

Request for Costing an Election Commitment

Name of proposal:	Making the ACT a premier mountain biking destination
Person requesting costing:	Shane Rattenbury MLA
Date of request:	12 October 2020
Summary of proposal:	Implement the priority recommendations from the Canberra Mountain Biking Report.
Issue the proposal will address:	<p>Canberra has a strong cycling community and it continues to grow rapidly. The ACT Greens believe that, as the bush capital with good facilities, the ACT has a significant opportunity to become Australia's premier cycling and MTB destination. This will not only benefit the local community, it will be a boon for tourism and the local economy. Strategic investment is needed to achieve this. A range of other Australian destinations have invested in mountain biking in recent years, and drawn cycling tourism away from Canberra.</p> <p>The Canberra Mountain Biking Report identifies a strategy, including costs, for establishing the ACT as the MTB Capital of Australia, offering a superior trail network with outstanding experiences for visitors.</p> <p>The ACT Greens will provide an investment of \$700,000 to implement the priority recommendations from the Canberra Mountain Biking Report.</p> <p>This is part of a broader Community Sport and Recreation initiative: https://greens.org.au/act/community-sport-and-recreation</p>

What are the key assumptions that have been made in the proposal?

Note: The costing will be developed on the basis of information and assumptions provided in the costing request. The professional judgment of the Under Treasurer will determine whether these assumptions are adopted in the costing of the proposal.

The Canberra Mountain Biking Report makes recommendations, with indicative costs, to make the ACT the mountain bike capital of Australia, and an international destination (chapter 8).

This proposal would implement all of the recommendations in the report, noting many of them are to be achieved within existing resources, and some involve working with local trail groups. This proposal commits the \$700,000 recommended by the report.

It is assumed that the majority of this funding is expenses, with \$220,000 set aside for capital (eg signage and information boards).

The report is found here: <https://s3.ap-southeast->

[2.amazonaws.com/hdp.au.prod.app.act-yoursay.files/7015/8310/6760/Draft Canberra Mountain Bike Report December 2019.pdf](https://s3.ap-southeast-2.amazonaws.com/hdp.au.prod.app.act-yoursay.files/7015/8310/6760/Draft%20Canberra%20Mountain%20Bike%20Report%20December%202019.pdf)

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this proposal and estimated costs each year (if available)?

	2020-21	2021-22	2022-23	2023-24	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue^(a)					
Expenses^(a)		-400	-100		-500
Capital		-200			-200
Depreciation					

(a) A negative number indicates a decrease in revenue or an increase in expenses. The expenses row does not include depreciation costs.

Has any specific information or data been utilised in generating the proposal?

Yes - Canberra Mountain Biking Report [https://s3.ap-southeast-2.amazonaws.com/hdp.au.prod.app.act-yoursay.files/7015/8310/6760/Draft Canberra Mountain Bike Report December 2019.pdf](https://s3.ap-southeast-2.amazonaws.com/hdp.au.prod.app.act-yoursay.files/7015/8310/6760/Draft%20Canberra%20Mountain%20Bike%20Report%20December%202019.pdf)

Where relevant, is funding for the proposal to be demand driven or a capped amount?

NA

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the proposal? Does the proposal provide additional funding to, or redirect, any existing Commonwealth/State or Territory funding arrangements?

No.

Will funding/the cost require indexation?

No.

Who will administer the proposal?

EPSDD (and some elements involve Visit Canberra)

How will the proposal be administered?

Managed by EPSDD, City Services, Visit Canberra, with involvement from trail groups

Is the proposal part of a broader package?

Yes: Community Sport and Recreation <https://greens.org.au/act/community-sport-and-recreation>

Has an allowance been made for expenses necessary to support the implementation of this proposal?

- If no, will the government agency be expected to absorb expenses associated with this proposal?
- If yes, please specify the key assumptions.

As described in the indicative costs presented in the Mountain Biking Report – some expenses are covered and some will be absorbed by agencies.
Will the proposal generate savings or offsets?
Yes – increased tourism and associated economic activity in the ACT (note estimated visitor figures below).
Has the proposal been previously costed by an external (third) party? Will a copy of this material, including any assumptions, be made available to Treasury?
Yes – indicative costs in the Mountain Biking Report noted above.
What are the community impacts associated with the proposal? Who and how many people will be affected?
<p>Mountain biking is an increasingly popular activity in the ACT.</p> <p>The Mountain Biking Report estimates:</p> <ul style="list-style-type: none"> - interstate riders spend around \$30 million each year in Canberra - a 1.1% growth in visitation to Canberra each year through cycle tourism would achieve a cumulative economic benefit likely to exceed \$400M by 2030 - Nationally it is estimated that 2.3M adults participate in cycling. The ACT ranks number one for participation rates per capita when compared to other States and Territories - Mountain Bike Australia's (MTBA) database exceeds 70,000 individual members and over the last four years, MTBA's financial membership has grown by 59% - Around 129,000 visitors participated in cycling while visiting the ACT (either as a participant or as a spectator) in the year ending March 2019. It is suggested that at least 50% of these were mountain bikers. This suggests that at least 64,000 overnight domestic visitors ride the mountain bike trail network each year, spending around \$30 million in Canberra each year.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
No.
What is the intended implementation date of the proposal?
July 2021.
When is the proposal expected to be fully operational? Please provide details such as the start and end dates, the level of commitment during each period etc.
From July 2021
Will the proposal cease, and if so, when?
June 2023
Is there any additional information relevant to this proposal?
No.