# SCS Infrastructure Planning

18 March 2022

# Headlines

| Section | Summary observations |
|---|---|
| **Introduction (Section 1)** | **Purpose**<br>The purpose of the Engagement is to prepare an Economic Infrastructure Development Study for the SCS to highlight the region's growth profile, the emerging regional growing pains and the infrastructure investment priorities required to respond to the foreseeable issues.<br>**Framework**<br>The SCS leadership agreed on the infrastructure enablers and key sectors that will be the focus for this study. Projects, initiatives and strategies have been developed in respect to each of these areas where appropriate.<br>The enabling infrastructure projects are typically government led. The sector led projects are typically undertaken by private sector proponents who may rely on the enabling infrastructure and/ or develop their own infrastructure for commercial purposes. Pain points emerge where there is a mis-alignment between the activities of the private sector within the sectors, and the activities of the mainly government driven infrastructure enablers. This study aims to understand those pain point and point to solutions and priorities to address the current or emerging issues. |
| **The SCS Region (Section 3)** | **Population**<br>• The SCS region has a total population of almost 37,000, of which around 18,000 is in Brighton, followed by Derwent Valley with 10,419, Southern Midlands with 6,087 and Central Highlands with 2,135.<br>• Population projections (mid-series) point to ongoing growth of **27.5% in Brighton** and almost 1% in Derwent Valley. Ageing and declining populations in Central Highlands and Southern Midlands are also forecast, all else being equal. **This would see the population grow to around 40,000 by 2042**. The mid-series projections for Derwent Valley are conservative as the region attracts younger home buyers to more affordable land. The high series instead projects **14% growth in Derwent Valley**, up to 11,571 by 2042.<br>**Economic activity**<br>• Over the five years to FY20, the SCS region has seen **growth in excess of 20% across many key sectors**, most notably Agriculture, Transport, Construction and Power and Utilities. Health Care and Manufacturing are also comparatively larger sectors. Headline GRP has increased by $437M at an average of 2.41% p.a. over the last 20 years.<br>• Industry growth has seen **jobs in the region grow by around 1,400** over that period. However, job containment shows that in Brighton, Derwent Valley and Southern Midlands, more than **2/3 of residents work outside their LGA place of residence**.<br>• These factors that have driven an increase of population and travel to work have contributed to an average 19% increase in traffic movements across a sample of roads in the SCS. **Around 83% of SCS residents travel to work by car**.<br>• **Building approvals and housing prices have both been trending up**, driven by the supply of comparatively more affordable land. Since 2015, the median house price in Brighton and Derwent Valley has almost doubled.<br>• The region is a **popular destination for visitors**, drawn by iconic natural assets, Lake St Clair and Mt Field and built heritage of New Norfolk, Oatlands and Bothwell. Lake St Clair attracted almost 100,000 interstate visitors in 2020-21 and new Norfolk almost 70,000. |

# Headlines

| Section | Summary observations |
|---|---|
| **Key initiatives in the SCS (Section 4)** | **The game changers**<br>▪ The SCS region is set to benefit from several '**game changer' investments, which sum to around $2.3B**, of which around 57% are new ventures and 67% are in design. The most high profile will be $786M replacement of Bridgewater Bridge.<br>▪ The Tarraleah Hydro Scheme ($650M) and the TasWater Bryn Estyn renewal ($206M) will have impacts beyond the immediate region.<br>▪ The $450M Bagdad-Mangalore bypass has been acknowledged by governments as an essential investment. Concept designs are well advanced and it now needs to have funding committed. This will improve safety and activate the entire surrounding region.<br>▪ A new $50M Brighton High School promises to strengthen education outcomes and limit the leakage of students to elsewhere.<br>▪ Tas Irrigation's Tranche 3 expansion schemes at Southern Midlands (30,000 ML) and Greta (6,700 ML) promise to bring even greater opportunities for growth of the agricultural sector. Combined, the capital costs will be in the order of $150M.<br>**Other key developments**<br>▪ Outside of the 'game changers' the SCS region has a healthy pipeline of mid-sized projects, with around 48.24% being new ventures. The 'top 19', amount to a **combined capital investment of almost $430M.**<br>▪ The infrastructure enabler class of projects is the primary driver of the mid-sized projects in the region **accounting for $2.45B** of investment (58.43%). Approximately 14.63% of these projects have already commenced and include upgrades to Gordon Power Station and Edgar Dam.<br>▪ The sector led projects in the pipeline currently **sum to around $340M.** This includes some significant tourism and hospitality related developments proposed at Lark Estate, Callington Distilleries and the Oatlands Boutique Hotel, Great Lake Hotel and various developments in New Norfolk. |
| **The emerging pain points (Section 5)** | The study has found several emerging pain points where the growth sectors and the infrastructure enablers are currently, or at risk of being out of alignment. Those that stand out include:<br>▪ Several **roads** are not keeping pace with the current and future residential and commercial traffic flows.<br>▪ The absence of **headworks charging** for water and waste water is causing some development to delay as there is an inequitable 'first mover' cost to many developments.<br>▪ Communication blackspots are still common throughout the more remote areas of the Derwent Valley, Southern Midlands and Central Highlands council areas. |
| **The potential responses (Section 6)** | Key initiatives to be proposed in this study could sum to around **$1BM over the next 10 years**, which would include:<br>▪ The need for policy changes to the STRLUS and headworks charging to promote further residential and commercial development.<br>▪ Investment in the Bagdad-Mangalore Bypass and State Government takeover and investment in key link roads, especially the Brighton to Cambridge (for freight) and Granton to New Norfolk (for residents).<br>▪ Investment in social infrastructure to support the current and projected population growth - child care, medical services, parks, gardens, streetscapes across the region, noting the new Oatlands Aquatic Centre as leading example for the region. |

# Glossary of terms

| | |
|---|---|
| ARENA | The Australian Renewable Energy Agency |
| CAPEX | Capital Expenditure |
| CDO | Capital Delivery Office |
| CHC | Central Highlands Council |
| DA | Development Application |
| DVC | Derwent Valley Council |
| GBE | Government Business Enterprises |
| GRP | Gross Regional Product |
| LGA | Local Government Area |
| LGAT | Local Government Association Tasmania |
| SCS | Southern Central Sub-Region |
| SMC | Southern Midlands Council |
| STRLUS | Southern Tasmanian Regional Land Use Strategy |
| WTP | Water Treatment Plant |
| WWTP | Waste Water Treatment Plant |

# Contents




*21.7% of Tasmania's land mass and 6.6% of Tasmania's population*

# 1. Introduction

# Purpose and scope

## Purpose

**The purpose of the Engagement is to prepare an Economic Infrastructure Development Study for the SCS to highlight the region's growth profile, the emerging regional growing pains and the infrastructure investment priorities required to respond to the foreseeable issues.**

## Scope

1. Compile baseline demographic, visitor and industry data for the region covered by the four councils.

2. Compile the **foreseeable projects and initiatives being proposed by businesses, developers and investors over the next 5-10 years**, which will have impacts on infrastructure in the SCS region and in doing so, seek to understand several key metrics for these projects such as the status/ timeline, estimated capital expenditure, jobs created (construction and ongoing operations), increased visitor numbers (if applicable) etc.

3. Compile the **pipeline of projects and initiatives being proposed by government, council and GBEs over the next 5-10 years**, which will develop/ provide infrastructure to the region and in doing so, again seek to understand several key metrics for these projects such as the status/ timeline, estimated capital expenditure, jobs created (construction and ongoing operations) etc.

4. Seek to identify **pressure points or tensions** that may be at risk of emerging where there may be some misalignment between projects and initiatives and supporting infrastructure and highlight the severity or risk of those tensions.

5. Provide a **recommended pathway** to address any emerging pressure points, pointing to priorities, responsibilities and high-level estimates of the capital expenditure that may be required to respond to those pressure points where possible.

# Analytical Framework

## Sustainable Social & Economic Development

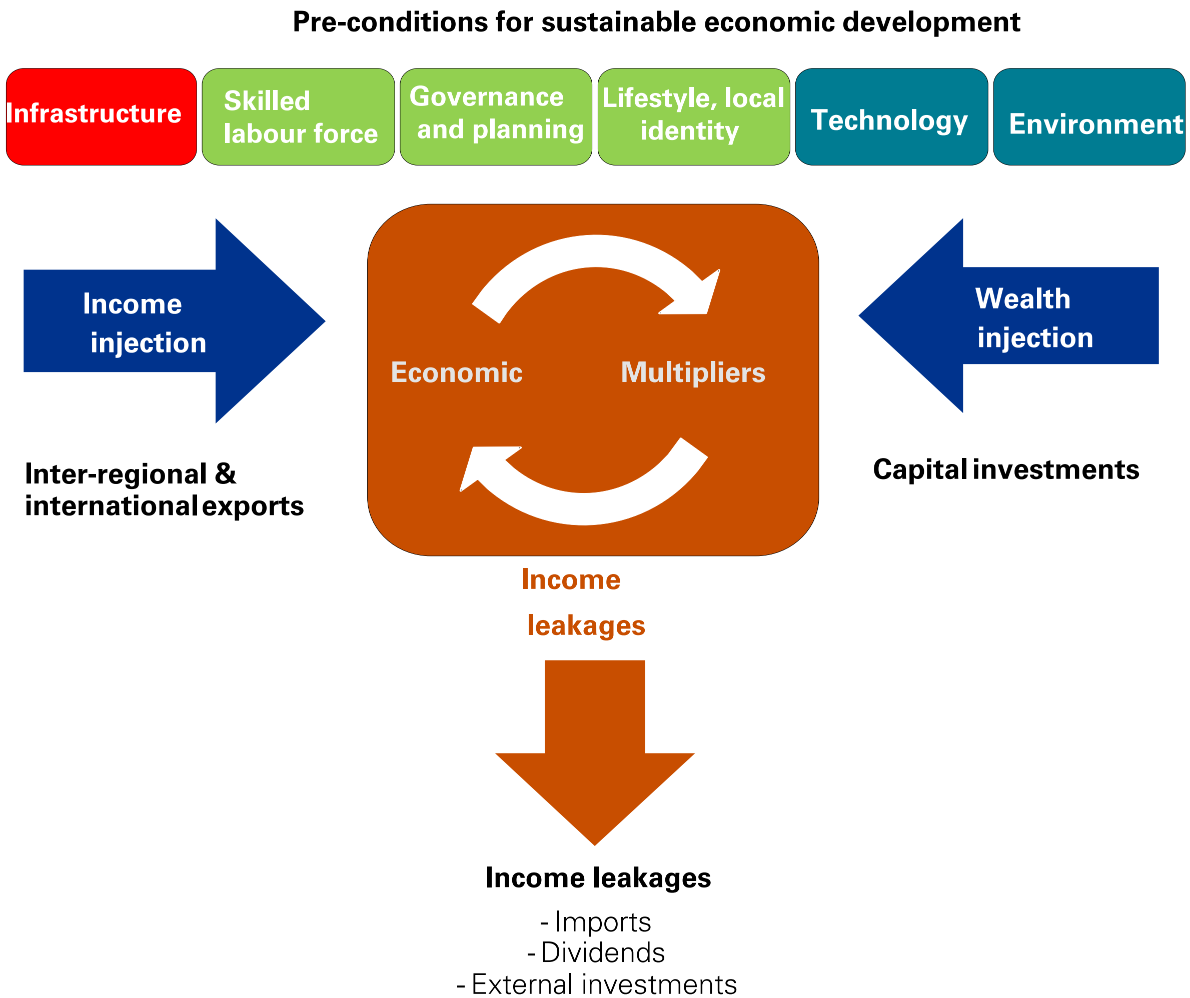
The approach to this study centres around a simplified model of a local economy.

**The boxes along the top of the model represent pre-conditions or 'enablers' for social and economic development**.

The key to maximising regional social and economic development opportunities include:

- ✓ strengthening and leveraging existing industries to maximise export opportunities;
- ✓ attracting new investments and export industries; and
- ✓ strengthening local industry supply chains to minimise income leakages thorough imports (i.e. Import replacement).

This project for SCS **is focussing on the infrastructure enabler**. The other enablers are not in scope but may give rise to observations, to the extent these impact on the region's development.



# The key enablers and industries

**The analytical framework and data collection tool used to undertake this study is based on the table below. The SCS Leadership has signed off on the <u>enablers</u> and <u>key sectors</u> that will be the focus for this study. Projects, initiatives and strategies have been developed in respect to each of these areas where appropriate. The enabling infrastructure projects are typically government led. The sector led projects are typically undertaken by private sector proponents who may rely on the enabling infrastructure and/ or develop their own infrastructure for commercial purposes.**

**The X's below illustrate where the Enablers and the Sectors will typically rely more heavily on each other and where pain points may emerge if there is some misalignment in strategy and timing.**

| | Sector Focus Areas | | | | | | |
|---|---|---|---|---|---|---|---|
| Infrastructure Enablers | Tourism and hospitality | Agriculture | Transport and Warehousing | Building and Construction | Advanced manufacturing | Aged and disability care | Energy and utilities |
| Water and waste water | X | X | X | X | X | | X |
| Irrigation | | X | | | | | |
| Energy | X | X | X | X | X | X | X |
| Roads | X | X | X | | X | | |
| Rail | X | X | X | | X | | X |
| Housing | X | X | X | X | X | | |
| Communications | X | X | X | | X | | X |
| Social infrastructure (schools, hospitals, recreation facilities) | X | X | | X | | X | |

# 2. Executive summary

# The SCS region (Section 2)

**The SCS region overall has seen, and will continue experience significant growth, driven by the supply of land for comparatively affordable housing, investment in irrigation to grow agriculture and the expansion of transport and logistics and light industry at the Brighton Industrial Hub. An abundance of natural and built assets attract many visitors…**

11%

Overall population increase projected for SCS by 2042, with large growth forecast for Brighton followed by Derwent Valley

34%

Increase in local jobs over the last 20 years, mainly in Agriculture, Transport, Manufacturing and Energy

44%

…of jobs in the SCS are in the Agriculture, Forestry and Fishing sector. All the sectors that are the focus of this study have reported growth

2.4%

Headline GRP has increased $473M since 2001, a 2.41% increase P.A

Traffic movements on a sample of selected roads in the SCS has been trending upwards

Average home prices have seen sharp increases of almost 100% in Brighton and Derwent Valley, as well as increases in dwelling building approvals across the entire SCS region

83%

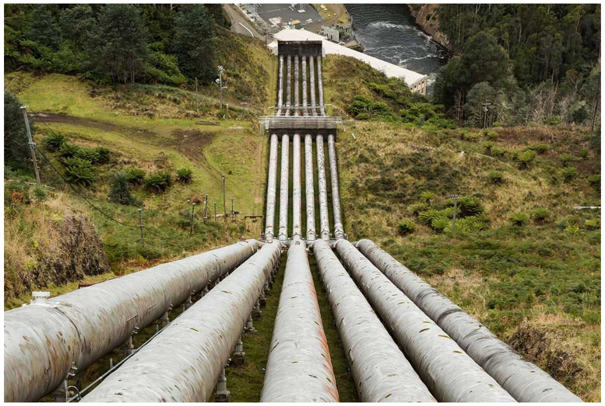
…of SCS residents travel to work by car, which is higher than the state overage

Despite job growth, the SCS Councils still have more than 2/3 of residents leaving the area for work.

Tourism in the region has seen a slightly lower decline than the rest of the state. The region has some iconic natural and built heritage assets

# The game changers in the region (Section 4)

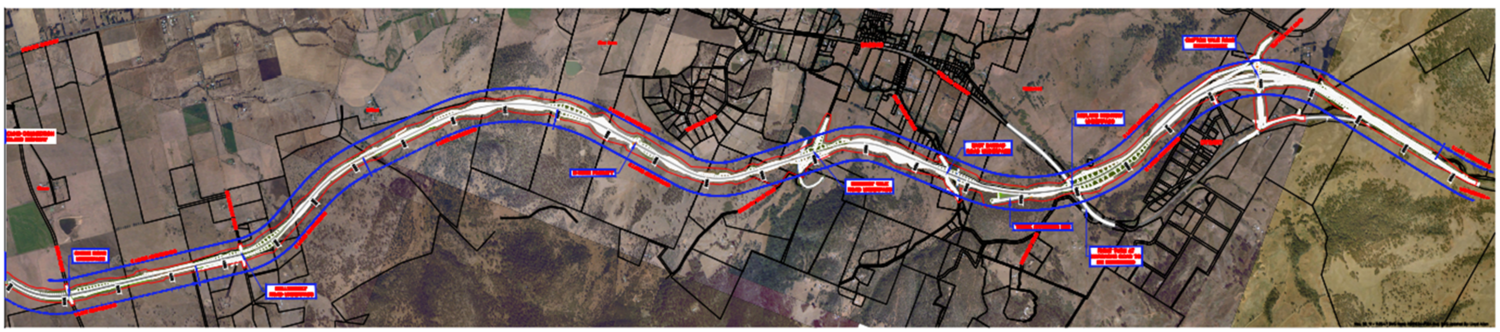
**The SCS region is set to benefit from several 'game changer' investments, of which around 48% are new ventures and 66% are in design. Combined, these sum to around $2.3B. Funding the Bagdad-Mangalore Bypass is now essential. The Tranche 3 irrigation schemes for Southern Midlands and Greta are also in the pipeline…**



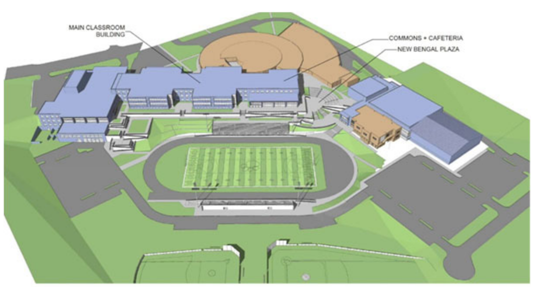
**The Tarraleah Hydro Scheme ($650M)**


**Bridgewater Bridge replacement ($786M)**

**Bryn Estyn upgrade ($206M)**



**Bagdad - Mangalore By-Pass ($450M estimate)**



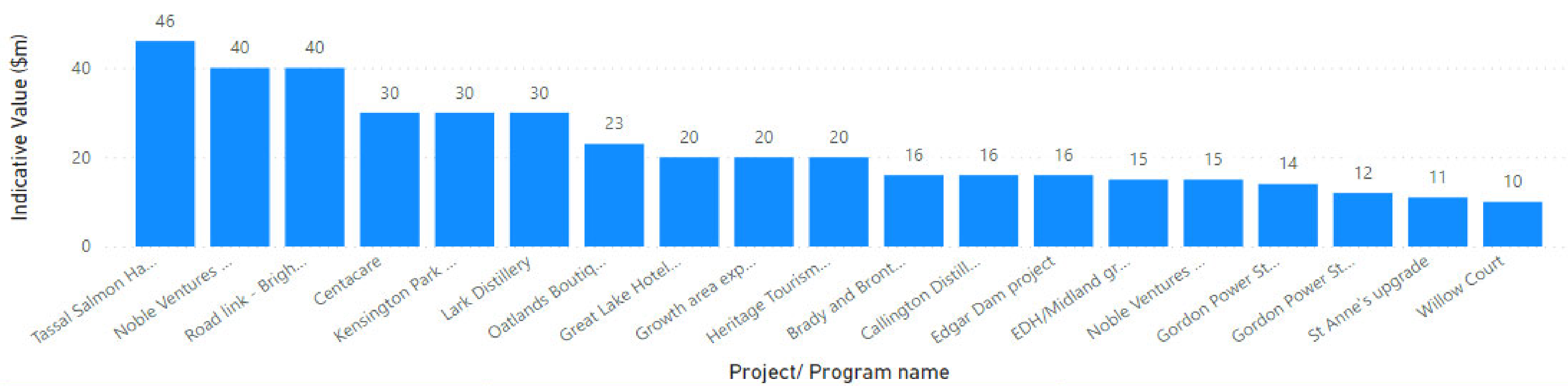

**Brighton High School ($50M)**

**Southern Midlands & Gretna Irrigation Schemes ($150M estimate)**

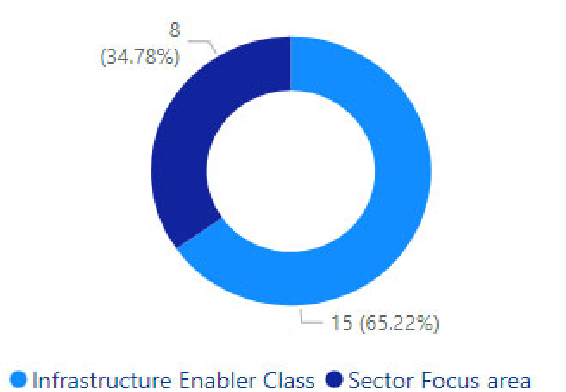
# Key initiatives in the region (Section 4)

**In addition to the 'Game Changers' the SCS region has a healthy pipeline of mid-sized infrastructure enabling and private sector led projects amounting to almost $430M, with around 45.54% being new ventures, as shown below. Many have advanced beyond concept stage, pointing to the likelihood that the majority of these will come to fruition.**

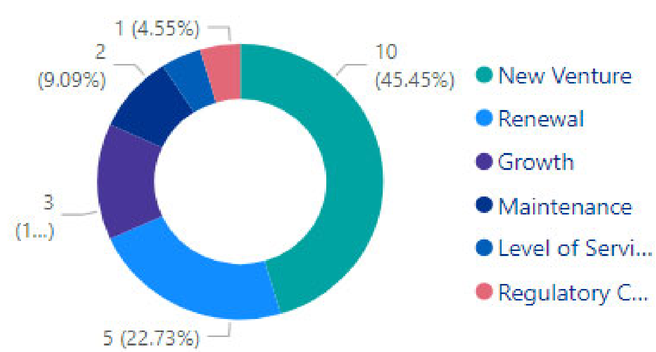
## Indicative Value ($m) by Project/ Program name



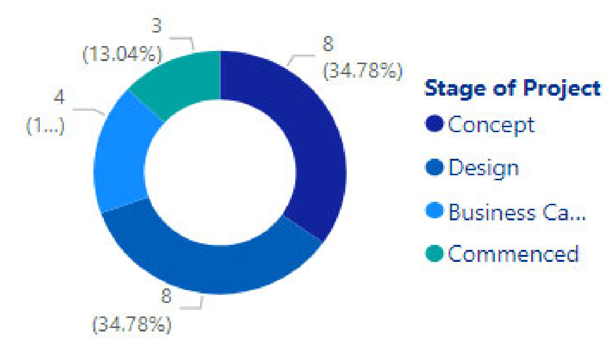

## Sector Focus or Infrastructure enabler




## Primary Driver




## Stage of Project



# The emerging issues (Section 5)

**Several emerging pain points have been identified in this study. Those most prominent are associated with water and waste water, roads and communications, which have impacts across many sector focus areas.**

| | |
|---|---|
| Red | Points to the more significant infrastructure enabling pain points and the sectors most affected. |
| Amber | Points to the moderate infrastructure enabling pain points and the sectors most affected. |
| Green | Points to the lower order infrastructure enabling pain points and the sectors most affected. |

**Further commentary in respect to this summary is presented in Section 5.**

| | Sector Focus Areas | | | | | | |
|---|---|---|---|---|---|---|---|
| Infrastructure Enablers | Tourism and hospitality | Agriculture | Transport and Warehousing | Building and Construction | Advanced manufacturing | Aged and disability care | Energy and utilities |
| Water & waste water | Red | Green | Green | Red | Green | Green | Red |
| Irrigation | Green | Amber | Green | Green | Green | Green | Green |
| Energy | Red | Green | Green | Green | Green | Green | Green |
| Roads | Red | Red | Red | Amber | Amber | Amber | Amber |
| Rail | Red | Green | Amber | Green | Green | Green | Green |
| Housing | Amber | Amber | Green | Red | Green | Green | Amber |
| Communications | Red | Red | Green | Green | Green | Green | Red |
| Social infrastructure | Amber | Green | Green | Red | Green | Amber | Green |

# Infrastructure priorities (Section 6)

**In response to the emerging pain points, several infrastructure development initiatives have been identified, which have been rated according to relative effort and benefit. The key initiatives to emerge are presented below and could sum to approximately $1B over the next 10 years. This includes the as yet, unfunded 'Game Changers'…**

**Water & waste water** — 1
- *Headworks charges reforms*

**Irrigation** — 2
- *Tas Irrigation expansions scheme in Southern Midlands and Greta*

**Energy** — 3
- *Leveraging 'Battery of the Nation' investments for broader regional development*

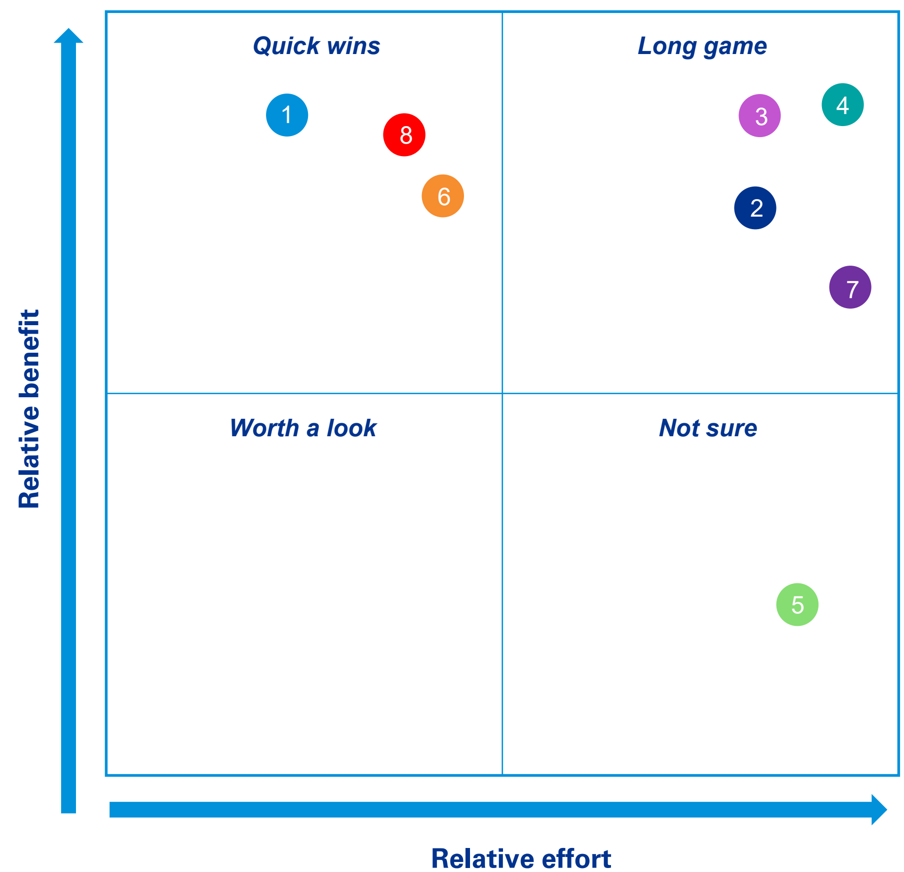
**Roads** — 4
- *Commence the Bagdad-Mangalore Bypass*
- *Road upgrade –Granton to New Norfolk*
- *State Government to takeover Brighton to Airport link*

**Rail** — 5
- *Light rail corridor extension to Bridgewater*
- *Derwent Valley Railway concept*
- *Exploration of ferry services*

**Housing** — 6
- *Facilitation and investment in social and affordable housing*
- *Review the Urban Growth Boundary to facilitate residential growth*

**Communications** — 7
- *Ongoing investment to eliminate black spots*

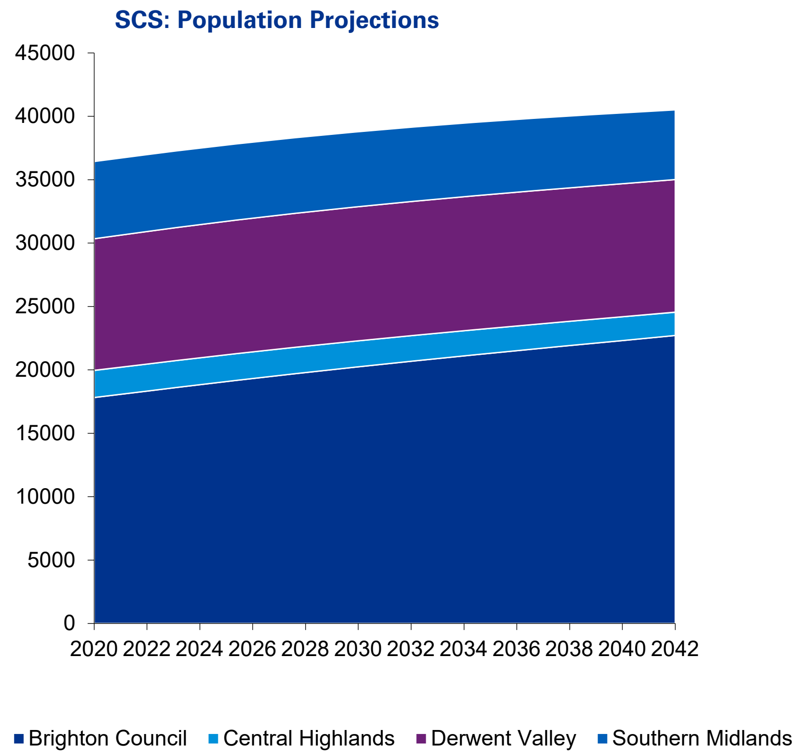
**Social infrastructure** — 8
- *Investment in child care, medical services, parks, gardens and streetscapes.*

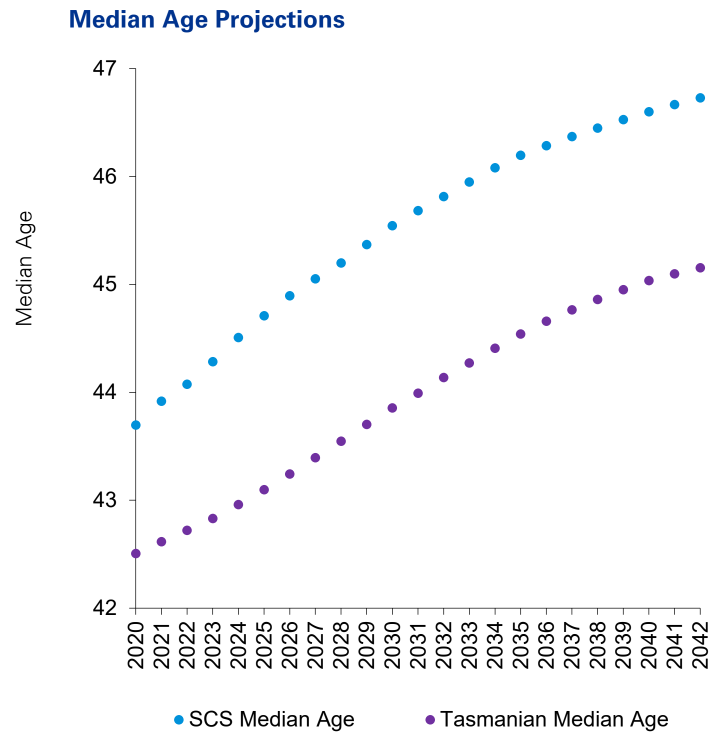


# 3. The SCS Region

# Population Profile of SCS

**The SCS population at around 36,000 now is projected to grow to around 40,000 by 2042. Brighton and Derwent Valley will drive this growth, whereas Central Highlands and Southern Midlands have older populations with less growth.**



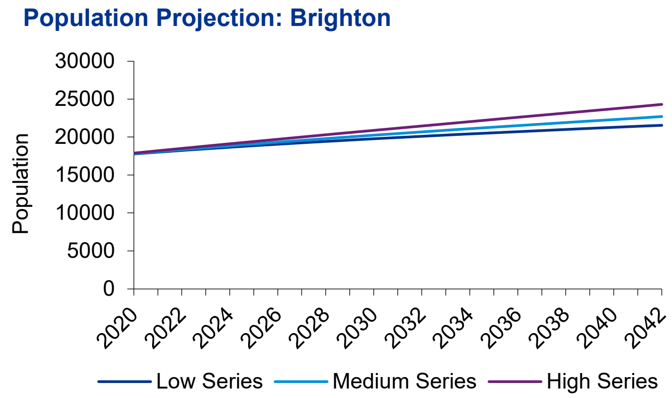

- Brighton has the largest population in the SCS region with 18,073 followed by Derwent Valley with 10,419, Southern Midlands with 6,087 and Central Highlands with 2,135.
- Brighton has the youngest population with a median age of 35 followed by Derwent Valley with 43 and Southern Midlands with 46. Central Highlands has the oldest population with a median age of 52.
- Brighton will experience the highest growth of 27.5% with the median age moving from 35 to 37 years. Derwent Valley will experience a minor increase in population by 0.77% with the median age increasing from 43 to 44 years.
- Southern Midlands will experience decline of 10% and is aging at the fastest rate with the median age increasing from 46 – 50 years. Central Highlands will also experience a decline of 14.30% and a median age increase from 52 to 54 years.

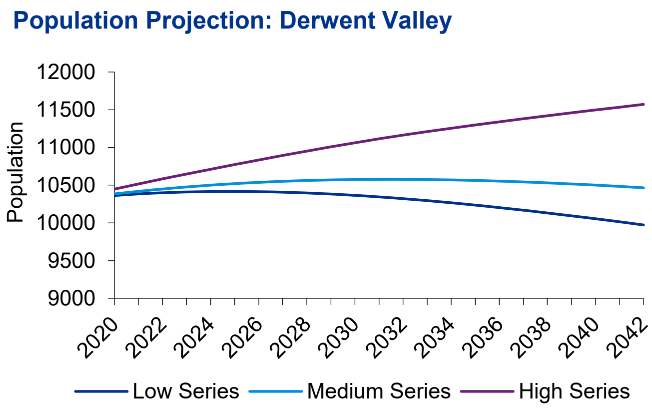


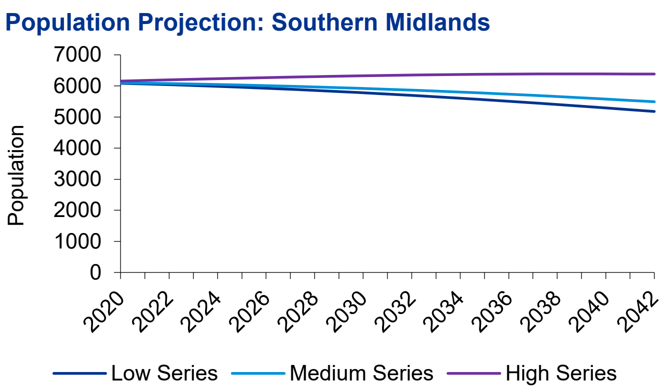
Department of Treasury and Finance, accessed 10/08/2021 , <https://www.treasury.tas.gov.au/economy/economic-data/2019-population-projections-for-tasmania-and-its-local-government-areas>

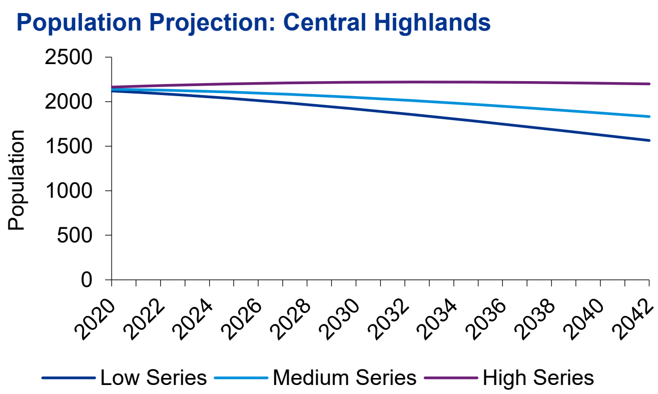
# Population Projections

**Treasury projections based on factors including median age, fertility rates and immigration suggest that all else being equal, Brighton is projected to be the fastest growing council in the SCS, followed by Derwent Valley. Central Highlands and Southern Midlands are projected to slightly decline, based on the medium series. The high series for Derwent Valley may be closer to the actual situation in that LGA.**



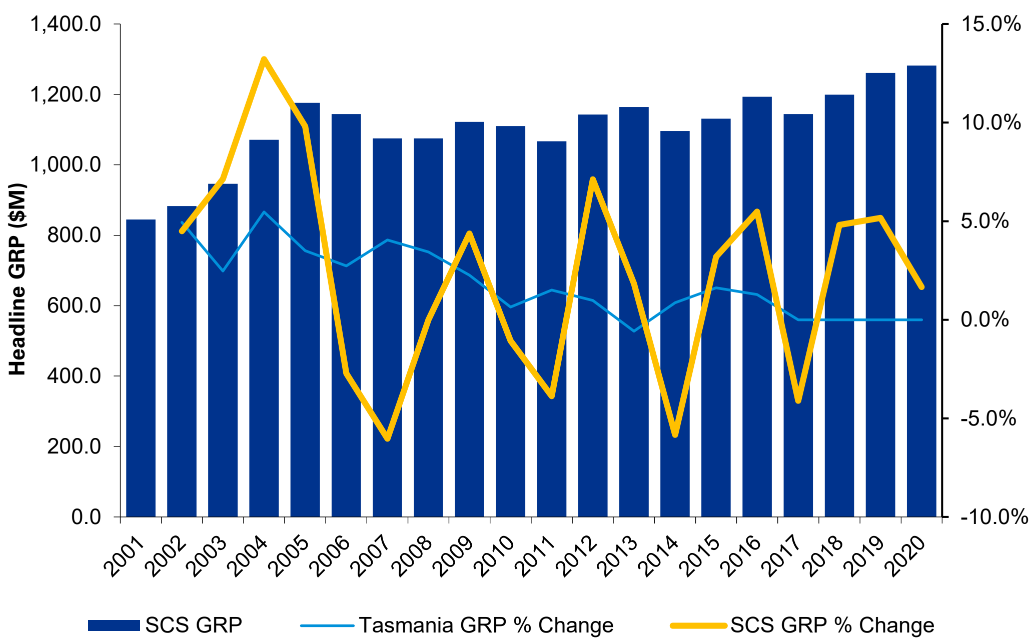




Department of Treasury and Finance, accessed 10/08/2021 , <https://www.treasury.tas.gov.au/economy/economic-data/2019-population-projections-for-tasmania-and-its-local-government-areas>

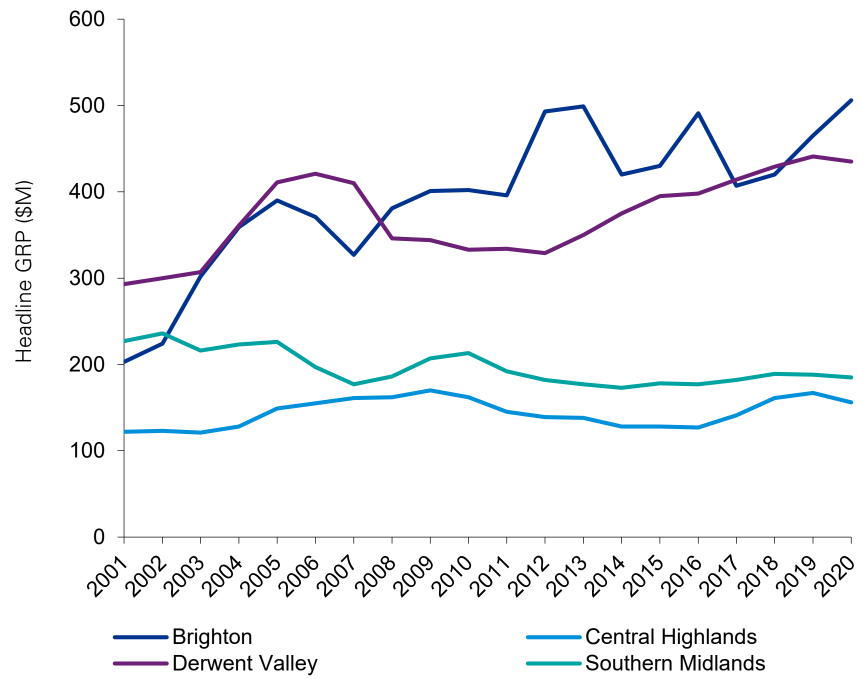
# Headline GRP

**Despite fluctuations year to year, the headline GRP for the SCS councils has grown at an average of 2.41% P.A representing an increase of $437M over the period.**

**Headline GRP: SCS Council Area (2001 - 2020)**




**SCS Headline GRP by LGA**

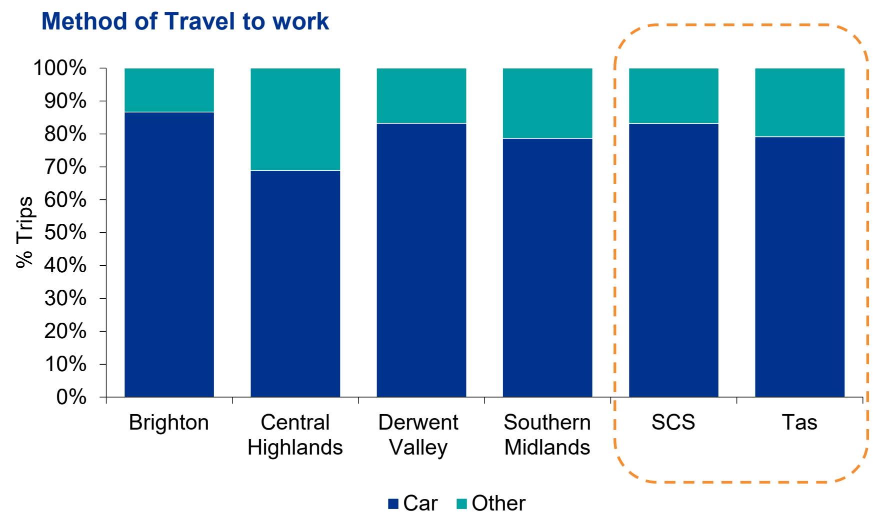



ID Community, Tasmania - Gross Regional Product, accessed 22/08/2021, <https://economy.id.com.au/tasmania/gross-regional-product>.

# Journey to work

## The primary method of transport to work for SCS is by car. A larger percentage of SCS residents travel by car compared to the rest of the state.

- 83% of SCS residents travel by car to work, compared to Tasmania's 79%.
- Of the SCS councils, Brighton travels by car to work the most (86%) followed by Derwent Valley (83%) and Southern Midlands (79%). Central Highlands travels the least by car to work (68%)
- Central Highlands (13%) and Southern Midlands (10%) had a higher percentage of people who worked at home than Tasmania (5%), however it likely in the post pandemic world, other councils may find a higher proportion of residents working at home more regularly.




**Method of Travel to Work**

| | Brighton | Central Highlands | Derwent Valley | Southern Midlands | SCS | Tas |
|---|---|---|---|---|---|---|
| Car, as driver | 79% | 62% | 76% | 73% | 76% | 73% |
| Car, as passenger | 7% | 6% | 7% | 6% | 7% | 6% |
| Walked only | 1% | 8% | 3% | 3% | 2% | 5% |
| Truck | 2% | 2% | 2% | 2% | 2% | 1% |
| Bus | 2% | 1% | 2% | 1% | 2% | 3% |
| Motorbike/scooter | 1% | 1% | 0% | 0% | 1% | 1% |
| Bicycle | 0% | 0% | 0% | 0% | 0% | 1% |
| Worked at home | 3% | 13% | 4% | 10% | 5% | 5% |
| Combination | 3% | 2% | 3% | 2% | 3% | 3% |
| Other | 2% | 4% | 2% | 3% | 2% | 2% |

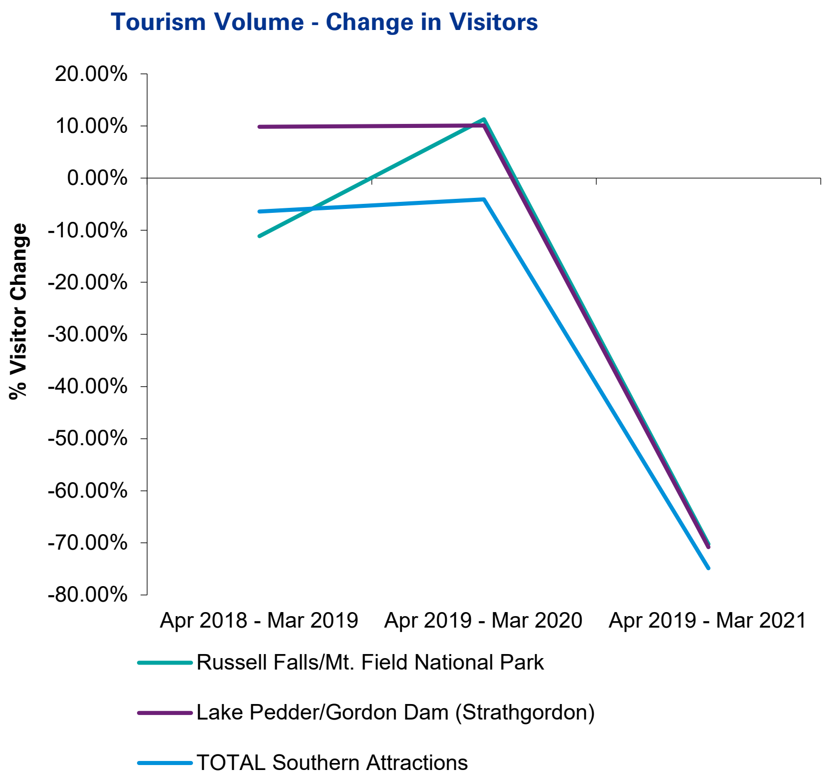
ABS National Regional Profile by LGA (2016), accessed 09/09/2021

# Visitors in the region

**COVID-19 and subsequent border closures have had a dramatic effect on visitor numbers from outside of Tasmania, with visitor numbers down 44% in FY21.**

The major drawcards to visitors in the SCS region were bushwalking (74%) outdoor activities (89%) and viewing historic sites (75%). The total number of visitors to southern attractions declined by -74.46% in FY21. Attractions in the SCS regions suffered slightly less at -70.46%.

The Tasmanian Government's long term aspirations are to put "our regional towns and destinations at the heart of the Tasmanian visitor experience" (Visitor Economy Action Plan). The Tasmanian Government is also striving to restore the value of visitor spending in Tasmania to $2.5B by the end of 2022.




Of the 574,600 interstate visitors in FY21, the following visited attractions in the SCS

17% Visited Lake St Clair

12% Visited New Norfolk

9% Visited Russell Falls

7% Visited Oatlands

3% Visited Bothwell

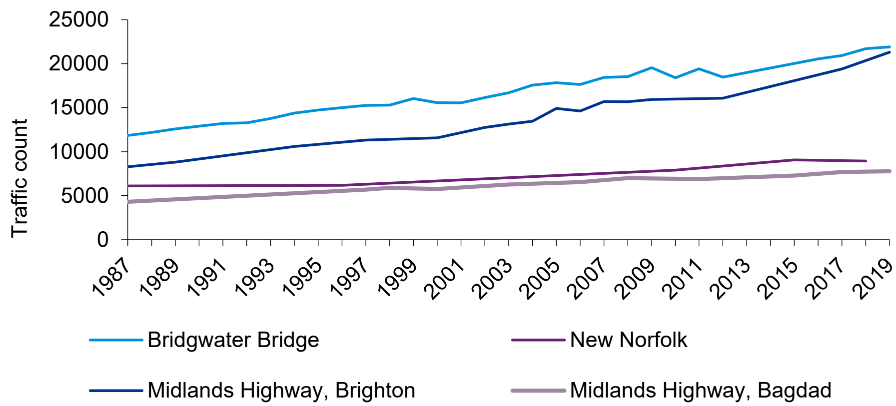


Tasmanian Visitor Data accessed 1/12/2021– www.tvanalyser.com.au

# Traffic

**Traffic across the SCS councils based on sample size has generally trended upwards over the last 10-15 years. The average growth for roads sampled shows an increase of 19.13%.**

### Traffic Flow



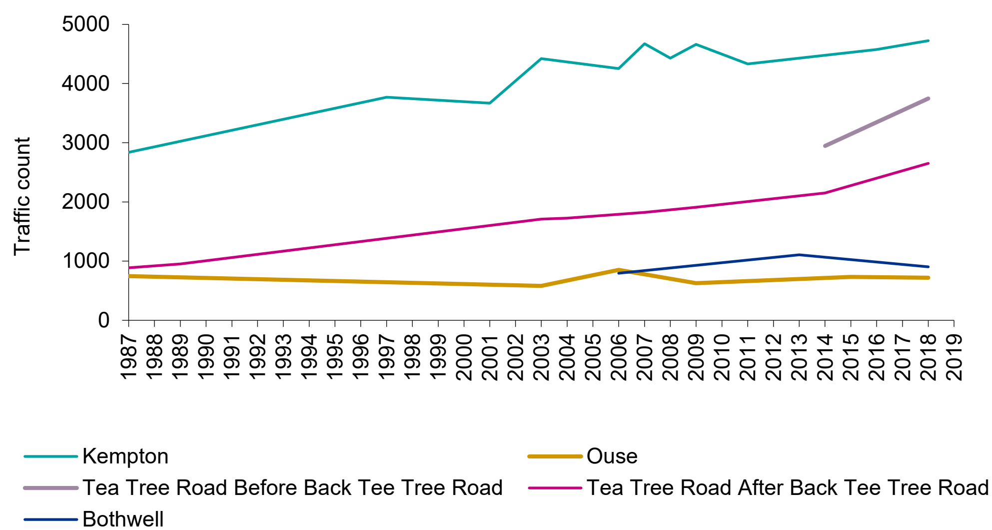

## High traffic roads

- Traffic on the Bridgewater Bridge has increased by approximately 19% since 2010.
- Traffic to New Norfolk has increased by 12.96% since 2010.
- Traffic on the Midlands Highway at Brighton has increased by 33.70% since 2009.
- Traffic on the Midlands Highway at Bagdad has increased 11.01% since 2008.

## Medium to low traffic roads

- Traffic at Ouse has increased by approximately 14.70% since 2009.
- Traffic at Kempton has increased by 1.36% since 2009.
- Traffic at Bothwell has increased by 13.48% since 2006.
- Traffic on Tea Tree Road before Back Tea Tree Road has increased by 27.20% since 2014.
- Traffic on Tea Tree Road after Back Tea Tree Road has increased by 38.72% since 2014.
- Between 2003 and 2021, light vehicle movements per day on Back Tea Tree Road have increased on average from 260 to 796.
- Between 2003 and 2021, heavy vehicle movements per day on Back Tea Tree Road have increased on average from 35 to 192. Since 2015 average of heavy vehicle movements has increased 256%.

### Traffic Flow



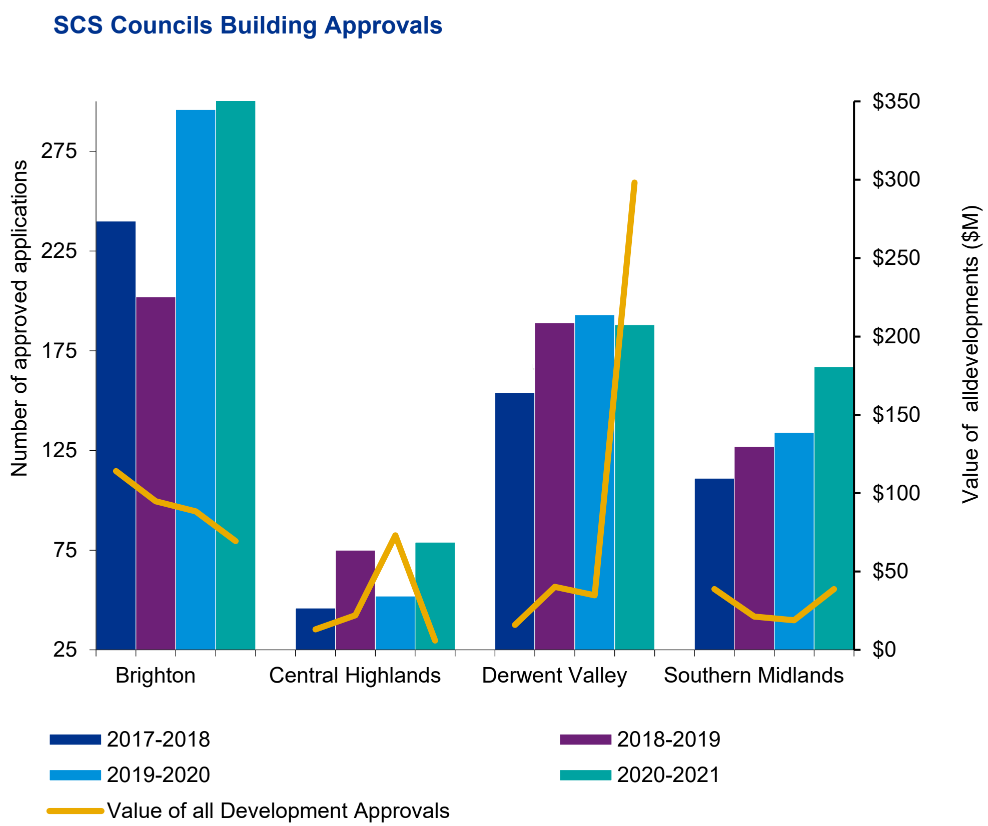


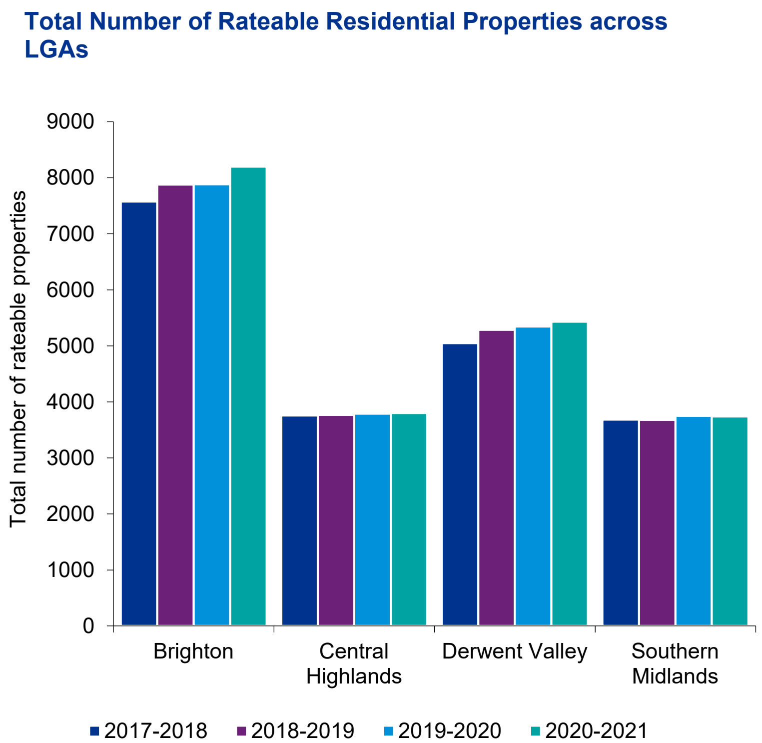

State Growth RoadsTas Traffic Stats, accessed 6/10/2021 <Department of State Growth, Tasmania Traffic Counts (geocounts.com)>

Additional data supplied by Brighton Council

# Building Approvals and Homes

**Brighton has had the strongest growth of number building approvals and total rateable residential properties of the four councils, followed by Derwent Valley. Derwent Valley has seen a strong growth in the 2020-2021 value of development approvals. This has driven growth in rateable residential properties mainly in those two LGAs.**

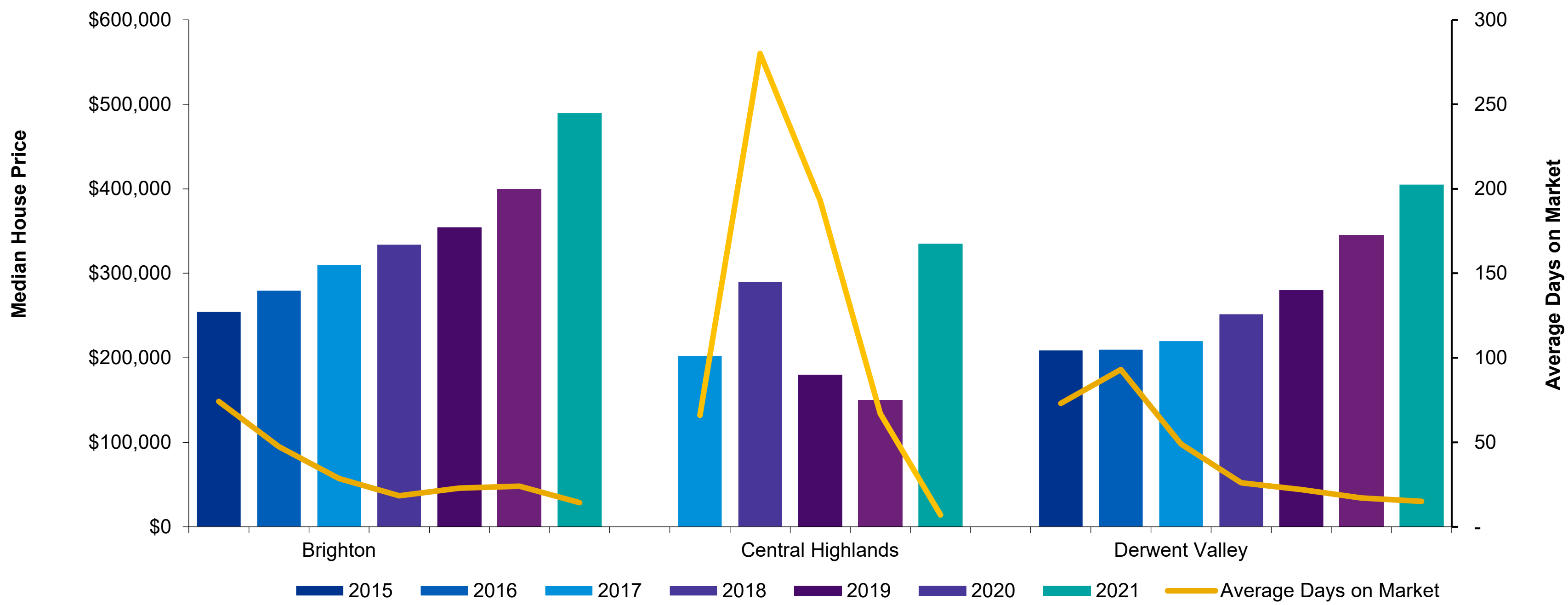



CDC Data provided by Councils, and , Collected by KPMG for the Department of Premier and Cabinet Local Government Division.

# The Housing Market

### Median Price of Houses Sold by Region

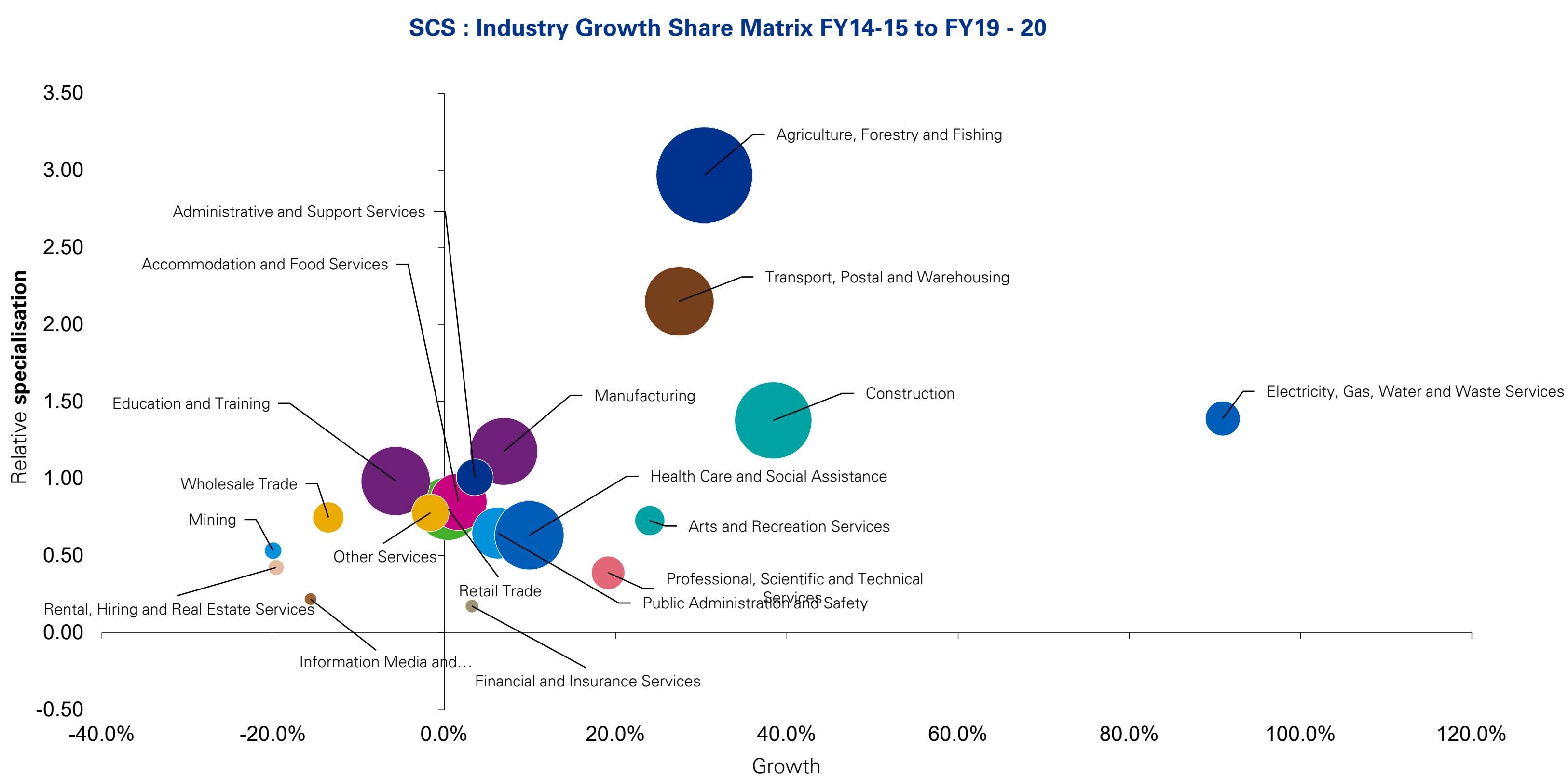



- Derwent Valley (New Norfolk) property prices have increase sharply over the 2015-2021 period with the average sale price increasing 93.8%, closely followed by Brighton, increasing by 92.3% over the same period.
- Central Highlands has seen more turbulent property sale prices, but home prices have still risen 65.4% from 2015 prices.
- Across all suburbs with data available, days on market has trended downwards, combined with the increase in median home prices, this suggests that the region is becoming more desirable to home buys and the property market more competitive.

REIT Suburb Reports, accessed 1/09/2021,<https://reit.com.au/market-facts/suburb-reports>

# Industry growth

**Agriculture, Forestry and Fishing, Transport, Postal and Warehousing and Construction have seen positive growth as large industries over the last 5 years. These sectors stand out and relatively more important to the region.**



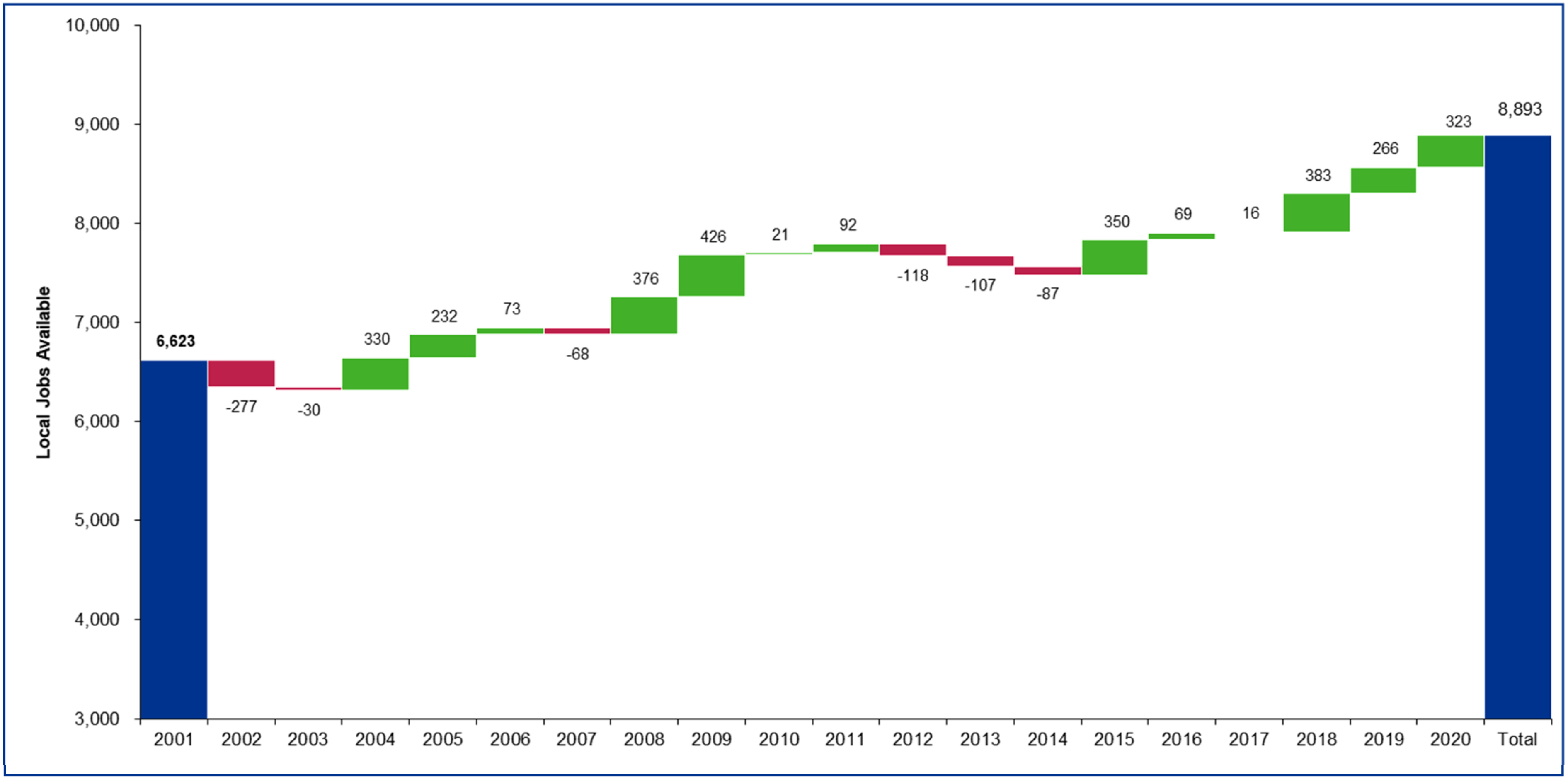

Size of each bubble represents the scale of the industry by employment in the SCS



ID Community, Employment by industry (Total), accessed 11/08/2021 <https://economy.id.com.au/tasmania/employment-by-industry?WebID=230&t=2&sEndYear=2015y>

# Local Jobs

**Local jobs across the SCS councils have seen steady growth over the last 20 years of around 34%, with local jobs increasing most years. Particularly strong growth occurred between 2015-2020.**



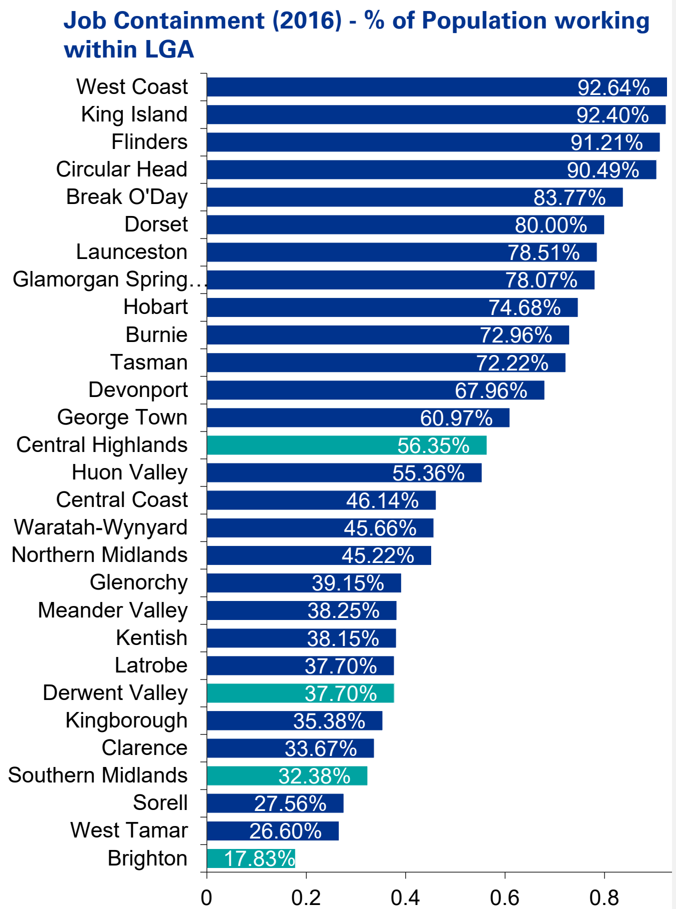

ID Community, Local employment, accessed 21/08/2021 <https://economy.id.com.au/tasmania/local-jobs>

# Job Containment and Jobs Ratio

## Job containment numbers across the four councils are consistent with the broad trends in job containment based off the geographic location of a council area and their proximity to urban environments

Job containment is a measure of how many residents live and work in the same region. Job containment numbers are usually higher in remote regions and lower in more urban environments where it is more economical to travel outside and area one works in.

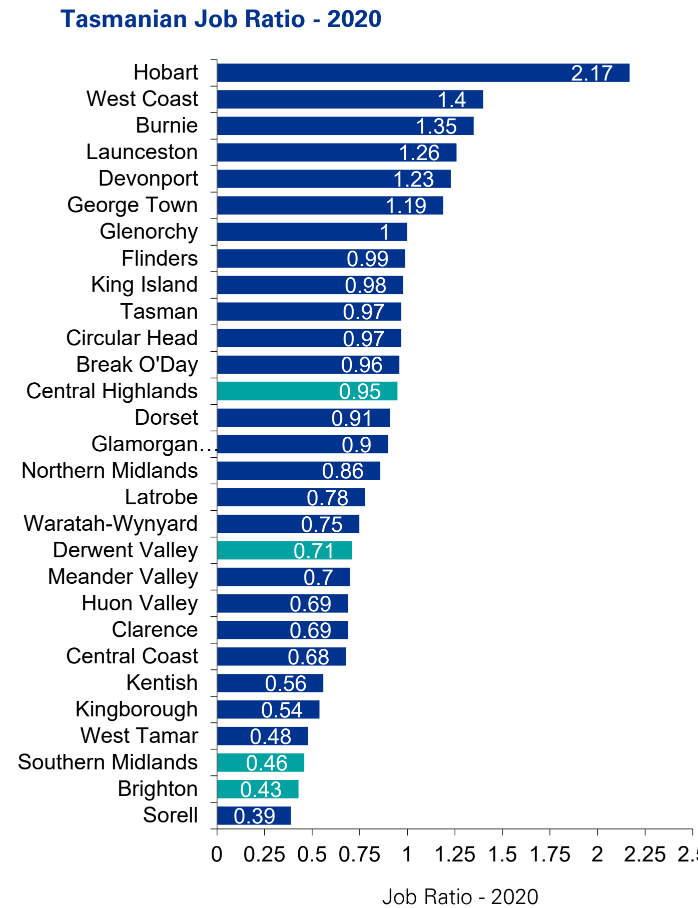
Being the most urban of the four councils, Brighton has the lowest job containment at 17.83%. Central Highlands has the highest job containment of the councils at 56.35%




Job ratios indicate if a LGA area could provide jobs for all of their residents if they all chose to work locally.

A figure of over 1 suggests there are more jobs than resident workers. A figure below 1 suggests there are more resident workers than jobs available.

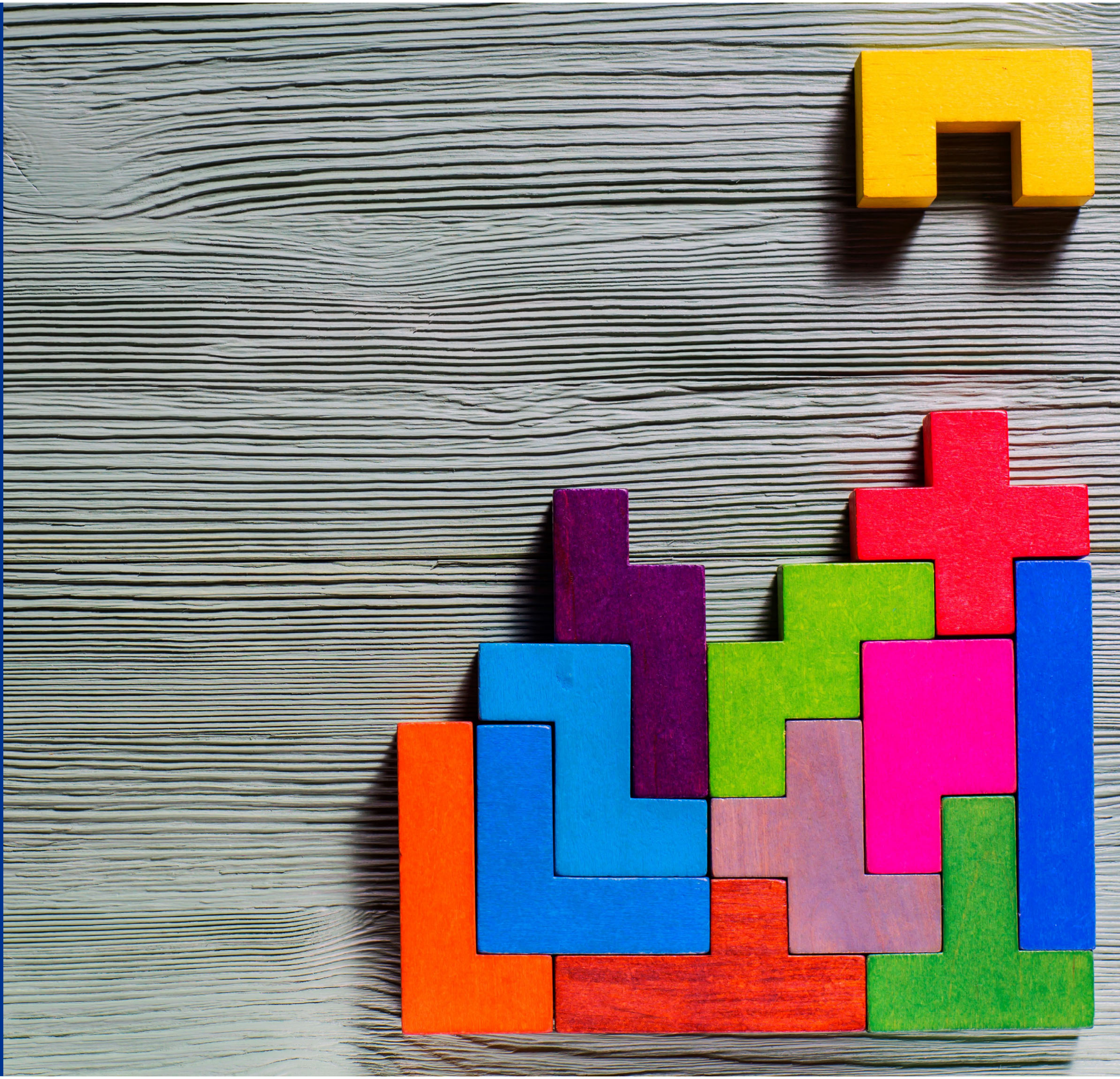
Of the SCS councils, Central Highlands has the highest job ratio (0.95) whilst Brighton has the lowest at 0.43. This is consistent with the job containment data demonstrating how many people leave the region for work.






ID Community, Job Containment, accessed 11/08/2021, <https://economy.id.com.au/tasmania/employed-locally >

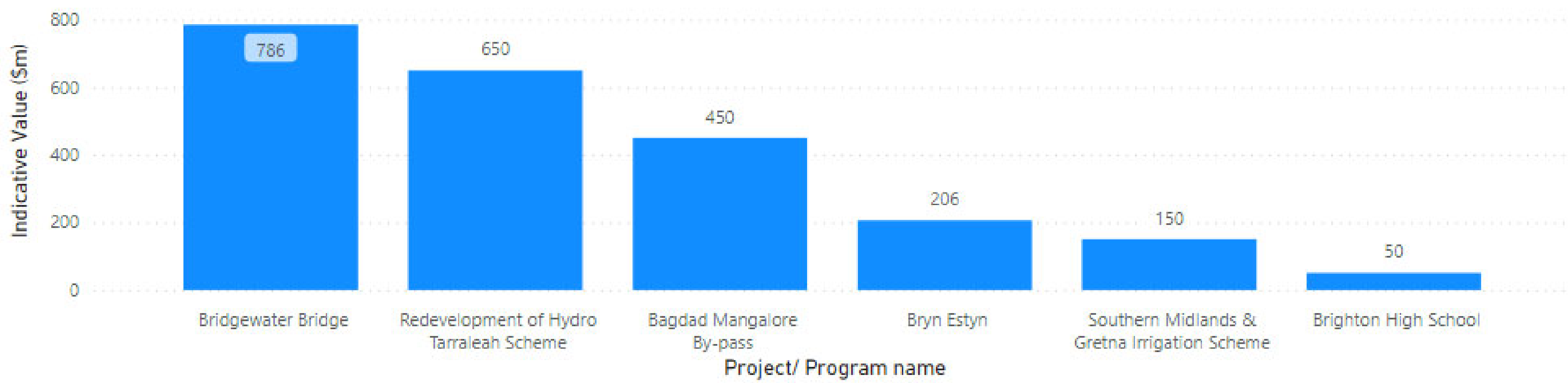
# 4. Key initiatives in the region



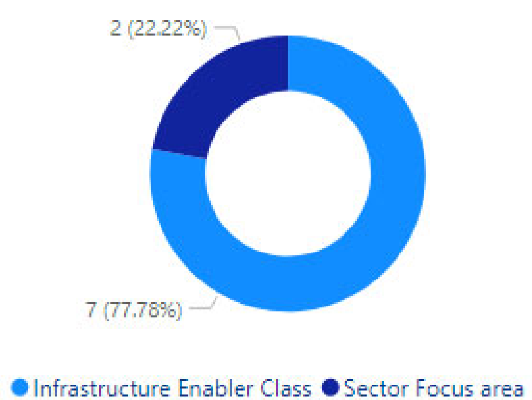
# Game Changers

- The SCS region is set to benefit from several ‘game changer’ investments, of which around 57% are new ventures and 67% are in design. Combined, **these sum to around $2.3B.**
- The Tarraleah Hydro Scheme ($650M), the Bridgewater Bridge ($786M) and the Bryn Estyn upgrade ($206M) are major developments occurring (or planned) in the SCS that have impacts far beyond the immediate region.
- The Bagdad-Mangalore Bypass ($450M estimate) and expanded irrigation schemes ($150M estimate) will also transform the region, as will the proposed new Brighton High School ($50M) region.

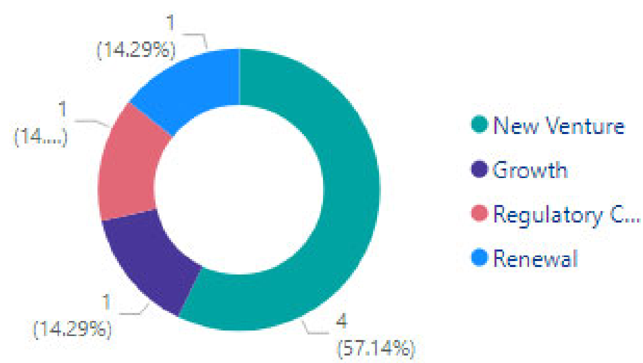
**Indicative Value ($m) by Project/ Program name**



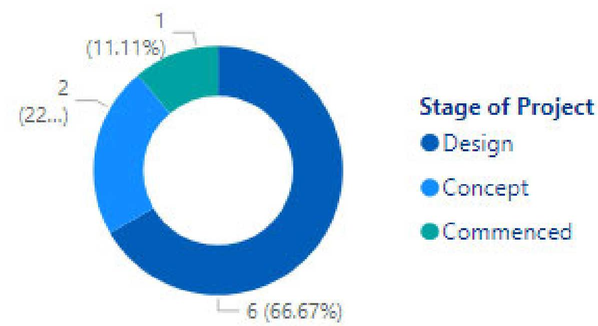

**Sector Focus or Infrastructure enabler**




**Primary Driver**




**Stage of Project**



# Redevelopment of Hydro Tarraleah Tasmania

> “In December, the Tasmanian and Australian Governments announced a commitment to identify and refine support mechanisms for the project. A $650 million redevelopment of Tarraleah could increase the scheme’s responsiveness, flexibility and double its generation capacity.”

Getting the most out of our existing hydropower generation is a key part of the *Battery of the Nation* initiative. The flagship project we’ve assessed is one of Tasmania’s oldest hydropower schemes. The Tarraleah scheme in the Central Highlands was commissioned in the 1930s and produces around 630 gigawatt hours of energy each year (or 6.5%) of Hydro Tasmania’s total production.

The Australian Renewable Energy Agency (ARENA) has provided $2.5 million, matched by Hydro Tasmania, for a feasibility study to assess options for reimagining the scheme to deliver more renewable energy, more flexibly in the future. The technical part of our feasibility study is complete and we are now finalising the preferred asset management strategy to set Tarraleah up for long term success in a future energy market.

The Memorandum Of Understanding outlines a shared path forward for further progressing the new 1500MW interconnector Marinus Link and the pumped hydro and hydropower upgrade opportunities that form the Battery of the Nation.

[Hydro system improvement]

# Bridgewater Bridge

> "The new Bridgewater Bridge is the largest transport infrastructure project in Tasmania's history. It will strengthen Tasmania's National Highway, connect local communities and will change the way people travel between the north and south of the state."

The new Bridgwater Bridge will have two lanes in each direction and interchanges at Bridgewater and Granton.

**Other features include:**

- a speed limit of at least 80km/h
- a shared path for cyclists and pedestrians
- safety screens and barriers
- a navigation clearance consistent with the Bowen Bridge

A grade separated interchange will connect the Brooker and Lyell highways. There will also be connections to local roads in Bridgewater and Granton.

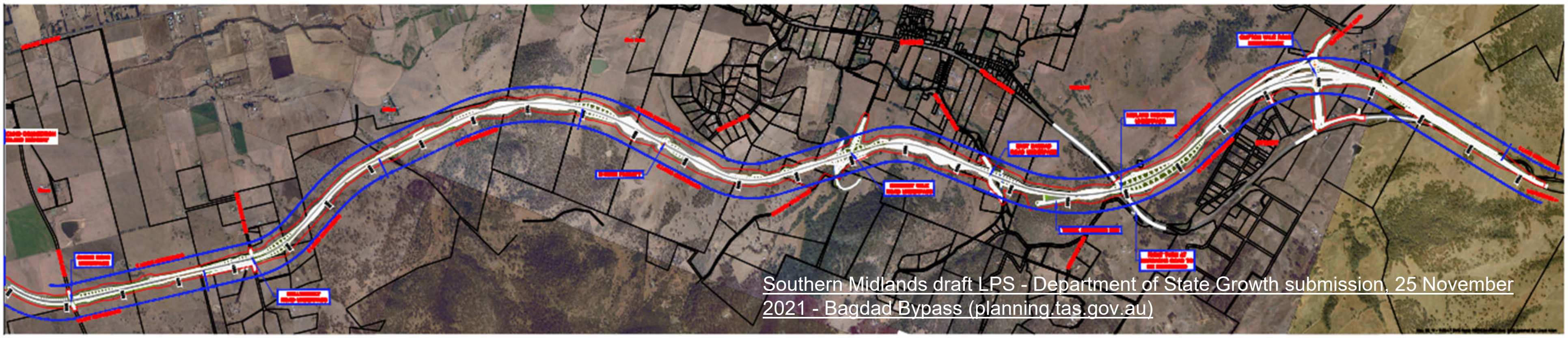
Rail isn't part of the project, however the future use of the rail corridor won't be prevented.

Many people have a strong connection to the bridge so work will be done with the community and the Tasmanian Heritage Council to look at how the heritage values of the river crossing can be recognised and promoted.

New Bridgewater Bridge – Transport Services

# Bagdad - Mangalore Bypass

The Bagdad – Mangalore Bypass is identified as a key project in both the Tasmanian Infrastructure Strategy and the Southern Tasmania National Transport Network Investment Program. The project has been tested and deemed to have strategic merit, as it reflects jurisdictional objectives, policies and strategies. Recent cost estimates are in the order of $450M.



Southern Midlands draft LPS - Department of State Growth submission, 25 November 2021 - Bagdad Bypass (planning.tas.gov.au)

The Bypass will see construction of approximately 17km of high-standard road, bypassing the Mangalore, Bagdad and Dysart areas. It will comprise two northbound lanes and a single northbound lane, with overtaking lanes provided where necessary in the southbound direction. The design ensures that the single southbound lane sections can be upgraded to dual carriageway in the future. Key benefits of the Bypass include:

- Improving efficiency by reducing travel times for both freight and passenger vehicles between the Southern and Northern regions of the State;
- Support the other projects in the Southern Tasmania National Transport Investment Program 2007-15, including the Brighton Bypass and Transport Hub, to deliver their full potential in terms of efficiency and capacity improvements;
- Reduce road trauma and maintenance costs, with an expected reduction of 90% in fatal crashes and 75% in injury crashes;
- Improve amenity in the townships to be bypassed, and provide opportunities for commercial and residential development.

Burnie_to_Hobart_Freight_Corridor_Midland_-_Mangalore_to_Bagdad_Upgrades_and_future_Bagdad_Bypass.pdf (stategrowth.tas.gov.au)

*"The federal government has been saying they want shovel ready projects to keep the economy stimulated," he said. "It'll entirely free up to this road…it will once again be a residential road. You got some terrific communities along here. Mangalore, Dysart, Baghdad, people wanting to tree change along here, but they have to mingle with trucks doing 80 kilometres an hour. As you can hear, it's very noisy, and it just is not a great mix."*

*He argued that the bypass will keep trucks on the highway proper, speeding up north-south traffic on the Midland Highway and improve amenity for local residents.*

*"It'll free up reserves," he said. "Actual opportunities for more subdivisions, and possibly commercial subdivisions as well. So it'll really enliven this part of the Southern Midlands (Municipality) and generate lots of jobs and economic activity. It's a win win."*

Mangalore Bypass is Shovel-Ready, says SM Mayor - Tasmanian Times

# Bryn Estyn

"The redevelopment of Bryn Estyn is a crucial project that will ensure TasWater can continue to provide its customers with safe and reliable drinking water for decades to come"

The Bryn Estyn Water Treatment Plant (WTP) is greater Hobart's primary source of drinking water, providing an average 60 per cent of the water supply needs annually.
It was originally constructed in 1962, with capacity augmentations completed in 1972 and 1992.

The TasWater CDO is upgrading and expanding the plant to ensure it can continue to provide high quality drinking water and meet projected demand for years to come.

The projected is estimated to cost over $200m.

**The Bryn Estyn WTP Upgrade Project aims to:**

•Lower the risk of water restrictions in the greater Hobart region

•Improve operational efficiency by increasing capacity and modernising infrastructure

•Enable the reliable supply of 160 million litres of water per day

•In-build the capacity to expand the water supply demand in the future

•Provide the highest quality drinking water for Tasmanians

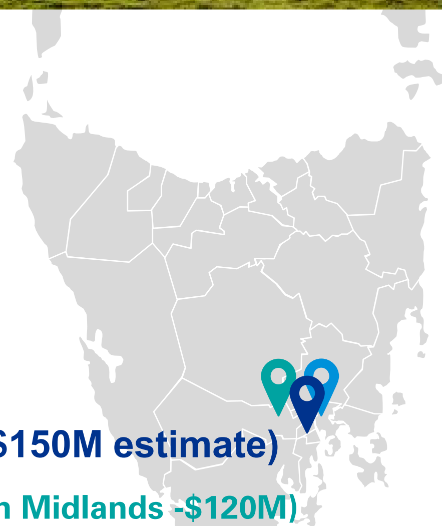
Water Treatment Plant Upgrade | TasWater

# Irrigation schemes

## Midlands Irrigation Scheme

The Midlands Irrigation Scheme commenced operations in September 2014 and services the Campbell Town, Ross, Tunbridge, Woodbury, York Plains, Oatlands, Mt Seymour, Jericho and Kempton areas in central Tasmania. Irrigation water is sourced from Arthurs Lake – a water storage owned and operated by Hydro Tasmania. Water flows under gravity into storage at Floods Creek Dam.

| | |
|---|---|
| Construction started | September 2012 |
| Capacity | 38,500 ML |
| Daily Flow rate | 105 ML/Day |
| CAPEX | $110.8M |



## Southern Highlands Irrigation Scheme

The Southern Highlands Irrigation Scheme commenced operations in November 2017 and services the Bothwell area in the Southern Midlands of Tasmania. Water is harvested into the Southernfield Dam from the Shannon River and delivered via 58.4km of pipe from the dam at Waddamana Road in the north to Bothwell, and south to Hollow Tree. A pipeline also runs east from Bothwell to Pitcairns Marsh.

| | |
|---|---|
| Construction started | October 2015 |
| Capacity | 7,215 ML |
| Daily Flow rate | 60.13 ML/Day |
| CAPEX | $31.26M |

## Tranche 3 Projects under development ($150M estimate)

### Southern Midlands Irrigation Scheme (Southern Midlands -$120M)

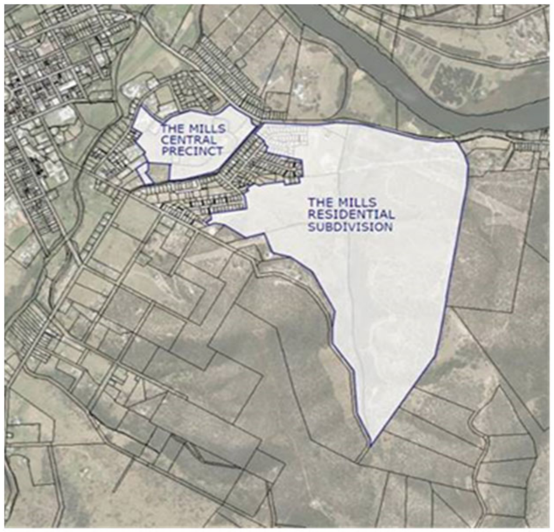
The Southern Midlands Irrigation Scheme will be located across the Central Highlands and Southern Midlands Council regions, with the potential to support irrigation activities in the Brighton Council region. The concept design is based on a 30,000 megalitre, 180-day summer irrigation season. Winter season water is also being explored. The proposed scheme consists of a low-lift pump station sourcing water from Hydro's upper Derwent catchment, delivering through the Bothwell region with a lift pump station near Shiners Hill providing water through to Jericho and Kempton. The majority of Gretna is likely to be serviced via its own scheme. Principal production activities in the region include livestock, broadacre cropping, wool and a small amount of dairy, fruit & wine grapes.

### Gretna Irrigation Scheme (Derwent Valley/ Central Highlands - $30M)

The Gretna Irrigation Scheme will deliver high-surety irrigation water to landowners around Gretna in the Central Highlands and the Derwent Valley. Under the current concept design, water will be sourced from the River Derwent at Meadowbank and pumped to irrigators via two pump stations. Agricultural enterprises in the area include wool and lamb finishing, which is expected to expand to dairy, poppies, cereals, lucerne and fodder crops.

# Residential and commercial development

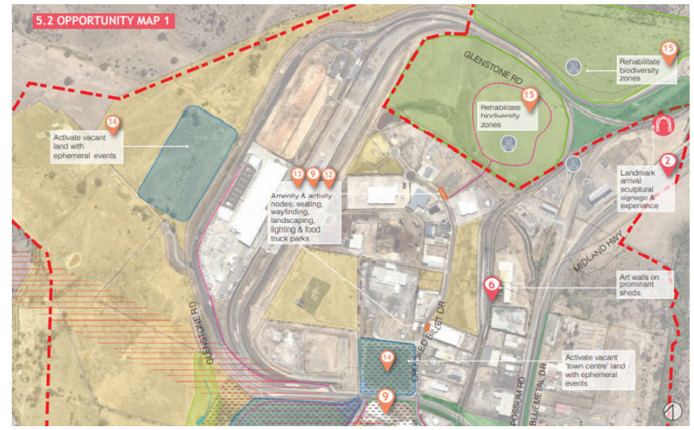
The Brighton and Derwent Valley LGAs are booming with residential and commercial development. Headlines include the Mills development in New Norfolk and the ongoing activation of the Brighton Transport Hub. Activation of the Norske Skog site into an industrial hub is also under active consideration, with the support of the Office of the Coordinator General.




**The Mills, New Norfolk** is a residential, retirement and commercial master planned community within the Derwent Valley of Tasmania. This new development comprises 700 residential lots, 200 house Independent Living retirement estate, Producers Market Co-Op, 100 bed hospital, 100 room 4-star hotel and a 120 person childcare / early learning centre. This will attract the growing cohorts of young families and retirees. **Other developments** include a 73 lot sub-division at Tynwald, 545 lots yet to be developed at Mills, 51 lots at Back River Road, Centacare is 52 lots and a proposed 120 lot infill in Oakdale Road.

Strategically located on the Derwent River and with over 570 ha of industrial and rurally zoned land, the **Boyer Industrial Hub** is ideally positioned to accommodate multiple business operations across a range of sectors. The site is well serviced, with ample supply of power, water and NBN, and has access to a range of resources, including valuable by-products and heat and waste residues, suitable for economic re-use across a variety of industries.

The site is complete with well-established infrastructure and workshops and provides direct access to inter-modal transport and freight options (including road and rail). Located 8 minutes (6.6km) from the heart of New Norfolk, the Boyer Mill is situated on the water side of Boyer Road, looking over the River Derwent. The site is only 36 minutes (35km) from the CBD of Hobart and 48 minutes (49km) from Hobart Airport.




The **Brighton Industrial Estate** has been an under utilised asset in Tasmania that presents valuable ‘employment land’ that will support local enterprise growth and job opportunities for a growing Brighton population.

Brighton Council engaged consultants to develop a new Brand and Placemaking strategy for the precinct.

The strategy sets a new vision and pathway, supported by practical actions, to reposition the Brighton Industrial Estate as an attractive prospect for future investors and support growth.

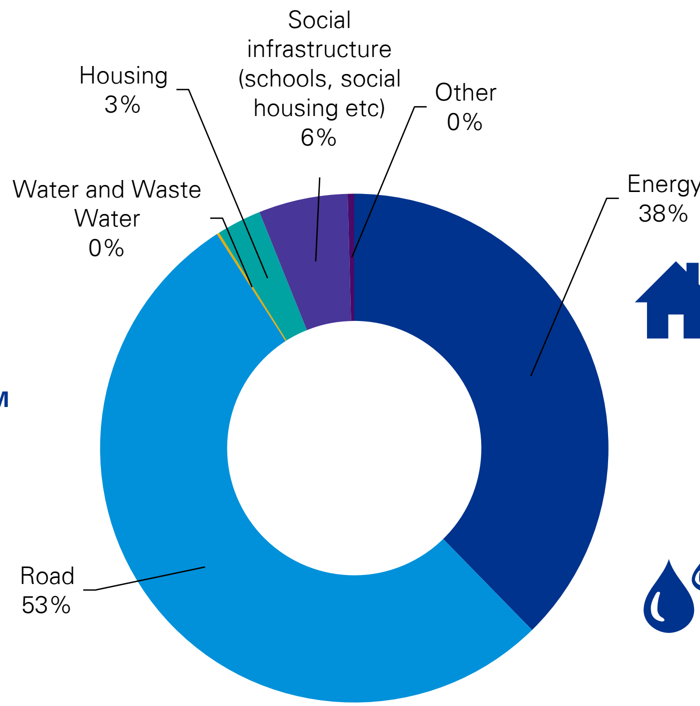
Opportunity maps, such as that illustrated above point to a future where the Hub is a desirable place to visit and work within.

# Infrastructure enabler class

**Over the next 2-5 years, the SCS region will see investment in enabling infrastructure and projects of approximately $2.45B.**

| Social Infrastructure | $M |
|---|---|
| Brighton High School | 50 |
| Seymour Street upgrades | 5 |
| Bridgewater Gymnastics & Sports Centre | 6 |
| Cris Fitzpatrick Park & walkways | 3 |
| Bridgewater Parkland (Spine, car park, living stream, dog park, skate park, etc.) | 3 |
| Pontville Park upgrades - indoor sports, parking | 6 |
| GP clinics | 3 |
| Child care | 4 |
| Oatlands Aquatic Centre | 10 |
| School Farm | 3.5 |
| New Norfolk Town Centre and Urban precinct Design Strategy | 3.5 |
| Boyer Oval Redevelopment | 7 |
| Tynwald Park master plan upgrade | 5 |
| Kensington Park Sporting Precinct | 30 |
| High Street Revitalisation and inter-connectors Project | 6.4 |
| **TOTAL** | **$145.4M** |

| Road | $M |
|---|---|
| Road link - Brighton - Airport | 40 |
| Bridgewater Bridge | 576 |
| Andrew St | 3 |
| Baskerville Rd | 4 |
| EDH/Midland grade separated interchange | 15 |
| Mangalore/Bagdad bypass | 450 |
| key Road renewal projects | 2 |
| Back River Road Renewal project | 3.6 |
| Hobart Road/Glebe Road Intersection Project | 6 |
| Plenty Valley Road Renewal | 1.7 |
| Lachlan Road Renewal | 1.6 |
| Black Hills Road Upgrade | 2.1 |
| **TOTAL** | **$1.105M** |




| Energy | $M |
|---|---|
| Repulse Power Station - Refurbishments | 27 |
| Edgar Dam project | 16 |
| Brady and Bronte Dam upgrades - Campaign 1 | 8 |
| Brady and Bronte Dam upgrades - Campaign 2 | 16 |
| Gordon Power Station - Machine 1 - runner replacement | 12 |
| Gordon Power Station - Machine 3 - turbine replacement | 14 |
| Gordon Power Station access tunnel stabilisation | 6 |
| Boyer Substation - supply transformers - replacement | 5 |
| Bryn Estyn | 206 |
| Lake Fenton Pipeline (gateway) - water main renewal | 6 |
| Redevelopment of Hydro Tarraleah Scheme | 650 |
| **TOTAL** | **$966M** |

| Housing* | $M |
|---|---|
| New 400 lot housing sub-division | 10 |
| Alec Cambell infill sub (100 lots) | 3 |
| Jordan Downs infill sub (150 lots) | 4 |
| Old Beach infill sub (100 lots) | 3 |
| Centacare (52 lots) | 30 |
| Accommodation Facility (30 Plus Rooms) | 18 |
| **TOTAL** | **$68M** |

| Water and Waste Water | $M |
|---|---|
| Southern Midlands & Gretna Irrigation(tranche 3) | 150 |
| Honeywood WWTP upgrade (decom. Green Point) | ? |
| Derwent Catchment River Health Plan | 4 |
| **TOTAL** | **$154M** |

| Other | $M |
|---|---|
| Waste transfer station | 7 |
| Waste ands resource management | 3.5 |
| **TOTAL** | **$10.5M** |

* In addition, in the DVC, note opportunities for 73 lot sub-division at Tynwald, 545 lots yet to be developed at Mills, 51 lots Back River Road, and proposed 120 lots infill in Oakdale Road

# Sector Focus Areas

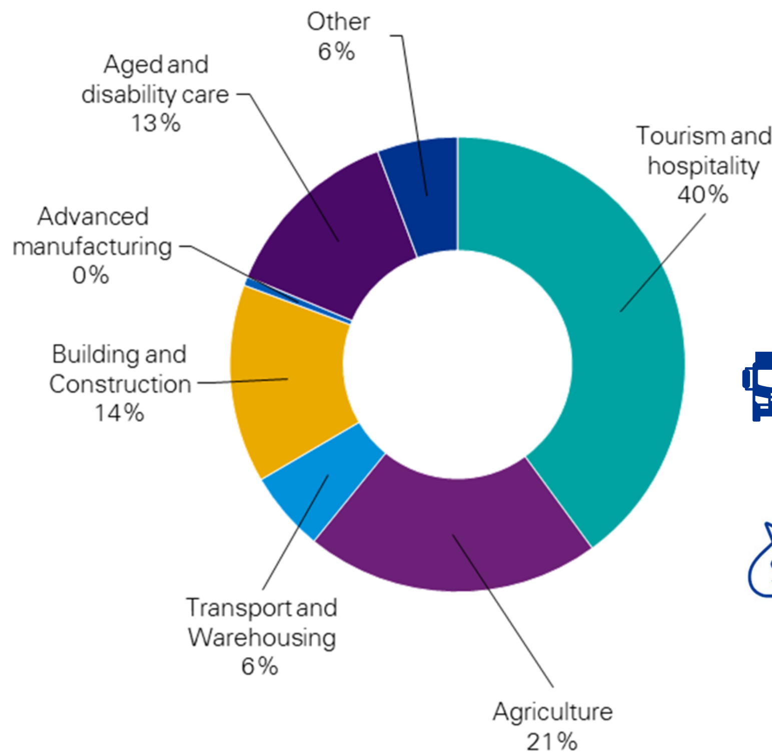
**Over the next 2-5 years, businesses in the SCS growth sectors are set to invest approximately $340M.**

| Advanced Manufacturing | $M |
|---|---|
| Mitchells Plastic moulding | 2 |

| Aged and disability care | $M |
|---|---|
| St Anne's upgrade | 11 |
| Noble Ventures Private Hospital | ? |
| Noble Ventures Retirement Village | 15 |
| Corumbene Health Hub | 10 |
| Centacare | 5 |
| TOTAL | $41M |

| Agriculture | $M |
|---|---|
| Tassal Salmon Hatchery | 46 |
| Growth area expansion for medical cannabis | 20 |
| TOTAL | $66M |

| Building and construction | $M |
|---|---|
| Iden Road | 1 |
| East Bagdad Road, Bagdad (56 Lots) | 2 |
| Swan Street, Bagdad (14 Lots) | 1 |
| Main Street, Kempton (48 Lots) | 3 |
| Climie Street, Campania (50 Lots) | 3 |
| Callington Distillery (Bond Stores - 18) - Tunnack Main Road, Oatlands | 10 |
| Callington Distillery (Distillery) - High Street, Oatlands | 16 |
| Callington Distillery (Function Centre etc) - High Street, Oatlands | 3 |
| Callington Distillery (Cooperage & Bottling Plant) - High Street, Oatlands | 3 |
| Tivoli Green sub-division (500 lots) | |
| Noble Ventures Child Care Centre | 2.5 |
| TOTAL | $44.5M |




| Tourism and hospitality | $M |
|---|---|
| Willow Court Tourism development | 10 |
| Callington Mill Tourism Precinct | 7 |
| Pressing Matters | 5.5 |
| Zoo Doo redevelopment | 2 |
| Noble Ventures Hotel and Park | 40 |
| Maydena Bike Park | 2 |
| Lark Distillery | 30 |
| Redevelopment Waddamana Village | ? |
| Great Lake Hotel Village 5 stage development | 20 |
| Great Lake Trail | 8 |
| Bothwell Grange | ? |
| Standing Camp Halls Island | 0.5 |
| Lark Distillery Bond Stores | 4 |
| Mt Field Rail | 20 |
| TOTAL | $149M |

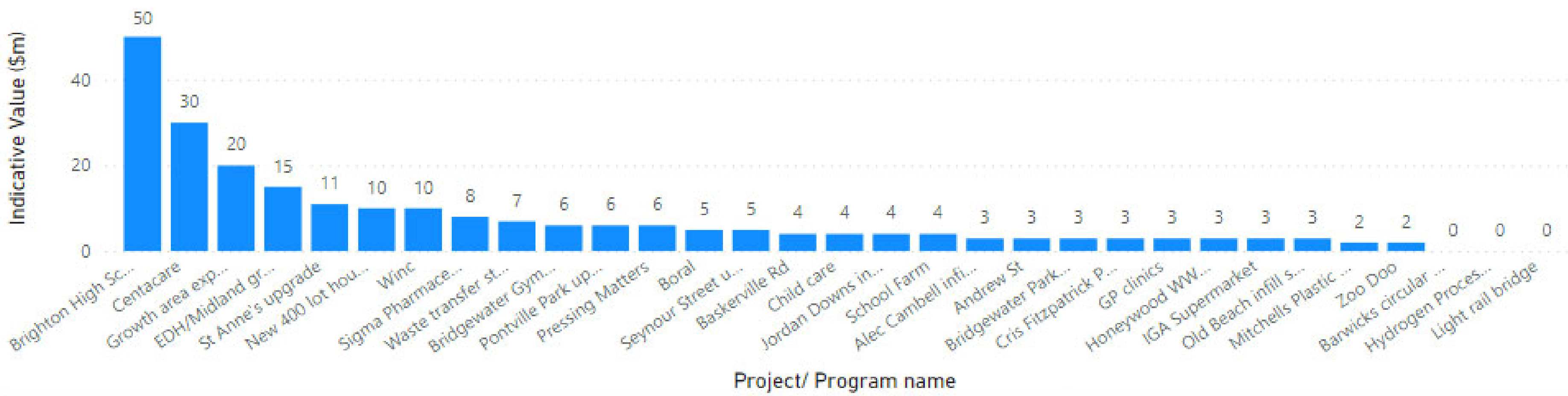
| Transport and Warehousing | $M |
|---|---|
| Sigma Pharmaceuticals | 8 |
| Winc | 10 |
| TOTAL | $18M |

| Other | $M |
|---|---|
| Barwick's circular economy | ? |
| IGA Supermarket | 3 |
| New batching and other facilities | 5 |
| Circular economy hub | 10 |
| TOTAL | $18M |

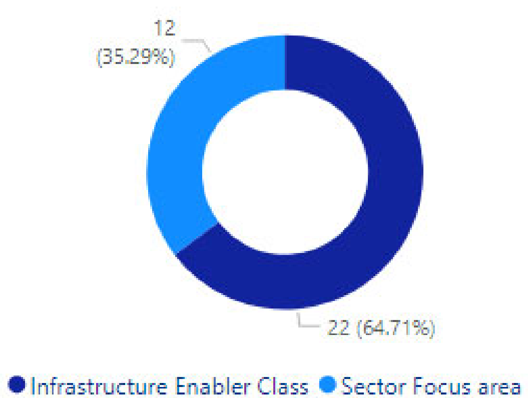
# Brighton Council

- Total CAPEX of approximately $1.059M including the Bridgwater Bridge ($786M) and Brighton High School ($50M) 'Game Changers'.
- Brighton has a number of meaningful infrastructure projects, driven primarily by the infrastructure enabler class (64.71%).
- Half of all the projects in Brighton are new ventures. Key infrastructure enabler classes for Brighton are Social infrastructure, Housing and Roads.

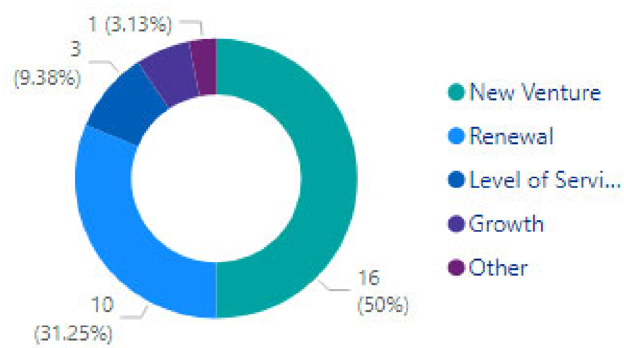
## Indicative Value ($m) by Project/ Program name



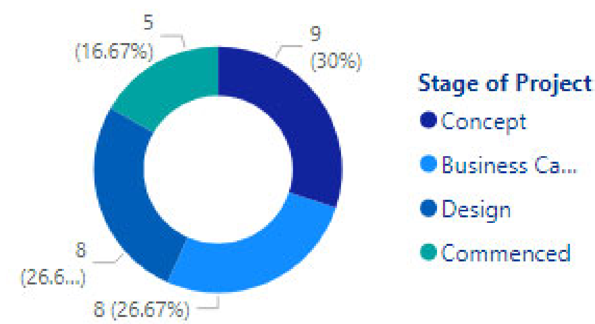

## Sector Focus or Infrastructure enabler




## Primary Driver



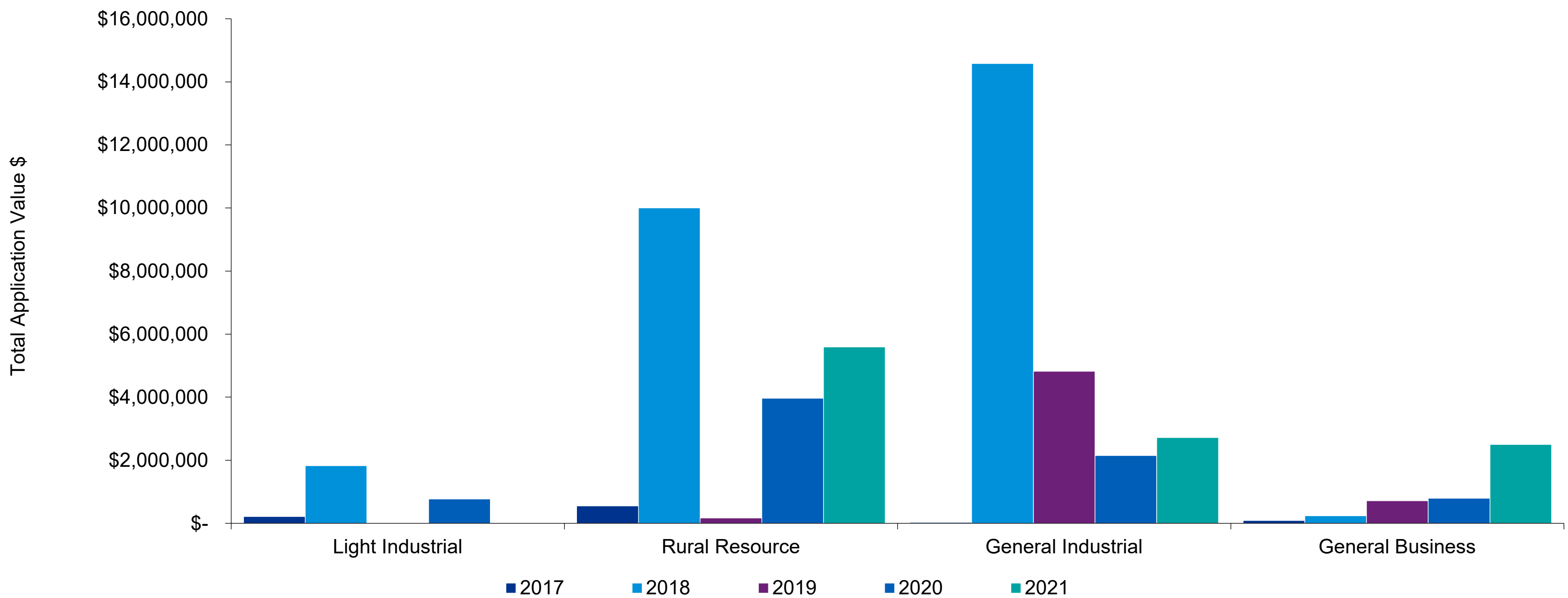

## Stage of Project



# Brighton Councill

**The Brighton LGA has been the focus for industrial development in the SCS with the development of the Industrial Hub. General Industrial has been the major category for development applications at Brighton, due to some large applications in 2018. Rural Resource is the second largest category by value, with almost half of the value derived from one application.**

**Total Application Value by Category - Brighton**

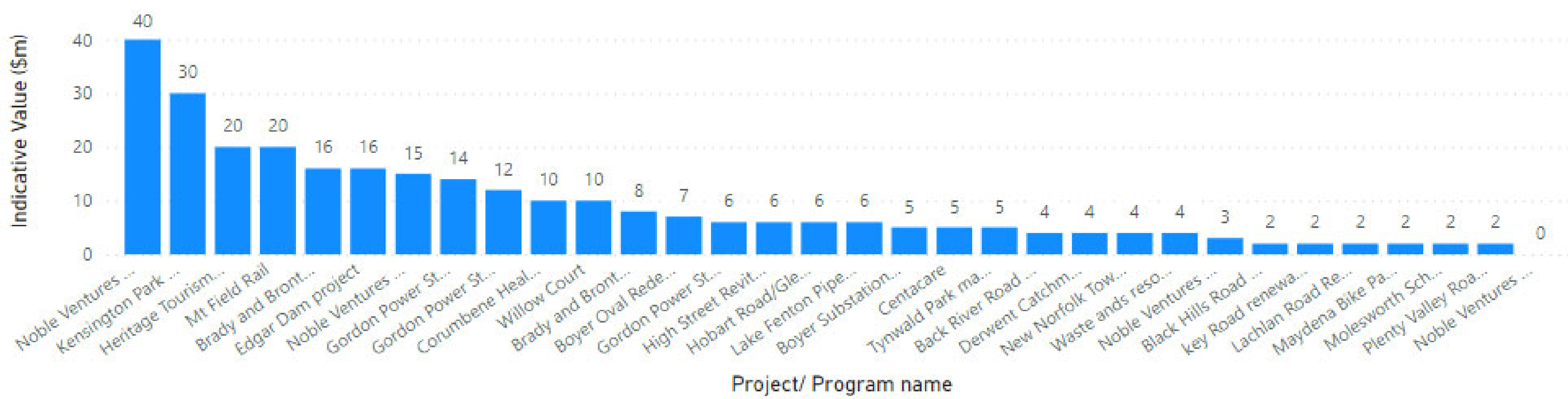



Since 2017, Brighton has received $53.61M of applications for industrial and commercial developments. General Industrial was the largest category for Brighton over the period, representing 45.32% ( $24.3M) of applications. 2018 saw a number of significant applications for General Industrial development projects, including Storage warehouse and Food services ($9.75M), a Sawmill expansion ($1.5M) and Equipment and Machinery sales($1.5M). Rural Resource also had significant application value in 2018, with a Highway Services Centre ($10M) being much larger than the other yearly totals. Overall, Rural Resource was the second largest category (37.83%, $20.28M). General Business ($4.34M, 8.09%) and Light Industrial ($2.81M, 5.24%) are the next largest, with the remaining categories of Significant Agriculture, Rural Living, General Residential, Utilities, Agriculture and Village applications totalling $1.88M for the period.

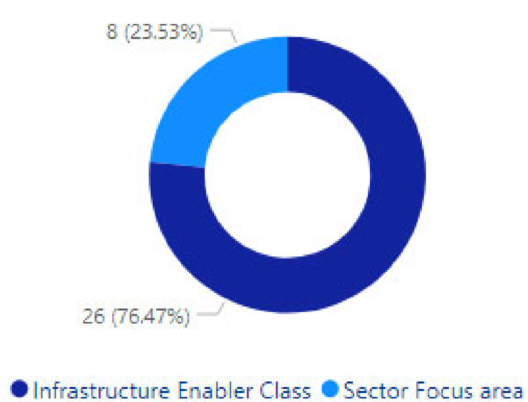
# Derwent Valley Council

- Total CAPEX of approximately $498.1M, including the $206M Bryn Estyn ‘Game Changer’.
- Derwent Valley Council has large number of mid-sized projects, particularly in the energy enabler class. There is also a pipeline of smaller sized projects under $5M. Noble Ventures feature with four projects worth around $60M.
- Infrastructure enabler class is a large driver for Derwent Valley (76.47%), with a large focus on renewal (35.48%) and new ventures (25.81%)

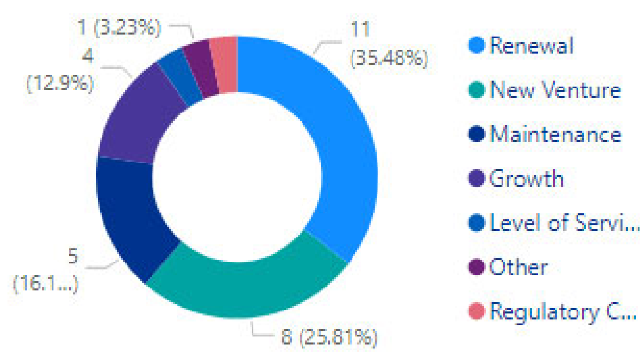
## Indicative Value ($m) by Project/ Program name



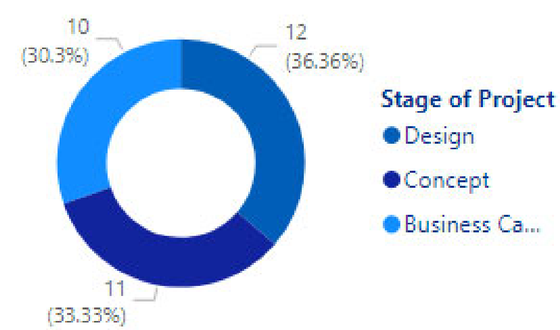

## Sector Focus or Infrastructure enabler




## Primary Driver



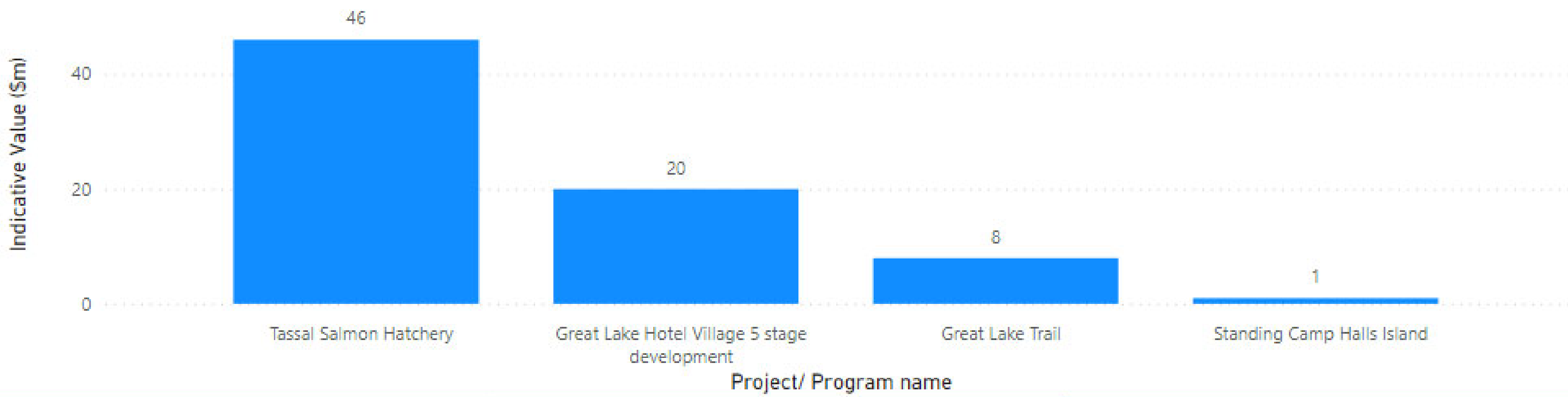

## Stage of Project



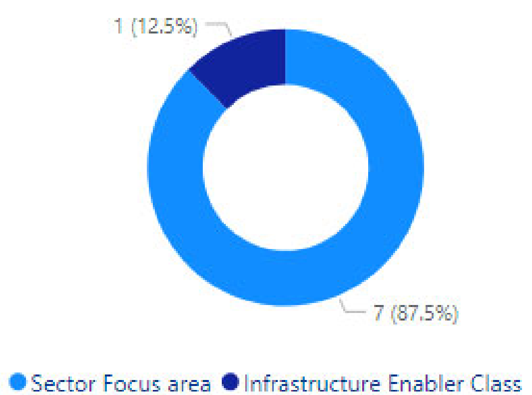
# Central Highlands Council

- Total CAPEX of approximately $724.5M including the $650M Tarraleah Power Station ‘Game Changer’.
- Central Highlands Council has several sector focussed infrastructure projects (87.5%) driven by the private sector.
- Large projects are planned for the region by Tassal and Great Lake Hotel.
- Half of the projects in the Central Highlands are new ventures, signifying some private sector confidence in the region’s future.

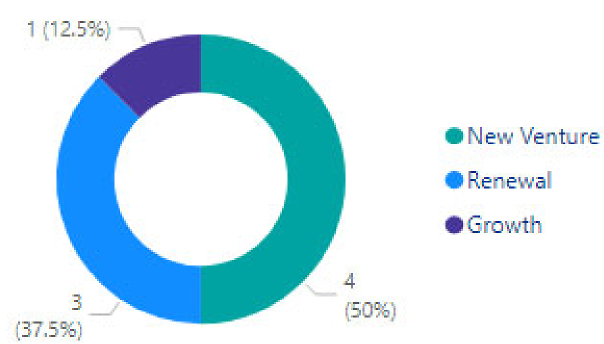
## Indicative Value ($m) by Project/ Program name



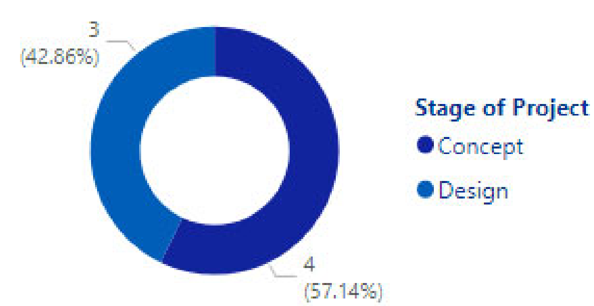

## Sector Focus or Infrastructure enabler




## Primary Driver



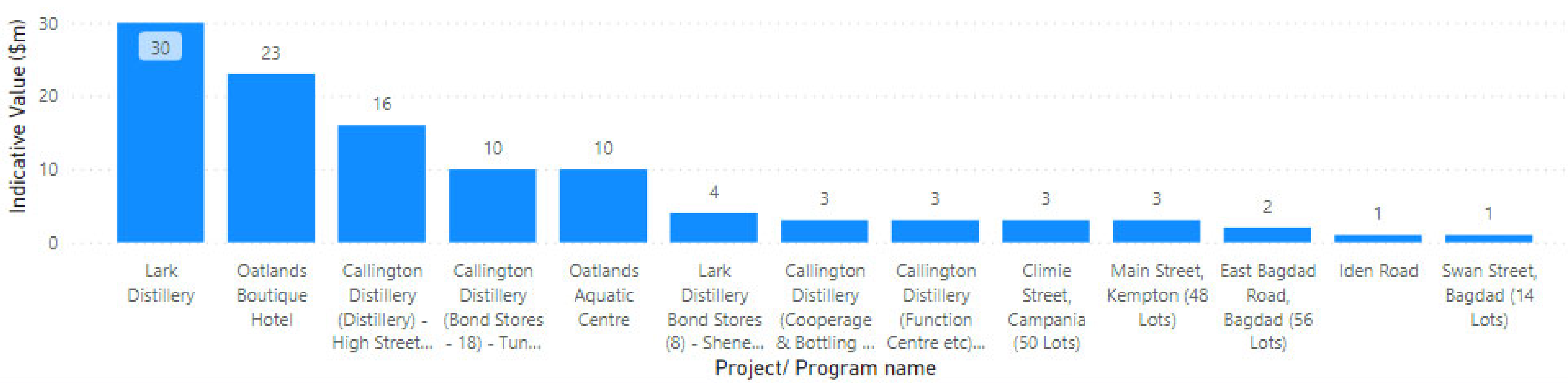

## Stage of Project



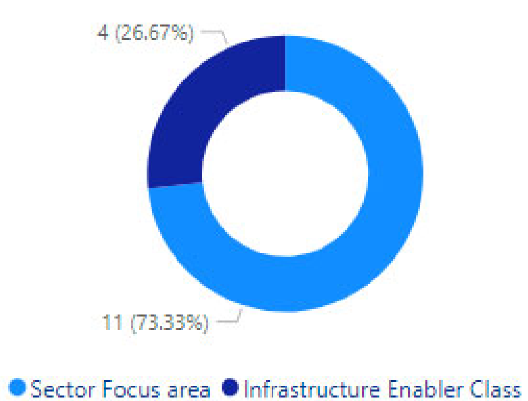
# Southern Midlands Council

- Total CAPEX of approximately $709M including the $450M Bagdad-Mangalore Bypass and the Irrigation Scheme 'Game Changers'.
- Southern Midlands has some larger sized projects planned for the region largely driven by the tourism and accommodation industry, including Lark Distillery, Callington Distillery and Oatlands Boutique Hotel.
- 92.86% of the projects in the region are new ventures, with the remainder being renewal.
- Half of the projects have already commenced.

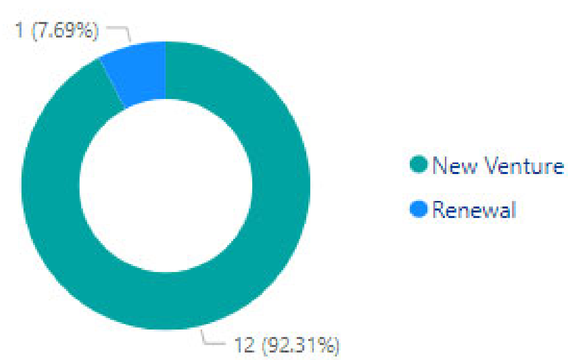
## Indicative Value ($m) by Project/ Program name



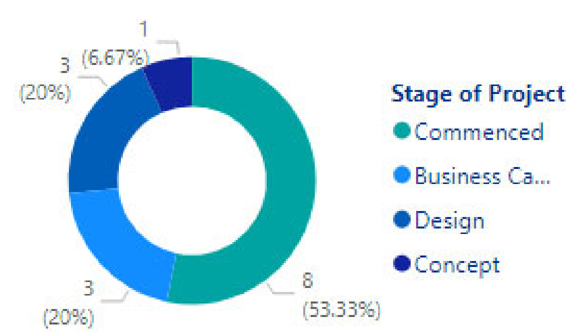

## Sector Focus or Infrastructure enabler




## Primary Driver




## Stage of Project



# 5. The emerging issues

# Council plans and priorities

**All of the SCS Councils have their own strategic plans that provide insights into the infrastructure related pain points and priorities each council aims to pursue. The table below sets out the key points from those documents. Further detail can be found in Appendix A.**

| | | Sector Focus Areas | | | |
|---|---|---|---|---|---|
| **Infrastructure Enablers** | | **Brighton** | **Derwent Valley** | **Southern Midlands** | **Central Highlands** |
| | **Water and waste water** | 1. There is a need for greater growth investment in infrastructure from TasWater & need for headworks system / infrastructure charging system | | 1. Monitor the **future demand for sewerage services** in areas zoned for future residential, commercial and industrial development in partnership with the Water Authority<br>2. Investigate the **future demand for water services** in areas zoned for future residential, commercial and industrial development in partnership with the Water Authority<br>3. Advocate for Developers and the Community to the **Water Authority in respect of service level equity** | |
| | **Irrigation** | | | | 1. Support the implementation of the **Southern Highlands Irrigation Scheme** |
| | **Energy** | 1. Encourage renewables and hydrogen production | | | |
| | **Roads** | 1. Completion of new **Bridgewater Bridge**<br>2. Long term road maintenance and upgrade plan<br>3. Explore handover of key freight routes (Brighton-Airport) to state government<br>4. Explore commuter ferries | 1. Promote community response to **Federal Black Spot Eradication Programs**<br>2. Sealed road access to connect us to the Huon Valley<br>**3. Improve tourist road quality**, especially sealed all-year access roads, e.g. Lake Dobson Road | 1. Continue to seek opportunities to **increase funding for road maintenance and construction** from Commonwealth and State Governments<br>2. Seek new, cost effective sources of road materials suitable for road maintenance<br>3. Continue to work with the Department of State Growth (DSG) to **improve the safety and standard of the Midland Highway and other State Roads** along with road junctions<br>4. Ensure that appropriate sight distances are maintained, for key transport routes, through effective roadside vegetation management / road realignment | |

# Council plans and priorities

**All of the SCS Councils have their own strategic plans that provide insights into the infrastructure related pain points and priorities each council aims to pursue. The table below sets out the key points from those documents.**

| | | Sector Focus Areas | | | |
|---|---|---|---|---|---|
| | | **Brighton** | **Derwent Valley** | **Southern Midlands** | **Central Highlands** |
| | **Rail** | **1. Light rail connection**<br>**2. Maximise** the value and use of the rail asset | | | |
| | **Housing** | 1. Housing options for **disadvantaged youth**<br>2. Future developments provide a variety of housing styles and block size | 1. Develop and implement a **masterplan for the Willow Court** precinct | | |
| | **Communications** | | 1. Advocate **for access to new and improved existing phone and internet** for the entire Derwent Valley | 1. Seek opportunities to facilitate the provision of cost effective **broadband and mobile telecommunications** access across the municipality | |
| | **Social infrastructure (schools, hospitals, recreation facilities)** | 1. A new **Brighton High School**<br>**2. Address major shortages** GPs and health services | | | |

# Current Pain Points

## Water and Waste Water

1. "TasWater has flagged that it intends to send the majority of Hobart's Waste water to Honeywood Waste Water Treatment Plant. This would include **decommissioning of a number of existing Waste Water Treatment Plants** around greater Hobart."
2. "TasWater was **unable to accept 35,000 litres** of water from the new Oatlands Aquatic Centre every 7-10 days to backwash the water. TasWater's limit was 160 litres/ day. Council will now stockpile and treat the water for other uses, such as fire protection, but the solution points to deficiencies with this infrastructure"
3. "There will be **pressure on the existing WWTP** in New Norfolk with the addition of all of the new homes that will be developed"
4. "The **WWTP at the Norske Skog** site may also need investment if that area is to evolve into an industrial hub"

## Roads

1. "The **roads between Brighton and the Airport** (Back Tea Tree Road etc) are not adequate for the volumes of freight being carried. State Government needs to take over this route. It meets the test to become a state road"
2. The **Highway from Granton to New Norfolk** will need to be duel-lane both ways to deal with the expanding population and visitor numbers"
3. "Budget for Bridgewater Bridge means 80 km/h speed limit and loss of rail link. **Connectivity to local infrastructure gaps (pathways, cycle way, etc.)**
4. "**Local road network** upgrades required generally, and **improvements to tourist roads** such as Lake Dobson."
5. "Works commenced in stages. Currently in poor condition and safety issues."
6. "A grade **separated interchange at East Derwent Highway/Midland intersection** has been flagged with previous Bridgewater Bridge projects. Not enough funding for it this time round."
7. "The reactivation of the forestry industry is **increasing the volumes of heavy vehicles**, which is causing more rapid road deterioration."
8. "Coupled with the Bridgewater Bridge works, any project for Battery of the Nation work or other work by Hydro (i.e. Tarraleah, Gordon and Scott's peak/Edgar dam upgrades will have **significant traffic impacts**")

## Communications

1. "Communications is still a limitation **in the remote areas of the region (Derwent Valley, Central Highlands and Southern Midlands)** and became a more prominent issue during the bushfires"

# Current Pain Points

## Housing

1. “Lack of **Sewer Services & Infrastructure contribution framework**”. Brighton Structure Plan 2018 identifies that 60ha of land outside the existing Urban Growth Boundary (UGB) is required to accommodate the projected population growth. This site is nominated as an area for investigation. The project would require infill development of several rural living lots and would require sewer, water, stormwater and road upgrades. The number of landowners makes delivery of public infrastructure difficult and **a comprehensive infrastructure contributions framework is required** (LGAT working advocating State Gov for this).”
2. "Centacare Evolve have built over 400 houses for housing Tasmania since 2015, with 100s more planned. The majority of this housing has been social housing. The **increase of social housing in these areas is creating significant infrastructure gaps** including access to health and education, public transport, community centres, parklands, walking and cycling infrastructure, etc. "
3. “**Additional vehicles** entering Midland Highway, Bagdad due to expansion of housing at Bagdad.”

## Rail

1. “Council has long advocated for a **light rail** to come to Brighton on the existing corridor. “
2. “The **light rail corridor should be retained** as part of the Bridgewater Bridge design.”
3. “Councils support exploring **ferry services** combined with park and ride”

## Social Infrastructure

1. “Provision of **sewer and associated infrastructure upgrades** on Elderslie Rd/ Brighton Rd (footpaths, bike lanes, roundabouts etc.)”
2. "Master Plan developed but **upgrade of soccer facilities** is needed to accommodate growth. Requires federal funding"
3. "Existing **Hobart gymnastics in Bridgewater** is at capacity. A larger facility needed”
4. “**Chis Fitzpatrick Park** master plan prepared in 2020. Federal and state funding will enable 2023 completion.”
5. “Parks have been constructed in accordance with Bridgewater Parkland Master plan. **Infrastructure gaps for walkways and parking need** to be completed, as well as dog park, stream upgrades, skate park and jetty.”
6. “There is a **significant shortage of GPs in Brighton and Derwent Valley**. A GP clinic is being designed for 209 Brighton Rd” but the issue of access to health services will remain across the SCS.”
7. “Council has sold heritage building at 23 Menein Drive **for child care**. Restoring heritage building is costly.”

# Current Pain Points - industry sectors

Tourism and Hospitality

1. "Just completed a Master Plan for **upgrading Zoo Doo**. This should bring more visitors to the region.”
2. Again **Middle Tea Rd** condition could be an issue."

Agriculture

1. “Under **supply of current power**”
2. “Biosecurity, river health, flood management”

# 6. Infrastructure priorities

# Summary regional SWOT

**Based on the analysis set out in the previous sections, the following regional SWOT has emerged. This offers guidance as to where the infrastructure priority investments should be focussed.**

## Strengths/ Features

1. Natural scenic and built tourism assets – New Norfolk Village, Oatlands, Mt Field, Central Highlands etc.
2. Water supply/ irrigation is largely in place the support agriculture
3. Abundant, clean water resources along the Derwent catchment
4. Transport/ industrial/ light manufacturing hub in Brighton with scope for expansion
5. Private sector financial capacity to progress projects without significant government investment
6. Midland Highway upgrades from Southern Midlands to Brighton
7. Jobs growth and GRP growth over the last 20 years

## Weaknesses/ barriers

1. Commuter bottlenecks at Granton and inefficiency of public transport
2. Need for improved freight transport routes including connection between Derwent Valley, Brighton and Airport at Cambridge
3. Low job containment as many residents work outside of their LGA
4. Limited public transport options from beyond Brighton and New Norfolk, driving higher reliance on vehicles to get to work
5. Mobile communication black spots in the Central Highlands, Southern Midlands and Derwent Valley

## Strategic opportunities

1. Expansion of agriculture in the Southern Midlands
2. Tourism growth to the region, especially Derwent Valley
3. A number of significant private sector led development projects
4. Commitment to develop the replacement Bridgewater Bridge
5. Opportunity to fund the Bagdad-Mangalore Bypass
6. Commitment to construct a new high school at Brighton
7. Wind farm expansion in the Central Highlands
8. Battery of the Nation developments in the Central Highlands
9. Re-activation of the forestry industry in the Derwent Valley
10. Tasmanian Waste Action Plan providing funding for waste and resource recovery initiatives

## Strategic threats

1. Population forecasts less favourable outside of Brighton and Derwent Valley
2. Impact of population growth and added economic activity on commuter transport in the region
3. Generally lower socio-economic profile and educational performance across the SCS
4. Rising house prices and declining affordability for home seekers
5. STRLUS is impacting on development opportunities
6. Availability of funding from State for major road works
7. Cyclical tourism – still peaks and troughs in the outer regions
8. Uncertain impacts of rebound from COVID-19 and re-opening of borders

# Infrastructure priority assessment framework

**There are range of potential responses to the drivers of change and the issues/ pressure points that have been identified in the previous sections of the report.**

In order to present this analysis, the potential responses have been filtered according to:

- Capital expenditure that may be required
- The relative effort required
- The potential benefits, and
- The timeframe for those responses to be put in place.

This results in a 'bubble chart' that presents:

- 'Quick win' – lower effort, higher benefit, shorter time frame
- 'Longer game' – higher effort, higher benefit, longer time frame
- 'Not sure'– higher effort, lower benefit, long time frame
- 'Worth a look' - lower effort, lower benefit, shorter time frame

Further discussion of these responses is provided in this section.

| High-level assessment criteria | |
|---|---|
| **Capital expenditure estimates** | |
| **1. Low** | less that $1M |
| **2. Moderate** | $1-$5M |
| **3. Medium** | $5-$20M |
| **4. Large** | $20-$50M |
| **5. Very large** | $50M+ |
| **Relative effort assessment** | |
| Low | Comparatively easy and rapid implementation |
| Medium | Moderately complex, medium term implementation |
| High | Highly complex and lengthy implementation |
| **Relative benefit assessment** | |
| Low | Comparatively small and confined overall potential benefit |
| Medium | Moderate overall potential benefit |
| High | Comparatively high and widespread potential benefit |

# Potential responses to the challenges
## Water, waste water and irrigation

**Water and waste water have emerged as contributing to some pain points for some parts of the SCS. As owners of TasWater, the SCS councils can use that influence to advocate for their communities. Reforms to headworks policies will require a broader response coordinated with the Tasmanian Government.**

**The SCS region is well served with existing irrigation schemes, which will continue to improve with Tranche Three – Phase 2 of the Southern Midlands Scheme and the Gretna Irrigation scheme. Those expansions will further position the SCS as a key part of Tasmania's vision to be the 'food bowl of the nation'.**

| No. | Potential responses | Who | Capex | Effort | Benefit | Approach | Timeframe | | |
|---|---|---|---|---|---|---|---|---|---|
| | The potential responses to the issues are… | | Range | L,M,H | L,M,H | | 1-3 | 3-5 | 5-10 |
| 1 | Continue to advocate for reforms to developer headworks charges to promote | Councils | N/A | L | H | Quick win | | | |
| 2 | Continue to advocate for the SCS region in dealing as an owner with TasWater | Councils | N/A | L | H | Quick win | | | |
| 3 | Augment and upgrade WWTPs in the region to prepare for the rapid escalation of population as the subdivisions come on line | TasWater/ Councils | N/A | H | H | Longer game | | | |
| 4 | Advance the roll-out of the Southern Midlands and Glenora Schemes | Tas Irrigation | $120-150M | H | H | Longer game | | | |
| | | | **$120-150M** | | | | | | |

# Potential responses to the challenges
## Road and rail

**Road and rail continue to be at the forefront of the pressure points in the SCS, especially around the Brighton and New Norfolk LGAs. The $600M Bridgewater Bridge replacement is a marquee project that will transform the region. The proposed Bagdad-Mangalore Bypass is also now essential. Pressure points are emerging in other areas as the region attracts more people, more visitors, and grows its agricultural output and freight capacity through the Brighton Industrial hub.**

| No. | Potential responses | Who | Capex | Effort | Benefit | Approach | Timeframe | | |
|---|---|---|---|---|---|---|---|---|---|
| | The potential responses to the issues are… | | Range | L,M,H | L,M,H | | 1-3 | 3-5 | 5-10 |
| 1 | Advocate to State Roads to take over the road link between Brighton and Cambridge and invest to make that corridor suitable for the carriage of freight from the agricultural and industrial growth sectors in the SCS region | Councils/ State Roads | $50M+ | H | H | Long game | → | → | |
| 2 | Advocate to State Roads for major road funding to be included in the forward works program for the planning and upgrading of the road link between Granton and New Norfolk | Councils/ State Roads | $50M+ | H | H | Long game | | → | → |
| 3 | Continue to invest special purpose Road to Recovery and Black Spot funding to make incremental improvements to the SCS councils road network | Councils | $20-50M | M | H | Quick win | → | → | |
| 4 | Continue to make incremental improvements to the SCS councils major tourist roads | Councils | $20-50M | M | H | Quick win | → | → | |
| 5 | Investigate park and ride options along the lines now being implemented in Sorell and Kingston, as options to reduce to increase in vehicle movements | Councils | $50M + | M | H | Long game | | → | → |
| 6 | Provide funding to finalise design and undertake the Bagdad-Mangalore Bypass | Federal and State | $450M | H | H | Long game | | → | → |
| | | | **$700M+** | | | | | | |

# Potential responses to the challenges
## Housing and social infrastructure

**The rapid population growth in the southern LGAs in the SCS, Brighton and Derwent Valley, is leading to some growing pain points as social infrastructure struggles to keep pace. Issues emerging with child care, health care, waste management, sport and recreation facilities and other community infrastructure are becoming apparent. The new Brighton High School and ongoing upgrades at Jordan River will go someway, but more needs to be done to expand those allied services that are needed for a region to be more self-sufficient.**

| No. | Potential responses | Who | Capex | Effort | Benefit | Approach | Timeframe | | |
|---|---|---|---|---|---|---|---|---|---|
| | The potential responses to the issues are… | | Range | L,M,H | L,M,H | | 1-3 | 3-5 | 5-10 |
| 1 | Continue to facilitate and expand investment in social and affordable housing through organisations such as Centracare Evolve Housing | Councils and partners | $50M+ | L | H | Quick win | | | |
| 2 | Complete and implement the targeted study into Community Infrastructure | Brighton Council | $5-20M | M | H | Long game | | | |
| 3 | Continue to invest in minor streetscape beautification initiatives to encourage community pride and attract visitors | Councils | $5-20M | M | M | Quicker wins | | | |
| 4 | Review infill development policies, consider incentives/disincentives to get appropriate land released, review the Urban Growth Boundary to accommodate residential growth | Councils and State Gov't | N/A | L | H | Quicker wins | | | |
| 5 | Work with State Government to implement Waste Action Plan initiatives within the region, with a focus on opportunities at the Brighton Industrial Estate and Norske Skog site | Councils and State Gov't | $5-20M | M | H | Quicker wins | | | |
| | | | **Up to $110M** | | | | | | |

# Potential responses to the challenges
## Energy and communications

**A significant area of the SCS is rural and remote and still prone to communications issues. Reliable and high speed communications is now an essential foundation to a region's economic prosperity for residents and visitors.**

| No. | Potential responses | Who | Capex | Effort | Benefit | Approach | Timeframe | | |
|---|---|---|---|---|---|---|---|---|---|
| | The potential responses to the issues are… | | Range | L,M,H | L,M,H | | 1-3 | 3-5 | 5-10 |
| 1 | Continue to advocate on behalf of the SCS communities for improved communications in response to the blackspots that still exist | Central Highlands and Southern Midlands | $20-50M | High | Medium | Long game | | | |
| 2 | Leverage the region's natural advantages in energy generation to attract additional investment and jobs in allied advanced manufacturing activities | Central Highlands and Derwent Valley | $20-50M | Medium | Medium | Worth a look | | | |
| | | | **Up to $100M** | | | | | | |

# SCS Infrastructure Planning