

Regional NSW

Rail Trails for NSW Evaluation Summary



June 2022



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Executive summary

Introduction

Rail Trails are disused rail corridors repurposed for recreational use, predominantly for people wishing to ride bicycles or hike. Rail Trails have been delivered throughout Australia for a number of years. In NSW there are two pilot Rail Trail projects being delivered:

1. The Tumbarumba to Rosewood Rail Trail runs for 21kms through the Snowy Valleys local government area in the Snowy Mountains region. It has been operational since April 2020.
2. The Northern Rivers Rail Trail, currently under development. It will run for approximately 130km when completed and traverse Richmond Valley, Lismore City, Tweed Shire and Byron Shire local government areas.

The NSW Government is aware of a further 10 Rail Trail proposals being worked on by councils and community groups. The 10 projects pass through 14 local government areas.

Purpose and design of the evaluation

This evaluation was conducted to enable the NSW Government to learn from the experiences of both pilot Rail Trails; to understand what has worked, and what may need to be done differently in the delivery of future Rail Trail projects in NSW.

Specifically, the evaluation was designed to review the legislative amendments processes of both projects, evaluate the operational model, measure community awareness, sentiment and satisfaction, and measure the economic and social outcomes of the operational Tumbarumba to Rosewood Rail Trail.

Evaluation questions

The evaluation was designed to answer the following questions:

1. How efficient were the legislative amendments processes for establishing Rail Trails?
2. How effective was the operational model for both Rail Trail projects?
3. To what extent has community awareness and sentiment changed over time for both Rail Trail projects?
4. Who is using the trail and how satisfied are they with it?
5. What have been the social and economic outcomes for the Tumbarumba to Rosewood Trail?

The evaluation questions were considered according to the relevant criteria of merit: efficiency, effectiveness, appropriateness and impact. An evaluation framework was developed to show indicators of success against each criterion of merit.

Evidence for the evaluation was sought from consultation with a range of key stakeholders, site visits, desktop research and secondary data.

Evaluation findings

The Rail Trail program was deemed successful. It displayed evidence of delivering important outcomes against the majority of indicators of success. However, there were inefficiencies in project delivery during the early stages in both pilot projects, particularly in relation to the legislative amendment process. Despite these issues, the Tumbarumba to Rosewood Rail Trail has delivered considerable positive outcomes in its first year of operation.

Efficiency of legislative amendment process

Legislative amendments were required to close the disused rail corridors for both pilot projects. While a framework was followed, the Rosewood to Tumbarumba amendment was the first time an amendment to the *Transport Administration Act* was used for this purpose. As a result, a number of opportunities for improvement were identified throughout the process. Some of these have subsequently been applied to the process for the Northern Rivers Rail Trail, noting decisions around land ownership in this instance were different, necessitating a different amendment process.

Of the three indicators of success assigned to measure this aspect of the project, one was considered 'poor' due to the time intensive nature of the legislative change process. The other two were considered 'unsatisfactory' due to the infancy of the process and level of clarity from agencies around some roles and responsibilities. One of the main impediments to an efficient amendment of the legislation process was deciding who will own the land and how the land is defined.



Effectiveness of operational model

The operational models were evaluated according to their component parts of governance, access and use, promotion, resourcing, management, funding and ongoing maintenance. For the Northern Rivers Project, only those components already in place (given the trail is not yet operational) were evaluated.

Many aspects of the operational models were effective, particularly how the two pilot projects developed appropriate management structures and governance models, used resources wisely, and built community awareness about the projects.

However, there were questions about appropriate governance models for the projects. Additionally, there are concerns the lack of ongoing funding may impact future maintenance requirements. Project planning for the pilots did not include the creation of a Strategic Plan or Plan of Management.

As a result, on balance, the effectiveness of the Rail Trails program was considered to have been 'good'.

Appropriateness

The design and delivery of the Tumbarumba to Rosewood Rail Trail was seen to have been appropriate to the needs of the communities it was intending to serve.

Four indicators of success were used to judge the performance of the program and three were deemed 'excellent' - increasing community awareness over time; increasing positive sentiment over time; and increasing user satisfaction in Tumbarumba.

The fourth indicator, increasing positive sentiment, was assigned an evaluative judgement of 'good'. Although there is growing positive sentiment for both Rail Trails, some anti-Rail Trail sentiment in the Northern Rivers region continues to have a strong presence through their campaign to retain the rail lines for a potential return of operational trains in the future. There are no well-established mechanisms currently in place to have measured a baseline of community sentiment for project proponents to have demonstrated overwhelming community support for their proposed Rail Trail. This has been considered in the recommendations of this evaluation, with future projects to provide evidence of demonstrated community support, such as a council resolution and evidence of community engagement.

Impact

The operational impact of the Tumbarumba to Rosewood Rail Trail was considered 'excellent'. Two indicators of success were considered, both having performed well, displaying evidence of positive social and economic outcomes.

The key positive social outcomes evident in Tumbarumba were the contribution the Rail Trail made to reducing social isolation, particularly among the elderly, the role the project played in bushfire recovery efforts in Tumbarumba, its contribution to community cohesion, the provision of a safe commuting corridor, and equal access to recreational land.

There is evidence the Tumbarumba to Rosewood Rail Trail made a positive economic contribution to the economy of Tumbarumba and NSW. Early indicators of positive economic outcomes following the opening of the Rail Trail include:

- Spend in the Tumbarumba region was up by 20% when comparing the two six-month periods of June to December 2019 and June to December 2020.
- Discretionary spend (on leisure-based activities) in Tumbarumba was up 55% for the same six-month period of June to December 2020, compared with the same period the year before, most likely from visitors staying in town.
- Spend on consumer staples was up 14% for the same period, most likely from visitors staying in town.
- Nine new or expanding businesses since the opening of the Tumbarumba to Rosewood Rail Trail in April 2020 (accommodation, food and beverage and bicycle hire).
- Spend in Tumbarumba (up 20%) outperformed the broader Snowy Valleys region and NSW as a whole (up 12%) when comparing the two six-month periods of June to December 2019 and June to December 2020.

Conclusion

These findings present the NSW Government with an opportunity to address the issues associated with the legislative amendment process that contributed to some confusion and delays in the delivery of new Rail Trail projects.

It will be important the delivery of future Rail Trails in NSW is well supported and responds to the growing momentum in the state for the creation of a broader network of connected Rail Trails. These types of projects have the potential to link towns and regions and contribute significantly to social and economic outcomes in regional NSW.





Stakeholders consulted

We consulted with representatives from the following key stakeholders:

Stakeholders for both pilot projects

Department of Regional NSW, Transport for NSW, Crown Lands, Rail Trails Australia, Rail Trails NSW.

Stakeholders for Tumbarumba/Rosewood

Snowy Valleys Council, Tumbarumba Rail Trail Committee, Tumbarumba Chamber of Commerce, Local Land Services, NSW Farmers; Destination Riverina/Murray, Tumbarumba Men's Shed, Rosewood Public School, local Tumbarumba/Rosewood businesses, cyclists.

Stakeholders for Northern Rivers

Tweed Shire Council, Richmond Valley Council, Lismore City Council, Northern Rivers Rail Trail Committee, Tweed Chamber of Commerce, Destination North Coast.

Consultation and research methods

We gathered evidence for this evaluation in the following ways:

- in-person consultation with key stakeholders in Tumbarumba (10 May 2021) and Murwillumbah (14 May 2021)
- remote consultation (Telephone, Zoom and Teams) between 14 and 24 May 2021
- desk research
- online user survey questions integrated into an ongoing online survey being conducted by Snowy Valleys Council
- gathering of secondary data from Spend Mapp¹ and CoreLogic² for economic impact evidence
- incorporation of desk research findings and best practice analysis conducted by Cred Consulting.

We created the following rubric with a scale rating which defines the different levels of performance of each of our criteria of merit.

Excellent	All indicators of success were realised, very positive outcomes, few, if any, negative comments.
Good	Most indicators of success were realised, evidence of noticeable positive outcomes, few neutral or negative outcomes.
Unsatisfactory	Some indicators of success were realised, some negative outcomes, a mix of comments, not noticeably positive.
Poor	Few indicators of success were realised, evidence of positive and negative outcomes, skewed towards the negative.

¹ Interactive mapping tool to visualize expenditure flows within selected LGA and between other LGAs.

² Consumer, financial and property data

Evaluation findings

	Poor	Unsatisfactory	Good	Excellent	Explanation
Overall evaluation			✓		A successful program with demonstrable important positive outcomes, hindered by inefficiencies in the legislation amendment process.
Efficiency					
Clear legislative amendment framework		✓			A standard system exists but it is not necessarily fit for purpose for Rail Trail legislation change.
All agencies understand legislative amendment process		✓			Lack of clarity around roles and responsibilities and the steps involved in the legislative amendment process.
Timely legislative process	✓				There were delays in the legislative change process due to the process being new for all involved, particularly Transport for NSW.
Effectiveness					
Operational model developed successfully to deliver desired outcomes			✓		Many components of the operational model were successful but ongoing funding to maintain the Rail Trail is a concern for project teams.
Appropriateness					
Increasing community awareness over time				✓	Tumbarumba awareness levels were considered high after 12 months.
Increasing positive community sentiment			✓		Very positive community sentiment in Tumbarumba. Anti-Rail Trail groups in Northern Rivers have a strong presence.
Increasing use of the Rail Trail				✓	Tumbarumba to Rosewood has supported close to 20,000 trips in the first year of operations, exceeding local expectations.
Increasing user satisfaction				✓	Satisfaction levels amongst users of Tumbarumba Rail Trail have remained high since the opening of the Trail.
Impact					
Evidence of positive social outcomes				✓	Evidence of reduced isolation and increased community cohesion in Tumbarumba.
Evidence of positive economic outcomes				✓	Economic benefits to Tumbarumba and the broader region exceeded the expectations of key stakeholders

Impact of the Rail Trails projects

The Tumbarumba to Rosewood Rail Trail has demonstrated important positive social and economic benefits for a town recovering from bushfires, with outcomes extending beyond the town and into the region. The outcomes exceeded expectations of key stakeholders and local businesses.



Social Outcomes

Reducing isolation among elderly residents

There is evidence the Tumbarumba to Rosewood Rail Trail has contributed to the reduction of social isolation among elderly residents. Tumbarumba Men's Shed is a rural service providing support for isolated men in Tumbarumba. It also offers opportunities for members to use their professional or personal skills and remain active within the community.

The Tumbarumba to Rosewood Rail Trail has been a significant project for members of the Men's Shed. Up to 30 members of the group have contributed more than \$30,000 in value to the project since construction began and continue to provide labour for maintenance and building works.

Working on the Rail Trail was particularly important to Men's Shed members during COVID-19 lockdowns and when larger gatherings at the physical shed were prohibited, as members were able to work in small groups along the Rail Trail route. Anecdotal evidence suggests working on the Rail Trail had positive mental health impacts on Men's Shed members.

The project also provided opportunities for connection among older users of the Trail. The over 65 age group were more likely to visit the Rail Trail in larger groups, with the average group size of five people, suggesting it provided an opportunity for them to socially connect with others.



“Some of these people feel undervalued by the community and can't contribute. If you give them something to contribute, it turns them around overnight. The Rail Trail did that.”

President Tumbarumba Men's Shed



More than two thirds of visitors intend to return to Tumbarumba and the Rail Trail.

Bushfire recovery

Tumbarumba was directly and severely impacted by the Black Summer bushfires of 2020, with damage to tourist attractions, state forest and properties. The Tumbarumba Rail Trail project has contributed significantly to the rebuilding of the town following the Black Summer bushfires. The recovery was aided by the integration of the Men's Shed into the project delivery.

Evidence from previous studies shows small regional towns experience greater recovery from disaster if significant projects involve collaborative community efforts.³ The building of the Tumbarumba to Rosewood Rail Trail incorporated business, government, and community, inviting community members with a range of skills and experiences to contribute to the project. Ideally, the integrated response would also incorporate the arts and creative sectors to engage the community even more broadly.

“Our region is in the very early stages of healing and recovery after the recent Black Summer bushfire disaster, so the completion of the Tumbarumba to Rosewood Rail Trail is a boon for Tumbarumba and Rosewood and a credit to all those who have worked so hard for so long to make it a reality.”

Snowy Valleys Councilor James Hayes, February 2021.



³ Evaluation of Arts Victoria's Black Saturday Bushfires Initiatives, 2011.



Community cohesion

Community cohesion around the project continues to be strong, despite early resistance from adjoining landowners. Locals and businesses talked about the asset proudly, with a sense of ownership.

Safe commuting

The Tumbarumba to Rosewood Rail Trail provides safe off-road commuter access between the two towns, which is particularly useful for school students in both towns. As a direct consequence of the opening of the Rail Trail, cycling rates have increased among school students in the area. Of the 22 students at Rosewood Public School, all now have working bicycles, up from less than half before the Rail Trail. This was the result of an initiative by a new teacher, who ran bicycle maintenance classes for all students around the time the Rail Trail opened. Students were encouraged to bring their old bikes to school for repair, or to purchase a new one.

At least one student at Rosewood Public School now rides to school each day.

Equal access to recreational land

The Tumbarumba to Rosewood Rail Trail is more than just a commuting corridor. It has also provided a recreational facility that appeals to a range of people.

The Rail Trail's sealed surface makes it possible for users with mobility issues to enter the environment. This includes people with walking aids or buggies, families with prams, and those less stable on their feet. Walking on the Trail is suitable for people of all abilities and levels of fitness, without the need to negotiate an uneven crushed gravel surface.

"It's not just a bike track, it's an ongoing community project."

Local Tumbarumba business owner

Economic outcomes

Economic outcomes in Tumbarumba

There is evidence of substantial increases in economic activity in the Tumbarumba region across a range of measures since the Rail Trail began operation. Spend in the Tumbarumba region increased by 20 per cent from 2019 to 2020 during the June to December periods (from \$14.0 million to \$16.9 million).

It is difficult to attribute Tumbarumba's economic increases entirely to the Rail Trail, as some would relate it to the easing of COVID-19 restrictions, ongoing international border closures and a resultant increase in domestic and regional tourism.

However, the 20 per cent increase in the Tumbarumba region was well above the state average of 12 per cent and substantially above the Snowy Valleys LGA average of 0.2 per cent. Therefore, this increase from June to December 2020 and beyond suggests the Rail Trail played a significant role.

Three factors demonstrate increased economic activity in Tumbarumba: increase in local spend, increase in discretionary spend and the creation or expansion of local businesses.



1. Increase in local spend

Money spent in Tumbarumba and the local area has increased by 20 per cent in the last 12 months. Most people (92 per cent) spending money locally were residents and those from the Snowy Valleys LGA. Those travelling from outside the LGA account for eight per cent of local spend.

There has been a gentle increase in total spend since the Rail Trail opened, peaking in December and trailing off in January and February 2021.

There was a steady increase in visitors spending money in Tumbarumba in the first three months of the Rail Trail's opening. This was followed by a dip in September 2020, another increase from October 2020, then a peak in February 2021.

Diagram 1 shows external visitor spend in Tumbarumba from just before it opened for the following twelve months.

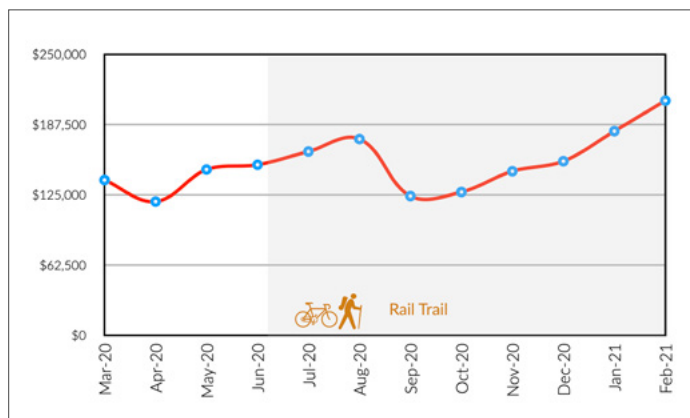


Diagram 1: Tumbarumba Visitor Spend Mar '20 -Feb '21

2. Increase in discretionary spend

Discretionary spend⁴ is up 55 per cent, likely a consequence of increased leisure-based activities and visitors to the area. Comparing the periods June-December 2019 and the same period in 2020, shows a 55 per cent increase in discretionary spend from \$2.7 million in the 2019 period to \$4.2 million in the 2020 period.

There was also a sizeable increase in the discretionary spend trajectory once the Rail Trail opened, like the trend in external visitors.

There was also an increase in spend on consumer staples, up 14 per cent from \$10.8 million to \$12.3 million. There could be a range of reasons for this increase, but it seems likely the Rail Trail contributed due to visitors staying in town, visiting the supermarket and the like.

Most groups spend around \$460 per visit⁵ and more than two thirds (68 per cent) will potentially return and are willing to recommend the Rail Trail to others. This suggests the increase in economic activity is likely to be sustained. This wish to return was confirmed by Rail Trail cyclists from Sydney who looked forward to returning to the area but also making use of other offerings in the region, such as mountain bike trails.

Local Tumbarumba businesses were also seeing return visitors. However, some expressed concern the Rail Trail needs to be better integrated and promoted with other local tourism offerings, such as cycling-based activities and other products such as wineries, to ensure both new and return visitors contribute to local economic growth.

3. New or expanding businesses in Tumbarumba

There is evidence of nine new or expanded businesses operating in Tumbarumba and Rosewood since the opening of the Rail Trail, including accommodation services (AirBnB), food and beverage facilities, bike hire and sale, and catering services.

Some local businesses were surprised to witness an increase in visitors to the area, particularly in the lead up to Christmas 2020. For some, this put extra pressure on resources and staff, although most businesses managed to adapt to the unexpected and welcomed increase in activity.

Not all business activity can be directly attributed to the Rail Trail and not every Rail Trail user necessarily spends money before or after they visit it, particularly locals. However, the upward trajectory for external visitor spend aligns with the previous analysis, suggesting the Rail Trail is having a positive impact on the local economy. Anecdotal evidence from local stakeholders confirms this increased economic activity.

⁴'Discretionary spend' represents purchases at restaurants, cafes, pubs, holiday accommodation and other leisure based spending. In Tumbarumba it would also include cycling equipment and bike hire.

⁵In line with average spend per visitor to the Hauraki rail Trail, NZ (source: <https://www.stuff.co.nz/waikato-times/news/8769435/Hauraki-Rail-Trail-paved-with-tourism-gold#:~:text=The%20Hauraki%20Rail%20Trail%20is%20used%20by%20thousands%20each%20month.&text=About%2041%2C000%20people%20cycled%20the,for%20the%20trail>)

Economic outcomes in NSW

There is evidence the Tumbarumba to Rosewood Rail Trail has made a positive economic contribution to NSW, through increased spending in the town and broader region since the Rail Trail began operating.

There was a general upward spend trajectory in Tumbarumba during the June to December 2020 period, from \$14 million to \$16.9 million, representing a 20 per cent increase, and increase in spending across NSW by 12 per cent during the same period.

Greater consistency of spend across the year in Tumbarumba

Apart from the volatility of spend during the peak of bushfires in the region (Jan 2020) and its recovery (Feb 2020), the Tumbarumba spend is generally more consistent across the year than the broader Snowy Valleys region.

Lower growth beyond Tumbarumba in Snowy Valleys

The Snowy Valleys LGA as a whole saw minimal growth across these periods, from \$154.7 million in Jun-Dec 2019 to \$154.9 million in Jun-Dec 2020, an increase of only 0.2 per cent. When Tumbarumba spend data is removed from the Snowy Valleys figures there was a decrease in spend of two per cent (\$140.7

million down to \$138.1 million) in the remaining regions.

This minimal growth in the LGA was no doubt partly attributable to a quieter ski season due to COVID-19 restrictions and damage to the Selwyn ski fields in the 2020 fires. The August peak in spending was down from \$30.7 million to \$25.2 million from 2019 to 2020 across the Snowy Valleys.

But it illustrates the likely economic impact of Tumbarumba on the LGA since the opening of the Rail Trail.

Increased spending in NSW

Spending across NSW increased by 12 per cent during these periods, no doubt reflecting the easing of some COVID-19 restrictions but also a lack of interstate and international travel (people spending money closer to home). It is difficult to attribute Tumbarumba's spend increase entirely to the Rail Trail, as some would relate to the more general increases in activity. However, the spend increase in the Tumbarumba region of 20 per cent was well above the state average of 12 per cent and substantially above the Snowy Valleys average of 0.2% per cent. This suggests the Rail Trail played a significant role.

Diagram 2: Regional Spend

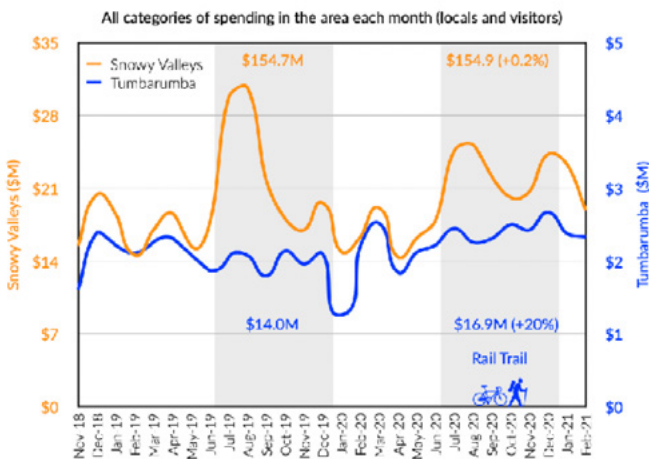
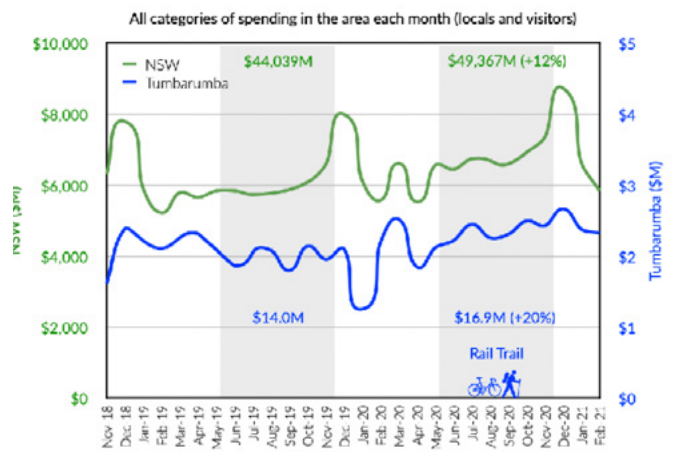


Diagram 3: NSW Spend



Note: While the Rail Trail was 'virtually opened' on 3 April 2020, COVID-19 restrictions on visiting regional NSW were only lifted from 1 June. Taking this date as a better indicator of the Trail's opening, we can look at any changes in spend from an equivalent period before the Rail Trail was opened. For this analysis we have compared June to December for 2019 and 2020 (shaded grey area).



Case study:

Gone Barney Nursery and Café, Rosewood

Gone Barney is a family-run nursery and café, located about 25 meters from the Rosewood end of the Rail Trail. It is open 7 days a week from 9am-5pm and on Friday night until 8pm for functions.

Since the opening of the Rail Trail, the business has seen a marked increase in customer numbers, both on weekends and weekdays. It's not unusual for the business to welcome up to 20 cyclists on a Monday morning, despite the business not being visible from the Rail Trail.

Manager Jenny Marfett has since taken on one additional full time staff member and 2-3 junior casuals for weekend work.

Mother's Day has traditionally been one of the busiest days of the year, with close to 100 customers coming for lunch, morning, or afternoon tea. On Mother's Day 2021, a year after the opening of the Rail Trail, the business welcomed approximately 180 customers in their café area. Marfett hopes to see the extension of the Tumbarumba Rail Trail to the proposed Tumut to Batlow trail.

Case study:

Murwillumbah Cycles

Manager and Co owner of Murwillumbah Cycles, Rachel Dorig, has been busy preparing her business for the impact of the Murwillumbah to Crabbes Creek section of the Northern Rivers Rail Trail.

Originally located in the town center of Murwillumbah, her bicycle hire shop was successful but Dorig wanted to prepare for when the Rail Trail was operational and be situated amidst the activity. In May 2021, she relocated her business to the start of the future Rail Trail; on Murwillumbah Station in the former visitors centre. Dorig could see the benefit of being located right at the point at which cyclists would be setting off on the trail and saw the opportunity of providing bicycle hire at that location.

Dorig took a calculated risk relocating her business from the busy town center of Murwillumbah to a currently quiet station platform devoid of an operational train. But preparations are in place for a time when the Rail Trail is operational, which Dorig anticipates will be significantly positive for her business.



Case study:

Tumba Bikes and Blooms, Tumbarumba

Emma Ernst purchased a plant nursery business in Tumbarumba in May 2020, just after the opening of the Tumbarumba Rail Trail. In response to such positive community sentiment about the Rail Trail she decided to add bike hire to her business offering. She has stocked approximately 10 bicycles for hire within the plant nursery since January 2021.

In the last three months business has been booming, and as a result, Ernst has employed two new staff members: one full time another on a part time basis. Ernst also works collaboratively with the other bike shop in town (owned by her extended family) that offers bicycle services and sales. The family members cover for each other during busy times and have coordinated the opening hours to offer each other support.

Tumba Bikes and Blooms continues to grow. The only constraint is the limited space available to store bikes for hire.



Potential economic benefits of Northern Rivers Rail Trail

While no direct economic impact can be established for the Northern Rivers Rail Trail as it is still under development, Council and business stakeholders were very positive about the potential benefits of the Trail in the future.

There was a feeling, towns along the Rail Trail with little current tourism activity would prosper with the Rail Trail as increased accommodation, food and beverage offerings and other services bring money and jobs into the towns. Few could see any negative economic impacts, and all welcomed an increase in visitors to the area.





Contact

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