

## COVER SHEET

<b>2.6 Programme Coordinator for Ruapehu Regional Visitor Development Plan Project PGF Application</b>		<b>For: Approve</b>	
<b>Tier:</b> 1 - Regional	<b>Sector:</b> Tourism		
<b>Background &amp; context:</b>		<b>Recommendation:</b>	
<p><b>Applicant Organisation:</b></p> <ul style="list-style-type: none"> <li>Ruapehu District Council (RDC)</li> </ul> <p><b>Location:</b></p> <ul style="list-style-type: none"> <li>Ruapehu, Manawatu-Whanganui</li> </ul> <p><b>Proposal:</b></p> <ul style="list-style-type: none"> <li>To provide a coordination and management resource for a two year term to drive the development and implementation of six iconic tourism developments in the Ruapehu District.</li> </ul> <p><b>Funding Sought:</b></p> <ul style="list-style-type: none"> <li>Total project value: \$<sup>Commercial Inform</sup></li> <li>PGF Funding: \$<sup>Commercial Inform</sup> (Grant)</li> </ul> <p><b>Background:</b></p> <p>In June 2012 the draft Business Case for the proposed Ruapehu destination development and management agency and for the roll-out of related new Ruapehu experiences, was completed.</p> <p>The recommendations were to seek funding from the PGF to establish and operate the Ruapehu Destination Management Agency ('Ruapehu 400') for the first three years of its operation, and to progress six new destination-growing experiences:</p> <ul style="list-style-type: none"> <li>RAL Gondola - now confirmed;</li> <li>Ruapehu Alpine Walk;</li> <li>Turoa to Ohakune / Te Ara Mangawhero mountain bike / walking trail;</li> <li>Ohakune Nāgati Rangi Waharoa ;</li> <li>Pipiriki Waharoa; and</li> <li>Explore potential alternative low-carbon mass-transit options for the transport of persons</li> </ul>		<p><b>We recommend that the SROs:</b></p> <p><b>a) Note</b> The existing Ruapehu tourism plan includes six tourism projects for Ruapehu. Each project has merit, and \$<sup>Commercial Inform</sup> has already been allocated to provide for project management resource to progress these projects (September SRO meeting).</p> <p><b>b) Note</b> A separate application for PGF funding of \$<sup>Commercial Inform</sup> has been received for the co-ordination and delivery of a spatial plan for rationalising the network of tourism pathways in the Ruapehu/Tongariro National Park. \$<sup>Commercial Inform</sup> has been approved (with a <sup>Comm</sup>% contribution from RDC) by SROs.</p> <p><b>c) Note</b> That the expectation is that the output of the spatial plan will be a programme of investment over ten years to deliver the future state of the tourism proposition in Ruapehu. That will take management effort to design and deliver and that capability is not currently available through RDC. The programme manager is proposed to deliver the programme.</p> <p><b>d) Note</b> That MBIE Tourism "support the need for a programme manager in principle, with the caveat that the Ruapehu governance group to further refine the scope and form of that resource".</p> <p><b>e) Note</b> That DoC is "in support of this application providing any business cases/feasibility studies</p>	

<p>wanting to enjoy experiences within Tongariro National Park.</p> <p>The model that government favours for advancing these key projects is pursuing them as individual bids through the Provincial Growth Fund, with their own contracts in place, with an individual project manager appointed for each project, and a small reference group or steering group in place for each project.</p> <p>This is a departure from the earlier strategy to pursue all projects through one agency.</p> <p>The workload involved in keeping track of these projects, and the complexity of some of the wider strategic issues in play, exceed the current resourcing of the RDC. The proposed appointment of a Programme Coordinator would undertake this role.</p>	<p>falling out of this are submitted to DoC for comment”.</p> <p>f) <b>Note</b> That RDC contribution of \$<sup>Commercial Inform</sup> covers overheads including IT, vehicle, accommodation, HR, and admin support.</p> <p>g) <b>Note</b> That the proposed annual salary (incorporating \$<sup>Commercial Info</sup> for expense claims) is \$<sup>Commercial Inform</sup>. The value of the proposed employment package has not been justified and the PDU recommends capping PGF funding at \$<sup>Commercial Inform</sup> per annum for a total of \$300,000 for the two year term.</p> <p>h) <b>Note</b> The PDU Investment Team has assessed the application and acknowledges that the project’s alignment with the primary objective of accelerating regional development through new and sustainable job creation is dependent on the successful delivery of the six new destination-growing experiences. The creation of this programme coordinator role is seen as the most effective and cost efficient approach to achieving the desired outcomes.</p> <p>i) <b>Support</b> The recommendation to <b>Approve</b> \$300,000 <b>Grant</b> from the PGF fund towards the Programme Coordinator for Ruapehu Regional Visitor Development Plan Project subject to:</p> <ul style="list-style-type: none"> <li>i) The establishment of a Governance Group satisfactory to the PDU and MBIE Tourism;</li> <li>ii) The governance group to further refine the scope of the role, responsibilities and deliverables. Final job description subject to the approval of MBIE Tourism;</li> <li>iii) Details of the final remuneration package, including RDC’s contribution, to be provided to MBIE Tourism and the PDU for approval;</li> <li>iv) Details of the preferred candidate to be provided to MBIE Tourism for their</li> </ul>
--	--

		input prior to an offer of employment being made; and
		v) The Grant disbursement payment structure to be agreed against KPIs.
<b>PGF criteria that this proposal supports:</b>		
<b>PGF Criteria</b>	<b>Assessment Commentary</b>	<b>Rating (1✓ to 5✓)</b>
<b>Link with fund and government outcomes</b>		
<b>Note: The benefits identified below would be dependent on the successful delivery of the proposed 6 new destination-growing experiences</b>		
Creates permanent jobs	<ul style="list-style-type: none"> <li>• More visitors, staying longer and contributing more to the economy will produce more employment opportunities.</li> <li>• Ruapehu Resident numbers dropped by more than 17% between 2001 and 2016 and, under a low growth scenario, will decline to under 7000 persons by 2035. Growth in the Ruapehu visitor sector, underpinned by the successful delivery of new destination experiences will provide the catalyst for new jobs. As an example, the RAL investment is forecast to create up to <sup>Commenc</sup> new full-time jobs.</li> <li>• Stable economic activity underpinned by greater seasonally-dispersed visitation and occupancy rates.</li> </ul>	✓✓✓
Delivers benefit to the community	<ul style="list-style-type: none"> <li>• More social inclusion and participation of iwi.</li> <li>• A more diverse and innovative regional economy.</li> <li>• Higher value / higher wages / higher productivity, GDP contributions would increase, and overall levels of employment would improve.</li> <li>• Targeting a 10% increase in visitor expenditure every year between now and 2028.</li> </ul>	✓✓✓
Increased utilisation and returns of Maori asset base	<ul style="list-style-type: none"> <li>• Destination development and management provides Ruapehu iwi with future employment, health and well-being opportunities.</li> </ul>	✓✓✓
Enhanced sustainability of natural assets	<ul style="list-style-type: none"> <li>• The Ruapehu Regional Visitor Development Plan calls for destination growth that sustains environmental, wilderness and heritage values.</li> </ul>	✓✓

Mitigation of climate change effects	<ul style="list-style-type: none"> <li>Planned projects will contribute to environmental objectives. These include proposals to: <ul style="list-style-type: none"> <li>Explore low carbon emitting alternatives to the transport of persons wanting to enjoy experiences within the Tongariro National Park.</li> <li>Extend park and ride facilities to transport users of Tongariro National Park from hubs to points of recreational interest, particularly the ski-fields.</li> <li>Increase the attractiveness of Kiwi-Rail's Northern Express service as a low carbon means of travelling to the region.</li> </ul> </li> </ul>	✓✓
<b>Additionality</b>		
Adding value by building on what is already there	<ul style="list-style-type: none"> <li>This project builds on the previous work already completed and planned through the Tourism and Visitor Services work stream.</li> </ul>	✓✓✓
Acts as a catalyst for productivity potential in the region	<ul style="list-style-type: none"> <li>Implementing the regional visitor development plan (projects and infrastructure) for Ruapehu/ National Park will increase growth in the tourism sector.</li> </ul>	✓✓✓
<b>Connected to regional stakeholders and frameworks</b>		
Alignment with regional priorities	<ul style="list-style-type: none"> <li>The Manawatū Whanganui Economic Action Plan (2016) identified tourism as the critical Ruapehu growth opportunity</li> <li>The 'Ruapehu – Regional Visitor Development Plan' has been developed as part of the Manawatu-Whanganui Accelerate 25 initiative. This is a comprehensive plan focussed on growing the region's visitor economy through marketing, product development and industry capability building.</li> <li>This project will build upon the Regional Visitor Development Plan work already completed.</li> </ul>	✓✓✓
Support from local governance groups (inc. Councils, Iwi/Hapu)	<ul style="list-style-type: none"> <li>Manawatu-Whanganui Accelerate 25 fully engaged.</li> <li>Throughout the review and planned delivery a governance group (local leaders group) will oversee the project. This group will include Ruapehu District Council, Iwi, DoC, MBIE, TPK, and relevant stakeholders.</li> </ul>	✓✓✓

<b>Governance, risk management and project execution</b>										
Robust project management and governance systems	<ul style="list-style-type: none"> <li>The project will be managed by a senior manager at RDC, Warren Furner, and governed by a local leaders group, including Maori and Business leaders</li> </ul>								✓✓	
Risk management approach	<ul style="list-style-type: none"> <li>RDC has an existing risk management policy</li> </ul>								✓✓	
Future ownership / operational management	<ul style="list-style-type: none"> <li>Ruapehu District Council</li> </ul>									
<b>The purpose of this briefing is to consider recommending PGF funds to the Programme Coordinator for Ruapehu Regional Visitor Development Plan Project</b>										
<b>Risks Issues:</b>										
Risk identified – The engagement of suitably qualified programme coordinator to undertake the work; the support of MBIE Tourism helps mitigate this.										
<b>Eligibility points of note:</b>										
<ul style="list-style-type: none"> <li><i>Due diligence:</i> Entity due diligence not required – Local Authority.</li> <li><i>Conflict(s) of interest:</i> Based on the information provided no conflict of interest is evident noting that full due diligence will inform this item further</li> <li><i>Illegal Activity:</i> 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.</li> <li><i>Alignment with Regional development plans:</i> Alignment with the Manawatū Whanganui Economic Action Plan (2016). The 'Ruapehu – Regional Visitor Development Plan' has been developed as part of the Manawatu-Whanganui Accelerate 25 initiative</li> <li><i>Commercial funding availability:</i> Given the nature of the project which is to employ a programme coordinator access to commercial funding is not considered a feasible option.</li> </ul>										
<b>Consultation undertaken or implications:</b>										
Legal	N/A	HR	N/A	Finance	N/A	MBIE policy	N/A	Other	MBIE Tourism	
<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>					Nick Hough, Investment Team					