

Request for Costing an Election Commitment

Name of proposal:	Nature Tourism – Stromlo to Cotter Mountain Biking Trail
Person requesting costing:	Andrew Barr MLA
Date of request:	14 October 2020
Summary of proposal:	ACT Labor will invest \$1.2 million in a ‘flow’ style trail from Stromlo Forest Park to Cotter Recreation Area with a return climb, will create a link between the two popular recreation hubs. The 13 to 15 kilometre trail will pass through nature reserve enabling riders to experience the unique landscape in the ACT and providing an opportunity for commercial cultural and heritage adventure tours.
Issue the proposal will address:	<p>Canberra has an established reputation for mountain biking with interstate riders spending around \$30 million each year in Canberra. We recognise the importance of our mountain biking community and the need for further investment in this area.</p> <p>Investment in the trail networks in our nature reserves and associated infrastructure will provide a major tourism and recreational product of national significance, contributing to tourism and economic growth in the ACT and creating jobs for Canberrans. Tourism is an important sector for the ACT economy, and it is expected to grow in the next ten years.</p> <p>This commitment builds on recent upgrades to Stromlo Forrest park which added 4 kilometres to the existing 44 kilometres of tracks.</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.

Much of the trail to the Cotter Recreation Area would be in the Stony Creek valley within the Stony Creek Nature Reserve. This trail provides an off-road connecting corridor from Stromlo Forest Park (West) to Casuarina Sands Recreation Area and Cotter Recreation Area. The trail could potentially link to alternative car parks off Uriarra Road to link to a contour trail along the Stony Creek tributary of the Murrumbidgee River.

ACT Labor is committing \$1.2 million to the delivery of this track.

Interest costs are as per the Standard Costing Parameters.

Depreciation is not included as it is outside of the forward estimates.

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)			-8.0	-19.3	-27.3
Capital			-500.0	-700.0	-1,200.0
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 – information prepared by EPSDD including the Canberra Mountain Bike Draft Plans.

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

Following assessments of the track if further funding is required to deliver the project a future ACT Labor Government will consider the increased expenditure.

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

How will the proposal be administered?

EPSDD in consultation with Major Projects Canberra

Is the proposal part of a broader package?

Yes – this is part of the Government’s Nature Tourism commitments.
Has an allowance been made for expenses necessary to support the implementation of this proposal?
<ul style="list-style-type: none"> – If no, will the government agency be expected to absorb expenses associated with this proposal? – If yes, please specify the key assumptions.
No – administrative costs will be absorbed by the relevant agency/authority
Will the proposal generate savings or offsets?
No
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?
No
What are the community impacts associated with the proposal? Who and how many people will be affected?
Canberra has an established reputation for mountain biking with interstate riders spending around \$30 million each year in Canberra. We recognise the importance of our mountain biking community and the need for further investment in this area.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
N/A
What is the intended implementation date of the proposal?
2022-23
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.
2023-24
Will the proposal cease, and if so, when?
N/A
Is there any additional information relevant to this proposal?
No