

Ngā Haerenga New Zealand Cycle Trails

Briefing for Ministers and Councillors

IMAGE / Lake Dunstan, Central Otago, New Zealand. Credit: Tourism Central Otago Will Nelson.

GOVERNANCE

Trustees:

Alan Vane – Chair, Appointed by the Minister of Tourism and Hospitality

Board members, voted by members:

Diane Drummond, Sarah Bennett, Geoff Gabites, Pete Masters, Stuart Taylor

KEY PERSONNEL

Janet Purdey | General Manager

Angela Scott | Marketing Manager

Michelle Bates | Australia PR and Social Media

Deb Tapp | Content Creator

Philippa Shierlaw | Business Support

Shelley | Accountant

BIG IDEA

Ngā Haerenga New Zealand Cycle Trails was a big idea that came out of the 2009 Job Summit, which was an initiative of Sir John Key, in response to the Global Financial Crisis. The aim of was to create jobs in the construction of trails and the tourism businesses that would develop around the trails.

Due to New Zealand's topography the original idea of a cycle trail the length of New Zealand developed into multi day rides throughout the country.

OBJECTIVES

1. Create jobs through the construction of trails
2. Create a high quality tourism asset which would enhance New Zealand's competitiveness as a tourism destination and provide ongoing employment and economic development opportunities for regional economies
3. Maximise the range of complementary benefits that the cycle network provides to a wide range of New Zealanders – wellbeing, health and recreation.

23 GREAT RIDES

Great Rides are NZCT's premier rides. Predominantly multi-day, off-road trails showcasing the best of New Zealand's landscapes, environment, culture and heritage.

Currently over 6,600 km of trails and growing (Great Rides = 2,782km, Heartland Rides = 3,851 km).

SERVICES

- Advocacy
- Capability Building
- Quality Assurance
- Research
- Marketing and Promotion

NZCT INC. ESTABLISHED

In 2013, Ngā Haerenga New Zealand Cycle Trails Inc. (NZCT) was established. NZCT is the overarching national governance entity for the 23 Great Rides, Heartland Rides, and Connector Rides, responsible for strategic direction of the network and providing governance and management at a national level.

NZCT MEMBERS

Ngā Haerenga New Zealand Cycle Trails Inc is a membership organisation.

Our members are the 23 Great Rides that are governed and managed at a local level.

They pay an annual membership fee of \$2,500 plus GST. Approximately 9% of NZCT's income.

KEY DOCUMENTS

- NZCT Inc Constitution
- Certificate of Incorporation
- Funding agreements with MBIE: Core and Service Level agreements
- 2021 Evaluation of the Great Rides
- Cycle Tourism Insights: Domestic and Australian markets 2021
- Great Ride Personas 2023
- Annual Report 22/23

KEY STAKEHOLDERS

Ministry of Business, Innovation and Employment (MBIE) – Funder.

New Zealand Transport Agency Waka Kotahi – Responsible for Heartland and Connector Rides.

Department of Conservation – 18 Great Rides are on public conservation land (either the whole trail or some of the trail).

Tourism New Zealand – Trusted partnership.



STUNNING SUCCESS

\$1 billion per annum of economic benefits to regional New Zealand.

IMAGE / Around the Mountains, Southland, New Zealand. Credit: Chris McLennan.

STRATEGIC FOCUS

VISION

Home of the world’s greatest cycling experiences.

PURPOSE

Benefiting New Zealand communities through outstanding cycling journeys.

THE BRAND

Ngā Haerenga means “the Journeys” both in a physical and spiritual sense; an experience the Trails offer.

THE OPPORTUNITY

Size of the market:

- 1.8 million – NZ Cycle Tourism market (0.73 million prospective market)
- 6.9 million – AU Cycle Tourism market (2.6 million prospective market)

FINANCIALS

INVESTMENT TO DATE

Government investment - \$120 million to date, \$80 million from local bodies and private investment, totalling \$200 million to date.

CURRENT INVESTMENT

\$8 million annually from the international visitor levy.

Extreme Events	\$1,000,000
Trail Managers OPEX	\$1,035,000
Maintenance Funding	\$1,360,000
Resilience Funding	\$1,000,000
NZCT Inc.	\$600,000
MBIE Fund administration	\$560,000
Foward contract commitments	\$2,345,000
Miscellaneous	\$100,000
Total	\$8,000,000

CURRENT ROI

\$1 billion annually of visitor expenditure into regional New Zealand.

ROI GOAL OVER NEXT 10 YEARS

From \$1 billion to \$2 billion annually into regional New Zealand.

INVESTMENT REQUIRED OVER THE NEXT 10 YEARS

\$16 million per annum, totalling \$160 million over the next 10 years.

OPPORTUNITIES FOR INVESTMENT

Public Private Partnerships to address infrastructure gaps such as Accommodation on key parts of trails.

IMPACT OF THE GREAT RIDES

USER NUMBERS

- 2.19 million trips per annum (cyclists and pedestrians)
- Over 1 million visitors to the regions
- 18% internationals on Great Rides – more than pre Covid and increasing
- Australian market growing now borders are open

ECONOMICS

- Almost 1,600 businesses service the Great Rides
- Average expenditure per person (main reason for visit) \$900
- Almost \$1 billion direct economic benefit annually to regional New Zealand

TOURISM

- NZCT’s role: responsible for driving the desire to choose a cycling holiday – in particular a Great Ride Holiday
- Regenerative tourism experience - leader in NZ’s tourism sector
- Positive social license in regional communities
- Destinalional driver: Almost 50% of users visited regions with a Great Ride because of their Great Ride
- More than 3.6 million visitor nights

HEALTH

- \$11 million (cycle use)
- 56% of Trail users say their sense of wellbeing/mental health has improved
- 47% of Trail users say their physical fitness has improved

SOCIAL CAPITAL

- Great Rides are significant community assets used by locals
- Over 800 volunteers across the network
- Over ½ million value contribution

NATURAL CAPITAL

- 51% of Trail users say they appreciate the natural environment more
- 29% of Trail users say they appreciate the local culture and heritage more
- In 2021 alone: 24,870 native trees/shrubs planted by Trail Managers
- 128 kilometres of Waterways have been fenced by Trail Managers

CURRENT ISSUES/CHALLENGES

FUNDING

- **Sufficient funding** to maximise Great Rides’ potential and value for regional New Zealand
- **Co-funding** – future challenge for some regions to find their share of trail construction costs and ongoing maintenance costs
- **Alternative Funding Options**
Challenge to find alternative funding, in particular private funds

CLIMATE CHANGE

Significant impact on Great Rides. Current Extreme Events Fund will not be sufficient to address future damage to trails due to extreme weather events as a result of climate change.

CONSERVATION MANAGEMENT STRATEGIES (CMS)

Barriers created by current CMS need to be removed to unlock the potential of Great Rides on public conservation land.

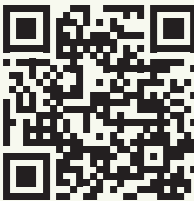
NEW TRAILS

Success of the Great Rides has generated trail development projects throughout New Zealand. IVL funding for Great Rides to be prioritised for current Great Rides to ensure they deliver on the Great Ride promise. If any new Trails are added, this would require additional investment.

KEY CONTACTS

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Plan your Great Ride at www.nzcycletrail.com
Or scan the QR code.

