

## COVER SHEET

<b>2.12 Strategy Development for Regional Cycle Trails Project PGF Application</b>		<b>For: Approval</b>	
<b>Tier:</b>	1 - Regional	<b>Sector:</b>	Cycle Trails
<b>Background &amp; context:</b>		<b>Recommendation(s):</b>	
<p><b>Applicant Organisation:</b></p> <ul style="list-style-type: none"> <li>Development West Coast</li> </ul> <p><b>Location:</b></p> <ul style="list-style-type: none"> <li>West Coast</li> </ul> <p><b>Proposal:</b></p> <ul style="list-style-type: none"> <li>Strategy Development for Regional Cycle Trails</li> </ul> <p><b>Funding Sought:</b></p> <ul style="list-style-type: none"> <li>Total project value: \$<small>Commercial Info</small></li> <li>PGF Funding: Up to \$37,500 <small>Commercial Information</small></li> </ul> <p><b>Background:</b></p> <p>a) The West Coast region has a number of cycle trails both currently operating and under proposal. In order to determine which projects should receive or continue to receive funding, Development West Coast is looking to create an overarching cycleway strategy paper.</p> <p>b) This strategy paper will create a set of criteria for evaluating a proposed cycle trail and will ensure that any proposals to be funded are the most effective use of funds.</p> <p>c) This will prevent the oversupply of cycle trails in the West Coast and avoid DOC and Council money being spent on associated OPEX costs for underutilised trails.</p>		<p><b>We recommend that the SRO:</b></p> <p>a) <b>Consider</b> the application from Development West Coast for the development of a cycle trail strategy paper.</p> <p>b) <b>Note</b> the PDU investment team has assessed the application and conclude there is alignment with the criteria of the PGF.</p> <p>c) <b>Note</b> that the original request was for <small>Commercial</small>% funding for this project from the PGF. This position has been successfully negotiated to a <small>Commercial</small> co-funding position with Development West Coast.</p> <p>d) <b>Note</b> that the forthcoming Buller Tourism Package, for which a Cabinet paper is being prepared, includes the creation of the Kawatiri cycle and walking trail. The ongoing success of this trail, and others, would be aided by the creation of a cycleway strategy paper for the wider West Coast area.</p> <p>e) <b>Note</b> that DOC &amp; NZTA have assessed the application and are in support of its progression.</p> <p>f) <b>Agree to</b> approve up to \$37,500 from the PGF fund toward the Strategy Development for Regional Cycle Trails Project subject to:</p> <ul style="list-style-type: none"> <li>Development West Coast receiving a finalised quote for the creation of the strategy paper.</li> </ul>	
<b>PGF criteria that this proposal supports:</b>			

PGF Criteria	Assessment Commentary	Rating (1✓ to 5✓)
<b>Link with fund and government outcomes</b>		
Creates permanent jobs	<ul style="list-style-type: none"> <li>This proposal will not create any permanent jobs.</li> </ul>	✓
Delivers benefit to the community	<ul style="list-style-type: none"> <li>This project has the ability to ensure public money is spent efficiently in the West Coast. Further, if the resulting paper is shared with other regions the public benefit would be multiplied each time a region utilises this paper for a similar purpose.</li> </ul>	✓✓✓
Increased utilisation and returns of Maori asset base	<ul style="list-style-type: none"> <li>Not discussed in the application.</li> </ul>	✓
Enhanced sustainability of natural assets	<ul style="list-style-type: none"> <li>Not discussed in the application.</li> </ul>	✓
Mitigation of climate change effects	<ul style="list-style-type: none"> <li>Not discussed in the application.</li> </ul>	✓
<b>Additionality</b>		
Adding value by building on what is already there	<ul style="list-style-type: none"> <li>This project would not build on what is there. However, it would work to avoid oversupply and the potential failure of current projects.</li> </ul>	✓✓✓
Acts as a catalyst for productivity potential in the region	<ul style="list-style-type: none"> <li>This project could not reasonably be said to act as a catalyst for productivity in the region.</li> </ul>	✓
<b>Connected to regional stakeholders and frameworks</b>		
Alignment with regional priorities	<ul style="list-style-type: none"> <li>This project comes from Development West Coast so inherently is aligned with regional priorities.</li> </ul>	✓✓✓✓✓
Support from local governance groups (inc Councils, Iwi/Hapu)	<ul style="list-style-type: none"> <li>This project comes from Development West Coast so inherently has support from local governance groups.</li> </ul>	✓✓✓✓✓
<b>Governance, risk management and project execution</b>		
Robust project management and governance systems	<ul style="list-style-type: none"> <li>Development West Coast intends to contract out the creation of this strategy paper. The contractor will be chosen via a tender process. This system will work to minimise the cost of the paper.</li> </ul>	✓✓✓
Risk management approach	<ul style="list-style-type: none"> <li>Development West Coast will run a tender process for this project. Tendering for a project like this will remove a significant amount of risk that Development West Coast overpays for this paper.</li> </ul>	✓✓✓
Future ownership / operational management	<ul style="list-style-type: none"> <li>Development West Coast will own the strategy paper that is created by this project. However, they are willing to share it with other regions to help them achieve the same aims.</li> </ul>	✓✓✓✓
<b>The purpose of this briefing is to consider recommending approving PGF funds to the Strategy Development for Regional Cycle Trails Project:</b>		

**Risks Issues:**

- There is a risk that the creation of the paper costs less than \$<sup>Commercial Info</sup> and Development West Coast significantly over pays for this project. However, this risk is mitigated by the use of a tender process.
- The paper could work to effectively duplicate part of the role the current PGF employee in the region is employed to do.

**Eligibility points of note:**

- *Due diligence:* No due diligence has been completed as the applicant is owned by a local authority.
- *Conflict(s) of interest:* Based on the information provided no conflict of interest is evident noting that full due diligence will inform this item further.
- *Illegal Activity:* Based on the application information provided and feedback from other agencies there is no indication that the applicant or project has been involved in, or associated with illegal activity.
- *Alignment with Regional development plans:* This proposal is put forward by the regional economic development agency and as such aligns with RDPs.
- *Commercial funding availability:* Given the nature of this proposal access to commercial funding is not considered a feasible option.

**Consultation undertaken or implications:**

Legal	N/A	HR	N/A	Finance	N/A	MBIE policy	N/A	Other	
<b>Supporting proposal:</b>		Yes							
<b>Appendices:</b>		Yes - Applications and supporting letters are as annexes							
<b>Sponsor(s):</b>		N/A							
<b>Manager/Author of paper:</b>		Privacy of natural persons , Investment Team							

PROACTIVELY RELEASED