FUTURE ECONOMY EMPLOYMENT PRECINCT

PROSPECTUS 2026

CONTENTS

Executive Summary	01
Part 1 - Background and Analysis	
Introduction	07
Context	08
Stakeholder Engagement	09
Regional Drivers and Needs	11
Part 2 - Strategy	
Masterplan Response	13
Land Use Considerations	14
Infrastructure and Servicing	17
Traffic and Transport	18
Part 3 - Summary	
Summary and Next Steps	20

BENALLA RURAL CITY

EXECUTIVE SUMMARY

The Benalla Future Economy Employment Precinct (FEEP) Masterplan sets a clear, strategic direction to transform the Benalla-Yarrawonga Road Industrial Precinct and Enterprise Park into a modern hub for advanced manufacturing, logistics and sustainable industries. The Masterplan is structured around three technical studies - an Infrastructure Needs Analysis, a Conceptual Masterplan/Precinct Design, and an Integrated Transport Study/Strategy to ensure coordinated investment in utilities, transport and land use. The Benalla Future Economy Employment Precinct Masterplan is being developed at a pivotal moment for Benalla's industrial and economic future.

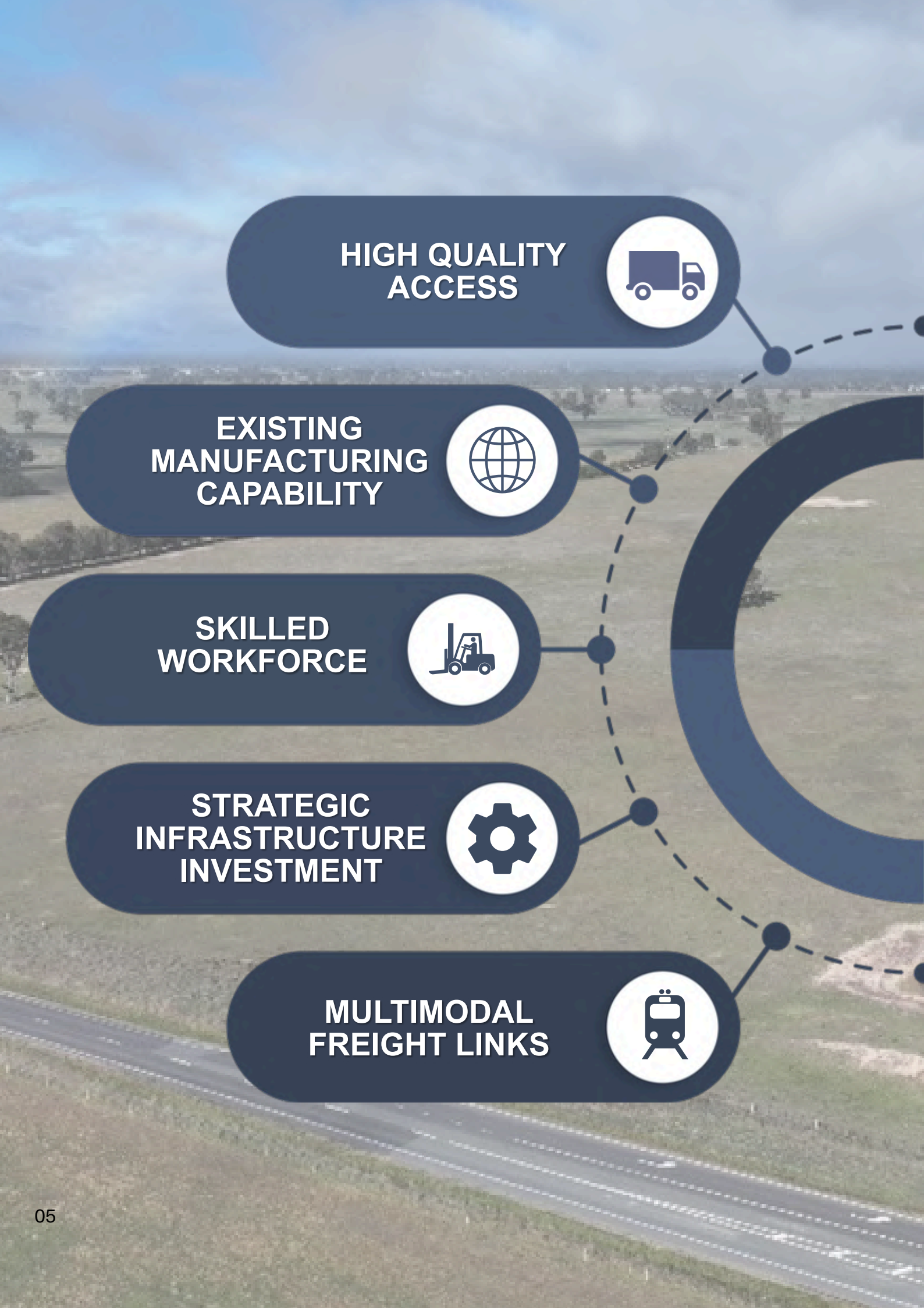
The precinct builds on existing industrial strengths that already anchor the local economy - nationally significant munitions manufacturing (Thales/NIOA) and large-format precast concrete production (LS Precast). These established operations provide a skilled workforce, rail siding capability and proven supply-chain links that the Masterplan leverages to attract complementary defence, green-tech and heavy-manufacturing investment. The Benalla FEEP occupies a strategically positioned 578-hectare area on the northern edge of Benalla, framed by major regional transport corridors and existing employment land.

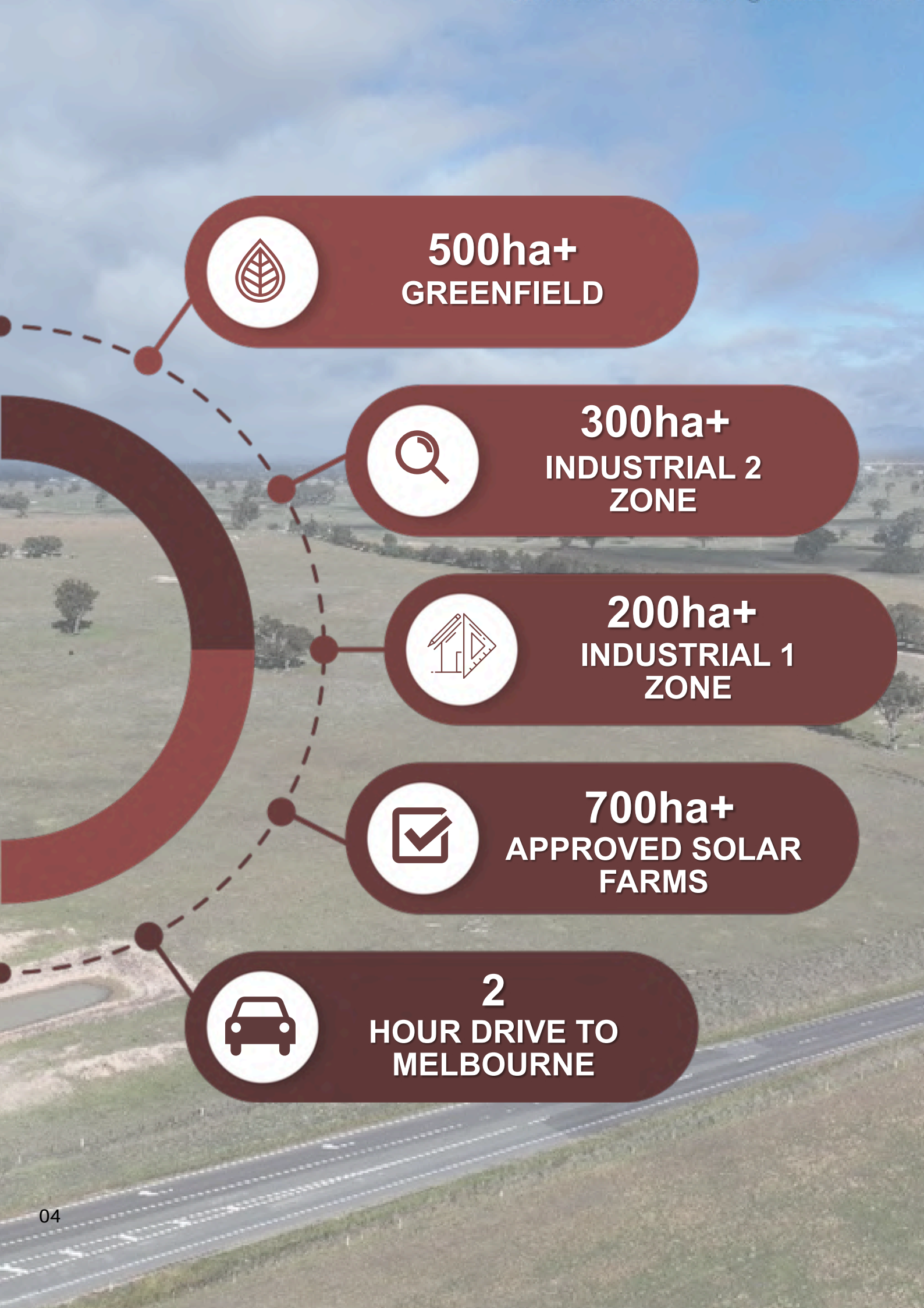
Its strategic location and connectivity are central to the precinct's competitive case - proximity to the North East Rail Line and Inland Rail upgrades, direct heavy-vehicle access via the M31 Hume Freeway, and local freight routes (Link Road, Benalla-Yarrawonga Road) create multimodal advantages for freight and logistics.

The Masterplan identifies opportunities for use of the intermodal siding, staged road upgrades, and targeted intersection improvements to support heavy vehicles while protecting local amenity and safety. These transport measures are paired with recommendations to sequence servicing requirements - water, sewer, stormwater and power so infrastructure investment aligns with staged land release.

Sustainability and circular economy principles are embedded across the precinct with planned solar farms, bioenergy projects and the nearby waste recovery facility creating prospects for low carbon energy supply, industrial symbiosis and recycled water or stormwater reuse. The Masterplan protects environmental and cultural assets, notably Kennedy's Creek and riparian corridors while proposing a dedicated circular economy precinct to catalyse materials reuse and green jobs.

Collectively, the Masterplan provides a pragmatic, staged pathway to grow Benalla's industrial base, diversify the local economy and create long-term employment. It balances investment realism (noting water and wastewater constraints and the need for staged utility upgrades) with an ambitious vision to position Benalla as a regional leader in advanced manufacturing, defence supply chains and sustainable industry.


HIGH QUALITY ACCESS
EXISTING MANUFACTURING CAPABILITY
SKILLED WORKFORCE
STRATEGIC INFRASTRUCTURE INVESTMENT
MULTIMODAL FREIGHT LINKS


500ha+
GREENFIELD
300ha+
INDUSTRIAL 2 ZONE
200ha+
INDUSTRIAL 1 ZONE
700ha+
APPROVED SOLAR FARMS
2
HOUR DRIVE TO MELBOURNE

PART 1 - BACKGROUND AND ANALYSIS

INTRODUCTION

The Benalla FEEP Masterplan is being developed at a pivotal moment for Benalla's industrial and economic future. Council has initiated this masterplanning process to guide the transformation of the Benalla–Yarrawonga Road Industrial Precinct and Enterprise Park into a modern hub for advanced manufacturing, logistics, and sustainable industries.

The precinct already accommodates major employers such as Thales Australia, LS Precast, ForestOne and a range of supporting supply-chain businesses, positioning Benalla as a strategically significant regional centre for high-value production and freight activity. The Masterplan responds to this momentum by establishing a clear, evidence-based framework for future land use, infrastructure investment, and coordinated development.

The project is structured around three interrelated technical studies:
• an Infrastructure Needs Analysis,
• a Conceptual Masterplan/Precinct Design, and
• an Integrated Transport Study/Strategy, each designed to build a comprehensive understanding of the precinct's development potential.

These components collectively address the full spectrum of enabling requirements, from utilities, drainage, and digital connectivity to land-use planning, functional design, sustainability integration, and long-term transport solutions. Council's intent is to ensure that future growth is supported by robust infrastructure, efficient movement networks, and a planning framework that reflects both industry needs and community expectations.

The Masterplan also responds to Benalla's broader economic and demographic context. With a population of nearly 15,000 and a strong base in manufacturing, health, and agriculture, the municipality is well-placed to leverage new industrial opportunities and regional supply chain shifts. The precinct's proximity to the Hume Freeway, existing rail connections, and established industrial operators provides a competitive foundation for expansion.

At the same time, the Masterplan acknowledges the need to address infrastructure gaps, environmental considerations, cultural heritage responsibilities, and the staging of development to ensure orderly, sustainable growth. These requirements are embedded throughout the scope, including the need for future assessments such as native vegetation, cultural heritage, and bushfire management.

Ultimately, the Benalla FEEP Masterplan serves as a strategic blueprint to guide Council, industry, and government partners in shaping a resilient, future-ready industrial precinct. By integrating infrastructure planning, land-use design, and transport strategy, the Masterplan will provide a coordinated pathway for investment attraction, job creation, and sustainable industrial development.

It will also support Council's long-term vision to position Benalla as a regional leader in advanced manufacturing and clean, innovative industries ensuring that growth is both economically beneficial and aligned with community values.

CONTEXT

The Benalla FEEP occupies a strategically positioned 578 Ha area on the northern edge of Benalla, framed by major regional transport corridors and existing employment land. The availability of IN2Z industrial land zoning is limited, making the 300 Ha of IN2Z industrial land on this site, regionally significant.

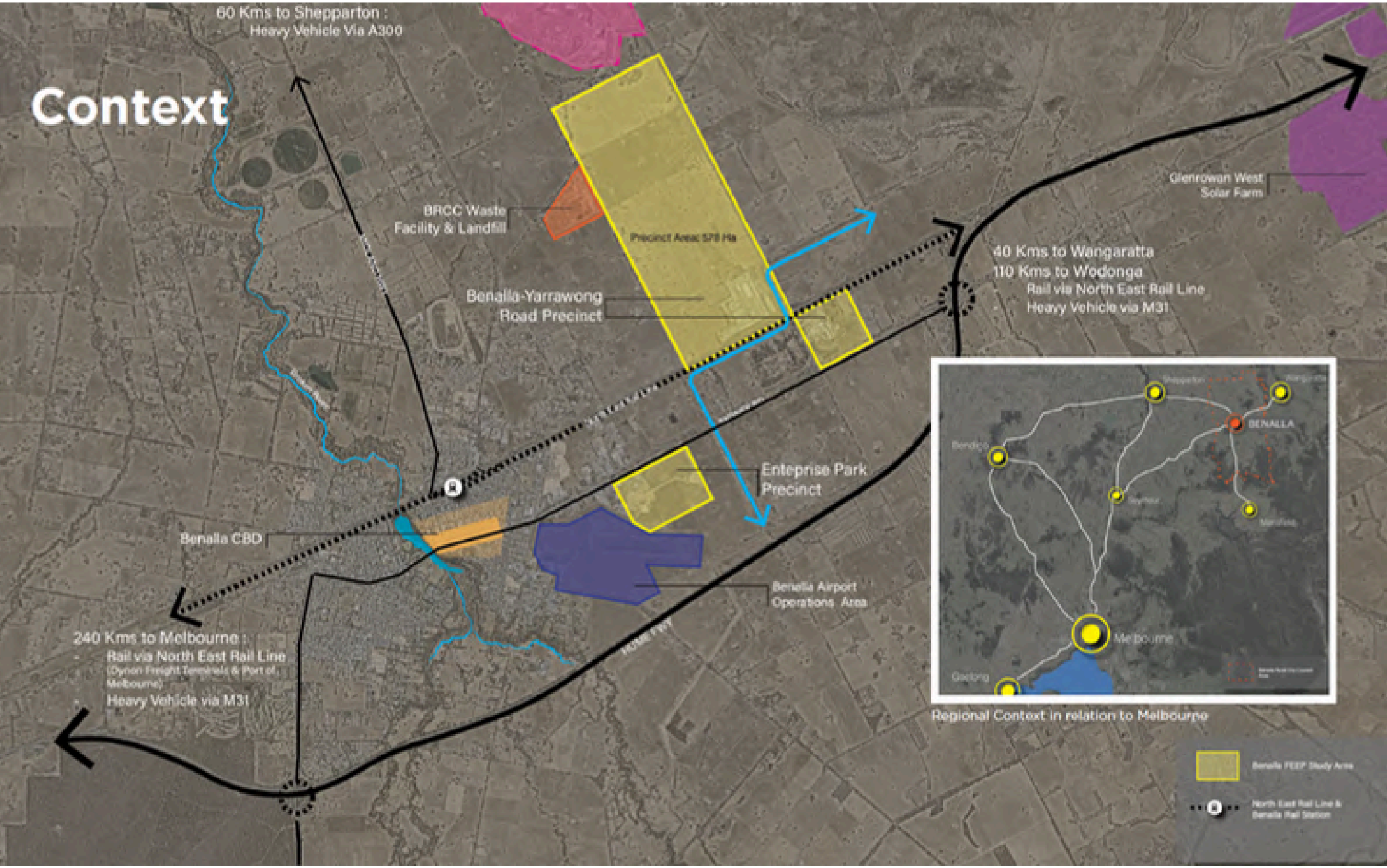
The site sits immediately adjacent to the Benalla–Yarrawonga Road industrial precinct and Enterprise Park, creating a continuous north-south employment spine. Its southern boundary is defined by the North East Rail Line, linking the precinct directly to Melbourne, Wodonga and national freight networks, while the M31 Hume Freeway provides high-capacity heavy-vehicle access to Melbourne (240km), Shepparton (60km) and Wangaratta/Wodonga (40–110 km).

The presence of the Benalla Airport and associated operations area further strengthens the multimodal character of the precinct, offering long-term opportunities for aviation-aligned industries and logistics.

The surrounding context reinforces the precinct's role as a regional industrial and advanced manufacturing hub. Adjacent waste facility and solar farm development highlight the area's circular economy and renewable energy potential.

To the west, the Benalla CBD and rail station provide access to workforce, services and passenger transport. The broader landscape includes established industrial uses, large-format land parcels, and direct connections to regional supply chains, positioning the precinct as a natural expansion area for advanced manufacturing, logistics, agritech and clean-energy industries.

This combination of scale, connectivity and complementary land uses creates a strong foundation for a future-focused employment precinct with regional and state-level economic significance.


Context
60 Kms to Shepparton :
- Heavy Vehicle Via A300
BRCC Waste
Facility & Landfill
Precinct Areas: 578 Ha
Benalla-Yarrawong
Road Precinct
Glenrowan West
Solar Farm
40 Kms to Wangaratta
110 Kms to Wodonga
- Rail via North East Rail Line
- Heavy Vehicle via M31
Enteprise Park
Precinct
Benalla CBD
Benalla Airport
Operations Area
240 Kms to Melbourne :
- Rail via North East Rail Line
(Dynon Freight Terminals & Port of Melbourne)
- Heavy Vehicle via M31
Regional Context in relation to Melbourne
Benalla FESP Study Area
North East Rail Line &
Benalla Rail Station

STAKEHOLDER ENGAGEMENT

A detailed stakeholder engagement process has been conducted to inform the development of this masterplan. Engagement activities have included regular meetings with the Innovation Working Group (IWG) and structured interviews with key stakeholders.

The IWG is composed of a diverse cross-section of leaders representing key industry sectors and stakeholder groups, represented as follows:

- Advanced manufacturing
- Regional logistics and freight
- Renewable energy and the circular economy
- Agribusiness and allied businesses
- Local and State government
- Traditional owners
- Education and training
- Community representatives

During this process the following organisations and property owners have been engaged:

- LS Precast
- Thales
- Regional Development Victoria (RDV)
- Forest One
- NIOA
- NE Water
- Schneider Electric
- NBN Co
- West Mokoan Solar Farm
- LightsourceBP
- Go Tafe
- Yorta Yorta Nation Aboriginal Corporation
- Yurringa Energy
- Department of Transport and Planning
- Valorify
- Midland Freight
- DEECA
- Enterprise Park Benalla
- Diamond Plant Pty Ltd
- Liquid Power
- Landowners
- Wodonga TAFE

REGIONAL DRIVERS AND NEEDS

Benalla's FEEP responds to an urgent regional need to convert near-term, large-scale industrial opportunities into sustained local jobs and supply-chain capacity by leveraging existing defence and precast manufacturing anchors, multimodal freight links (Inland Rail and the Hume Freeway) and emerging renewable energy assets.

The first regional driver is existing industrial momentum and major projects that create immediate demand for land, labour and supporting services. Benalla already hosts nationally significant defence and munitions activity and a large-format precast concrete facility, both of which are expanding and creating hundreds of direct and indirect roles. These projects are catalysts for local economic growth.

This momentum makes the precinct a priority for coordinated land release and staged servicing so that local businesses and contractors can be retained and scaled.

The second driver is freight and logistics connectivity. The precinct's value proposition rests on multimodal access - proximity to the North East Rail Line and the national Inland Rail program, plus direct heavy-vehicle access via the M31 Hume Freeway, materially improves freight efficiency for manufacturers and logistics operators and attracts intermodal and distribution investment. Inland Rail's regional procurement and job creation record demonstrates how rail upgrades translate into local business opportunities and stronger regional supply chains.

A third, strategic driver is energy and circular economy infrastructure. The surrounding landscape already includes approved and proposed solar farms and a council waste-recovery facility. These assets create opportunities for low-carbon power supply, industrial symbiosis (materials and energy reuse), and clustered circular-economy businesses. Embedding a dedicated circular economy zone (anaerobic digestion) adjacent to renewable generation and waste recovery reduces operating costs for energy-intensive manufacturers and supports regional decarbonisation goals which is an increasingly important criterion for investors and government funding.

Finally, planning, servicing and sequencing constraints are themselves drivers of the Masterplan - constrained sewer capacity, the need for staged water, power and digital upgrades, and road/rail safety improvements require a coordinated infrastructure program to unlock development without destabilising local amenity or housing markets.

This Masterplan is being developed at a pivotal moment for Benalla's industrial and economic future where staged servicing, infrastructure investment and protection of riparian and cultural corridors must be aligned to realise long-term employment and investment outcomes.

PART 2 - STRATEGY

The Vision is for the Benalla Future Economy Employment Precinct to become a world-class advanced manufacturing, circular economy, and regional logistics precinct that drives economic growth, job creation, and green innovation.

MASTERPLAN RESPONSE

The masterplan positions the Benalla FEEP as a coordinated industrial ecosystem built around the region's existing economic strengths and strategic land uses. Current activities, including the nationally significant munitions manufacturing operations of Thales and NIOA, and the large-scale precast concrete production of LS Precast form the industrial core that anchors the precinct.

These established businesses occupy the southern and northern portions of the site and provide the foundation for defining new precincts that support defence, advanced manufacturing, logistics, digital infrastructure and circular economy industries. The structure plan formalises these land-use clusters, ensuring that future development complements existing operations while enabling orderly expansion and long-term investment.

A defining feature of the masterplan is the protection and enhancement of Kennedy Creek, which runs along the eastern edge of the precinct. The plan identifies the creek corridor as a combined riparian, ecological and cultural heritage zone, preserving its environmental values while recognising its cultural significance. This green spine is safeguarded from industrial encroachment and is proposed to include habitat restoration, water-quality improvements and cultural interpretation opportunities. By embedding Kennedy Creek as a protected landscape element, the masterplan ensures that industrial growth is balanced with environmental stewardship and respect for cultural heritage.

The masterplan also clearly delineates a series of specialised precincts to guide future development. Defence and aerospace uses are concentrated near the existing munitions facility; advanced and heavy manufacturing areas are located adjacent to LS Precast and key freight routes; innovation, logistics and education precincts are positioned along internal collector roads; and digital and energy-storage infrastructure zones are aligned with nearby solar-farm approvals and grid-connection opportunities.

A dedicated circular economy precinct is located in proximity to the waste-recovery facility to support materials re-use, resource recovery and industrial symbiosis. Together, these defined precincts create a coherent, future-ready industrial framework that leverages Benalla's defence base, renewable energy assets and manufacturing capability while ensuring environmental and cultural values are protected.

LAND USE CONSIDERATIONS

The next phase of land-use planning for the Benalla FEEP must focus on completing the technical studies required to support a future Planning Scheme Amendment (PSA).

These studies will establish the evidence base needed for Council to defend future subdivision decisions, safeguard the IN2Z land from low-level development, and ensure the precinct is positioned for State and Federal investment. The PSA pathway will also allow the masterplan to transition from a strategic document into a statutory framework that guides zoning, overlays, development sequencing and infrastructure delivery.

A second priority is to undertake the full suite of constraint and impact assessments, which will define the precinct's developable area and infrastructure obligations. These include cultural heritage assessment, flood and stormwater analysis, vegetation and ecological review, bushfire risk assessment, waterways policy application, and detailed Department of Transport and Planning transport modelling. Completing these studies will allow Council to produce a clear statement for landowners regarding how much land can be developed and infrastructure delivered.

This clarity is essential before determining whether a Development Plan Overlay (DPO) is required to coordinate subdivision, access, servicing and built-form outcomes across the precinct.

Once the technical work is complete, Council will be positioned to prepare a Developer Contributions Plan (DCP) to support funding the trunk infrastructure needed to service the precinct. The absence of baseline costing means a DCP cannot yet be justified, but the required studies will provide the necessary inputs for infrastructure apportionment, cost sharing and staging.

The combined PSA and DCP approach will give Council a defensible statutory framework, ensure orderly development, and support applications for external funding.

To progress the precinct toward statutory implementation, the following actions are required:

- Complete cultural heritage assessment for the Kennedys Creek sensitivity area.
- Undertake flood modelling and prepare a Stormwater Management Strategy.
- Conduct vegetation and ecological assessment.
- Prepare a bushfire risk assessment.
- Apply waterways policy within 200m of Kennedys Creek.
- Undertake detailed Department of Transport and Planning modelling to 2056, including intersection solutions.
- Map constraints and confirm the developable area.
- Determine whether a Development Plan Overlay (DPO) is required.
- Prepare a Planning Scheme Amendment to implement the masterplan.
- Develop a Developer Contributions Plan once baseline infrastructure costs are established.

This is a list of activities to continue to progress the project and would not be considered exhaustive.

Old Farmley Rd
NORTH EAST RAIL LINE
Murray Rd
Link Rd
Benalla-Yarrawonga Rd
Sydney Rd
PRECINCT USES KEY
Defence & Aerospace
Advanced/Heavy Manufacturing
Innovation, Logistics & Education
Digital & Energy Storage Infrastructure
Circular Economy
Existing Kennedys Ck Solar Farm Approval Area
Kennedys Ck riparian/cultural corridor & green space
PRECINCT ACCESS KEY
Existing key freight routes - Link Rd & Benalla-Yarrawonga Rd
Proposed internal collector roads
Existing intersections - operational & safety improvements
Proposed new intersections
Existing rail crossing - safety improvements
Existing & Proposed shared pathway as connection between Precinct & Township
200
500
Aerial Image: Nov 2024

Approved solar farms
Existing industrial development (LS Precast, ForestOne, Enterprise Park)
Industrial 1 Zone (IN1Z)
Benalla Town Centre
Link Road
Future defence manufacturing
Industrial 2 Zone (IN2Z)

INFRASTRUCTURE AND SERVICING

The detailed study of existing utility service infrastructure surrounding the Benalla FEEP indicates that staged investment will be required to accommodate the proposed development. Although some utility services (water and wastewater) have limited current capacity, ongoing discussion with local authorities are required for strategic upgrades to accommodate the precinct and its development, ultimately benefiting this site and further development in the Benalla area.

Electricity is readily available to the site, however, it requires engagement with a 'Design Accredited Service Provider' in order to provide an overall strategic delivery plan for the precinct.

The key constraints to the site are fresh water supply and wastewater (sewer) outfall.

Due to the large scale of the precinct, North East Water estimates that the requirement to service a large-scale development such as this is very high, and a strategic plan is needed to develop the infrastructure to provide efficient service.

A significant hurdle is the current bulk water supply entitlement, which is limited; additional entitlement will be needed from new sources of water.

The development also faces a shortcoming of dedicated sewer reticulation, which is not available to the site and will require significant upgrades to North East Water's current pump station and treatment plan, with significant infrastructure needing to be built in order to provide wastewater outfall to the site along with a significant capital investment to be made if recycled water supply is to be used within the precinct.

The construction of the stormwater outfall into the Mokoan Inlet channel may contribute water resources to the Winton Wetlands, which would otherwise be left to evaporate or seep if retained inside the development parcels. This additional water, along with the likely habitat created by WSUD treatment, can contribute to ongoing efforts to restore the Winton Wetlands.

The key points made above are challenges that the Benalla FEEP faces, with the need to develop large-scale utility service infrastructure.

The net benefit of developing the precinct site and its contribution to the Benalla local economy is considered to surpass the hurdles it faces at this current stage. A business case assessment would provide further rigour.

TRAFFIC AND TRANSPORT

Transport planning for the Benalla FEEP focuses on strengthening its role as a major node within Victoria's inter-regional freight network. Key arterial intersections including Midland Highway and Link Road, Benalla-Yarrawonga Road and Link Road, and Benalla-Winton Road require future upgrades to improve efficiency and safety for heavy-vehicle movements.

Link Road and sections of Benalla-Yarrawonga Road have also been identified for review to support safer freight operations, with a recommendation that management of Link Road be transferred to the Department of Transport and Planning to ensure long-term network performance. Along the precinct frontage, Murray Road will require upgrading to industrial street standards, with its intersection at Benalla-Yarrawonga Road redesigned to incorporate channelised turn lanes and potential realignment to avoid impacts on the Mokoan Inlet bridge.

Within the precinct, the internal road network will be designed to industrial standards to accommodate large-format manufacturing, logistics and defence industry operations.

A roundabout is recommended where the internal road network meets Link Road, while T-intersections connecting to external roads will require channelised turning treatments. Controls will also be needed to discourage heavy-vehicle use of Murray Road west of the precinct, protecting local amenity and ensuring freight movements remain on designated routes. Parking will be formalised through clearly marked on-street areas during detailed design, supporting safe and efficient internal circulation.

Beyond road upgrades, the transport strategy highlights the importance of multimodal connectivity to support a modern, competitive employment precinct.

Strategic planning is required to determine the viability and preferred location of a future intermodal terminal, supported by safety assessments of existing rail crossings on Link Road and Benalla-Yarrawonga Road. Active-transport connections, including upgrades to the Mokoan Discovery Trail and shared-use paths along Murray Road and the Midland Highway will be reviewed to provide safe commuter routes for workers. cohesive and future-ready precinct framework.

At a State-level, Victoria is working towards the national target of at least 80 per cent of travel on 3-star or better roads by 2030, in line with the National Road Safety Strategy 2021-30.

PART 3 - SUMMARY

The Benalla FEEP offers a rare, investment-ready platform where existing industrial strength, strategic transport connectivity and strong regional demand converge in one location. With nationally significant defence and munitions manufacturing already operating on site, alongside LS Precast's major precast concrete facility supplying state and national infrastructure projects, the precinct already has an industrial base that most regional locations can only aspire to.

This concentration of high-value production demonstrates proven workforce capability, established supply chains and immediate opportunities for expansion.

For investors, the transport advantages are equally compelling. The precinct sits at the intersection of the Hume Freeway, the North East Rail Line, and the broader Inland Rail corridor - three of Australia's most important freight arteries.

This multimodal access dramatically reduces transport costs, improves supply chain reliability and makes the site ideal for logistics, advanced manufacturing, agritech processing and circular economy industries. Major regional transport corridors and existing employment land provide proponents confidence that the fundamentals for long-term industrial success are already in place.

Surrounding solar-farm development, Council's waste-recovery facility and emerging circular economy investment further strengthen the precinct's competitiveness for low-carbon, energy-intensive industries.

Most importantly, the precinct provides a coordinated, partnership-driven pathway for government and industry to accelerate development and job creation.

The Masterplan outlines staged infrastructure delivery, clear land-use zoning, and a structure that enables multiple proponents to invest concurrently without conflict or delay. This creates a stable environment for private capital while giving government a vehicle to drive regional employment, skills development and economic diversification.

With strong local industry backing, a proactive council and a clear vision for advanced manufacturing, logistics and circular economy growth, Benalla FEEP stands out as a project where partners can move forward together, confident that the foundations, demand and strategic advantages already exist to turn investment into real jobs and long-term regional prosperity.

NEXT STEPS

TECHNICAL ASSESMENTS

- Cultural heritage assessment for the Kennedys Creek sensitivity area.
- Flood modelling and a Stormwater Management Strategy.
- Vegetation and ecological assessment.
- Bushfire risk assessment.
- Apply waterways policy within 200m of Kennedys Creek.
- Undertake detailed Department of Transport and Planning modelling to 2056, including intersection solutions.
- Map constraints and confirm the developable area.

PLANNING

- Determine whether a Development Plan Overlay (DPO) is required.
- Prepare a Planning Scheme Amendment to implement the masterplan.
- Develop a Developer Contributions Plan once baseline infrastructure costs are established.

INFRASTRUCTURE

- Existing service infrastructure provides capacity for an early sustainable stage of development.
- Water, wastewater and drainage authorities continue working on servicing strategies to improve capacity and resilience for Benalla to support future masterplan stages.
- Key transport corridors are in place, with capacity and movement improvements to be designed in line with stage development.

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BENALLA RURAL CITY