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PARLIAMENT OF TASMANIA

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PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

# **Cradle Mountain Gateway Precinct and Visitor Centre**

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*Presented to Her Excellency the Governor pursuant to the provisions of the  
Public Works Committee Act 1914.*

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## MEMBERS OF THE COMMITTEE

Legislative Council

*Mr Farrell  
Mr Valentine*

House of Assembly

*Mrs Rylah (Chair)  
Mr Llewellyn  
Mr Groom*

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## 1 INTRODUCTION

To Her Excellency Professor the Honourable Kate Warner AC, Governor in and over the State of Tasmania and its Dependencies in the Commonwealth of Australia.

MAY IT PLEASE YOUR EXCELLENCY

The Committee has investigated the following proposal:-

### **Cradle Mountain Gateway Precinct and Visitor Centre**

and now has the honour to present the Report to Your Excellency in accordance with the Public Works Committee Act 1914 (the Act).

## 2 BACKGROUND

- 2.1 This reference recommended the Committee approve works for the first stage of the Cradle Mountain Gateway Precinct.
- 2.2 The current Cradle Mountain Visitor Centre was initially intended to be a temporary facility. Since its construction it has had little development and the facility is unable to cope with current visitor demand. Growth in visitor numbers is predicted to continue, exacerbating pressure on the current facility and services, which will have a negative impact on the visitor experience.
- 2.3 The Cradle Mountain Gateway Precinct will provide new, world class visitor facilities, with the aim of delivering an improved visitor experience. The Cradle Mountain Gateway Precinct will contribute to a heightened sense of arrival and departure into the Cradle Mountain World Heritage site, befitting of the grandeur and exceptional natural values of the area.
- 2.4 The Cradle Mountain Gateway Precinct will be developed in the style of an alpine village, with a community of support structures designed to provide flexibility and the ability to grow with increased visitor numbers in partnership with private investors. The Gateway Precinct will provide the following services and facilities:
  - Visitor information on transport, walks and activities in the World Heritage Area;
  - Ticketing for entry into the National Park;
  - Transport departure zone for the National Park;
  - Interpretive displays and services;
  - Visitor amenities, food and beverages;
  - Community gathering space;
  - Retail related to wilderness activities, groceries, souvenirs and fuel; and

- Civil infrastructure, including car parking and site services.
- 2.5 The Parks and Wildlife Service (PWS) intends to deliver the suite of new facilities and services through a mix of public and private investment. Development of the Gateway precinct will be staged, with the first stage designed to meet the immediate need for new core/essential facilities. Further development will be designed to meet future needs with the aim of leveraging significant private investment for future stages from the initial public investment.
- 2.6 Specifically, the PWS is seeking the Committee's approval to undertake the following publicly-funded works:
- A new PWS Visitor Service Centre;
  - A building to accommodate commercial tour operator services and a café;
  - A covered pedestrian walkway and shelters; and
  - Supporting civil infrastructure and landscaping, including new access roads to the carpark and shuttle bus zone.

### 3 PROJECT COSTS

3.1 Pursuant to the Message from Her Excellency the Governor-in-Council, the estimated cost of the work is \$17.45 million.

The following table details the cost estimates for the project (please see the Cradle Mountain Gateway Precinct site plans on pages 8 and 9 of this report for plans of the buildings numbered and referred to below):

Gateway Precinct	\$
Building 1	2,400,000
Building 2	1,600,000
Building 2 Cafe fit out	300,000
Covered Walkway and Shelters	1,200,000
Forecourt civil works	200,000
Gateway civil works	6,000,000
Sub-total	11,700,000
Design Contingency 5%	585,000
Construction Contingency 10%	1,170,000
Total Construction Cost	13,455,000
Lead consultant fee	848,000
Project delivery e.g. wages, other consultants etc	1,537,000
Artworks, signage, Interpretations	210,000
<b>Gateway Precinct Total</b>	<b>16,050,000</b>

## 4 EVIDENCE

- 4.1 The Committee commenced its inquiry on Wednesday, 8 November last with an inspection of the site of the proposed works at the Cradle Mountain Visitor Centre.
- 4.2 The Committee conducted public hearings in the Parks and Wildlife Service offices at Cradle Mountain on 8 November last and in Committee Room 1, Parliament Square building on 4 December last. The following witnesses appeared, made the Statutory Declaration and were examined by the Committee in public:-
- Dr John Whittington, Secretary, DPIPW;E;
  - Andrew Roberts, Director Commercial and Business Services, Parks and Wildlife Service;
  - Nic Deka, Regional Manager North West, Parks and Wildlife Service;
  - Ralf Zenke, Project Manager, Cradle Mountain Visitor Centre, Parks and Wildlife Service;
  - Peter Walker, Architect, Cumulus Studio; and
  - Liz Walsh, Architect, Cumulus Studio.

### Overview

- 4.3 Mr Roberts and Mr Whittington provided an overview of the proposed works and the Cradle Mountain Gateway Precinct concept (please see the Cradle Mountain Gateway Precinct site plans on pages 8 and 9 of this report for plans of the buildings numbered and referred to below):

*Mr ROBERTS - Thanks for the chance to show you our exciting project. I am sure that just having been out in the field and having had a look, you can see particularly that end of the airstrip view, that wow factor that we're hoping this project will bring. The project itself is a culmination of a lot of planning and effort over the years in building up Cradle Mountain as an icon for Tasmania for tourism, for World Heritage Area conservation and visitor enjoyment. The project we are developing now is the outcome of the Cradle Mountain Master Plan that was put together in cooperation with the tourism industry and the Cradle Coast Authority.*

*We have a steering committee overseeing the projects, which is chaired by John Perry, the Coordinator-General, and includes representatives from DPIPW;E, Parks and Wildlife, State Growth, Infrastructure, the Cradle Coast Authority and Kentish Council, all of which contribute the elements of the projects that affect their jurisdictions, so we have a very broad input to the project. The Coordinator-General is also working with some federal money that was made available to explore the cableway possibilities and helping to advance as much as possible the private sector investment we can get into this project to extend its reach and the quality of what we do as far as the visitor experience goes.*

*The task itself we are looking at is the Cradle Gateway precinct. The \$21 million-odd that was provided by the state Government extends to cover work at Dove Lake but that will be a separate part of the project and we have funds set aside for that. We are not going to chew up all the funds on this part and have nothing left for that part because we hear from tourism industry that the Dove Lake side of the project is, in their view, as important as if not more important than this area. Obviously everybody has their own values on where the most money should be spent, but overall all these bits will go to maintain and develop Cradle Mountain as that thing to come to Tasmania for and obviously for locals to experience as well. You have been out there today and got it on a beautiful day. On a bad day it is still a*

stunning place, but the challenge is in providing a good experience in all those weathers and all those environments and hence the need for this project.

We are intending to focus on the visitor arrival point which is intended to promote a village precinct feel in the development. The idea is that in time that village will grow initially along the crown land flanking the car parking area and then potentially into the private land that surrounds the area in the future, but it will be up to those landowners to take that opportunity up.

As you can imagine, there are more buildings there than we can fund with the government dollars by themselves, so one of the challenges we have is finding that ideal mix of getting in investment, leaseholds and who will construct whichever way we go, but what we are making clear today is the vision and the objective as you see it. A village precinct is the objective of what we are trying to achieve for the project... ..fundamentally we will be delivering a visitor arrival point, gateway reception, tour operator base, in ground infrastructure, car parking and all the fundamentals that are required and then we will be enhancing that further the more investment we get.

**Dr WHITTINGTON** - I open by stressing that the objective of the investment we are proposing is absolutely about ensuring we maximise the investment potential of the entire site so we realise the greatest opportunity for the total government funding of \$21.8 million in both the Gateway and the Dove Lake viewing shelter. While providing for that objective of a seamless visitor environmental experience at the Gateway as well as Dove Lake with the \$21.8 million, what we are coming to you for is the \$16.05 million towards the Cradle Mountain Gateway Precinct quite separately from the \$5.75 million at Dove Lake at the moment.

The Gateway Precinct, at \$16.05 million, is designed to optimise the opportunity for developing a public-private partnership. On that, we have sought advice through the steering committee for the project from the TICT and the Office of the Coordinator-General. The proposal we are putting forward now, which is to construct buildings 1 and 2 and walkway 7, plus the civil works and all the landscaping and car parking, provides a visitor centre that meets the needs today of Parks, visitors and the businesses, while maintaining building 4 as a significant opportunity for a public-private partnership. That is very much based on the advice of the tourism industry and Office of the Coordinator-General through the steering committee.

I won't go through the characteristics of buildings 1 and 2, other than to say that they provide for, combined, about 1100 square metres or more of space which would provide for all the visitor services that would be provided by Parks. It also provides, through building 2, space for a number of businesses that are operating up there to have front of house, plus a cafe which would have a footprint of several hundred square metres. All of the buildings can be repurposed and integrated into the full precinct once building 4 is constructed through a PPP. All of the village concept remains intact. This staged construction provides for the pieces we believe need to be there now and optimises the site for future investment.

... ..I think it is a really exciting project and an exciting time for Cradle Mountain. The intent of Parks, through this, is to provide a seamless visitor experience from the moment you drive up through servicing through to Dove Lake. The whole concept can be delivered through this staged approach. We are really excited to get on with it.

Gateway Precinct Site Plan - -Digital Image





## Gateway Precinct

Proceed with design, documentation and tender of **Buildings 1** (as the Visitor Centre, **Building 2** (tour operator spaces & cafe) & **Building 7** (covered walkway)

- 01. Visitor Services Building
- 02. TOFD Tenancies & Cafe
- 03. Future - Kiosk
- 04. Visitors Centre
- 05. Landscaping
- 06. Civil Works
- 07. Walkway

- Proposed Building Works
- Future Building Works
- Full Civil Works



Gateway Precinct Site Plan 1:1000

### **Needs for the Proposed Works**

- 4.4 The Committee understands that the current facilities are not adequate to meet visitor demand at peak times and notes that visitor numbers are expected to continue to grow which will place further strain on the current facilities. The Committee recognises that this will have an adverse affect on visitors' experience and growth for tourism operators.
- 4.5 The PWS submission highlighted these issues as the key driver for the proposed works, and cited a number of reports that supported this:

*Cradle Mountain is a significant iconic tourist destination for Tasmania. A new Visitor Centre is a critical tourism project for the site not only providing much needed, improved visitor services but also as a catalyst to the promotion of future commercial development in the area.*

*The need for a new Visitor Centre has long been established with recommendations dating back to 2003 (The Cradle Mountain Development Plan, Inspiring Place). Since this time the existing Visitor Centre has had little development and has increasingly struggled to cope with visitor demands.*

*The new Visitor Centre will provide an improved visitor experience not only by physically accommodating growing visitor numbers to one of Tasmania's most visited natural wilderness destinations but also by providing a positive emotional experience with the site, connecting the visitor to the landscape and suitably interpreting the values of the WHA.<sup>1</sup>*

*The Cradle Tourism Development Plan, 2003 (CTDP) was commissioned by the Kentish Council, Cradle Coast Authority and the Department of Tourism Parks Heritage and the Arts. The CTDP identified the critical planning issues to be resolved and the strategies for implementing a number of key initiatives, of which the development of a new village based on the existing airstrip site on Cradle Mountain Road was a major recommendation.*

*In 2007 the Report for Cradle Village Development Planning Study (GHD) noted that "...the construction of a new visitor centre and conceptual layouts for the village development is considered to be fundamental in achieving the successful implementation of the CTDP."*

*The same report noted that the existing facilities were already at capacity during peak times with visitor numbers to the site projected to rise in the future. As outlined below, visitor numbers to the site have actually outgrown expectations whilst there has been no significant development of tourism infrastructure. The current Visitor Centre is now completely unable to cope with current demand.<sup>2</sup>*

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<sup>1</sup> Proposed New Visitor Centre for Cradle Mountain - Submission to the Parliamentary Standing Committee on Public Works, page 1.

<sup>2</sup> Ibid, page 7

The Demand Analysis was conducted to support the business case for new Village development within the Cradle Valley service zone on the airstrip site. The key findings of the analysis include:

- An increase of visitor demand at Cradle Valley, even when assessed under a conservative scenario.
- Coupled with the existing inadequacies with the services and infrastructure, the analysis indicates that decisions will have to be made in the very near future to provide a well-planned response to future development opportunities.
- The two main issues that will impact the sustainability of tourism at Cradle Valley into the future are:
  - The existing infrastructure is at capacity, particularly during the summer and off peak periods
  - There is a lack of services and activities to improve the visitor experience and encourage longer stays
- The current provision of services in Cradle Valley is not meeting visitor expectations. Transport in and out of the TWWHA is not well planned and sign posted. There is a need for integrated visitor information services.
- There is a strong need to provide a robust plan for developing Cradle Valley as a tourist destination. There is substantial demand for improvements in infrastructure as illustrated by the outcomes of past studies. The visitor demand analysis, identified a lack of existing services to meet visitor expectations and the aspiration of tourism operators.

The Demand Analysis demonstrates a clear need for 'well planned and robust development' to cater for the increase of visitor demand on the Cradle Valley site.<sup>3</sup>

The current visitor infrastructure at the Cradle Valley site does not meet the objectives of a services zone provided by the TWWHAMP (Tasmanian Wilderness World Heritage Area Management Plan) and furthermore presents and provides an experience that is inconsistent with the expectation and demands of the visitor group. Therefore, the Cradle Valley service zone facilities and infrastructure should be a prioritisation for investment.<sup>4</sup>

4.6 Visitor numbers have also grown at a rate greater than previously projected. The PWS submission states:

The Report for Cradle Village Development Planning Study (2009) also noted the key findings of the Demand Analysis Report which included:

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<sup>3</sup> Proposed New Visitor Centre for Cradle Mountain - Submission to the Parliamentary Standing Committee on Public Works, page 9

<sup>4</sup> Ibid, page 11

- The estimated number of visitors who would use a village/service hub ... would rise to 191,850 in 2023/24 based on the 'most likely' scenario.
- The existing infrastructure is at capacity, particularly during summer and other peak periods

Visitor numbers have however actually grown much faster than projected with even recent predictions falling short of actual figures. This is illustrated by the BDA Cradle Mountain Demand Potential Assessment commissioned as part of the CMMP2016 which forecast that if visitation projections followed existing trends figures would reach 220,000 visitors by 2020 or 260,000 with the addition of new visitor facilities. In actuality the visitor numbers have already considerably exceeded both these expectations with approximately 252,000 visitors to Cradle Mountain recorded in the year to March 2017.<sup>5</sup>

4.7 The Committee sought further information from the witnesses on visitor number projections and the capacity of any new facilities to cope with visitor growth:

**Mr GROOM** - You have included in the submission some projections as to visitor numbers. As was mentioned earlier, we have seen very significant increases in visitor numbers, so how confident are you in the projections identified here? In the event they may be exceeded, what is the capacity of this design to cope with that in the future?

**Mr ROBERTS** - Perhaps we can answer that in two parts. Peter can talk about how he has considered it in the design and then we can give you the projections.

**Mr WALKER** - The design is based around those projections; however, there is some room in that. The village strategy is that you disperse people amongst a number of buildings. Having a large forecourt was partly to allow people to wander so you are diminishing peak loads on the building and are not having every single person arriving at once. The building has a lot of circulation space and that is also intentional. We have sized the initial ticketing area for not only peak loads but for a large amount of waiting space that deals with the future projections. There are also circulation spaces and interpretation spaces that allow us to disperse people throughout the building.

It is not just relying on those figures; it allows for disbursement throughout the site, with a reasonable expectation that people will then hop on a shuttle bus or other form of transport and move on to other things or go into the café. Once you consider all of those it accommodates for those figures easily, so there is capacity left over, I guess.

**Mr DEKA** - In terms of the projections, it is never an easy matter trying to project where things will go to, so we've made best effort to come up with a sensible answer to that question. The extrapolation we've done is basically 30 years down the track, so that is around 2045 to 2050 and our estimate is between 400 000 and 500 000 visitors at that point in time. The way we've arrived at that is we've simply used the 2.5 per cent compounding growth for that period of time. Obviously we're not going to get a consistent 2.5 per cent compounding growth, but, as experience will show, you get peaks and you also get troughs. If we look at recent history at Cradle, we had pretty steady growth through the 1990s and into the early 2000s. It peaked at 184 000 visitors in 2005-06 and then there was a decline. It declined to 151 000 and then there was a steady increase of perhaps 3 to 4 per cent per annum. In the last two years we've experienced an extraordinary 16 per cent per annum.

Is 16 per cent per annum going to continue? No, it simply won't. There are all sorts of constraints that will occur to put the lid on that growth. Some of those things are well and truly beyond our control: if the Australian dollar rises in value that is going to affect visitor numbers into Australia; if we have another global financial crash that will affect tourism. If

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<sup>5</sup> Proposed New Visitor Centre for Cradle Mountain - Submission to the Parliamentary Standing Committee on Public Works, page 12

aviation fuel rises that could affect things. We believe that a 2.5 per cent compounding percentage is a reasonable way to project numbers into the future. As Peter just said, that is the number that we've based the size of the buildings on, but there is additional opportunity for dispersal.

### **Proposed Stage 1 Works**

4.8 In its additional submission the PWS detailed the specific works that would be undertaken in the publicly funded \$16.05 million first stage of the Gateway Precinct (please see the Cradle Mountain Gateway Precinct site plans on pages 8 and 9 of this report for plans of the buildings numbered and referred to below):

*The Government has allocated \$21.8 million over the forward estimates for works at Cradle Mountain and Dove Lake - \$16.05 million towards the Cradle Mountain Gateway Precinct and \$5.75 million for the Dove Lake Visitor Shelter.*

*This Submission refers entirely to the \$16.05 million Cradle Mountain Gateway. It is proposed to expend the funds in the following manner:*

- *Proceed with the design development and construction of buildings 01, 02 and 07, to serve the functions of a new Parks and Wildlife Service (PWS) Visitor Service Centre (01); commercial tour operator precinct and cafe (02); and covered pedestrian walkway (07):*

- **Building 01** *to be two storey, will be timber clad - including the roof, with a maximum height of 8.5m. The facades include substantial glazing on the western elevation on the ground floor and the eastern elevation on the first floor. The timber cladding will be left unfinished to grey with the weather over time.*

*The total floor area of the ground floor will be approximately 410m<sup>2</sup> and the first floor 330m<sup>2</sup>.*

*The ground floor will be fitted out for the purpose of PWS visitor service functions, e.g. parks passes, information etc, and the first floor will be used for PWS staff offices and administration.*

- **Building 02** *to be single storey, will be timber clad, with a maximum height of 7.2m. The building also includes a timber clad roof of varying pitches. The timber cladding will be left unfinished to grey with the weather over time.*

*The western facade, which is the 'front elevation' to the village precinct, will contain substantial elements of fixed glazing. The eastern elevation, which has direct access to the service road proposed on the eastern boundary of the site area, includes a number of roller doors to provide external access to the tenancies. The total floor area proposed is 420m<sup>2</sup> and will be divided into four tenancies for commercial tourism operators and the remainder fitted out as a cafe.*

*Part use of the building will be primarily for individual tourist operators. It is envisioned that separate tour operators for the*

Tasmanian Wilderness World Heritage Area will have a front of house space that offers tour information, ticketing and a meeting point for the start and end of tours.

- o **Covered Walkway and Shelters** to be constructed to provide shelter and shade from the elements, including shelters with BBQ facilities and a covered walkway to an information shelter and a temporary shuttle to bus shelter.
- o **Supporting Civil Infrastructure** will include new access roads to the shuttle bus pick up and drop off area, a new access road for visitors to and from the Gateway area and a car park. The car park layout includes the following:
  - main car park area to include 250 spaces (including 10 DDA spaces);
  - secondary car park to include 35 large vehicle parking and 300 overflow car parking spaces;
  - coach lay-by/drop off area adjacent to shelter;
  - visitor drop-off area at the entrance to the sheltered walkway;
  - a service and emergency access and hardstand area;
  - back of house access to provide for deliveries;
  - 10 staff car parking spaces, 20 shuttle bus parking spaces and 15 coach parking spaces;
  - bus wash down area, with wall and bunding; and
  - landscaping.
- o Demolition of existing facilities (cafe, PWS offices, outbuildings) and revegetation and landscaping.<sup>6</sup>

4.9 The Committee sought further information on the design of Buildings 1 and 2, including the materials they would be constructed of, and how this would fit with future developments:

**CHAIR** - At the last hearing we heard that building 4 was likely to be a concrete construction, or that was the suggestion. From what I read here, these buildings have timber cladding, which will grey over time, as we would expect. For me, the timber and the greying is something more than what I expected than when I heard about the concrete, but how are you envisaging all this will fit together? I know it is a village and there are different aspects to a village, but how is this all going to come together in terms of the look?

**Ms WALSH** - Building 4 was conceived as the departure point. For us, it needed to have a materiality or a cladding that was different to the village. When we were in the concept design phase, we looked at Waldheim Village, we looked at Kitchener Hut, and we looked at the type of construction happening in and around the site. It seemed to us that the smaller buildings should be timber, and the larger building that potentially was on the edge of the visitor experience should read differently so it felt like the building at the end of a journey. While you are in the village, you are surrounded by timber-clad buildings and you would proceed to a slightly larger building that had perhaps more contemporary function in it as well. That was the concept around the architecture. It also felt to us that while they were smaller, timber was much more appropriate in that setting.

**Mr ROBERTS** - You have the concept - perhaps will you talk about your form idea of the concrete and how it makes it up to the timber in the buildings?

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<sup>6</sup> Additional Submission to PSCPW Nov 17, pages 1-2.

**Ms WALSH** - Yes, essentially, the idea was that we would use timber to form the concrete in building 4, and then it would be like the other buildings on the site, but it would be slightly different because it would have a different function, and it would be providing slightly different services.

**CHAIR** - I am gathering what you are suggesting is that you are going to pour these walls with timber, and then when you pull the timber off, you will see the pattern of the timber in the concrete?

**Ms WALSH** - Yes, and that would allow for an increased textural quality in the concrete and also make it feel more at one with the timber buildings surrounding it.

4.10 The Committee questioned the witnesses on whether the PWS planned to incorporate the use of solar power into the Gateway Precinct buildings:

**Mr VALENTINE** - I am always intrigued that we don't design solar panels into developments like this or ways of capturing the solar gain we have with that north-facing site with enclosed voids that build heat which you then pump through the building. Did you think about those sorts of things? Is the budget not big enough to do solar panels or evacuator tubes to heat water? Is there a reason that is not in there?

**Mr WALKER** - That is part of the next stage for us in exploring all those things. That is why we have an environmental engineer on board. From my experience, the pay-off on solar panels to provide electricity is still dubious, whereas there is a lot of benefit in having solar hot water and running hydronic systems et cetera. Hydronic systems are excellent but they are very expensive, so it is a matter of trying to balance some of that up. None of those has been discounted at the moment. There is a generous allowance within the budget for a heating system of some sort, but what that is at the moment is part of this next stage in working that out.

**Mr VALENTINE** - ... ..I wondered whether you have thought about that sort of thing, given the fact that you have such a wonderfully positioned building with hardly anything blocking the sun coming into it. That was the reason for the question and I think you've answered it, but it would be good to see some of these tricks used in the future.

4.11 The Committee noted that the proposed works included a forecourt area between the car park, covered walkway and Gateway buildings. The Committee also noted that this would function as an external event and gathering space. The Committee questioned the witnesses further on the types of events they envisaged could be held in this space:

**Mr VALENTINE** - ... ..I am interested in the event space you spoke of. In the preamble, page 5, in the blue writing where the visitor experience master plan talks about the village feeling acting as a visitor and community space. Then further down it says 'with an impressive central opening by creating a focal point for a range of community gatherings and events'. Have you thought through the sorts of events that might use that space and how they might impact on the general environment? Have you thought about the sort of strictures that might be in place as to what people can do in that space? The reason I ask this is because it would dictate how many people you are likely to have in that space at any one time and whether the facilities we are building now can cope with that level of visitation for one-off events?

**Mr DEKA** - Perhaps I can answer that. It is an interesting question: are the events that currently come to Cradle limited by the opportunity they have, or vice versa? If you look at what we currently get, it is not adequately serviced. That perhaps in part explains the answer. We generally get quite a few requests for events but they are not major, large-scale events. They tend to be more boutique events. One is the Cradle Mountain Film Festival which has recently emerged. That is probably only about three years old but they would desperately like an outdoor viewing space. They thought about trying to have it down at Dove Lake but, my word, you would be in the lap of the weather gods down there so they

have not gone there and there is no other venue suitable for a large gathering. That is one existing event that would use that space.

Festival of Voices, as a satellite, and 10 Days on the Island with various artistic events. They have searched for space at Cradle Mountain and there is really nothing suitable. It is those sorts of events that I think are going to lend themselves to the space that is created. There are lots of other events as in touring events that visit Cradle Mountain. In terms of have we developed guidelines and parameters around what might occur? Inevitably that would have to occur because you would want your events to be compatible with the overall visitor experience you are trying to create.

- 4.12 The Committee noted that the current facilities were not coping with visitor demand. Noting that visitor numbers were growing, the Committee sought further information on whether there will be adequate toilet facilities provided in the proposed stage 1 works:

**CHAIR** - Are we going to have sufficient loos and things, to ask a basic question, in these smaller buildings because our numbers are increasing already?

**Ms WALSH** - Yes. The plans we have provided to you as part of this submission indicate 11 toilets all up, which meets what is on site at the moment. However, in speaking with Parks, we believe - it is important to note that buildings 1 and 2 were buildings that have been developed up to DA stage. The next stage of course would be to go to building approval, which is a much more detailed process. We believe we can accommodate up to 50 per cent more in those buildings, so take the numbers up to 16 or 17 toilets, which is more than is on site at the moment. We believe we would cater for the current capacity.

**CHAIR** - I have been there in peak periods and the queue in the ladies' bathroom has been significant.

**Ms WALSH** - Yes.

**Mr ROBERTS** - We are seeking to maximise them at least for the 10-year-type projection. Obviously, when you get the building 4 up, you have double. That is when you really realise the vision. You should not be waiting anywhere, because whichever building you go to there is an option to go to the toilet.

- 4.13 Noting the sustained growth in visitor numbers and the expectation that this would continue the Committee questioned the witnesses on the proposed car parking facilities and the capacity to cater for growing demand:

**Mr LLEWELLYN** - Just extending on that question - car parking and the like are obviously important factors in that sort of equation about growth. Are any special issues there related to that, the number of spaces et cetera?

**Mr ROBERTS** - Yes, the challenge with these sites is you have to try to build a really attractive car park for the majority of days, but not the peak days. If you build a car park for the peak days, you would have a tarmac. The idea is we build for the majority of the days, but with overflow capacity. The idea is the unsurfaced area of the airstrip land that is already car park at the northern end provides overflow capacity for the foreseeable future. What we are building is a 270-car capacity in the new car park with the option to overflow further into the other area.

**Mr DEKA** - I think the overflow has 350.

**Mr WALKER** - At least, and it can extend further.

**Mr DEKA** - Yes, and there is a large part of that airstrip envelope that will be quarantined for future growth.

**Mr ROBERTS** - The other consideration is also the way people are getting here. The recent bigger number increases are also attributable to cruise ships and bus tours. They come in big



numbers on buses so part of this design also allows room for coach parking. That is less cars but coaches need special treatment as well. They don't like mixing up their parking with car parking.

- 4.14 The Committee was also interested in what design measures would be taken to ensure the facilities fitted in with the surrounds and did not detract from the visitor experience:

**Mr VALENTINE** - When we were on-site having a look, you were talking about the car park and how you were intending to get advanced shrubs and trees in there to soften it. Perhaps you could explain to us how you are going to do that or what you are doing there for the record. As to stormwater, I think there were some problems with that but I can't remember who I was talking to about it.

**Mr WALKER** - Because of the site and its location we were keen that it did not feel like a car park that you would have at a supermarket or an airport but appropriate for the site. We also were keen that we weren't running culverts, kerbing and those types of things that you find in more civic spaces. To deal with water run-off and stormwater et cetera into the landscaping in the forecourt of the civic area, we are building in tarns that will collect the water as it runs off harder surfaces so that it can seep back into the ground and it is dealt with that way. Not only is that a probably more environmentally sensitive way of doing it, it also introduces landscaping into those civic spaces and helps us break them up and form part of the way finding and leading you through the spaces. We talked about the events earlier on and part of our thinking was that if you used the landscaping to divide up spaces you can have smaller or larger events as well.

**Mr DEKA** - Just in terms of vegetation, we know it's incredibly difficult to rehabilitate at this site so to that extent we are trying to retain as much of the existing vegetation as possible and build that into the design. We have already engaged a very good nurseryman who has already collected and begun propagating for rehabilitation where it is going to occur.

- 4.15 The Committee noted that Building 4 would eventually provide a seamless transition between visitor services and the shuttle bus service into the World Heritage Area. The Committee was interested to know how visitors would access the shuttle bus service once the proposed stage 1 works had been completed and prior to the construction of Building 4:

**CHAIR** - I was interested in the distance between where the buses turn around and building 1, ... .. which is where you will sell the tickets. What is that distance? In our previous hearing, we talked about how close that was, and that people are almost effectively undercover, and now they have to walk across the tarmac or whatever it is. Can you tell me about that, please?

**Dr WHITTINGTON** - Liz, do you want to describe how the flow works and the distances?

**Ms WALSH** - From building 1 to the proposed turning circle is approximately 75 metres. It is about half the distance from the car park to the visitor service centre, as it was proposed in the last one. The idea is that you would buy a ticket from building 1. You would retain it and perhaps grab a coffee from building 2. You would then walk across and be undercover and then catch the bus.

If you had already pre-purchased your ticket, you would perhaps not even need to go into building 1; you would park in the car park, be picked up and fully be able to walk undercover to the new shuttle bus turning area. There is a space of approximately 20 metres from building 1 to the corner of the new walkway... .. but it is no more than 20 metres of undercover.

**Dr WHITTINGTON** - .....All of that land between the walkway and buildings 1 and 2 is a forecourt that has been designed for both aesthetics and function, so people can walk

seamlessly between the buildings and the covered walkway. On a nice day, people would be milling around there. That is the idea.

- 4.16 The Committee noted that the site would continue to operate while the new facilities were being constructed. The Committee questioned the witnesses on how this situation would be managed:

**Mr VALENTINE** - Given the type of environment it is and the fact you are going to be operating within that environment at the same time as construction is occurring, can you explain to us the project management side of how you are intending to minimise the impact the construction will have on daily operations?

**Mr ROBERTS** - The key for this project, and the beauty of the site location, is that the gateway precinct area can be built while the existing area remains fully operational. That area will be done to the point where people can move in. All that would be remaining then would be to remove the previous buildings plus finish off about 20 per cent of the car park that the building is sitting on top of.

**Mr VALENTINE** - I am interested in noise minimisation and those sorts of things during peak visitor times during the day. Is there any blasting that has to take place, for example? How is that side of it being managed to minimise the impact on our international visitors who are coming here for a good experience?

**Mr ROBERTS** - Like a lot of these projects, you have to do that with good information and warning if things like blasting were to happen. It is unlikely there would be blasting on the site, it would be more core digging and things. We have done some geology work and we know where the true base is underneath and all that sort of thing. All of it will take management. When we have built these at other sites we have mostly found that as long as you can inform the visitors what is happening and they can see it is going to improve on what is there, their tolerance is usually fairly high.

**Mr DEKA** - We have commenced development of a visitor management strategy for the period of construction. In large part that will wait until we know exactly who the contractor is going to be for the development because we will need to work with that contractor to finish that off, but the primary aim of that strategy will be to ensure the visitor experience is maintained to the extent it can. Obviously there will always be some impacts.

### **Impact of Development on the Parks and Wildlife Services Ongoing Operational Costs**

- 4.17 The Committee was interested in how development at the Gateway Precinct would impact on the PWS ongoing operational costs, and sought clarification from the witnesses on this matter:

**Mr VALENTINE** - Just on that theme, with respect to the Park's operational costs, is the model structured to provide a certain return back to Parks to assist with that operational aspect and you are not depending on consolidated revenue?

**Mr ROBERTS** - Our premise is to be no extra cost out of it. It is often the way and the reality is that governments often fund divisions like Parks in capital rather than in large recurrent. Things like this, if we are building a building space part of the investment equation we would be seeking to buy the bits we would operate, not necessarily have to pay rent to someone ongoing into the future because that would be an extra cost we don't currently have. We currently get rental income from the cafe that operates in the existing centre so that will have to be matched into the equation but the fundamental revenue source for the management of the park and the experience is through park entry fees and the recovery of the cost of running the transport system.

### **Future Development of the Cradle Mountain Gateway Precinct**

4.18 The Committee noted that the proposed works were designed to cater for immediate needs, but also provide flexibility for further development at the site. The Committee also noted that future works would be developed as a public-private partnership (PPP), leveraging off the initial publicly funded investment.

4.19 In particular the Committee noted that Building 4, located at the northern end of the site would be subject to an expressions of interest process to secure private funding. In its additional submission, the PWS provided detail on the proposed development of Building 4:

- *The intention is to develop building 04 separately with private capital. An Expression of Interest (EOI) will be launched shortly to secure private investment/development of building 04. The EOI process will commence as soon as possible and will be led by the Co-ordinator-General's office. It is expected to take 4-6 months to secure suitable investment.*

*The EOI will require building 04 to:*

- *include visitor reception public spaces to provide, at a minimum, public toilets, cafe and enclosed views of Cradle Mountain, and facilitate a smooth connection to a transport system (shuttle bus or cableway) in a manner that is consistent with the Master Plan vision.*
- *be constructed in a manner and design consistent with the recent Development Approval (DA).*
- *provide the option to an investor of exchanging the provision of the public spaces within building 04 with the transfer of building 01 into their management. Should this exchange option be taken up, the PWS Visitor Service Centre function would transfer from building 01 to building 04.<sup>7</sup>*

4.20 The Committee sought further information from the witnesses on future plans for further development of the Gateway Precinct including the potential for private investment and PPPs:

**Mr FARRELL** - *In relation to building 4, that fits into the scheme at a later stage. Is that correct?*

**Dr WHITTINGTON** - *That is correct. What we are trying to do with building 4 is develop a public-private partnership on the site. The advice we have is that site and building are the most prospective for generating that public-private partnership. The way we have designed buildings 1 and 2 and their use is that use may or may not migrate into building 4 throughout the PPP, depending on exactly how we can get a private partner to work with us.*

*It might well be in the private partner's interest to have Parks' ticketing, for example, to be delivered out of building 4. Certainly retail and hospitality would be delivered out of that building. Certainly there will be public spaces in there. The way that 1 and 2 are designed is that the functions can migrate between buildings 4 and 1 and 2.*

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<sup>7</sup> Additional Submission to PSCPW Nov 17, page 2.

The idea is that in a short time we will have all of the whole village constructed, but in a timing sense we believe that we need the anchor there right now, which then allows the building 4 PPP discussions to happen rather than just wait for that to happen.

**Mr FARRELL** - What sort of time frame, John?

**Dr WHITTINGTON** - The Office of the Coordinator-General is running the expression of interest process for that, and they intend to do that in the first half of next year, so quite soon. The OCG has had preliminary discussions more broadly on how that might run, but Parks is at arm's length from the specifics of that.

- 4.21 The Committee questioned the witnesses on why the PWS had proceeded with the approach of publicly funding the first stage of the proposed works with the balance of the Gateway Precinct to be delivered through a PPP:

**Mr VALENTINE** - ... .. You might not be able to answer this, but I will ask it anyway: is the idea that it not only provides a commercial opportunity for somebody, but that the leasing of those spaces provides some income back into the running of the rest of the site? Is that the reason for a public-private partnership on that site?

**Dr WHITTINGTON** - The reason for public-private partnership is to maximise the investment on the site beyond just the public's money. To realise the full vision is a lot more than the \$16 million that has been put on the table. Also, it is to provide all those entrepreneurial skills and the balance to the site to make it truly function as a village. The model of a PPP will determine exactly how we structure it; that is all part of the negotiation as to how it is owned and operated and how we fit into that. There is a number of different models, as you can imagine. ... .. The very good thing about the site, as you are aware, is that it is crown land, and so there is more considerably more flexibility around construction and planning and use, than if it was in the reserve. There are all sorts of opportunities there to generate something really special.

**Mr VALENTINE** - ... .. why do this all now and then do that later? Why wouldn't we have waited until some of that had been dealt with through the due process, expressions of interest or whatever else, and then do the whole thing so that we have some certainty around this building 4?

**Mr ROBERTS** - There is actually a lot to do with the site; civil works, for example, is what we would want to be doing first. While we are going through this investigation phase, with your clearance, we can get into the civil works and get them going so we are not waiting to a point and then taking another two years after that to get it to ground.

**Mr VALENTINE** - The question is, depending on who the partnership is with, their requirements may not have been dealt with fully. They have to work within certain constraints.

**Dr WHITTINGTON** - That is right. They will have to work within certain constraints. They will have to work within constraints of the master plan for the site. We believe that the civil works we are doing are going to provide the foundation for attracting a significant partner.

**Mr VALENTINE** - ... .. For that initial work it would be very difficult to attract a third party?

**Dr WHITTINGTON** - It would be impossible to say but certainly our strong view is that providing the infrastructure through the civil works plus the balance of the Gateway Precinct and getting the landscaping and everything sorted will provide an immediate start for what is essentially a burning need - I do not need to overstate that - and in a very short time we should have a solution around building 4 that will mesh into the site.

- 4.22 Noting that substantial private investment was anticipated to drive further development at the Gateway Precinct, the Committee sought further information

from the witnesses on what level of interest had been shown by the private sector:

**Mr FARRELL** - There are already a number of private operators around this area so what impact is this development going to have on their businesses?

**Mr ROBERTS** - At the moment the words we hear most often are, 'I'm interested'. They are all very interested in the opportunities this site might provide to enhance their own businesses. So until we put the rubber to the road we won't know what that mix will be. It is a combination of them directly being involved, but most of them are also saying once this is done they will have confidence to invest on their own land, to put that next level of accommodation in. A lot of the accommodation offering hasn't advanced in volume for quite some time and they are saying, 'If you put in this, we'll come to the party'. That is what we are hearing.

**CHAIR** - Do you think that there will be strong interest in building 4?

**Dr WHITTINGTON** - Very. All the intelligence we have had so far is that there will be very strong interest. I have had that advice through the Office of the Coordinator-General, plus the knowledge I have of the industry and the players in it.

### **Does the Project Meet Identified Needs and Provide Value for Money?**

4.23 In assessing any proposed public work, the Committee seeks assurance that each project is a good use of public funds and meets identified needs. The Committee therefore sought confirmation from the witnesses that the proposed works were fit for purpose and a good use of public resources:

**CHAIR** - I have a few questions I ask of most projects. Do you believe this project you are putting forward to us is fit for purpose? Does it meet your purpose objective?

**Mr ROBERTS** - Yes, very much so and we are very excited about it.

**CHAIR** - Do you believe this is the best solution to meet the needs within the allocated budget? Is it value for money for the Tasmanian taxpayer?

**Mr ROBERTS** - Yes, I believe it is and I believe we will continue to explore how to get even more value by as many partnerships or partners in this program as we can to get the best focus on the visitor delivery. The visitor experience is the champion here.

**Mr DEKA** - I think it will leverage a significant amount of additional investment into the area.

**CHAIR** - Do you think it is good use of public money to leverage that investment?

**Mr DEKA** - Yes.

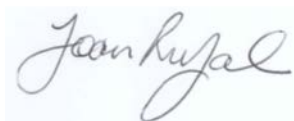
## **5 DOCUMENTS TAKEN INTO EVIDENCE**

5.1 The following documents were taken into evidence and considered by the Committee:

- Proposed New Visitor Centre for Cradle Mountain - Submission to the Parliamentary Standing Committee on Public Works, Department of Primary Industries, Parks, Water and Environment, 25 October 2017;
- Addendum Notice to the Parliamentary Standing Committee on Public Works – Re: Proposed New Visitor Centre for Cradle Mountain, 6 November 2017;
- Additional Submission to PSCPW Nov 17, 27 November 2017; and
- Cradle Mountain Gateway Precinct-Revised Scope of Works.

## 6 CONCLUSION AND RECOMMENDATION

- 6.1 The Committee is satisfied that the need for the proposed works has been established. Once completed, the proposed works will provide a new PWS Visitor Services Centre, a café and tour operator facility, and associated infrastructure which will meet the immediate needs of visitors and the PWS at Cradle Mountain and deliver an improved visitor experience. This public investment will be the catalyst to leverage significant private investment so that future stages of the Gateway Precinct will be delivered through a public-private partnership with the aim of maximising the visitor experience.
- 6.2 The Committee does, however, suggest that the PWS give due consideration to the environmental performance of the buildings on the site and encourages the use of building design features that will reduce the ongoing operational costs and environmental footprint of these buildings.
- 6.3 Accordingly, the Committee recommends the Cradle Mountain Gateway Precinct and Visitor Centre, at an estimated cost of \$16.05 million, in accordance with the documentation submitted.



Parliament House  
Hobart  
13 December 2017

Joan Rylah MP  
Chair