minimise future maintenance and risk to the public.
- All costs for construction of new driveways are to be borne by the property owner. This may include replacement of the footpath section and utility covers to ensure that the area is suitable for vehicle loads. This may also include construction of a new crossover and reinstatement of kerb to replace a redundant crossover.

## 6.6 Steep Driveways

- For proposed driveways with a slope >20%, a longitudinal section shall be provided along the centre line of the driveway between the kerb line and the proposed house site. Unless a variation has been granted the maximum slope shall be:
  - as shown in the Tasmanian Municipal Standard Drawings for urban driveways and
  - 25% within the property boundary.
- Some existing driveways have grades that make access difficult or cause 'scraping'. Addressing this issue is the responsibility of the property owner. Council approval is required prior to any works.
- The only exception is when the road crossfall is greater than 5%. In these cases, Council may install an 'asphalt wedge' or other improvement in accordance with the Tasmanian Municipal Standard Drawings.

## 6.7 Multiple Driveways

- Generally, the number of driveways per property will be restricted to one. However, any person wishing to construct an additional driveway to a property must demonstrate to the satisfaction of Council that the driveway can be used safely; will not increase the risk to the public and will not adversely impact parking in the local area.

## 6.8 Installation of Mirrors

- Convex mirrors are not for general use and should only be installed as a traffic safety device as a last resort if there is a severe problem with sight distance and there are no other viable options available (i.e relocation of the driveway or private access, trimming of vegetation or alteration and/or relocation of property fencing etc).
- They should only be considered where a driveway does not meet the requirements for 'Safer Intersection Sight Distance' (SISD) and 'Minimum Gap Sight Distance' (MGSD) as stated in the Austroads Guide to Road Design Part 4A : Unsignalised and Signalised Intersections.
- Ideally convex mirrors should only be used in low-volume, low-speed road environments. For traffic being viewed in the mirror with an 85th percentile speed of more than 60 km/h, the image of a vehicle would be very small at the required sight distance and may give a false sense of how far away it is.
- Mirrors are not permitted on TasNetworks infrastructure.

## 6.9 Discharge of Concentrated Drainage onto Roads

- As per Section 47 of the Local Government (Highways) Act 1982, unless prior permission is obtained from the Council, property owners should not make any additional alterations to any natural surfaces that would result in a change in the location, concentration, volume, velocity, frequency, duration or intensity of overland stormwater flows that could be directed into the road table drain or neighbouring properties. Permission would only be granted if the owner can demonstrate that the public stormwater system (inc roadside drains) has capacity for the inflows.
- After all reasonable measures have been made to disperse stormwater within the property itself, any residual concentrated stormwater runoff must be directed to the downstream side of the road table drain as shown in the Tasmanian Municipal Standard Drawings.
- To both protect the integrity of the driveway and ensure that an unmanageable volume of water is not accumulated at the upstream side of the driveway crossover culvert, additional culverts should be progressively installed up driveways within the property according to the spacings outlined in the table below.

Driveway Grade (%)	Maximum Culvert Spacing (metres)	Driveway Grade (%)	Maximum Culvert Spacing (metres)
1.75	250	15.75	65
3.5	200	17.5	60
5.25	150	19.25	55
7	125	21	50
8.75	100	22.75	45
10.5	90	25	40
12.25	80		
14	70		

### 6.10 Requirement to Upgrade

- A property access is deemed a nuisance when it causes drains to be blocked or water or gravel to wash over the road or otherwise causes a negative impact on Councils roads, footpaths and/or stormwater system from working effectively.
- Where a property access has been deemed to be a nuisance, Council may issue a Notice requiring the property owner to upgrade the access to the Municipal standard or install preventative measures to prevent such a nuisance to the satisfaction of Council.
- All works associated with the upgrade and/or improvements of the access will be at the cost of the property owner (including machinery and labour installation costs).
- If remedial works specified on the Notice are not undertaken by the property owner within the specified timeframe, Council may undertake the works to abate the nuisance and subsequently recover the costs from the property owner.

## 7 Subdivision & Development Applications

- All new subdivisions, dwellings and other developments that access a sealed Council road shall have an individual access constructed to Council’s municipal standard for sealed roads. A Start Work Notice must be lodged with Council prior to undertaking work.
- All new subdivisions, dwellings and other developments that access an unsealed Council road shall have an individual access constructed to Council’s municipal standard for unsealed roads. A Start Work Notice must be lodged with Council prior to undertaking work.
- In some circumstances, Council may require the access to be sealed for safety or to prevent erosion problems.
- Where an existing access is part of a new subdivision/development and that access meets a sealed road, that access will need to be upgraded (if necessary) to Councils adopted standard and sealed. An application must be lodged with Council prior to undertaking work.
- Where an existing access is part of a new subdivision/development and that access meets a gravel road that access will need to be upgraded (if necessary) to Councils adopted standard. In some circumstances Council may require the access to be sealed for safety or to prevent potential erosion problems.
- In the case of a boundary adjustment where no additional lots are created and such adjustment is considered by Council to be of an insignificant nature (upon advice from the Council Planner) and the property is served by an existing access, Council may, through the Chief Executive Officer, relax the provisions of Clause 3.4.1 and 3.4.2 of this policy.

## 8 References

- Local Government Act 1993
- Local Government (Highways) Act 1982
- Roads and Jetties Act 1935
- Traffic Act 1925

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**GLAMORGAN  
SPRING BAY  
COUNCIL**

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# **Councillor Expenses Reimbursement and Provision Of Facilities Policy**

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Version **[1.0]**

**Adopted:  
Minute No.:**

## Document Control

<b>Policy Name</b>	
<b>First issued/approved</b>	
<b>Source of approval/authority</b>	
<b>Last reviewed</b>	
<b>Next review date</b>	
<b>Version number</b>	
<b>Responsible Officer</b>	
<b>Department responsible for policy development</b>	
<b>Related policies</b>	•
<b>Publication of policy</b>	Website

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## Contents

### 1 Introduction

#### 1.1 Purpose

This policy aims to provide a clear framework around Councillor entitlement to expense reimbursement and the provision of facilities and equipment.

#### 1.2 Scope

To ensure expenses claimed for reimbursement and the provision of facilities and equipment are appropriate for the support of Councillors in fulfilling their duties of office.

#### 1.3 Related Policies and Legislation

This policy relates to and depends on other legislation and council policies, including:

##### **Local Government Act 1993 – Schedule 5**

###### **1. Expenses**

(1) A council, on or before 1 January 2006, is to –

(a) adopt a policy in respect of payment of expenses incurred by councillors in carrying out the duties of office; and

(b) make a copy of the policy available for public inspection.

(2) A councillor is entitled to be reimbursed for reasonable expenses in accordance with the policy adopted under [subclause \(1\)](#) in relation to –

(a) any prescribed expenses; and

(b) any other expenses the council determines appropriate.

###### **2. Loan of services, facilities and equipment**

A council may decide to provide support services, facilities and equipment on loan to a councillor on any conditions it considers appropriate.

##### **Local Government (General) Regulations 2025**

###### **50. Expenses for councillors**

A councillor is entitled to be reimbursed for reasonable expenses in accordance with the policy adopted under clause 1(1) of [Schedule 5](#) to the Act in relation to –

(a) telephone rental, telephone calls and use of the internet; and

(b) travelling; and

(c) care of any person who is dependent on the councillor and who requires the care while the councillor is carrying out his or her duties or functions as a councillor; and

(d) stationery and office supplies.

###### **Council Policy**

Use of Electronic Devices Policy

## 1.4 Policy Review and Update Cycle

This policy is to be reviewed initially in [insert month and year] and thereafter, every [insert number of] years.

## 2 Policy

### 2.1 Reimbursement Claims for Expenses

Councillors are entitled to be reimbursed for expenses under Section 50 of the Local Government (General) Regulations 2025. Such expenses must be exclusively for Council business.

Claims for reimbursement of out-of-pocket expenses incurred in accordance with this policy shall be made to the Chief Executive Officer not later than three (3) months after the expense has been incurred and shall be submitted on the reimbursement claim form (attached). Claims are preferred on a monthly basis. Claims older than three (3) months will only be accepted at the discretion of the Chief Executive Officer. At the request of Chief Executive Officer, persons making a claim will be required to produce evidence of the expenditure and/or provide materials to justify the claim made.

Where, in the opinion of the Chief Executive Officer, a question arises as to whether a claim for reimbursement of expenses is eligible under this policy, or the claim appears unreasonable or does not serve the interests of Council, the Chief Executive Officer shall refer the matter to Council in closed session for decision and policy guidance.

A Councillor shall not claim travel or other expenses where the expense would otherwise have been incurred as a result of private business.

#### 2.1.1 Meal & Accommodation Expenses

A meal expense is claimable for reimbursement for the following situations:

- When attending Council business such as a conference, function or event.
- For attendance at meetings of Council, Council Workshops or meetings of any committee of Council, which commences after 5pm, an evening meal can be claimed.
- When attending a Council event that requires overnight stay and meals are not provided at the venue.

Meal expenses will be reimbursed upon presentation of a claim for payment on the prescribed claim form, up to the following values as set by the Australian Tax Office. The following are for domestic travel expenses for Hobart 2025/26:

- Breakfast \$34.75
- Lunch \$39.10
- Dinner \$66.65

Accommodation expenses required for Council business will be arranged and paid for by Council. Where meals are provided at the accommodation, it is preferred that meals are taken at the accommodation venue. Where this is unreasonable, and at the discretion of the Chief Executive Officer, the meal allowance will apply. No incidental costs are paid for overnight stays.

#### 2.1.2 Use of Council Vehicles & Travelling Expenses

The Mayor will be provided with a Council vehicle for the purpose of undertaking the duties of Mayor.

Councillors may arrange to use the Mayor's vehicle if required to attend meetings, seminars, function on behalf of the Council subject to availability. Arrangements for the use of the Mayor's vehicle are to be made with the Mayor. All policies adopted by Council in relation to use of Council vehicles apply to Councillors when driving Council vehicles.

Travel expense claims for private vehicle use shall only be for kilometres incurred relevant to Council business and adjustments must be made for non-Council business kilometres. The travel allowance payable will be at the Australian Tax Office rate per kilometre x valid kilometres claimed.

#### 2.1.3 Dependent Person Care Expenses

In relation to care of any dependent, Council will reimburse a Councillor for necessary, reasonable expenses incurred in carrying out the duties of office, that the Councillor cannot perform themselves due to Council duties.

Reimbursements made will be net of any entitlement to government subsidies, such as childcare.

At the Chief Executive Officer's discretion, a contribution towards childcare expenses may be paid at an hourly rate of up to \$20/hour when no licensed provider is available (evenings for example).

Dependent person expenses are not eligible for reimbursement if the payment for that care is made to a person who normally or regularly lives with the Councillor or is a member of the Councillor's family.

All claims must detail the date and time care was provided, the business of Council that it related to, and attach a receipt or invoice from the provider (whether licensed or unlicensed).

#### 2.1.4 Facilities and Administrative Expenses

The Mayor is to be provided with a dedicated office for the carrying out of his/her duties as Mayor. Councillors are permitted to use the Mayor's office for appointments in discharging the function of a Councillor subject to availability as advised by the Mayor.

Council will provide Councillors with administrative support in relation to discharging the functions of a Councillor including provision of business cards and magnetic name tags, postage, diaries, stationery, etc. Requests are to be approved by the Chief Executive Officer.

Council encourages a paperless approach by providing Councillors with meeting materials in electronic format before each meeting or workshop. However, upon request and with reasonable notice to the Chief Executive Officer, hard copies of any document can also be provided.

#### 2.1.5 Conferences & Seminar Expenses

The Council encourages Councillors to attend conferences, seminars and training relevant to Local Government. When held within Tasmania, Councillors are encouraged to attend at least one relevant training session or forum annually.

Attendance at such training or forums are to be approved by the Chief Executive Officer and will be subject to budget availability. Attendance at any other conference, seminar or training outside of Tasmania requires adequate notice to allow for a resolution of Council.

Council supports the practice of the Mayor, Councillors and the Chief Executive Officer attending the LGAT Annual Conference.

#### 2.1.6 Partner Expenses

Where additional costs are incurred for the Mayor and/or Councillor's partners to attend functions, dinners, events or similar, these costs will be reimbursed for events held in Tasmania. Council approval will be required for reimbursement of expenses for interstate events.

## 2.2 Communication Devices

#### 2.2.1 Laptop or Tablet

Councillors will be provided with an electronic device in the form of a Laptop or Tablet to facilitate Council duties in particular access to electronic mail and Council documents. Councillors may request either a laptop or tablet device, which will be provided and managed as part of the Council's wider group of IT devices. Upon the conclusion of a Councillor's term of office, all equipment including chargers and accessories shall be returned to the Council.

Information technology helpdesk support will be available to Councillors for all Council equipment. Council equipment will undergo periodic software updates as part of the Council IT group, and Councillors are responsible for making sure IT equipment is available for such update regularly, particularly for security reasons. Councillors must participate in all security training provided by Council IT support.

It is the Councillors responsibility to protect Council devices from damage or unauthorised use, hence this equipment is not supplied for personal use.

The provision of electronic equipment to a Councillor is to embed the transition toward a paperless office environment, decrease paper waste, minimize expensive printing of Council documents that are often only referred to once. The equipment is designated to fulfill the functions of a Councillor and their use shall comply with the Council's Use of Electronic Devices Policy

#### 2.2.2 Phone and Internet Expenses

Council will provide Councillors an expenses reimbursement of up to \$50.00 per month for cost incurred that are directly related to Council business, including phone, internet access and stationery and administrative expenses.

At the discretion of the Chief Executive Officer Councillors may be provided with a consumables expense reimbursement of up to \$140 per month due to extenuating circumstances such as extraordinary internet costs.

Councillors may elect to be provided a Council phone number that is appended to their existing private mobile phone device. This data service plan includes internet access. The Council mobile number provided will be cancelled at the conclusion of his/her term of office. When this option is chosen Council will provide an expenses reimbursement of \$20.00 per month for administration costs incurred that are directly related to Council business. If travelling overseas Councillors are requested to put appropriate measures in place to avoid excessive Council related phone costs and arrangements shall be agreed with the Chief Executive Officer.

## 3 Implementation

Implementation of this Policy rests with the Chief Executive Officer

## 4 Implementation

Reimbursement claim form.

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9 Melbourne Street (PO Box 6)  
Triabunna TAS 7190  
☎ 03 6256 4777  
☎ 03 6256 4774  
✉ [admin@freycinet.tas.gov.au](mailto:admin@freycinet.tas.gov.au)  
🌐 [www.gsbc.tas.gov.au](http://www.gsbc.tas.gov.au)

## EVENT SUPPORT GRANT APPLICATION

### EVENT SUPPORT ASSISTANCE GUIDELINES

#### ELIGIBLE EVENTS:

The Council will consider requests for assistance by community, sporting and non-profit organisations holding festivals, events or promotions in the Glamorgan Spring Bay.

Festivals and events are defined as activities held within the Glamorgan Spring Bay area that seek funding support and contribute to the region's cultural, social, or economic vibrancy.

#### ELIGIBLE ORGANISATIONS:

Any community group, organisation or club that is legally incorporated or operating under the auspices of an incorporated body. The organisation must hold and produce evidence of public liability cover for the event.

#### ELIGIBLE ASSISTANCE:

In-kind support includes provision of such items as wheelie-bins, barricades, delivery and collection of bins, erection of barricades and advertising of street closures (if a council road and it has been approved by Council). The cost to the Council of any in-kind assistance approved will be calculated and costed against the application.

The maximum funding allocation for any event is \$2,000. However, Council reserves the right to vary this amount at its discretion during the decision-making process.

#### PRIORITIES:

The funding available is limited. Priority will be given to events that:

- Have a significant benefit for a wide range of Glamorgan Spring Bay residents and businesses.
- Are unique within the Glamorgan Spring Bay
- If profit making, put the funds back into the community, preferably through community projects that will benefit a wide cross-section of the community.

## Event Support Grant Application

Please make sure you answer all Sections of this form.

APPLICANTS DETAILS			
Contact Person Name:	Rob Hutchings		
Position in organisation:	President		
Postal Address:			
Phone:		Mobile:	0438 614 112
Email:	slrhutchings@gmail.com		

ORGANISATION DETAILS	
Name of group or organisation running the event:	Spring Bay RSL Sub Branch
Address:	Vicary Street Triabunna TAS 7190
Website:	
ABN:	
Incorporation number:	IA10205
Legal Status (Please tick which one applies to your group):	
<input checked="" type="checkbox"/> Not-for-profit or incorporated association. <input type="checkbox"/> Registered business hosting a fundraising event where proceeds are donated to charity. <input type="checkbox"/> Registered business hosting a profited event.	

EVENT DETAILS			
Event name:	Triabunna ANZAC Day Service 2026		
Event description:	Triabunna ANZAC Day Service 2026		
Event date(s):	26/04/2026	Time(s):	
Set up date(s):		Close down date(s):	
Event held previously:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Total no. of people expected to attend at any one time:	150
Entry costs:	Free entry: <input checked="" type="checkbox"/>	Voluntary donation: <input type="checkbox"/>	Admission fees: \$

EVENT VENUE	
Venue Name:	RSL Sub-Branch
Venue Address:	Vicary Street Triabunna TAS 7190
Has permission been obtained from the venue:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Owner / Manager / Committee of Management
Permission to use venue:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Will the event be held on Council or private land?	<input type="checkbox"/> Council Land <input checked="" type="checkbox"/> Private Land
<b>Event description:</b> <i>(Please provide dot points including what you are going to do, the need for the event and why it is of value, any event partners, any further details about location etc.)</i>	
<ul style="list-style-type: none"> <li>- Commemorates the service and sacrifice of Australian and Allied forces.</li> <li>- Provides a meaningful occasion for the Triabunna and wider East Coast community to reflect, pay respects, and honour veterans.</li> <li>- Encourages community participation and connection across generations.</li> <li>- Supports ongoing community remembrance traditions.</li> <li>- Strengthens local community cohesion and intergenerational engagement.</li> <li>- Offers educational opportunities for younger residents about Australia's military history.</li> </ul>	
INSURANCE	
Do you hold insurance for this event?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Please outline the insurance type and value involved: <i>(Attach Certificate of Currency with your application)</i>	
TEMPORARY ROAD CLOSURES <i>(if applicable)</i>	
Will the event require road closure? <i>(Attach Traffic Management Plan)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Which road(s) will be closed for the event?	This has been organised and approved by Council Works Team.
Time of road closures:	

BENEFITS OF THE EVENT TO GLAMORGAN SPRING BAY		
Please tick or highlight any of the following areas that are relevant to your event:		
<input checked="" type="checkbox"/> Community Participation	<input type="checkbox"/> Environment	<input type="checkbox"/> Sport & Recreation
<input checked="" type="checkbox"/> Community Education	<input type="checkbox"/> Tourism & Events	<input checked="" type="checkbox"/> Heritage & History
<input type="checkbox"/> Health & Safety	<input type="checkbox"/> Multi-Cultural	<input type="checkbox"/> Arts & Culture
What will Glamorgan Spring Bay residents gain from this event?		
Opportunity to honour and remember service personnel. Strengthens community spirit and connection. Educational experience for all ages about Australia's military history. A meaningful, shared occasion for reflection and intergenerational participation		
What will Glamorgan Spring Bay businesses gain from this event?		
Boosts foot traffic and local spending. Attracts visitors from surrounding areas.		
Briefly explain how you plan to acknowledge Council's contribution / assistance to the event.		
Official mention at the as the event supporter.		
REQUEST FOR FUNDING		
Please confirm the dollar amount you are applying for from Council (per year).	\$ 1,000	
Please outline the amount of funds, if any, you are requesting from Council, and the purpose to which the funds will be applied: <i>Please provide quotations with your application</i>		
To cover costs of catering for a community BBQ and Gun's Breakfast, providing hospitality for attendees and supporting community participation in the ANZAC Day service.		
Are you prepared to accept partial funding? <i>(Council's grants are highly competitive and Council may offer less than the amount you request.)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

If your application is approved, funding will be paid directly into the nominated bank account. Please provide the following bank account details for this entity:	Name on Account:
	BSB:
	Account Number:
<b>IN-KIND SUPPORT</b>	
<i>In-kind support (Council contribution) is where Council waives or reduces our fees including permit fees, Council venue or site hire, and bin hire.</i>	
Are you requesting in-kind support from Council?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
What in-kind support would you like?	
<input type="checkbox"/> Wheelie bin hire	<input type="checkbox"/> Venue/Site hire waiver
<input type="checkbox"/> Permit fees waiver	<input type="checkbox"/> Power
Other: <u>Road Closure - already approved.</u>	

<b>CERTIFICATION / DECLARATION</b>	
<p>This declaration must be signed by a person authorised to sign on behalf of the organisation.</p> <ul style="list-style-type: none"> <li>• I certify to the best of my knowledge that the information given on this form is complete and correct.</li> <li>• I understand that approval of the grant is subject to mutual agreement between Glamorgan Spring Bay Council and the applicant.</li> <li>• I understand that if Glamorgan Spring Bay Council approves a grant, I will be required to accept the conditions of the grant in accordance with Glamorgan Spring Bay Council requirements.</li> <li>• I understand that Glamorgan Spring Bay Council does not accept any liability or responsibility for the proposal in this application and that it is the responsibility of the applicant or their sponsor to provide the appropriate insurance cover and abide by all relevant health and safety standards.</li> <li>• I agree that if funded, funds will be used only for the event described on this application.</li> <li>• I consent to the release of event information in this application for promotional and evaluation purposes relevant to Glamorgan Spring Bay Council.</li> <li>• I will seek permission from the group before submitting photographs for use by Glamorgan Spring Bay Council.</li> </ul> <p>The above organisation has authorised me to submit this application on their behalf. The information contained herein is, to the best of my knowledge, true and correct.</p>	
Name:	Rob Hutchings
Signature:	
Position in organisation:	President
<p><b>Please return this application to:</b> <a href="mailto:community@freycinet.tas.gov.au">community@freycinet.tas.gov.au</a></p>	

*Please Note: All successful applicants are required to submit evidence of expenditure in a final report. Included in reporting will be formal receipts, photographs and providing the opportunity for Community Services staff to attend the funded event.*

FINAL CHECK LIST	
Action	Completed
Completed all sections of the application form	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Signed the application form	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Attached copies of any required documentation	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Attached copies of supporting quotes	<input type="checkbox"/> Yes <input type="checkbox"/> No



### **Motion on Notice – Large Grant applications/opportunities**

I move -

That any Council grant with a value of over ten thousand dollars (\$10,000) must involve appropriate due diligence and transparency including:

A robust needs based assessment that involves review of an entity's relevant financials; the opportunity to apply for the grant be made available to all 'like' entities/individuals in the municipality; and must be considered in open session of Council, with any key confidential information managed by way of related redaction, to ensure appropriate ratepayer transparency and confidence.

### **Context/rationale**

- A grant from Council, versus a contract for services, is essentially a 'gift' of ratepayers' money to the recipient entity/individual;
- A Council grant of over \$10,000 is a major gift, given Glamorgan Spring Bay Council's paltry share of Tasmania's Local Government Base funding;
- The Australian and State governments provide funding through grant and incentive mechanisms, across many business areas for rural based organisations.
- Council received legal advice in 2023/24 that a then existing practice of annual payments to a private business was illegal, and that it didn't meet community expectation.
- Officers noted when presenting the 2023/24 legal advice that the practice of providing money to private organisations had caused ratepayer concern within the community.
- Council supported a motion to allow receipt of sizeable grant requests on the basis that any such grant request would necessarily involve a needs based assessment based on review of any entity/individual's business financials.
- Officers also noted an expectation that if a grant request was received, that other 'like' entities/individuals in the municipality should also be provided with the opportunity to submit a grant application.
- Ratepayers have a right to expect a transparent and diligent assessment of any large grant of their rates.