

# Tender Specifications

## Outer Hobart Residential Demand and Supply Study

May 2022

Submissions will be accepted until 2p.m. Monday, 30 May 2022 and are to be directed to:

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**General Manager**  
**Brighton Council**  
**1 Tivoli Rd**  
**Old Beach TAS 7004**  
**Email: [development@brighton.tas.gov.au](mailto:development@brighton.tas.gov.au)**

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David Allingham  
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## 1. Background

Brighton, Sorell, Huon Valley, Southern Midlands, Kingborough, Clarence and Derwent Valley Council's ("the Outer Hobart Councils") are seeking a qualified and experienced consultancy to provide services to assist it to develop an evidenced based assessment of demand for housing. In addition, a corresponding assessment of the current and proposed supply of residential land and other opportunities for residential development in key urban areas of the seven Councils is required.

The need for the project is on the basis that there has been no detailed assessment of demand for housing in the Greater Hobart area since the Southern Tasmanian Regional Land Use Strategy (STRLUS) 2010-2035. The data that informed the preparation of STRLUS is now extremely out of date and Greater Hobart is experiencing population growth and housing affordability issues that were not present when STRLUS was released.

The Outer Hobart Councils have a unique relationship to the Greater Hobart Area. Collectively they provide approximately 30% of the Greater Hobart residential growth but are increasingly acting as regional hubs for their surrounding areas. Each Council has experienced growth in recent years far exceeding STRLUS predictions.

The high levels of residential development requires an updated residential demand and supply analysis to understand the impact that this demand has had on the supply of residential land, including rural living settlements, over the medium and long term.

The State Government has a plan to review STRLUS in the coming years, but a full review is not expected to be completed until at least 2024.

In the meantime, the Greater Hobart Committee (GHC), which includes Clarence, Kingborough, Hobart and Glenorchy Councils, are preparing a Greater Hobart MetroPlan Settlement Strategy which will assess the current demand and supply of residential land in the inner urban parts of those four Council areas. Not all the residential land within these four Councils is being considered through the Metro Plan, hence the reason for including Kingborough and Clarence also as an "Outer Council" for this project.

This assessment for the Outer Hobart Council's will need to be prepared so that it complements the work that has been done on the Greater Hobart MetroPlan Settlement Strategy. The assessment will also provide an evidence base for the review of the STRLUS

## 2. Project Summary

### 2.1 Purpose

The purpose of the project is to:

- a) Engage with the GHC to understand and replicate where appropriate the methodology used to prepare the Settlement Strategy for the Greater Hobart MetroPlan. Noting, on considering the approach, alternative methodology may be deemed more suitable and robust in analyzing data;
- b) Gather the necessary data from the Outer Hobart Councils working group (OHC Group);
- c) Understand demand and supply of land and housing across the Outer Hobart Council areas to inform policy and strategy, including a review of the Urban Growth Boundary (UGB) and the outer Hobart settlement growth strategies in the STRLUS and to support planning scheme amendments;

- d) Promote consistent decision making and to assist coordination between planning authorities within the region;
- e) Allow patterns and trends of land and housing demand and supply to be spatially understood across Greater Hobart identifying any market segmentation and whether there are interrelationships across the urban areas of GHC and the outer Council areas;
- f) Provide a detailed and contemporary evidence base to assist local planning authorities to develop long-term strategies for supply of zoned land in support of regional and local strategies for diverse housing choice; and
- g) Provide recommendations for potential levers that could be used to unlock existing residential estate that is not being developed.

The project is not intended to deliver a settlement strategy for the outer Hobart Area.

This project will be facilitated by the Outer Hobart Councils Group (OHC Group) which includes relevant representatives from the following government organisations:

- Brighton Council;
- Derwent Valley Council;
- Sorell Council;
- Huon Valley Council;
- Southern Midlands Council;
- Kingborough Council;
- Clarence Council;
- State Planning Office.

This group will act as the decision-making body.

## **2.2 Study area**

The Study area for the project in broad terms is shown in Figure 1. The study area has been determined using a 30km radius from the Hobart CBD with the intention of capturing towns which are within a 45 minute commute of Hobart. This includes, the urban areas of Brighton and Sorell and the towns of New Norfolk, Huonville, Margate, Snug, Campania and Bagdad, Lauderdale, Seven Mile Beach, Cambridge and Richmond. Other residential settlements, including rural living areas, within the Study area will also need to be considered as part of the project.

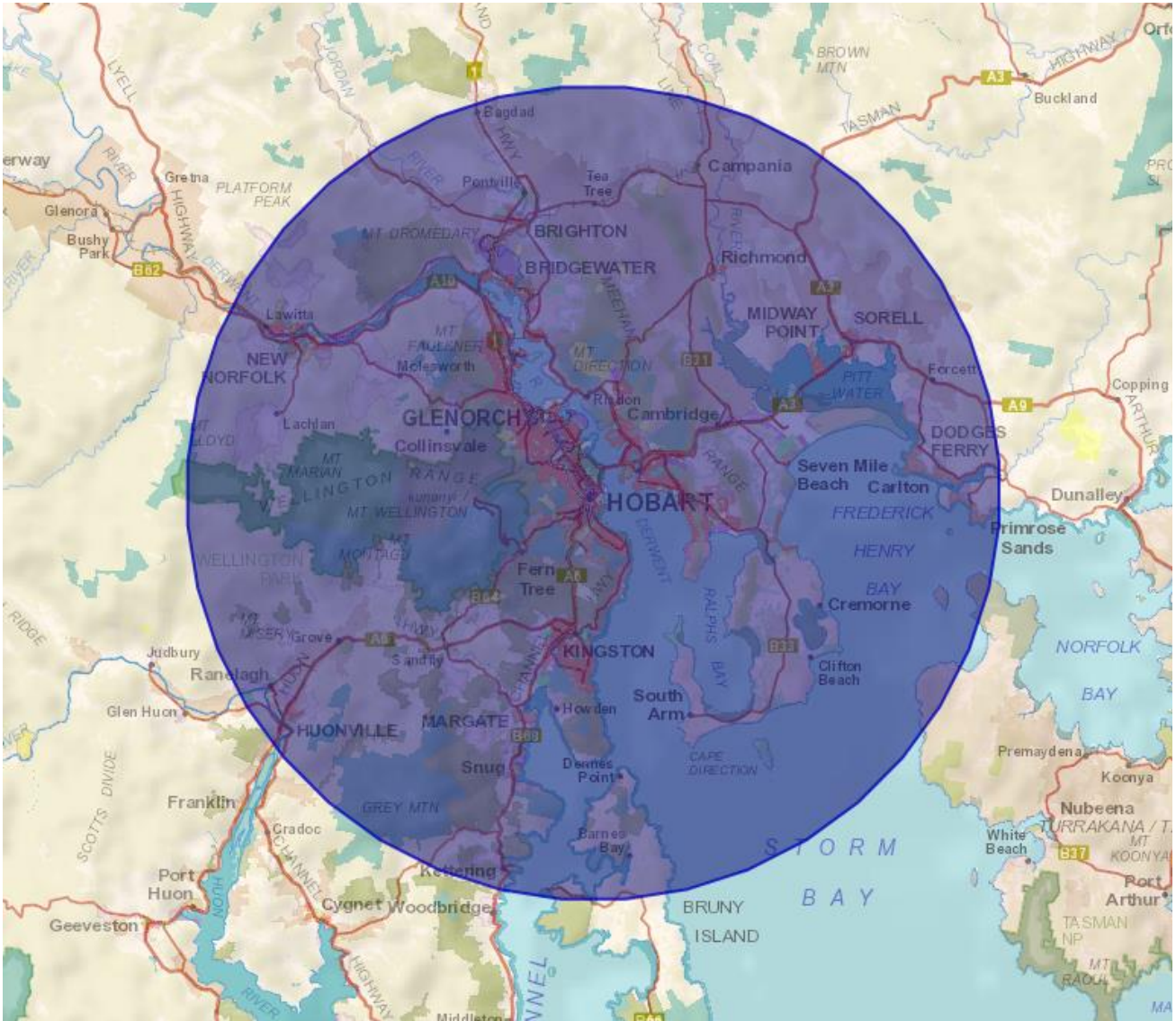


Figure 1: The study area, incorporating the main settlements in the member Council areas. (Source: Listmap)

The project is also unique in that it will need to consider the data and outcomes of the Greater Hobart MetroPlan Settlement Strategy.

### 2.3 Scope of work

The project methodology and associated tasks are to be developed based on a four-stage model. Fee proposals must include the stages and tasks described below.

<b>Stage 1 - Initiation</b>	<p><b>Task 1 - Initiation meeting with Outer Hobart Councils Group.</b></p> <ul style="list-style-type: none"> <li>• Engage with the committee to discuss the project and confirm data requirements.</li> <li>• Talk through possible methodology options.</li> </ul>
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	<ul style="list-style-type: none"> <li>• Confirm the study area for the project prior to commencement of works.</li> </ul>
<b>Stage 2 – Methodology</b>	<p><b>Task 1 – Engage with Greater Hobart Committee</b></p> <ul style="list-style-type: none"> <li>• Engage with the GHC to understand the data and analysis undertaken as well as any strategic / policy outcomes.</li> <li>• <b>Task 2 – Prepare Methodology</b></li> <li>• Suggest improvements to GHC methodology if necessary.</li> <li>• Prepare a clear and concise methodology for gathering, collating and analysing data.</li> </ul>
<b>Stage 3 - Demand</b>	<p><b>Task 1 – Analysis of market dynamics</b></p> <ul style="list-style-type: none"> <li>• Report on the key influences on the housing / residential land market in the study area.</li> </ul>
	<p><b>Task 2 – Demand analysis</b></p> <ul style="list-style-type: none"> <li>• Population projections and a projection of housing demand for the next 30 years provided at five yearly intervals and with low, medium and high growth scenarios.</li> <li>• A written summary of key findings.</li> <li>• An analysis of data in a format compatible with Microsoft Excel.</li> </ul>
<b>Stage 4 - Supply</b>	<p><b>Task 1 – Growth monitoring and analysis framework</b></p> <ul style="list-style-type: none"> <li>• A growth monitoring and evaluation framework instructional guide.</li> </ul>
	<p><b>Task 2 – Supply analysis</b></p> <ul style="list-style-type: none"> <li>• An analysis of the capacity for residential development in the region.</li> <li>• Data in a format compatible with Microsoft Excel.</li> <li>• GIS layer/s providing a spatial distribution of historic growth by year and current supply, as well as available land for future residential development.</li> <li>• Relevant commentary to assist in the interpretation of the data.</li> </ul>

Detail of the content required at each Stage and Task is explained at 3 - Project requirements.

## 3. Project requirements

### 3.1 Stage 1 – Initiation meeting

#### 3.1.1 Task 1 – Initiation meeting with Outer Hobart Councils Group.

To ensure a successful project with clear deliverables, an initiation meeting with key representatives from the Outer Hobart Councils Group (OHC Group) should occur prior to the commencement of the project. This will enable the project team to:

- a) Meet the key personnel in the OHC Group;
- b) Discuss the preferred methodology;
- c) Confirm the spatial scope of the study area;
- d) Provide a time line for project deliverables.

#### Deliverables

- **Project timeline for deliverables.**
- **Map of spatial scope of study area.**

### 3.2 Stage 2 - Methodology

#### 3.2.1.Task 1 – Engage with GHC

A key component of the project is to engage with the GHC to ensure that this project can integrate with the work being done on the MetroPlan Settlement Strategy by delivering a consistent methodology.

The engagement with GHC will include the following:

- a) Identify and meet with key officers that are responsible for delivering the MetroPlan Settlement Strategy.
- b) Prepare clear and concise guidelines that ensure that Councils will be able to extract consistent data to help inform the demand and supply analysis using the same methodology as the Metro Plan Settlement Strategy and is also suitable for the STRLUS review.
- c) Prepare templates that can be provided to Councils that can be populated to provide a detailed demand and supply analysis.
- d) Understand how the data from the MetroPlan Settlement Strategy can be integrated with this project to understand supply and demand for the Study Area. .

#### Deliverables

- **Guidelines to enable Council's to extract consistent data;**
- **Templates to be populated to provide detailed demand and supply analysis.**

### 3.3 Stage 3 - Demand (indicative timeframe is two months)

#### 3.3.1 Task 1 - Analysis of market dynamics

An understanding of the particular dynamics of the housing market within the study area will provide important context for the development of a future settlement strategy for the region.

The analysis should examine the following:

- a) The Greater Hobart housing market and any differentiation in market demand between the suburbs that make up the GHC urban area, and Outer Hobart.
- b) The influence of the GHC area housing market on the commuter suburbs in the Outer Hobart area, for example, is there an interrelationship between New Norfolk and the Hobart CBD?
- c) The trends and relationships between different housing market segments such as multiple dwellings, single dwellings, inner city apartments, other apartments, un-serviced rural living including portions of brownfield and greenfield development, highlighting trends and changes over time. For example, does allocation of opportunities for rural living divert demand from serviced zones? Is demand for smaller dwellings increasing? Are we seeing more multiple dwellings than previously?
- d) Impact of vacancy rates, second dwellings and visitor accommodation on housing demand, including the variability of those impacts in different locations.
- e) How variable levels of demand across the Study area should be considered, particularly with zoned residential areas of different attractiveness, and those that may have little effective private sector demand, for example, ex-housing commission suburbs.
- f) The relationship between demand for housing and population projections.

#### **Deliverables:**

- **A report on the key influences on the housing market in the study area; and**
- **A presentation of findings to the OHC Group prior to finalising the report.**

#### 3.3.2 Task 2 - Demand analysis

The assessment of demand should allow member Councils to predict, with confidence, how many dwellings should be provided for over a 30 year horizon, with five-yearly intervals, and based on low, medium and high population growth scenarios. The demand analysis should take into account recent growth and market dynamics.

This information will assist the region and individual Council areas to develop population and settlement strategies and support infrastructure planning and be able to feed into the STRLUS review.

The demand study should consider, but not be limited to:

- a) Population projections/forecasts distributed spatially across the Study area, identifying any trends in growth rates or distributions across the region over time. Projections should take into account policy settings or other influences that may increase growth beyond historical rates including the relationship between population growth and opportunity for housing growth.



- b) The proportion of housing delivered through single detached dwellings, multiple dwellings or other housing types including any locational variances in the demand for housing types and anticipated demand for the types of housing in the future.
- c) The proportion of residential dwellings used for visitor accommodation (including holiday homes or short-term rental) and anticipated demand for this segment in the future.
- d) Recent studies completed or underway (including the draft Tasmanian Housing Strategy 2022) that address housing demand and that may assist in providing context for a regional analysis.

All assumptions and limitations regarding demand forecasting must be detailed in the methodology, particularly in relation to the:

- a) determination of future land requirements from aggregate demand for dwellings; and
- b) proportion of demand which can be met by greenfield development and/or redevelopment (infill, brownfield sites etc.).

**Deliverables:**

- **Population projections and a projection of housing demand for the next 30 years provided at five-yearly intervals and with low, medium and high growth scenarios as they relate to the outer Hobart Councils area and growth across municipal areas and suburbs;**
- **A written summary of key findings; and**
- **An analysis of data in a format compatible with Microsoft Excel.**

### **3.4 Stage 4 - Supply (indicative timeframe is four months)**

#### **3.4.1 Task 3 - Growth monitoring and evaluation framework**

OHC Group is seeking to establish a growth monitoring and evaluation program to provide up to date, reliable data about residential supply within the region.

The growth monitoring and evaluation framework, which should also be used to complete Task 4 - Supply analysis, will be used by the region for ongoing monitoring and evaluation.

The framework should provide an instructional guide/procedure for the ongoing implementation of the framework and include the following as a minimum:

- a) Data requirements and standards for monitoring annual residential growth including understanding the timeframe between approvals of subdivisions, land sales, dwellings and completions/occupation.
- b) Methodology for understanding the capacity of the region, through greenfield, infill or brownfield development, to accommodate housing including indicative timing for when that development may occur and effective supply, taking into account market trends (including issues such as 'land banking' and no realistic demand in particular locations), different housing types, development costs, land and house prices and physical constraints. The minimum elements to be considered are:
  - (i) An assessment of recent development activity including:

- Subdivision approvals, lots created and lots developed, including lot size information where available.
- Analysis and/or spatial distribution of dwellings constructed by Council area and other lower statistical units where data permits, including:
  - by planning scheme zone (or by groups of serviced and un-serviced zones);
  - dwellings on vacant land and those contributing to increased density in existing urban areas (dual occupancies, inner city apartments etc.); and
  - numbers of single and multiple dwellings.

(ii) An assessment for the current opportunities for new dwellings including:

- Number of vacant lots;
- The opportunities for redevelopment, brownfield development and increases in density in existing urban areas (e.g. opportunities for multiple dwellings);
- Use of available housing for visitor accommodation;
- Rental vacancy rates; and
- Vacancy rates.

(iii) The pipeline of future supply including:

- Residential subdivisions approved and not developed;
- Land zoned appropriately and not approved for development (greenfield land, infill capacity);
- Estimation of practical yield, based on market trends and considering significant constraints such as infrastructure availability and natural features;
- Local land use strategies endorsed by Councils;
- Consideration of zoning changes proposed as part of Draft LPSs (for those Council's still operating under the interim planning schemes).
- Strategic studies underway but not yet approved/zoned (e.g. structure plans or rezoning applications); and
- The potential of significant redevelopment opportunities/windfall sites to contribute to supply.

c) An excel spreadsheet template, with any required calculations embedded, to assist in the gathering and analysis of data; and

d) Capability to be represented in both excel and GIS to provide a numerical and spatial distribution of growth and supply over time.

It is anticipated that Growth Monitoring Programs established in other states/regions will be referenced to develop the framework.

**Deliverables:**

- **A growth monitoring and evaluation framework with instructional guide that can be adopted by the State Planning Office as part of the regional planning framework project.**

### 3.4.2 Task 4 - Supply analysis

Using the growth monitoring and evaluation framework developed under Task 3, the assessment of supply should allow the OHC Group to understand the current and potential opportunities for residential development.

The supply analysis should incorporate historic data from 2006 to 2021 and drawing from the analysis in tasks 1 to 3 will form the basis of the growth monitoring and evaluation program.

It is not the purpose of this study to make site specific recommendations about the location of future supply. However, the study will inform planning authorities and provide guidance for the development of settlement strategies, including the review of the STRLUS.

**Deliverables:**

- **An analysis of the capacity for residential development in the region;**
- **Data in a format compatible with Microsoft Excel;**
- **GIS layer/s providing a spatial distribution of historic growth by year and current supply; and**
- **Relevant commentary to assist in the interpretation of the data.**

## 4. Stakeholder engagement requirements

Submissions should provide for the following engagement as part of the project. Provision should be made for engagement and consultation with individual member councils and OHC Group as well as engagement with key stakeholders or peak bodies as determined by the consultant and agreed by OHC Group (e.g. TasWater, Real Estate Institute of Tasmania, Department of State Growth, Department of Communities).

The following should be provided for:

- a) an inception meeting and monthly progress review meetings with the project manager and project team;
- b) consultation (electronically) as necessary, with each individual Council within the OHC Group to understand their current situation, studies underway and clarify data as needed;
- c) to consult with and present draft findings in person to the OHC Group and with the GHC. Three meetings should be provided for, for either consultation purposes with the OHC Group or to present and seek feedback from the OHC Group prior to finalising reports or deliverables under each Task;
- d) scope for two iterations of the final draft report should be provided for to accommodate responses and feedback from member Councils prior to preparation of a final report; and

- e) provision for additional consultation at the request of the RPG quoted separately or at an hourly rate.

## 5. Study time lines

Unless otherwise agreed it is anticipated that the study will be undertaken within the following timelines:

- Request for quote advertised: 7 May 2022 and 11 May 2022 (The Mercury) and online 7 May 2022 until 30 May 2022
- Submissions close: Monday 30 May 2022
- Assessment of submissions: 1 June– 15 June 2022
- Indicative notice/negotiation with preferred consultant: 16 June 2022 to 24 June 2022.
- Award of contract and inception meeting: 29 June 2022
- Consultant's final report: 31 March 2023.

OHC Group requests the consultant work closely with the member Councils to ensure the deliverables are met and changes to scope are managed timely and efficiently.

The program should identify hold points in the process aligned with the delivery of Tasks to allow the project team to review progress and confirm acceptability of the work prior to continuation. A period of at least 10 days should be allowed for review and comments back to the consultant.

## 6. Scope of services

It is anticipated that the study will include:

- a) a written report in a format compatible with Microsoft Word
- b) supporting diagrams, images, sketches and mapping
- c) GIS analysis completed in a format compatible with ArcGIS and MapInfo
- d) analysis of data in a format compatible with Microsoft Excel; and
- e) presentations of findings to OHC Group and GHC.

All data gathered and analysis to support the study conclusions and recommendations including GIS Layers and spreadsheets must be provided to OHC Group as a component of the work.

Documents over 30 pages must contain an executive summary. Executive summaries are to be written in clear non-technical English so that their contents can be readily understood.

## 7. Project meeting and reporting

A monthly schedule of progress meetings should be provided for. The meetings are to be no longer than one hour in duration and to provide at the minimum:

- a) updates on project progress;
- b) review deliverables; and
- c) issues arising from the work.

Meetings will be held with representatives from OHC Group and others as required.

Project meetings are to be minuted by the consultant and reviewed prior to release.

The consultant must prepare monthly progress reports (generally no more than three pages in length) for review at the project meeting. The consultant's progress report is to include a brief summary of the status of the work and outline any key issues or critical decisions to be made regarding their area of responsibility.

## 8. Principal supplied items

Principal supplied information available to assist with the completion of this consultancy includes:

a) Building and subdivision data from 2006 to 2021 including the following data sets and fields as shown in Table 1 below.

*Readily Available* data can be provided to the consultant for this study subject to confirmation agreement on the required timeframes for provision of data.

*Resource Intensive Data* can be extracted by Councils on an as needs basis at the request of the consultant where it is demonstrated the data is required and necessary for the study. This data will require manual extraction, compilation and/or data cleansing by Councils. The consultant should indicate in their proposal the requirement for provision of this data and any other data required for the study to be provided by Councils along with timeframes.

Table 1: Available data sets

Data Set	Data Fields	Readily Available	Resource Intensive
Building Data (2006-2021)	Year of approval	X	
	Residential (Class 1 & 2)	X	
	Number of “new dwellings” annually	X	
	Change of use to ‘visitor accommodation’	X	
	Year of completion (Occupancy Certificate issued)		X
	Category of habitable building (e.g. multiple dwelling, single dwelling, ancillary apartment, visitor accommodation)		X
Subdivision Data	Year of approval: ○ Year sealing of final plan ○ Year permit issued		X
	Number of lots created (annually)		X
	Number of lots developed (annually)		X
	Number of vacant lots (annually)		X
Other	Land sales (ownership or transfer of vacant land)		X
	Vacant residential land zoned > 1 hectare		X

b) Recent studies completed or underway that address housing demand that may assist in providing context for a regional analysis.

## 9. Submission requirements

Submissions are to be directed to:

**James Dryburgh**  
**General Manager**  
**Brighton Council**  
**1 Tivoli Rd**  
**Old Beach TAS 7004**  
**Email: [development@brighton.tas.gov.au](mailto:development@brighton.tas.gov.au)**

**\*\*Please register your interest with the Project Liaison (section 11) at your earliest possible convenience. Failure to do so may mean you are not provided with responses to queries from other interested parties.**

Submissions proposing a methodology with fees proposal to complete the work are sought by this tender. Submissions are to include details of:

- the qualifications and experience of the team of people who would be assigned to undertake the consultancy;
- the capacity of the consultant/team to undertake this proposal;
- the stage and task lists in this Request for Quote to structure the fee proposal (see 2.3 Scope of work);
- the proposed project methodology in some detail, to be adopted to undertake the consultancy;
- details of any key assumptions and/or omissions in the proposal;

f) a detailed timetable and proposed approach to the project. The consultant must prepare and include in this submission a Gantt chart or similar, identifying the relevant timing of stages; and

g) fee proposal and schedule of hourly rates.

Submissions can also include additional information as the consultant believes necessary, which may assist in completing the study, or that assists in understanding the capability of the consultant to undertake work.

## 10. Fee proposal

The project shall be priced by task (see 2.3 Scope of work) and as a lump sum fee service including all costs for investigations, drafting, secretarial work, travel, accommodation, documentation, disbursements, report writing, administrative costs, overheads, provisional items as described and presentations to Council and the project team.

A table of scheduled hourly rates must also be included for a range of services that may be required for additional work during the project.

All hourly rates must include allowances for all office and administrative overheads required to provide the service.

All disbursements are to be clearly communicated in the fee proposal.

Fee proposals should exclude GST.

Where a staged payment schedule is proposed, no more than four stages should be provided for with no less than 25% to be payable on satisfactory completion.

The guiding budget for the project is \$120K - \$150K.

## 11. Project liaison

All project correspondence shall be directed to:

David Allingham  
Manager Development Services  
Brighton Council  
Email: [david.allingham@brighton.tas.gov.au](mailto:david.allingham@brighton.tas.gov.au)  
Phone: 0404 996 614

## 12. Invoicing

The consultancy that is appointed following the tender process should provide the following information in all invoices for payment:

- Project name
- Purchase order no. (provided once lump sum amount approved)
- Date and period of invoice
- Fee charged to date
- Stage payment

- Amount claimed

## 13. Special conditions

### 13.1 Intellectual property rights

In addition to clause 21 of the general conditions of contract AS4122-2010 the consultant shall not separately summarise, comment on or report on this project to any other individual or organisation or through any other publication without the express permission of OHC Group and SPO.

### 13.2 Late submissions

Late submissions will not be accepted.

### 13.3 Consultants to note

Consultants are to note and acknowledge that:

- OHC Group makes no representations and offers no undertakings in issuing this tender.
- OHC Group is not bound to accept the lowest nor any particular tender.
- With notice given, OHC Group may suspend, vary, postpone, extend, terminate or abandon the tender at any time.
- OHC Group may invite one or more consultants to supply further information and/or attend a conference or interview and/or make a presentation, and in doing so is not an indication that they are the successful consultant.
- OHC Group reserves the right to negotiate further with any consultants making a submission.
- The tender assessment panel and/or OHC Group may undertake 'due diligence' checks including but not limited to, verifying references and/or referees, and undertaking company searches and credit checks.
- OHC Group will not be responsible for any costs or expenses incurred by a consultant arising in any way from the preparation and submission of a tender.
- OHC Group accepts no responsibility for a consultant misunderstanding or failing to respond correctly to this tender.

## 14. Evaluation of submissions

A tender review committee will evaluate submissions and will select the consultant to undertake the study. As a guide, submissions will be evaluated by considering:

1	Fee proposal*	20%
2	Project methodology	30%
3	Qualifications and experience of team	20%
4	Capacity to undertake the study	30%

\*Evaluation of the fee proposal will consider value for money and competitive pricing, rather than the lowest cost.

Unsuccessful tenderers will be notified in writing.