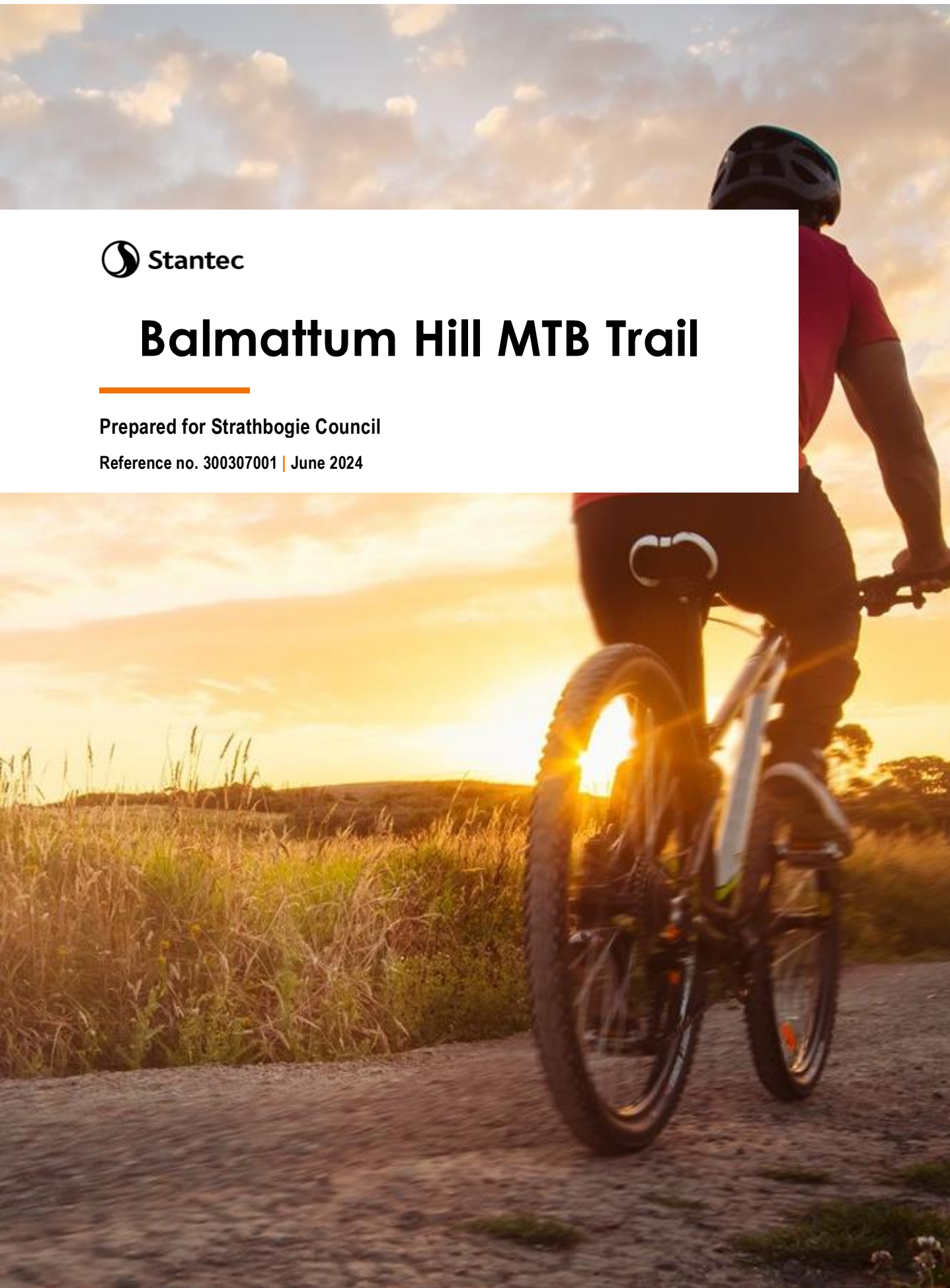




Balmattum Hill MTB Trail

Prepared for Strathbogie Council

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	Name	Position	Signature	Date
Prepared by:	Frances Potter	Economist	FP	27/05/2024
Reviewed by:	Kyle Barrie	Practice Leader – Economics	KB	06/06/2024
Approved by:	Clare Huggins	Project Manager	CH	07/06/2024

For and on behalf of Stantec Australia Pty Limited

Revision	Date	Description	Prepared	Reviewed	Approved

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Executive Summary

Project Overview

The Strathbogie Shire Council (the Council) aims to support the Euroa MTB Club (EMBC) in developing a formalised mountain bike (MTB) trail network at Balmattum Hill Bushland Reserve to create a premier outdoor recreation asset accommodating both walkers and cyclists. This project seeks to enhance the Reserve's appeal for both community members and visitors by aligning with its natural terrain and topography.

The EMBC has identified key opportunities in tourism, recreation, and conservation: revitalising business activity in Euroa post-COVID-19 by developing an eco-tourism venue, enhancing community health and liveability through a state-of-the-art outdoor recreation facility, and fostering interest in natural resource management to address environmental issues.



Figure 0-1 Location context of Euroa at the base of Balmattum Reserve

Source: Nearmap and Natural Trails Concept Plan

The proposal has received broad support from various stakeholders, including community members, businesses, public sector entities, and non-profit organisations.

Commissioned by the Council, Stantec developed this business case to assess the potential of the MTB trail network at Balmattum Hill, providing the Victorian Government with a robust evidence base to make an informed investment decision by evaluating the issues necessitating investment and the project's deliverability. This business case was developed through a two-stage approach, consisting of an explorative study of existing site conditions, design, and amenity considerations, followed by detailed specialist assessments and stakeholder consultation.



Update Since Stage 1

The Balmattum Hill Mountain Bike (MTB) Trail project has been conducted following a 2-stage approach. Stage 1 of the project concluded with an exploratory study into the constraints and opportunities of the Balmattum Hill site. This presented background information relevant to the trail, investigated existing conditions of the study area and discussed design and amenity considerations of the proposed trail. Stage 1 covered the following:

- Suitability of the proposed trails for the desired user groups,
- Economic appraisal of the proposal to understand its ability to secure funding,
- Cost of the infrastructure, works required and project timeframes to implement the proposed trail, and
- Trail concept designs that align with Council and stakeholder requirements.

Stage 2 has drawn on the findings of Stage 1 to form the basis of the business case in preparation of a shovel-ready project. This has included progressing the following technical assessments and reporting:

- Trail network
- Detailed fauna and flora assessment
- Bushfire management planning
- Geotechnical investigation
- Design of supporting infrastructure (proposed trail head)
- Review of probable costings
- Stakeholder and community engagement
- Cultural heritage.
- Full business case

Project Feasibility and Deliverability

Factors to consider in the feasibility and deliverability of the project include, environmental impact assessments, land access permissions, terrain analysis, community engagement, and funding options.

Environmental impact assessments

Acknowledging that trail developments can degrade the natural environment from land clearing and increased foot traffic, the trail alignments have been established using principles from the Auscycling (formerly Mountain Biking Australia) Australian Trail building Guidelines (2019) to minimise the environmental impact of the project. This ensures the design is optimal for long-term sustainability. The nature reserve has potential to benefit from increased preservation efforts, from associated maintenance, weed control and bushfire management activities.

Land access permissions

As Balmattum Hill is managed by the Parks Victoria estate, access will need to be approved by Parks Victoria, which has expressed support for the project and the transfer of land management to Council in a letter in August 2022. It is also vital that the Council receive the appropriate permissions from the Traditional Owners, given the site's historical and cultural significance to the Ngurai-illum-wurrung people. This is contingent upon the completion of a Cultural Heritage Management Plan (CHMP) which will outline the conditions that the project needs to comply with to manage and protect Aboriginal cultural heritage in the Reserve.

Terrain analysis

The trails are designed to follow the natural topography and contours of the terrain to provide the best possible rider experience, to manage rider speed, avoid excessive braking and optimise the long-term sustainability of the trail network. Trail analysis and network design shows that the proposal could cater to beginner through to advanced MTB riders, offering trails of various difficulty levels. At higher elevations where the terrain is steep, open, and rock crops are predominant, the trail will be more suited to



experienced riders, while lower sections of the trail will be suitable for beginners where slopes are milder and scattered with mature trees.

Community engagement

The community has expressed widespread support for the development of the MTB trail network as demonstrated through a letter from the local Euroa MTB Club (EMBC) and online Stakeholder Engagement Survey.

A Stakeholder Engagement Survey for the project collected community and visitor receptiveness to the project among the 327 people who responded. The results showed:

- 50% were residents of the Strathbogie Shire, 50% came from surrounding areas.
- 91% enjoy MTB riding.
- Of those that do not enjoy MTB riding, the largest barrier (for >40% of people) was the lack of local facilities.
- 97% of respondents are either very likely or somewhat likely to participate in mountain biking if a local facility was developed.
- The average expenditure on transport per trip per respondent was \$90 and the average expenditure on MTB equipment and servicing per year was \$1,155.
- When travelling to go mountain biking, the average number of nights spent is 3, with an average expenditure of \$713 per trip.

Refer to Section 5.6.4 for a more detailed summary of the results.

The Council will pursue a multi-faceted approach to secure funding for the delivery and maintenance of the MTB trail network, underpinned by robust financial planning and forecasting. To keep ongoing costs low, maintenance can make use of a 'Trail Stewardship' composed of local volunteers in conjunction with Council oversight via a Memorandum of Understanding (MOU) arranged with the local club, the EMBC. Funding for this work could come from income generated by events, and business partnerships / sponsorship.

Preferred Option

The strategic response options for the project have been comprehensively evaluated through the Investment Logic Mapping (ILM) process. Key issues identified include the socio-economic shift requiring new industries and leisure options (30%), the lack of local recreational facilities contributing to poor health outcomes and unsafe informal use of the Reserve (50%), and unmanaged open spaces leading to community conflicts and environmental degradation (20%).

The problem definition workshop facilitated the identification and prioritisation of these issues, laying the groundwork for the ILM process. This structured approach ensured a thorough understanding of the project's core challenges and informed the exploration of alternative solutions.

The base case scenario highlighted the current usage of Balmattum Hill, which lacks designated MTB trails and comprehensive recreational infrastructure. Alternative solutions considered include establishing an all-ages, all-abilities bike park, promoting eco-tourism, creating safe trail access, and planning for sustainable development.

The options analysis evaluated each response based on anticipated benefits, risks, disbenefits, interdependencies, and cost and time implications. The preferred response option is to develop a 14km MTB trail network at Balmattum Hill. This network will cater to riders of all abilities, enhance local tourism, improve community health, and support better environmental management. The proposal has received broad support from stakeholders, including the local community, businesses, public sector entities, and non-profit organisations.



Whole-of-Life Costs

The whole-of-life costs include the estimated upfront capital expenditure (CAPEX) to construct the preferred option, and the related ongoing operational expenditure (OPEX) to maintain it. The total estimated capital cost was developed by Natural Trails for the project and is summarised in the table below. This covers construction and ancillary works. It is estimated that the project can be completed within 1 year.

Table 0-1: Capital Cost Estimate (\$ millions, excl GST)

	Year 1
Preliminaries	0.2
Trail works	1.1
Access road	0.1
Trail head facilities (North)	0.1
Trail head facilities (South)	0.0
Fees and contingencies	0.3
Total	2.2

The total estimated OPEX to maintain the MTB trail network covers activities like vegetation pruning to keep the trail and markers in view.

Table 0-2: Annual Maintenance Fee (\$)

	Annual Cost
Maintenance per year (3% of capital cost)	64,954

Demand Analysis

The estimated demand for the trail network among residents and visitors is calculated based on the results of the stakeholder engagement survey which assessed community and visitor receptiveness to the trail network project. Based on the results of the 327 people who responded, the demand is conservatively projected as follows.

Table 0-3: Project Demand based on Survey Results

User	Number of users	Per week usage	Per year usage	Expenditure per year
Resident	146	200	~10k	~\$200k
Visitor	199	22	~2k	~\$800k



Economic Benefits

The table below provides an overview of the benefits quantified in estimating the value of the proposed MTB trail network relative to the base case over a 10-year appraisal period. This includes the user benefits accrued to individuals who participate in mountain biking as well as the external benefits of introducing a local recreational activity and tourist attraction to the wider community.

Table 0-4: Economic Benefits Considered

Value stream	Description
User benefits	
Active communities (private)	Health benefits gained by an individual associated with increased physical activity, such as better immunity from sickness and higher life expectancy.
External benefits	
Active communities (system)	Increased activity across a community improves health and leads to lower public healthcare costs.
Added productivity to the accommodation and food services sector	Increase in year-round visitation as the trail network will be accessible to users through all seasons. MTB tourism will indirectly boost complementary business activity, for example food and beverage, accommodation, and mountain biking related items (e.g. rental, service, equipment, touring, transport).
Added productivity to the retail sector	
Added productivity to the construction sector	By contracting local labourers and suppliers to deliver the MTB trail network this indirectly injects funding into the township, supporting local employment opportunities and boosts productivity in the construction sector.

Project Delivery

The recommended solution for developing a MTB trail network at Balmattum Hill involves constructing 14km of trails and supplementary trailhead works, designed to boost tourism, improve community health, and enhance environmental sustainability. The trails will be built according to Auscycling Australian Trail Building Guidelines (2019) and IMBA guidelines, ensuring high standards for sustainability, erosion control, low maintenance, and rider experience. The project, expected to be delivered within 6-12 months, includes concurrent construction activities covering trail design, infrastructure installation, and procurement of necessary materials.

The commercial and procurement strategy sets out a process leverages local contractors and labour to support the project, ensuring cost-effectiveness and timely delivery. The procurement process will prioritize sustainability and quality, engaging professional trail builders for project management and utilizing local resources where possible. Key procurement items include construction materials, infrastructure, signage, and trail furniture, all sourced through competitive tendering to ensure transparency and value for money.

Effective governance and project management are critical for the successful delivery of the project. A Project Delivery Committee, comprising representatives from the Council, Parks Victoria, project sponsors, external contractors, and the Euroa MTB Club, will oversee planning, funding, and execution. The Council will establish a rigorous change management process, ensuring that any alterations to the project scope, schedule, or budget are meticulously evaluated and approved. Continuous monitoring and stakeholder engagement will be maintained to track progress and ensure alignment with project



objectives. The project is anticipated to be shovel-ready by early 2024, with full construction completion targeted for early 2026.

With respect to measuring the benefits of the project throughout its lifecycle, performance measures across economic, health, and environmental benefits have been identified. Economic benefits include increased township expenditure and monthly visitation rates. Health benefits involve greater participation in cycling and improved physical health outcomes and environmental benefits are tied to enhanced recognition of natural habitats. It is expected that these performance indicators will be collected by the Council and the EMBC and used to monitor and assess the project's impact over time.

Risk Perspective

The Council may be held liable if found to be negligent in the case of public injury and loss associated with participation in recreational activities at the proposed facility. As such, the council must adhere to national and state-specific regulations and guidelines to mitigate risks and fully consider these as part of this business case for funding. Key aspects include:

- **Duty of Care:** Under Australian law, councils owe a duty of care to users of their facilities. This means ensuring the MTB facility is reasonably safe for use. Councils must take reasonable steps to prevent foreseeable injuries.
- **Compliance with Standards:** Facilities must comply with relevant Australian Standards (AS), such as AS 2156 for walking tracks, which can provide guidelines applicable to trail construction and maintenance. Although there is no specific standard for MTB trails, best practices from other standards and industry guidelines should be followed.
- **Risk Management:** Councils are expected to implement robust risk management practices. This involves conducting regular risk assessments, identifying potential hazards, and taking steps to mitigate these risks. Documentation of these assessments and actions is crucial.
- **Design and Maintenance:** The design and construction of the MTB facility should be carried out by professionals with expertise in trail design. Regular maintenance and inspection regimes must be in place to ensure ongoing safety. This includes prompt repair of any identified hazards. Responsibility for trail management would be assigned to specialist volunteers through a 'Trail Stewardship' arrangement.
- **Signage and Information:** Clear and adequate signage is essential to inform users of trail conditions, difficulty levels, and safety guidelines. Information about the inherent risks of mountain biking should be prominently displayed.
- **Insurance Requirements:** Councils must have appropriate public liability insurance to cover potential claims arising from accidents or injuries. This insurance should be reviewed regularly to ensure it provides adequate coverage.
- **User Education and Rules:** Providing education on safe riding practices and enforcing rules (such as wearing helmets and restricting certain trails to experienced riders) can help reduce the likelihood of accidents.
- **Emergency Preparedness:** Ensuring there are plans in place for emergency response, including accessible routes for emergency vehicles, is critical.
- **Legislation and Case Law:** Councils must be aware of relevant legislation and case law that could impact their liability.



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APPENDICES

Appendix A: Investment Logic Mapping Outputs

Appendix B: Trail Design Final Report

Appendix C: Taungurung Land and Waters Council Heritage Advice



Appendix D: RedGum Desktop Due Diligence Assessment
Appendix E: Ecology and Environmental Detailed Assessment
Appendix F: Bushfire Management Feasibility Report
Appendix G: Bushfire Management Statement
Appendix H: Stakeholder Engagement Summary Report
Appendix I: Feature and Level Survey
Appendix J: Car Park Design
Appendix K: Civil Review
Appendix L: Probable Costings for Proposal
Appendix M: Probably Costings for Trails
Appendix N: Geotechnical Investigations



1 Introduction

1.1 Background

In preparing this business case, the Strathbogie Shire Council (the Council) seeks to support the work of the Euroa MTB Club (EMBC) in developing a mountain bike (MTB) trail network at Balmattum Hill Bushland Reserve. Specifically, the project seeks to formalise the MTB trail networks and in doing so, establish an attractive outdoor recreation asset that minimises conflicts between walkers and cyclists on the Reserve, thus creating a community and visitor asset for all.

Balmattum Hill is a Bushland Reserve on the eastern fringe of the Euroa township in the Strathbogie Shire (Strathbogie) (refer to Figure 1-1 for a map). Being an outdoor recreational activity involving off-road cycling, the trail would follow the natural terrain, topography, and contours of the Reserve.



Figure 1-1 Location context of Euroa at the base of Balmattum Reserve

Source: Nearmap and Natural Trails Concept Plan

In a letter to Council on 26 September 2021, the EMBC, a community made up of 162 members, outline three key opportunities in developing the MTB trail network. This includes:

1. **Tourism:** The COVID-19 lockdowns negatively impacted on business activity in Euroa. By creating an eco-tourism venue and capitalising on growing interest in mountain biking, the outdoor activity would showcase the area's natural biodiversity, making it a desirable location among visitors seeking nature-based tourism. It also complements existing wineries, restaurants, and nature places like Gooram Falls and the Arboretum.



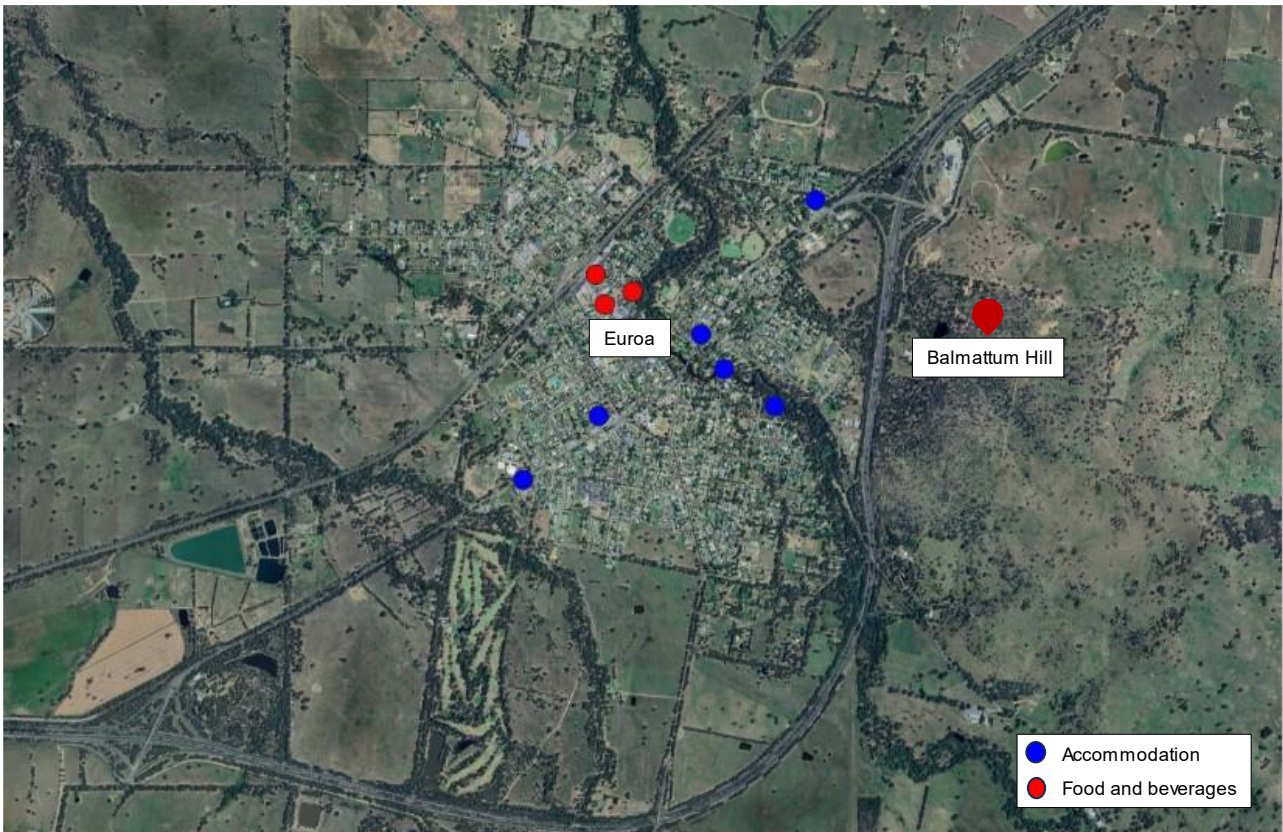


Figure 1-2 Complementary Businesses Surrounding Balmattum Hill in Euroa

Recreation: Creation and promotion of a state-of-the-art outdoor recreation facility will provide opportunities to enhance community health, wellbeing, and liveability. The project seeks to not only attract existing and emerging MTB cyclists, but also hikers, and wider members of the community that seek a safe and enjoyable walking environment.

Conservation: Introducing a MTB trail network to this Reserve would build renewed interest in natural resource management by bringing users in close contact with nature. The Reserve has been negatively impacted by pest plants and animals, off-road vehicle use, and illegal firewood collection. Community planning and shared management roles could compensate the limited resources of Parks Victoria, resulting in improved management of the reserve.

The proposal has received widespread support from stakeholders among the community, businesses, the public sector, and non-profit organisations (refer to Section 5.2).

1.2 Purpose of this Document

The Council commissioned Stantec to develop this business case to explore the potential for a MTB trail network at Balmattum Hill Bushland Reserve to support the tourism, recreation and conservation opportunities identified by the EMBC. This will present the Victorian Government with a solid evidence base to make an informed investment decision by considering the:

- Evidence of the issues warranting investment consideration, and
- Deliverability of the project to determine whether the investment can be delivered as planned.

The development of this business case has been undertaken through a 2-stage approach:

- **Stage 1:** explorative study into the existing site conditions, design, and amenity considerations, and
- **Stage 2:** detailed specialist assessments and stakeholder consultation.

1.3 Structure of this Document

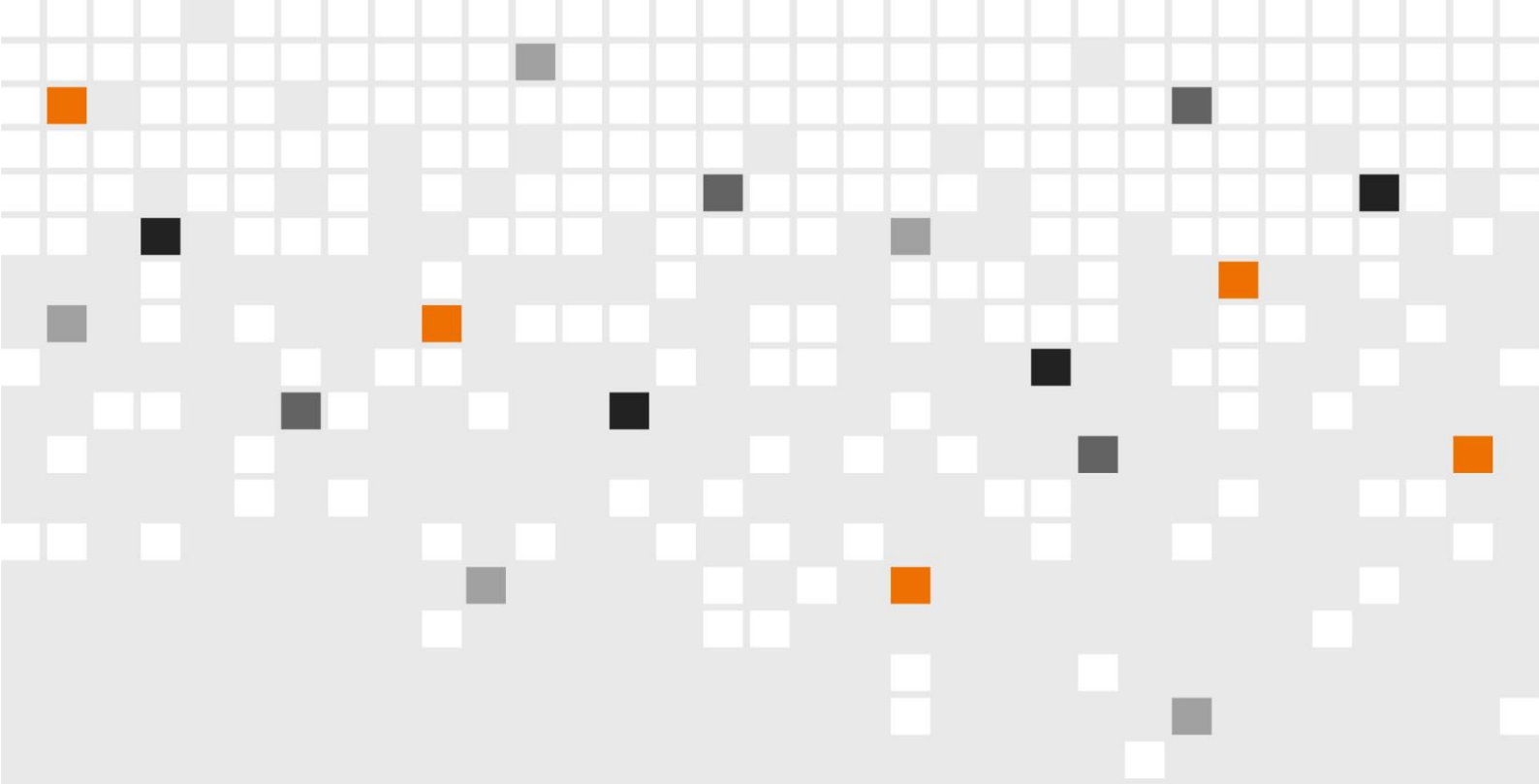
The business case is structured per the following sections:

- **Section 2** assists in contextualising and characterising the opportunity by exploring the issues experienced in Strathbogie.
- **Section 3** outlines the expected benefits of the project and the importance to Government.
- **Section 4** shares the logic behind deciding to support the EMBC with the proposed intervention.
- **Section 5** analyses the expected social, environmental, economic, and financial impacts of the project and the interdependencies, uncertainties, and risks to be mitigated to support its success.
- **Section 6** details the costing and scoping of the recommended intervention, including, assumptions, commercial and financial aspects, management and governance arrangements, and delivery.

The following outputs and reports are appended to this business case:

- Investment Logic Map
- Trail Design Final Report
- TLaWC Heritage Advice
- RedGum Desktop Due Diligence Assessment
- Ecology and Environmental Detailed Assessment
- Bushfire Management Feasibility Report
- Bushfire Management Statement
- Share Strathbogie Stakeholder Engagement Report
- Feature and Level Survey
- Car Park Designs
- Probable Costings
- Geotechnical Investigations Report.





**Part 1 –
Investment
case**

2 Problem definition

2.1 Context and Scope

2.1.1 Defining the Study Area

Strathbogie is a rural local government area (LGA) located in north-east Victoria, two hours' drive from the Melbourne central business district (CBD).¹ It is known for its natural attractions, featuring waterways like the Goulburn River system, Nagambie Lakes, Gooram Falls, the cascading Polly McQuinns, and unique granite rock formations.

Euroa is Strathbogie's administrative and most populous centre. As such, it has been proposed as the central hub of the trail network due to its proximity to the Reserve (at the base of the Strathbogie Ranges), proximity to the Hume Highway – a major tourist route, and availability of existing roads, pathways, and amenities.



Figure 2-1 Balmattum Reserve area next to the Hume Highway

Source: Nearmap and Natural Trails Concept Plan

2.1.2 Demographics

Strathbogie's population is relatively old, with a median age of 53, compared to the Victorian average of 38. This is attributed to a large inflow of older age cohorts and retirees seeking a lifestyle change. As of

¹ Strathbogie Council, *Tourism*, [Link](#)



2021, residents aged over 55 years comprised 28.3% of the population, with the largest cohort of residents aged between 60 and 69 years, (18.9% or 2,166 residents).²

The growth in older aged cohorts is outpacing the growth in young people and families which has potential to slow population growth. Between the 2016 and 2021 census, the population of residents aged between 0-19 grew by 0.9% per year and the proportion of couples with children to the total population reduced by -0.8%, while the number of over 55s grew by 3.2%.

The change in population distribution is depicted in the below graphs, highlighting Strathbogie’s growing concentration of over 55s compared to the Victorian average.

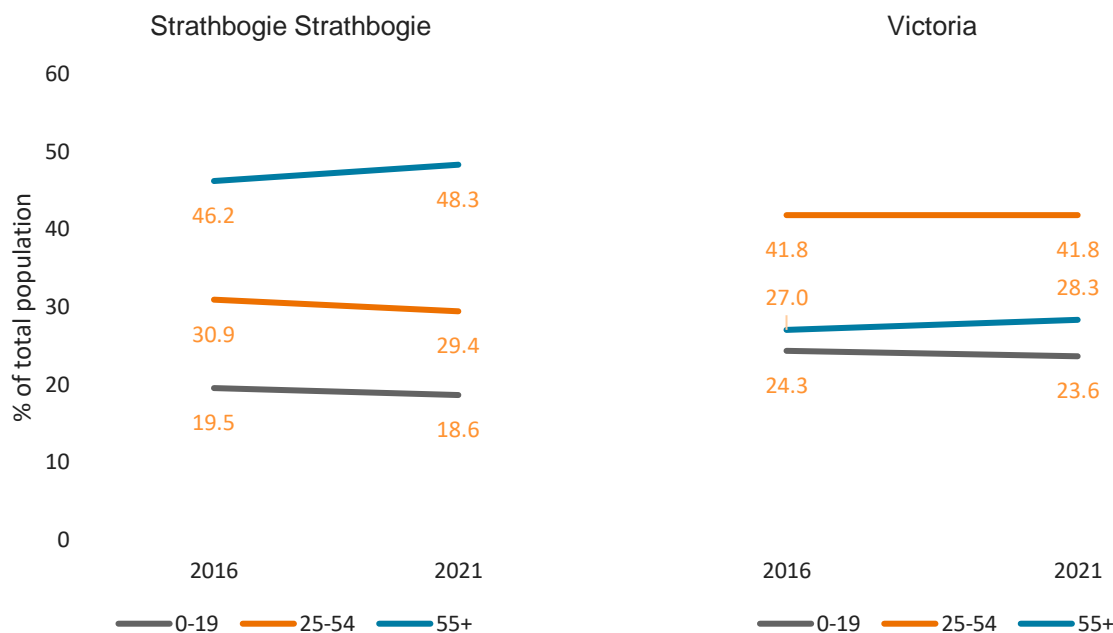


Figure 2-2 Population distribution in Strathbogie and Victoria over time

Source: ABS 2021

Analysis of the area’s demographics indicates that initiatives to better retain a younger population and attract families to Strathbogie should be enabled to maintain a sustainable place economy. For example, providing greater accessibility to recreational activities on the Reserve that target 25- to 54-year-olds will encourage higher concentrations of young and mid-aged / reproductive-age residents to stay within the area, supporting stronger familial and wider population growth.³

2.1.3 Health And Recreation

Data from the 2021 Census reveals that a higher proportion of Strathbogie residents suffer from long-term health conditions compared to the Victoria and Australian averages.⁴ For instance, 5.6% reported having diabetes in Strathbogie compared to 4.7% in Victoria, 6.6% have heart disease compared to Victoria’s 3.7%, and 9.6% have a mental health condition compared to Victoria’s 8.8%. This places a disproportionate strain

² ABS Census (2021). Available at: [2021 Strathbogie, Census All persons QuickStats | Australian Bureau of Statistics \(abs.gov.au\)](https://www.abs.gov.au/2021-Strathbogie-Census-All-persons-QuickStats)

³ AusPlay data. Available at: [Microsoft Power BI](#)

⁴ ABS (2021), Strathbogie 2021 Census All Persons. Available at: [Link](#)



on the regions health care system, an issue that could be mitigated in future generations of Strathbogie Shire through the provision of greater outdoor recreational assets.

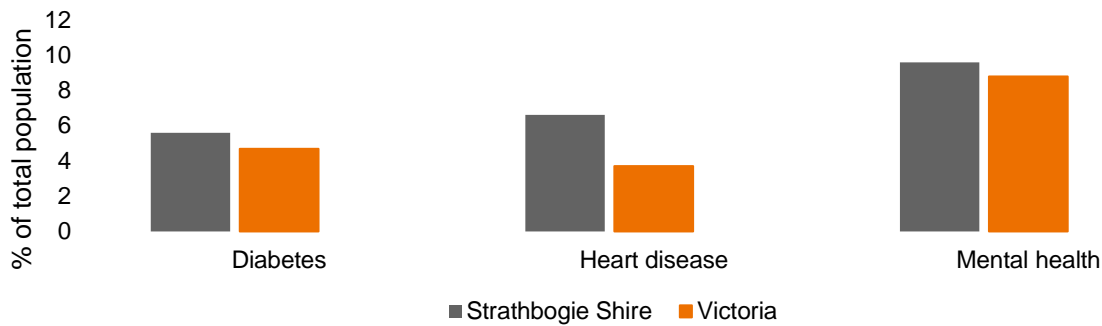


Figure 2-3 Incidence of long-term health conditions in Strathbogie and Victoria

Source: ABS 2021

Given poor health is disproportionately experienced by people over the age of 55, making up 76.4% of all reported long-term health conditions (compared to 60.4% of this cohort in Victoria), and the link between physical activity and health and wellbeing, it will be important to provide opportunities for sport and recreation that is suitable and popular among older people. Critically, this project is geared towards not just improving the facilities for high-impact mountain-biking, but also low-impact activities like hiking and walking.

2.1.4 Economy And Tourism

2.1.4.1 Socio-Economic Disadvantage

According to the Socio-Economic Index for Areas (SEIFA) measuring the relative level of socio-economic disadvantage based on indicators including unemployment, low incomes or education levels, single parent families, low skilled occupations, poor English proficiency, Strathbogie Shire ranked in the lowest third of disadvantaged LGAs, with a score of 982 in 2021 and percentile of 52.⁵ This means that 48% of LGAs in Australia have a higher level of advantage, demonstrating the need to offer high quality access to activities that are low cost or free-of-charge in the area.

2.1.4.2 Visitor Economy

The latest visitation data showed a total average of 344,144 people visiting Strathbogie between 2015 and 2019. This was largely driven by the domestic day trip market (205,787), followed by domestic overnight (136,223) and international visitors (2,103).⁶ While visitor numbers have not been recorded more



Figure 2-4 Image of Balmattum Hill from site assessment 2023

⁵ ABS (2021), SEIFA. Available at: [Socio-Economic Indexes for Areas \(SEIFA\), Australia, 2021 | Australian Bureau of Statistics \(abs.gov.au\)](https://www.abs.gov.au/australian-bureau-of-statistics)

⁶ Strathbogie Shire Economic Profile 2020, Urban Enterprise. Available at: [Strathbogie Shire Economic Profile Final Report V2.pdf](#)



recently and although not specific to Strathbogie, visitation rates in nearby Mansfield and Murrindindi fell by 43% in 2020 due to the impacts of COVID-19 on border restrictions. This shows that Strathbogie likely experienced similar negative repercussions to associated businesses in hospitality, retail, and accommodation services. The Strathbogie Shire Economic Profile, produced by Urban Enterprise in 2020, presumed a drop in tourism this drastic would bring about a \$24.2 million reduction in expenditure in Strathbogie.⁷ Tourism opportunities experiencing high-growth trends, like nature-based travel, which has had substantial uptake in recent years, will be required to support a rebound in tourism numbers.

2.1.5 Environmental Conservation

From general observation, the reserve is mostly overgrown and hard to navigate, with deep erosion present on steeper fall line sections of trail.

2.2 Definition and Evidence of the Problem

As explored above, recent data shows Strathbogie Shire is experiencing an aging population, declining health, poor socio-economic disadvantage, and a decreasing visitor economy. This is putting increasing pressure on the health system and slowing economic growth.

By responding to a community-driven initiative to develop a MTB trail at Balmattum Hill, the Council can respond to these negative trends by providing a recreational activity that is inclusive and attractive to a wide age range, is freely accessible, capitalises on growing interest in nature-based tourism, and supports environmental regeneration.

It is expected that the new community asset will help to attract population growth through enhanced liveability, improve health outcomes through increased opportunity for physical activity.

To exemplify this, the Concept Plan developed by Natural Trails for the Strathbogie Shire Council on 18 August 2023 highlights a few case studies where MTB trail networks have boosted regional development. This includes Derby in Tasmania, Bright in Victoria, and Jindabyne in NSW. Derby is explored further in the adjacent text box.

2.3 Market Failure

Given its publicly motivated benefits and the public nature of the facility, it is recommended that the proposal be considered by Government for investment. Located on the Reserve, the project exhibits the non-excludability and non-rivalrous nature of a public good. This is as follows:

Derby MTB Park

Tasmania



Source: AMB Mag

Derby, a historic town in Tasmania's north-east surrounded by rugged hills and forest has been transformed from a tin-mining based economy into a world-class mountain biking destination. The trail, costing \$3.1 million in 2015, attracts over 30,000 people and brings in more than \$30 million into the Tasmanian economy each year.

Total distance: 108km

Total descent: 4,812m

Total trails: 49

Total usage: 57,262 people

Source: AllTrails, Destination Derby

⁷ Strathbogie Shire Economic Profile 2020, Urban Enterprise. Available at: [Strathbogie Shire Economic Profile Final Report V2.pdf](#)



Non-excludability: benefits from the usage of the infrastructure interventions will not be limited to those funding them and will likely be enjoyed more broadly across the area and beyond; and

Non-rivalrous: the use of the infrastructure does not restrict use by others, therefore, there is no marginal cost of an extra person using the infrastructure.

While the delivery of the infrastructure project will clearly provide benefits to the community, businesses, and economy, the benefits to individual players (for example, through gaining access to greater markets) are unlikely to outweigh the total investment required to deliver the infrastructure. As such, no incentive for private sector stakeholders to commit funding is expected. This clearly demonstrates a form of market failure that substantiates the need of public sector intervention and funding.

In the absence of intervention, it is anticipated that the gap in sport and recreation opportunities and associated health, social, economic, and environmental limitations will become more deeply entrenched. In the long-term, residents and business will be less motivated to invest in the area and will look for more commercially viable markets elsewhere. As a result, liveability concerns and sustainable population growth will not be addressed. Therefore, strategic investment in the MTB trail network by Government is an avenue for improving socio-economic advantage in the area that would not otherwise be possible.

2.4 Timing Considerations

The Council is committed to providing access to sport and recreation facilities. This aligns with the 2021-2025 Action Plan which encapsulates several initiatives looking to improve health and wellbeing outcomes, such as:

- reducing health harms from climate change
- reducing the harms from tobacco
- promoting physical wellbeing
- promoting gender equality
- community safety and reducing gendered violence
- promoting mental wellbeing
- respecting and celebrating the Aboriginal and Torres Strait Islander community and culture
- creating a connected community.⁸

The Council seeks to achieve these outcomes by delivering new facilities, ranging from trail networks to parks, playgrounds, and pools. The proposal to develop a MTB trail network at the Reserve aligns with the Action Plan and the outcomes it seeks to achieve by 2025.

The Victorian Government has shown commitment towards supporting Strathbogie Shire and broader regional Victoria to achieve these objectives, as seen in the release of various grants and programs aimed to stimulate economic and community development. For example, as part of the Regional Infrastructure Fund, Strathbogie Shire was awarded \$3 million for the Nagambie foreshore walk (completed in September 2023) and \$241,600 for the development of the shovel-ready project plan for this MTB trail network proposal. The focus of these projects on boosting physical activity acknowledges the positive correlation between sport and recreation and economic activity.

⁸ Strathbogie Council (2021), *Health and Wellbeing Action Plan 2021-2025*, [Link](#)



3 Case for Change

This section of the business case explores the strategic interventions for addressing the problems identified by the Investment Logic Map (ILM), aligned with the Victorian Government's Investment Management Standard (IMS).

The ILM was developed through a three-part workshop series with specialists in public sector, trail network design, regional planning, and economic development coming together to discuss and agree the core issues, potential benefits, and responses. These workshops helped confirm the investment need by holistically defining the problem, benefits, response, and solution prior to developing this business case.

3.1 Benefits to be Delivered

The second part of the workshop focused on defining the benefits of the proposed project. The session aimed to ensure that participants were fully aligned with and understood the initial problem statements. A crucial part of this workshop was the identification of 1-2 key performance indicators (KPIs) for each defined benefit, adhering to three critical tests to ensure their effectiveness:

1. **Measurability:** The KPIs must be straightforward to measure and easily obtainable by the Council and/or its partners, ensuring that tracking progress is both feasible and practical.
2. **Relevance:** This involves defining clear outputs (such as the trail network) and outcomes (such as increased visitation) associated with the project. The objective is to provide confidence that the anticipated benefits are likely to be realised, showcasing the direct impact of the project.
3. **Attribution:** It must be evident that the primary reason for any positive movement in the selected KPIs is directly attributable to the initiative itself, although it may not be the sole reason for such improvements.

This workshop served to solidify the benefits framework of the project, by confirming the alignment with the ILM and establishing measurable, relevant, and attributable KPIs, thereby setting a robust foundation for assessing the project's success and its impact on the community. This is summarised in Figure 3-1.

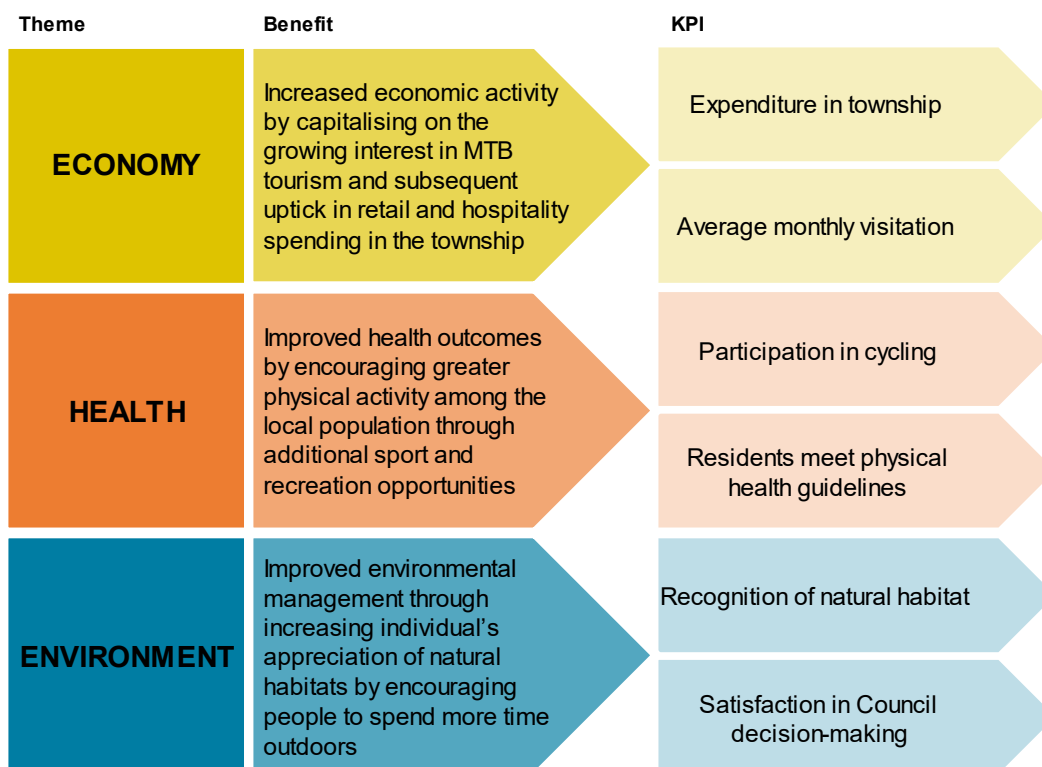


Figure 3-1 ILM Workshop Outputs



The proposed benefits align with the outcomes the Council are seeking to achieve, which can be defined as:

1. Develop Balmattum Hill into a premier destination for mountain biking, capitalising on its proximity to the Hume Highway to attract domestic tourists and encourage tourism-related economic growth in Euroa and the surrounding area.
2. Enhance the availability and diversity of outdoor recreational activities for the local community, with a particular emphasis on promoting physical health and offering youth-oriented sporting options.
3. Achieving economic efficiency in the development of recreational infrastructure by leveraging Euroa's existing facilities and geographical advantages, ensuring the MTB trail network delivers maximum benefit with optimal resource utilisation.

This is supported by the findings as follows. Refer to the Final ILM at **Error! Reference source not found.** for the full investment story.

3.1.1 Demographics

The proposal has arisen from an identified gap in sport and recreation opportunities by the community where mountain biking facilities are particularly lacking - the next closest trail being 50km from Euroa. By investing in the community's proposal, the Council can improve Strathbogie's liveability in terms of its proximity to leisure destinations while capitalising on the recent growth in popularity for mountain biking in Australia and across the world over recent years. In the last 5 years before 2021, MTB Australia reported a membership increase of 60%.⁹ AusPlay data shares that 317,903 people MTB ride in Australia, which equates to a participation rate of 1.5% nationally, and growing.¹⁰

Other localities have been recognised to capitalise on this trend. Since the first major parks were opened in 2004, at Glenorchy in Tasmania and Stromlo Forest Park in Canberra, a larger volume of trail networks has been established.¹¹ For example, the alpine regions, such as the Snowy Mountains in NSW and the High Country in Victoria have become popular destinations for mountain biking in the summer months.

Prioritising interventions like a MTB facility, that attract young people and better retain the existing population base, would support sustainable and prolonged growth of the community more broadly. More young people and families may be encouraged to stay in the area if additional sport and recreation facilities were on offer. This could help prevent slow population growth of Strathbogie, which has been projected to grow by 0.7% per annum, compared to the annual growth of 2.3% experienced between 2016 and 2021.

3.1.2 Health and Recreation

3.1.2.1 Mountain Biking

Creating opportunities for residents to MTB ride locally is expected to boost levels of physical activity and community socialisation as MTB riding is growing in popularity and is accessible to a wide variety of users. As bike technology improves and the volume of facilities increases, mountain biking appeals to a wider variety of rider ages and abilities. Traditionally a competitive sport for skilled riders, it is becoming increasingly accessible and recreational. This enables more people over the typical mountain biking age

⁹ AusCycling (2021), *Mountain Biking in Australia: An Economic and Participation Analysis*, [Link](#)

¹⁰ AusPlay, *Data Portal*, [Link](#)

¹¹ Ibid.



group of 25- to 54-year-olds to take part, thereby lowering instances of physical activity-induced health issues for a wider demographic.¹²

The table below summarises the types of Mountain bikers in Australia and the benefit that they are likely to receive from the proposed project. This shows the importance of designing the trail network to suit a variety of interest and skill levels in order to capture a large user base.

Table 3-1 Mountain biking user types

Type	Description
Leisure	Includes general cyclists of all ages and abilities. Typically, they ride infrequently, often have limited skills, and require very accessible trails. They are most likely to use highly accessible routes close to home or make the journey to trail facilities with amenities and services such as bike hire, cafes, and toilets.
Enthusiast	Enthusiasts are purely recreational riders with moderate skills and variable fitness, and ride weekly. They form the majority of the market. They typically don't compete in events and possess limited outdoors experience. They prefer trails with good signage and seek technical but not too challenging trails. These riders are the most likely to take short breaks to different areas.
Sport	Competitive mountain bikers, who ride regular routes multiple times a week and are members of MTB clubs, they are a small but influential market. They are willing to seek less accessible trails and have high fitness level and are technically proficient but may have limited outdoor skills. They ride a very wide variety of trails.
Independent	Skilled outdoor enthusiasts who ride once a week and are technically proficient with a good level of fitness. Generally, they are a small market. Often involved in other outdoor activities, they are capable of planning their own rides and ride a very wide variety of trails. The adventurous aspect is more important than the technical challenge and they seek more remote trails.
Gravity	Highly skilled technical riders who seek very challenging trails, typically ride at least once a week and are often members of clubs. They represent a small market that requires purpose-built trails, which are repeatedly used in a concentrated manner. Gravity riders seek specific trails with the highest classification.

Source: AusCycling (2021), Mountain Biking in Australia: An Economic and Participation Analysis

3.1.2.2 Other Users

For those not physically able or interested in participating in MTB riding, the development of formal trails and associated signage is likely to mitigate the risk of collision with other users, enhancing the Reserve's attractiveness to the wider community and greater range of visitors. Additionally, the related trailhead features included in the project, such as toilets, water, signage, picnic and carparking areas, are likely to improve the experience of non-MTB users of the Reserve as well.

Other users are expected to include hikers and walkers, especially those using the existing peak and loop trails, which are suited to all-ages. Online reviews of these activities state that they are a "good constant climb even for older people" and "my three-year-old nephew managed it so it's not too

¹² Adelaide seniors over 50s mountain biking, The Advertiser. Available here: [Adelaide seniors over 50s mountain biking in South Australia | The Advertiser \(adelaidenow.com.au\)](https://www.adelaidenow.com.au/adelaide-seniors-over-50s-mountain-biking-in-south-australia/news-story/2019-08-14)

[Optimising fitness for older riders - Australian MTB | The home for Australian MTBs \(ambmag.com.au\)](https://www.ambmag.com.au/optimising-fitness-for-older-riders-australian-mtb/)



strenuous”.¹³ However, criticisms of a lack of clear signage could be preventing widespread and regular use. Therefore, the additional amenities and maintenance activities encapsulated within the MTB trail network proposal could encourage greater uptake among a wider cohort, increasing overall levels of physical activity for the resident population.

3.1.3 Economy and Tourism

Introducing a MTB trail network could improve socio-economic outcomes for Strathbogie and reduce the level of disadvantage experienced by residents through stimulating flow-on activity in the tourism sector.

To date, Strathbogie’s diverse geography has driven a predominantly agricultural economy. This is reflected in its economic profile, which identifies the agricultural sector as contributing 30% of the total output and value-add, followed by manufacturing (13%), construction (11%), real estate services (10%).¹⁴ However, as the two largest sectors in the area become increasingly automated, employees’ jobs become more vulnerable. This is reflected in data recorded between 2011 and 2019 showing that despite increasing output in these industries, growth in jobs was not matched, and in some instances even declined.

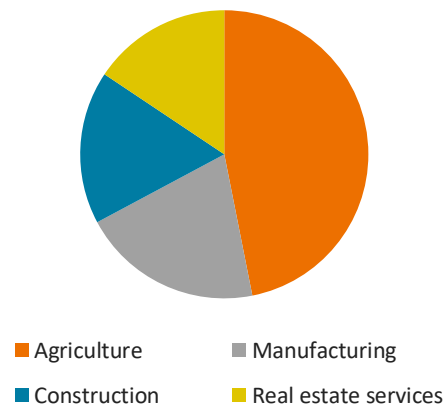


Figure 3-2 Total output contribution among major sectors

Strathbogie can leverage its tourism sector to diversify its economy by exploring value-added opportunities. While the accommodation and food services sector only makes up 4% of the economy, ranking seventh largest according to 2019 data, it has the potential for significant growth.¹⁵ The introduction of a MTB trail network is expected attract adventure tourists who tend to compliment agri-tourism – including farm experiences, cellar doors, cafés, retreats, roadside stalls. In turn this presents a strategic opportunity to expand agritourism based businesses in Euroa and the surrounding areas.

Mountain biking has proven to be a tourism driver for regional towns as it capitalises on growing interest in nature-based travel and attracts enthusiast-types who are seeking to challenge themselves by riding on new terrain. These tourists are typically repeat visitors who travel in groups and often travel with their own bikes.¹⁶

Given the strategic location of Euroa on the Hume Highway – a key route for Melbourne residents traveling to the High Country, the Victorian mountain biking hub – it is expected that the trail network at Balmattum Hill could be used as a stopover during the summer months. In winter, Balmattum Hill maintains rideable terrain, while the High Country is transformed into ski resorts. Therefore, it is foreseeable that Euroa would become popular as a final destination where visitors are likely to spend extended weekends. This could provide a significant boost to the tourism industry in Strathbogie as MTB

¹³ Balmattum Hill Peak, All Trails. Available at: [Balmattum Hill Peak, Victoria, Australia - 21 Reviews, Map | AllTrails](#)

¹⁴ Strathbogie Economic Profile, Urban Enterprise. Available at: [Strathbogie Strathbogie Economic Profile Final Report V2.pdf](#)

¹⁵ Ibid.

¹⁶ What Makes Mountain Biking Enthusiasts Unordinary. Available at: [ttas-ua-mtb-enthusiast-profile.pdf \(tourismtasmania.com.au\)](#)



riders are estimated to spend \$2,283 per year, enjoying experiences at breweries and distilleries when off the trails.¹⁷

3.1.4 Environmental Conservation

Finally, by designing the MTB trail network on Balmattum Hill, it would provide greater accessibility to the Reserve and support a heightened appreciation for nature among users. According to the AllTrails reviews of the Reserve, there are criticisms of a lack of upkeep and signage. This is reaffirmed in a letter to Council from the community dated 26 September 2021 which shares concern about the lack of maintenance of the reserve and unregulated use of off-road vehicles and timbering causing ‘pest plant and animals, vegetation loss and erosion’ and poor safety. The Ecological and Environmental Planning Desktop Assessment also mapped the area as medium risk, largely due to the presence of endangered Ecological Vegetation Class (EVC)-quality vegetation. By introducing formalised activity in the Reserve and a regular maintenance schedule, the project is expected to encourage better protection of the area.



Figure 3-3 Image of Balmattum Hill from site assessment 2023

3.2 Importance of the Benefits to Government

The Balmattum Hill MTB trail network proposal harmoniously aligns with community, regional and statewide economic and community development strategies, offering a multifaceted solution to several key local, state, and national policy themes summarised in Table 3-2 (refer to **Error! Reference source not found.** for a full policy analysis).

¹⁷ Regional Victorian towns capitalise on mountain biking as participation skyrockets. Available at: [Regional Victorian towns capitalise on mountain biking as participation skyrockets - ABC News](#)

Table 3-2 Key policy themes

ECONOMY	Economic Policy is directed towards socio-economic improvements as a priority for Council to reduce the level of disadvantage in Strathbogie. Improving resident liveability and visitor assets is expected to positively influence the rate of economic growth.
HEALTH	Health related policy recognises the importance of sport and recreation for improving community health and wellbeing by increasing physical activity and reducing stress. This is particularly critical to Strathbogie as the aging population naturally increases the demand for health care.
ENVIRONMENT	Environmental policy aims to ensure the natural environment is valued and protected. The project aligns with this by incorporating the natural landscape into the design of the trail network and showcasing Strathbogie's unique natural assets.

Given this alignment and the deliverability of the trail network, it is recommended that the project is progressed in a timely manner, enabling the Council to meet various high-priority actions set out by strategy and policy at all levels of Government.



4 Response Option Development

This section of the business case explores the strategic response options for addressing the problems identified by the ILM. While the impetus for this project comes from the MTB community, it is necessary in the course of ensuring the efficient allocation of public funds to understand what alternative solutions may exist or be possible. As such, this section follows the ILM process as proscribed in Section 3 and sets out a summary of the problems identified, and the potential alternative response options considered.

4.1 Problem Definition

The problem definition workshop comprehensively identified and articulated the range of issues the project intends to address. This session facilitated the establishment of an extensive, largely unfiltered collection of issues, from which key themes were extracted and further refined. Participants were engaged in a process of assigning a percentage score to each identified problem, reflecting the relative importance or priority of each statement.

Through this methodical approach, problem statements were crafted, each pinpointing a specific issue ("what's broken") alongside the "negative impact" resulting from this issue. This exercise laid the foundational groundwork for drafting the ILM, ensuring a structured and prioritised approach to understanding and addressing the project's core challenges.

Table 4-1 ILM Workshop Output

ECONOMY 30%	Socio-economic shift from rural economy means new industries and leisure options need to be created to generate local jobs
HEALTH 50%	No local recreational options contribute to poor health outcomes, and drives informal unsafe use of Balmattum Hill Bushland Reserve
ENVIRONMENT 20%	The non-purposed large open space without access limitations results in community conflict and environmental outcomes

4.2 Response Options

4.2.1 The Base Case

The base case for this project is where no MTB trail network is developed, and the usage of Balmattum Reserve is unchanged. The current state is defined under the below headings.

4.2.1.1 Activity at Balmattum Hill

The Balmattum Reserve offers two multi-use tracks, a 2.6km out-and-back trail to the peak, and a 3.4km trail that loops the reserve. While both look to cater to hiking and walking, usage does not



Figure 4-1 Existing trail on Balmattum Hill from site assessment 2023



appear to be restricted from use by cyclists.¹⁸ There is a trailhead that caters to 3-5 parking spaces.

4.2.1.2 Mountain Biking Opportunities

There are no designated MTB trails in the immediate region of Balmattum or Euroa, according to AllTrails and Strava. The closest tracks are to the north at:

- Mooroopna (50 km)
- Rushworth/Muchinson (58 km)
- Wangaratta (85km)
- Beechworth (122 km)
- Mt Buller (122 km).¹⁹

Most of the MTB tracks in Victoria are in the High Country which are open to visitors during the summer months. These areas and clubs include, Beechworth, Yackandandah, Bright, Mt Buller, Falls creek, Mt Beauty, Dinner plain, Lake Mountain, and Buxton.²⁰

4.2.1.3 Other Tourism Offerings

Outside of Balmattum Hill, Euroa provides various other nature and water-based features and activities, such as road cycling routes, the Arboretum, Gooram Falls and the Polly McQuinns. The non-nature-based attractions include wineries, restaurants, a heritage trail, museums, and a cinema.²¹

4.2.2 Alternative Solutions

Building on the problems identified and expected benefits of the project, the assessment revealed a list of possible solutions that could help alleviate the issues experienced in Strathbogie. This includes:

- **Establishing an all ages, all-abilities bike park:** This is designed to accommodate riders of varying skills levels and ages, providing a safe and enjoyable space for everyone to ride bicycles. Some examples include pump tracks (consisting of rollers, berms, and jumps arranged in a loop), BMX tracks (featuring banked turns, jumps, and rhythm sections), jump lines (with a series of tabletop jumps or doubles), skills zones (with technical obstacles), and freeride trails.
- **Promoting eco-tourism:** This involves encouraging travel and recreation to minimise the negative impacts on the environment while supporting conservation efforts and benefiting local communities. Some examples include sustainable accommodation, eco-tourism activities and tours like guided nature walks and wildlife watching, community-based initiatives like homestays and artisan workshops, and conservation projects like research stations and visitor centres.
- **Creating safe access to trails for local communities:** This is essential for promoting outdoor recreation, physical activity, and connection with nature. Some examples include trailhead facilities

¹⁸ AllTrails, *Best Hikes and Trails in Balmattum Hill Bushland Reserve*, [Link](#)

¹⁹ AllTrails, *Best Hikes and Trails in Balmattum Hill Bushland Reserve*, [Link](#)

²⁰ Ride High Country, *MTB High Country*, [Link](#)

²¹ Euroa Chamber of Business and Commerce, *Visit Euroa - The Gateway to North Eastern Victoria*, [Link](#)



like parking areas and information kiosks, regular trail maintenance, ADA-compliant facilities, trail patrol and ranger services, and emergency communication and assistance.

- **Planning policy to facilitate long-term development as sustainable high-quality mix-activity park:** This involves integrating principles of environmental conservation, social equity, economic viability, and community engagement.

These solutions funnelled into two asset types – an all-ages, all-abilities MTB park and a ‘front-door’, improved access to Balmattum Hill Bushland Reserve.

4.3 Options Analysis

In the final part of the workshop, focus was placed on dissecting and understanding the strategic direction of the project. This session was critical in clarifying the rationale behind the strategic choices made by participants and involved a comprehensive assessment of the various response options available. The evaluation criteria applied to each option included:

- **Anticipated Benefit:** Each response option was scored based on the expected benefits, assuming that funding had been secured and all identified risks had been appropriately mitigated.
- **Risks and Uncertainties:** This involved a detailed analysis of the potential risks and uncertainties associated with each option—factors beyond the control of the Council. These risks were evaluated on a scale ranging from low, medium, to high, considering both the likelihood of occurrence and the potential consequences.
- **Disbenefits:** The analysis also included an assessment of any negative outcomes that might be generated by the planned investment, acknowledging that not all impacts may be positive.
- **Interdependencies:** A key part of the assessment was identifying and understanding the critical interdependencies, such as the relationship between Council and the MTB community behind the project, who will significantly influence the success of the initiatives.
- **Cost & Time:** Each response option was scrutinised for its financial implications and projected timelines, providing a comprehensive view of the feasibility and practicality of the options under consideration.

4.4 Recommended Response Option

The outputs of the ILM reaffirmed the proposal for a MTB trail network on Balmattum Hill, which originated as a community-led initiative, as an appropriate response to the challenges experienced in Strathbogie. This option is explored in further detail in the next section.



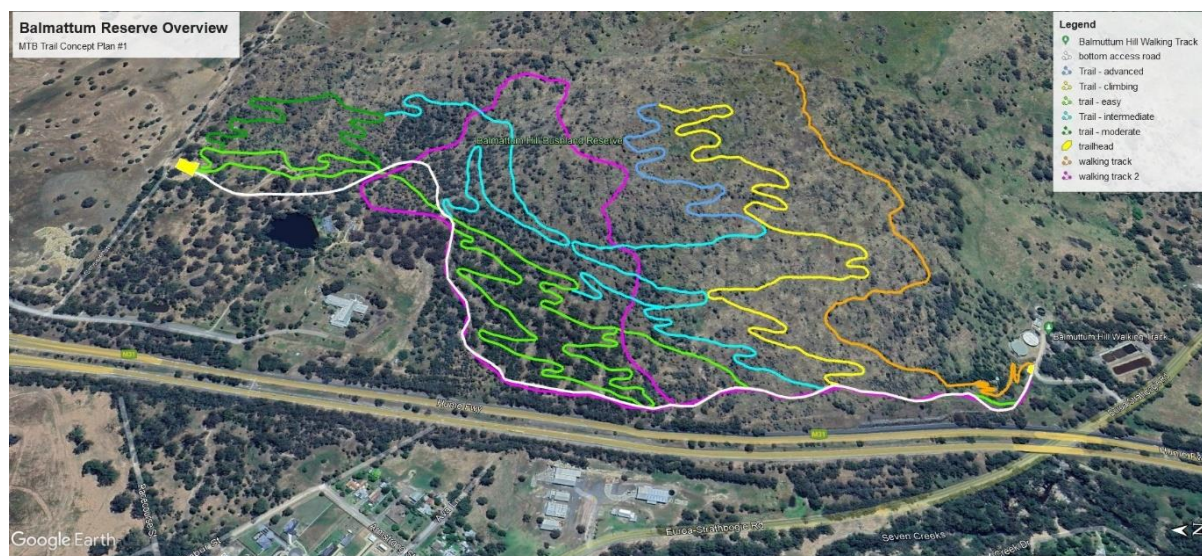
5 Preferred Response Option

5.1 Balmattum Hill Bushland Reserve MTB Trail Network

Following section of the preferred response option in Section 4, this section sets out a more granular analysis of the proposal to develop Balmattum Hill Bushland Reserve MTB Trail Network.

The proposal is to create a 14km long trail network is composed of both new and existing elements, and a new trailhead with additional carparking. The trail network is designed to complement the natural landscape, cater to riders of all ages and abilities, and showcase the reserves natural features.

Figure 5-1 Map of proposed trails at Balmattum Reserve



The trails will be designed in accordance with the requirements of Auscycling Australian Trail Building guidelines (2019) and International Mountain Biking Association (IMBA) guidelines.

5.1.1 User Types

The trail network will cater to beginner through to advanced MTB riders, offering trails of various difficulty levels. At higher elevations where the terrain is steep and open and rock crops are predominant, the trail will be more suited to experienced riders, while lower sections of the trail will be suitable for beginners where slopes are milder and scattered with mature trees.

While the network is designed with a focus on the conventional MTB market, it will also be suitable for eMTB, and electric pedal assisted MTBs. Trails in the lower slopes will be machine built to a wider trailhead of 1,500mm to be accessible to adaptive bikes.

5.1.2 Trail Network Elements

The trails are designed to follow the natural topography and contours of the terrain to provide the best possible rider experience, to manage rider speed, avoid excessive braking and optimise the long-term sustainability of the trail network. The 14km network would be composed of both existing and new elements as set out in the table overleaf.



Table 5-1 Trail network elements

Element	Length (km)	Specification	Map key alignment
Existing	1.8	Dual direction access road along the western boundary that connects the proposed northern trail head to the existing walking trail carpark	Dark grey
	1.2	ATV access Track from access road to top of main walking trail	Grey
	1.3	Main walking trail	Orange
	2.8	Secondary walking trail	Pink
Proposed	5.7	One-way beginner cross country MTB trails to be constructed using either hand-built trail combined with machine-built trail features (berms and jumps), or wider machine-built trail (for adaptive use)	Light and dark green
	5.2	One-way intermediate / advanced descending / flow type trails to be constructed using a combination of hand-built trail combined with machine-built trail features (berms and jumps). These will incorporate optional lines around features and rock outcrops to allow for rider progression.	Light and dark blue, white and red
	3.0	Climbing trail for primary rider access to higher elevations. This trail will also provide options to exit the climb earlier to access trails at lower elevations	Yellow

5.1.2.1 Ancillary Works

Trailhead

The network has been designed to create a Trailhead area based at the northern entrance (off Crosby Lane) to the reserve due to both its relatively flat nature and ease of access from Euroa. This will supplement the existing trailhead to the south which currently accommodates 3-5 parking spaces. The new trailhead will provide:

- Trail map, interpretive and warning signs
- Carparking areas
- Shuttle pick up and drop off areas
- Picnic tables with seating and shelter
- Bike racks and bike repair stands
- Toilet facilities
- Emergency, warning, and wayfinding signage throughout the trail network



- Platform structures at water crossings and over rock outcrops.

Riders will also have the option to park and ride from the town centre given its proximity to Balmattum Hill Bushland Reserve.

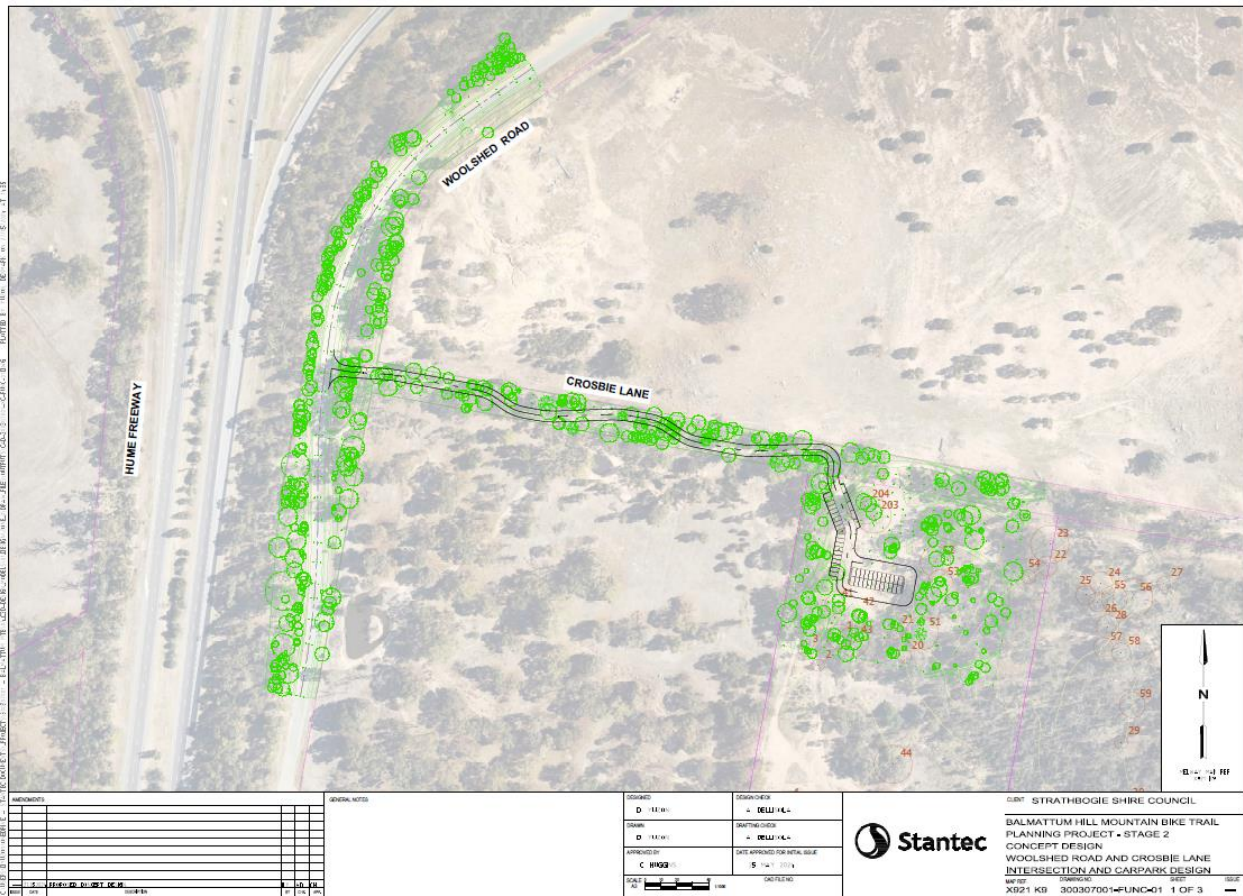


Figure 5-2 Functional layout plan developed by Stantec for Stage 2 deliverable

Safety

The trail network would provide additional safety features to support wayfinding and minimise the risk of conflict among different trail users. This includes:

- Providing single-use, one-way trails
- Walking trail crossing points
- New trailhead with adequate carparking spaces and park and ride options
- Emergency points
- Emergency services access.

Refer to Section 5.8 for a risk analysis documenting all identified risks and control measures.

5.2 Stakeholder Identification and Consultation

The proposal would affect various stakeholders, including community members, Traditional Owners, local businesses, and government agencies. Input from these groups has been gathered through various



means during the development of this business case. The table below provides a summary of the relevance and the type of engagement undertaken for each group.

Table 5-2 Stakeholder type, relevance, and engagement

Stakeholder group	Relevance	Engagement type
Community	Increases the sport and recreation options available to local residents	<ul style="list-style-type: none"> The EMBC initiated the proposal via letter to Council Released online survey gauging views of wider community
Traditional Owners	Development takes place on land of the Ngurai-illum-wurrung people among cultural heritage sites	<ul style="list-style-type: none"> One-to-one meeting with the Taungurung Land and Waters Council (TLaWC) TLaWC submitted report detailing the extent of cultural heritage sites in the area and recommendations for minimising environmental impacts
Government agency	Land is presently managed by Parks Victoria	<ul style="list-style-type: none"> Sent letter to Council sharing views on the proposal
Local business	Business activity expected to increase in following sectors: <ul style="list-style-type: none"> Retail: supermarkets, bike equipment, hire, and servicing Food and beverage: meals and beverages Accommodation: overnight stays Transport: shuttle to and from the trail and Euroa township Construction: labourers and suppliers delivering the trail 	<ul style="list-style-type: none"> Released online survey gauging views of wider community, including local business

The following sections share the takeouts of the engagement with these groups to date.

5.2.1 Parks Victoria

In a letter responding to the Council's proposal for the Balmattum Reserve MTB Trail Network, dated 23 August 2022, Daniel McLaughlin, the Regional Director of Parks Victoria provides support for further investigations to be undertaken subject to:

- The Council becoming the future land manager of the area (through the excision of the Parks Victoria estate) pending further consultation with Parks Victoria and Traditional Owners, and
- The feasibility study exploring options to promote community and environment connection, minimise impacts to environment and cultural heritage values and enhance protection measures.

This support is on the basis that the project has potential to 'provide opportunities for community to connect with nature' as is a key priority of Parks Victoria.

5.2.2 Community

In the letter to the Strathbogie Council, dated 26 September 2021, the EMBC expresses support for the proposal, suggesting it is strategically aligned with public sector plans and initiatives. The Club outlines the following potential benefits.



- Outdoor activities enhance community health and wellbeing, particularly important post-COVID-19 where lockdowns were seen to negatively impact on people’s physical and mental state. Expands the activity options for the younger cohort.
- Improves the liveability of the region among the younger cohort by expanding the choices of activities available.
- Promotes nature-based assets of the area and encourages greater protection and maintenance of the nature reserve which is currently neglected due to limited resources.
- Creates a world-class facility thereby increasing tourism to the region and showcases the region’s nature-based assets and complementing existing offerings.
- Subsequently, a survey was distributed among residents and surrounding communities online to gauge wider feedback. The results are shared in Section 5.6.4 and the Outcome Report is in Appendix H:.

5.2.3 Traditional Owners

Euroa is a place of significant historical and cultural significance for the Ngurai-illum-wurrung people, who are part of the Kulin language group and represented today by Taungurung Land and Waters Council (TLaWC).

The TLaWC prepared a report investigating the impact of the proposed works on the cultural heritage of the Balmattum Hill Bushland Reserve. The report finds that there have been 44 cultural heritage sites documented in the area, including object collections, artefact scatters, scarred trees, and low-density artifact distributions.

To ensure the conservation of these cultural heritage features and preserve the integrity of Balmattum Hill, the report provides recommendations aimed to mitigate potential environmental risk associated with land clearing and increased foot traffic in the trail’s development and operation. This includes:

1. Initiate the processes for undergoing a Cultural Heritage Management Plan (CHMP) that establishes clear harm minimisation strategies.
2. Conduct further archaeological investigations within the activity area to assess and manage potential cultural heritage impacts.
3. Design the trail infrastructure in a manner that maintains strong visibility to the surrounding landscape and preserves the cultural and natural heritage of the area.
4. Implement measures to minimise soil erosion, such as the use of erosion control techniques and appropriate vegetation management practices.

Pending the Victorian Government’s approval of this business case, a CHMP would be undertaken as part of the next phase of the project and ahead of trail development.

5.3 Social Impacts

As confirmed through stakeholder consultation, several culturally significant sites exist in the vicinity of the proposed trail network. Before commencement of construction, a thorough assessment should be undertaken, in the form of a CHMP to determine and minimise the impact.

One method to acknowledge and pay respects to the Aboriginal history would be to incorporate heritage values into the interpretive signage throughout the facility.



5.4 Environmental Impacts

A detailed site assessment was completed in November 2023. This revealed:

- Much of Balmattum Hill is representative of White Box-Yellow Box-Blakely's Red Gum Grassy Woodland and Derived Native Grassland' Environment Protection and Biodiversity Conservation Act (EPBC) listed threatened community of varying quality.
- Five habitat zones identified.
- Currently, the works are likely to impact on approximately 10.36 ha of native vegetation (*based on Department of Energy, Environment and Climate Action (DEECA) guidelines (trees), likely to be an over-estimation of actual impacts).
- An arborist assessment is highly recommended and will likely reduce vegetation (tree) impacts – this may reduce the risk of some approvals (environment assessment (EES), EPBC)
 - Confirmation of approvals should be revised upon completion of arborist assessment
- The works will trigger approvals including:
 - Planning Permit
 - FFG (Flora and Fauna Guarantee) Permit (to take protected flora)
 - Currently may trigger EES
 - Currently may trigger EPBC referral

Refer to Appendix E: for the detailed Flora and Fauna Assessment.

5.5 Financial Analysis

The financial evaluation estimates the whole of life costs of the MTB trail network by developing a high-level cashflow model. This measures the benefits and costs to a single entity i.e., the Government, as opposed to the Economic and Social Benefits evaluation which measures the return to the wider community or the economy. The outputs of this evaluation are important for determining the budget impact of the project and to support the identification of potential funding sources.

5.5.1 Approach

The financial cashflow is the stream of financial expenditures and receipts that will be generated by the project over its economic life.²²

5.5.1.1 Inputs

The inputs are comprised of the following:

- **Project life:** This is the length of the expected economic or design life of the asset over which the project should be run to maximise its return. This generally equates to the technical life of the equipment / resources used.

²² Financial Appraisal. Available at: <https://egyankosh.ac.in/bitstream/123456789/19317/1/Unit-16.pdf>



- **Capital costs:** This includes all upfront capital costs involved with the delivery of the project, including fixed costs, plant, labour, and equipment.
- **Operating costs:** This covers the project's recurrent outlays on labour services, raw materials, energy, utilities to operate and maintain the project over its economic life.
- **Capital replacement costs:** This accounts for the loss in value of the asset over time due to depreciation.

5.5.1.2 Valuation

These costs incurred to establish and operate the project are measured in real market prices. This accounts for the anticipated inflation rate over the life of the project, making for a more simplified analysis. Note, this differs from the discount rate used in the Economic Case that is used to account for social time preference. The two are used separately for their respective cases (financial and economic) and are not combined.

5.5.2 Costs

The key inputs and assumptions used to model the costs in the financial evaluation are summarised in the table below.

Table 5-3: Key parameters and assumptions

Item	Assumption	Comment
Base price year	2023/24	The cost and benefit estimates were developed using 2023/24 prices
Project delivery start year	2024	To align with the timing of obtaining approval and developing a shovel-ready project
Appraisal period	10 years	Modelling of quantifiable costs and benefits are developed over a 10-year timeframe.

5.5.2.1 Capital

The total capital cost was developed by Natural Trails for the Project is summarised in the table below. This covers construction and ancillary works.

This is a cost-effective product as it strategically makes use of existing infrastructure due to its location near an established town. This saves on having to build new pathways, roads, and amenities, that would otherwise have been included in the costing.

Table 5-4: Capital Cost Estimate (\$ millions, excl GST)

	Year 1
Preliminaries	0.2
Trail works	1.1
Access road	0.1
Trail head facilities (North)	0.1
Trail head facilities (South)	0.0
Fees and contingencies	0.3
Total	2.2

5.5.2.2 Operating



The total operating cost to maintain the MTB trail network covers activities like vegetation pruning to keep the trail and markers in view.

Table 5-5: Annual Maintenance Fee (\$)

	Annual Cost
Maintenance per year (3% of capital cost)	64,954

5.5.3 Funding and Revenues

The Council will pursue a multi-faceted approach to secure funding for the delivery and maintenance of the MTB trail network, underpinned by robust financial planning and forecasting to ensure sustainability and long-term success of the project.

When managing the ongoing costs of the MTB trail network, the Council will implement a systematic maintenance and operational plan in line with its Level of Service (LoS) commitments. Regular routine maintenance would be undertaken to ensure safety and functionality, addressing wear and tear through regular upkeep, and providing necessary amenities for users.

5.6 Economic Impacts

5.6.1 Approach

To assess the socio-economic impacts of the proposed MTB riding trail to Strathbogie, a cost-benefit analysis has been undertaken following the below steps per the Victorian Government guidelines.²³

²³ Euroa Chamber of Business and Commerce, *Visit Euroa - The Gateway to North Eastern Victoria*, [Link](#)



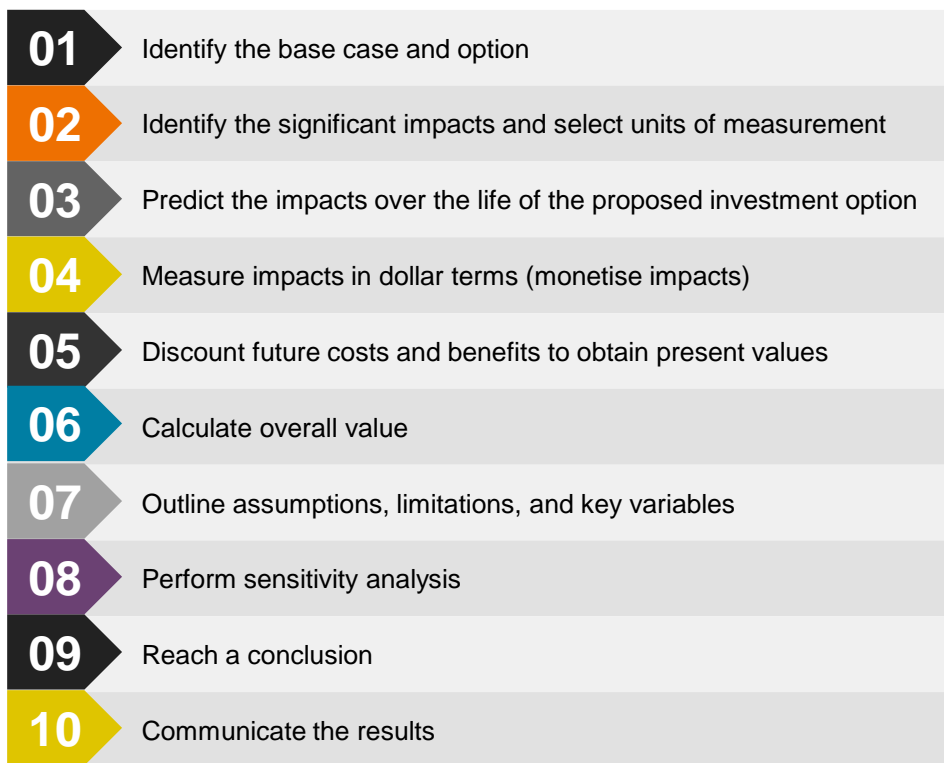


Figure 5-3 Victorian Government CBA Guidelines

5.6.2 Economic Appraisal

This economic appraisal explores the option to introduce a MTB trail network to Balmattum Hill. This is compared to the counterfactual ‘do nothing’ case where Balmattum Hill continues to be used in its current capacity.

5.6.2.1 Key Assumptions

The key parameters and assumptions used to model the CBA are set out in the table below.

Table 5-6: Key parameters and assumptions

Item	Assumption	Comment
Real discount rate	Core: 7% Sensitivity: 4% and 10%	Discount rate was sourced from Infrastructure Australia Guidelines
Base price year	2023/24	The cost and benefit estimates were developed using 2023/24 prices
Project delivery start year	2024	To align with the timing of obtaining approval and developing a shovel-ready project

5.6.2.2 Appraisal Period

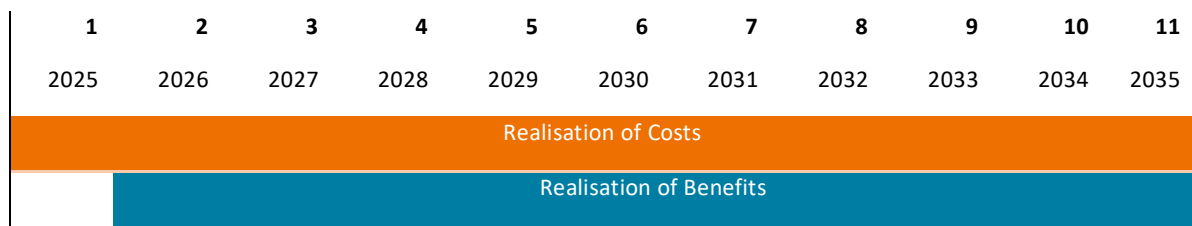
The timeline below depicts when the costs and benefits are assumed to occur.

This is based on a 1-year delivery period for the construction of the Balmattum Reserve MTB Trail Network, after which time Balmattum Hill will be open for public use and benefits will start to accrue. The continuing costs over the appraisal period reflect ongoing maintenance fees.



A 10-year appraisal period has been selected as this is the expected useful life of the Balmattum Reserve MTB Trail Network asset and over which timeframe the full magnitude of the benefits are assumed to be realised.

Figure 5-4 Timing assumptions



5.6.3 Economic Benefits

The table below provides an overview of the benefits quantified in estimating the value of the MTB trail network relative to the base case over the appraisal period. This includes the user benefits accrued to individuals who participate in mountain biking as well as the external benefits of introducing a local recreational activity and tourist attraction to the wider community.

Table 5-7: Economic Benefits Considered

Value stream	Description
User benefits	
Active communities (private)	Health benefits gained by an individual associated with increased physical activity, such as better immunity from sickness and higher life expectancy.
External benefits	
Active communities (system)	Increased activity improves a person’s health and leads to lower healthcare system costs.
Added productivity to the accommodation and food services sector	Increase in year-round visitation as the trail network will be accessible to users through all seasons. MTB tourism will indirectly boost complementary business activity, for example food and beverage, accommodation, and mountain biking related items (e.g. rental, service, equipment, touring, transport).
Added productivity to the retail sector	
Added productivity to the construction sector	By contracting local labourers and suppliers to deliver the MTB trail network this indirectly injects funding into the township, supporting local employment opportunities and boosts productivity in the construction sector.

The methodologies will be described in Section 5.6.5.

5.6.4 Demand Estimates

A key input to the quantification of the benefits in Table 5-7 is the estimated demand for the trail network among residents and visitors. This was calculated based on the results of the Stakeholder Engagement Survey which collected community and visitor receptiveness and demand for a trail network at Balmattum Hill of 327 respondents.





Figure 5-5 Visual presentation of survey results

The survey results indicate strong local demand for mountain biking facilities in Strathbogie:

- **High Local Interest:** Half the respondents already enjoy mountain biking, and a significant portion of non-participants would be interested with local trails (over 90% expressed interest).
- **Diverse User Base:** The survey identified a range of rider types, with "Enthusiasts" being the most prevalent. This highlights the need for a variety of trails catering to different skill levels.

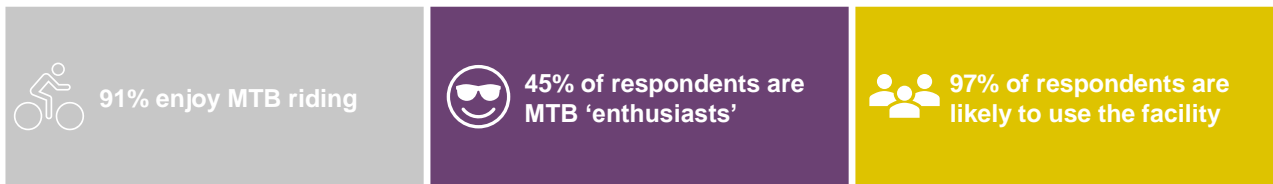


Figure 5-6 Visual presentation of survey results

- **Desired Amenities:** Basic amenities like toilets, trail maps, and parking are highly desired by potential users. Additional features like water stations and picnic areas would further enhance the experience.
- **Local Focus:** Most riders (90%) prefer to stay within the state for mountain biking, with proximity to townships and diverse trails being key factors in choosing a destination.
- **Economic Potential:** The survey suggests significant spending on both travel and equipment by mountain bikers, highlighting the potential economic benefits of a local facility.



Figure 5-7 Visual presentation of survey results

Overall, the data suggests a strong local market for mountain biking in Strathbogie. Developing a facility with diverse trails and essential amenities could attract a significant user base and contribute to the local economy.

5.6.4.1 Residents

163 respondents were from the Strathbogie community who reported:

- **High Familiarity with Balmattum Hill:** A majority of residents (54%) have visited Balmattum Hill, suggesting a potential user base for new mountain bike trails in the area.



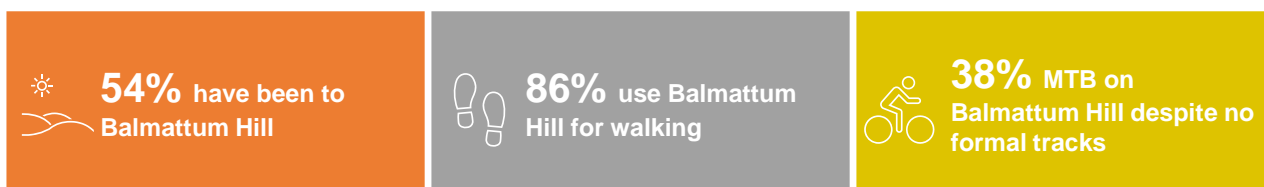


Figure 5-8 Visual presentation of survey results among residents

- **Interest in Outdoor Activities:** Despite the lack of formal tracks, a significant portion of residents (38%) already engage in mountain biking on Balmattum Hill. This highlights a pre-existing interest in the sport. However, walking remains the dominant activity (86%).
- **Dissatisfaction with Recreation Options:** Residents expressed dissatisfaction with the current sport and recreation offerings in Strathbogie (22%). A mountain bike facility could address this gap.
- **Strong Support for Proposal:** Nearly all residents (97%) agreed with the proposal for a mountain bike trail network on the Reserve, indicating strong community backing for the project.



Figure 5-9 Visual presentation of survey results among residents

Overall, Strathbogie residents demonstrate a strong interest in outdoor activities and a positive attitude towards the proposed mountain bike trail network. The existing use of Balmattum Hill for mountain biking, despite the lack of proper trails, further strengthens the case for development.

Based on the survey results, the following base and project case usage numbers have been estimated.

Table 5-8 Demand among residents

Option	Number of users	Assumption
Base case	44	• Number of users who report mountain biking on Balmattum Hill currently
Project case	148	• Proportion of total respondents who reported being likely to use a local MTB facility if developed (97%) applied to the number of residents who responded to the survey (163)
Incremental uptake	102	• This is the difference between the base and project case

5.6.4.2 Visitors

164 respondents were from surrounding areas who reported that:

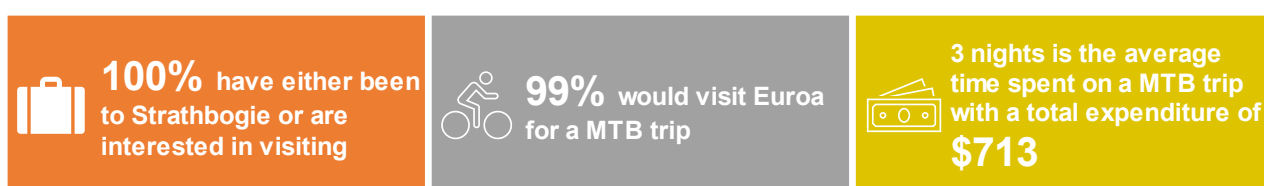


Figure 5-10 Visual presentation of survey results among surrounding communities

Based on these results, the following base and project case usage numbers are expected.

Table 5-9 Demand among visitors

Option	Number of MTB visitors	Expenditure per trip per visitor	Assumption
Base case	N/A	N/A	<ul style="list-style-type: none"> No facility available for mountain biking currently in Euroa/Strathbogie.
Project case	199	\$713	<ul style="list-style-type: none"> 99% of respondents (164) would visit Euroa for a MTB trip. Recognising that these respondents make up those that are within Victoria, this represents the 90% of people who travel within their state to ride. An additional 10% of visitors can be applied to 162 people to account for those who may visit from interstate and overseas locations. The average expenditure per MTB trip is estimated to be \$713, spent over 3 nights
Incremental uptake	199	\$713	<ul style="list-style-type: none"> The project case equals the incremental uptake because these are new trips created by the addition of a MTB facility

5.6.4.3 Total Ridership

Drawing on the incremental uptake in mountain biking and visitors into Strathbogie estimated above, the total ridership and expenditure can be conservatively projected as follows.

Table 5-10 Total ridership

User	Number of users	Per week usage	Per year usage	Expenditure per year	Assumption
Resident	148	200	~10k	~\$200k	<ul style="list-style-type: none"> On average, MTB riders participate 1.3 times per week The average expenditure on transport per trip per respondent was \$90 and the average expenditure on MTB equipment and servicing per year was \$1,155
Visitor	199	22	~2k	~\$800k	<ul style="list-style-type: none"> Those that travel to MTB will complete on average 16.5 trips per year Given the prevalence of mountain biking tracks in Victoria, assume displacement factor of 40%

This increases over the 10-year appraisal period as seen in Table 5-11.



Table 5-11 Growth in usage over 10-year appraisal period

User	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Resident	144	146	148	150	152	155	157	159	162	164
Visitor	196	199	202	205	208	211	214	218	221	224

Refer to Appendix H: for a more fulsome summary and graphics of the stakeholder engagement in the Outcomes Report.

5.6.5 Methodology

USER BENEFITS

Private health benefit from increased activity

This benefit captures the positive health outcomes that arise from an increase in physical activity resulting from the inclusion of mountain biking opportunities in the community. The private benefit is also referred to as reduced morbidity or mortality costs.

This is assumed to be a perceived benefit, or a reinforcing consequence of engaging in a more active lifestyle, including both intrinsic (greater alertness or reduced fatigue) and extrinsic (social acceptance) returns.²⁴

The methodology used to estimate this benefit is outlined in Table 5-12.

Table 5-12 Private health benefit

Item	Notes
Methodology	Improved health of MTB riders = (Average frequency of MTBing per year + uptake of MTB * Average distance travelled) * Health benefit per km travelled
Data and assumptions	Distance travelled by recreational users: <ul style="list-style-type: none"> • Average frequency of mountain biking is 1.3 times per week. (1) • Distance travelled is calculated based on the average duration of 2 hours per session and speed of 15km/hr. (1) (2) Private health benefit: <ul style="list-style-type: none"> • \$1.48 per km of cycling. (2)

Source: (1) Stakeholder Consultation Survey (2) m4_active_travel.pdf (atap.gov.au)

5.6.5.1 External Benefits

System health benefit from increased activity

The system benefit arises from the reduced reliance on the medical and health care system.

The methodology used to estimate this benefit is outlined in Table 5-13.

²⁴ National Library of Medicine (2020), Perceived benefits and barriers towards exercise among healthcare providers. Available at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7427824/>



Table 5-13 System health benefit

Item	Notes
Methodology	Improved health of MTB riders = (Average frequency of MTBing per year + uptake of MTB * Average distance travelled) * Health benefit per km travelled
Data and assumptions	<p>Distance travelled by recreational users:</p> <ul style="list-style-type: none"> • Average frequency of mountain biking is 1.3 times per week. (1) • Distance travelled is calculated based on the average duration of 2 hours per session and speed of 15km/hr. (1) (2) <p>Private health benefit:</p> <ul style="list-style-type: none"> • \$0.72 per km of cycling. (2)

Source: (1) Stakeholder Consultation Survey (2) m4_active_travel.pdf (atap.gov.au)

Increased tourism expenditure

This benefit captures the Increase in year-round visitation as the trail network will be accessible to users through all seasons. MTB tourism will indirectly boost complementary business activity, for example food and beverage, accommodation, and mountain biking related items (e.g. rental, service, equipment, touring, transport). This is calculated in three parts. First, the estimated increase in expenditure. Second, the number of full-time equivalent (FTE) staff is estimated based on the expenditure on retail and food and beverage items. Third, the value of additional productivity generated by the FTE is calculated.

The methodology used to estimate this benefit is outlined in Table 5-14.

Table 5-14 Tourism expenditure benefit

Item	Notes
Methodology	<p>Increased tourism expenditure = Uptick in tourism resulting from trail network * Average spending of tourists per trip</p> <p>FTE = increased expenditure / (Sales and Services Income in the retail and food and beverage sectors / Number of employees in the retail and food and beverage sectors)</p> <p>Value added = FTE * (Industry value added in the retail and food and beverage sectors / Number of employees in the retail and food and beverage sectors)</p>
Data and assumptions	<p>Average expenditure per trip:</p> <ul style="list-style-type: none"> • \$712 per trip. (1) <p>Number of visitors who come to Strathbogie to MTB:</p> <ul style="list-style-type: none"> • 180 people. (1) <p>National Sector Sales and Services Income</p> <ul style="list-style-type: none"> • \$556,766,000,000 in retail (2) • \$115,207,000,000 in food and beverages (2) <p>National Sector Employment</p> <ul style="list-style-type: none"> • \$1,419,000 in retail (2) • \$1,061,000 in food and beverages (2) <p>National Industry Value Added</p> <ul style="list-style-type: none"> • \$102,771,000,000 in retail (2) • \$45,665,000,000 in food and beverages (2)

Source: (1) Stakeholder Consultation Survey (2) ABS

Productivity to the construction sector

This benefit captures the direct and indirect supply chain effects associated with constructing the trail network. This assumes that local suppliers and labourers will be employed to undertake the works required, supporting short-term construction jobs in Strathbogie. This is calculated in two parts. First, the number of full-time equivalent (FTE) staff is estimated based on the capital expenditure. Second, the value of additional productivity generated by the FTE is calculated.



The methodology used to estimate this benefit is outlined in Table 5-15.

Table 5-15 Construction sector productivity benefit

Item	Notes
Methodology	<p>FTE = construction capital expenditure / (Sales and Services Income in the construction sector / Number of employees in the construction sector)</p> <p>Value added = FTE * (Industry value added in the construction sector / Number of employees in the construction sector)</p>
Data and assumptions	<p>Construction capital expenditure</p> <ul style="list-style-type: none"> • \$2,165,147.60 for project delivery <p>National Sector Sales and Services Income</p> <ul style="list-style-type: none"> • \$491,042,000,000 <p>National Sector Employment</p> <ul style="list-style-type: none"> • 1,229,000 people <p>National Industry Value Added</p> <ul style="list-style-type: none"> • \$141,772,000,000

Source: ABS

5.6.6 Economic Costs

The costs accounted for in the economic appraisal is the capital cost to construct and deliver the project, and operating cost of the ongoing maintenance thereafter. This is summarised in the table below.

Table 5-16 Economic costs

Value stream	Description
Cost of delivery	Includes base cost, escalation, and contingency of constructing the trail and associated amenities/features.
Maintain and upgrade the trail as required	Regular maintenance of trails is critical in terms of providing a safe and enjoyable experience and to retain assets in optimum condition so that they do not deteriorate unnecessarily or do not pose an unnecessary or avoidable risk.

To account for contingency and risk at this stage of the project a percentage of 20% has been added to the base estimate.

The methodologies used to quantify the economic costs accrued to develop the trail network is detailed below.

Delivery of Trail Network

This cost captures the capital estimates to deliver the trail network.

The methodology used to estimate this benefit is outlined in the table below.

Table 5-17 Capital costs

Item	Notes
Methodology	Delivery cost = Estimate to deliver + Contingency + Escalations
Data and assumptions	Indicative project cost:



Item	Notes
	<ul style="list-style-type: none"> \$2,165,147.60
	Contingency:
	<ul style="list-style-type: none"> This includes an additional 20%

Maintenance of Trail Network

This cost captures the ongoing maintenance of the trail once it has been delivered.

The methodology used to estimate this benefit is outlined in the table below.

Table 5-18 Operational costs

Item	Notes
Methodology	Maintenance fee of the track = % of total capital cost to maintain track
Data and assumptions	Maintenance fee: <ul style="list-style-type: none"> 3% of the total capital cost per year.

Source: Mountain_Bike_Trail_Factsheet_FINAL.pdf (mackay.qld.gov.au)

5.6.7 Results

A CBA estimates the incremental costs and benefits of the Project to develop a MTB trail network relative to the Base Case. A discounted cashflow technique is applied to estimate the difference between the present value (PV) of total incremental benefits and the PV of the total incremental costs. The output is known as the NPV.

The NPV was calculated by deducting the total economic benefit (\$6.3 million) from the total cost (\$2.6 million), to get a difference of \$3.7 million. This means the benefits derived from health improvements, increased tourism and construction productivity outweigh the cost of developing and maintaining the trail network and yield a benefit-cost ratio (BCR) of 2.4. In other words, for every \$1 spent on the Project, \$2.4 is generated for Strathbogie.

These results are found when applying a discount rate of 7% per the Infrastructure Australia guidelines. The full results are shown in the below table.

Table 6 CBA Results (discounted at 7% over 10-year appraisal period, \$m)

Value stream	
Benefit	
User benefits	
Private health benefit	1.6
External benefits	
System health benefit	0.8
Increased tourism expenditure	1.8
Productivity to the construction sector	2.1
Total economic benefit	6.3
Cost	
Delivery	2.2
Maintenance	0.5
Total economic cost	2.6
NPV	3.7



Value stream	
BCR	2.4

5.7 Interdependencies

These benefits are dependent on several interdependencies, as explored in the below figure.

TERRAIN ASSESSMENT	ENVIRONMENTAL IMPACT ASSESSMENT	TRAIL DESIGN
Understanding the natural features of the Reserve and how they can be incorporated into the trail design	Ensuring the trail construction and use minimises impacts to soil erosion, vegetation disturbance, water quality impact, disruption to wildlife habitats, and noise and visual impact.	Developing a network that makes use of the landscape and natural features and suits a variety of skill levels
TRAIL MAINTENANCE	REGULATORY COMPLIANCE	COMMUNITY ENGAGEMENT
Regular upkeep to ensure safety, rideability, and preservation of the surroundings	Adhering to local regulations and obtaining necessary permits for trail construction and use	Involving stakeholders and local communities in the planning process to address concerns and gage support
USER EDUCATION AND SAFETY	ACCESS AND PARKING	FUNDING AND RESOURCES
Providing information about trail etiquette and safety guidelines to trail users with appropriate signage	Providing adequate access points and parking facilities for trail users	Securing funding and resources for planning, construction, maintenance, and ongoing management of the trail

Figure 5-11 Interdependencies

5.8 Risk Analysis

Project success is contingent on the mitigation of various environmental, social, and financial risks impacting on the delivery and operations of the MTB trail network. The below table explores these risks and the controls in place to support positive socio-economic outcomes being realised relative to the 'do nothing' case.

Table 5-19 Sensitivity tests

Risk	Description	Mitigation
Bushfire exposure	It is expected that more people will use Balmattum Bush Reserve once the trail network is established. This could increase the incident of injury or death in the event of a bushfire.	Human intervention to conduct certain operating procedures are required to regulate occupation of the Reserve during times of high bushfire risk. To facilitate this, the trail network is designed with non-combustible structures, emergency vehicle access points, and safe spaces for people to congregate or evacuate in the event of a fire. Refer to Appendix F: for Bushfire Management Feasibility Report.



Risk	Description	Mitigation
Destruction of cultural heritage sites	44 cultural heritage sites have been identified in the vicinity, including object collections, artefact scatters, scarred trees, low-density artefact distributions. Therefore, it is reasonably possible that not yet identified sites could exist on Balmattum Hill that intersect with the planned trail network route. These are at risk of being destroyed or excavated through the construction phase.	Minimise harm by conducting further archaeological investigations within the activity area in line with the Cultural Heritage Management Plan and reroute the trail where needed.
Insufficient funding	Cost overruns and delay could mean the project delivery exceeds allotted budget due to unforeseen technical challenges, optimism bias, and strategic misinterpretation.	A risk allowance has been factored in based on the project unit cost estimates being between 30% to 75% complete – the level required of a tender. This recommends a 20% buffer added to the higher end of the capital estimate to ensure sufficient funding in case of cost overruns.
Threatened flora and fauna	Clearing land on Balmattum Hill in the trail construction phase and increased foot traffic during trail operation has the potential to cause soil erosion, resulting in loss of valuable topsoil, biodiversity and habitats for flora and fauna.	To reduce the impact of construction and operation on the natural environment, the network will use erosion control techniques and vegetation management practices to minimise soil erosion and has been designed according to the natural topography and contours of the terrain to manage rider speed and avoid excessive braking.

5.9 Integrated Analysis and Options Ranking

According to the results of the CBA, the proposal to develop a MTB trail network at Balmattum Hill is the preferred option, as evidenced by an NPV of \$3.7m and BCR of 2.4. However, two shortcomings of this analysis tool should be addressed before interpreting the quantitative results as final. This includes:

- The CBA measures whether the intervention will result in an efficient outcome for society by estimating the net benefit. However, this fails to account for the distribution of costs and benefits in society and there is potential for a positive CBA to be concentrated to certain segments of the population.
- CBA is a quantitative method of measuring the degree to which interventions generate net benefits. This valuation requires that impacts are measured per a standard unit of measure, in Australian dollars in real terms. This fails to capture the impacts that are not readily monetised.

To supplement the CBA results and support robust decision-making, it is necessary to:

- Consider the distributional impacts of the proposal on various stakeholders to understand how certain cohorts are affected by the proposal differently, and
- Explore whether the non-monetised impacts could positively or negatively change the results.

This analysis will be undertaken in the next sections.



5.9.1 Distributional Analysis

The below table qualitatively explores the impact of the proposal to different population cohorts.

Table 5-20 Distributional analysis

Population cohort	Impact
Age	The highest participation is among the 25-54 year age group (2.3%), compared to 0.8% of those above 55 and 0.9% of 0-24 year olds. ²⁵
Gender	Participation in mountain biking is skewed towards males (2.6%) compared to 0.6% of females. This indicates 80% of Mountain bikers are male. ²⁶
Disability	The trail is designed to be accessible to people with disability by ensuring the tracks are suitable to adaptive bikes.
Regional/geography	The proposal is targeted at those within Strathbogie and tourists bypassing via the Hume Highway.
Income/wealth level	Although the activity is provided free of charge, participants need to have access to specialised equipment to partake. The expenditure per ride averages at \$27.10. ²⁷
Business size	Business complementary to MTB recreation and tourism will experience a boost in response to construction and visitation. This is likely to affect retail, food and beverage, accommodation, transport, and construction.

According to this analysis, it is evident that the benefits of the proposal will be skewed towards cohorts of the population that are more suited to participating in mountain biking, i.e., younger in age with disposable income and in proximity to Balmattum Hill, and businesses in related sectors.

However, despite mountain biking being the focus of the proposal, the ancillary works at the trailhead are proposed to increase the attractiveness of related activities on Balmattum Hill more generally. These activities, like hiking and walking, are more inclusive of the average resident in Strathbogie.

5.9.2 Non-monetary Impact Analysis

There are additional benefits of the trail network that could not be monetised for the purpose of the CBA, meaning the proposal is likely to result in greater social welfare than is suggested by the BCR and NPV estimates. The benefits that could not be monetised are explored below.

5.9.2.1 Benefit to Community

IMPROVED LIVEABILITY

²⁵ AUSPLAY Data Portal. Available here: [AusPlay results | Clearinghouse for Sport](#)

²⁶ Ibid.

²⁷ AusCycling (2021), *Mountain Biking in Australia: An Economic and Participation Analysis*, [Link](#)



Liveability considers the economic, social, and environmental qualities of a place, including factors such as affordability, employment opportunities, safety, opportunities for sport and recreation, community cohesion, air quality and scenery.

By introducing mountain biking as an activity in Strathbogie and thereby increasing the attractiveness of outdoor sport and recreation, this allows people to feel a sense of satisfaction and connectivity among the community. Consequently, the region could become a more attractive and desirable place to live, particularly among younger cohorts.

PROPERTY VALUE UPLIFT

It is found there is a positive correlation between trails, quality of life and property value. As such, by introducing a better-connected trail network, there is a likelihood that the properties surrounding the trail would improve in value.

5.9.2.2 Benefits to businesses

HIGHER PRODUCTIVITY AND HUMAN CAPITAL AS A RESULT OF A MORE ACTIVE COMMUNITY

Sport and recreation, such as mountain biking, are recognised as contributing positively to physical and mental health outcomes. This indirectly improves productivity and leads to human capital uplift by reducing office absentee days and improving an individual's ability to learn and develop skills.

5.9.3 Testing the Robustness of the Options Analysis

Sensitivity tests provide an understanding of the variation in the results according to changes in the estimates. The sensitivity tests applied in this CBA are summarised in the below.

Table 5-21 Sensitivity tests

Sensitivity test	Details
Discount rate	Discount rates of 4 and 10% are applied
Scaling of costs and benefits	Scaling benefits by +/- 20% and scaling costs by +/-20%
Best and worst cases	Best case: Scaling of benefits by +20% and scaling of benefits by -20% Worst case: Scaling of benefits by -20% and scaling of benefits by +20%

The below table sets out the results of the sensitivity tests.

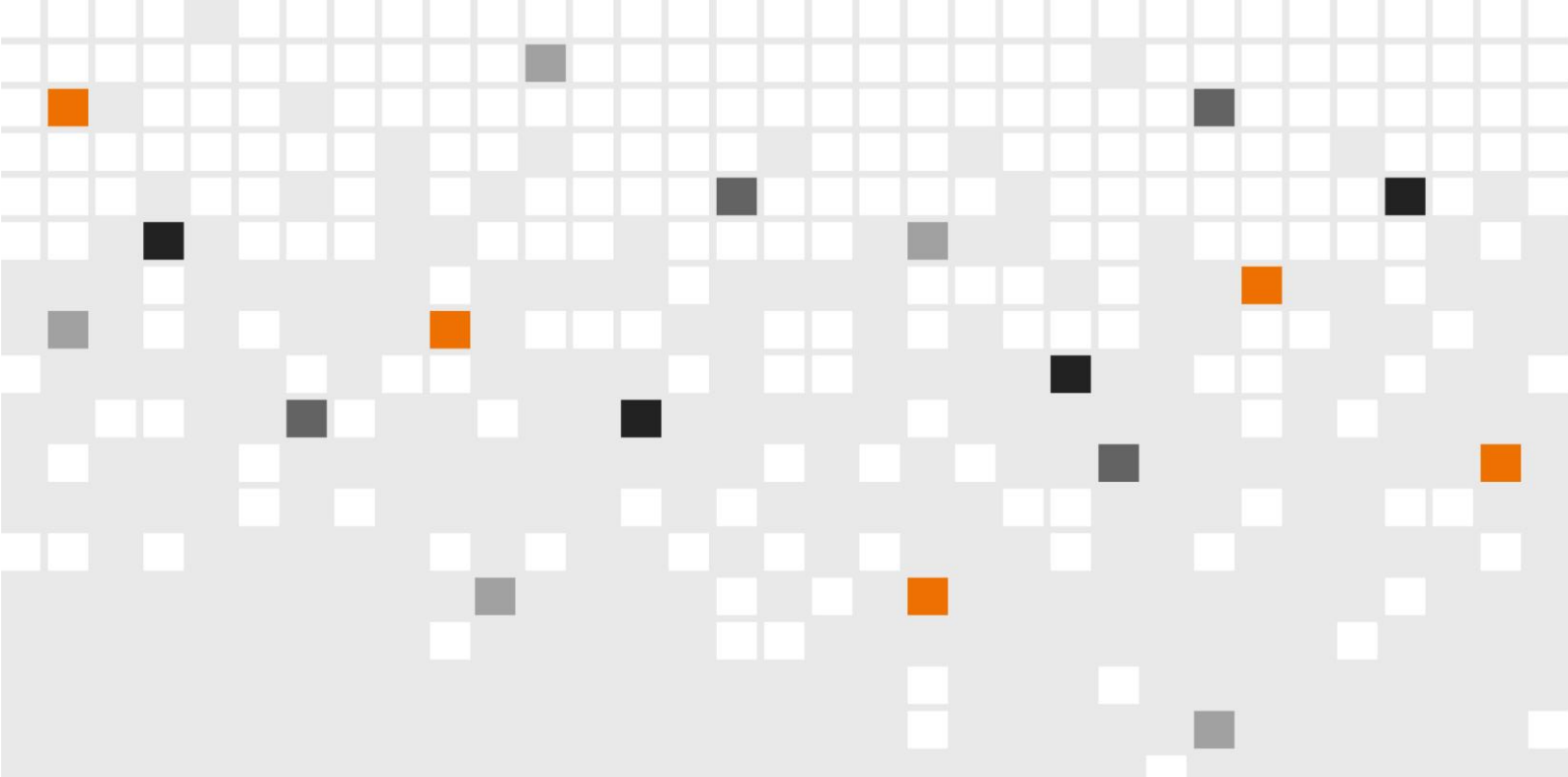
Table 5-22 Sensitivity Test Results

		Option 1	
		NPV	BCR
Core scenario results		3.7	2.4
Discount rate	4% SDR	4.3	2.6
	10% SDR	3.1	2.0
Scaling of costs	20% increase	6.3	2.9
	20% decrease	8.4	3.0
Scaling of benefits	20% increase	9.8	2.9
	20% decrease	4.8	1.9
Best case	20% increase in benefits, 20% decrease in costs	10.9	3.6



		Option 1	
		NPV	BCR
Worst case	20% decrease in benefits, 20% increase in costs	3.8	1.6





Part 2 – Delivery case



6 Deliverability of the Recommended Solution

6.1 Project Solution

6.1.1 Details of the Recommended Solution

As per the integrated assessment detailed in Section 5.9, it is recommended that the proposal to develop a MTB trail network at Balmattum Hill is progressed for sponsorship. This is on the basis that the 14km of trails and supplementary trailhead works would support tourism-related economic growth by attracting domestic tourists to Strathbogie, improve health outcomes of the community by enhancing the availability and diversity of outdoor recreation for the community, and optimise the long-term sustainability of Balmattum Hill by minimising erosion and increasing maintenance and bushfire management efforts.

Trail network quality is a key consideration of the proposal development. It has been designed in accordance with Auscycling Australian Trail building Guidelines (2019) and IMBA guidelines to ensure trails are built to meet the highest standard for sustainability, erosion control, low maintenance and rider experience. The methods and approaches include hand-built trail, elevated trail / berms, water / ephemeral gully crossings, rock armouring, and raised platforms.

Given the short delivery time span of 6-12 months, construction activities will be delivered concurrently, eliminating the need for project sequencing. Packages for tender include, trail design and construction, design, supply and installation of infrastructure including access roads and trailhead, design, supply and installation of any trail structures, signs and furniture, and the supply of miscellaneous materials, such as rock, fill material, fuel, vegetation management, revegetation planting, and tools.

Considering the relatively high levels of disadvantage experienced in Strathbogie per the SEIFA score (refer to Section 2.1.4.1) and the large proportion of people above 55-years, it is important that activities are suitable to people less mobile and with less disposable income to generate high uptake. Despite the proposal targeting MTB riders who are understood to be younger in age and have high income, it is expected that the related trail activities will become more accessible through associated ancillary works. Therefore, the proposal has capacity to help retain the working-age population by offering attractive sport and recreation opportunities locally, while encouraging older people (who disproportionately report having long-term health conditions) to participate in outdoor physical activity.

6.1.2 Performance Measures

Measures and key performance indicators show whether the benefits are delivered relative to the ‘do nothing’ case. These are summarised below to assess the impact of introducing a MTB trail network.

Table 6-1 Performance measures

Benefit category	KPI	Description
Economic	Expenditure in township	Average expenditure per person and amount this increase by when shifting purpose of trip to mountain biking (e.g. additional nights)
	Average monthly visitation	Number of new visitors to MTB in Strathbogie
Health	Participation in cycling	Number of people expected to take up mountain biking at peak
	Residents meet physical health guidelines	Average participation in mountain biking per person and how this converts to annual use
Environment	Recognition of natural habitat	Greater recognition of natural environment inspired by more time spent outdoors and



Benefit category	KPI	Description
		interpretive signage showcasing unique flora and fauna and Aboriginal cultural heritage
	Satisfaction in council decision-making	Transfer management to Council from Parks Victoria supports greater maintenance efforts. Number of volunteers expected to support weed control efforts.

6.2 Commercial and Procurement

6.2.1 Market Conditions

The specific skills and tools required for the delivery of each component of the MTB trail network are:

- Vegetation clearing
- Hand digging and raking
- Mechanical compaction
- Excavation using a cut-to-fill technique
- Tamping using a vibrating plate compactor
- Rock armouring
- Structural engineering for raised platforms
- Construction of foundations and piers.

Market conditions suggest that local contractors and labor can be effectively leveraged to support the MTB trail network project, without risk to cost, delivery, timeframe, or outcomes, for the following reasons:

- There's a presence of numerous construction companies and materials suppliers in the area, fostering a competitive environment.
- Several ongoing projects, such as street and road upgrades, walking tracks, and recreational initiatives in the jurisdiction, are nearing completion. This suggests that resources are unlikely to be constrained.
- The construction of the trail will likely require a qualified professional trail builder for design and delivery oversight. Engaging a professional trail building company for project management while utilising local labor will not only ensure project quality but also promote local skill development.

6.2.2 Output-Based Specification

This section determines the items that are required for procurement. In the context of this business case, the outputs include a variety of construction materials to deliver the trail network and supporting infrastructure (e.g., toilet blocks, seating, and signage). This will be packaged into tender documents as follows:

- **Trail design and construction activities** – includes overarching project management
- **Design, supply and installation of infrastructure** – includes access roads and trailhead
- **Design, supply and installation of any trail structures** – includes signs, or trail furniture



- **Supply of miscellaneous materials** – rock, fill material, fuel, vegetation management, revegetation planting, tools

Tender packages should preference services and materials sourced from the Strathbogie region where possible.

6.2.3 Procurement Strategy

When procuring designs, materials, and civil engineering works, there are several considerations in relation to the approach adopted. These are summarised in the section below, with reference to key assets that need to be delivered for the preferred option.

6.2.3.1 Procurement of Trail Materials

The Council will implement a rigorous procurement process for sourcing materials for the trail, adhering to its procurement policies and regulations to ensure transparency, competitiveness, and value for money. The procurement strategy will prioritise sustainability and quality, sourcing from reputable suppliers who comply with the required standards and environmental guidelines. The Council will issue RFQs for various materials, providing clear specifications and evaluation criteria. A panel, led by the Council's Project Manager (see Section 6.3), will assess the bids based on cost-effectiveness, material quality, supplier reliability, and adherence to delivery timelines.

6.2.3.2 Toilet Block Procurement

For the procurement of toilet blocks, the Council will invite tenders from experienced suppliers specialising in public amenities construction. The suppliers must demonstrate a track record of delivering durable, accessible, and low-maintenance structures. The council will evaluate the proposals based on design, cost, functionality, and compliance with health and safety standards. This may be a prefabricated double toilet block structure that is self-composting. The chosen designs will aim to balance aesthetic appeal with resilience and ease of cleaning.

6.2.3.3 Trail Head Map Procurement

For acquiring a trail head map, the Council will issue an RFQ to select a supplier who can provide a comprehensive and user-friendly map. The map should be durable, weather-resistant, and capable of showcasing the trail layout with clear markings for landmarks and amenities. The supplier must demonstrate their ability to create informative and easy-to-navigate maps that cater to users of varying needs, including those with visual impairments.

6.2.3.4 Directional Node Signage Procurement

The procurement of directional node signage will be focused on obtaining resilient and clearly visible markers to guide trail users. Suppliers will need to offer nodes that are sturdy, weather-proof, and reflective for visibility during low light conditions. The Council will evaluate options based on durability, ease of installation, and the ability to convey clear directional information.

6.2.3.5 Interpretive Signage Procurement

Interpretive signage will be procured from suppliers specialising in educational outdoor displays. These must be engaging, durable, and capable of withstanding local weather conditions. The council will assess bids on the ability to provide clear, informative content that enhances the visitor experience, with a focus on sign readability and resistance to fading and wear.

6.2.3.6 Shaded Structures Procurement

When sourcing shaded structures, the Council will look for designs that provide effective protection from the elements while complementing the natural surroundings. Suppliers must present structures that are



robust, low-maintenance, and made from environmentally friendly materials. Proposals will be judged on design quality, functionality, and cost-effectiveness, with a preference for modular designs that allow for ease of expansion or modification.

6.2.3.7 Table and Seating Procurement

For tables and seating, the Council will seek suppliers who can offer functional, comfortable, and vandal-resistant outdoor furniture. The furniture should require minimal maintenance and be made from steel and non-combustible materials where possible. The council will consider proposals that provide innovative, inclusive designs that cater to a diverse range of users, including children and those with disabilities.

6.2.3.8 Bike Repair Stations and Storage Procurement

For bike repair stations and storage, the Council will solicit bids from companies offering user-friendly, robust, and comprehensive repair facilities. Suppliers must provide stations equipped with essential tools and a stand for performing basic repairs and maintenance. The Council will evaluate the proposals based on the quality of the tools, the functionality of the station, and the potential for additional features, such as air pumps or electric charging points for e-bikes. The storage may utilise a decommissioned shipping container.

6.2.3.9 Carparking

The Council will seek suppliers for the construction of a carpark at the trail head designed to cater for 44 spaces.

In all cases, the Council will ensure a wide range of suppliers are considered, supporting fair trade practices and economic inclusivity. This approach will not only foster competitive pricing but also encourage innovation and diversity in design and functionality of the trail infrastructure.

The project extends beyond the physical infrastructure of the trail network. It also enriches the economic, health, and environmental aspects of the region; thus, the social values are an important part of the procurement strategy. It is important to prioritise suppliers and partners who share similar values on community development and environmental sustainability. This approach underscores the Council's commitment to foster not only the economic growth but also the well-being and social enrichment in the area surrounding Balmattum Reserve.

6.2.4 Risk Assessment and Management

The risk management strategy is a process for identifying adequate assessment and response to risk. Regular, active review allows for early decision making to mitigate risks. The Project Manager (PM) will be responsible for risk management and will review the effectiveness of the risk management strategy during the programme.

A live risk register will be created and record potential risks which could impact on the successful delivery of the intervention on time and on budget. The risk register will be regularly reviewed, updated, and re-issued through the agreed channels of communication. All risks will be allocated a risk owner.

Contractors and supporting consultants will be made aware of all the scheduled risks and should notify the PM as soon as possible if anything (not already identified) is likely to affect either the project cost or programme. All parties have a shared responsibility to help mitigate risks, by means of good planning, co-ordination, communication, and co-operation. When a risk is identified it will be assessed to understand and quantify the chance of the risk occurring and its potential impact on project delivery. The risk will be reviewed against its likelihood and the resultant impact.



To ensure clarity on risk status, high risks will be assigned a red status with low risks being assigned a green status. Amber status will be assigned to those risks in between. All risks will be regularly monitored and scored on their impact and probability. The revised priority of risks can then be acted on appropriately. The Council will retain risks which are not transferred or avoided, although these may have been reduced or shared with Project Leads. The Council will manage the risks which it owns, as is expected of risks managed by the Project Leads.

The below table summarises the key risk themes associated with the project and mitigation strategies.

Table 6-2: Risk and mitigation strategies

Risk	Description	Mitigation
Weather delays	Unpredictable weather conditions can impede construction progress, particularly as the construction site is outdoors and exposed to the elements.	Plan construction during favourable seasons and incorporate weather buffers into the schedule.
Planning approval	Lengthy approval processes may lead to project delays.	Develop an Approvals Register to capture approval requirements and monitor progress. Engage with regulatory bodies early, ensure compliance, and expedite approval applications.
Environmental and Aboriginal Cultural Heritage factors	Findings of the CHMP could reveal significant sites on the proposed track, requiring re-design work to be undertaken.	Initiate the processes for undergoing a CHMP early to establish clear harm minimisation strategies.
Supply chain disruptions	Delays or shortages in materials can affect construction progress.	Diversify suppliers, maintain a buffer stock, and have alternative sourcing plans.
Labour shortages	Skilled labour shortages can lead to delays and increased labour costs.	Invest in workforce training programs, collaborate with local labour markets, and plan for potential workforce fluctuations.
Design changes	Modifications to project designs can disrupt construction plans and increase costs.	Ensure thorough design reviews, communicate changes effectively, and anticipate potential design adjustments.
Community opposition	Local opposition among trail users may occur in response to the closure of existing trails during the construction period which can hinder project progress.	Engage with the community early, address concerns transparently, and incorporate community feedback into project planning
Payment disputes	Disagreements or conflicts over the payment terms, amounts, or methods for the project can arise from delayed or withheld payments, disputed invoices, change orders or claims. Payment disputes can affect the cash flow and profitability of the project, as well as the trust and relationship among the project stakeholders.	Establish and follow clear and fair payment terms and conditions, issuing and verifying accurate and timely invoices, resolving and documenting any payment issues promptly, and securing and enforcing the payment rights and remedies
Health and safety hazards	Harm or injury to the workers, the public, or the environment during the project can result from physical, chemical or ergonomic factors, such as falls, electrocutions, fires,	Health and safety management systems should be used, such as identifying and assessing the hazards, implementing and enforcing the preventive and protective measures, providing and maintaining



Risk	Description	Mitigation
	explosions, noise, dust, heat, stress, or fatigue.	the personal protective equipment, training and educating the workers, and reporting and investigating the incidents.
Lack of suitable resources to deliver the project	Subcontractor fails to perform its contractual obligations, such as delivering the work on time, on budget, and to the required quality standards, shortening the economic life of the asset	Contractors can use prequalification, monitoring, and bonding methods, as well as subcontractor default insurance.
Documentation errors	Errors and omissions in contract documents, such as drawings, specifications, and design coordination, can lead to increased capital costs and schedule delays.	Contractors can use quality assurance and control processes, as well as clear and consistent contract language and dispute resolution mechanisms.
Ongoing management and maintenance requirements	Regular maintenance, involving weed control is required to prevent the trail becoming overgrown and difficult to navigate, loss of biodiversity, and bushfires.	A 'Trail Stewardship' should be formed where a not-for-profit organisation is established to provide direction and ongoing maintenance of the trail network. This will be conducted in conjunction with Council oversight via a MOU. Funding for this work could come from income generated by events, business partnerships / sponsorship, and ongoing financial sponsorship from council.

6.2.5 Funding Sources

In order for many of these projects to eventuate, the Project Delivery Committee will work with local stakeholders, the Victorian Government, and the Federal Government to leverage additional revenue from external funding opportunities wherever possible. The development of strategic partnerships with other organisations should also be encouraged in order to best utilise limited funds and resources to achieve desired outcomes. The 2015-18 Tracks and Trails Strategy identifies the role of government grant funding in supporting the Capital Works Program for Strathbogrie and states that the Council will target major Capital Works Projects to seek government funding to reduce Councils cost and seek grant funding opportunities wherever possible.²⁸

As a small council with limited resources there is a heavy reliance on external funding for economic development projects such as infrastructure and social housing. Whilst almost any project that Strathbogrie may undertake could be considered as "Economic Development" Strathbogrie's limited resources mean there is a need to prioritise those projects that are achievable within the time parameters set in the strategy and recognise that many laudable projects need to be considered as "aspirational" as implementation is either beyond Council resources or outside of Council control, i.e. reliant on the work of

²⁸ Tracks and Trails Strategy 2015-2018, Strathbogrie of Strathbogrie. Available at: [Strathbogrie Tracks and Trails Strategy 2015 Final.pdf](#)



private industry or other levels of government for which Council can advocate but cannot deliver the project.²⁹

6.2.5.1 Funding Plan

Funds will be released per project stage via the following milestones:

- Design Approval (40% of agreed funds will be released)
- Agreement to proceed to construction (40% of agreed funds will be released)
- Upon Project Completion, Audit & Documentation approval (Final 20% of agreed funds will be released)

6.3 Management

6.3.1 Governance and Project Management Strategy

6.3.1.1 Project Delivery Committee

Effective project planning and delivery governance will be essential for securing funding for the project and to successfully deliver the scope of work. It is recommended that a Project Delivery Committee is established. Members of this committee will include representatives from the Council, Parks Victoria, project sponsor, external contractors, and EMBC who will be responsible for finalising planning activities, securing funding and managing the delivery of the project.

The governance structure for the project is outlined in the figure below (note that only primary roles are shown – the project will however have e.g., administrative support, sub-contractors etc). A multidisciplinary team and flat organisational structure will ensure that the project benefits from a broad range of perspectives and expertise and decision-making is agile and streamlined.

²⁹ Economic Development Strategy and Action Plan 2023-2027. Available at: [SSC_EconomicDevelopmentStrategyActionPlan-2023-27.pdf \(strathbogie.vic.gov.au\)](https://www.strathbogie.vic.gov.au/SSC_EconomicDevelopmentStrategyActionPlan-2023-27.pdf)



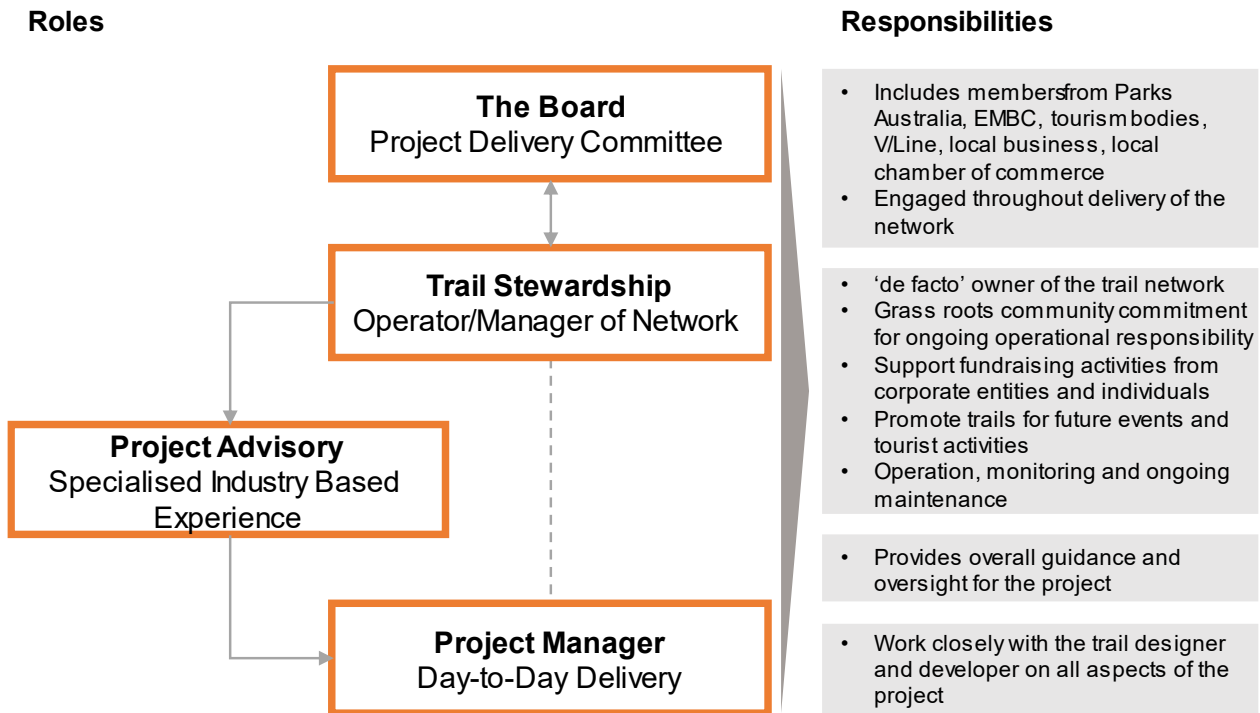


Figure 6-1: Project Governance Structure

The PM holds a central role within this framework, bearing overall responsibility for managing the project's delivery. This includes adherence to the Council's strategic objectives, financial management, stakeholder engagement, risk management, and ensuring that project outputs are delivered to the highest standards of quality and compliance with relevant legislation and guidelines. In addition, it is assumed that any public sector funding partners and Parks Victoria will form part of a project stakeholder group to ensure that the project is delivered in line with their expectations. This is on the basis that Council become land manager of the Balmattum Hill Reserve through an MOU or lease agreement.

6.3.1.2 Construction Management

Once the physical development begins, ongoing monitoring and quality control checks will be conducted to ensure that the constructed intersection intervention adheres to the plan. This involves testing and verification to confirm that the solution aligns with the specified requirements and is ready to be opened to the local community and visitors.

The acceptance criteria will be defined in the initial Product Execution Plan (PEP). This is a single document that identifies responsibilities and co-ordinates various actions and procedures from other documents and/or data. The PEP will be prepared and regularly updated by the PM, which will provide clear understanding of responsibilities falling to them, consultants, and contractors. It will also set out clear lines of communication.

The PM will have overall responsibility for ensuring that the procedures established in this business case and the PEP will be fully implemented. They will also assume responsibility for updating of the PEP as and when required to accommodate items such as the Environmental Management Plan, Risk Assessments, and any sub-contractor's safety procedures.

The PM will ensure that any sub-contractors are given sufficient information to enable them to properly plan and implement their works with due regard to the safety of their employees and other who may be affected by their actions.



6.3.1.3 Ongoing Operational Management

The operation and management of the Balmattum Reserve MTB trail network will be an ongoing undertaking. This will require the formation of a 'Trail Stewardship' where a self-sustaining, not-for-profit organisation is established to provide direction and ongoing maintenance. This will be made up of community members, volunteers, and trail users in partnership with public, private, and traditional landowners. Revenue can be generated through sponsorship and partnerships with local and other business, events, as well as support from the Council should fund this work.

There are various instances of 'trail stewardships' taking place. For example, in Jindabyne, trail crews meet up on a volunteer basis monthly to brush cut, dig, build berms, create water run-off, create trails and general tidying. This is done in exchange for refreshments donated by sponsor-partners.³⁰

6.3.2 Stakeholder Engagement and Communications Plan

6.3.2.1 Monitoring Plan

Continuous monitoring and evaluation of the project against its defined benefits is required to ensure that the anticipated benefits of the project are fully realised and sustained over time. A high-level approach to monitoring the benefits of the project is set out as follows:

Table 6-3 Monitoring and evaluation framework

BENEFITS REALISATION PLAN	The Council will develop a benefits realisation plan that outlines the methods for measuring each benefit, responsible parties, measurement frequency, and target outcomes.
MONITORING SCHEDULE	The Council Implement a regular monitoring schedule that aligns with key project milestones to assess ongoing performance (both in terms of construction of the trail and its ongoing use).
EVALUATION TECHNIQUE	The Council will use a combination of quantitative and qualitative evaluation techniques to assess benefit realisation. Quantitative methods are likely to include surveys, usage statistics, and an economic impact analyses in years 2-3 to understand the impact the trail has had on the local economy. Qualitative feedback may be gathered from community forums, stakeholder interviews, and social media engagement.
REPORTING	The Council will regularly report on the construction performance against the expected outcomes. Benefits of the project will then, at least in the early years of operation, be presented to Council, and stakeholders as necessary.
ADDRESSING VARIANCE	In the case of deviation from expected outcomes, particularly in terms of constructing the intervention, a process will be implemented for understanding the causes and taking corrective actions. This may involve revisiting certain aspects of the project (from a construction perspective) or enhancing promotional and engagement activities (from an operational perspective).

The PM will be tasked with the overarching responsibility for the benefits realisation process, ensuring it remains in lockstep with the project's objectives and the council's wider strategic goals.

To guarantee impartiality and depth in the assessment, external evaluators may be engaged, particularly for the purpose of conducting the post-completion evaluation. The Project Delivery Committee will

³⁰ [Jindabyne Trail Stewardship](#)



leverage monitoring tools such as counters to facilitate precise monitoring and analysis of benefit-related data. This approach will be subject to ongoing reviews, allowing for the integration of new insights and adaptations of strategies to maintain the efficacy and relevance of the benefits realisation process over the life span of the MTB trail network.

6.3.2.2 Communication Plan

The Council will provide regular updates to key stakeholders at each delivery milestone through the mechanisms described below.

Table 6-4 Communications plan

ON-SITE SIGNAGE	The Council will install physical signage at the existing trailhead of Balmattum Hill to inform people about the proposed works.
COUNCIL WEBSITE	The Council will keep a Frequently Asked Questions (FAQ) page and release regular newsletters.
MARKET STALL	The Council will set up a market stall for hard-to-reach residents to inform of upcoming works.
ONLINE SURVEY	The Council will distribute surveys at key project milestones to gauge community feedback. This will offer the opportunity to have a one-on-one follow up session.

6.4 Delivery

6.4.1 Change Management

6.4.1.1 Approach to issue management

In the event of any issues on this project, the issues will be documented in the Issue Log. Alike the approach to risk management, the approach to issues is consultative and in the first instance will be reviewed at team meetings. The Issue Log will be used as an input into the monthly project status reporting for further discussion with the PM and Sponsor.

6.4.1.2 Approach to change management

An effective change management process is in place to address changes to the project’s baseline scope, schedule or budget throughout the project’s lifecycle. All changes to requirements will be meticulously evaluated, documented through completion of a Project Change Request Form, and approved by the PM. This will ensure that the project remains aligned with its original objectives and meets the highest standard of quality and functionality while adapting to changing circumstances.

6.4.2 Timelines and milestones

While this project will require further planning, assessment, and land access approvals to be ‘shovel-ready’, it has the potential to be fully constructed within the next two years (2024-2026) if suitable funding can be sourced. The table below provides an indicative staged process aligned to this anticipated timeline:

Table 6-5: Key Project Milestones

Milestone	Timing
Submit business case for funding	Jun/Jul 2024



Milestone	Timing
Establish Project Delivery Committee	Jun/Jul 2024
Undertake Cultural Heritage Management Plan	ASAP* 2024 *depending on availability of funding
Arborist assessment	Jul/Aug* 2024 *depending on availability of funding
Environmental Approvals	Aug* 2024 *depending on availability of funding
Confirm requirements and locations of trail head signage / other infrastructure changes	TBC – pending CHMP
Develop Master Plan documents and maps	TBC – pending CHMP
Develop MOU and tender documents	TBC – pending CHMP
Commence trail delivery	TBC – pending CHMP

A master programme will be maintained by the PM and updated monthly to illustrate actual progress against planned progress.

In their submission(s), contractors will be expected to provide an itemised contract programme, showing dependencies and critical path and a risk register, all of which will be kept live and reported upon during the construction phase. The internal project plan should be updated to reflect this at the appropriate point and the critical path kept under continuous review.

6.4.3 Readiness and next steps

The key steps to transition the proposal into procurement stage include:

- Establishing a Project Delivery Committee to manage the tasks required to deliver the project
- Finalising cultural assessments, including a CHMP, as required
- Confirming requirements and locations for trail head signage and other infrastructure changes
- Developing Master Planning documentation and maps
- Refining project estimates and identify and secure funding to deliver the project
- Developing MOU and tender documentation to support the project strategy.

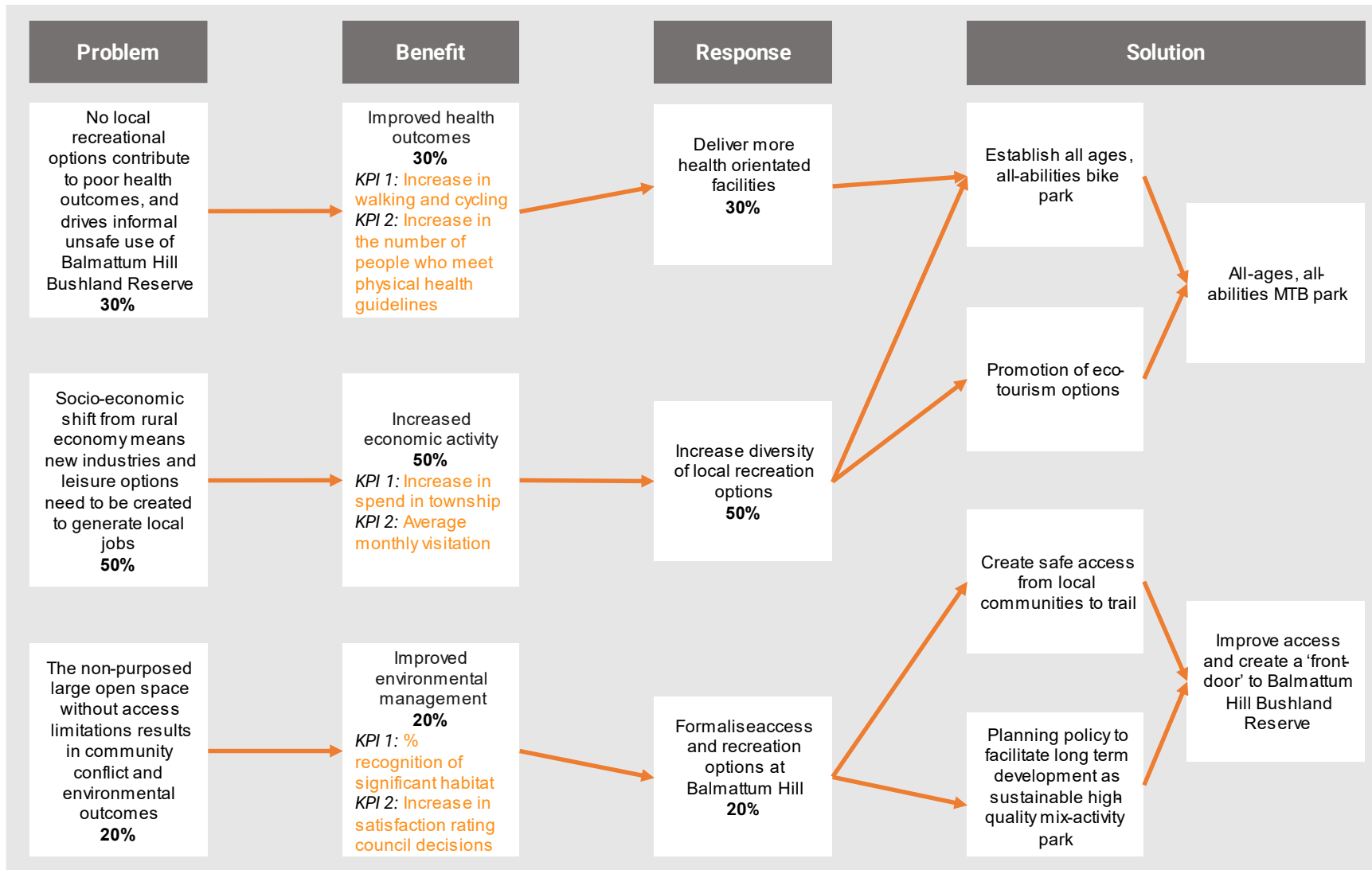




Appendices



Appendix A: Investment Logic Mapping Outputs





Appendix B: Trail Design Final Report



Appendix C: Taungurung Land and Waters Council Heritage Advice



Appendix D: RedGum Desktop Due Diligence Assessment



Appendix E: Ecology and Environmental Detailed Assessment



Appendix F: Bushfire Management Feasibility Report



Appendix G: Bushfire Management Statement



Appendix H: Stakeholder Engagement Summary Report



Appendix I: Feature and Level Survey



Appendix J: Car Park Design



Appendix K: Civil Review



Appendix L: Probable Costings for Proposal



Appendix M: Probably Costings for Trails



Appendix N: Geotechnical Investigations



Stantec Country

Level 22, 570 Bourke Street
MELBOURNE VICTORIA 3000

T: +61 8554 7000

Communities are fundamental. Whether around the corner or across the globe, they provide a foundation, a sense of place and of belonging. That's why at Stantec, we always design with community in mind.

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