



Models for Long-term Decision-making

Summary Report

April 2025



COMMITTEE
FOR GREATER
HOBART

**We acknowledge and pay respect to the Tasmanian
Aboriginal community as the traditional and original
owners and continuing custodians of this land.**



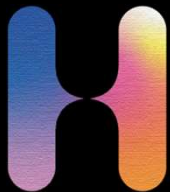
**COMMITTEE
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On 1 April 2025, the Committee hosted a Leaders' Breakfast with its Foundation Members to discuss Models for Long-term Decision-making.

The discussion was based on the *Rethinking governance of the Hobart region* report [link] prepared for us by SGS Economics and Planning. The SGS report explores frameworks and examples of governance for long-term decision-making, and how we can learn and apply ideas to future governance models for Greater Hobart.

We asked SGS to compile the report after multiple discussions and forums with members and stakeholders in the past 18 months that identified the need for more efficient and effective regional coordination, particularly in addressing housing density and urban development.

This summary report is designed to prompt further consideration and discussion about how we can shift our gaze beyond 3-4 year political cycles to intergenerational decision-making for the long-term benefit of greater Hobart.

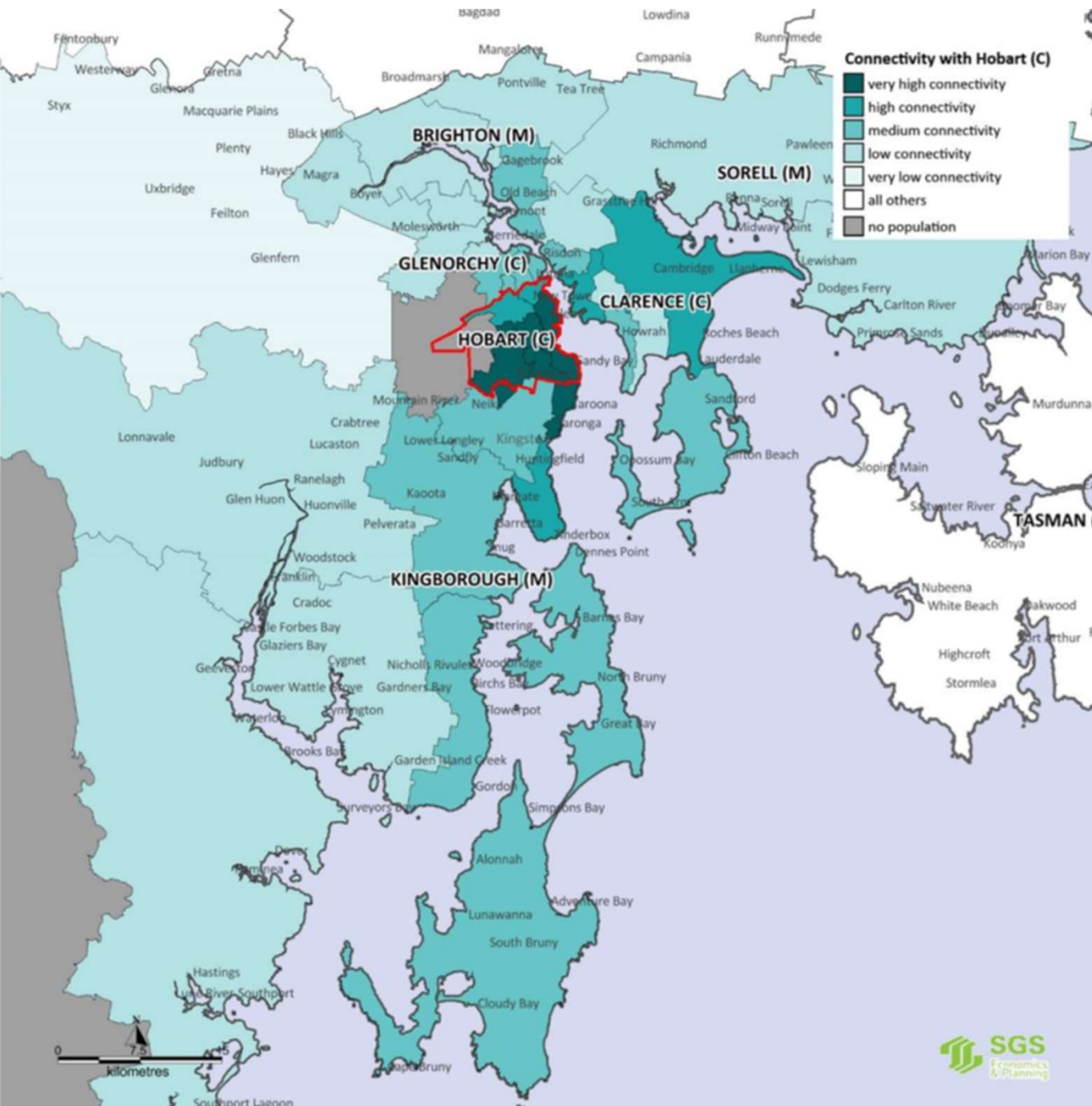


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Regional context





Population and Urban Growth

Greater Hobart is home to more than 240,000 people - approximately 47% of Tasmania's population.

This is projected to grow to more than 300,000 by 2045, with significant pressure on infrastructure, housing and transport.

The community of our region is connected well beyond the 4 "urban councils" of Hobart, Glenorchy, Kingborough and Clarence.



Housing and development

- Tasmania has experienced the fastest house price growth in Australia in recent years.
- Median house prices increased by more than 60% between 2016 and 2021 in some parts of Greater Hobart.
- Rental vacancies remain low, with Hobart having one of the lowest vacancy rates in Australia (~1%).

Transport and Commuting

- More than 80% of people in Greater Hobart commute to work by car.
- Public transport usage is significantly lower than the national average.
- Increasing traffic congestion has led to growing calls for integrated transport planning.



Economic Activity in Greater Hobart

- Greater Hobart's Gross Regional Product (GRP) is approximately \$17 billion, accounting for the majority of Tasmania's economic output.
- The region generates about 60% of the state's employment, highlighting its central role in Tasmania's economy, including health care and social assistance; public administration and safety; education and training; retail trade; and construction.
- Knowledge-intensive sectors such as scientific research, ICT and creative industries are identified as growth areas.
- Greater Hobart is experiencing a shift towards a service-based economy, with ongoing increases in professional services, tourism and education.
- The University of Tasmania, headquartered in Hobart, is a key economic anchor, contributing significantly to research, innovation, and attracting international students.



Key findings

- **Fragmentation of responsibilities:** Multiple agencies and governance bodies are involved in decision-making, leading to inefficiencies and lack of coordination.
- **Need for a strategic regional approach:** There is a clear need for a coordinated regional governance model to ensure streamlined decision-making and better urban outcomes.
- **Challenges in housing and infrastructure delivery:** Current governance arrangements are not facilitating the effective and efficient delivery of capital for implementation of crucial urban development projects, particularly around housing density and infrastructure planning.
- **Learn from governance models in other jurisdictions:** Case studies highlight that there were a range of options for consideration at a regional level, grounded in strong design principles of subsidiarity, accountability and supported by appropriate funding mechanisms to deliver. The report also highlighted that Tasmania is the only jurisdiction to not have a dedicated, strategic government-led, land development authority focused on the long term and unlocking necessary public and private capital.
- **Potential for a pilot program:** A phased approach, including a pilot project focused on a key urban challenge, would allow Greater Hobart to test and refine new governance structures before full implementation.

“The purpose of this report is to promote and support discussion on governance reform for Hobart, rather than provide solutions.

In the mix of considerations when contemplating a way forward for Hobart, three issues loom large:

- ***Being clear on the problems which need to be addressed by governance reform;***
- ***Determining whether governance reform is necessary, as opposed to better ways of co-ordinating existing institutions and agencies; and***
- ***Understanding that ‘partnership’ approaches have their limits.”***

- Rethinking governance of the Hobart region report





Key insights from discussion with Foundation Member leaders



1. High level of alignment

- There was strong consensus that the current approach to regional governance is not delivering optimal outcomes for the community.
- Participants expressed a shared commitment to exploring better coordination mechanisms.

2. Inefficiencies in current decision-making

- The existing frameworks were noted as fragmented and slow, leading to delays in critical regional projects and not providing confidence to investment.
- There is a recognition that a more unified approach could drive better community and economic outcomes.
- There needs to be consideration given to the structure and membership of an entity to ensure appropriate representation, but also immunity from short-term decision-making and political agendas.

3. Concerns about additional bureaucracy

- Given the current economic and budget climate, participants cautioned against creating another layer of governance that could be perceived as further costs and bureaucracy.
- Any proposed changes must be pragmatic, cost-effective, and focused on delivering outcomes.

4. Trialling new approaches

- While remaining committed to the need for longer term reform, stakeholders expressed interest in trialling governance models on key challenges such as housing density and urban development – with particular focus on Hobart to Glenorchy corridor.
- Pilot projects could provide valuable insights and build confidence in alternative governance structures.

5. Exploring a "delivery authority" model

- A delivery-focused entity could drive specific regional priorities with a streamlined mandate.
- Examples from other jurisdictions as raised by the Planning Institute of Australia (PIA), such as Renewal SA (<https://renewalsa.sa.gov.au>) and the Hunter and Central Coast Development Corporation (<https://www.hccdc.nsw.gov.au/projects/honeysuckle>), demonstrate how such an approach can successfully coordinate planning, investment, and delivery of urban renewal projects.



Next steps

- **Further research:** Examine case studies on delivery authorities, including Renew SA and similar models in other regions.
- **Hobart to Glenorchy corridor:** Continue to work with PIA and other key stakeholders to progress the concept of a delivery authority approach in the Greater Hobart context.
- **Stakeholder consultation:** Engage with developers, landowners, peak bodies, local and state government, industry, and community representatives to refine the scope and function of a potential pilot.