

15 March 2024

# Orange Region Food and Wine Trail Business Case



**Orange Bicycle  
User Group**

Proudly funded by



This Feasibility Study and Business Case report was prepared by TRC Tourism as business case and assessment of the viability of the development of the Orange Region Food and Wine Trail.

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**ACKNOWLEDGEMENT**

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**VERSION CONTROL**

Report name	Version	Date submitted	Author(s) / Editor(s)
DRAFT 1 – Feasibility and Business Case for the Orange Region Food and Wine Trail	1.0	19 December 2023	C.R., G.G., M.C., L.B., I.P.
FINAL DRAFT – Feasibility and Business Case for the Orange Region Food and Wine Trail	2.0	29 January 2024	C.R., G.G., M.C., L.B., I.P.
FINAL – Feasibility and Business Case for the Orange Region Food and Wine Trail	3.0	15 March 2024	C.R., G.G., M.C., L.B., I.P.

# Contents

<b>Key Proposal Details</b>	<b>4</b>	<b>Appendix A –Visitor Number Modelling Assumptions</b>	<b>93</b>
<b>Executive Summary</b>	<b>6</b>	<b>Appendix B –Economic Benefits</b>	<b>94</b>
The Project	6		
<b>1 Case for Change</b>	<b>12</b>		
1.1 The project	13		
1.2 Orange BUG	13		
1.3 The Region	14		
1.4 The Objectives of the Proposal	14		
1.5 The Proposal – Route and Hubs	14		
1.6 Rationale for Investment	23		
1.7 Expected Outcomes	34		
1.8 Stakeholder & Community Support	41		
<b>2 Analysis of the Proposal</b>	<b>44</b>		
2.1 Objectives & Indicators	45		
2.2 The Base Case	47		
2.3 Other Options Considered	48		
2.4 The Information About the Proposal	48		
2.5 Projected Costs	60		
2.6 Projected Ongoing Costs	63		
<b>3 Economic Analysis</b>	<b>64</b>		
3.1 Economic Impacts - Construction	65		
3.2 Trail Operations – Economic Impacts	68		
3.3 Cost Benefit Analysis	70		
3.4 Financial Appraisal	72		
3.5 Proposed Funding Arrangements	73		
3.6 Financial Health & Support	74		
<b>4 Implementation Case</b>	<b>75</b>		
4.1 Program Milestones	76		
4.2 Governance	76		
4.3 Key Risks	78		
4.4 Legislative and Planning Pathways	80		
4.5 Statutory Planning Framework	82		
4.6 Proposed Management Activities	90		

# Key Proposal Details

This section is taken directly from the NSW Business Case and Strategy Development Fund Business Case Template.

PROPOSAL INFORMATION	
Proposal name	Orange Region Food and Wine Trail
Lead organisation	Orange Bicycle User Group
Lead organisation ABN	40986094405
Proposal partners	<p><i>This business case is led by the Orange Bicycle User Group (BUG) and has been supported or involved a range of partners/peak bodies including:</i></p> <ul style="list-style-type: none"> <li>• <i>Orange City Council</i></li> <li>• <i>Cabonne Council</i></li> <li>• <i>Orange 360</i></li> <li>• <i>Orange Regional Vignerons Association</i></li> <li>• <i>Orange cycling clubs, and</i></li> <li>• <i>Individual businesses along the proposed route(s).</i></li> </ul>
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PROPOSAL SCOPE	
<p>Proposal summary for publication</p> <p><i>Please provide 150 words or less</i></p>	<p>Orange is a fast growing and well recognised food and wine tourism destination in the Central West of NSW. It contains more than 60 wineries producing some world class cool climate wines as well as containing significant produce of provenance including cherries and fruit.</p> <p>This feasibility and business case aims to develop the concept for, and test the feasibility of, a Food and Wine Trail linking Orange and as many food and wine businesses as possible in the Orange Region.</p> <p>Market driven, the demand for this type of community and visitor economy asset has been proven throughout Australia's and the world's great wine regions.</p> <p>The concept for three separate but linked and 'hubs' will allow more than 45,000 visitors in year 10 to enjoy slow tourism in a safe and low carbon way on bicycles or walking, and will provide for close to 45,000 local and regional community members to use and enjoy the asset and health benefits that derive from outdoor activity.</p>

PROPOSAL LOCATION	
Proposal address	<i>Orange Region (see maps within the report).</i>
Local government area	<i>Orange City Council and Cabonne Shire Council.</i>
NSW electorate	<i>Orange</i>
Federal electorate	<i>Calare</i>
SUPPORTING INFORMATION	
Attachments <i>Please list out all supporting information provided</i>	Letters of Support (Orange BUG to provide)



# Executive Summary

## The Project

The Orange Region Food and Wine Trail (ORFWT) is a proposed trail that will add 39 kilometres of either off-road or cyclist/walker friendly trails that achieve multiple benefits for the region and community.

The ORFWT name is a working title for the trail as a concept. Final naming of the trail will be subject to a marketing and branding investigation.

The trail is in the naturally stunning Orange Region in Central Western NSW. The mature wine and food destination lacks a series of connecting trails that provide a connection between the City of Orange, the Orange and Cabonne Region wineries, and the region's world class food production through cellar door and providores.

The proposal has been developed by the community through the Orange Bicycle User Group (Orange BUG) and through this Business Case, presented to the City of Orange and the Shire of Cabonne for further development and seeking of grants to progress the concept design to detailed planning and permitting – i.e., getting it shovel ready.

Premium cycling markets have grown enormously the world over and the markets and experiences have been proven for other similar products that have been developed elsewhere in Australia and New Zealand, and further afield.

This cycle trail to be developed in three hubs linked by a 21 km spine trail showcases the best of Orange Region. Each hub can be experienced separately, with each being a day's activity, or they can be joined together for the more adventurous and curious, into a multi-day experience.

The proposal has multiple objectives: increasing yield and the visitor economy benefits, providing cycling and walking infrastructure for residents and the community, and increasing the access to the world class food and wine of the region.

The project aligns very strongly to the suite of state and regional plans and strategies including the State Government's NSW Visitor Economy Strategy 2030, The Central West Destination Management Plan, and a suite of Economic Development Plans as well as the Central West Cycle Tourism Strategy.

Consultation with a wide range of stakeholders found strong support for the concept, noting that discussion with individual land holders must occur in the next phase of this trail planning.

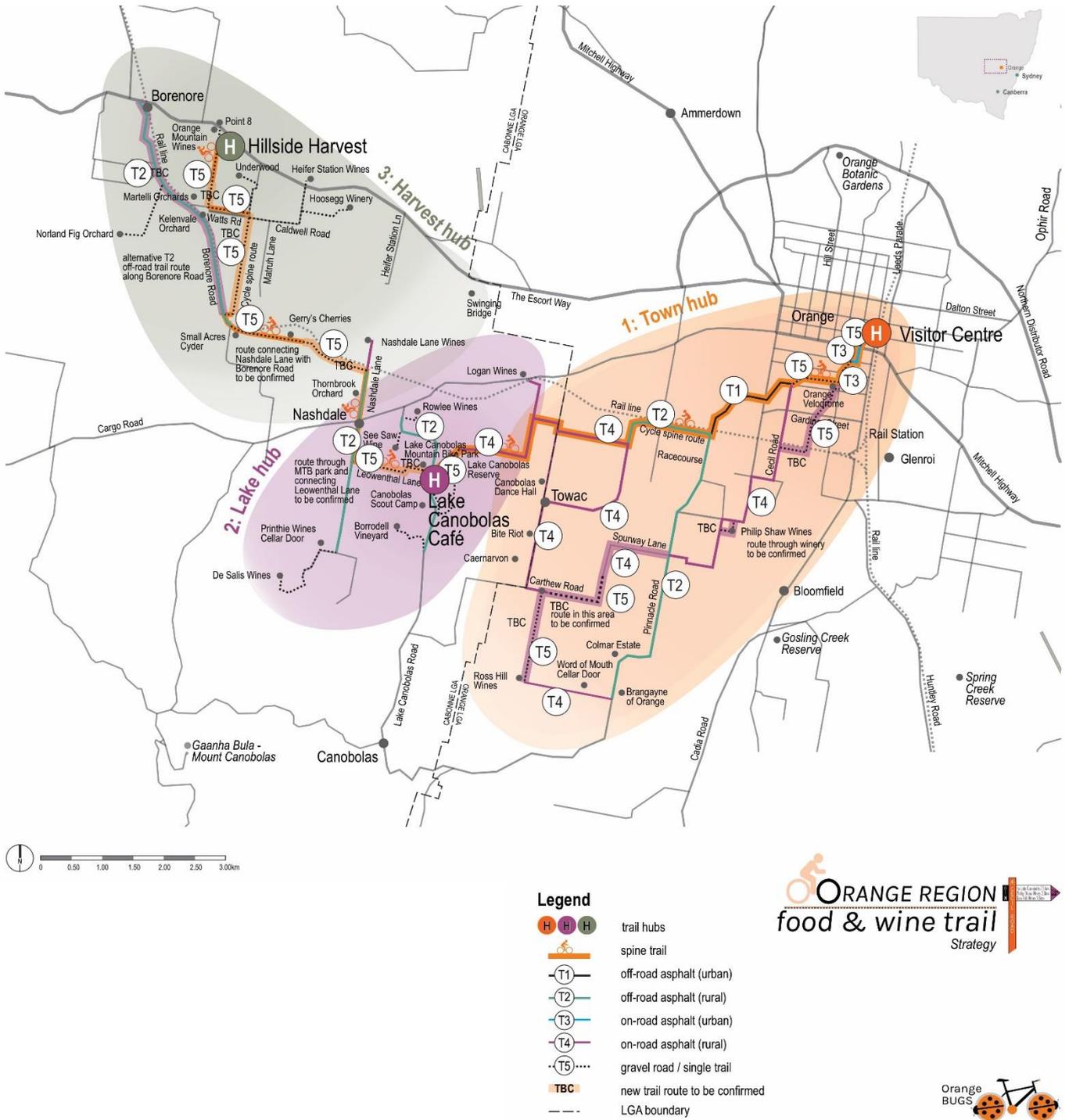
Due to existing land tenures that may preclude some types of trail formation, there are five types of trail treatment proposed. Each of these is costed and proposed depending on the land tenure, space and terrain.

The first order priority is to get cyclists and walkers off the road pavement and onto a separate path. This can be a clearly defined path on the road reserve or in a separate piece of land where there are currently no roads. This has not been achievable for the entire length of the proposed trail with some sections planned to be on quiet roads or gravel tracks, and some on road shoulders that are proposed to be widened.

The trail is designed to complement, connect and improve activation of the existing suite of cycling opportunities in the region. It will be a 'hero' attraction that draws in visitors, reveals the diversity of cycling options and illuminates other tourism experiences offered in the Central West region.

The following figure provides the overall strategy for the trail.

**Figure 1. Orange Region Food & Wine Trail Masterplan**



The costs of the project are summarised in the following table.

**Table 1. Proposed Project Costs**

HUB AND TRAIL TYPE	LENGTH (M)	TRAIL COST	WAYFINDING	ART AND INCIDENTALS	TRAILHEADS	FENCING	TOTAL COST (\$)
Town Hub Spine Trail	7,120m	\$2,434,750	\$30,000	\$250,000	\$75,000		\$2,789,750
Town Hub Connecting Trails	15,500m	\$6,090,000	\$37,500			\$260,000	\$6,387,500
<b>Sub Total Town Hub</b>	<b>22,620m</b>	<b>\$8,524,750</b>	<b>\$67,500</b>	<b>\$250,000</b>	<b>\$75,000</b>	<b>\$260,000</b>	<b>\$9,177,250</b>
Lake Hub Spine Trail	5,500m	\$2,420,000	\$25,000	\$150,000	\$75,000	\$18,000	\$2,688,000
Lake Hub Connecting Trails	2,500m	\$1,500,000	\$10,000				\$1,510,000
<b>Sub Total Lake Hub</b>	<b>8,000m</b>	<b>\$3,920,000</b>	<b>\$35,000</b>	<b>\$150,000</b>	<b>\$75,000</b>	<b>\$18,000</b>	<b>\$4,198,000</b>
Harvest Hub Spine Trail	8,050m	\$2,950,000	\$10,000	\$25,000	\$75,000	\$202,000	\$3,262,000
Harvest Hub Connecting Trails	400m	\$500,000	\$15,000	\$150,000			\$665,000
<b>Sub Total Harvest Hub</b>	<b>8,450m</b>	<b>\$3,450,000</b>	<b>\$25,000</b>	<b>\$175,000</b>	<b>\$75,000</b>	<b>\$202,000</b>	<b>\$3,927,000</b>
<b>TOTAL</b>	<b>39,070m</b>	<b>\$15,894,750</b>	<b>\$127,500</b>	<b>\$575,000</b>	<b>\$225,000</b>	<b>\$480,000</b>	<b>\$17,302,250</b>

Source TRC and Brave and Curious December 2023

## The Costs and Benefits

The Orange Region Food and Wine Cycle Trail (ORFWT) is designed to provide an overall Orange Region providore (foraging) experience that reflects the relaxed rural setting. The ORFWT trail is connected through 3 easy to access central hubs linked by a 20.67 km cycle (and walking) route spine. The total trail length is 39 km.

The economic assessment covers the construction phase and the operations phase when each trail section is open and operating. The operation of the trail is modelled with 10 year estimates developed for trail users (local & regional residents and tourist visitors to the region).

### Trail Users & Spending

Trail users comprise locals in Orange and Cabonne LGAs, residents in adjacent LGAs, and tourist visitors (day and overnight).

- Local and regional trail users across the network increase from 37,055 in year 1 to 40,020 in year 10 (growth driven by population increase)
- Tourists (day and overnight) using the trails increase from around 26,800 in year 1 to around 45,300 in year 10.
- Total trail users increase from 63,860 in year 1 to around 85,325 in year 10
- Total spending by locals & tourists increases from \$7.815 million in year 1 to \$12.489 million in year 10. This increase in spending in the region drives an increase in jobs and in the region.

### Construction Phase

Overall, for the total trail, 52.8 FTE jobs would be generated (44.2 FTE direct jobs and 8.6 FTE indirect/induced jobs). Of the 44.2 direct jobs, 30.0 are in onsite construction and 8.6 are in equipment and materials supplies and 5.3 are professional services (design, project management) jobs.

During the construction period a total of \$9.595 million in regional income would be generated (\$7.996 million direct income and \$1.599 million indirect/induced).

### Operations - Trails Network

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

- Total jobs grow from 34.7 FTE in year 1 (2026) to 54.6 FTE jobs in year 10. The jobs are generated by the spending of trail users while they are in Orange and areas adjacent to the trail sections. Tourists because of their much higher levels of spending, are the main generator of jobs.
- The jobs are mainly in sectors servicing visitors - accommodation, food & beverage, retail (including wineries) and recreation services (including bike hire, shuttles, guides).
- Regional income increases by \$2.645 million in year 1 to an increase of \$4.191 million in year 10. Total income over the 10 year period is \$36.132 million.<sup>1</sup>

<sup>1</sup> Regional income is the total net income generated from the activity and covers wages and salaries of employees and profits of businesses within the region. It includes income generated directly within the business and indirect income, which is generated in other regional businesses (wages and profits) from the multiplier impacts of employee spending on the region. In the modelling of income

generated, income tax and GST on spending, are both treated as leakages from the region which is generated in other regional businesses (wages and profits) from the multiplier impacts of employee spending on the region. In the modelling of income generated, income tax and GST on spending, are both treated as leakages from the region.

## Benefit Cost Analysis

The benefits of the trail comprise:

- the increase in regional income
- health benefits – the reduction in health costs associated with exercise (trail rides)
- the valuation of the trail experiences, based on a shadow price (per trail user) as there are no user charges for the trail and
- the improvement in productivity (for persons in employment) associated with exercise on the trails. These benefits total \$56.742 million.

Costs comprise project costs and asset maintenance costs over a 10-year period. The construction costs total \$19.532 million. Trail maintenance and some operating funding is assumed to be 1.5% of capital cost per year (\$2.595 million over 10 years), for a total 10-year cost of \$22.128 million.

- For the combination of the 3 trail sections, the project yields a benefit cost ratio (BCR) of 2.2 for a 3% discount rate, a BCR of 1.8 for a 7% discount rate and 1.5 for a 10% discount rate.
- Trails are a long life asset and if these trails were analysed over a 20-year period, the BCRs would be considerably higher.

## Planning Approach – A Summary of the Way Forward

Should the project proceed to a Master Plan with detailed analysis of routes and risks, the following summary is provided as an overview:

- The NSW Planning system provides a more straightforward pathway if the proponent is a public authority (i.e. Council) and where the Part 5 (Division 5.1) of the EP&A Act, 1979 is available, avoiding the need for development consent and a DA under Part 4 of the EP&A Act, 1979 when associated with a walking/cycle path located within a public road reserve (including Crown roads) or a public reserve.
- A project assessed under Part 5 (Division 5.1) of the EP&A Act, 1979 also allows for the proponent (i.e. Council) to opt out of the Biodiversity Offset System and avoid the need for a BDAR if the development and payment

of biodiversity offsets, which is a market-based system where prices fluctuate (tending to increase significantly). These offsets costs can pose as a project risk.

- Where a route is located within private land, alternate routes should be explored, as this poses a risk for acquisition or obtaining an easement from a land ownership perspective. Furthermore, this section of the route is likely to require development consent and a DA, even if the proponent is a public authority (i.e. Council) unless it can be established the ORFWT is associated with ‘road related areas’ under the Roads Act 1993 and meet the provisions for development without consent under Section 2.109 of the SEPP (Transport and Infrastructure) 2021.
- As for a section of the route being located within Council owned land that is not a public reserve, this is likely to require development consent and a DA, unless it can be established the OFW trail is associated with ‘road related areas’ under the Roads Act 1993 and meet the provisions for development without consent under Section 2.109 of the SEPP (Transport and Infrastructure) 2021.
- In these scenarios it would therefore be logical to split the project into separate components that falls within Part 5 (Division 5.1) of the EP&A Act, 1979, being development without consent (i.e., no DA but an REF or EIS) and a Part 4 (Division 4.1) of the EP&A Act, 1979, being development with consent (i.e. a DA).
- Alternatively, having the entire route wholly within a public road reserve (including Crown roads) and/or within a public reserve would present a much more straightforward planning pathway for the project.
- Before proceeding with a Master Plan and detailed design for the route, NSW Crown Lands should be consulted to determine if any Crown Road reserve sections of the proposed route are subject to an application for closure. This could pose a potential risk for the project

NOTE - (Privacy and confidentiality have limited the Orange BUG and project consultants (TRC) in obtaining full information on the intentions of Crown land and private landowners in this stage of the assessment).

## Summary

This business case supports the advancement of the Concept design to the next phase of development – Master Planning and detailed assessment preconstruction.

The concept will add significant social and economic value to the region.

There are risks at this concept design phase of a large capital program, but these are manageable, and alternatives exist where land ownership may present issues.

A BCR (Benefit Cost Ratio) of 1.8 at a 7% discount rate provides for very strong returns to the region over a 10-year period.



# 1

## Case for Change

Cycle and walking tourism is a growing part of the visitor experience in the Orange Region. These markets present a major opportunity to leverage higher visitor expenditure yield for communities and could support a diverse range of businesses in the visitor economy.

Cycle and walking is also good for communities as it provides mental and physical health benefits.



## 1.1 The project

The Orange Region Food and Wine Trail is proposed as a 39km walking and cycling trail linking Orange regional wineries, specialist food producers and points of interest including historic sites, cafés, orchards, and natural features. The trail will be integrated with the existing tourism location of Lake Canobolas and Canobolas Mountain Bike Park.

The unique feature of this proposed trail is the connection between cellar doors on safe ‘off-road’ trails. This will maximise the accessibility of the trail to all levels of fitness, experience, physical abilities and ages – for both visitors and local communities all year round, creating an exceptional experience.

## 1.2 Orange BUG

The Orange Bicycle Users Group (BUG) is a social and recreational cycling group. It is part of Bicycle NSW, an affiliated state network of cycling groups, which has 50,000 members. Orange BUG runs free social bike rides. Their rides are led by voluntary ride leaders who are comprehensively trained and approved by Bicycle NSW. They have public liability coverage for all rides.

Running for over twenty years, the Orange BUG has championed regional tourism and featured rides supporting local businesses and themed to highlight history, the environment and local attractions.

In 2019 the Orange BUG became an incorporated association and in 2021 commenced lobbying for the development of the Orange Regional Wine Trails.



### 1.3 The Region

Orange and surrounds are situated within the lands of the Wiradjuri nation. The proposed trail passes through both the City of Orange and Cabonne Shire Local Government Areas (LGAs). The Orange LGA is located three and a half hours from Sydney in Central NSW. Cabonne LGA neighbours Orange and is both north and west of Orange. The region is home to more than 55,000 residents (this is expected to grow to almost 60,000 by 2036<sup>2</sup>) and includes the regional city of Orange and the small villages Lucknow to the east and Spring Hill to the south.<sup>3</sup>

The spectacular natural environment and highly productive agricultural land contribute to a thriving tourism sector. There are more than 60 wineries and cellar doors that regularly open in the region showcasing the area's award winning wines. Festivals and events showcase the quality regional produce with Food of Orange District (F.O.O.D) Week festivities, Wine Festival and the Orange Regional Farmers Markets celebrating this sector locally and attracting visitors to the region.

The Orange wine region is one of Australia's highest cool-climate wine regions producing diverse styles from its elevated sites. The region is renowned for both its vibrant and elegant wines but also for the quality food and dining options that are part of the package.<sup>4</sup>

### 1.4 The Objectives of the Proposal

This proposal aims to help Orange Region become a place of choice for cycle tourism in wine regions around Australia and New Zealand. With the proximity to large target markets in Canberra and Sydney, and regular passenger service flights and trains connecting those markets, Orange is well placed to capitalise on the growing cycling markets and food and beverage provenance.

A strength of the Orange visitor economy is the food and wine based tourism. Orange region currently has over 60 cellar doors that sell premium cool climate wines and a number of outstanding food producers producing high quality produce

<sup>2</sup> <https://thinkorangeregion.com.au/think-orange-region/think-orange/>

including stone fruits, beef and lamb, and other vegetables.

The rich volcanic soils, moderate high altitude climate and the availability of water provide Orange Region with the necessary ingredients to be a high value agricultural production region. This proposal seeks to add value to the products by increasing the agritourism opportunities and linking known markets to the region and its potential cycle trail.

### 1.5 The Proposal – Route and Hubs

The Orange Region Food and Wine Cycle Trail (ORFWT) design intent is to provide an overall Orange and region providore experience that reflects the beautiful relaxed rural setting.

The proposed trails link points of interest and businesses including historic sites, cafés, wineries, orchards, and natural features.

The trails offer:

- Regional economic boost for participating and associated businesses
- Safe off-road routes which can take inexperienced cyclists and walkers and not impact on traffic and doubles the utility of the asset
- Conversion of peak wine, food and cycling events into increased visitation in the region, spread throughout the year
- Sustainable regional tourism that targets global growth in activity based tourism
- A local community facility for enhanced community activity, supporting family and inclusive participation and enabling physical, sporting, wellbeing, cultural, environmental and educational opportunities.

The ORFWT is connected through 3 easy to access central hubs linked by a 21 km cycle (and walking) route spine.

<sup>3</sup> <https://thinkorangeregion.com.au/think-orange-region/think-orange/>

<sup>4</sup> <https://www.winetourism.com/wine-appellation/orange/>

The hubs are:

### **HUB 1: THE TOWN (ORANGE)**

### **HUB 2: THE LAKE (PURPLE)**

### **HUB 3: THE HARVEST (GREEN).**

Each hub contains a logical node, trailhead or point at which trail users can park, refresh, hire a bike or even grab a coffee.

They are:

#### **HUB 1 – TOWN HUB – THE ORANGE VISITOR CENTRE**

#### **HUB 2 – LAKE HUB – LAKE CANOBOLAS**

#### **HUB 3 – HARVEST HUB – HILLSIDE HARVEST.**

The hub trailheads provide the leisure cyclist with potential bike hire and convenience from which to ride from or to, and then connect to local food and wine providore experiences in each immediate area.

The trail is specifically designed for leisure cyclists and food and wine enthusiasts. It is also very suitable for family part and full day trip outings as it passes through lush, picturesque fruit orchards, vineyards and bushland as well as a high altitude and nutrient rich volcanic landscape.

The trail would provide for a network of new and existing on and off-road routes including easy gravel trails that directly connect quiet traffic-calmed roads to producers and points of interest.

Fun and simple trail head information signage and wayfinding is to include a rural palate using painted timber or mild steel and blade signage with 3 colours to represent each hub area. The signage posts are brightly coloured, individually for each of the 3 hubs, with the arrow indicating the hub the trail heads towards.

Suggested providores and distances are provided on the spine of the blade(s) and located on appropriate trail intersections. The trail is located alongside existing infrastructure within road reserves including the widening of asphalt shoulders for dedicated cycleways, established cycle trails or along quiet traffic calmed roads. The trail is to make

the most of roadside interpretation points to promote numerous stopovers, associated accommodation, and food and drink attractions.

Bike repair and charging stations are to be located at each hub's central point (or main trailhead – trailhead infrastructure has been allowed for in the costings in each of the three hubs).

The exact treatments along the trail are to be developed through a design development and detailed design process including ongoing consultation with Councils (Orange City and Cabonne), the Orange BUG cycle group, community, business and associated Stakeholders and Landholders.

Rural 'land art' opportunities already exist along the proposed route however can be strongly encouraged/commissioned within road reserves and private property areas to enhance the fun cycle experience.

The Master Plan (see Figure 2) provides for the spine trail and three hubs, and the connecting trails taking people to the experiences and providers.

This concept presents opportunities commercially along the spine, side trails and at each of the hubs. These opportunities range from bike hire, coffee, and food through to transport and provisions.

Visitors or residents may undertake the trail in portions aligned to the thematic of each hub, or simply curate their own experience.

Figures 3, 4 and 5 provide the details of the proposed trail routes for each hub.

It should be noted, and it is discussed in more detail later in this business case, that not all landowners have been consulted in the development of this plan. Any use of private land would be by agreement with the landowner and subject to formalising that agreement with the relevant Council or authority. Extensive consultation would occur once funds have been received for construction. Alternate routes can be found that may offer a greater distance or lesser experience but that will not compromise the overall objective and experience of the Orange Region Food and Wine Trail.

## The Proposal – Experience Design

A variety of experiences will be available for a range of users on the proposed Orange Region Food and Wine Trail.

This section provides some vignettes of possible experiences that will be available.

The intent will be for visitors and residents to curate their own experience based on a digital platform and printed material. They will do this based on their experience, their knowledge of the region, their type of bicycle, the food and wine they are seeking and importantly their curiosity.

The proposed trail has been developed into three consumable ‘hubs’. The hubs are joined through the ‘spine’ trail.

Each of the proposed hubs is shown in the figures on the following pages. Each is also described below.

### HUB 1: THE TOWN HUB

This is the most central of the proposed hubs to Orange. Most visitors will begin their journey at the award winning Orange Visitor Centre. A conversation with the knowledgeable and helpful staff will send people on their way with maps and full of energy and excitement at the day ahead.

Meandering through the town of Orange provides glimpses into the wonderful parks and gardens, as well as the art deco period hotels and buildings that give Orange its built form character.

Emerging through well-formed trails into the outer township areas, the first winery visited is the well-known and one of the first in the region, Phillip Shaw Wines. Offering event space and a restaurant, some visitors may go no further, however more wonderful cool climate wines are to be found just own the trail.

The ‘Pinnacle Road’ wineries include (but are not limited to) the following, many having restaurants and providores:

- Colmar Estate – family owned, and premium single vineyard wines made from fruit grown in the high altitude wine region
- Brangayne Of Orange – distinctive cool climate wines of the region

- Word of Mouth Wines – situated at 1030 m above sea level, these sustainably produced and vegan friendly wines are highly sought after, and
- Ross Hill Wines – some of the highest altitude wines of the region – and carbon neutral with a fantastic restaurant.

The town hub is easily accessed from Orange and assuming some of the alternative trails can be developed through to Carthew Lane, then it also provides visitors with great access to the Lake Hub and further afield to the Harvest Hub.

### HUB 2: THE LAKE HUB

With the centre of the hub at the wonderful Lake Canobolas Reserve – this hub has a bit of everything for all users.

Orange Council presents the Lake and its reserve (located within Cabonne Shire) in a strong way. A café, car parks, trails around the lake, small swimming and wading areas and public toilets make the ideal start or finish point for those hiring a bike (proposed for the café) at the reserve.

For those travelling into the hub to experience its diversity and beauty, the ‘spine trail’ from Orange is a relatively easy ride with e-bikes making this a great destination for families and travellers in pairs as well as larger groups.

The Café has great coffee and once fuelled up, the epicurean offerings are outstanding – and generally all within an easy ride for people. Trail investigations will continue with the link between the Mountain Bike Park and Nancarrow Lane, and from Wallace Lane though to Carthew Road.

The integration with the Mount Canobolas Mountain Bike Park also offers additional experiences for riders to blend together at the Lake Hub such as morning mountain biking and afternoon wine cycling.

In addition to the fantastic opportunity to relax, explore and enjoy the Lake Reserve, the Hub has some of the region’s finest wines all within an easy ride of the Lake. These include (but are not limited to):

- Rowlee Wines – a picture post card winery with outstanding wines and a lovely cellar door with new facilities currently under construction

- See Saw Wines – with a range of organic wines produced from certified organic vineyards offer a terrific taste into sustainability
- Printhe Wines – set on a hill with fantastic views from the modern and visually stunning building and setting offering stellar wines reflecting the region’s terroir
- De Salis Wines - for those adventurers prepared to climb the road up to their winery will be rewarded with wines and views that will amaze
- Bite Riot – orchards and future providers that will likely provide a fantastic farm gate experience in the future when the trail is commissioned, and
- Logan Wines – set in a wonderful building that matches the modern wines on offer.

This hub offers experiences based on nature, on wines and on the providers of the region. It has a fantastic hub in the Lake Canobolas Reserve and presents a strong day trip from Orange either from the centre of Orange on a bicycle, or by starting and finishing at the Café.

### HUB 3: THE HARVEST HUB

The furthest hub from the centre of Orange is for the explorer who wants to reach out and sample some of Orange’s finest produce.

Cyclists will typically follow the ‘spine’ trail from Orange and arrive in the harvest hub for a day of exploring. The alternative way to consume the hub’s experiences is to arrive at the Hillside Harvest – a wonderful providore that contains the region’s finest. It is proposed that the Hillside Harvest operates e-bike hire allowing potential visitors to decant and enjoy the country roads, laneways and offerings of the area.

The Harvest Hub trails generally follow quiet laneways although some off-road trails are required, and some connections proposed for further consideration.

It is easy to spend a day in this hub – with outstanding small family run businesses offering a taste of the region. These include but are not limited to:

- Hillside Harvest – grab some lunch, send home some provisions, or hire a bike, not to mention grab a wonderful coffee – the central point of the hub with ample parking

- Orange Mountain Wines – the definition of a family run business with tours through the winery and a tasting bench looking into the barrel hall – all the while speaking to the people who make the wines
- Gerry’s Cherries – pick your own and take them back to Orange for dessert – large and plump and full of flavour
- Small Acre Cider – with the famous heritage cider and the soon to be released red apple rose – small batch cider at its best with a pork pie for lunch to match – a great option
- Heifer Station Wines – although this requires a road crossing on a busy road – the winery offers fantastic event space, food and wines and a place to relax either before the trip back to Orange, or after making the cycle trip to the hub
- Other wineries in the hub are also outstanding along with food options.

This hub will suit a range of potential users and personas. Wine enthusiasts, food lovers and leisure seekers are all suited to this hub and the experiences on offer. The network is also well suited to large or small groups of people who enjoy a bit more freedom, navigation and distance.

### Alignment of Visions

The proposal also fits strongly with the state’s (NSW) vision for cycling which is:

‘NSW will be the home of Australia’s premier adventure cycling destinations capitalising on the diverse natural beauty across our State to strengthen our visitor economies and support community health, connection and well-being.’

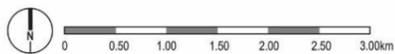
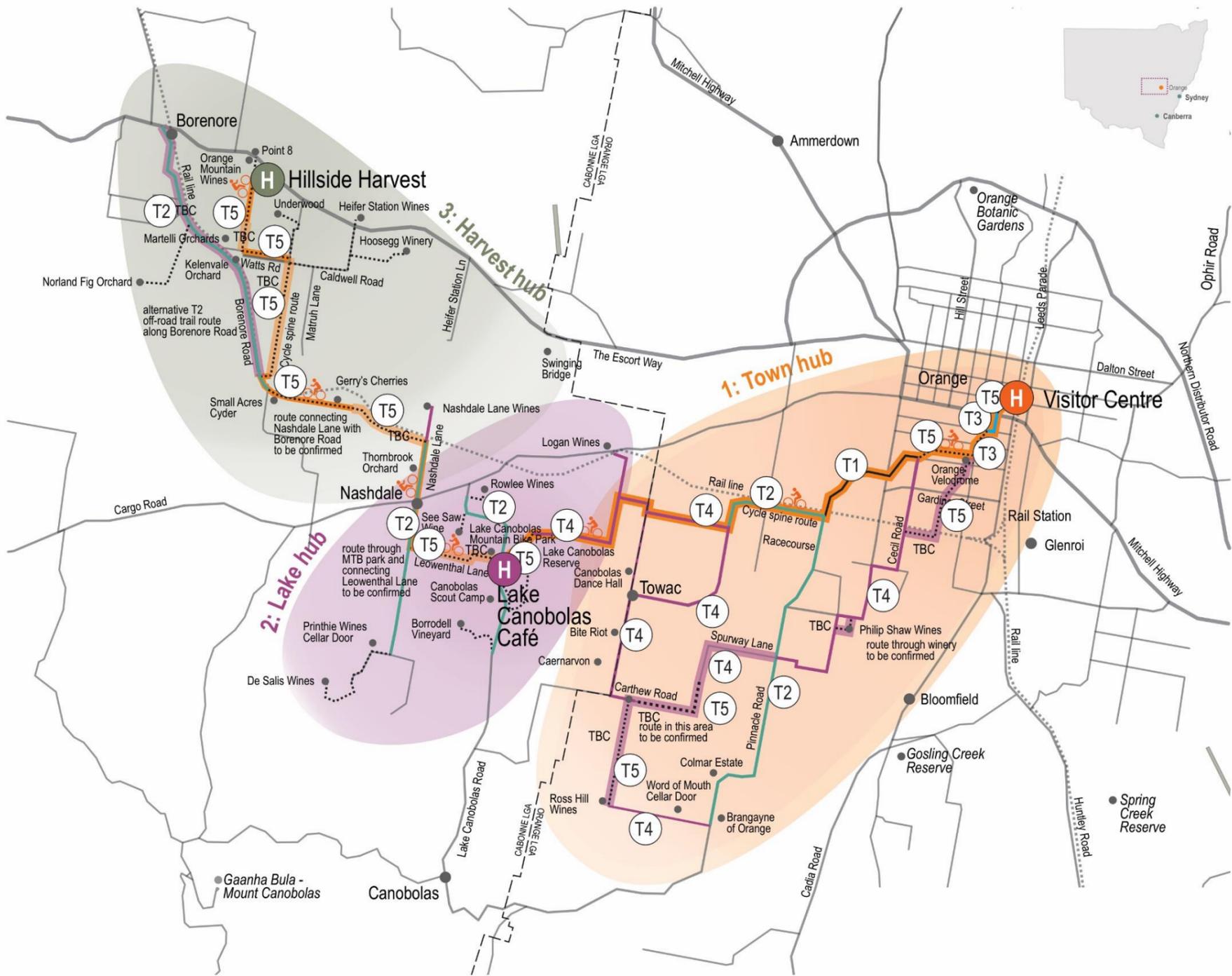
The cycling vision for Orange 360 is:

For the Orange Region to be a leading Australian destination.

The cycling vision for the Orange Bicycle User Group (BUG) is:

Orange Regional Trails will make our region a ‘destination of choice’ for cycling and tourism in Australia. With proximity to Sydney and Canberra and international reputation for premium food and wine, the trails can also become a headline attraction for the expanding global tourism market.

**Figure 2. Orange Region Food and Wine Trail Masterplan**



**Design Intent**

The Orange Food and Wine Cycle Trail (OFW) design intent is to provide an overall Orange provider (foraging) experience that reflects this beautiful relaxed rural setting. The OFW cycle trail is connected through 3 easy to access central hubs linked by a 26km cycle route spine. The 1. Town (orange), 2. Lake (purple) and 3. Harvest (green) hubs provide the leisure cyclist with e-bike hire and convenience from which to ride from or to, and then connect with local food and wine provider experiences in each immediate area. The trail is specifically designed for the leisure cyclists and food and wine enthusiasts. It is also very suitable for family part and full day trip outings as it passes through lush, picturesque cherry - fruit orchards, vineyards and bushland which are supported by a high altitude and nutrient rich volcanic landscape. The trail suggests a network of new and existing on and off-road routes, including easy gravel trails, that directly connect quiet traffic calmed roads. Fun and simple trail head information signage and wayfinding is to include a rural vibe using painted timber or mild steel and blade signage with 3 colours to represent each hub area. The signage posts are brightly coloured, individually for each of the 3 hubs, with the arrow indicating the hub you are heading towards. Suggested providers and distances are provided on the spine of the blade(s) and located on appropriate trail intersections.

The trail is located alongside existing infrastructure, within road reserves including the widening of asphalt shoulders for dedicated cycleways, established cycle trails or along quiet traffic calmed roads. The trail is to make the most of roadside interpretation points to promote numerous stopovers at associated accommodation and food and drink attractions. Bike repair and charging stations are to be located at each hub. Exact treatments along the trail are to be developed through a design development and detailed design process including ongoing consultation with Councils (Orange City and Cabonne), the Orange BUGS cycle group and Community, Business and associated stakeholders and landholders. Rural 'land art' opportunities already exist along the proposed route, however, can be strongly encouraged/commissioned within road reserves and private property areas to enhance the fun cycle experience.

**Legend**

- H H H trail hubs
- spine trail
- T1 off-road asphalt (urban)
- T2 off-road asphalt (rural)
- T3 on-road asphalt (urban)
- T4 on-road asphalt (rural)
- T5 gravel road / single trail
- TBC new trail route to be confirmed
- LGA boundary

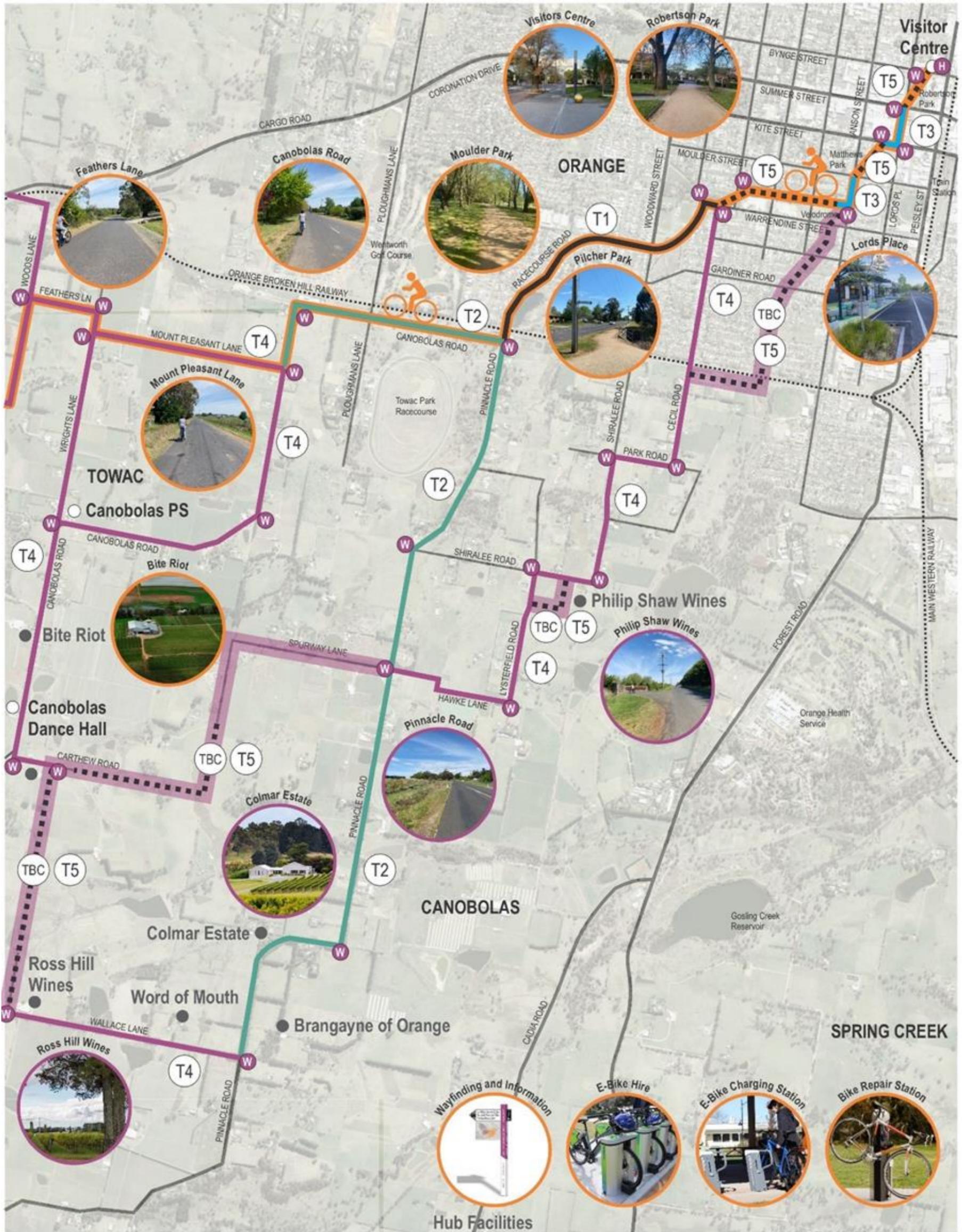


Town hub located at Orange Visitor Centre

Lake hub located at Lake Canobolas Reserve Café

Harvest hub located at Hillside Harvest

Figure 3. Orange Region Food and Wine Trail Hub 1 - The Town Hub



**TRC** TOURISM RECREATION CONSERVATION



1:20000 @ A3  
ORWT November 2023  
Map © New Geo. Imagery 2023



**Legend**

- major spine trail
- T1 off-road asphalt (urban)
- T2 off-road asphalt (rural)
- T3 on-road asphalt (urban)
- T4 on-road asphalt (rural)
- T5 gravel road / single trail

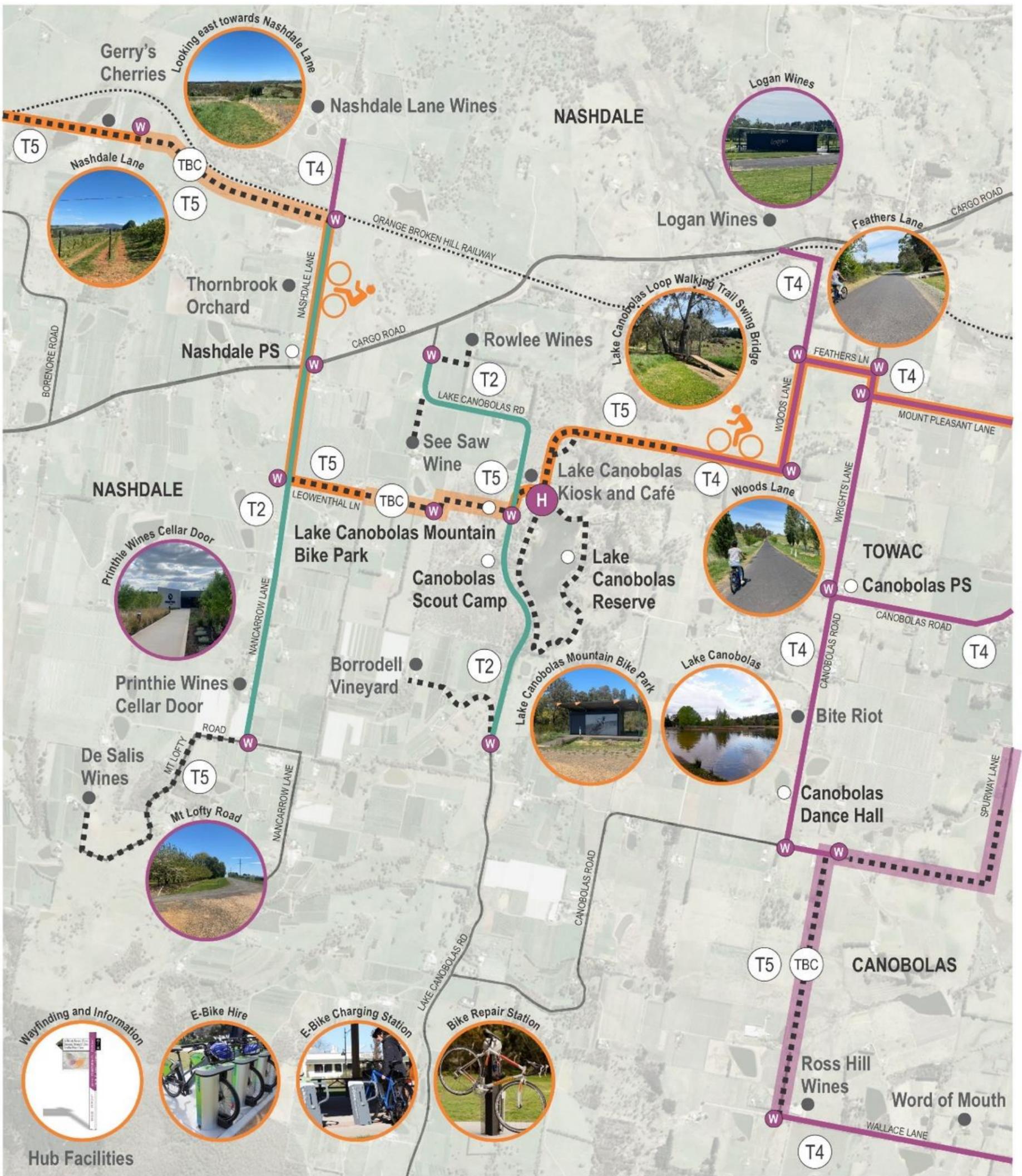
- TBC new trail route to be confirmed
- H Hub Facilities - includes Trail Head wayfinding, visitor information, trail head infrastructure: E-Bike Hire, E-Bike Charging Station, Bike Repair and Toilets
- W Trail wayfinding posts - key intersections

**ORANGE REGION FOOD & WINE TRAIL**

Town Hub 1  
DRAFT November 23



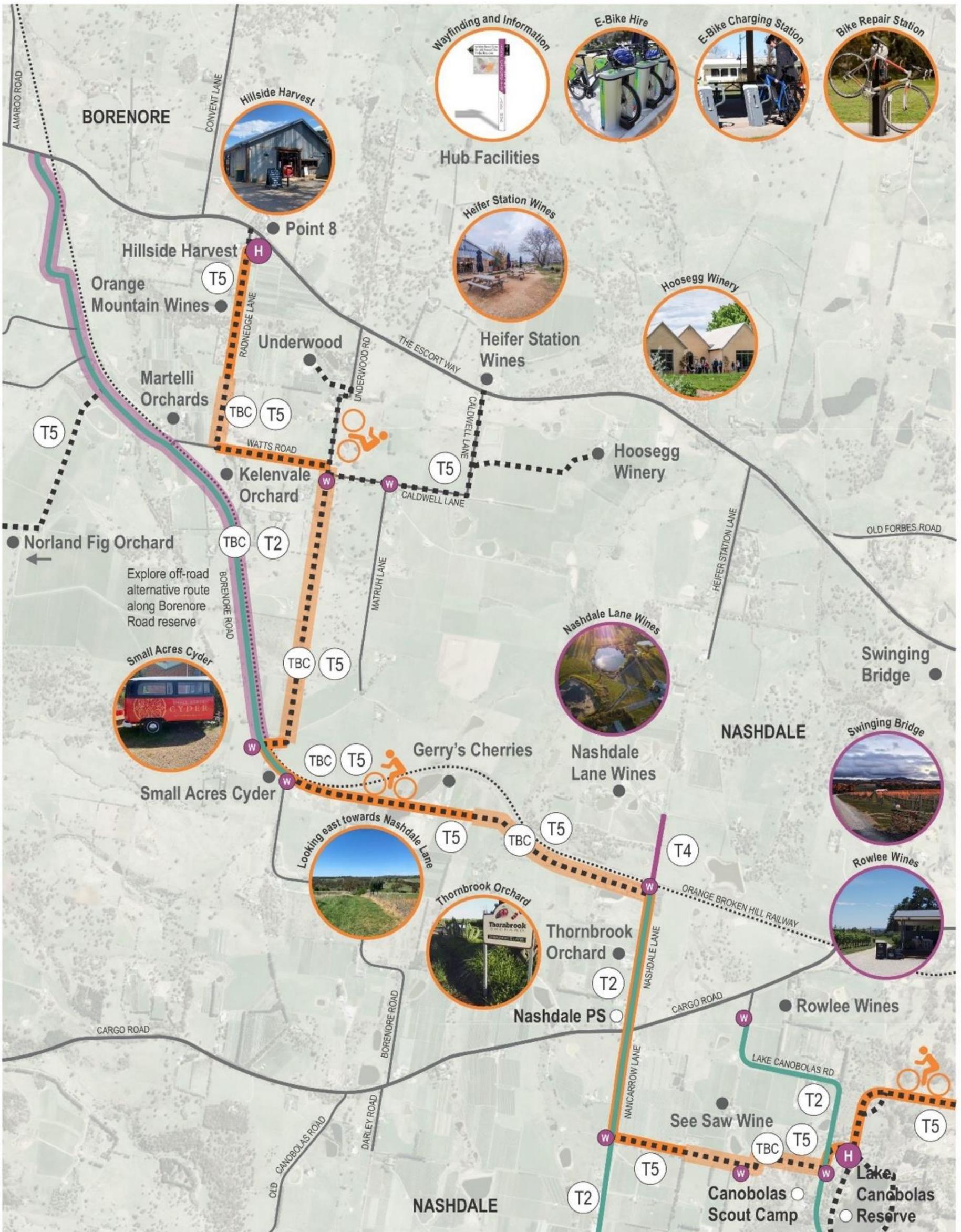
Figure 4. Orange Region Food and Wine Trail HUB 2 - The Lake Hub



Legend

- major spine trail
- (T1) off-road asphalt (urban)
- (T2) off-road asphalt (rural)
- (T3) on-road asphalt (urban)
- (T4) on-road asphalt (rural)
- (T5) gravel road / single trail
- new trail route to be confirmed
- Hub Facilities - includes Trail Head wayfinding, visitor information, trail head infrastructure: E-Bike Hire, E-Bike Charging Station, Bike Repair and Toilets
- Trail wayfinding posts - key intersections

Figure 5. Orange Region Food and Wine Trail HUB 3 - The Harvest Hub



**TRC** TOURISM RECREATION CONSERVATION

1:20000 @ A3  
ORWT November 2023  
maps.sln.nsw.gov.au/imagery/2023

**Legend**

- major spine trail
- T1 off-road asphalt (urban)
- T2 off-road asphalt (rural)
- T3 on-road asphalt (urban)
- T4 on-road asphalt (rural)
- T5 gravel road / single trail

- TBC new trail route to be confirmed
- H Hub Facilities - includes Trail Head wayfinding, visitor information, trail head infrastructure: E-Bike Hire, E-Bike Charging Station, Bike Repair and Toilets
- W Trail wayfinding posts - key intersections

**ORANGE REGION FOOD & WINE TRAIL**  
Harvest Hub 3  
DRAFT November 23

The figure below shows values for developing cycling from the NSW Adventure Cycling Strategy.

**Figure 6. The values to be considered.**



### Current Cycling Opportunities in Orange

Orange has a strong cycling culture that helps the proposed Orange Region Food and Wine Trail fit well within the broader community in the region. The range of current cycling opportunities includes:

#### *Mountain biking at the Lake Canobolas Mountain bike park*

Situated just across the road from the lake and also the proposed Hub for the Lake Hub. The park is a dedicated mountain bike park built into regenerated bushland. The tracks are traditional XC style with many corners, burms and obstacles – some fast and free flowing. Other locations within the broader region also exist.

#### *Orange Velodrome*

Orange is one of the few locations in Central Western NSW with a purpose built velodrome. The track is located in the open just out of Orange CBD providing easy access for riders from town and good car parking.

#### *Orange Road Cycling*

A strong culture of road cycling exists. A range of trails (mostly on road) exist that suit a variety of skill and equipment levels. The publication ‘Ride Orange Guide’ details of variety of rides and routes that can be taken and the target audience for each.

The Orange 360 trail that ranges 360kms incorporating villages across the Orange, Cabonne, Cowra and Blayney LGAs.

#### *Others*

Including the Orange Skate Park and the Orange Adventure Playground.

While visitors can cycle to wineries – it is predominantly on road and not on defined routes. This presents increased hazards to riders and vehicle drivers alike.

## 1.6 Rationale for Investment

### Summary

The Orange Region Food and Wine Trail will provide an economic stimulus for the region during and after construction. It will provide a supply side response to the existing demand and prevent loss of income regionally through avoided travel and market share reduction in agritourism.

The core objectives of the ORFWT include:

- Provide safe inclusive infrastructure that meets the growing demand from cycling and agritourism potential and existing visitors
- Increasing the safety of visitors and community members alike when riding the roads and trails in the region
- Continue to position Orange as a gastronomy centre for NSW and Australia
- Increase the length of stay and yield from existing and potential visitors
- Provide a more accessible form of infrastructure for a broader market wishing to experience wine cycle tourism and agritourism
- Maximise use of existing and newly created assets in the region including Lake Canobolas Reserve, Orange visitor centre and existing pathways
- Enhance the liveability of the region for residents through improving outdoor active infrastructure that also provides for improved health outcomes through exercise and avoided illness.

### Case Studies

There are several successful wine region trails in existence and operating successfully that provide proof of concept.

Orange Region has all of the elements that go to make each of these trails a success in their own right.

The case studies include:

- Clare Valley Riesling Trail (South Australia) – 40 km of sealed trail
- McLaren Vale Shiraz Trail (Coast to Vines - South Australia) – 37 km
- Swan Valley Cycle Trail (Western Australia) – 18 km (5 wineries)
- Rutherglen to Wahgunyah (Victoria) – 18 km but currently investing into \$5 million in a major expansion taking it to 48 km
- Milawa Gourmet Ride (Victoria) – 5 km as part of the Murray to the Mountains Rail Trail
- Stanthorpe to Ballandenn Bike Trail (QLD) – 34 km ride through wine and brewery country
- Hunter Valley Cycle Way (NSW) – 10km linking wineries, accommodation and restaurants
- Mudgee Cycleway (NSW) – 50km past 4 wineries (on road)

International Examples:

- The Marlborough Wine Trail (NZ)
- Moselle Cycle Route (Germany)
- Napa Valley (California)

Emerging Trails:

There is also potential uplift in general cycling trails in NSW with the establishment of, or proposals for:

- Tumbarumba to Rosewood Rail Trail (21kms active)
- Northern Rivers Rail Trail (24kms active)
- Shiraz to Shore Hunter Trails (proposal)
- Goulburn to Mulwaree (proposal).

A recent report from the Northern Rivers Rail Trail identified over 40,000 visits in its first 3 months operating. Other trails are yet to be evaluated.

Similarly, we know from global trail trends that the following attributes make a successful trail destination:

**The analysis shows that each trail has these common characteristics:**

- A strong brand and distinctive positioning for the overall experience - usually a soft adventure experience amongst unique culture and landscape
- A clear point of difference for the specific sections of the trail experience that is well communicated through marketing – compelling visitors to return
- Routes are continuous and without trail gaps, provide dedicated pathways or back roads to ensure cyclist safety
- Distances are geared to consumer preferences, with attractions along the way for a half or full day rides with good transport and transfer linkages
- Wineries, eateries, accommodation and attractions are connected to the route
- A dedicated web site /portal for the entire trails with quality pre-trip information and one booking services available for visitors. Visitors can customise routes according to season, weather, landscape and their conditions by using the website
- A cycle friendly culture through community and industry engagement and support
- Safe, rideable and walkable for different ages and ability
- Consistently branded route markers and interpretation along the trail
- Provision of multi-language information
- Some trails include accessible routes for people with mobility issues
- The regional tourism organisation and/or national tourism agency provides support to create job and business opportunities for local communities
- Product development workshops are important for local communities to create products with the common wine cycle trail brand. Successful branding not only promotes the trail itself but also helps add values to local products
- A trail ‘section’ is usually around 25 km, and the level of difficulty is identified
- Each trail section is planned to ensure the availability of food and drink, accommodation and resting areas as well as time to explore the surrounding areas.

**Figure 7. Attributes for Orange Region Food and Wine Trail**



The design of the trail experience for the Orange Region Food and Wine Trail has deliberately targeted the provision of parts of all the above trends.

**The Market Demand**

Orange Region is missing out on considerable visitor economy growth without the Orange Region Food and Wine Trail. This section provides a snapshot of the evidence that shows the market needs.

Data and experience in other wine and food regions clearly shows there is a strong demand for cycle tourism in wine regions.

According to the NSW Adventure Cycling Strategy Participation in adventure cycling activities has grown strongly over the last decade. There was about 25 per cent growth in membership of clubs from 2016-2020 and since March 2020 a more than 50 per cent increase in sales of all types of bikes. The growth of adventure cycling has created both an opportunity to strengthen visitor economies and a need to provide appropriate spaces for the people of NSW to ride.<sup>5</sup>

<sup>5</sup> Mountain Bike Australia (2020), Bicycle Industries Australia (2021) GHD Advisory (2021) – Mountain Biking in Australia: An Economic and Participation Analysis

The 2023 WeRide Australian Cycling Economy Report by Ernst and Young found in 2020<sup>6</sup>:

- The majority of people that spend on cycling are aged between 18–34 and over 36% of consumers are aged between 35–49.
- Approximately 53% of those who spend on cycling identified as male and 47% identified as female
- Fitness was the primary motivating factor for cycling amongst the adult population in 2020 with socialising and connection another key motivating factor.

The most popular form of cycling is recreational road cycling, with 69% of those who cycle at least once a month noting that they engage in recreational road cycling.

The 2023 WeRide Australian Cycling Economy Report by Ernst and Young<sup>7</sup> found in 2020, the Australian cycling economy is estimated to have directly contributed:

- \$6.3 billion (direct industry output)
- \$3.4 billion (direct value added to Australia's GDP)
- Supporting 34,295 direct full time equivalent jobs (with an additional 28,035 indirect jobs)

In New South Wales the economic contribution of cycling to the economy was \$1.91 billion in direct output (equivalent to \$235 per capita).

A September 2021 study by the NZ Ministry of Business, Innovation and Employment<sup>8</sup> provided an analysis of trends and opportunities to further develop cycle tourism and to increase its value to communities. As part of this study, they looked at the Australian cycle market.

Their findings for the Australian market included:

- Current market of 4.3 million - participated in a cycle tourism activity in the past year.
- Prospective market of 2.6 million – had no cycle tourism activity in the past year but were interested in participating in the next two years.
- Approximately 21% of the Australian adult population have participated in a cycle tourism activity in the past year, while 13% are interested in participating in the next two years.

When asked about future cycle tourism plans, 40% of the Australian market are planning to participate in a cycle tourism activity or experience in the next year.

Of those Australians that aren't planning to take a trip in the next year, 52% are interested in doing a cycle tourism activity in the next three years.

#### *Growth in Wine Tourism*

NSW is the second most popular wine destination in Australia. Wine tasting is the most popular activity at wineries followed by purchasing wine to take home and dining at the winery.<sup>9</sup>

Pre-Covid (year ended Dec 2019) Destination NSW released the following figures on wine tourism in NSW:

- 1.8 million visitors (total domestic and international), 3.2% year on year increase
- 15.8 million nights, 5.2% year on year increase
- \$2.3 billion expenditure, 4.9% year on year increase

Wine tourism spend per night for domestic overnight travel was \$204, with the average visitor staying 3.9 nights.

<sup>6</sup> [https://www.weride.org.au/wp-content/uploads/2021/10/The-Australian-Cycling-Economy\\_October-2021-Updated.pdf](https://www.weride.org.au/wp-content/uploads/2021/10/The-Australian-Cycling-Economy_October-2021-Updated.pdf)

<sup>7</sup> <https://www.weride.org.au/australiancyclingeconomy/>

<sup>8</sup> Cycle Tourism Insights Sept 2021, Angus & Associates <https://www.mbie.govt.nz/dmsdocument/19860-cycle-tourism-insights-new-zealand-and-australian-summary-september-2021-pdf>

<sup>9</sup> <https://www.destinationnsw.com.au/wp-content/uploads/2020/12/wine-tourism-to-nsw-ye-dec-2019.pdf>

The Orange wine region has become a hot spot for food and wine tourism. There is a wide range of red and white grapes being grown in the wine region. Shiraz and Cabernet Sauvignon are its most well-known wines, but there is also sparkling wine. With its unique geographical features and a rich soil composition, Orange is the perfect place to create delicious wines.<sup>10</sup>

### Cycling Food and Wineries

A recent South Australian report (SA Regional Analysis Of Wine Cycling Tourism 2019<sup>11</sup>) documented the economic benefits of wine cyclists including:

- Wine cyclists have a higher propensity to travel to regional areas and high tendency to become repeat visitors to a destination
- They average daily spend is \$124 per night, average length of stay is 16 nights), and total trip expenditure is approximately \$2000 per domestic cycle tourist and \$5,005 per international cycle tourist
- Twice as many cyclists travel on a long trip (5 night stay or more) to interstate regional destinations as those travelling to intrastate destinations (18% vs 8%)
- They love fine wine, good restaurants (68%) and outdoor activities in natural environments (82%)
- Cycle tourists typically travel at least three times per year, which suggests that cycle tourism is a niche but high engagement activity.

The United Nations World Tourism Organisation states that, “as global tourism is on the rise and competition between destinations increases, unique local and regional intangible cultural heritage become increasingly the discerning factor for the attraction of tourists. Gastronomy and wine tourism represents an opportunity to revitalize and diversify tourism, promote local economic development, involve many different professional

<sup>10</sup> <https://www.winetourism.com/wine-appellation/orange/>  
<sup>11</sup> Gawler Council SA and Tourism School, Visitor Economy + Cycle Tourism Situation Analysis 2019.  
[https://www.gawler.sa.gov.au/\\_\\_data/assets/pdf\\_file/0025/218374/v-visitor-economy-and-cycle-tourism-situation-analysis.pdf.pdf](https://www.gawler.sa.gov.au/__data/assets/pdf_file/0025/218374/v-visitor-economy-and-cycle-tourism-situation-analysis.pdf.pdf)

sectors and bring new uses to the primary sector. Hence, gastronomy and wine tourism contribute to promoting and branding destinations, maintaining and preserving local traditions and diversities, and harnessing and rewarding authenticity”.<sup>12</sup>

For many destinations, food-making as well as winemaking represent an integral part of their history and identity and have become the key element in the region’s brand image. This Italian report<sup>13</sup> (Enogastronomic Tourism in Italy 2023) found these wine and food industry trends to watch:

- Local is the new global
- The growth of organic
- Wine as a catalyst for bookings
- The potential of breweries as a tourist destination
- Opening the roads to bikes and hikers
- Digital turn for taste museums
- Race for UNESCO heritage
- Restaurant that are eclectic and lively
- Farmhouse, the place of well-being.

### Diversify the Economy

The following table presents the comparison and data for each of Cabonne and Orange LGAs.

**Table 2. Comparison of LGA Economic Data**

DATASET	ORANGE LGA	CABONNE LGA
Population	42,503	13,677
Businesses	3,568	1,855
Largest contributor to GRP	Health Care and assistance - \$378.4m	Mining \$186.0m
Second largest GRP Contributor	Construction \$240.1m	Agriculture, Forestry and Fishing \$146.4m
% who have Year 12 or higher education	45%	41%
Total Visitors (19/20)	898,000	96,000

Source: RDA Central West 2022

In both cases, the visitor economy is a relatively low portion of the GRP of the economy. The

<sup>12</sup> <https://www.unwto.org/gastronomy-wine-tourism>  
<sup>13</sup> <https://www.wetheitalians.com/web-magazine/italian-report-enogastronomic-tourism-italy-2023>

opportunity to diversify and grow the visitor economy is significant from this proposal.

Across the broader Central West Tourism Region in NSW, tourism supplies 8.2% of the region's employment including 7,807 persons who are directly employed and a further 1.982 who are indirectly employed.<sup>14</sup>

Increasing the number of visitors, and the yield per visitor will drive an increase in the visitor economy outcomes. Modelling undertaken as part of this business case shows that an over an additional 40,000 visitors per annum will come to the region to participate in the Orange Region Food and Wine Trail after 10 years. This provides very real increases in regional expenditure and income.

### Active Transport Connectivity

The proposed Orange Region Food and Wine Trail will provide residents with an active form of transport that is safer than walking or cycling on the existing roads. It will connect outlying communities across Orange and Cabonne Council areas along the trail. For residents in and around the Canobolas area, it will provide a safe way in which to gather and travel.

Limited public transport options exist in the area. An active visitor economy based on cycling may well provide the market for a transport company to begin servicing the proposed hubs. This also provides residents with transport options.

### Improved Cyclist and Walker Safety

Improving the safety of trail users is a vital element of the proposed Orange Region Food and Wine Trail.

The NSW Government has released the 2026 Road Safety Action Plan which has a number of principles and actions aimed at reducing road based deaths by 50% and serious injuries by 30% by 2030.

The 2026 Road Safety Action Plan contains five priority areas:

- Creating safer country roads and urban places
- Enhancing road safety in local communities
- Increasing the safety of light vehicles, heavy vehicles and protective equipment
- Making safer choices on our roads, and
- Ensuring the safety of vulnerable and other at risk road users.

While over half of fatalities are vehicle occupants, vulnerable road users such as pedestrians, bicycle riders and motorcyclists have a higher risk of being killed or seriously injured given their lack of protection in a crash.

Taking cyclists off road, and/or providing them with a separated road surface will reduce the likelihood and consequence of serious injuries and fatalities.

### Improved Health Outcomes

A range of studies provides evidence that the increase in exercise from walking, cycling a range of physical activity provides long lasting mental and physical health benefits. This of course applies to both visitors and local residents.

In NSW, in the 10 years between 2012 and 2021, the rate of overweight and obesity has gradually increased from 49.7% to 57.8% of adults. The report goes on to describe that excess body weight is one of the main public health problems in Australia. The risk of developing chronic health conditions such as diabetes and heart disease increases with increasing levels of excess weight.<sup>15</sup>

The Australian Bureau of Statistics data on participation found that there is a decline in people undertaking physical activity. This decline has reached 5.7% between 2005 and 2015. Alarmingly the decline in those aged 25-34 has increased to 11.2% during the same time period.

<sup>14</sup> The value of tourism to Central West NSW to December 2022. Destination Central West.

<sup>15</sup> NSW Health. Annual Report 2021-2022 Appendix.

KPMG provided a report for the Victorian Government in 2020<sup>16</sup> that showed the total value of health benefits from sport and community activity included:

- \$1.184 billion in reduced risk of chronic disease
- \$848 million in improved mental health and well-being
- \$270m in increased productivity
- \$33m in reduced risk of falls and \$1m in reduced risk of drowning.

Further benefits accrue including:

- \$1.441 billion in human capital uplift
- \$596 m in volunteering benefits
- \$579 m in green space benefit.

A report by Marsden Jacobs Associated indicates that exercise of cycling/active walking in Victorian parks has net healthcare benefits (avoided health costs) of \$15 per hour in terms of a reduction in lifetime health costs (adjusted for injury).<sup>17</sup>

The more people that use the Orange Region Food and Wine Trail – the greater the avoided health care costs. Importantly this is adjusted for cycling injuries that may occur.

This figure has been added to the total benefits that will accrue from the trail’s potential construction in the economic analysis later in this business case.

NSW Healthy Eating and Active Living Strategy 2022-2032 indicates that environments that encourage activity are associated with better physical and mental health, social cohesion and safety. Open spaces are important public areas where people can relax, be active, play and enjoy the natural environment. The strategy recommends investing in enhancing walking and cycling infrastructure to encourage active transport.<sup>18</sup>

## Improved Accessibility

The proposed trail will be by definition, safer and provide for greater accessibility for users. Drawing on the principles of the National Parks and Wildlife Service accessible parks policy, the trail will be more accessible to all abilities trail users.

## First Peoples Involvement

‘Aboriginal culture and heritage are woven through the landscape across NSW. The community and government expect that the tangible items and intangible values belonging to the world’s oldest living culture are managed sustainably, and this is best achieved by valuing, respecting and being guided by Aboriginal people.’<sup>19</sup>

The five commitments of the Aboriginal Culture and Heritage Framework include:

- Leadership
- Living Culture
- Designing with Country
- Community Knowledge
- Responsibility.

Investing in this trail will be done with full alignment to the Framework and ensure that self-determination principles are adhered to.

## Strategic Alignment

The proposed Orange Region Food and Wine Trail aligns strongly with a range of strategic, policy and operational plans across all levels of government and industry. It also aligns with the peak bodies established to continue to market and develop the region.

The alignment is summarised in the table below and the alignment for each major reference is considered in more detail in the following sections.

<sup>16</sup> The Value of Community Sport and Active Recreation Infrastructure – KPMG for Sport and Rec Victoria 2020.

<sup>17</sup> Victoria’s Nature-Based Visitor Outdoor Economy – Key Estimates and Recommendations, Marsden Jacobs and Associates, January 2016.

<sup>18</sup> NSW Health. Healthy Eating and Active Living Strategy 2022-2032.

<sup>19</sup> Transport for NSW. Aboriginal Culture and Heritage Framework.

**Table 3.** Table of the Most relevant strategies and plans for the Orange Region Wine and Food Cycle Trail

FEDERAL	NSW	REGIONAL AND LOCAL
<b>The Australian Cycling Economy Report</b>	NSW Adventure Cycling Strategy	Orange Region Destination Management Plan (DMP) 2022-2025
<b>Thrive 2030 – The Re-imagined Visitor Economy</b>	NSW National Parks and Wildlife Service Cycling Strategy	Think Orange Region Activate
<b>Sport 2030 – National Sport Plan</b>	NSW Rail Trails Framework	Orange 360
	Rail Trails for NSW Evaluation Summary	Central West NSW Destination Mgt Plan (2022 – 2030)
	NSW Visitor Economy Strategy	Regional Economic Development Strategy (REDS) 2018 to 2022 (updated 2023)
	NSW 2026 Road Safety Action Plan	Central West NSW Cycle Strategy and Visitor Economy Infrastructure Investment Priorities

### *Orange Region Destination Management Plan*

Key considerations of this plan include:

- The need for cycling and walking path links to wineries, nature-based attractions and towns and villages, and
- The need for investment in products and experiences targeted to the family market.

There are 7 major themes in the DMP with the relevant initiatives:

#### **Theme 1: Foundations and Infrastructure**

Includes re-sealing roadways and improving access across the region as well as place-making initiatives. Including the cyclist perspective in these activities and actions is important. Suitable accommodation will also be a consideration as the current mix does not suit major event-based visitation.

#### **Theme 2: Visitor Ready Action Plan**

Includes event funding and support of volunteers.

#### **Theme 3: Identity, Awareness and Placemaking**

Includes branding, marketing and experiences aimed at growing target markets (such as cycling) as well as dispersal of these visitors through the region.

#### **Theme 4: Creativity, Arts and Culture**

In particular the development of art, culture and historic trails accessible to cyclists.

#### **Theme 5: Events and Festivals**

Attraction and support of events from the cycling sector. For example, Newcrest Challenge, mountain biking, gravel rides and site-seeing tours (including electric bikes).

#### **Theme 6: Food, Ferments and Night-Time Economy**

Enhancing existing experiences, venues and events with a cycling flavour such as bike friendly cellar-doors, farm-gates and farm stays.

#### **Theme 7: Nature & Recreation**

The most obvious 'cycling' opportunities are in this theme.

Priority initiatives include masterplans for Orange Region trails which support the following:

- Orange wine trail
- Towns and villages trail connectivity
- Old Rail Trail Utilisation
- Gravel and road cycling loops
- Sealing of road shoulders to support road cycling, and
- Linkages between towns and villages.

### Think Orange Region Advocacy

This is a collaboration between the NSW Wales Government, Orange City Council, Cabonne Shire Council and Blayney Shire Council. Priorities for investment are listed.

A key joint commitment has been the development of Orange 360. Orange City Council, Blayney Shire Council, and Cabonne Council initiative is the first of its kind and essentially a cooperative approach to marketing the region.

With more than a million visitors already exploring the region per year, Orange 360 is focussed on working with local groups, events industry and providers to drive increased visitor numbers and economic benefits across the entire region.

Opportunities exist to build on the region’s strengths in food and wine, historic villages, events, attractions, weddings, agri-tourism, road trips, rail links to Sydney and airport links to Sydney, Brisbane and Melbourne. A range of tourism ‘products’, events industry and providers to drive increased visitor numbers and economic benefits across the entire region.

#### Major assets in the region include:

- The Orange Regional Gallery
- The Orange Regional Museum
- Orange Civic Theatre
- Orange City Library

#### The list of major projects include:

- Mt Canobolas Mountain Bike Trails
- Redevelopment of the old Scout Camp into a Sports and Recreation Precinct for school and sporting groups
- Lake Canobolas enhancements
- The Orange Conservatorium and Planetarium
- Sir Jack Brabham Park
- The new Orange Sporting Precinct (with rectangular field and grandstand).

### Orange 360

Orange360’s purpose is to provide unified destination marketing across the Orange City, Blayney Shire and Cabonne Council areas that enables industry, and inspires people to visit the

Orange Region, to return and become strong advocates for our destination.

From the Annual Report 21/22 Orange 360<sup>20</sup> reported that in December 2021, with the help of local cyclists, “The Treadlies” they developed the Orange Villages Bicycle Trail ‘a multi-stage ride through friendly towns and villages backdropped with rural landscapes and some spectacular views, some a sweeping full 360 degrees. A glorious 360-kilometre multi-day lap of Mount Canobolas, where riders get to enjoy quiet roads, smooth gravel, terrific views and most importantly, fabulous country hospitality in local towns and villages in the heart of Regional NSW.’ They reported 17,897 page views of the trail online (compared to a total of 54,444 overall site views).

Destination pillars are food and wine, nature, culture and retail.

#### Central West NSW Destination Management Plan (DMP) 2022 to 2030<sup>21</sup>

Cabonne, Orange & Blayney	STRENGTHS:
	– Artists and artisans
	– Local provenance
	– Festivals and event e.g. Orange F.O.O.D Week, Black Tie and Gumboot Truffle Hunt; Dinner by Lake Canobolas; Millthorpe’s Progressive Lunch and Mulaa Giilang: Wiradjuri stories of the night sky
	– Wineries and restaurants
	– Gravel and road cycling loops
	– Heritage buildings, fossils
	– Hot air ballooning

The Central West NSW DMP 2022 to 2030 has been developed to align with the broader NSW Government strategic context.

This project supports:

#### MAJOR INITIATIVE 2

Regional NSW’s premier health and well-being destination. A significant opportunity for the region is to position itself as the leading health and well-being destination in regional NSW, including eco-well-being. This would elevate the existing and outstanding health and well-being

<sup>20</sup> Annual Report Orange 360. 2022/23 <https://www.orange360.com.au/Members>

<sup>21</sup> Central West NSW Destination Management Plan (DMP) 2022 to 2030 <https://www.dncw.com.au/strategies-and-plans>

experiences or accommodation on offer through Central West NSW.

#### Actions 3.5

Support the development of a cycle tourism strategy for Central West NSW and reinforce the importance of growing the active transport network across the region. Ensure consideration for a diverse cycling offering, from road cycling to gravel bikes and mountain biking.

#### Action 5.9

Collaborate with LGAs and JO to inform priorities and attract investment for major infrastructure projects and improvements that enhance connectivity and accessibility, deliver shared benefits and enable greater linkages between the LGAs:

- Incorporate active transport options, such as regional cycleways (options for mountain, gravel and road bikes) and rail trails
- Advocate for accelerating growth in the network of high-speed charging stations for electric vehicles (EV)
- Activate the region's airstrips (public and private) to support private air charters for both the leisure and business markets.

### PRIORITY FOCUS AREA 6

**Connectivity and accessibility:** Incorporate active transport options in line with the Central West NSW cycle tourism strategy, such as regional cycleways (options for mountain, gravel and road bikes) and rail trails. This is critical to support the increased interest in and demand for outdoor recreation, well-being and more sustainable visitor experiences.

<sup>22</sup> Department of Regional NSW. Orange, Blayney and Cabonne Regional Economic Development Strategy – 2023 Update <https://www.nsw.gov.au/sites/default/files/2023-03/Orange-Blayney-and-Cabonne-REDS-2023-Update.pdf>

### *Regional Economic Development Strategy (REDS) 2018-2222*

The Orange, Blayney and Cabonne REDS (updated 2023) sets out a vision to support the economic development of the region. It identifies the region's key strengths, its engine and emerging industries and identifies priority strategies and actions to support the region's economic development. The strategy outlines that the region is experiencing sustained population growth with the major theme from consultation being the need for ongoing infrastructure development and investment.

The strategy of *Develop the value of the visitor economy and its connections to thriving local agriculture, food and wine industries*, will be enabled by:

- Investigating barriers and opportunities to expanding the region's tourism offering, including providing additional accommodation to ensure a greater number of 'stay and spend' visitors
- Enhance the regional marketing approach to support the development of an integrated tourism offering across the region.

### *Central West NSW Cycle Opportunities Strategy 2023 - 203023*

This report is an action from the Central West Destination Management Plan described in this section previously. Completed in 2023 by TRC Tourism, it contains a vision to: create a safe and connected network of cycling experiences that immerse the visitor in the landscape, communities and produce of the Central West.

Recommendations to achieve the vision include:

- Develop and promote the extensive gravel road network as a core cycling offering
- Strengthen the on-road cycle journeys
- Explore the potential of the orange Region Food and Wine Trail
- Support mountain biking hubs in Lithgow, Bathurst, and Orange

<sup>23</sup> Central West NSW Cycle Tourism Opportunities Strategy 2023-2030. TRC For DCW.

- Promote bicycle touring routes in national parks and state forests, and
- Investigate proposed rail trails for feasibility and planning.

The strategic directions that have been established for cycling in the Central West NSW include:

- Establish a Cycle Tourism and Events Steering Committee
- Enhance cycling websites and channels for visitor use
- Identify and promote cycle experience hubs
- Encourage the development of complimentary products and services.

#### *NSW Adventure Cycling Strategy<sup>24</sup>*

Released by the Department of Regional NSW in 2023, this strategy outlines the Government's priorities to support the industry to grow adventure cycling experiences in collaboration with local government, clubs, businesses, and the broader community. The vision for the state is to *'be the home of Australia's premier adventure cycling destinations capitalising on the diverse natural beauty across our State to strengthen our visitor economies and support community health, connection and well-being.'*

NSW will achieve this vision through 3 objectives:

- Strengthen the visitor economy at nationally and regionally significant adventure cycling destinations
- Increase access so local communities can enjoy quality adventure cycling experiences in green and public spaces
- Streamline coordination, planning and delivery of adventure cycling experiences.

The plan offers guidelines for adventure cycling investment principles, and what should a successful adventure cycling experience look like.

In the FY 22-23, an action is to undertake an adventure cycling trends, supply and demand study to inform prioritisation of a pipeline of regionally significant investment opportunities; and several other actions to partner and assist in delivering cycling experiences.

#### *NSW National Parks and Wildlife Service Cycling Strategy<sup>25</sup>*

The NPWS vision for cycling in parks is for the cycling experiences in our parks to be sustainable, located in suitable locations that ensure the protection of natural and cultural heritage values, and will support tourism and deliver health benefits to communities.

Objective 3 of the plan is to improve accessibility and Object 6 is to promote nature tourism and enhance the visitor economy and goes on to add that parks have the capacity to develop destination-based cycling experiences in collaboration with other land managers and the creation of track networks both on and off park. This is consistent with the objectives of the NSW Government's NSW Visitor Economy Strategy 2030.

NPWS's focus is to promote and enhance existing, authorised cycling experiences and develop new cycling opportunities where suitable. NPWS will prioritise high-quality experiences that are most likely to drive sustainable visitation, economic and social benefits for communities.

Working within the capacity of each park's sustainable visitor numbers, NPWS will look at opportunities to improve authorised tracks, create new tracks where suitable, and collaborate with cross tenure land managers to enhance cycling activities.

#### *NSW Rail Trails Framework<sup>26</sup>*

This strategy released in June 2022 by the Department of Regional NSW evaluated two pilot Rail Trail projects in NSW (the 21km Tumbarumba to Rosewood Rail Trail and the Tweed section of the Northern Rivers Rail Trail) finding that Rail

<sup>24</sup> Department of Regional NSW, Adventure Cycling Strategy. <https://www.nsw.gov.au/sites/default/files/2023-01/Adventure-Cycling-Strategy.pdf>

<sup>25</sup> NSW National Parks and Wildlife Service, Cycling Strategy 2022 <https://www.environment.nsw.gov.au/research-and-publications/publications-search/cycling-strategy>

<sup>26</sup> Department of Regional NSW. NSW Rail Trails Framework 2022 <https://www.nsw.gov.au/sites/default/files/2022-06/NSW%20Rail%20Trails%20Framework.pdf>

Trails deliver important community benefits before and after construction. These benefits include strengthening and connecting communities, creating jobs, stimulating business and boosting tourism, providing recreational infrastructure and contributing to environmental preservation and management.

The strategy outlines the essential criteria that must be addressed in a Rail Trail proposal and governance models.

#### *Rail Trails for NSW Evaluation Summary*<sup>27</sup>

This report released by the Department of Regional NSW in June 2022, evaluates two pilot rail trail projects in NSW, the 21km Tumbarumba to Rosewood Rail Trail and the 130km Northern Rivers Rail Trail. The rail trail program was deemed successful as it displayed evidence of delivering important outcomes against the majority of indicators of success (efficiency, effectiveness, appropriateness and impact). It found that these and future similar projects have the potential to link towns and regions and contribute significantly to social and economic outcomes in regional NSW.

#### *NSW Government Statewide Destination Management Plan (DMP)*<sup>28</sup>

The Statewide DMP is designed to provide a high-level framework to achieve alignment across NSW and assist coordinated delivery of the vision and goals for the NSW visitor economy.

10 areas of strategic focus have been identified to help grow the value of the NSW visitor economy. Strategic Focus 3 is to develop and deliver state-wide experiences and products strategies in partnership with the Destination Networks.

This will be achieved through product and industry development, better bundling of new and existing assets, the development of touring routes and trails and increasing the number of 'export ready' experiences. The Orange Wine Cycle Trail cycle project if developed and marketed will contribute strongly to the DCW

region as a cycle tourism hero destination for the state.

#### *NSW Road Safety Action Plan*

This plan seeks to drive the road deaths towards zero and contains a range of strategies to achieve that. Among the priority areas are:

- Creating safer country roads and urban places
- Enhancing road safety in local communities
- Increasing the safety of light vehicles, heavy vehicles and protective equipment
- Making safer choices on our roads, and
- Ensuring the safety of vulnerable and other at-risk road users.

Reducing the incidence of fatalities and severe injuries of cyclists as road users falls within this strategy. It may include some cycle separation lanes.

#### *The Australian Cycling Economy Report*<sup>29</sup>

Released by *We Ride Australia* in 2021 the report found that in 2020, the Australian Cycling Economy is estimated to have directly contributed \$6.3b direct industry output, including \$3.4b direct value add, supporting 34,295 direct jobs (FTE) in Australia. Of all types of cycling activity, 18% is for travel and tourism purposes. The report estimated that in 2020:

- 5.8 million Australian adults spent money on cycling related goods or services. This equates to 29% of adults aged between 18 and 90
- \$428 million was invested by state/territory and local governments in bicycle related infrastructure and programs
- New South Wales (along with VIC) accounted for the highest proportion of economic contribution - contributing \$1.91b in direct output (equivalent to \$235 per capita) in NSW.

<sup>27</sup> Rail Trails for NSW Evaluation Summary June 2022. <https://www.nsw.gov.au/sites/default/files/2022-06/Evaluation%20of%20Rail%20Trails%20in%20NSW.pdf>

<sup>28</sup> NSW Government, State-wide Destination Management Plan (DMP) 2019. <https://www.destinationnsw.com.au/about-us/strategies-and-plans/statewide-destination-management-plan>

<sup>29</sup> We Ride Australia, The Australian Cycling Economy Report 2021 [https://www.weride.org.au/wp-content/uploads/2021/10/The-Australian-Cycling-Economy\\_October-2021-Updated.pdf](https://www.weride.org.au/wp-content/uploads/2021/10/The-Australian-Cycling-Economy_October-2021-Updated.pdf)

### *THRIVE 2030 – The Re-Imagined Visitor Economy<sup>30</sup>*

The national strategy for recovery and return of long-term sustainable growth of the nation's visitor economy has a target of achieving 230 billion by 2030 of which \$100 billion is regional spend. The strategy is underpinned by three themes; collaborate, modernise and diversify. If built and successfully promoted, the Orange Region Food and Wine Trail project strongly aligns with THRIVE 2030 by supporting policy priorities to enhance visitor infrastructure and to build markets and attract visitors with key importance that the infrastructure meets the needs of visitors and local communities.

### *Sport 2030 – National Sport Plan*

The vision is for Australia to be the world's most active, healthy sport loving nation, known for its integrity and excellence.

Sport 2030 contains priority areas that are designed to create a platform for success and reaching the vision. The priorities are:

- Build a more active Australia, more Australians, more active, more often
- Achieving sporting excellence; national pride, inspiration and motivation through international sporting success
- Safe guarding the integrity of sport; a fair, safe and strong sport sector free from corruption
- Strengthening Australia's sport industry; a thriving Australian sport and recreation industry.

## 1.7 Expected Outcomes

Investment in the Orange Region Food and Wine Trail will achieve several aligned outcomes that help drive and deliver the recommendations, priorities and strategies outlined in the previous section of this business case.

The outcomes flow across a range of community, social and economic areas, some of which can be quantified.

Some of the beneficial outcomes include:

- Alignment with the many regional, state and national strategies and plans including collaborating strongly with neighbouring Council areas, and the state government
- Developing new and exciting on trend market-based experiences that have been proven to deliver benefits in other regions
- Improve sustainability by directly people currently using vehicles to enjoy the regional produce onto bicycles
- Grow agritourism in the region and support the many businesses that are selling the regional story, provenance and also the many that are cycle friendly
- Continue to diversify the regional economy
- Provide a link between the region's artistic community, the food and beverage sector and the visitor economy by bringing art and sculpture to the trail
- Improved cyclist safety and reduced road trauma to cyclists and vehicle drivers alike
- Develop skill in the community in trail building and maintenance
- Enhance cooperation between the visitor economy sector and government (Local, Regional and State).

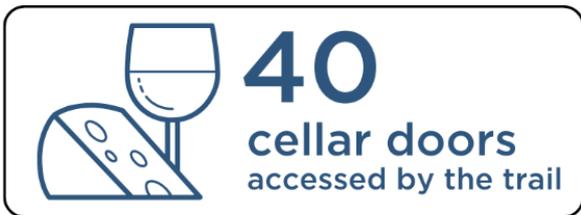
These elements are evidenced below. The benefits and outcomes of the proposal go across the entire community. Income received regionally and jobs created from this proposal flow through all sectors of the economy.

<sup>30</sup> Austrade, THRIVE 2030 The Re-Imagined Visitor Economy 2022 - 2030

### WINE TRAIL CASE STUDY – THE RIESLING TRAIL – CLARE VALLEY

It is instructive to review a successfully operating wine cycle trail to understand the benefits that flow to the community and economy. The Clare Valley has the Riesling Trail – a 33km trail that is shared use for walking and cycling that is gravel and sealed.

It has similar statistics to the proposed Orange Region Wine and Food Trail include:



The trail supports a number of cycling businesses in the region and also transport and tour companies that offer partial rides along the trail.

The community raise funds that can be used for grants to continue to grow the product and maintain the quality providing for a strong future.

Orange Region Food and Wine Trail, while slightly different in design (not having an old rail line to use as the foundation) will still provide the same or higher level of benefits to the region as the Clare Valley Riesling Trail.



marketed by the region and the state, as a key experience in SA.



**2hrs**  
from Adelaide  
nearest source market

**it has strong...**

- buy-in from the community and businesses in the region
- trail governance and a membership base

### Wine Cycle Tourism Visitor Numbers

A number of competitor destinations and wine regions in Australia currently have wine cycle touring routes or rail trails that are more mature, safer and better developed and marketed than Orange. Investment in the ORFWT create an experience that will achieve several things including getting more people to the region, spend more and stay longer.

The total investment profile would see the visitor numbers increase over a 10-year period as shown in the figure below.

Trail user numbers have been estimated for a 10-year period of operations for the Orange Region Food & Wine Trail. Trail users comprise:

- locals in Orange and Cabonne LGAs
- residents in adjacent LGAs
- tourist visitors (day and overnight).

The assumptions used in the modelling are outlined in Appendix A. Conservative assumptions have been used in estimating users and their spending patterns.

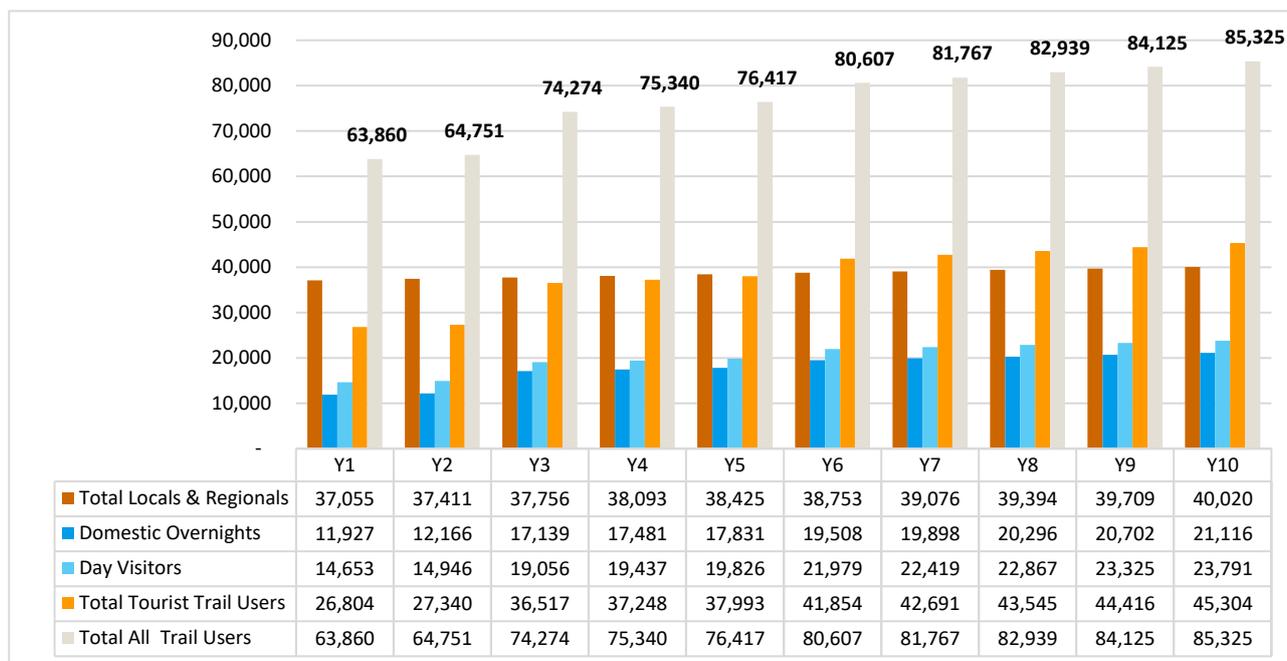
**Table 4. Orange Trail – Hubs & Segments**

HUB	TRAIL SEGMENTS
Hub 1	Town Trail
Hub 2	Lake Trail
Hub 3	Harvest Trail

The following chart and table detail trail users estimates over the 10-year period of analysis.

- Local and regional trail users across the network increase from 37,055 in year 1 to 40,020 in year 10 (growth driven by population increase)
- Tourists (day and overnight) using the trails increase from around 26,800 in year 1 to 45,300 in year 10. Tourists are split between internationals, domestic overnights and day visitors based on TRA data on the visitor mix (2019) for the Orange LGA
- Total trail users increase from 63,860 in year 1 to around 85,325 in year 10.
- This number of visitors is relatively conservative and assumes for the purpose of modelling that the trail will be completed in year 1 prior to the modelling of additional trail users.

**Figure 8. Projected ORFWT Users Years 1 to 10 Post Construction (annual number)**



Source: MCA modelling and analysis, December 2023

**Table 5. Annual trail user details.**

TRAIL USERS (ANNUAL)	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
TOTAL TRAIL	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Locals &amp; Regionals</b>										
Orange & Cabonne Residents	26,992	27,248	27,495	27,734	27,968	28,198	28,424	28,646	28,864	29,079
Adjacent LGAs	7,703	7,789	7,874	7,960	8,045	8,130	8,216	8,301	8,386	8,471
<b>Total Orange &amp; Adjacent</b>	<b>34,695</b>	<b>35,037</b>	<b>35,369</b>	<b>35,693</b>	<b>36,013</b>	<b>36,329</b>	<b>36,639</b>	<b>36,946</b>	<b>37,250</b>	<b>37,550</b>
Other Regional LGAs	2360	2374	2387	2400	2412	2424	2436	2448	2459	2471
<b>Total Locals &amp; Regionals</b>	<b>37,055</b>	<b>37,411</b>	<b>37,756</b>	<b>38,093</b>	<b>38,425</b>	<b>38,753</b>	<b>39,076</b>	<b>39,394</b>	<b>39,709</b>	<b>40,020</b>
<b>Tourist Visitors - Trail Users</b>										
Internationals	225	229	323	329	336	367	375	382	390	397
Domestic Overnights	11,927	12,166	17,139	17,481	17,831	19,508	19,898	20,296	20,702	21,116
Day Visitors	14,653	14,946	19,056	19,437	19,826	21,979	22,419	22,867	23,325	23,791
<b>Total Tourist Trail Users</b>	<b>26,804</b>	<b>27,340</b>	<b>36,517</b>	<b>37,248</b>	<b>37,993</b>	<b>41,854</b>	<b>42,691</b>	<b>43,545</b>	<b>44,416</b>	<b>45,304</b>
<b>Total Users</b>										
<b>Total All Trail Users</b>	<b>63,860</b>	<b>64,751</b>	<b>74,274</b>	<b>75,340</b>	<b>76,417</b>	<b>80,607</b>	<b>81,767</b>	<b>82,939</b>	<b>84,125</b>	<b>85,325</b>
per week	1,228	1,245	1,428	1,449	1,470	1,550	1,572	1,595	1,618	1,641
per day	175	178	204	207	210	221	225	228	231	234
<b>Weekend &amp; Weekdays <sup>31</sup>(averages)</b>										
Week end (55% of weekly visitors)	675	685	786	797	808	853	865	877	890	902
<b>Weekends per day</b>	<b>338</b>	<b>342</b>	<b>393</b>	<b>398</b>	<b>404</b>	<b>426</b>	<b>432</b>	<b>439</b>	<b>445</b>	<b>451</b>
Weekday (45% of weekly visitors))	553	560	643	652	661	698	708	718	728	738
<b>Week days per day</b>	<b>111</b>	<b>112</b>	<b>129</b>	<b>130</b>	<b>132</b>	<b>140</b>	<b>142</b>	<b>144</b>	<b>146</b>	<b>148</b>

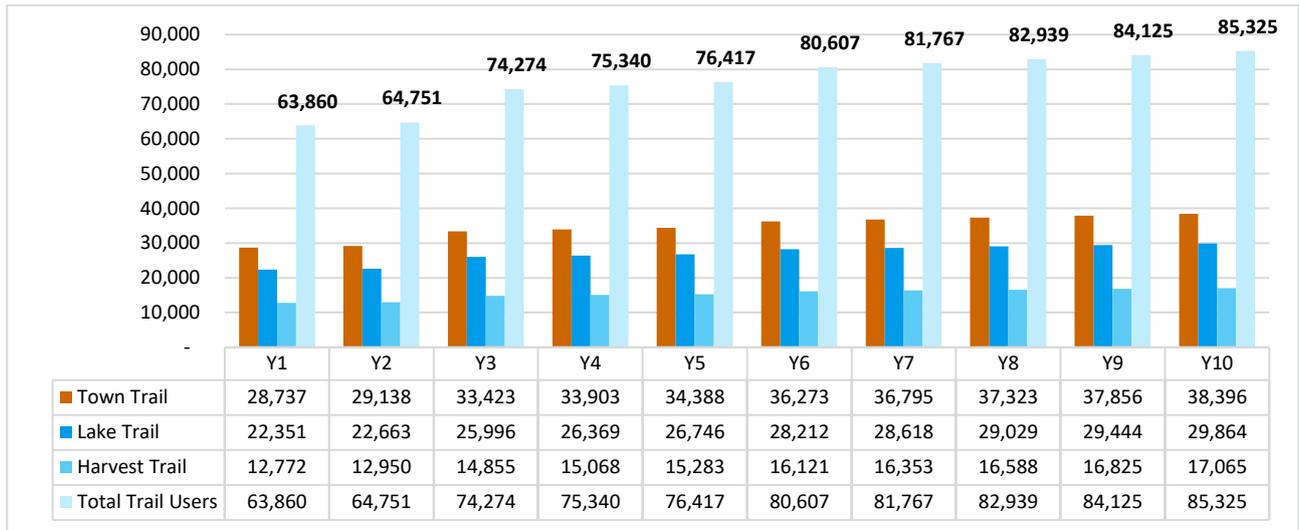
Source: MCA modelling and analysis, December 2023

The hubs provide visitors with an opportunity to explore the trail in different ways. Visitors to the region may choose to do 1, 2 or 3 days of exploring based on the hub thematic. Some may choose to curate elements themselves or have specific destinations in mind.

The following table shows estimated for users on each trail segment. The Town Hub (45%) and Lake Hub (35%) are likely to attract more local and tourist visitors.

<sup>31</sup> Note: Assumes that weekends account for 55% of average weekly visits and weekdays for 45% of average weekly visits (MCA assumption).

**Table 6. Projected users by trails hubs (no.)**



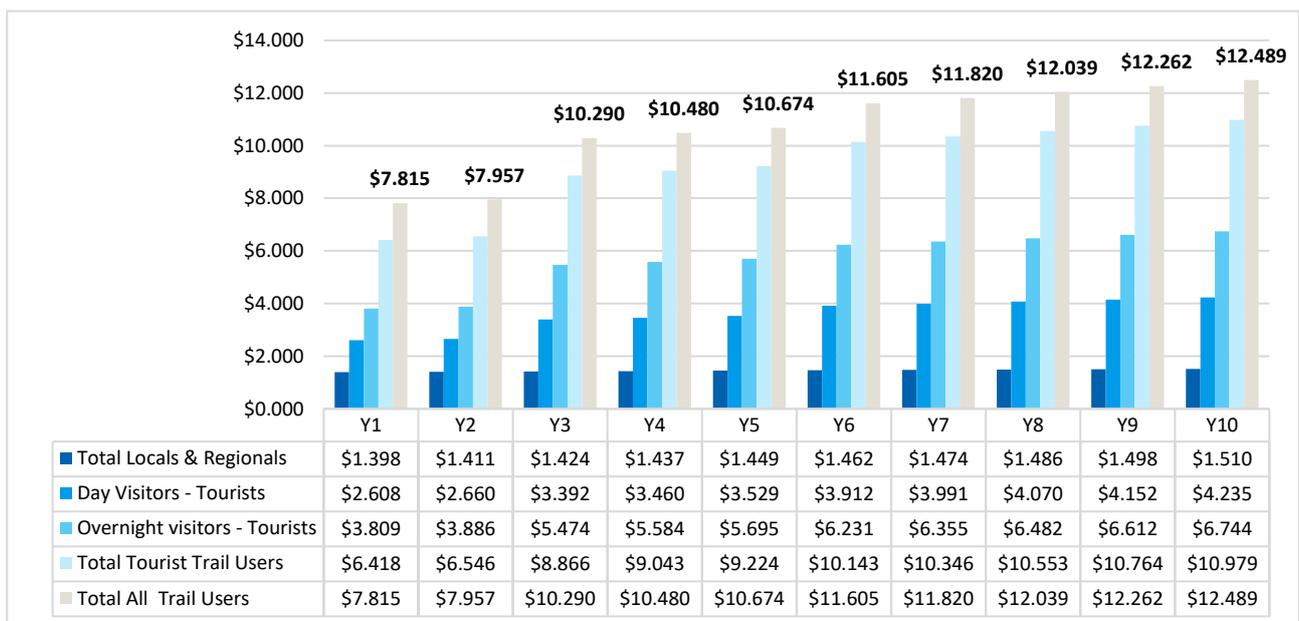
Source: MCA modelling and analysis, December 2023

**Trail User Spending in the Region**

The following table and figure shows estimates of total spending by users in the region associated with each trail section. Spending assumptions are in Appendix A. Total spending by locals & tourists increases from \$7.815 million in year 1 to \$12.489 million in year 10. This increase in spending in the region drives an increase in jobs and in regional income.

Local and regional users account for \$1.398 million in year 1 and \$1.510 million in year 10. All tourist users account for \$6.418 million in year 1 and \$10.979 million in year 10.

**Table 7. Trail user spending in region (\$million 2026 prices)**



Source: MCA modelling and analysis, December 2023. May some differences due to rounding.

**Table 8. Trail user spending in region (\$m 2026 prices)**

SPENDING – TRAIL USERS	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Locals &amp; Regionals</b>										
Orange & Cabonne Residents	\$0.945	\$0.954	\$0.962	\$0.971	\$0.979	\$0.987	\$0.995	\$1.003	\$1.010	\$1.018
Adjacent LGAs	\$0.347	\$0.350	\$0.354	\$0.358	\$0.362	\$0.366	\$0.370	\$0.374	\$0.377	\$0.381
<b>Total Orange/Cabonne &amp; Adjacent</b>	<b>\$1.291</b>	<b>\$1.304</b>	<b>\$1.317</b>	<b>\$1.329</b>	<b>\$1.341</b>	<b>\$1.353</b>	<b>\$1.365</b>	<b>\$1.376</b>	<b>\$1.388</b>	<b>\$1.399</b>
Other Regional LGAs	\$0.106	\$0.107	\$0.107	\$0.108	\$0.109	\$0.109	\$0.110	\$0.110	\$0.111	\$0.111
<b>Total Locals &amp; Regionals (Day)</b>	<b>\$1.398</b>	<b>\$1.411</b>	<b>\$1.424</b>	<b>\$1.437</b>	<b>\$1.449</b>	<b>\$1.462</b>	<b>\$1.474</b>	<b>\$1.486</b>	<b>\$1.498</b>	<b>\$1.510</b>
<b>Tourist Visitors - Trail Users</b>										
<b>Internationals</b>	\$0.070	\$0.072	\$0.101	\$0.103	\$0.105	\$0.115	\$0.117	\$0.120	\$0.122	\$0.125
<b>Domestic Overnights</b>										
Interstate	\$0.466	\$0.476	\$0.670	\$0.683	\$0.697	\$0.763	\$0.778	\$0.793	\$0.809	\$0.826
Intrastate	\$3.273	\$3.338	\$4.703	\$4.797	\$4.893	\$5.353	\$5.460	\$5.569	\$5.681	\$5.794
<b>Total Overnight visitors</b>	<b>\$3.809</b>	<b>\$3.886</b>	<b>\$5.474</b>	<b>\$5.584</b>	<b>\$5.695</b>	<b>\$6.231</b>	<b>\$6.355</b>	<b>\$6.482</b>	<b>\$6.612</b>	<b>\$6.744</b>
<b>Day Visitors - Tourist</b>										
<b>Day Visitors</b>	\$2.608	\$2.660	\$3.392	\$3.460	\$3.529	\$3.912	\$3.991	\$4.070	\$4.152	\$4.235
<b>Total Tourist Trail Users</b>	<b>\$6.418</b>	<b>\$6.546</b>	<b>\$8.866</b>	<b>\$9.043</b>	<b>\$9.224</b>	<b>\$10.143</b>	<b>\$10.346</b>	<b>\$10.553</b>	<b>\$10.764</b>	<b>\$10.979</b>
<b>Total All Trail Users</b>	<b>\$7.815</b>	<b>\$7.957</b>	<b>\$10.290</b>	<b>\$10.480</b>	<b>\$10.674</b>	<b>\$11.605</b>	<b>\$11.820</b>	<b>\$12.039</b>	<b>\$12.262</b>	<b>\$12.489</b>

Source: MCa modelling and analysis, December 2023. May some differences due to rounding.

Increased spending in the region provides a greater level of economic benefit that flows through to increased job creation.

## Benefits to Agritourism

In September 2023, the NSW Government published new guidelines<sup>32</sup> for planning approvals to make it simpler to establish and operate an agritourism business.

Agritourism is defined as a tourism related experience or product that connects people to agricultural products, people or places through farm visits or stays. It ranges from farm stays, retail and dining to events, tours and education.

This trail supports the agricultural sector in the region significantly by bringing visitors to the region and allowing them to experience wine and food tourism in situ.

Current cellar doors to be on or very close to the proposed trail include:

- Phillip Shaw Wines
- Brangayne of Orange
- Colmar Estate
- Word of Mouth Wines
- Ross Hill Wines
- Borrodell Estate
- Rowlee Wines
- See Saw Wines
- Printhie Wines
- De Salis Wines
- Nashdale Lane Wines
- Small Acres Cyder
- Orange Mountain Wines
- Heifer Station Wines, and
- Hoosegg Winery.

Many food providore businesses also currently exist on or near the trail. These include:

- Bite Riot Cherries
- Hillside Harvest
- Gerry's Cherries.

Other food production businesses along or close to the proposed trail will also likely invest in agritourism with the combination of the clarified NSW planning guidelines and the proposed trail that will bring people past their business.

Further expansion of the proposed trail in later years would bring further businesses onto the trail and expand the experience bringing further economic and social benefits.

## More Accessible Tourism

The current situation sees many cyclists and potential walkers between the wineries and providores riding or walking on road. This has the dual impact of reducing the demand for the experience and increasing the safety risk for visitors and residents.

By providing as much off road trail as possible, the trail users are safer, and the experience vastly improved. The projected and modelled visitor numbers provide for local residents, regional visitors and domestic visitors from outside the central west region.

Increasing the ease and safety of the trail promotes a more accessible product. Lower grades and safer riding and walking open the product and experience to trail users who have less experience and feel more comfortable riding and walking on off-road trails.

Off road and well graded trails also provide greater access to the region's products for people with disabilities.

Should this proposal not occur, visitor numbers would not increase, and the existing product would remain a more dangerous activity.

<sup>32</sup> Setting up an agritourism business – A guide to planning approvals. NSW Government. September 2023

## 1.8 Stakeholder & Community Support

### General Approach

This business case has been developed with extensive consultation throughout the process, and prior to the formal business case being developed.

Due to the business case being developed by TRC Tourism on behalf of Orange BUG, it has not been appropriate to undertake extensive landowner consultation with the small number of owners who may feel they are impacted. It should be noted that some informal consultation has occurred during site visits.

The approach undertaken has included:

- Detailed consultation with Councils – Orange City and Cabonne Shire
- One on one consultation with peak groups including Orange 360, and Orange Vignerons Association
- One on one consultation with industry and businesses along the route, and
- Broad community engagement through the online engagement portal – Social Pinpoint.

Oversight of consultation has occurred through the Orange Bicycle User Group as the owner of this business case. Ongoing discussion and

Project Control Group meetings between TRC and Orange BUG have occurred to ensure issues raised are identified and resolved throughout the course of the development of this business case.

It should be noted, that should the proposal proceed to the next phase of development, extensive consultation with landowners who either neighbour the proposed route, or in some cases, where the trail is proposed to be on crown reserves or through small areas of private property would be consulted extensively.

### Consultation Outcomes

Consultation has raised several important issues, and many areas of support for the proposal. The business case has adapted to the matters raised where possible.

All stakeholders are broadly supportive of the concept. Further work is required in the next phase of the trail's development to address some of the risks raised, and to ensure that landowners are effectively consulted on the route.

The following table provides the summary of the consultation by user group and the issues raised. General consultation undertaken through Social Pinpoint is covered separately in the following sections.

**Table 9. Consultation themes and responses in the business case.**

STAKEHOLDER	KEY MESSAGE	PROPOSED BUSINESS CASE RESPONSE
Councils (LGAs)	Important to consider ongoing trail maintenance expenditure	Revenue models are couched in this business case to assist with maintenance. Construction to a higher standard from grants reduces ongoing maintenance.
Councils (LGAs)	Access to crown road reserves and small areas of private property may be an issue	Crown road reserves have been checked through the land title system and remain in the Crown or LGA control. Private property use where considered would be wholly voluntary by the land owner. Should they not wish to consider a formal right of access for the trail with Council, the trail route would be amended in the detailed planning of the trail.
Councils (LGAs)	Ensure the costings are current and correct so that if it does proceed, Council is not left with a CAPEX shortfall	Considered in the project risks. Rates per unit have been checked with the market and with Orange City and are appropriate, if slightly on the high side.

STAKEHOLDER	KEY MESSAGE	PROPOSED BUSINESS CASE RESPONSE
Peak Groups	Who will own and market the trail.	Council(s) would take ownership of the trail on their asset register. Marketing would best be done by an organisation such as Orange 360 and include this in their existing marketing approach. Support mechanisms such as fund raising are also considered.
Businesses	Broad support	Many businesses along the trail were spoken to and most were in very broad support of the trail and its objectives.
Wineries	Bio security	Managing the risks of soil and pathogen movement in vineyards is critical to the health of the region. Fencing and other wash down facilities can be considered. Avoiding taking visitors through vineyards in detailed trail design is included. The risks of cyclists versus cars is not considered higher.
Businesses	Investment	Consultation occurred with accommodation providers and bike hire and sales businesses. All thought it a strong proposition that would attract further investment in services in the region.
Councils (LGAs)	Avoid disturbance to existing trees	Detailed design will be undertaken in the next phase of the project. This concept design seeks to build on the Orange landscape and beauty.
Councils (LGAs)	Busy roads and highways can be problematic from a safety perspective.	Using design guidelines and keeping prospective trail users from crossing busy highways and riding on them will be important.

### Broad Public Consultation

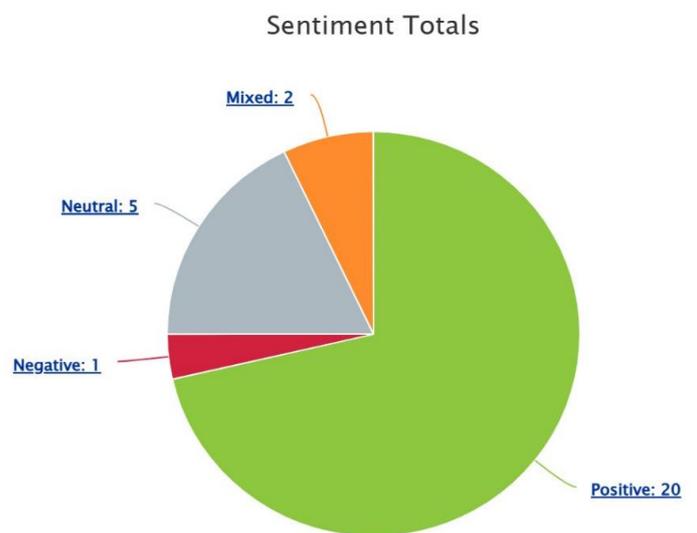
Social Pinpoint is an online engagement tool that can be used to elicit broad public comments on proposals and is particularly effective on tourism projects that occur in a landscape setting.

The dedicated website landing page for this project opened on Monday 9 October and closed on 15 November providing time for interested parties to engage.

Over 270 total visits occurred during that time with 143 unique users. The responses were broadly supportive of the proposal as shown in the figure 9.

Responses are kept confidential from their usernames to encourage free comment.

**Figure 9. Sentiment Totals - towards the Orange Region Food and Wine Trail**



Source: TRC Social Pinpoint Project Consultation page.



# 2

## Analysis of the Proposal

By all measures, the completion of the proposed Orange Region Food and Wine Trail provides significant benefits to the region and to the State both for communities and the visitor economy.

This section identifies the options considered and quantifies the costs and benefits of the proposal.



## 2.1 Objectives & Indicators

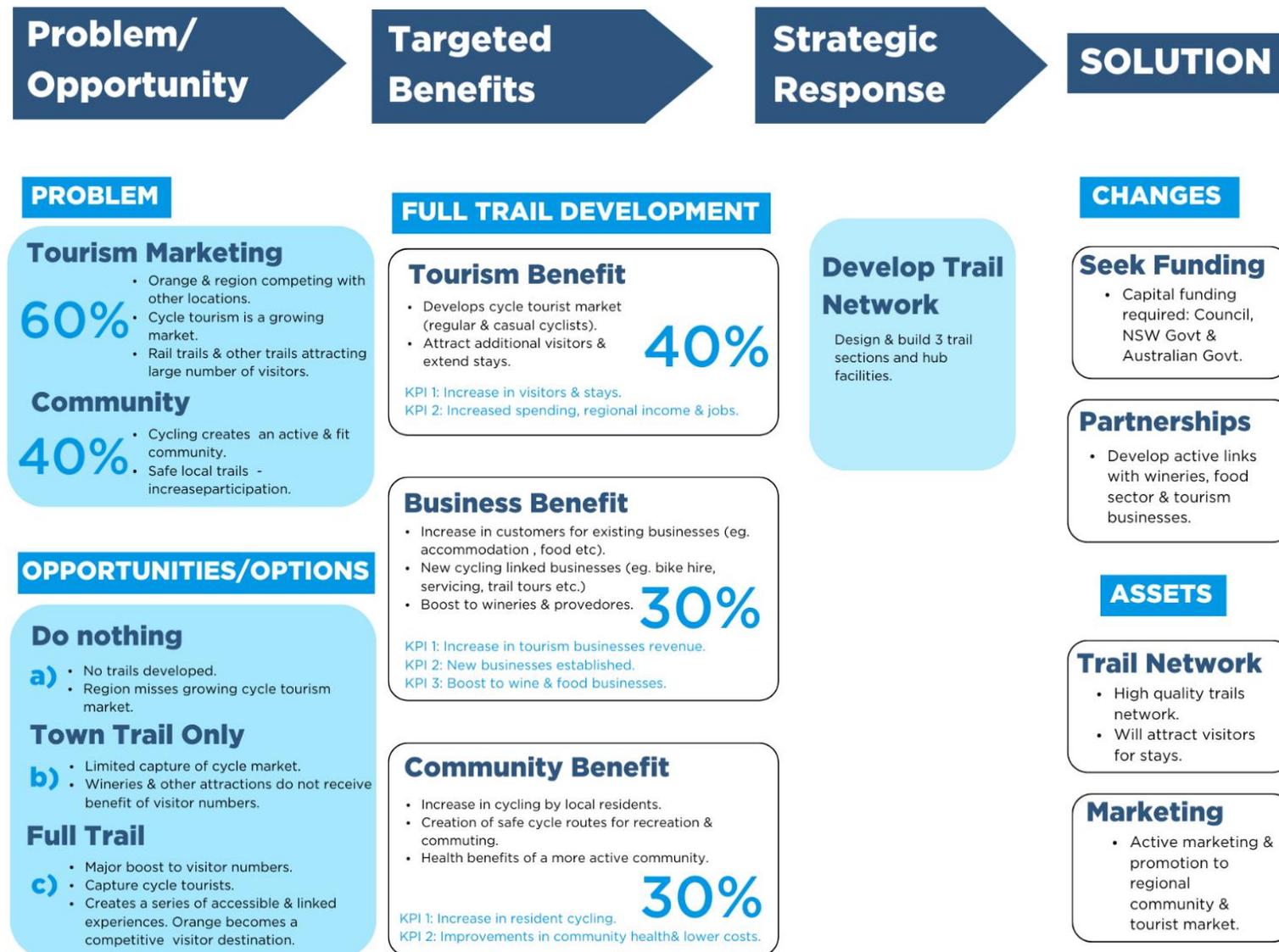
The following table presents the proposed objectives, the problems to be solved and opportunities to be harnessed, and the key success indicators.

**Table 10. Proposal Objectives**

KEY PROBLEMS/ISSUES	KEY PROPOSAL OBJECTIVES	KEY SUCCESS INDICATORS
<p><b>Orange and region lose ground to competitors that are investing in this experience.</b></p> <p><b>The potential for Orange Region to experience significant visitor economy growth is not realised due to lack of investment in cycle tourism infrastructure that compliments the strengths of the region.</b></p>	<p>The proposal seeks to target specific high yield tourism markets.</p> <p>In addition, it expands the number of people able to undertake this type of experience.</p> <p>The infrastructure will keep people in Orange and region longer and they will spend more.</p>	<p><b>KSI 1.</b> Increased number of visitors and increased visitor nights (measured through Tourism Research Australia (TRA) and reported through DCWNSW)</p> <p><b>KSI 2.</b> Increased spending, regional income and regional employment leading to economic diversification. (measured through TRA and reported through DCWNSW)</p>
<p><b>(Opportunity) Cycling creates an active and fit community.</b></p> <p><b>(Opportunity) The trail becomes a safe and more inclusive way to experience the region and for the community to exercise.</b></p>	<p>An increase in cycling by residents locally and from neighbouring LGAs provides for health benefits from active lifestyles.</p> <p>A reduction in cycling incidents and accidents using roads in and around the proposed trail will reduce trauma and align with the State Government Towards Zero road deaths.</p> <p>Provide for greater levels of access and inclusion by making cycling around the region's key attractions safer and more available.</p>	<p><b>KSI 3.</b> Increase in residents cycling. (As measured through the AUSPLAY survey).</p> <p><b>KSI 4.</b> An improvement in community health and lower health costs per person. (As measured by NSW Health).</p> <p><b>KSI 5.</b> A reduction in cyclist accidents on road. (As measured by NSW Police.).</p>
<p><b>(Opportunity) An increase in business custom for existing businesses (e.g., accommodation, food etc).</b></p> <p><b>(Opportunity) New businesses develop in agritourism, cycling related businesses and general service industry such as café, transport and accommodation.</b></p>	<p>An increase in visitors to the region provides for growth and the opportunity for existing businesses to become more sustainable, offer new services and re-invest into their businesses.</p> <p>Increased visitors cycling the trail provides opportunities for new businesses to enter the market. This may include regional producers taking advantage of the new streamlined agritourism planning guidelines.</p> <p>Existing wineries and providores continue to improve the vineyards and quality of the wines and produce in the region.</p>	<p><b>KSI 6.</b> Increase in tourism business revenue. (As measured by TRA).</p> <p><b>KSI 7.</b> New businesses are established. (As measured by ABS and LGAs)</p> <p><b>KSI 8.</b> Boost in sales from wineries, beverage and food producers in the region. Orange brand becomes more widely acknowledged as a quality food and beverage production region. (As measured by LGAs and Orange 360).</p>

The Investment Logic Map (ILM) is shown in the figure below. The investment logic map summarise the problem and opportunity the investment is trying to solve, the objective and responses, and the solutions.

**Figure 11. Investment Logic Map for the Orange Region Food and Wine Trail**



## 2.2 The Base Case

The base case is the current business as usual for wine and food cycling and tourism in Orange and the surrounding region. The outlook includes:

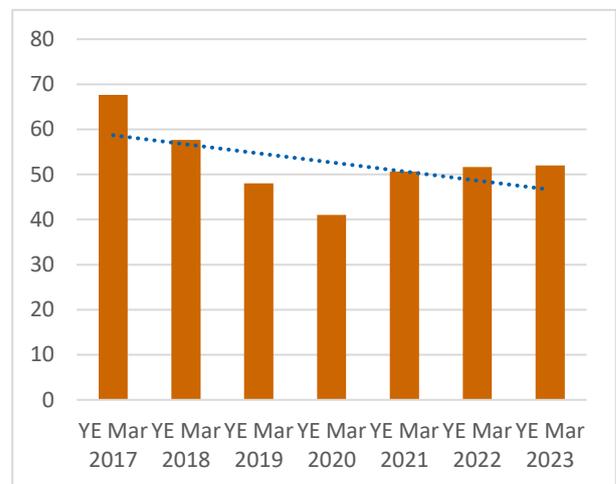
- Continuing to lose visitors to competitor regions in NSW and Australia including the Hunter Valley and Victorian wine regions that are currently investing into cycle tourism infrastructure and experiences (Mornington Peninsula, Rutherglen) and the ACT
- Failing to attract international visitors to the region due to the lack of wine and food cycle tourism options (i.e., New Zealand and European source markets into Australia)
- Failure to keep abreast of global market trends that include slow and low carbon tourism experiences such as cycling
- Failure to continue to improve safety of road users off road
- Missing the opportunity to continue to position Orange as one of the great inland cities of Australia and the region as a world class place to live, invest and visit
- Agrotourism potential growth in line with the State Government policy and guidelines will potentially be diminished without further stimulus for further visitors to visit
- Failing to deliver a product that is either directly listed or aligned with many of the regional, local and State based strategies that aim to deliver visitor economy benefits to regional NSW.

We know that the Central West region of which the Orange region is a part is still to fully recover from the effects of COVID 19 in terms of the visitor economy performance, but its recovery is relatively strong in some areas. By way of example, domestic overnight visitors to Orange are still 8% behind the pre pandemic numbers (Comparison of year end June 2019 with year ending June 2022). Without delivery of the new trail infrastructure, recovery will be significantly slower.

Further, in the year ending March 2023, there were 52,000 visitors to the region who indicated that they cycled while on holidays. This is down significantly from 67,000 in the year ending March 2017. Failure to continue to invest in infrastructure may see this continue to stagnate. With the drop in visitors, those arriving are staying slightly longer and spending more. Increasing this market will provide a significant boost to the visitor economy.

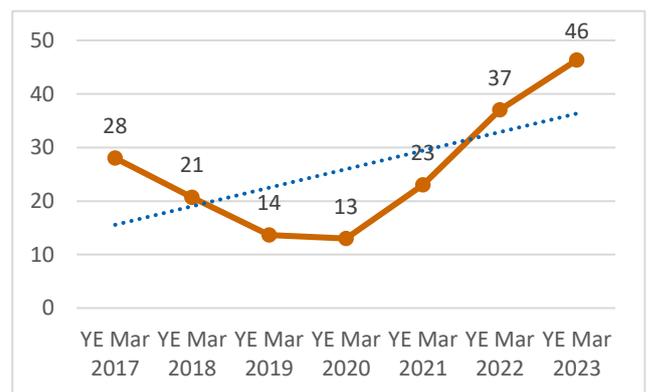
The two charts below show the increase in expenditure per cycling visitor over time.

**Figure 12. Cycling visitors to the region (000)**



Source – TRA 2023

**Figure 13. Cycling visitor expenditure to the region (\$million)**



Source – TRA 2023

One Marlborough Winery on the Marlborough Wine Trail has anecdotally indicated that over 50% of their cellar door sales are now to cyclists.

## 2.3 Other Options Considered

The mid case is one where a limited amount of capital is available, or an unforeseen matter discovered in the next phase of this project makes one or more of the proposed hubs unviable.

Assuming one hub is developed, it will have some benefits including:

- Proof of concept and essentially starting the trail development but phasing it over a longer period
- Providing some offroad trail experiences from Orange or regionally to wineries and providers
- Provide some level of business confidence in the investment .
- The provision of some additional trails for the community to use, enjoy, and gain benefits from including health and well-being benefits.

Similarly, there are some potential disbenefits which include:

- The investment may not provide a critical mass of trail to attract significant visitors to warrant a partial investment. We know that trails such as this should offer one or more days ride / walk to be attractive for people to come
- The investment may not be enough to act as an incentive to encourage private sector investment in existing and new business growth based on the trail due to smaller than expected visitor growth
- Only a small number of wineries and providers would be accessed providing a disbenefit to those not on the hub built
- The scale may be smaller than warrants significant marketing attention, meaning the investment could be lost in a market place that has significant competition.

While this case has some positives, the experience has been designed on the full implementation of the Orange Region Food and Wine Trail. The three hubs, numbers of wineries and providers touched, and the scale of the experience deliver the potential benefits outlined in this business case.

## 2.4 The Information About the Proposal

Orange Region Food and Wine Trail (ORFWT) is a multi-million dollar investment in off road trail infrastructure that will deliver significant benefits to the visitor economy in the Orange region, and that will significantly add to the community infrastructure to residents by making the region safer and more accessible to ride, walk and be active outdoors.

### The Proposed Scope of Works – Strategy

The location for the proposed Orange Region Food and Wine Trail is in the Orange Region, in Central Western NSW. The location covers two LGAs – Cabonne Shire and the Orange City Councils.

The Orange Region Food and Wine Trail (ORFWT) design intent is to provide an overall Orange providore (foraging) experience that reflects this beautiful relaxed rural setting. The ORFWT is connected through 3 easy to access central hubs linked by a 26km cycle route spine:

#### HUB 1. TOWN (ORANGE)

#### HUB 2. LAKE (PURPLE)

#### HUB 3. HARVEST (GREEN)

Providing the leisure cyclist with e-bike hire and convenience from which to ride from or to, and then connect to local food and wine providore experiences in each immediate area. The trail is specifically designed for the leisure cyclists, food and wine enthusiast. It is also very suitable for family part and full day trip outings as it passes through lush, picturesque cherry - fruit orchards, vineyards and bushland which is uniquely supported by a high altitude and nutrient rich volcanic landscape.

The trail suggests a network of new and existing on and off-road, including easy gravel trails, that directly connect quiet traffic calmed roads. Fun and simple trail head information signage and wayfinding is to include a rural vibe using painted timber or mild steel and blade signage with 3 colours to represent each hub area. The signage posts are brightly coloured, individually for each

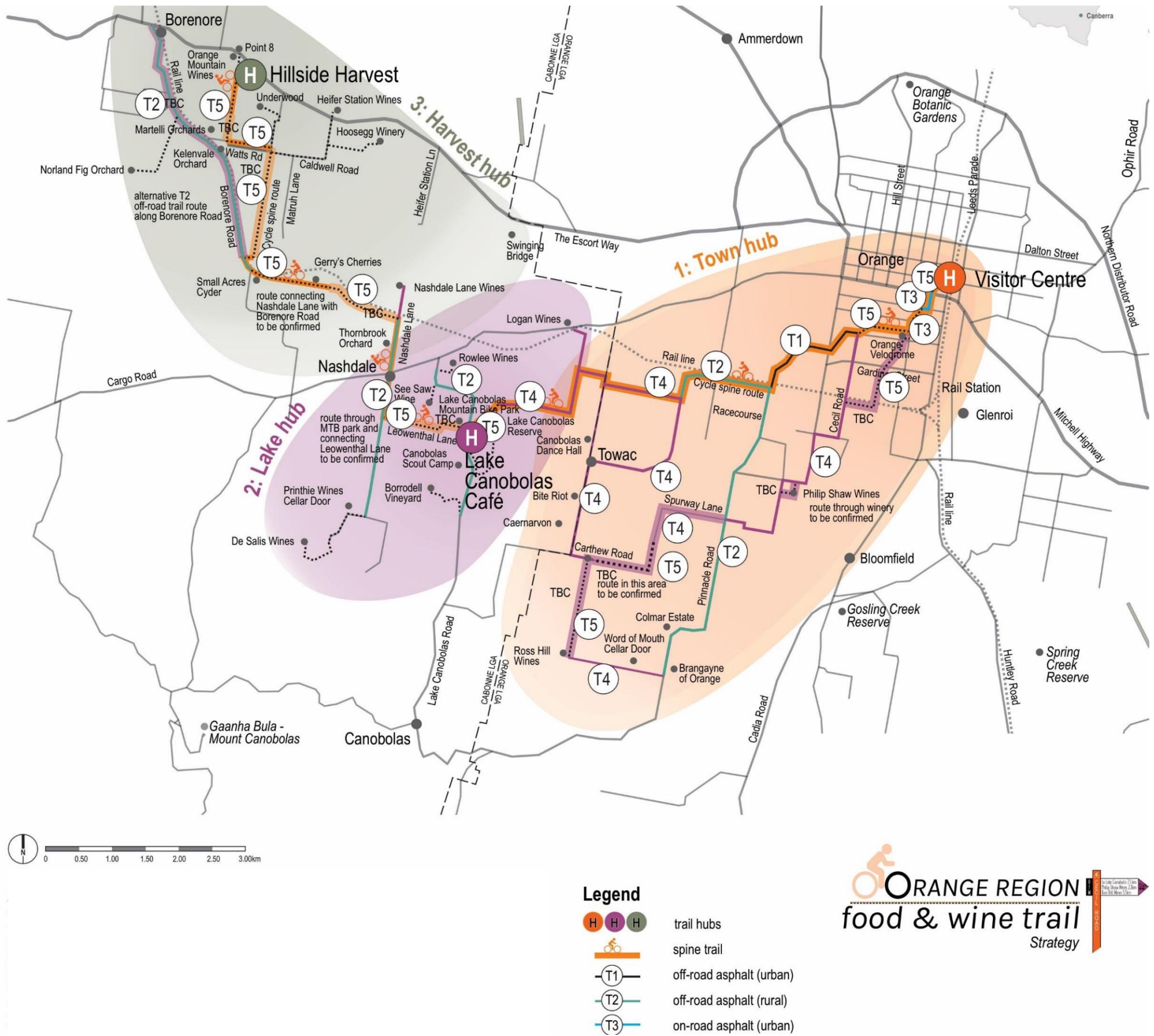
of the 3 hubs, with the arrow indicating the hub you're heading towards.

Suggested providers and distances are provided on the spine of the blade(s) and located on appropriate trail intersections. The trail is located alongside existing infrastructure, within road reserves including the widening of asphalt shoulders for dedicated cycleways, established cycle trails or along quiet traffic calmed roads. The trail is to make the most of roadside interpretation points to promote numerous stopovers, associated accommodation, food and drink attractions. Bike repair and charging stations are to be located at each hub.

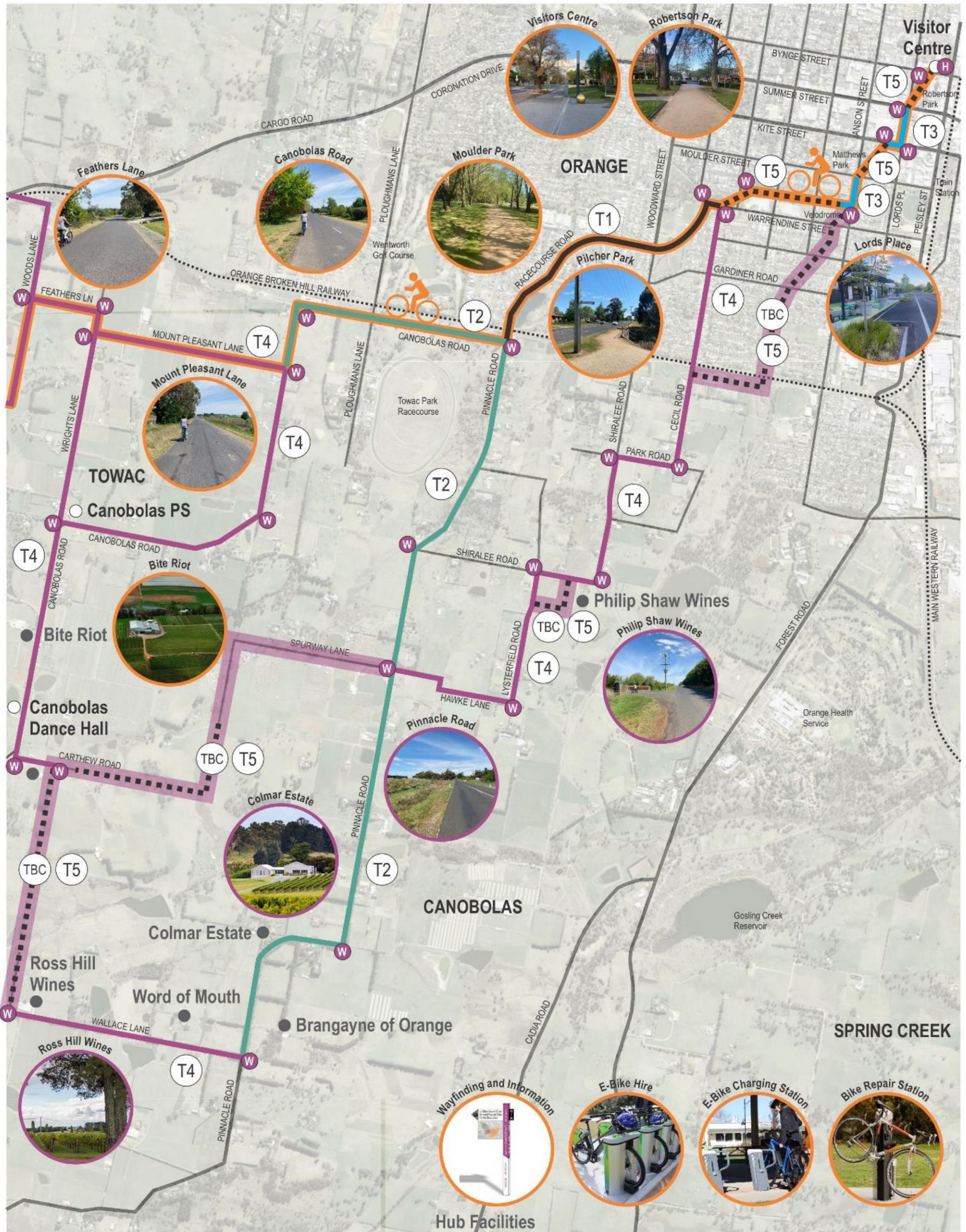
The exact treatments along the trail are to be developed through a design development and detailed design process including ongoing consultation with Councils (Orange City and Cabonne), the Orange BUG cycle group, community, business and associated Stakeholders and Landholders. Rural 'land art' opportunities already exist along the proposed route, however, can be strongly encouraged/commissioned within road reserves and private property areas to enhance the fun cycle experience.

The hubs form the consumable portions of the trail. Each hub is shown in more detail below. The trail treatment (scope of works) proposed for each section is also shown as one of five standard treatments which are considered further in this section.

**Figure 14. Orange Region Food and Wine Trail – Strategy and General Location**



**Figure 15. HUB 1. Town Hub - showing the scope of works for each section.**

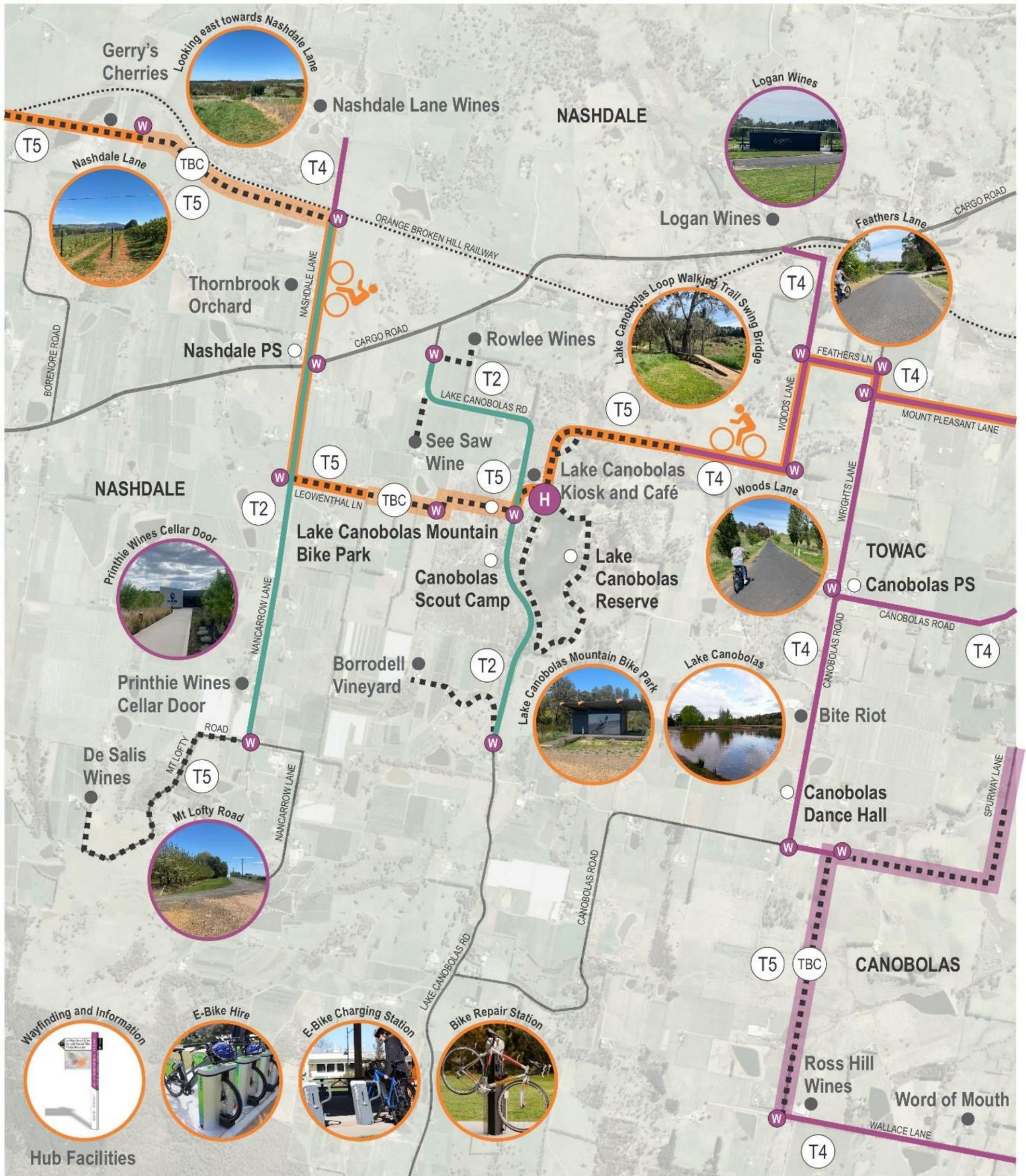


**Legend**

- major spine trail
- T1 off-road asphalt (urban)
- T2 off-road asphalt (rural)
- T3 on-road asphalt (urban)
- T4 on-road asphalt (rural)
- T5 gravel road / single trail

- TBC new trail route to be confirmed
- H Hub Facilities - includes Trail Head wayfinding, visitor information, trail head infrastructure: E-Bike Hire, E-Bike Charging Station, Bike Repair and Toilets
- W Trail wayfinding posts - key intersections

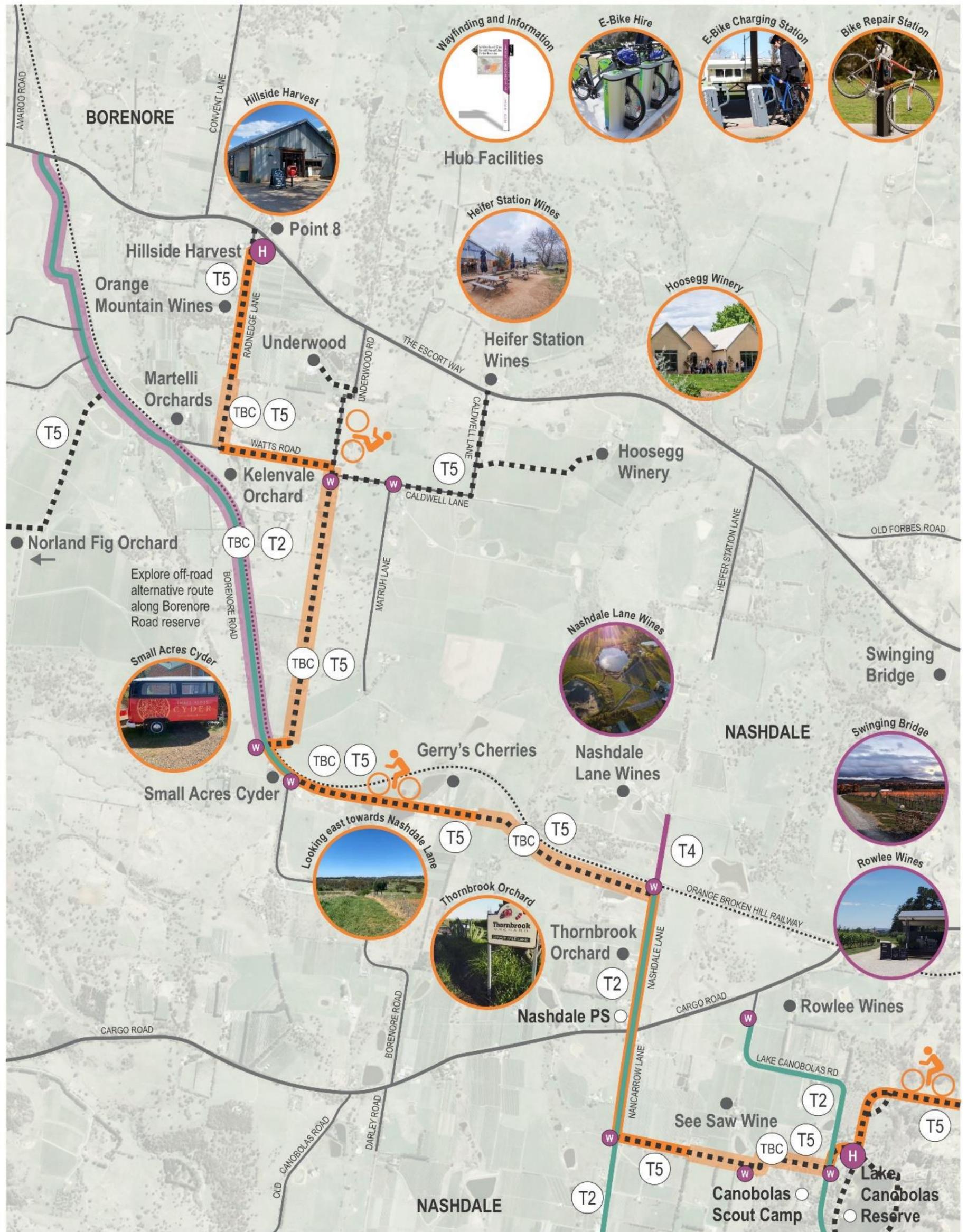
Figure 16. HUB 2: Lake Hub - showing the scope of works.



Legend

- major spine trail
- T1 off-road asphalt (urban)
- T2 off-road asphalt (rural)
- T3 on-road asphalt (urban)
- T4 on-road asphalt (rural)
- T5 gravel road / single trail
- TBC new trail route to be confirmed
- H Hub Facilities - includes Trail Head wayfinding, visitor information, trail head infrastructure: E-Bike Hire, E-Bike Charging Station, Bike Repair and Toilets
- W Trail wayfinding posts - key intersections

Figure 17. Hub 3: The Harvest - showing the scope of works.



### The Proposed scope of works – trail treatments and standards

The proposed trail route passes through a range of settings and contains a number of proposed treatments. These treatments are shown below as examples of the trail formation. Detailed design and engineering is required in the next phase of this project. These treatment types are indicative and have been designed and used to assist with the project costing as well as experience design.

Ideally, the trail would all be off-road and constructed to a high standard that might include bitumen or compacted gravel surfaces.

Off road cycle trails are sought by the markets being targeted by this proposal. They offer safe and relaxed riding and allow the participants to enjoy the setting, nature and travel at a relaxed pace. Family groups are often found in these settings.

This concept plan proposes a range of treatments that can be adjusted as funding and terrain / land tenure elements are worked through and engineering options developed in the detailed design phase of the project assuming it is endorsed and proceeds.

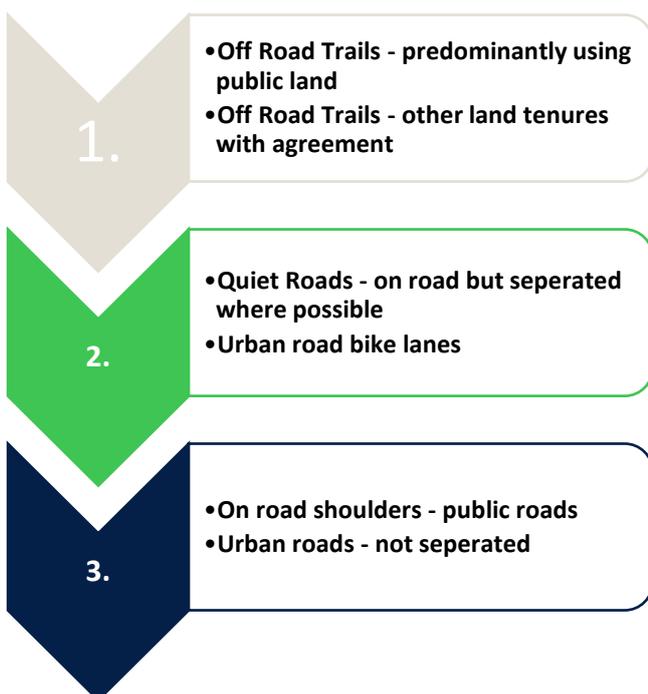
Five Treatment concepts are presented and shown in the following figures:

- Treatment 1: Offroad (Urban)
- Treatment 2: Offroad (Rural)
- Treatment 3: On road (Urban)
- Treatment 4: On road (Rural)
- Treatment 5: Gravel road and trail.

The following infographic provides the design principle hierarchy. At every opportunity, the aim is to remove cyclists from the shared road surface with vehicles.

This is not always physically possible and as such, the second order priority is to separate cyclists and vehicles. Some country roads and gravel tracks are very quiet (vehicle volume), and the concept allows for cycling on these roads for shorter distances, or in the case of the Harvest Hub, for some gravel riding on maintained gravel roads, tracks and driveways (by agreement with the landowner).

**Figure 18. Principle Hierarchy for Trail Treatments**

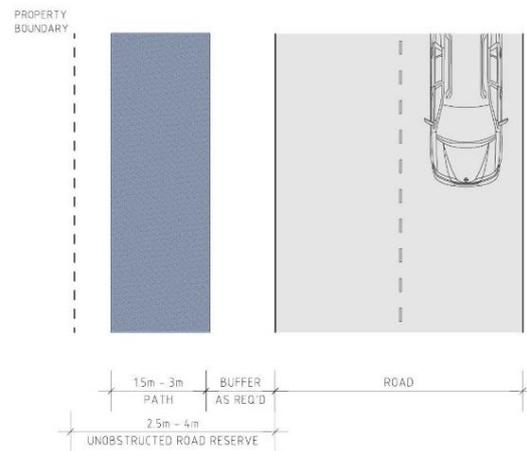


**Figure 19. Treatment 1 – Proposed Offroad (urban) Treatment Profile.**

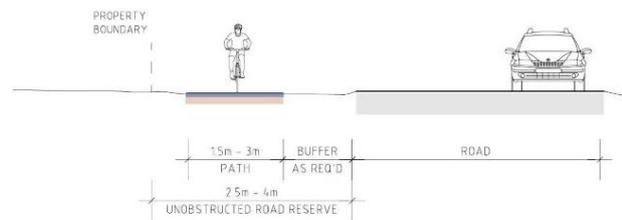


**T1 Treatment #1: off-road (urban example)**

A public road reserve is the ideal placement for the OFW cycle trail. 1.5-3m wide asphalt cycle surface will provide a safe trail where this treatment is possible along the proposed route. Where the road reserve is unsuitable for an off-road trail due to obstructions and proximity to the road, other treatments are to be explored.



Plan  
Section

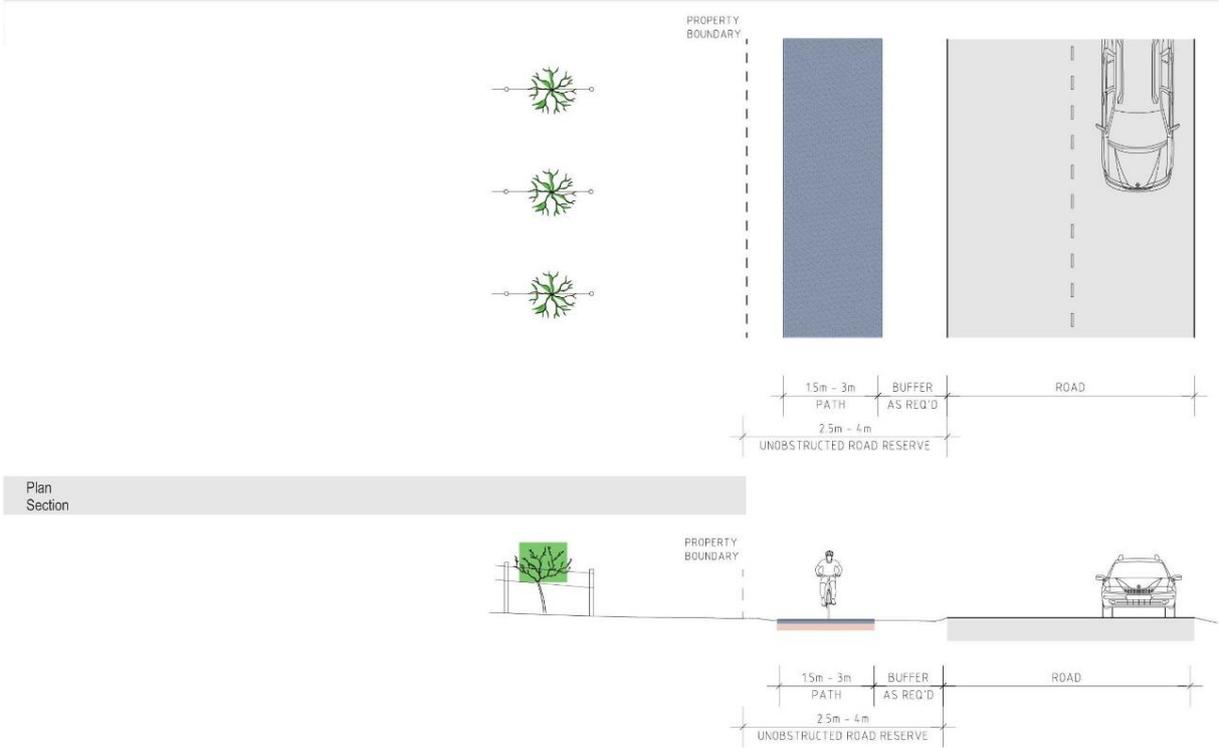


**Figure 20. Treatment 2 – Proposed Offroad (rural) Treatment.**



**T2 Treatment #2: off-road (rural example)**

Public road reserve is the ideal placement of the OFW cycle trail. Minor grading and 1.5-3m wide asphalt cycle surface will provide a safe trail where this treatment is possible on the proposed route. Where the road reserve is unsuitable for a trail due to obstructions and proximity to the road, other treatments will be explored.

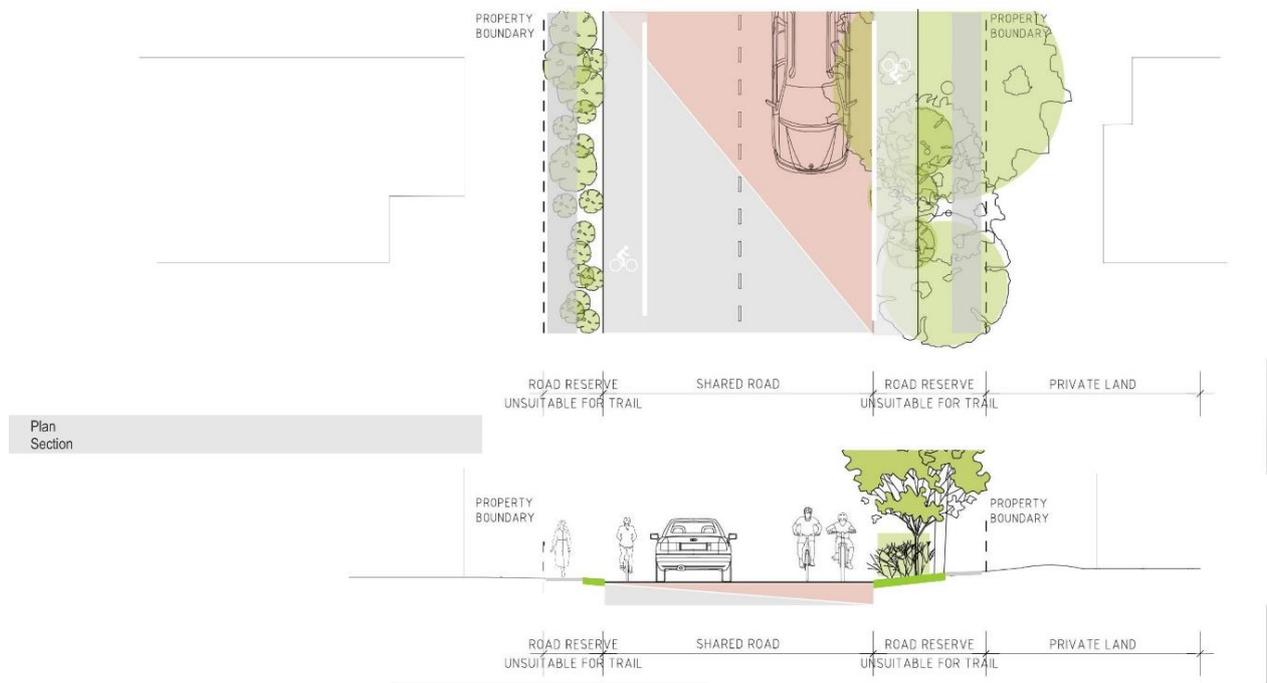


**Figure 21. Treatment 3 – Proposed on Road (urban) Treatment.**



**T3 Treatment #3: on-road (urban example)**

Where a road reserve is unsuitable and the road pavement is adequate width the trail is to follow alongside the road. Generating driver awareness for cyclists using signage and other visual cues will improve safety for cyclists on these roads. Reducing the speed limit at points may also improve safety.



Plan Section

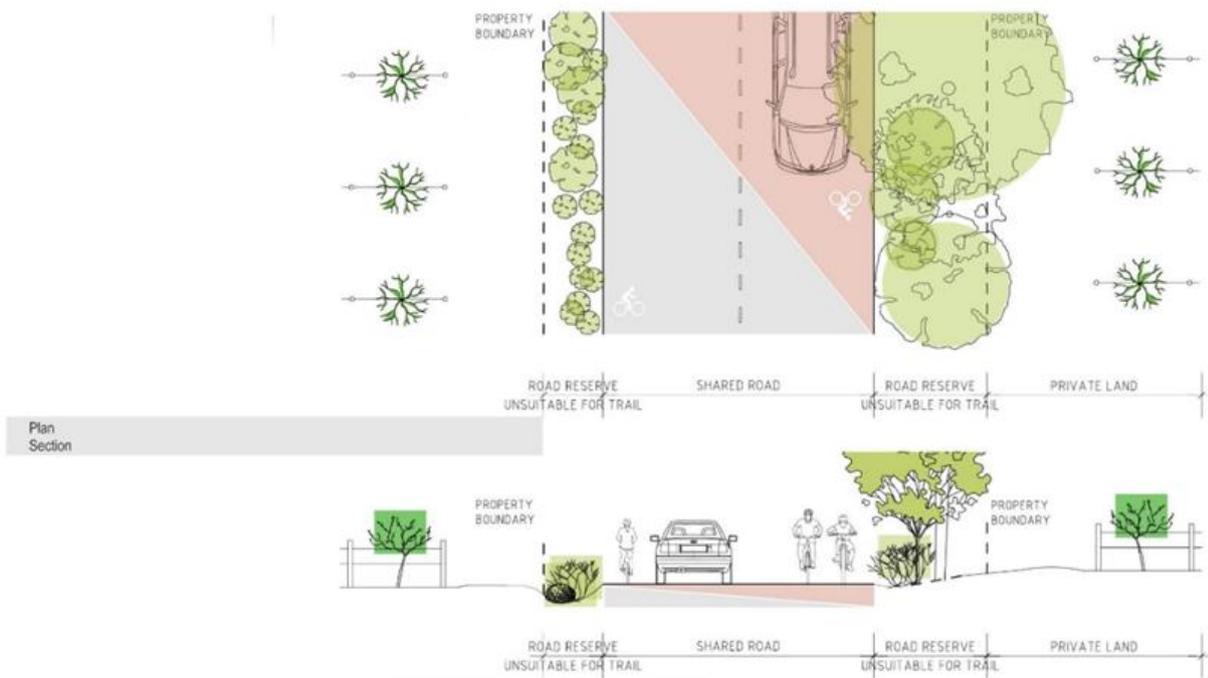


**Figure 22. Treatment 4 – Proposed on Road (rural) Trail Treatment.**



**T4 Treatment #4: on-road (rural example)**

Where a road reserve is unsuitable and the road is quiet the trail will follow the road. Generating driver awareness for cyclists using signage and other visual cues will improve safety for cyclists on these roads. Reducing the speed limit at points may also improve safety. The design of busy road crossings must be considered.



**Figure 23. Treatment 5 – Proposed Gravel Track / Road Trail Treatment.**



**T5 Treatment #5: gravel road / trail**

Where a gravel road or park reserve is suitable the trail will follow a gravel road and / or trail. Generating driver awareness for cyclists using signage and other visual cues will improve safety for cyclists on these roads. Reducing the speed limit at points may also improve safety. The design of busy road crossings must be considered.



## Proposal Exclusions

This business case presents the project as a concept. It excludes detailed implementation planning and provides for this in the next phase of the project. This concept design includes proving the concept, developing costs and benefits, and aligning the project broadly to strategic directions for the region and for Councils.

Costs have been prepared on a schedule of rates basis and have been market tested to ensure that they are appropriate. They have been prepared and are considered appropriate to December 2023.

The next phase of the project would include:

- Formalisation of the project governance and funding
- Detailed consultation with landowners and others potentially affected (in positive and potentially negative ways)
- Design development
- Planning approvals and permits
- Construction.

**Table 11.** Per Unit Capital Costs That Underpin The Cost Model For The Orange Region Food And Wine Trail

TRAIL ELEMENT	COST PER UNIT (DECEMBER 2023 \$)
Existing gravel trail topdressing	\$15 - \$25 per lineal metre
Existing gravel trail upgrade / widening	\$45 – 55 per lineal metre
Existing concrete / asphalt trail upgrade / widening	\$350 - \$400 per lineal metre
Proposed off-road (road reserve) dedicated hard surface cycle lane	\$400 to \$600 per lineal metre
Proposed on-road (road widening) dedicated lane	\$350 - \$400 per lineal metre
Proposed gravel trail (3 m wide and new)	\$150 to \$200 per lineal metre
Major trail infrastructure at trail head	\$32,500
E-bike charging station	\$20,000
Bike stands and supporting structures	\$10,000
Blade sign per location	\$2,500
Fencing (agricultural fencing)	\$20 per lineal metre per side
Regional art pieces along the trail	\$10,000 - \$50,000 per piece (sculpture)

Applying these standard rates the following capital cost is derived.

## Related Projects

This project stands alone. It is related to work currently being considered by Cabonne Shire Council on Lake Canobolas Road to widen the road shoulders creating a safer cycling experience near the Lake.

This project is also related to considerations within Orange City Council to expand the footpath network in a strategic way.

## 2.5 Projected Costs

### Projected Capital Costs

Projected capital costs are based on a schedule of rates per unit of construction cost. Each schedule of rates has been applied to the length of trail treatment (T1 through T5) specified on the hub plans. Those schedules are in the table below.

**Table 12. Cost Breakdown of the Orange Region Food and Wine Trail Proposal**

HUB AND TRAIL TYPE	LENGTH (M)	TRAIL COST	WAYFINDING	ART AND INCIDENTALS	TRAILHEADS	FENCING	TOTAL COST (\$)
Town Hub Spine Trail	7,120m	\$2,434,750	\$30,000	\$250,000	\$75,000		\$2,789,750
Town Hub Connecting Trails	15,500m	\$6,090,000	\$37,500			\$260,000	\$6,387,500
<b>Sub Total Town Hub</b>	<b>22,620m</b>	<b>\$8,524,750</b>	<b>\$67,500</b>	<b>\$250,000</b>	<b>\$75,000</b>	<b>\$260,000</b>	<b>\$9,177,250</b>
Lake Hub Spine Trail	5,500m	\$2,420,000	\$25,000	\$150,000	\$75,000	\$18,000	\$2,688,000
Lake Hub Connecting Trails	2,500m	\$1,500,000	\$10,000				\$1,510,000
<b>Sub Total Lake Hub</b>	<b>8,000m</b>	<b>\$3,920,000</b>	<b>\$35,000</b>	<b>\$150,000</b>	<b>\$75,000</b>	<b>\$18,000</b>	<b>\$4,198,000</b>
Harvest Hub Spine Trail*	8,050m	\$2,950,000	\$10,000	\$25,000	\$75,000	\$202,000	\$3,262,000
Harvest Hub Connecting Trails	400	\$500,000	\$15,000	\$150,000			\$665,000
<b>Sub Total Harvest Hub</b>	<b>8,450</b>	<b>\$3,450,000</b>	<b>\$25,000</b>	<b>\$175,000</b>	<b>\$75,000</b>	<b>\$202,000</b>	<b>\$3,927,000</b>
<b>TOTAL</b>	<b>39,070</b>	<b>\$15,894,750</b>	<b>\$127,500</b>	<b>\$575,000</b>	<b>\$225,000</b>	<b>\$480,000</b>	<b>\$17,302,250</b>

Source: TRC and Brave and Curious. December 2024.

\*Harvest Hub Spine Trail includes 1850m of alternative trail for the spine (duplicating some elements) – both are included.

The cost estimates will be further refined during the detailed design phase of the projects. Cost estimates include allowances for:

- Additional planning including environmental assessments, potential for Aboriginal Heritage Impacts and consultation with Traditional Owners, engineering and professional assessments including geotechnical and hydrology.
- Further detailed design and consultation costs together with construction contractor establishment and mobilisation, contract supervision and project management.

Other costs added into the estimate include a notional sum of \$500,000 for additional planning, legal work and land leasing or small parcels of land to purchase where it may be required, and a \$10 contingency sum for the capital component of the trail.

**Table 13. Capital And Other Costs – Orange Region Food And Wine Trail**

SECTION	TRAILS	PROJECT COST \$2023 PRICES
	<b>Trail Construction</b>	
Hub 1	Town Trail	\$9,177,250
Hub 2	Lake Trail	\$4,198,000
Hub 3	Harvest Trail	\$3,927,000
	<b>Total Construction Cost</b>	<b>\$17,302,250</b>
	<b>Other Costs</b>	
	Legals, Planning etc.	\$500,000
	Design & Construction Contingencies	\$1,730,225
	<b>Total Project Cost</b>	<b>\$19,532,475</b>

The following table presents the proposed cost schedule across a notional funding periods.

**Table 14. Projected Capital costs Inclusive of Contingency (\$000s)**

STAGE	2023-24	2024-25	2025-26	2026-27	FUTURE YEARS	TOTAL
<b>Base Cost Estimate including planning and legal</b>	\$ 0.5 mi	\$10 m	\$6.5 m	\$0.803	\$0	<b>\$17.803</b>
<b>Contingency</b>	\$0	\$0	\$0	\$1 m	\$0.730	\$1.730
<b>Escalation</b>	\$0	\$0	\$0	\$0	\$0	
<b>Nominal Cost</b>	<b>\$0.5 m</b>	<b>\$10 m</b>	<b>\$6.5 m</b>	<b>\$1.803</b>	<b>\$0.730 m</b>	<b>\$19.533</b>

Note – rounding differences up and down may be present.

## 2.6 Projected Ongoing Costs

For the purposes of estimating maintenance and ongoing costs over the life of the trail, we assume a percentage of the capital and construction costs per annum effective from completion of the trail, which for the purposes of the business case, is assumed to be year 1.

Advice from Orange City Council is that maintenance will be significantly less in the first several years post construction, particularly as the rates per unit allowed for construction allow for a high-quality trail construction technique.

1.5% of capital per annum totals \$2.595 million over the 10-year period that this business case covers. Per annum this equates to \$0.259 million per annum. This figure is considered generous enough to allow for some trail management expenses.

Cash income from a revenue model may be available to offset some of these expenses. Further assessment of revenue options is provided in this business case.

# 3

## Economic Analysis

Previous sections in this business case have estimated the user numbers for the proposed trail and provided a breakdown on the source market – being local, regional or domestic visitors from further afield.

The following sections provide the economic benefits of the proposed Orange Region Food and Wine Trail.



## 3.1 Economic Impacts - Construction

### Construction Costs

The economic impacts of the development of the trails are modelled for both the construction phase and the operations phase. The impacts are measured in terms of full-time equivalent jobs (FTE) and the increase in regional income that is generated by trail users and their spending in the region.<sup>33</sup>

The following table shows the costs of construction for each trail section. These estimates are used in the modelling of construction impacts.

**Table 15. Orange Region Food and Wine Trail – Construction Costs (\$ December 2023 Prices)**

SECTION	TRAILS	PROJECT COST \$2023 PRICES
	<b>Trail Construction</b>	
Hub 1	Town Trail	\$9,177,250
Hub 2	Lake Trail	\$4,198,000
Hub 3	Harvest Trail	\$3,927,000
	<b>Total Construction</b>	<b>\$17,302,250</b>
	<b>Other Costs</b>	
	Legal, Planning etc.	\$500,000
	Design & Construction Contingencies	\$1,730,225
	<b>Total Project Cost</b>	<b>\$19,532,475</b>

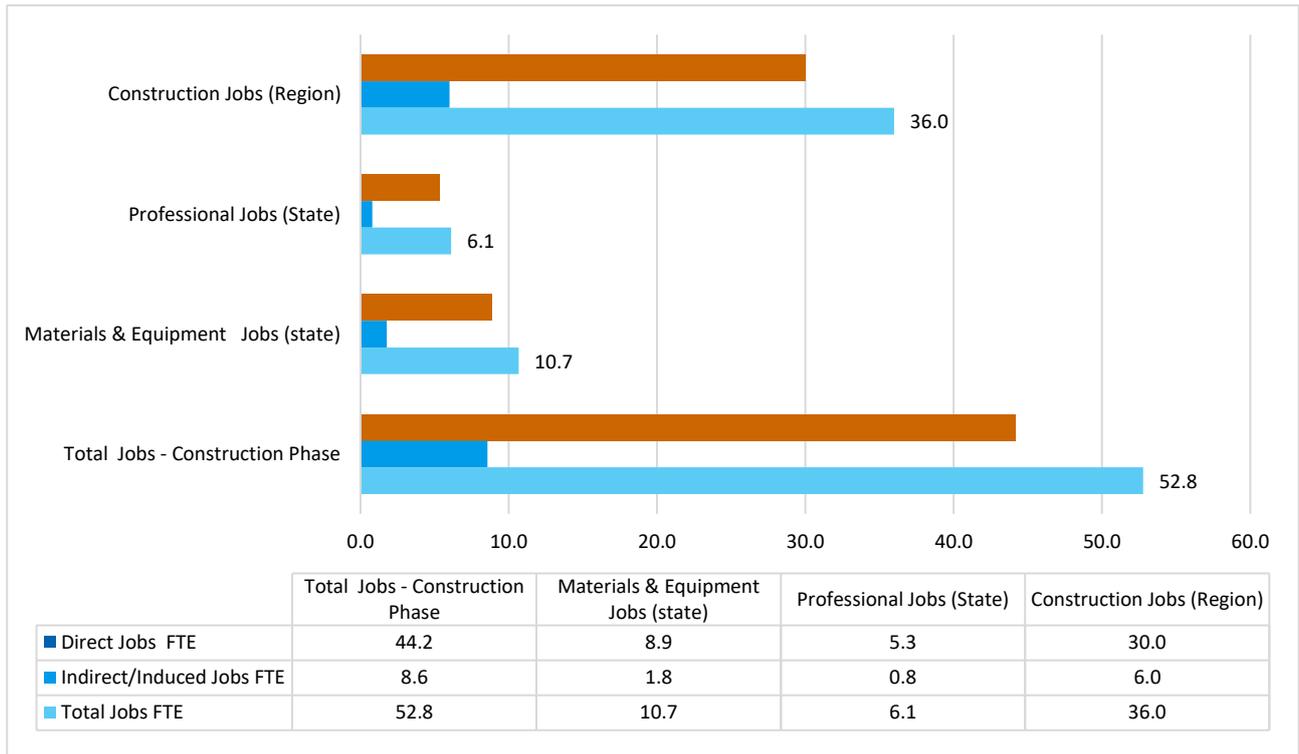
Source: TRC estimates November 2023

### Employment Impacts from Construction

The following table and charts show total jobs generated in the construction of the 3 trail sections. Overall, for the total trail, 52.8 FTE jobs would be generated (44.2 FTE direct jobs and 8.6 FTE indirect/induced jobs). Of the 44.2 direct jobs, 30.0 are in onsite construction and 8.9 are in equipment and materials supplies and 5.3 are professional services (design, project management) jobs.

<sup>33</sup> Regional income is the total net income generated from the activity and covers wages and salaries of employees and profits of businesses within the region. It includes income generated directly within the business and indirect income, which is generated in other regional businesses (wages and profits) from the multiplier impacts of employee spending on the region. In the modelling of income generated, income tax and GST on spending, are both treated as leakages from the region.

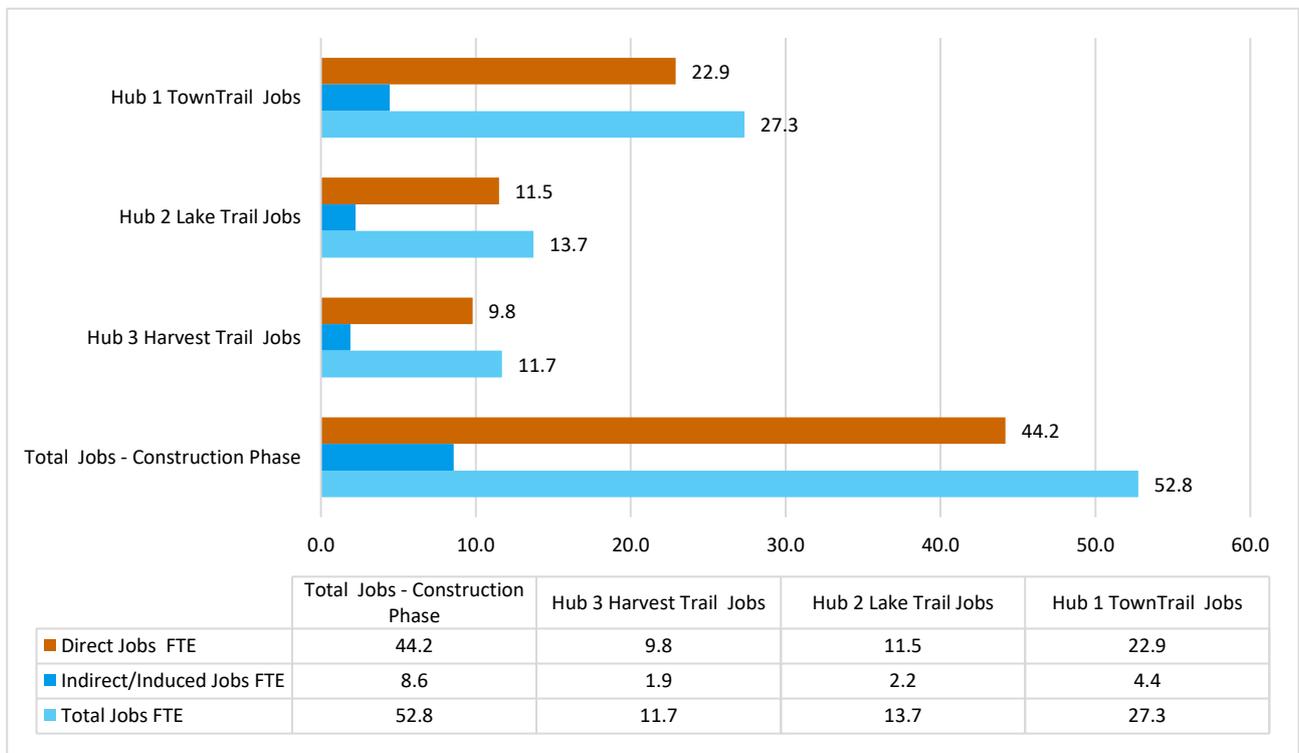
**Table 16. Construction Phase Job Impacts – ORFWT (Jobs FTE No.)**



Source: MCA modelling and analysis, December 2023. May some differences due to rounding.

Further breaking the job creation impacts from construction into the three trail hubs provides the table and figures below.

**Figure 24. ORFWT Construction Phase Jobs By Trail Section (FTE No.)**



Source: MCA modelling and analysis, December 2023. May some differences due to rounding.

**Table 17. Construction Phase Jobs – ORFWT Jobs Generated (FTE No. FTE)**

CONSTRUCTION PHASE JOBS	DIRECT JOBS FTE	INDIRECT/INDUCED JOBS FTE	TOTAL JOBS FTE
<b>Hub 1 Town Trail (\$7.9 m)</b>			
Construction Jobs (Region)	15.5	3.1	18.6
Professional Jobs (State)	2.8	0.4	3.2
Materials & Equipment Jobs (state)	4.6	0.9	5.5
<b>Total Jobs - Construction Phase</b>	<b>22.9</b>	<b>4.4</b>	<b>27.3</b>
<b>Hub 2 Lake Trail</b>			
Construction Jobs (Region)	7.9	1.6	9.4
Professional Jobs (State)	1.3	0.2	1.5
Materials & Equipment Jobs (state)	2.3	0.5	2.8
<b>Total Jobs - Construction Phase</b>	<b>11.5</b>	<b>2.2</b>	<b>13.7</b>
<b>Hub 3 Harvest Trail</b>			
Construction Jobs (Region)	6.6	1.3	8.0
Professional Jobs (State)	1.2	0.2	1.4
Materials & Equipment Jobs (state)	2.0	0.4	2.4
<b>Total Jobs - Construction Phase</b>	<b>9.8</b>	<b>1.9</b>	<b>11.7</b>
<b>Total All Trails</b>			
Construction Jobs (Region)	30.0	6.0	36.0
Professional Jobs (State)	5.3	0.8	6.1
Materials & Equipment Jobs (state)	8.9	1.8	10.7
<b>Total Jobs - Construction Phase</b>	<b>44.2</b>	<b>8.6</b>	<b>52.8</b>

Source: MCA modelling and analysis, December 2023. May some differences due to rounding.

### Regional Income Impacts

During the construction period a total of \$9.595 million in regional income would be generated (\$7.996 million direct income and \$1.599 million indirect/induced).<sup>34</sup> The table below shows the breakdown by hub constructed.

**Table 18. Regional Income Generated in Construction Phase (\$M December 2023 Prices) ORFWT.**

REGIONAL INCOME (\$M 2023 PRICES)	DIRECT REGIONAL INCOME	INDIRECT/ INDUCED INCOME	TOTAL REGIONAL INCOME
Hub 1 Town Trail Section	\$4.130	\$0.826	\$4.956
Hub 2 Lake Trail Section	\$2.099	\$0.420	\$2.519
Hub 3 Harvest Trail Section	\$1.767	\$0.353	\$2.121
<b>Total 3 Trails</b>	<b>\$7.996</b>	<b>\$1.599</b>	<b>\$9.595</b>

Source: MCA Modelling December 2023. May be differences due to rounding.

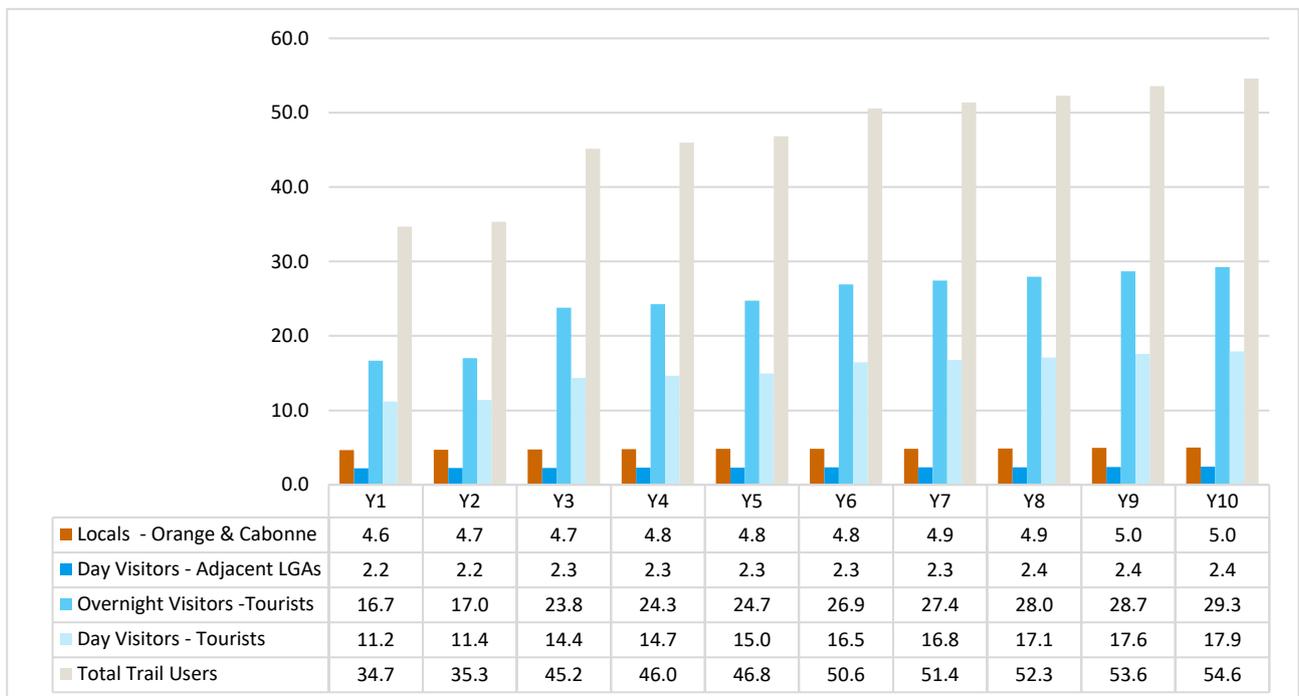
## 3.2 Trail Operations – Economic Impacts

### Employment Impacts

The following shows the total jobs (direct and indirect/induced) generated in the region by the operations of the Orange trail. The number of jobs increase as the trail is promoted and the users increase. Total jobs grow from 34.7 FTE in year 1 (2026) to 54.6 FTE jobs in year 10. The jobs are generated by the spending of trail users while they are in Orange and areas adjacent to the trails. Tourists because of their much higher levels of spending, are the main generator of jobs – the summary is shown in the figure below.

The jobs are mainly in sectors servicing visitors - accommodation, food & beverage, retail (including wineries) and recreation services (including bike hire, shuttles, guides).

**Figure 25. ORFWT Jobs Generated During Trail Operations (FT No.)**

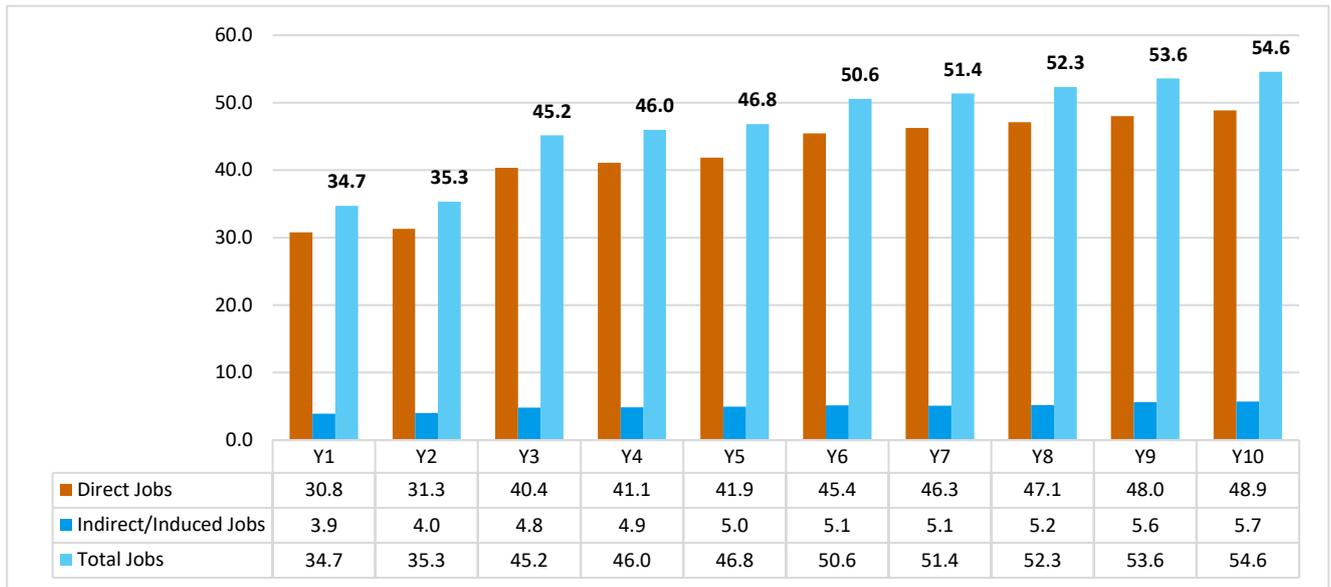


Source: MCA Modelling December 2023. May be differences due to rounding.

<sup>34</sup> This assumes the construction workforce would come from the region and adjacent areas.

These jobs generate are comprised of direct and indirect jobs. This is shown in the chart below.

**Figure 26. Jobs Generated In Region By Trail Operations (FTE No.)**

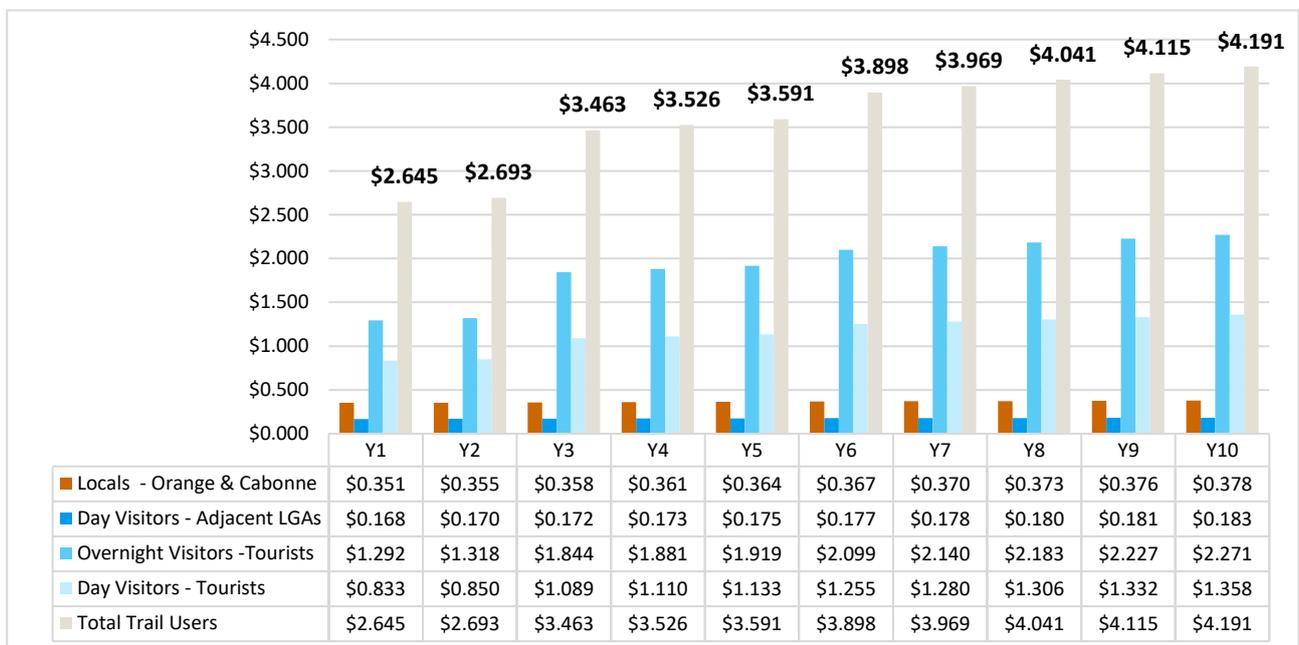


Source: MCA Modelling December 2023. May be differences due to rounding.

### Regional Income Generated by Trail Operations

The following show the regional income generated by trail users over the 10-year period. Regional income increases by \$2.645 million in year 1 to an increase of \$4.191 million in year 10. Total income over the 10 year period is \$36.132 million.<sup>35</sup>

**Figure 27. Regional Income Generated By Trail Users (\$M December 23 Prices)**



Source: MCA Modelling December 2023. May be differences due to rounding.

<sup>35</sup> Regional income is the total net income generated from the activity and covers wages and salaries of employees and profits of businesses within the region. It includes income generated directly within the business and indirect income, which is generated in other regional businesses (wages and profits) from the multiplier impacts of employee spending on the region. In the modelling of income generated, income tax and GST on spending, are both treated as leakages from the region.

### 3.3 Cost Benefit Analysis

#### Project Costs

The following are the costs associated with the development of the trail and its sections. The costs total \$19.532 million. Trail maintenance is assumed to be 1.5% of capital cost per year (\$259,533).

**Table 19. Trail project costs (December 2023 prices)**

SECTION	TRAILS	PROJECT COST \$2023 PRICES
	<b>Trail Construction</b>	
Hub 1	Town Trail	\$9,177,250
Hub 2	Lake Trail	\$4,198,000
Hub 3	Harvest Trail	\$3,927,000
	<b>Total Construction Cost</b>	<b>\$17,302,250</b>
	<b>Other Costs</b>	
	Legal, Planning etc.	\$500,000
	Design & Construction Contingencies	\$1,730,225
	<b>Total Project Cost</b>	<b>\$19,532,475</b>

Source: MCA Modelling December 2023. May be differences due to rounding.

#### Benefits of trail operations

##### Modelling benefits

The benefits of the trails comprise:

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

These benefits total \$56.742 million. See Appendix B for definitions and sources.

**Table 20. Measuring Benefits – Full Trail Operations For ORFWT**

BENEFITS	DESCRIPTION	VALUE 10 YEARS (\$ MILLION 2026 PRICES)
Regional Income	Increase in regional income generated by users and their spending in the region	\$36.132m
Consumer valuation	Based on a shadow price of \$15 per trail user (\$2025 prices) Valuation for local users & tourist users.	\$11.541m
Health Benefits	Reduced health costs (public & private) associated with exercise activity. Benefits calculated for local & regional users only	\$7.313m
Productivity Benefit	Exercise improves a person's productivity and reduces absenteeism. Valuation for local & regional users only.	\$1.756m
<b>Total Benefits</b>		<b>\$56.742m</b>

Source: MCA Modelling December 2023.

#### Benefits of Trail Operations

The annual benefits are quantified in the table below (in \$ million 2026 prices) over the 10 years from 2026 to 2035. These benefits total \$56.742 million over this period.<sup>36</sup>

<sup>36</sup> Note: As this is a regional economic impact assessment, the health benefits and productivity benefits are for residents and regional users only.

**Table 21. Benefits Of Trail Network For The ORFWT (\$M December 2023 Prices)**

BENEFITS TRAILS (\$ MILLION 2026 PRICES)	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	TOTAL 10 YEARS
Total Region											
Regional Income	\$2.645	\$2.693	\$3.463	\$3.526	\$3.591	\$3.898	\$3.969	\$4.041	\$4.115	\$4.191	\$36.132
Consumer Value	\$0.958	\$0.971	\$1.114	\$1.130	\$1.146	\$1.209	\$1.227	\$1.244	\$1.262	\$1.280	\$11.541
Health Benefits	\$0.703	\$0.709	\$0.716	\$0.722	\$0.729	\$0.735	\$0.741	\$0.747	\$0.753	\$0.759	\$7.313
Productivity Benefit	\$0.169	\$0.170	\$0.172	\$0.173	\$0.175	\$0.176	\$0.178	\$0.179	\$0.181	\$0.182	\$1.756
<b>Total Benefits</b>	<b>\$4.475</b>	<b>\$4.544</b>	<b>\$5.465</b>	<b>\$5.552</b>	<b>\$5.641</b>	<b>\$6.018</b>	<b>\$6.114</b>	<b>\$6.212</b>	<b>\$6.311</b>	<b>\$6.412</b>	<b>\$56.742</b>

Source: MCA Modelling December 2023. May be differences due to rounding.

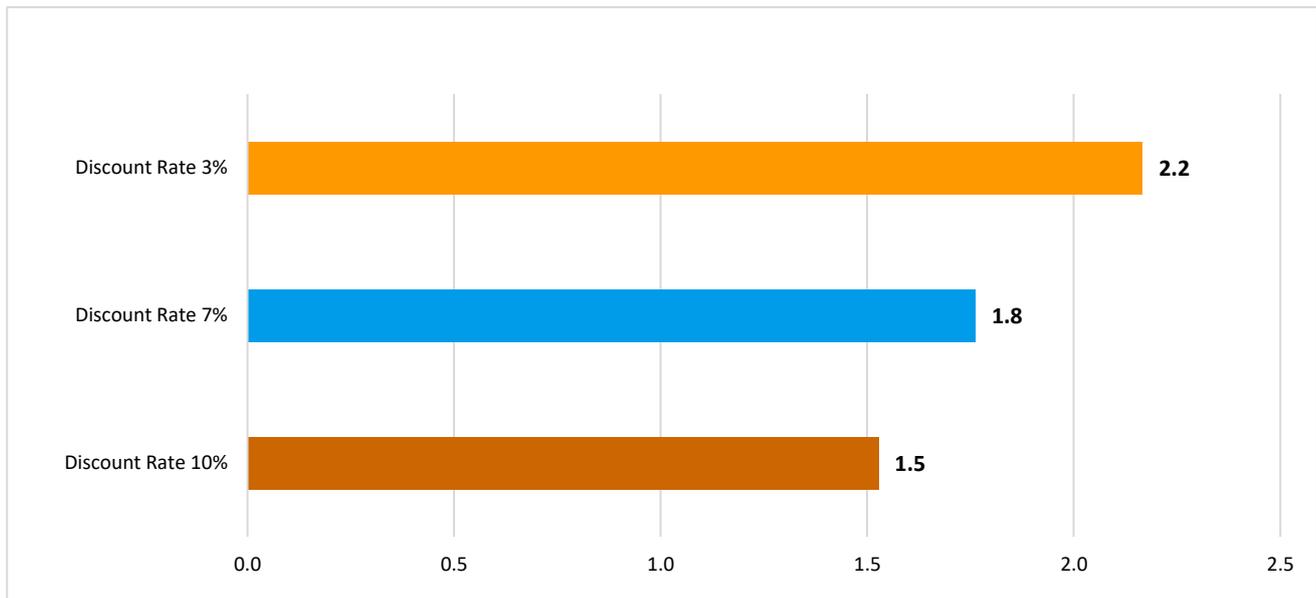
### Benefit Cost Analysis for the Orange Region Food and Wine Trail

The following analyses construction costs and benefits over the 10-year period (2026-2035) for the full trail development. The benefits are compared with the project costs for these new trails.

For the combination of the 3 trail sections, the project yields a benefit cost ratio (BCR) of 2.2 for a 3% discount rate, a BCR of 1.8 for a 7% discount rate and 1.5 for a 10% discount rate.

Trails are a long-life asset and if these trails were analysed over a 20-year period, the BCRs would be considerably higher.

**Figure 28. Orange Region Food and Wine Trail Benefit Cost Ratio Analysis (BCR)**



Source: MCA Modelling December 2023. May be differences due to rounding.

**Table 22. Benefit Cost Analysis – Orange Region Food and Wine Trail**

REGIONAL COST BENEFIT (\$2026 PRICES)	DISCOUNT RATE	DISCOUNT RATE	DISCOUNT RATE
PROJECT COSTS - PERIOD : 10YEARS	3%	7%	10%
Project Costs - Trails & Infrastructure 2023 (\$)	<b>\$19,532,475</b>	\$19,532,475	\$19,532,475
Costs - Asset Maintenance (10 years) <1.5% of construction cost per year)	\$2,595,338	\$2,595,338	\$2,595,338
<b>Total Costs</b>	<b>\$22,127,813</b>	<b>\$22,127,813</b>	<b>\$22,127,813</b>
<b>Project Benefits - Total</b>			
Regional Income Increase	\$ 36,131,594	\$ 36,131,594	\$ 36,131,594
Health Benefits	\$7,312,736	\$7,312,736	\$7,312,736
Consumer Value	\$11,541,077	\$11,541,077	\$11,541,077
Productivity Benefits	\$1,756,445	\$1,756,445	\$1,756,445
<b>Total Benefits</b>	<b>\$56,741,853</b>	<b>\$56,741,853</b>	<b>\$56,741,853</b>
<b>Benefits &amp; Costs</b>			
Total Benefits (\$) Present Value	\$47,948,982	\$38,992,273	\$33,803,325
<b>Net Present Value (\$) Total Benefits</b>	<b>\$25,821,169</b>	<b>\$16,864,461</b>	<b>\$11,675,512</b>
NPV/Costs	1.2	0.8	0.5
<b>Benefit Cost Ratio (BCR)</b>	<b>2.2</b>	<b>1.8</b>	<b>1.5</b>

Source: MCA Modelling December 2023. May be differences due to rounding.

### 3.4 Financial Appraisal

This business case has been prepared for Orange Bicycle User Group (BUG). Orange BUG will not deliver the final products. This will be done through either Cabonne Shire Council, or Orange City, or both.

Revenue models will be established and some information on those elements is contained in this business case.

To provide a financial appraisal for a \$19.532 million project with a conservative 1.5% maintenance and operations budget over 10 years for the three hubs that make up the Orange Region Food and Wine Trail, various components have been considered, including capital expenditure, ongoing operating and maintenance expenditure, renewals or major repairs, as well as any potential cost savings and revenues.

The capital program of expenditure includes the following:

- Detailed design and engineering works where required
- Tender and construction costs
- Signage
- Trail heads and facilities including bike stands and e-bike charging stations
- Legal and additional planning works required
- Any additional land lease arrangements or purchase as agreed with local land owners.

The ongoing operating and maintenance expenditure is the cost associated with running and maintaining the project over a 10-year period. Based on a 1.5% maintenance and operations budget, the annual maintenance budget is 1.5% of the project's initial cost, which is \$259,500 per year for the whole trail network.

Over the 10-year period, there may be renewals or major repairs required for the project. These can vary based on the nature of the project and the nature of the cause of the incident (i.e., flood damage), however these are deemed to be negligible due to the nature of the infrastructure. The infrastructure should be built with quality in mind to reduce long term maintenance on the trail and facilities. Renewals and major repairs may be borne by the trail manager/s and or landowners.

For the purposes of the economic impact assessments in the previous section of this business case, it is assumed that the capital and delivery occur in one year.

From a funding and delivery perspective, this is unlikely to be the case. It is proposed to deliver the project (funding dependant) over a 4 year period with the final year being the remaining contingency funding for unforeseen capital delivery issues (if required).

This is shown in Table 23 – funding arrangements.

Further, annual maintenance of \$259,500 per annum split between both Councils would be allowed for in ensuing years. This includes a provision for trail management and marketing (through Orange 360).

Revenue models can and will be put in place once trail operations begin. Some assumptions on the revenue types are included in the next section.:

### 3.5 Proposed Funding Arrangements

**Table 23. Proposed Capital Funding Contributions (\$000s)**

Stage	2023-24	2024-25	2025-26	2026-27	Remaining Years	Total
Proposal capital costs	\$0.5 m	\$10m	\$6.5m	\$0.803m		\$17.803
				\$1 m	\$0.73 m	\$1.73 m
<b>Sub-total</b>	<b>\$0.5 m</b>	<b>\$10 m</b>	<b>\$6.5 m</b>	<b>\$1.803 m</b>	<b>\$0.73 m</b>	<b>\$19.533 m</b>

Funding sources for the proposed trail are likely to be predominantly grant funded. Local government would be the proponent and depending on the grant source, may have to contribute some in kind or cash equivalent funding to support the grant application.

Both State and Federal funding opportunities can be sought using this business case as the backbone of the funding application.

Without knowing the funding stream to be sought, this section is not able to be fully completed.

Revenue streams can be built into the ongoing funding for trail operations, planning and maintenance. An example of the types of streams that may be applicable include:

#### Membership

The Clare Valley Resiling Trail is an example of membership revenue. Business and individuals can pay to become a member of an association or other type of entity that can raise funds for the trail. Memberships provide businesses with a marketable proposition and may be used to provide access to branding etc.

#### Sponsorship

Sponsors can provide funds to the trail entity and possibly even have naming rights to the trail, to sections of the trail, to locations or trailheads etc. Sponsorship tiers can also be designed to allow for major and minor sponsors.

## Events

Events can be a strong contributor to revenue. Event fees, merchandise sales, licensing arrangements and other revenue can come from events. Events need not be competitive but can be family oriented, lifestyle events such as the longest lunch, or pram walks etc.

## Merchandise

Following the strong branding for the trail that is necessary, quirky and unique merchandise can be sold through partners and visitor centres, bike hire shops etc for visitors and residents like.

## Licensed Products

Some mountain bike parks are generating revenue from licensed sales that are designed to support the trail. For example, Orange Region Vignerons Association could potentially bottle and sell a 'Trail Rose' where profits go the maintenance of the trail (by way of example only) in much the same way as 'Ales for Trails' has become more common place in mountain biking areas.

A conservative estimate would be that between \$50,000 and \$150,000 could be raised per annum with the right energy, governance arrangement and people involved across all the revenue streams.

Generally, these funds could be used for a variety of purposes including further trail expansion planning, trail maintenance, trail marketing etc.

## 3.6 Financial Health & Support

Orange City Council and Cabonne Shire will be the proponent for any further works including the next phase of the delivery – detailed design and construction planning (including Master Planning) that will enable construction to begin.

# 4

## Implementation Case



## 4.1 Program Milestones

The following key events and milestones are suggested for consideration and are dependent upon funding being available for the proposed trail.

**Table 24. Key Events**

EVENT	START	FINISH
Review period	January 2024	June 2024
Planning and detailed design	June 2024	December 2024
Approval and Procurement	December 2024	June 2025
Development and Construction	June 2025	June 2027
Commissioning	July 2027	June 2028
Contingency and defect period	June 2027	June 2028

## 4.2 Governance

Delivering the Orange Region Food and Wine Trail will require a partnership between industry, government and the community. This is especially the case for the ongoing trail management, marketing, planning and operations for it to really reach its full potential as a visitor economy and community asset.

It is recommended that the trail governance be considered in 2 tranches – firstly trail construction and secondly trail operations.

### Trail Construction Governance

Project management of the proposed trail is to be through the Local Government agency whose land the trail traverses.

Trail design and detailed planning including permits required could be achieved through one construction office, that is formed through a partnership between both Councils to avoid duplication and potential design differences in the standard and facilities of the trail.

Both Councils undertake trail construction – usually in the form of footpaths, as routine capital expenditure and have the skills, capability and systems to undertake the work.

In order to ensure community and business support, it is suggested that a Community Advisory Committee could be formed, or Councils add this construction program to an existing community advisory committee.

Members would potentially include:

- Orange cycling clubs and cycling interest groups
- Orange 360
- Destination Central West
- ORVA
- Others as appropriate.

The purpose of the advisory group is to help bring the community along with the opportunities as construction progresses (and is planned) and to ensure business is ready when the trails open.

### Ongoing Trail Governance

Capitalising on the opportunities once operational, will require many partners to be working together. The trail will only be as successful as the groups who work to make it a success.

Creating the Orange Region Food and Wine Trail will require an integrated and co-operative approach by all stakeholders. The combination of roadside trail, and public land trails constituting the Orange Region Food and Wine Trail suggests the optimal governance model would be a partnership governance model.

Land that the trail sits on would ideally be transferred (where it is not already owned or managed by Council) to the relevant Council. The proposed route is predominantly road reserve, most of which is currently vested in Council control.

A proposed partnership governance model could have the following accountabilities:

- Develop and pursue the revenue models that can be used to re-invest in the trail
- Provide optimal planning for the trail that ensures high standards are delivered across both LGA areas (and avoids differing standards etc)
- Formulating and delivering joint initiatives on the trail's operation (this might include such initiatives as developing and running events, industry development to help industry capture the opportunities the trail presents etc)
- Partnering with the LGAs and advocating for and seeking grant funds and other forms of income
- Engaging Traditional Owners to gain their aspirations for the trail and its potential for connection and education on First People's culture
- Forming a communication channel to community and providing the governance entity with the inputs required to help make decisions, and also to ensure community is made aware of the trail and it's potential.

The next step in the development of the governance of the trail, is to form a governance plan that is agreed to by both Councils that can help with delivery priorities, design standards, commercial opportunities etc, and that transforms into a partnership governance model that then helps with ongoing management, planning and revenue.

Consideration should also be given to the linkages of governance partnership to other supporting organisations and their potential functions such as Orange 360 for their marketing activities and a community or not-for-profit group for fundraising and volunteer support such as Friends of the Trail Association.

## 4.3 Key Risks

The following table provides a summary of some of the foreseen risks attached to completing the Orange Region Food and Wine Trail. Further risk analysis will be undertaken as part of detailed design and construction planning as the next phase.

**Table 25. Key Proposal Risks**

RISK	PROPOSED MITIGATION	RISK RATING AFTER MITIGATION		
		CONSEQUENCE	LIKELIHOOD	RATING
<b>Scope</b>	<p>The business case defines the trail to be built and provides renders of the type of trail. The business case also allows for facilities, and these have been costed.</p> <p>Detailed planning should occur prior to construction to ensure scope is planned and known.</p> <p>Establish a change control and variation process, and regularly review and communicate the scope to stakeholders</p>	Scope creep, where the project's objectives and deliverables expand beyond the initial plan.	Possible Scope creep can lead to delays and increased costs	Moderate
<b>Construction</b>	<p>Conduct a thorough detailed design process and site assessment to guide construction, and have contingency plans for adverse weather, and establish good working relationships with contractors.</p> <p>Undertake careful site assessment prior to construction to avoid issues such as asbestos.</p>	Delays and increased costs due to possible factors such as unplanned environmental issues and weather delays	Likely Construction delays may occur, but good planning and contingency can reduce the impact.	Moderate to High
<b>Financing</b>	<p>Grant funds and budgets must be known before construction commences to avoid finance risk.</p> <p>In the event of a cost increase, less trail will be delivered.</p> <p>Carefully plan and monitor the budget, secure contingency funds, withhold 5% retention monies until end of defects and liability period, and regularly update stakeholders on the financial status of the Project.</p>	<p>Less trail constructed, or budget overruns.</p> <p>Avoid dropping standards to get more done as this impacts maintenance later on the trail's asset life.</p>	Very likely Major infrastructure projects often have cost pressures and finance issues.	High
<b>Planning and Approvals</b>	<p>Planning and approvals required in this trail construction may vary depending on the next phase.</p> <p>Council managed road corridors will differ from private land and other land tenures.</p> <p>Detailed planning will need to occur.</p>	Delays may occur in obtaining approvals and undertaking constructions. Alternative routes may need to be considered if planning issues stop a proposed route.	Likely This concept design has taken all care to undertake necessary due diligence, but some planning elements are unknown and may cause issues.	Moderate to High

RISK	PROPOSED MITIGATION	RISK RATING AFTER MITIGATION		
		CONSEQUENCE	LIKELIHOOD	RATING
<b>Legal</b>	<p>Ensure robust contracts, engage legal experts, and resolve disputes through negotiation or mediation whenever possible.</p> <p>Land transfers may cause some issues. Alternative routes may be available.</p> <p>The partnership approach can help prevent some legal issues.</p>	<p>Legal disputes and or litigation are possible but unlikely.</p>	<p>Possible</p> <p>Legal issues can lead to delays.</p>	<p>Moderate to High</p>
<b>Property Acquisitions</b>	<p>Start acquisition early, negotiate in good faith, and have a backup plan for alternative locations.</p> <p>Landowners would only be required to enter into agreements voluntarily and alternative routes considered if they do wish to sell or reach an easement agreement.</p>	<p>Some crown ‘paper roads’ would need to be used. Working with neighbours in a positive way to reduce any risks to them is critical.</p> <p>Land acquisition will only be by agreements and not forced on landowners.</p>	<p>Likely</p> <p>Can cause issues but can also be handled with care and appropriate outcomes reached.</p>	<p>Moderate to High</p>
<b>Utility Relocation</b>	<p>Coordinate with utility companies, plan relocation in advance, and have contingency plans for utility-related issues.</p> <p>Avoid wherever possible and move trail if required.</p>	<p>Delays or complications due to moving utilities.</p>	<p>Possible</p>	<p>Moderate</p>
<b>Procurement</b>	<p>Follow Council and LGA guidelines for procurement that are well tried and tested.</p> <p>Implement a well-structured procurement process, maintain vendor relationships, and monitor procurement progress</p>	<p>Delay or cost overruns in sourcing materials and services</p>	<p>Possible</p> <p>Procure issues can affect project timelines and budgets.</p>	<p>Moderate</p>
<b>Change</b>	<p>Detailed planning will occur prior to construction.</p> <p>Changes are possible due to unforeseen issues such as asbestos, or cultural heritage findings.</p> <p>Implement a change and project variation process and re-assess the scope of works, schedule etc as the project continues.</p>	<p>Possible changes to scope and possible delays.</p>	<p>Likely</p> <p>Unmanaged change can lead to construction delays and problems.</p>	<p>Moderate to High</p>
<b>Sustainability</b>	<p>Detailed design should include sustainability criteria and procurement can contain sustainable material sourcing as a criteria for selection of contractors.</p> <p>The trail can be a showcase for modern material and design with sustainability to the forefront.</p>	<p>Failure to address community expectations on sustainability and missed opportunity to position the trail in the market.</p>	<p>Possible</p>	<p>Moderate</p>

## 4.4 Legislative and Planning Pathways

### Planning Pathways – Trails within a Public Road Reserve

The concept plan proposes that the predominant alignment of the ORFWT will be accommodated within the public road reserve. This includes T1, T2, T3 & T4 trail treatments as these are all located in a public road reserve either by way of:

- A dedicated off-road trail (separate to the public road) - T1 & T2
- A dedicated on-road trail (on the edge of the public road) - T3
- Riding on the road (with appropriate signage) - T4

Furthermore, some of the T5 trail treatments, have also been confirmed to be located in a public road reserve and will comprise of riding on public gravel roads.

The T1-T4 trail types and applicable T5 trail types (located in a public road reserve) are considered to be categorised as development for the purpose of ‘road infrastructure facilities’ and if the project is being carried out by or on behalf of a public authority (i.e. Council) the proposal is permissible without consent under Section 2.109 of the SEPP (Transport and Infrastructure). This is further discussed in Section 4 of the report below.

As the proposal is not likely to be deemed State significant infrastructure or State significant development, the proposal can be assessed under Part 5 (Division 5.1) of the EP&A Act 1979, therefore requiring a Review of Environmental Factors (REF) or an Environmental Impact Statement (EIS) if the development is likely to have a significant effect on the environment.

Council would likely be the determining authority for the proposal.

Where the T1-T4, or applicable T5 route components of the project are not being carried out by or on behalf of a public authority, then all the trail treatments would therefore be subject to obtaining development consent from Council.

Furthermore, as all these trail treatments are in a public road reserve, they would also be subject to

a Section 138 Roads Act – approval for works in the public road.

Consent under Section 138 of the Roads Act, 1993 is required for any works or activities in the public reserve or in public road way.

Under the *Roads Act*, consent of the appropriate road authority is required for the following activities:

- erect a structure or carry out a work in on or over a public road
- dig up or disturb the surface of a public road
- remove or interfere with a structure, work or tree on a public road
- pump water into a public road from any land adjoining the road
- Requirements for road opening permits and works under section 138 of the Roads Act can be obtained from Council.

### Trail Within a Crown Road

The concept plan includes small sections of the preferred T5 trail alignment traversing within a Crown road, being either a formed gravel road or unformed Crown road reserve (often referred to as a Crown paper road).

Future development within a Crown Road would require land owners consent from NSW Crown Lands.

This presents a potential risk for the project.

If Council is the proponent of the ORFWT, then it would be recommended that Council request the transfer of a Crown road from the NSW Crown Lands Department to Council.

This can allow the road, or in relation to this project, the trail, to be maintained to Council construction standards, as use of the road/trail changes over time.

There are two types of transfers administered by the Department:

- Crown road transfer at the request of council or another roads authority – this requires the roads authority to submit a transfer Crown road application.

- Crown road transfer initiated by the Crown Lands department – the department will consult with council before a Crown road is transferred, with each proposed transfer considered on a case-by-case basis.

### **CROWN ROAD RESERVE – PENDING SALE AND CLOSURES:**

Crown road reserves with unformed roads are commonly purchased and closed by private land owners, with this process outlined in the Guidelines.

This process can take years from application to completion.

Before proceeding with a Master Plan and detailed design for the route, NSW Crown Lands should be consulted to determine if any Crown road reserve sections of the proposed route are subject to an application for closure, as this could pose a potential risk for the project.

### **CROWN ROAD – PUBLIC ROAD:**

Regarding the planning pathway associated with constructing a trail in a Crown Road, a Crown road is deemed a public road under the Roads Act, 1993.

Therefore, the planning pathway process that is applicable to a trail in a public road reserve as outlined above under Section 3.1, is applicable to a trail in a Crown road.

### **Trail Within Council Land**

The concept plan includes small sections of the preferred T5 trail alignment within Council land.

Most of the sections of the proposed route located within Council land are located within a public reserve, where a trail is already in-situ.

Any further trail development within a public reserve, could be undertaken without consent under Division 12 Parks and other public reserves of the SEPP (Transport and Infrastructure) 2021.

Under clause 2.73 - Development without consent, the provisions would be applicable to Crown managed land by Council that is undertaken by or on behalf of a public authority (i.e. Council) and includes 'pedestrian pathways, cycleways'.

A bicycle path is not permitted as Exempt Development under clause 2.74 of the SEPP (Transport and Infrastructure) 2021.

The proposed route also traverses Council land, which is not deemed a public reserve and where no trail is currently constructed.

This is located adjacent, to the south of the Orange-Broken Hill Railway within allotments legally described as Lots 1 & 2 DP 435341.

This land is zoned RU2 – Rural Landscape under the CLEP 2012. Within land zoned RU2 – Rural Landscape the land use 'environmental facility' is permitted with consent.

As cycle trails are generally a more recent development trend, the NSW Standard Instrument (LEP Template) does not include a specific definition for cycle trail.

However, an 'environmental facility' does include a place that provides for the recreational use and includes walking tracks and the like, as underlined in the definition provided below.

'Environmental facility means a building or place that provides for the recreational use or scientific study of natural systems, and includes walking tracks, seating, shelters, board walks, observation decks, bird hides or the like, and associated display structures.'

Where consent is required, a shared use cycle and walking trail as proposed, could be considered a form of an 'environmental facility', where it is not associated with a road or road infrastructure facility.

An environmental facility is a permissible land use with consent in the RU2 Rural Landscape zone.

### **Trail Within private land**

The concept plan includes one small section of the preferred T5 trail alignment located within private land. This section of trail is located at the eastern end of Loewenthal Lane (Lot 3 DP 131936).

This allotment appears to have been previously a Crown road reserve, having been purchased and closed and made private land.

Future development within private land would require land owners consent from the owner, prior to commencing works, or lodging an Application for works.

This presents a potential risk for the project or the current proposed alignment (noted as to be confirmed on the plan).

A future trail within this corridor could be achieved by way of purchasing the land or by way of obtaining an agreement for an easement, both with the consent of the land owners.

This allotment and the adjacent land is zoned RU2 – Rural Landscape under the Cabonne LEP 2012 (CLEP 2012).

Within land zoned RU2 – Rural Landscape the land use ‘environmental facility’ is permitted with consent.

As cycle trails are generally a more recent development trend, the NSW Standard Instrument (LEP Template) does not include a specific definition for cycle trail.

However, an ‘environmental facility’ does include a place that provides for the recreational use and includes walking tracks and the like, as underlined in the definition provided below.

**‘Environmental facility means a building or place that provides for the recreational use or scientific study of natural systems, and includes walking tracks, seating, shelters, board walks, observation decks, bird hides or the like, and associated display structures.’**

Where consent is required, a shared use cycle and walking trail as proposed, could be considered a form of an ‘environmental facility’, where it is not associated with a road or road infrastructure facility.

An environmental facility is a permissible land use with consent in the RU2 Rural Landscape zone.

## 4.5 Statutory Planning Framework

This section provides the statutory and planning framework for the project and highlights the provisions of the key relevant state environmental planning policies, local environmental plans and other legislation.

### State Environmental Planning Policy

*State Environmental Planning Policy (Transport and Infrastructure) 2021.*

State Environmental Planning Policy (Transport and Infrastructure) 2021 (SEPP (Transport and Infrastructure) 2021) aims to facilitate the effective delivery of infrastructure across the State.

Section 2.109 of SEPP (Transport and Infrastructure) 2021 permits development on any land for the purpose of a road or road infrastructure facilities to be carried out by or on behalf of a public authority without consent.

The definition for road infrastructure facilities in Section 2.108 of SEPP (Transport and Infrastructure) 2021 includes ‘road related areas’ within the meaning of the Road Transport Act 2013 (RT Act, 2013).

The definition for a road related area under that Act includes ‘an area that is open to the public and is designated for use by cyclists or animals’.

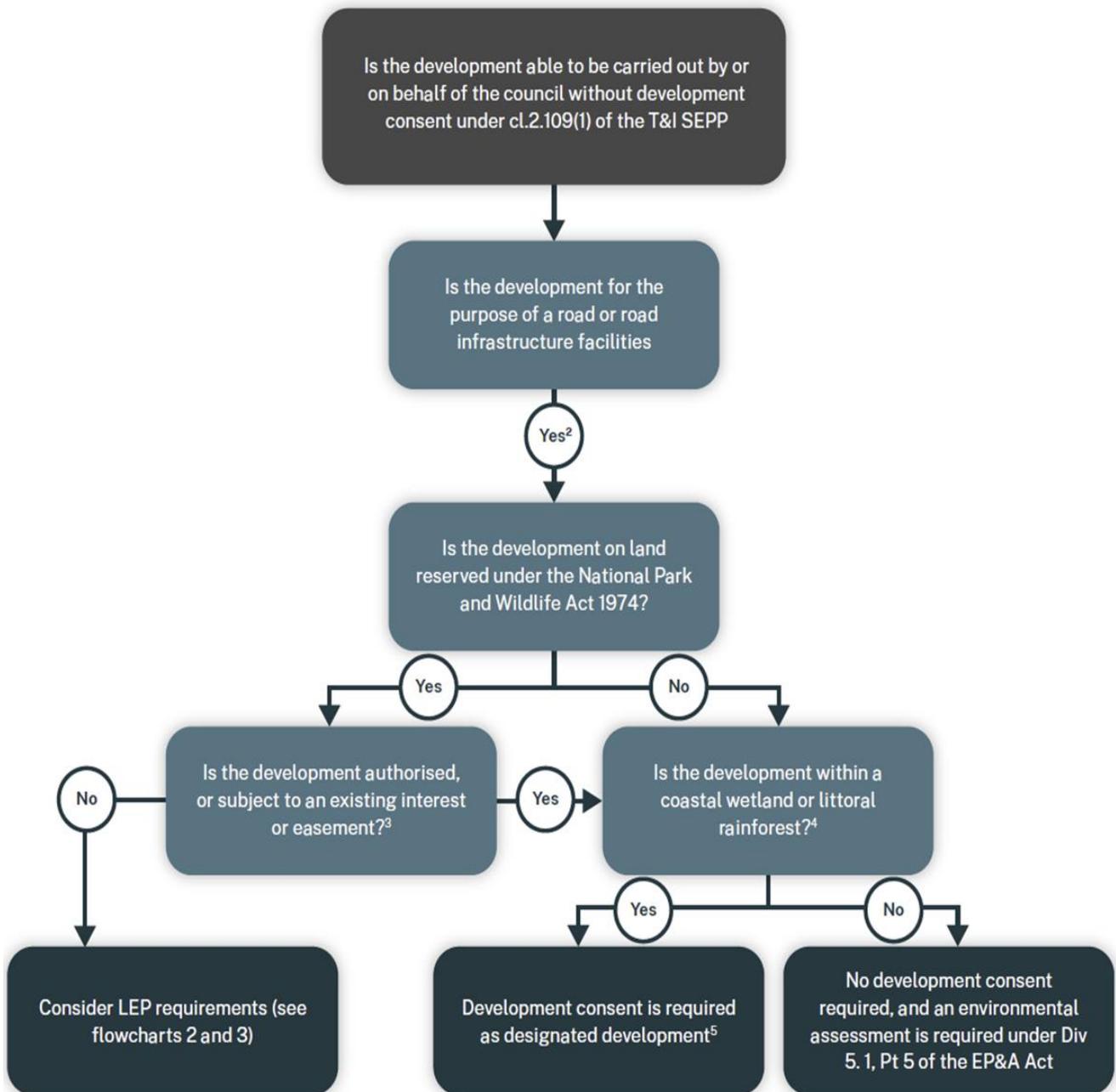
Therefore, the proposed trail route located within a public road reserve, which includes Crown roads, would meet the definition of ‘road infrastructure facility’ under the SEPP (Transport and Infrastructure) and ‘road related area’ under the Road Transport Act, 1993.

If Council is the proponent, it can be assessed under Part 5, Division 5.1 of the Environmental Planning and Assessment Act 1979.

Development consent from Council is not required.

Below is an extract of a flowchart for planning pathways for the construction and use of a Rail Trail, which can be applied to the project in relation to these provisions.

**Figure 29. Flowchart Of Planning Pathways Where Associated With A Road Or Road Infrastructure Facility.**



Source: NSW Rail Trail Framework June 2022

Section 2.10 to 2.14 of the SEPP (Transport and Infrastructure) 2021 contains provisions for public authorities to consult with local councils prior to the commencement of certain types of development. If Council is the proponent of the project, these sections would not be applicable.

Section 2.15 of the SEPP (Transport and Infrastructure) 2021 contains provisions for public authorities, including local councils to consult with authorities other than councils prior to the commencement of certain types of development.

This consultation is only required for 'specified development' – which this trail is not considered to be.

*State Environmental Planning Policy (Planning Systems) 2021*

These provisions only apply to Development Applications, therefore any application under Part 5 of the EP&A Act, 1979 would not be subject to these provisions.

#### **STATE SIGNIFICANT DEVELOPMENT:**

The Department of Planning & Environment have identified what constitutes State Significant Development under the State Environmental Planning Policy (Planning Systems) 2021 as summarised below:

The Government has identified certain types of development that are SSD, for example:

- *new educational establishments, hospitals and correctional centres*
- *chemical and other manufacturing*
- *mining and extraction operations*
- *tourist and recreation facilities*
- *some port facilities*
- *waste management facilities*
- *energy generating facilities.*

A proposal for any of the identified development types is SSD if it:

- *is over a certain size*
- *is in a sensitive environmental area*
- *will exceed a specific capital investment.*

In addition, some development on identified sites can also be SSD. Identified sites include Sydney Olympic Park, Darling Harbour, the Bays Precinct

and Barangaroo. None of these sites include the project area.

In relation to the project, Schedule 1 and subclause 13 'Cultural recreation and tourist facilities' is only considered applicable, with an extract provided below.

#### **13 -Cultural, recreation and tourist facilities**

(1) Development that has a capital investment value of more than \$30 million for any of the following purposes—

- (a) film production, the television industry or digital or recorded media,
- (b) convention centres and exhibition centres,
- (c) entertainment facilities,
- (d) information and education facilities, including museums and art galleries,
- (e) recreation facilities (major),
- (f) zoos, including animal enclosures, administration and maintenance buildings, and associated facilities.

(2) Development for other tourist related purposes (but not including any commercial premises, residential accommodation and serviced apartments whether separate or ancillary to the tourist related component) that—

- (a) has a capital investment value of more than \$100 million, or
- (b) has a capital investment value of more than \$10 million and is in an environmentally sensitive area of State significance or a sensitive coastal location.

Accordingly, a development that has a capital investment value of more than \$100 million for the purpose of trail (considered 'other tourist related purposes') would be captured, or if the development is in an environmentally sensitive area of State significance, the threshold is \$10 million.

The definition of an environmentally sensitive area of State significance means:

- (a) coastal waters of the State, or
- (b) land identified as “coastal wetlands” or “littoral rainforest” on the *Coastal Wetlands and Littoral Rainforests Area Map* (within the meaning of *State Environmental Planning Policy (Coastal Management) 2018*), or
- (c) land reserved as an aquatic reserve under the *Fisheries Management Act 1994* or as a marine park under the *Marine Parks Act 1997*, or
- (d) a declared Ramsar wetland within the meaning of the *Environment Protection and Biodiversity Conservation Act 1999* of the Commonwealth, or
- (e) a declared World Heritage property within the meaning of the *Environment Protection and Biodiversity Conservation Act 1999* of the Commonwealth, or
- (f) land identified in an environmental planning instrument as being of high Aboriginal cultural significance or high biodiversity significance, or
- (g) land reserved as a state conservation area under the *National Parks and Wildlife Act 1974*, or
- (h) land, places, buildings or structures listed on the State Heritage Register under the *Heritage Act 1977*, or
- (i) land reserved or dedicated under the *Crown Land Management Act 2016* for the preservation of flora, fauna, geological formations or for other environmental protection purposes, or
- (j) land identified as being critical habitat under the *Threatened Species Conservation Act 1995* or Part 7A of the *Fisheries Management Act 1994*.

#### REGIONALLY SIGNIFICANT DEVELOPMENT:

These provisions only apply to Development Applications, therefore any application under Part 5 of the EP&A Act, 1979 would not be subject to these provisions.

A regionally significant development needs to be notified and assessed by a council and then determined by the relevant Planning Panel.

Regionally significant development is defined in Schedule 6 of the State Environmental Planning Policy (Planning Systems) 2021 and includes:

- development with a capital investment value (CIV) over \$30 million
- development with a CIV over \$5 million which is:
  - council related
  - lodged by or on behalf of the Crown (State of NSW)
  - private infrastructure and community facilities
  - eco-tourist facilities.
- extractive industries, waste facilities and marinas that are designated development
- certain coastal subdivisions
- development with a CIV between \$10 million and \$30 million which is referred to the Planning Panel by the applicant after 120 days.

Therefore, a DA for a Council related project over \$5 million would require the consent of the relevant Regional Planning Panel.

*State Environmental Planning Policy (Biodiversity and Conservation) 2021*

State Environmental Planning Policy (Biodiversity and Conservation) 2021 known as the SEPP (Biodiversity and Conservation) 2021 includes provisions to encourage the conservation and management of areas of natural vegetation that provide habitat for koalas to ensure a permanent free-living population over their present range and reverse the current trend of koala population decline.

The koala habitat protection provisions of Biodiversity and Conservation SEPP apply to a range of local government areas including Cabonne Shire. The koala habitat protection provisions of the SEPP (Biodiversity and Conservation) 2021 do not affect the permissibility of the proposal as a Division 5.1 or 5.2 assessment.

## Local Environmental Plans

### *Orange Local Environmental Plan 2011*

Part of the proposed route is in the Orange City Council Local Government Area and is therefore subject to the Orange Local Environmental Plan 2011 (OLEP 2011).

Most of the route within the Orange City Council LGA is located within a public road reserve or a Council public reserve, including the following zones:

- E1 – Local Centre zone
- E2 – Commercial Centre zone
- RE1 – Public Recreation zone
- R1 – General Residential zone
- R2 – Low Density Residential zone
- SP2 - Infrastructure (Classified) zone
- RU1 – Primary Production zone
- C3 – Environmental Management.

Cycleways, cycle paths or similar are not defined by the OLEP 2011, however, development for the purposes of 'roads' is permissible with development consent in each of these zones

Furthermore, clause 5.12 of the LEP applies, and states:

#### **5.12 - Infrastructure Development and use of Existing Buildings of the Crown**

(1) This Plan does not restrict or prohibit, or enable the restriction or prohibition of, the carrying out of any development, by or on behalf of a public authority, that is permitted to be carried out with or without development consent, or that is exempt development, under State Environmental Planning Policy (Transport and Infrastructure) 2021, Chapter 2.

(2) This Plan does not restrict or prohibit, or enable the restriction or prohibition of, the use of existing buildings of the Crown by the Crown.

This clause sets out that the LEP does not restrict or prohibit the carrying out of development of any description permitted to be carried out under SEPP (Transport and Infrastructure) 2021.

The SEPP (Transport and Infrastructure) operates to remove the consent requirements under the OLEP 2011. As most of the proposal is considered road infrastructure facilities under the SEPP (Transport and Infrastructure), as detailed in Section 2.1.1, and discussed above, it can be assessed under Part 5, Division 5.1 of the Environmental Planning and Assessment Act 1979. As such, development consent from Orange City Council is not required.

Accordingly, the provisions of the OLEP, 2011 would not apply, they may be relevant in identifying potential land use impacts and planning policy conflicts. Therefore it would be prudent the project takes into consideration the OLEP, 2011, where relevant.

### *Cabonne Local Environment Plan 2012*

Most of the proposed route is in the Cabonne Shire Council Local Government Area and is therefore subject to the Cabonne Local Environmental Plan 2012 (CLEP 2012).

Most of the route within the Cabonne Shire LGA is located within a public road reserve or a Council public reserve, including the following zones:

- RU2 – Rural Landscape zone
- RE2 – Private Recreation zone
- SP2 – Infrastructure (Classified).

### 5.12 - Infrastructure Development and use of Existing Buildings of the Crown

(1) This Plan does not restrict or prohibit, or enable the restriction or prohibition of, the carrying out of any development, by or on behalf of a public authority, that is permitted to be carried out with or without development consent, or that is exempt development, under State Environmental Planning Policy (Transport and Infrastructure) 2021, Chapter 2.

(2) This Plan does not restrict or prohibit, or enable the restriction or prohibition of, the use of existing buildings of the Crown by the Crown.

This clause sets out that the LEP does not restrict or prohibit the carrying out of development of any description permitted to be carried out under SEPP (Transport and Infrastructure) 2021.

The SEPP (Transport and Infrastructure) operates to remove the consent requirements under the CLEP 2012. As most of the proposal is considered road infrastructure facilities under the SEPP (Transport and Infrastructure), as detailed in Section 2.1.1, and discussed above, it can be assessed under Part 5, Division 5.1 of the Environmental Planning and Assessment Act 1979. As such, development consent from Cabonne Shire Council is not required.

Accordingly, the provisions of the CLEP, 2012 would not apply, they may be relevant in identifying potential land use impacts and planning policy conflicts. Therefore, it would be prudent the project takes into consideration the CLEP, 2012, where relevant.

#### T5 ROUTE LOCATED WITHIN COUNCIL LAND/PRIVATE LAND:

Part of the proposed trail route is located within one section of private land and one section of Council land (not a public reserve), both located within the RU2 – Rural Landscape zone,

Where the trail is not associated with a road or road infrastructure facility, development consent under the CLEP 2012 is required.

Within land zoned RU2 – Rural Landscape, the land use ‘environmental facility’ is permitted with consent.

As cycle trails are generally a more recent development trend, the NSW Standard Instrument (LEP Template) does not include a specific definition for cycle trail.

However, an ‘environmental facility’ does include a place that provides for the recreational use and includes walking tracks and the like, as underlined in the definition provided below.

**‘Environmental facility means a building or place that provides for the recreational use or scientific study of natural systems, and includes walking tracks, seating, shelters, board walks, observation decks, bird hides or the like, and associated display structures.’**

Where consent is required, a shared use cycle and walking trail as proposed, could be considered a form of an ‘environmental facility’, where it is not associated with a road or road infrastructure facility.

An environmental facility is a permissible land use with consent in the RU2 Rural Landscape zone.

#### Other Relevant NSW Legislation

##### *Biodiversity Conservation Act*

The purpose of the Biodiversity Conservation Act 2016 (BC Act, 2016) is to maintain a healthy, productive and resilient environment for the greatest well-being of the community, now and into the future, consistent with the principles of ecologically sustainable development.

The NSW Biodiversity Offsets Scheme (BOS) is established under Part 6 of the Biodiversity Conservation Act 2016 and the Biodiversity Assessment Method is established under section 6.7 of the Biodiversity Conservation Act 2016. The purpose of the Biodiversity Assessment Method is to prescribe requirements for the assessment of certain impacts on listed threatened species, populations and ecological communities, areas of outstanding biodiversity value, and key threatening processes.

The “test of significance” is used to determine whether a proposal is likely to cause a significant effect on any endangered ecological community, endangered population, threatened species or their habitats. It is based on the five factors listed under Section 7.3 of the *Biodiversity Conservation Act 2016* (BC Act 2016).

Where there is a likely significant effect, a proposal is to be assessed under a Biodiversity Development Assessment Report (BDAR).

Clause 7.2 of the BC Act identifies the following circumstances where an activity is likely to significantly affect threatened species:

- (a) it is likely to significantly affect threatened species or ecological communities, or their habitats, according to the test in section 7.3, or
- (b) the development exceeds the biodiversity offsets scheme threshold if the biodiversity offsets scheme applies to the impacts of the development on biodiversity values, or
- (c) it is carried out in a declared area of outstanding biodiversity value.

In accordance with Clause 7.2(1)(c), the project area is currently not located within a declared area of ‘outstanding biodiversity value’ as defined under the Biodiversity Conservation Regulations 2017 (BC Regs, 2017).

Clause 7.2 includes a provision that subclause (1)(b), does not apply to development that is an activity subject to environmental impact assessment under Part 5 (Division 5.1) of the EP&A Act, 1979.

Therefore, this allows a proponent (i.e. Council) to opt of the Biodiversity Offsets Scheme and requirement for a BDAR, and therefore payment of biodiversity offsets, if the project falls under the Part 5 assessment regime under the EP&A Act, 1979 (development without consent), if the development is not likely to significantly affect threatened species or ecological communities, or their habitats.

### *The Heritage Act 1977*

The Heritage Act 1977 (HAct 1977) is the primary piece of State legislation affording protection to all items of environmental heritage (natural and cultural) in NSW. Under the Heritage Act, ‘items of environmental heritage’ include places, buildings, works, relics, moveable objects and precincts identified as having heritage significance based on historical, scientific, cultural, social, archaeological, architectural, natural or aesthetic values. Items of State significance can be listed on the NSW State Heritage Register (SHR) and are afforded automatic protection against any activities that may damage an item or affect its heritage significance under the Heritage Act. The Heritage Act also protects ‘relics’, which can include archaeological material, features and deposits. Section 57(1) of the Heritage Act requires an application under section 60 for any action that would adversely affect an item that is subject to an Interim Heritage Order or a listing on the State Heritage Register.

An excavation permit is required when disturbing or excavating any land that is known to contain or suspected to contain a relic, where disturbance or excavation would or is likely to result in a relic being discovered, exposed, moved, damaged or destroyed. A permit is also required to disturb or excavate any land on which the person has discovered or exposed a relic. Section 139(4) of the Heritage Act makes provision for the issuing of an exception in certain prescribed circumstances. An excavation permit would be required for the proposal where there is archaeological potential.

The Heritage Act requires all government agencies to identify and manage heritage assets under their ownership and control. Under Section 170 of the Heritage Act, government agencies must establish and keep a register which includes all items of environmental heritage listed on the SHR, environmental planning instruments or which may be subject to an interim heritage order that are owned, occupied or managed by that government body. Government agencies must also ensure that all items entered on its register are maintained with due diligence in accordance with State Owned Heritage Management Principles (Heritage Council, 2005) approved by the Minister on advice of the NSW Heritage Council.

*Roads Act 1993*

The Roads Act 1993 (RAct 1993) provides for the construction and maintenance of public roads and regulates the carrying out of activities on public roads.

A Road Occupancy Licence would be required from the relevant roads authority by the Construction Contractor prior to work on public roads and any temporary road closures during construction of the proposal.

*National Parks and Wildlife Act 1974*

The National Parks and Wildlife Act 1974 (NPW Act, 1974) provides for the conservation and management of nature and objects, places and features of cultural value. It is the primary legislation for the protection of Aboriginal cultural heritage in NSW. Part 6 of the NPW Act, 1974 provides protection for all Aboriginal objects and Aboriginal places in NSW. Under Section 90 of the Act, where harm to an Aboriginal object or Aboriginal place cannot be avoided, an Aboriginal Heritage Impact Permit is required before the disturbance of Aboriginal objects or places.

*Contaminated Land Management Act 1997*

The Contaminated Land Management Act 1997 establishes a process for investigating, managing and remediating contaminated land and outlines the circumstances in which notification to the Environment Protection Authority (EPA) is required, such as certain levels of soil contamination, potential to contaminate neighbouring land, presence of friable asbestos and potential surface and groundwater contamination.

There are no registered contaminated sites within the site investigation area. Management of potential unregistered contaminated land that would be impacted by the proposal is discussed in Section 6.5 of the REF.

*Fisheries Management Act 1994*

The Fisheries Management Act 1994 (FM Act, 1994) relates to the conservation of fishery resources.

The Department of Primary Industries (DPI) Fisheries assesses applications for dredging and reclamation works which may harm marine vegetation and cause obstruction of fish passage in accordance with Part 7 of the FM Act, 1994 and the Policy and Guidelines for Fish Habitat Conservation and Management (2013 Update).

Dredging includes works that involve excavating land submerged by water (water land), moving or removing material onto or from water land. Reclamation works means using materials, for example, sand, soil, gravel, timber or rocks to fill reclaimed water land or depositing such material on water land to construct something over water land.

The FM Act, 1994 may apply where the proposed new trail crosses a watercourse (i.e. bridge or culvert) that is classed as 'key fish habitat' for fish passage.

*Biosecurity Act 2015*

The Biosecurity Act 2015 (Bio Act, 2015) was introduced on 1st July 2017. The objective of the Act is to manage biosecurity risks from animal and plant pests and diseases, weeds and contaminants. The Act is based on the principle that biosecurity is a shared responsibility between governments, industries and individuals.

Nationally from 1 October 2017 the Livestock Production Assurance (LPA) program required every LPA accredited producer (landholders who have a Property Identification Code; PIC) to develop a Farm Biosecurity Plan to fulfil their biosecurity requirements. Livestock Production Assurance (LPA) is the Australian livestock industry's on-farm assurance program covering food safety, animal welfare and biosecurity. To improve producer understanding of the plans, Likewise, other primary industries have quality assurance programs in place to ensure that producers meet biosecurity requirements.

The legislation is centred around a risk assessment process, managed by the Local Land Services (LLS) Board, which should be consulted as part of the master planning and detailed design process for the project.

## Commonwealth Legislation

### *Environment Protection and Biodiversity Conservation Act 1911*

The Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act, 1999) provides for the protection of the environment, especially matters of national environmental significance (NES). Under the EPBC Act, 1999 a person must not take an action that has, will have, or is likely to have a significant impact on any of the matters of NES without approval from the Australian Government Environment Minister or the Minister's delegate.

Under Part 9 of the EPBC Act 1999, approval is required for any action occurring within, or outside, a Heritage place that has, will have, or is likely to have a 'significant impact' on the heritage values of a World, National or Commonwealth heritage listed property (referred to as a 'controlled action' under the Act).

A 'significant impact' is defined as:

An impact which is important, notable, or of consequence, having regard to its context or intensity. Whether or not an action is likely to have a significant impact depends upon the sensitivity, value, and quality of the environment, which is impacted, and upon the intensity, duration, magnitude and geographic extent of the impacts.

A referral is not required for road activities that may affect nationally listed threatened species, endangered ecological communities and migratory species. This is because requirements for considering impacts to these biodiversity matters are the subject of a strategic assessment approval granted under the EPBC Act by the Australian Government in September 2015. The EPBC also provides a legislative framework for the protection and management of matters of environmental significance. This protects heritage items on the World Heritage List (WHL), National Heritage List (NHL) or the Commonwealth Heritage List (CHL).

## 4.6 Proposed Management Activities

### Risk Management

Risk management is a fundamental component of all capital projects, and this proposal is no different. The project will likely be run and managed by the respective Local Government Areas (Cabonne Shire and Orange City Councils). Both these organisations have strong risk management procedures built into their capital delivery and ongoing management processes.

Table 25 contains the identified risks for this project, some mitigation strategies and the likelihood and consequence of the risk, including an overall risk rating.

#### **SOME CRITICAL ISSUES TO BE CONSIDERED INCLUDE:**

1. **Legislation:** A wide variety of state policy, legislation, strategy planning and programs intersect with the planning, development, management and maintenance of recreational trails in New South Wales. The Orange Region Food and Wine Trail project must comply with state planning, Acts, regulations, and planning policies. These are outlined in some depth in the previous section of this business case.
2. **Planning Approval:** There are a range of constraints related to the land and environment. Through the pre-planning approval and detailed design process these constraints need to be addressed. The previous section of this business case provides detail on the various pathways for planning the trail dependent upon the land tenure that the trail section is proposed to go through.
3. **Governance and ongoing management:** A governing mechanism is required to effectively manage the Orange Region Food and Wine Trail in a way that provides the Orange Region with ongoing collaboration, effective decision making and working together to develop and promote the Trail. A partnership model is proposed, and further work is required to determine the approach, membership and purpose of the entity.

**4. Risk Management:** The Orange Region Food and Wine Trail Business Case demonstrates the potential benefits that the proposed trail can bring to the Orange Region. Coupled with the understanding the benefits, it is also important to understand that the risks of the project are understood.

**ASSUMPTIONS** are made with the best of intent and on the best available knowledge at the time of putting this business case together. The following assumptions are critical to this business case.

1. **Visitor use assumptions:** As far as possible, assumptions on visitor use and spending are based on evidence including published data from the Ausplay survey and Tourism Research Australia (TRA) data that is also published. Assumptions are contained in the appendix of this business case.
2. **Resource assumptions:** Resource allocations are based on assumptions that the necessary resources (people and funds) will be available as needed. If resources are scarce or otherwise unavailable during the project lifecycle, the project's timelines, scope, activity outcome or objectives would need to be adjusted.
3. **Time-based assumptions:** Scheduling assumptions are based on the availability of critical resources like staff and finances. Built-in contingencies have been considered due to lack of resources that could impact the project timeline.
4. **Cost assumptions:** The cost assumptions have been developed based on expert assessments, checked with LGA delivery personnel and assessed against recent market values. They have not been based on any form of detailed engineering drawings and as such may change assuming the Orange Region Food and Wine Trail is developed further for implementation based on detailed design.

#### **PLANNING STAGE ACTIVITIES INCLUDE:**

1. **Planning permit analysis:** further work is required to undertake detailed assessments of the proposed route and the planning issues that might be a critical risk to the project. This business case in previous sections outlines the details for planning and regulatory assessment.

Most would appear to be relatively straight forward with some more challenging matters for approval.

2. **Land tenure:** most of the proposed trail route is on road reserve with some in other types of land tenure and small parcels of private property. Consultation with affected landowners may determine a different route for the trail in some locations.
3. **Risk Identification:** Conduct a comprehensive risk assessment to identify potential risks in all key areas mentioned in the project proposal. Use of historical data, expert opinions, workshops and brainstorming sessions to create a risk register.
4. **Risk assessment:** Evaluated the potential impact and likelihood of each identified risk. Prioritised risks based on severity, probability, and potential impact on project objectives.
5. **Risk mitigation strategies:** Developed risk mitigation strategies for each identified risk. These strategies may include avoidance, reduction, transfer, or acceptance. Developed contingency plans for high-priority risks to address them if they materialise.
6. **Budgeting and reserves:** Allocate suggested contingency funds within the project budget to cover unforeseen costs arising from risk events. Recommended withholding 5% retention on contractor project claims.
7. **Legal and Contractual Safeguards:** Identified to work closely with legal experts to draft contracts that include dispute resolution mechanisms and clearly defined responsibilities.
8. **Stakeholder communication:** Recommend a communication plan to establish clear communication channels with all stakeholders to keep them informed about potential risks and mitigation strategies. Recommended to involve stakeholders in the risk management process and obtain their input through the partnership approach.

**DELIVERY STAGE ACTIVITY INCLUDES:**

1. Ensure that the LGA delivery **quality process** is followed. LGAs invest significantly into experienced personnel and quality systems. By following them, delivery risk is mitigated substantially.
2. Regularly review and update the **risk register** throughout the project's execution to account for new risks and changes in the risk landscape. Establish a Project Control Group and Project Sponsor where risks are regularly reviewed.
3. **Change Control:** Implement a robust change control and variation process to evaluate and approve or reject changes that could impact the project's scope, schedule, or budget.
4. **Performance Metrics:** Develop key performance indicators (KPIs) that allow for the early detection of project deviations. The Project Control Group (PCG) should monitor these KPIs regularly. Use Earned Value Analysis (EVA) to track project progress and cost performance.
5. **Mitigation Actions:** Execute risk mitigation strategies as needed. This may involve implementing contingency plans, adjusting the project schedule, or activating insurance policies.
6. **Regular Reporting:** Provide regular reports to stakeholders, including an overview of risk management activities and their impact on the project's progress.
7. **Lessons Learned:** Continuously gather feedback from project team members to identify emerging risks and learn from previous experiences. Use lessons learned to improve risk management practices for future projects.
8. **External Examples:** use the experience of other entities throughout Australia that have implemented trails of this type to learn any lessons that may be applicable.

By integrating these activities into both the planning and delivery stages, the Orange Region Food and Wine Trail proposal will be better equipped to identify, monitor, and mitigate risks effectively. Regular and open communication with stakeholders, along with a proactive approach to risk management, is essential for successful risk mitigation.

**Asset Management & Operations**

The Orange Region Food and Wine Trail will operate over two Local Government Area: Cabonne Shire Council and Orange City Council. These Councils are partners in many activities undertaken across the region including the Orange 360 entity who markets the region to visitors and will be responsible for maintenance, operation and ownership of assets within their LGA including on small sections where landowner agreements will be established.

It is proposed to establish a partnership entity, not to take control of the assets, but to assist the Councils with planning, management, fund raising, marketing and ongoing planning of the trail. This model would likely be based on the Clare Valley Resilient Trail (although that contains differences in land tenure to this proposal).

Councils would implement their asset management systems and plans for the trail, as they would with any piece of public infrastructure.

As public interest in the trail will be strong, it is recommended that the partnership approach involve relevant stakeholders including ORVA, Orange 360, and the community cyclists who have had such a pivotal role in the development of this business case through their passion and expertise.

Additional resources will be sought to ensure appropriate maintenance, management and governance arrangements are applied to the Orange Region Food and Wine Trail.

## Appendix A – Visitor Number Modelling Assumptions

VARIABLE	DESCRIPTION	SOURCES
<b>1. Trail Locations</b>	<b>LGA</b>	
Hub 1 Town Trail	Orange	
Hub 2 Lake Trail	Orange	
Hub 3 Harvest Trail	Orange & Cabonne	
<b>2. Cycle Trail Users - Locals</b>	<b>Estimate local users for each trail</b>	
<b>Local Residents</b> (Orange & Cabonne)	Estimate of local residents using the trails	
Potential users: persons who cycle in each LGA	LGA population 10 years from NSW Govt projections Cyclists in the LGA: apply cycle participation rate 12.6% (average for 7 years 2016-2022) Numbers grow in line with populations growth	New South Wales Population Projections 2022, Department of Planning and Environment NSW (LGA projections) Ausplay Data Tables, April 2023 <Sports & Recreation Participation>
Likely to use the trail	Percentage probability assigned to each trail /LGA. 60% of cycle population)	MCA assumptions
Average uses per year	6 uses (based on accessibility of trails to population centres)	MCA assumptions
<b>3. Cycle Trail Users - Adjacent &amp; Regional (LGAs)</b>		
<b>Adjacent LGAs</b> (Bathurst, Blayney, Cowra) <b>Regional LGAs</b> (Parkes, Forbes, Lithgow)	Estimate of regional residents using the trails	
Potential users: persons who cycle in each LGA	LGA population 10 years from NSW Govt projections Cyclists in the LGA: apply cycle participation rate 12.6% (average for 7 years 2016-2022) Numbers grow in line with populations growth	New South Wales Population Projections 2022, Department of Planning and Environment NSW (LGA projections) Ausplay Data Tables, April 2023 <Sports & Recreation Participation>
Likely to use the trail	Percentage probability assigned to each trail /LGA. Adjacent LGAs = 30% Regional LGAs =20%	MCA assumptions
Average uses per year	Based on accessibility of trails to population centre Adjacent LGAs = 3 Regional LGAs =2	MCA assumptions

## Appendix B – Economic Benefits

VARIABLE	DESCRIPTION	SOURCES
<b>Benefits</b>		
Regional Income	Increase in regional income generated by users and their spending in the region	Estimates generated from MCA’s regional impact model
Health Benefits	<p>Reduced health costs (public &amp; private) associated with exercise activity.</p> <p>Based on average trail ride per person of 12kms &amp; health cost saving of \$1.60 per km (\$19 per average ride). Benefits calculated for local users &amp; tourists.</p> <p>&lt;Note: mountain bike estimate used for riding on trails- assumed that it applies to Orange Trail users&gt;</p>	<p>Mountain Biking in Australia: An Economic and Participation Analysis (AusCycling), GHD Advisory, March 2021</p> <p>Green Space Interim Framework for Valuing Green Infrastructure and Public Spaces, NSW Department of Planning and Environment, March 2022.</p>
Consumer valuation	<p>Based on a shadow price of \$15 per trail user (\$2026 prices)</p> <p>Valuation for local users &amp; tourist users.</p>	MCA assumption. Users would be willing to pay \$15 if fees were applied.
Productivity Benefit	<p>Exercise improves a person productivity and reduces absenteeism.</p> <p>Assumed that 60% of all trail users are in employment and the benefit is valued at \$7.60 per ride.</p> <p>Valuation for local users &amp; tourist users.</p> <p>&lt;Mountain bike estimate used for riding on trails&gt;</p>	<p>Mountain Biking in Australia: An Economic and Participation Analysis (AusCycling), GHD Advisory, March 2021</p> <p>Social Value of Community Sport &amp; Recreation - Value Assessment Report , KPMG 21 October 2021 (for City of Melbourne)</p>



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