



Department of
**Primary Industries and
Regional Development**

BUSINESS CASE

2020-21

for



Nannup Trail Town

Amount requested: \$..\$4,027,802...

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2. GLOSSARY OF TERMS

In the context of this document:

Agency means a Western Australian State Government Agency.

Applicant means the Organisation or Agency preparing a Business Case requesting State Government Funding for a Project.

Business Case means the information prepared by the Applicant demonstrating the merits of the Project and substantiating the case for Funding the Project.

Deliverables means the expected activities or outputs from the Project.

Department means the Department of Primary Industries and Regional Development.

Industry Participation Plan means a clear statement of the Applicant's commitment to The Building Local Industry Policy and an indication of how local industry participation will be maximised.

Innovation is the implementation of a new or significantly improved product (good or service) process, new marketing method or a new organisational method in business practices, or external relations¹.

Leveraged Funding is the additional cash Funding obtained for the Project from other sources.

Option means a feasible, alternative delivery mechanism to the Project which was considered by the Applicant when preparing the Business Case Proposal.

Organisation means an incorporated entity that is not an Agency. An organisation may be a not-for-profit entity, government trading enterprise or local government.

Project means the specific activities, works or services proposed in the Business Case for which State Government Funding is being sought.

Project Outcome means the intended impact (the benefits, change or difference in the community, region or State) that is expected as a result of undertaking the Project.

Project Output means the tangible end product(s) or service of the Project. For example, an infrastructure asset or the services delivered.

Royalties for Regions means the Western Australian State Government's Royalties for Regions program.

Stakeholder means a party with an interest in or who is affected by the Project.

Sustainability refers to the financial viability of a Project and the means of support for the Project beyond the life of funding for this Project.

¹ Organisation for Economic Cooperation and Development and Development Statistical Office of the European Communities (2005 Third Edition) Oslo Manual Guidelines for collecting and interpreting innovation data, 3rd edition, OECD and European Commission, Paris.

3. EXECUTIVE SUMMARY

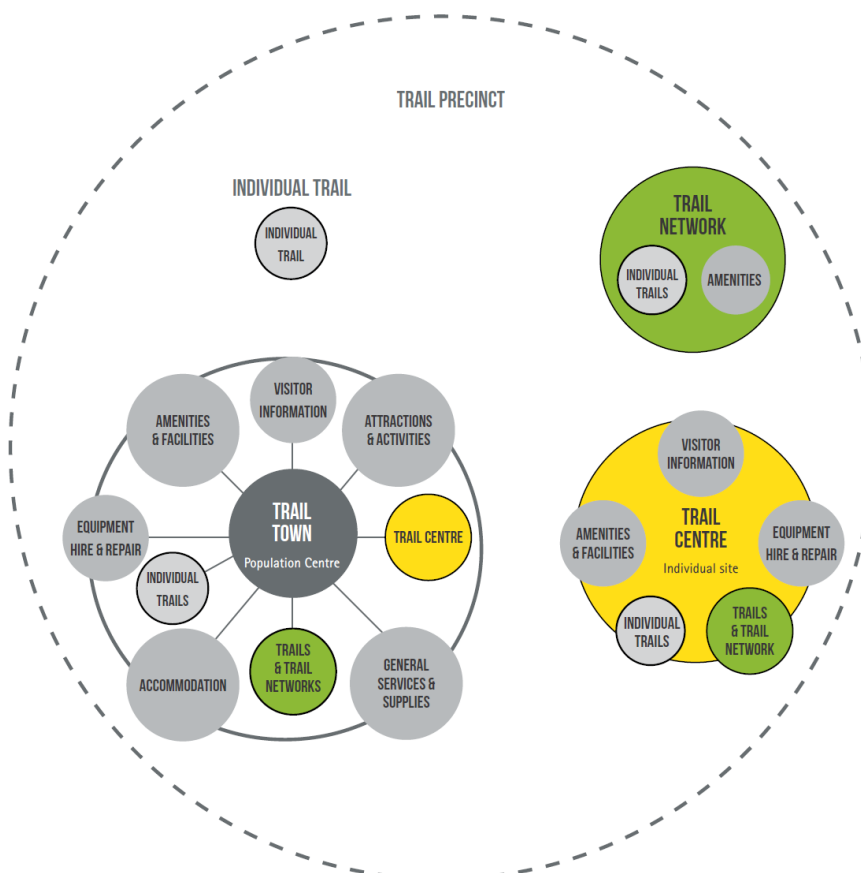
Nannup is a small shire (estimated population 1,400 in 2019) in the South West corner of Western Australia, approximately 280km south of Perth. Located along the Blackwood River, the area extends from the heart of the Southern Forests & Valleys tourism region to the Southern Ocean on the south coast. Bounded by rolling hills, scenic tourist drives, remote coastal stretches and the River (which cuts a path east to west through the Shire); the region has the potential to provide a number of unique trail locations and experiences.

The Shire's economy is dominated by traditional agriculture as well as manufacturing (i.e. the Parkside timber mill and the Houghton winery), which combined contribute 40% to the local economy. Additionally, the Shire's population has not grown in line with the South West region nor the State. Combined, these factors leave the local economy exposed to risks if one of the key industries was severely impacted by a natural disaster, epidemic or other economic shock.

The local economy requires a greater level of diversity and can leverage its location and natural features to grow its local tourism sector.

A series of various strategies and plans have identified **Nannup's potential to become a 'Trails Town'**, catering to mountain bikers, road cyclists, gravel cyclists and other trail users (i.e. equestrian riders, canoe/kayak, bushwalking). The concept of a 'Trails Town' goes far beyond simply providing a mountain biking park and encompasses a range of infrastructure and experiences, providing visitors with a diverse range of trail activities and environments. Nannup is uniquely placed to be able to provide this diversity, which will become its key competitive advantage against other competing locations.

Figure 3.1. Trail Model Hierarchy



Source: Nannup Cycle Master Plan 2020

Visitors will be attracted to Nannup through the investment into trails infrastructure, which will create a critical mass of consumers that will encourage and attract private sector investment into ancillary support infrastructure such as accommodation, restaurants, cafes and specialty products and services, such as bike shops.

The purpose of the Nannup Trail Town project is to transform Nannup into a recognised tourism destination for trails with a strong brand and diverse product offering that will continue to attract a large number of visitors to the area into the future.

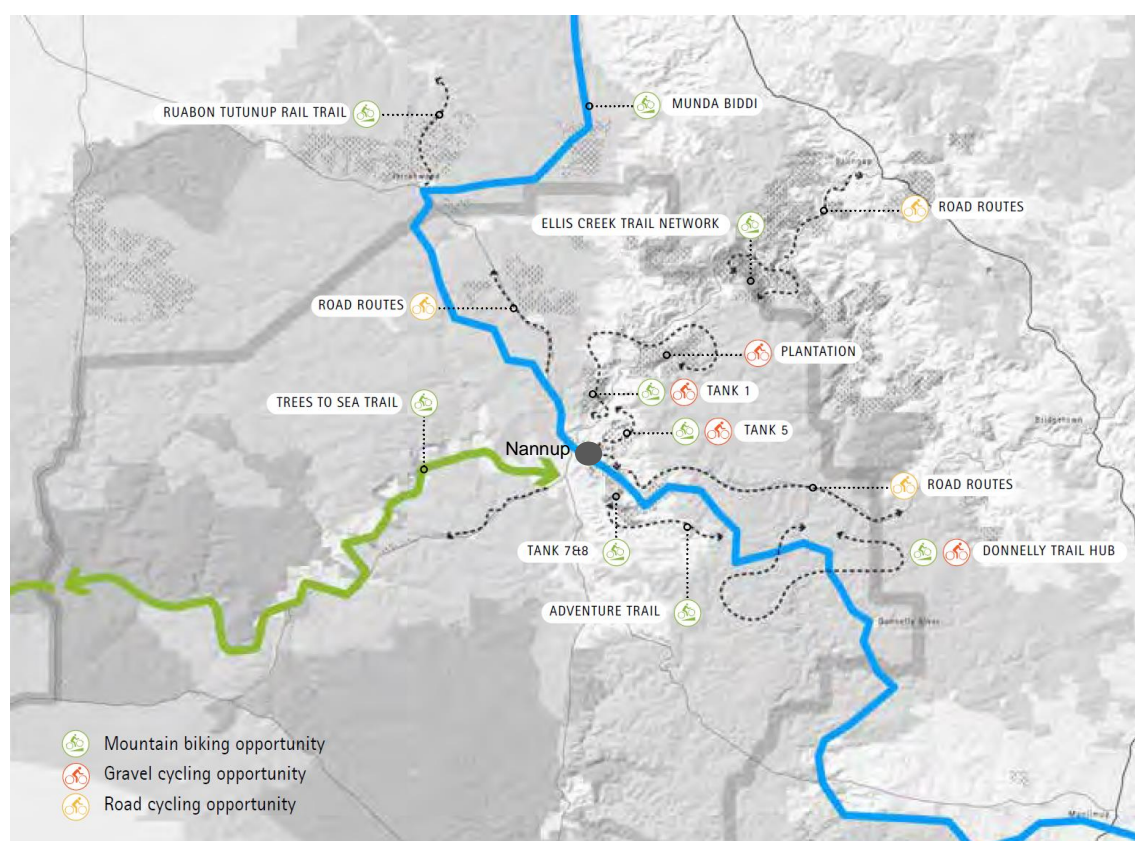
The project will have a number of important outcomes for Nannup, including:

- **Increasing levels of usage** of the existing trails
- **Increased tourism visitation** to Nannup and Western Australia
- **Increased visitor expenditure** in Nannup
- **Increased employment** in Nannup and the South West region
- **Increase investment** into tourism infrastructure and related/ancillary services (i.e. accommodation, food and beverage outlets, retail shops and bike specific services)
- **Increase population** in Nannup (through the creation of new jobs and business opportunities)

The Nannup Trail Town project consist of the following initial stages:

- **Stage 1:** Completion of Tank 7 & 8 Mountain Bike Park (**currently under construction**)
- **Stage 2:** Southern Traffic Bridge, Freestyle Jump Park, Signage, Branding and Mapping for Gravel and Road Cycling Routes
- **Stage 3:** Native Forest Mountain Bike Park
- **Stage 4:** Principal Trailhead in Nannup

Figure 3.2. Nannup Trail Town, Regional Reach



Source: Nannup Cycle Master Plan (2020)

The project has been developed and informed over time through a number of detailed studies and investigations, including:

- WA World Class Trails Town Strategy (2012)
- WA Mountain Bike Strategy 2015-2020
- South West Mountain Bike Master Plan (2017)
- Nannup Cycle Masterplan 2020
- Tank 7 & 8 Concept Design, Detailed Design and Costing (2020)
- Tank 7 & 8 Mountain Bike Park Economic Impact Assessment (2020)
- Nannup Trail Town Gaps, Constraints and Opportunity Assessment (2020)

Furthermore, the project strongly aligns to and supports the identified objectives, goals and outcomes of the following strategies:

- Diversify WA – Economic Development Framework for WA (2019)
- South West Regional Investment Blueprint (2014)
- Department of Primary Industries and Regional Development's Strategic Intent (2018-21)
- WA Recovery Plan

Stage 1 of the project is already under construction. Stage 2 of the project is 'shovel ready' and can begin immediately (after funding is secured). Stages 2-4 of the project have been designed to support and build on the success of Stage 1. Combined the four stages will transform Nannup into a recognised and significant trails destination.

By 2041, the Nannup Trail Town project is expected to deliver:

- **30,800 visitors** per year
- **85,400 visitor nights** per year
- **\$16.6 million of visitor expenditure** per year
- **97 jobs** in Nannup annually
- **Tens of millions of dollars** in private sector investment

In its first year of operations alone, Stage 1 of the project will increase visitation to Nannup by 12%. By 2041, it will increase to 36% of current levels. By 2041, the project will represent 11% of the local economy, providing considerable diversity and value.

A cost-benefit assessment (Table 3.1) showed that **for every \$1 in costs associated with the project, there are \$5.81** of (at 7% discount rate).

Table 3.1. Present Values of Costs and Benefits, 2020/21 – 2040/41 (\$m)

	Discount Rate (4%)	Discount Rate (7%)	Discount Rate (10%)
Benefits			
Tourism Benefits	\$44.8	\$33.7	\$26.1
Health Benefits	\$0.0	\$0.0	\$0.0
Total Benefits	\$44.8	\$33.7	\$26.1
Costs			
Construction Cost	\$5.1	\$4.9	\$4.7
Maintenance	\$1.2	\$0.9	\$0.7
Total Costs	\$6.3	\$5.8	\$5.4
Net Present Value			
NPV	\$38.5	\$27.9	\$20.7
Benefit to Cost Ratio			
BCR	7.1	5.8	4.8

At the selected real discount rate of 7% for this project, the analysis yields a Benefit to Cost Ratio (BCR) of 5.8 meaning that it is economically desirable and provides a net benefit. Even at the higher discount rate of 10%, the project still yields a positive NPV and BCR.

The total costs for the project is \$5.5 million, of which \$1.1 million has already been funded and committed to Stage 1 and Stage 2 has secured \$354,623 in funding.

The Shire of Nannup is seeking \$4,027,802 in funding for the project.

Table 3.2. Nannup Trail Town, Total Costs

Stage	Description	Budget (ex GST)
Stage 1	Tank 7 & 8 (currently underway)	\$1,464,743
Stage 2	Southern Traffic Bridge, Freestyle Jump Park, Signage, Branding and Mapping for Gravel and Road Cycling Routes, Link to Donnelly River Village	\$789,956
Stage 3	Native Forest MTB Park	\$2,060,115
Stage 4	Principal Trailhead	\$1,167,611
Total		\$5,482,425

COVID-19 Recovery

The Nannup Trail Town project is already positively contributing to the economic recovery from the COVID-19 crisis through injecting over \$1 million into the local and State economy for the Stage 1 construction.

Given the level of planning that has already occurred and Stage 2 and further works on subsequent stages could begin immediately, injecting additional money into the local and State economy that would support job growth.

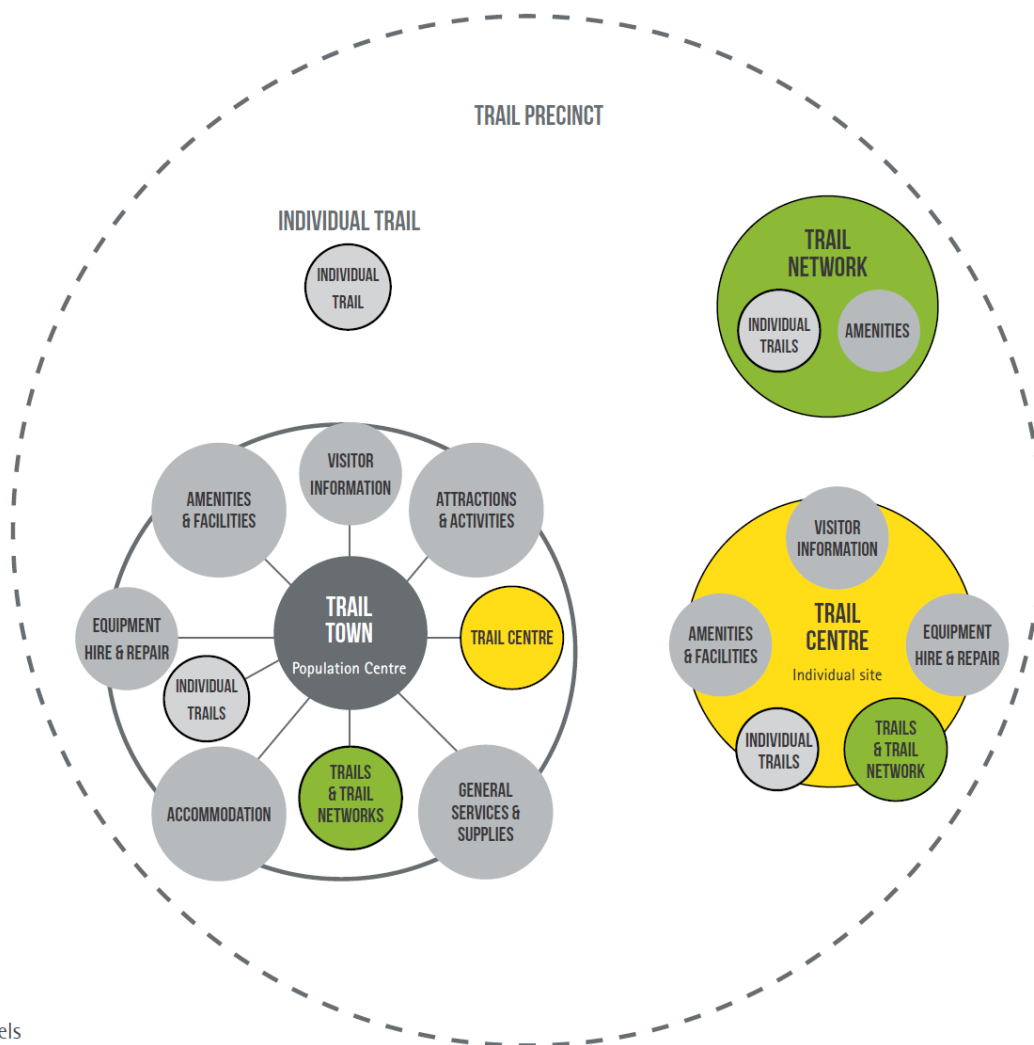
4. PROJECT SCOPE AND EVALUATION

4.1. Project Purpose

The purpose of the project is to develop the Nannup into a nationally and internationally recognised Trails Town. The Trails Town will establish Nannup as the centre for “all things trails” in Western Australia, creating a significant new catalyst for visitation to the Shire and the State. The Trails Town will include new trail development but more importantly it will create marketing activities to raise awareness of the destination, craft new tourism experiences as well as attract additional supporting infrastructure such as accommodation, restaurants, cafes and other specialty businesses that cater for trail tourists. As highlighted in Figure 4.1, the Trail Town concept is superior to simply having trails or even a single hub or trail centre as it encompasses considerably more detailed and niche activities, providing a comprehensive experience for visitors.

Furthermore, the Nannup Trail Town concept goes beyond mountain biking or cycling and caters to a wide range of trail users including mountain bikers, road cyclists, gravel cyclists, equestrian riders, canoe/kayak users and others. The Nannup Trail Town will be unique in its capacity to offer a vast range of experiences for multiple different groups of trail users. Furthermore, the concept leverages Nannup’s position as mid-way point on the Munda Biddi Trail, a world-class off-road cycling trail of more than 1,000 km through pristine natural forests.

Figure 4.1. Trail Model Hierarchy



els

Source: Nannup Cycle Master Plan 2020

The aim of the project is to develop Nannup as a recognised Trails Town similar to Thredbo (NSW), Blue Derby (TAS), Christchurch (NZ) or other recognised tourism destinations. As Nannup becomes known for its access to trails and the supporting infrastructure, more and more visitors will travel to Nannup for the local trails experience, including interstate and international visitors.

As a Trails Town, Nannup will draw more visitors to the area over an extended season, increasing their length of stay, thereby increasing visitor expenditure and providing an important increase to the local economy, including creating new jobs and attracting investment. As more visitors travel to Nannup to take advantage of the new trails and other trail infrastructure, new businesses will be enticed to invest into Nannup, particularly in accommodation, food and beverage services as well as specialty retail services. Through the creation of new jobs, the project will also create an impetus for people to relocate to Nannup, thereby growing the local population.

This project can deliver a number of important outcomes for Nannup, including:

- Increasing levels of usage of the existing trails
- Increased tourism visitation to Nannup and Western Australia
- Increased visitor expenditure in Nannup
- Increased employment in Nannup and the South West region
- Increase investment into tourism infrastructure and related/ancillary services (i.e. accommodation, food and beverage outlets, retail shops and bike specific services)
- Increase population in Nannup (through the creation of new jobs and business opportunities)

As a small town, it is important for Nannup to establish this niche tourism offering in order to provide for a long-term, sustainable economy. This tourism offer will complement the existing timber mill and surrounding agricultural industry, thereby making the economy more diverse and sustainable.

4.2. Government Funding Amount

The Shire of Nannup is seeking **\$4,027,802** in order to undertake this project.

4.3. Project Description

The Nannup Trail Town project consist of the following initial stages:

- **Stage 1:** Completion of Tank 7 & 8 Mountain Bike Park (**currently under construction**)
- **Stage 2:** Southern Traffic Bridge, Freestyle Jump Park, Signage, Branding and Mapping for Gravel and Road Cycling Routes, Link to Donnelly River Village
- **Stage 3:** Native Forest Mountain Bike Park
- **Stage 4:** Principal Trailhead in Nannup

A detailed description of the Nannup Trail Town stages is provided in Table 4.1.

Given the concept of a Trails Town, it is expected that this project will attract private sector investment to the area, including new accommodation. Stage 3 (Native Forest Mountain Bike Park) has been designed to be developed together with a mountain bike resort (to be located on the old golf course).

The Resort (to be developed by the private sector and therefore excluded from this business case) would be designed and developed with mountain bikers in mind. The accommodation would be provided through individual, demountable cabins that would each include secure bike storage. The cabins would be arranged to enjoy the natural scenery, provide privacy as well as provide access to a central facility that would provide reception as well as a restaurant and café/bar. It would be designed with the highest environmental standards and using the most environmentally friendly technology (i.e. solar power/battery systems, rainwater collection, bio-friendly septic systems, etc.). The resort could also deliver a jump park, pump track and/or skills course to provide riders ever further experiences.

The mountain bike park would be open to the public as well as for accommodation guests.

If marketed together, the development of Stage 3 could entice a private sector investor/developer for the resort, particularly given Stages 1 and 2 would have been developed by that time.

Table 4.1. Nannup Trail Town Components

STAGE	DESCRIPTION
Stage 1: Completion of Tank 7&8 (currently under construction)	<p>The Tank 7&8 mountain biking park will be a regionally significant trail network made up of 37km of trail. It is currently being developed.</p> <p>Deliverables:</p> <ul style="list-style-type: none"> Stacked loop trail network (37km in total) 100% single MTB use 80% single direction, 20% dual direction Multiple trail opportunities allowing different riding lengths and difficulty Trails to fit within landscape and focus on natural features Steel/timber features would only be considered if required to protect specific environmental values Consider alternate lines and optional technical features to increase difficulty of trails Continuous, non-compounding trail alignments to maximise event opportunities Trail design to feature and interpret the natural landscape in providing an experience of riding through a pine tree forest Sealing of the Town Trail Link Sealing Primary Trail Head (at Brockman Road and Brockman Highway), including: <ul style="list-style-type: none"> Parking lot (30 spaces) Covered picnic tables and benches (X4) BBQs (X2) Bike stand/lock-up (X3) Signage for safety, guidelines and direction One secondary Trail Head (at Tank 7): <ul style="list-style-type: none"> Parking lot (20 spaces) Covered picnic tables and benches (X2) BBQs (X2) Bike stand/lock-up (X2) Signage for safety, guidelines and direction
Stage 2: Southern Traffic Bridge	<p>The project includes completing a missing section of a pathway linking the Vasse Highway and the Brockman Highway on the southern end of town. The project requires two small bridges and an extension of an existing concrete pathway to connect trail users to East Nannup Road (current alignment of the Munda Biddi Trail).</p>

STAGE	DESCRIPTION
Freestyle Jump Park	At the intersection between the Timberline Trail, Kondil Park and Munda Biddi, 300m from the Nannup Principal Trail Head is a parcel of land owned by DBCA that has a disused motocross track located on it. While motorbikes are now prohibited in this area, it would be suitable for development as a freestyle jump park, providing an alternative experience to traditional mountain biking. The site currently has parking and sealed road access from the Vasse Highway.
Signage, Branding and Mapping for Gravel and Road Cycling Routes	<p>As highlighted in the Nannup Cycle Master Plan (2020), a range of signage (for road cycling, gravel cycling and mountain biking) is required as well better mapping and branding.</p> <p>The Nannup Tool will be an app that has access to a wide range of general and specific information as well as a variety of maps. The Tool is geocoded so that it can function in areas without mobile phone coverage.</p> <p>The Nannup Tool content will be very flexible and can easily be changed during and after it has been released.</p> <p>Anticipated categories and listings per category will include:</p> <ul style="list-style-type: none"> • General Information. Subsections for Towns, Getting There, Climate & Weather, History, etc. • Geography and Amenities (e.g. toilets, BBQs). • Swimming. Black Point Area including safety warnings, Barrabup Pool, etc. • Sightseeing. Up to 20 Non-business Listings. • Attractions & Activities. Can be a mix of non-business and business listings. Up to 10 non-business and any number of business listings. • Self-Guided Tours. Up to 8 non-business listings. Will include wine tours, wildflower walks and food trails if desired. • Mountain Biking. Loading up to 8 trails. Will include the section of the Munda Biddi that runs through the map area. • Events. Capacity to list up to 30 events per year. • Road Biking. Loading up to 6 trails. • Hiking and Horse Trails. Loading up to 10 trails. • Will include the section of the Bibbulmun that runs through the map area. • Will include the section of the horse trail from Nannup that runs through the map area. • For Kids. Up to 10 non-business and any number of business listings. • Food and Drink. Any number of business listings. Businesses can periodically update their listings. Menus and prices can be found by going to restaurant web pages from web links in the Nannup Tool. Can include the new brewery • Galleries. 5 non-business listings and any number of business listings. • Tours. Any number of business listings. • Camping. 5 non-business listings and any number of business listings. • Accommodation. Any number of business listings. • Cellar Doors. Any number of business listings. <p>To accompany the release of the Nannup Tool, a dedicated marketing campaign will be undertaken across all identified target markets.</p>

STAGE	DESCRIPTION
Donnelly Village Link	<p>Leveraging the existing Munda Biddi Trail, provide a link for riders to visit the Village. The experience would include a day ride to the Village from Nannup, overnight accommodation at the Village, and a return ride to Nannup. The link would leverage the existing infrastructure at the Village (i.e. accommodation, general store, restaurant) and provide access to much needed accommodation for riders travelling to Nannup.</p> <p>To attract riders to the Village, a number of improvements would be made, including adding trails, loops and other features (i.e. jumps, skills courses, etc.) within and directly around the Village. Additionally, bike storage, washdown facilities and other bespoke bike infrastructure would also be added.</p> <p>The Link will be created through leveraging the Nannup Tool as well as the appropriate signage and way finding around Nannup and Tank 7 & 8. The realignment of the Munda Biddi will also provide a loop experience, so riders are not riding the same trail to and from the Village (please note, only part of the Munda Biddi Trail from Nannup to Donnelly River Village will be impacted by the realignment).</p>
Stage 3: Native Forest Mountain Bike Park	<p>The old Nannup Golf Course, located approximately 5 km from town, provides a unique opportunity to develop a niche mountain bike park among the native Karri forest. A 40 km network of trails could be developed in the Cambray State Forest to the west of the old golf course. This portion of the forest would provide a large area (approximately 7 sq km) extending to the north-west, west and south-west from the old golf course. This forest provides an alternative riding experience compared to the pine plantation of Tank 7 & 8, adding another unique riding experience for Nannup.</p> <p>Deliverables:</p> <ul style="list-style-type: none"> • Trail development (approximately 40km in total) • Primary Trail Head, including: <ul style="list-style-type: none"> • Toilet block (4 toilets, including disabled) • Parking lot (45 spaces) • Covered picnic tables and benches (X4) • BBQs (X2) • Water drinking stations (X2) • Bike stand/lock-up (X3) • Signage for safety, guidelines and direction • Directional signage • Trail network entry archway <p>It is anticipated that Stage 3 would be developed together with a private sector resort for mountain bike riders (which has been excluded from this business case).</p>

STAGE	DESCRIPTION
Stage 4: Principal Trailhead	<p>The Principal Trailhead within the townsite should be a prominent vibrant feature of the Trails Town's cycling activity from which riders begin their journey into the broader trail network. Foreshore Park will be the location of the Principal Trailhead given its proximity to the centre of Town, its central location to the various trail networks and the existing infrastructure at Foreshore Park (i.e. car parking and public toilets). The Principal Trailhead will contain a challenge park (i.e. pump track, jump lines, learn to ride track, skills loop) and support facilities such as expanded parking, toilets and picnic areas as well as a playground. Space for an event marshalling area is also included. At this stage in the development, it is expected that the project has generated significant enough visitation to warrant a specific visitor information centre, specifically for visitors accessing the trails and other trail support infrastructure.</p> <p>Deliverables:</p> <ul style="list-style-type: none"> • Challenge park • Toilets (4 toilets, including disabled) • Directional signage • Parking lot (30 spaces) • Covered picnic tables and benches (x3) • BBQs (X2) • Water station • Bike stand/lock-up (X2) • Nature play playground • Trail information centre

The Nannup Trail Town Will Provide a Unique Offering

The development of Nannup into a Trails Town will provide a unique offering. There are a variety of areas around Australia that either are currently a recognised mountain biking hub (i.e. Blue Derby, Thredbo, etc.) or seek to become a recognised mountain biking hub.

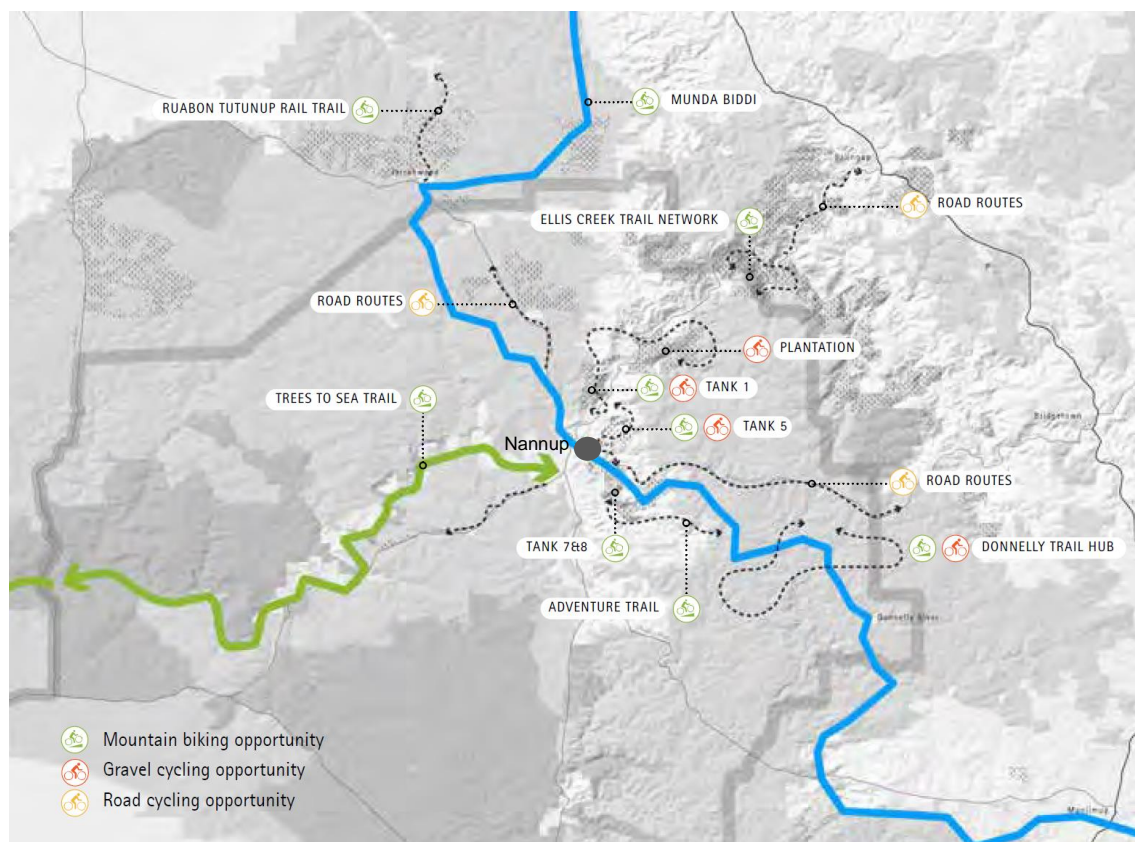
The Nannup Trail Town will be different in many ways. Firstly, it will provide a range of mountain biking environments (i.e. pine forest plantations, natural karri forests, riverside trails, etc.) and types of trails. It will also offer other attractive features such as the free style jump park and challenge park at the Principal Trailhead.

Additionally, the Nannup Trail Town project will offer many other types of trails including road and gravel cycling, equestrian and canoe/kayaking trails. The Blackwood River offers canoeists a range of experiences, from gentle calm waters to rapids. Barrabup Pool and Kondil Park are tranquil forest locations showcasing magnificent wildflowers in spring.

Through offering such a diverse array of trail experience targeted at a broad and diverse market of users, Nannup will create a unique selling proposition and competitive advantage over other areas.

Figure 4.2 shows how the project engages across Nannup and connects to the broader South West region.

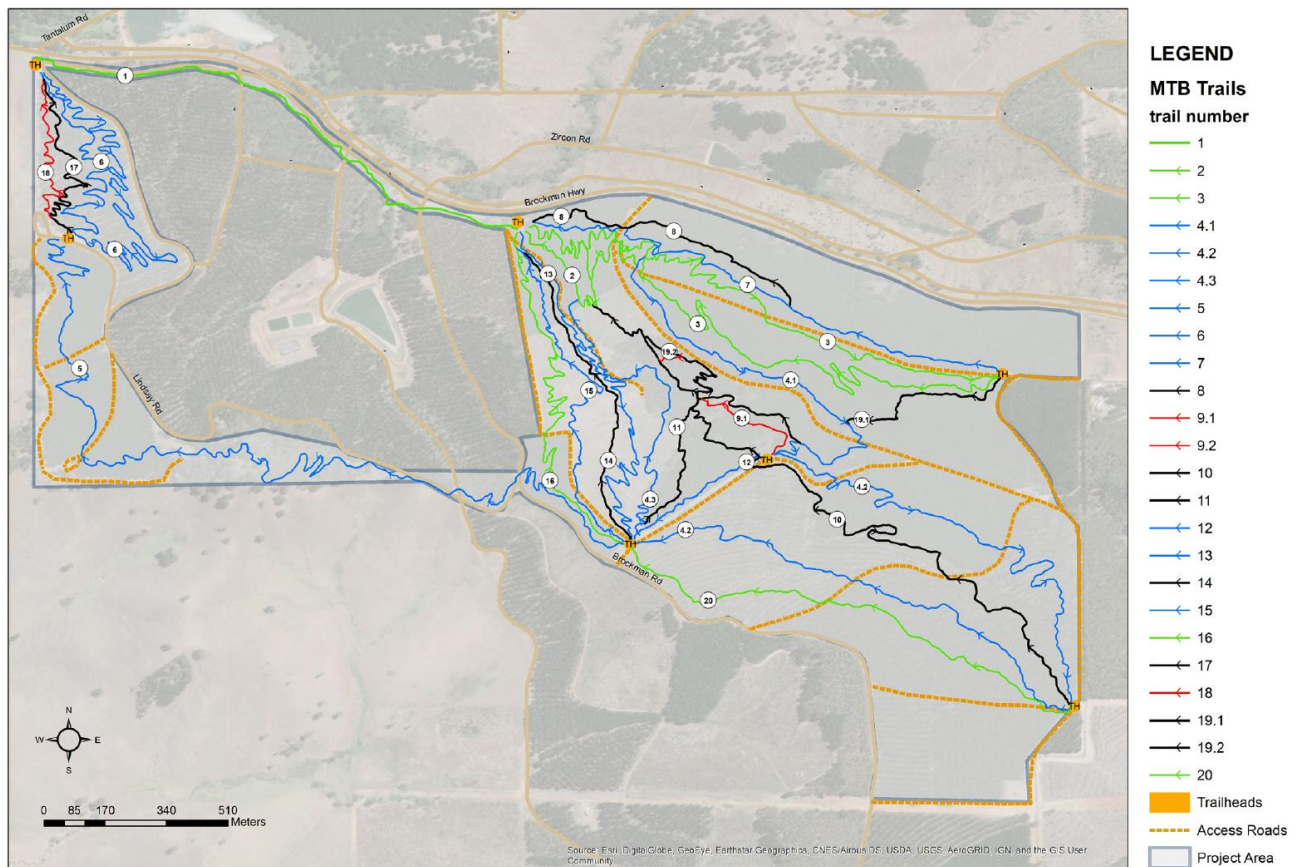
Figure 4.2. Nannup Trail Town, Regional Reach



Source: Nannup Cycle Master Plan (2020)

The following figure shows the detailed design of the Tank 7 & 8 Mountain Bike Park, located just 4km from town.

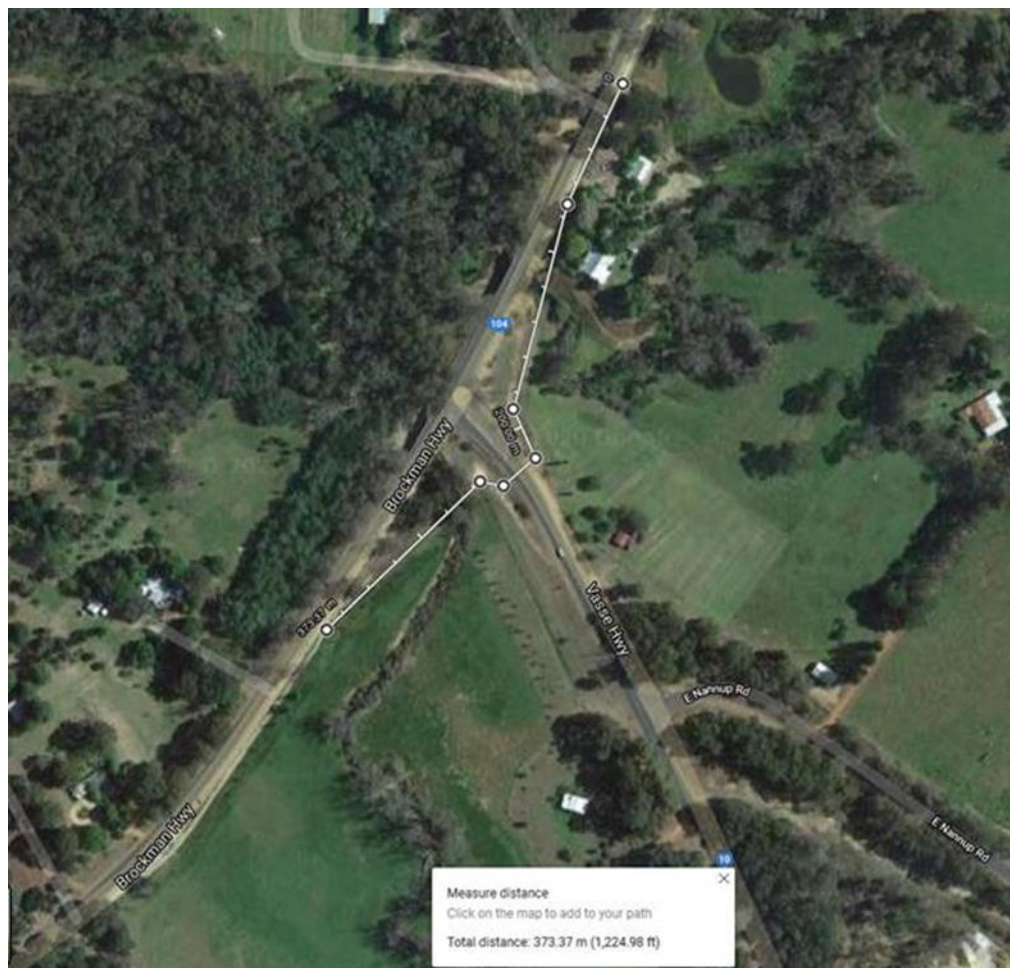
Figure 4.3. Tank 7 & 8 Mountain Biking Park (Detailed Design)



Source: Three Chillies Design (2020)

The following figures (Figure 4.5, Figure 4.6, Figure 4.7 and Figure 4.8) show some examples of the key elements of the Stage 2 of the project.

Figure 4.4. Southern Bridge Town Entry Improvements



Source: Shire of Nannup (2020)

Figure 4.5. Freestyle Jump Park Location



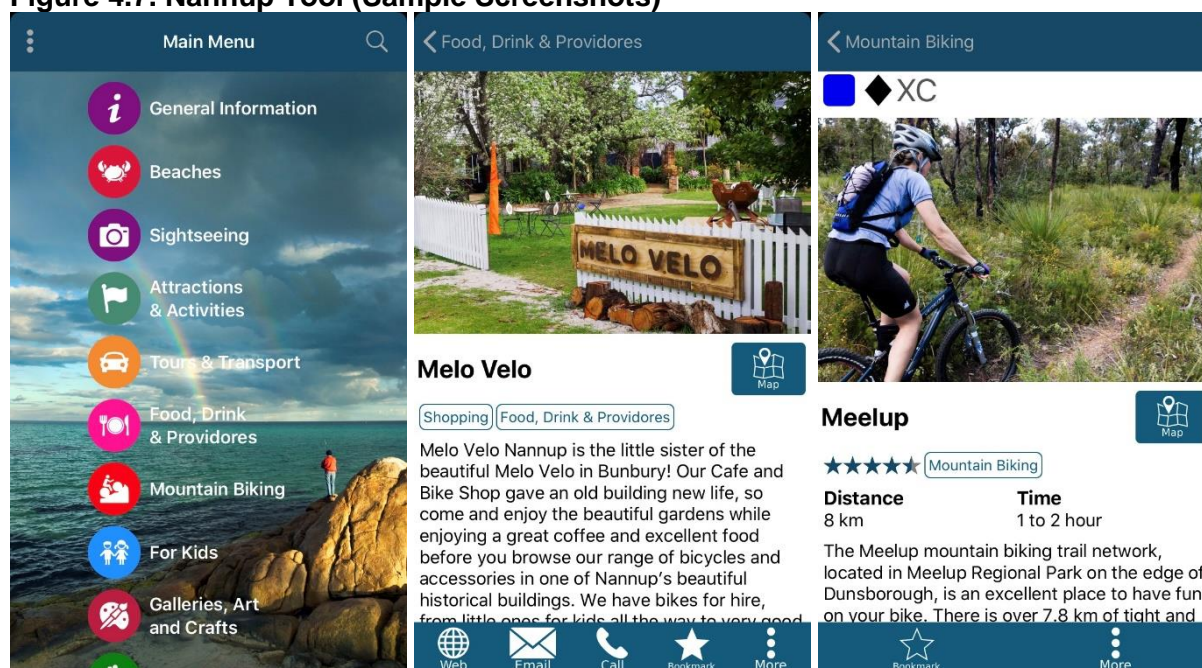
Source: Shire of Nannup (2020)

Figure 4.6. Typical Freestyle Jump Park Imagery



Source: Various

Figure 4.7. Nannup Tool (Sample Screenshots)



Note: Screen shots are from the Find the Fun app, which was developed for the Margaret River region, however the structure and functionality will be similar.

Source: Find the Fund Margaret River (2020)

The market penetration and use of mobile phones by tourists has been extensive over the last decade. A report prepared by Tourism Research Australia (TRA)² found mobile apps are being used by visitors (in destination) to purchase goods and services, provide information regarding the destination and to connect to local tourism operators and support businesses. Another report from Tourism Australia³ showed that mobile apps play a critical role in providing information to visitors (in destination) in regard to planning activities, booking and purchasing accommodation and tours as well as sharing experiences. A 2016 study provided by Google⁴ found that 85% of leisure visitors decide on activities only after having arrived at the destination. From 2015 to 2016, smartphone searches about the destination at hotels increased 30%. Searches often included 'things to do near me' and 'places to eat near me'.

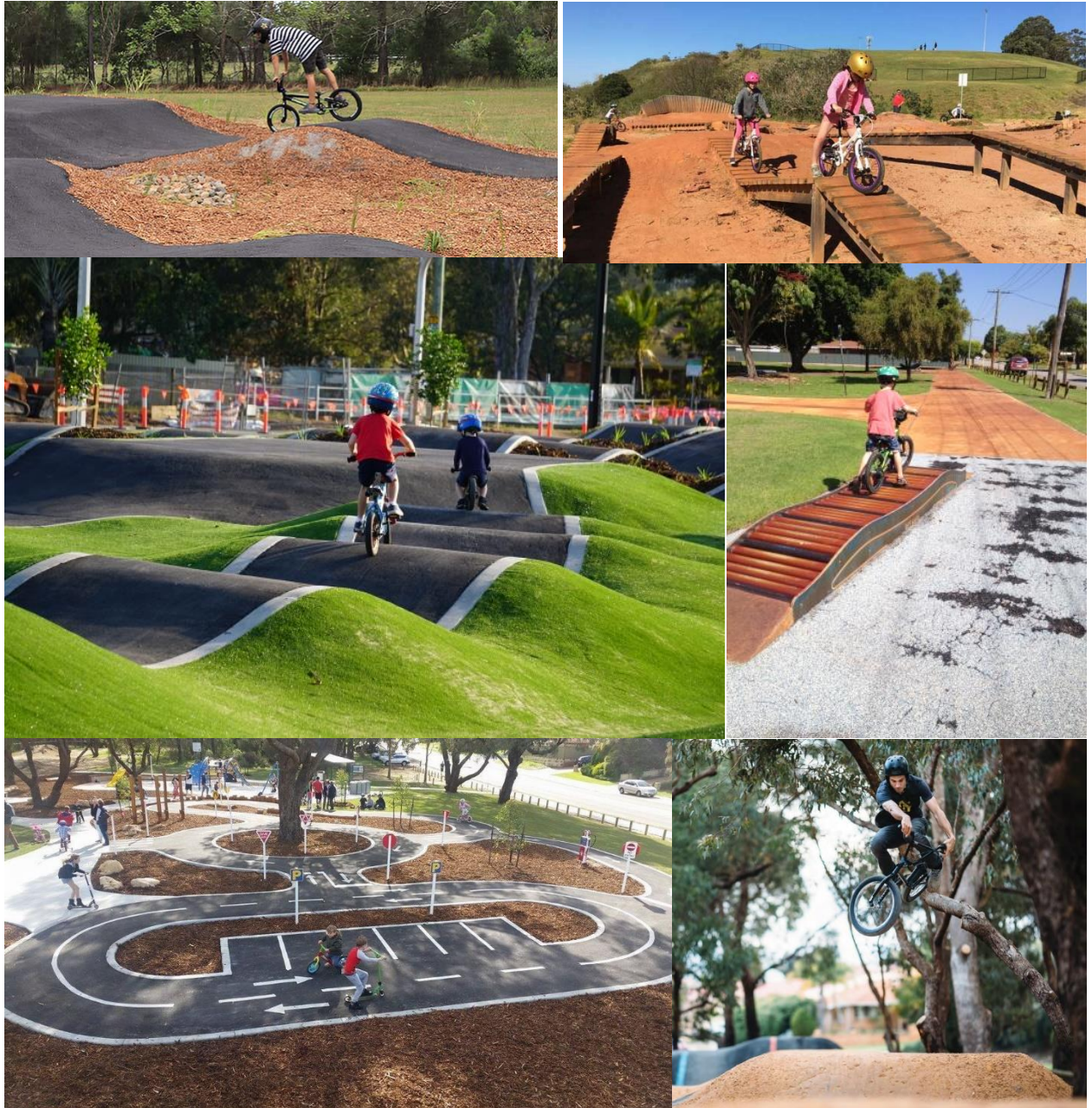
The Nannup Tool will leverage these trends and provide a valuable mechanism for connecting visitors to local businesses.

² Technology Disruptors in Tourism, TRA, October 2019

³ A National Visitor Information Servicing Strategy, Tourism Australia, 2019

⁴ Travel trends 2016 Data Consumer Insights, Google, 2016

Figure 4.8. Nannup Principal Trailhead (Challenge Park Sample Imagery)



Source: Various

Based on the Nannup Cycle Master Plan (2020), there are additional projects already identified for future development (beyond the horizon of this project), which include:

- **Trees to Seas (Nannup to Margaret River):** A dedicated trail between Nannup and Margaret River will help to connect Nannup to a larger tourist destination (i.e. Margaret River) and at the same time allow Margaret River to offer visitors new access to Nannup and new experiences. Given the future potential significance, this project should be investigated (together with the Shire of Augusta-Margaret River and other stakeholders) and initial inquiries made into land tenure and potential environmental constraints.
- **Raubon – Tutunup Rail Trail (Nannup to Busselton):** Similar to the Trees to Seas Trail, the Raubon – Tutunup Rail Trail would connect Nannup to another large tourist destination and also help provide Busselton with new experiences. Given the future potential benefits, investigations should be undertaken with DBCA and various landowners around this concept to see if the sensitive environmental values can be protected and this constraint overcome.
- **Shoulder Widening for Road Cycling:** As the popularity of Nannup grows and more visitors are attracted to the area, safety concerns will increase. Increasing the shoulder width of key main roads in the area used by road cyclists would help to improve safety and increase the overall riding experience for visitors.
- **Donnelly Trail Hub Mountain Bike Network:** There are existing unsanctioned trails in this area and it has considerable natural beauty and numerous other features that would make it a very attractive area for mountain biking. However, the area is designated as a public drinking water source area (PDWSA), which presents considerable constraints. If the development of a trail network could be managed under existing constraints, then this development would provide another experience for riders and connect the Donnelly River Village to the broader network in Nannup.

These projects have also been excluded from this business case, given the longer-term nature of their development. It should be noted that the development of the Nannup Trail Town will support these future projects and the future projects would further cement Nannup Trail Town status.

4.4. Background

Local Context

The population of Nannup was estimated to be just under 1,400 people in 2019, and except for the most recent years, has experienced population growth well below the South West and State levels.

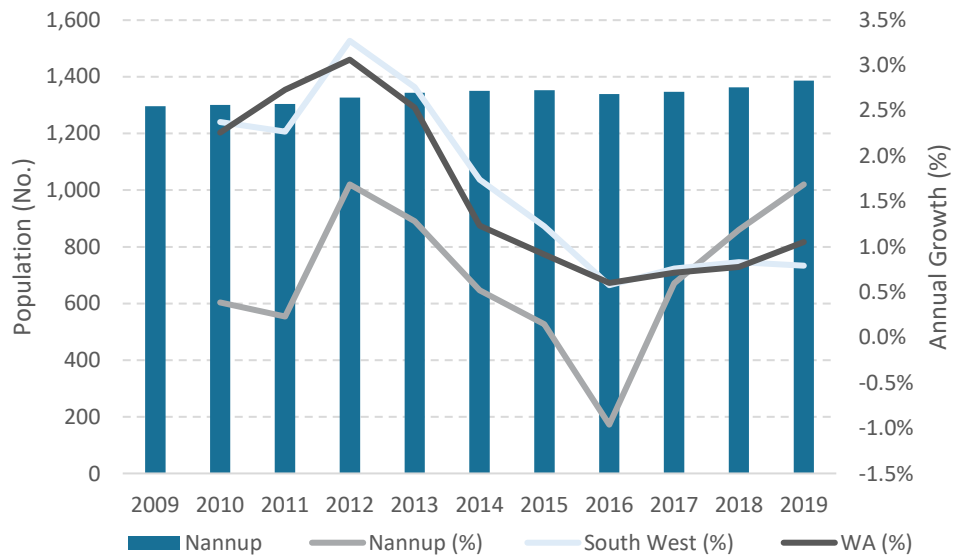
Nannup's economy was just over \$90 million in 2018-19. Economic growth in the region has averaged 1.2% per annum over the past decade, significantly below the Western Australian average of 3.2%.

Further, economic growth in Nannup has been considerably more volatile than the State average, likely owing to the region's heavy reliance on the agriculture and manufacturing industries (i.e. the Parkside timber mill and Houghton winery). These two industries accounted for more than 40% of total industry value-add (IVA) in 2018-19.

Given the region's heavy reliance on these two industries to generate economic activity, it is important for Nannup to look for opportunities to diversify the local economy.

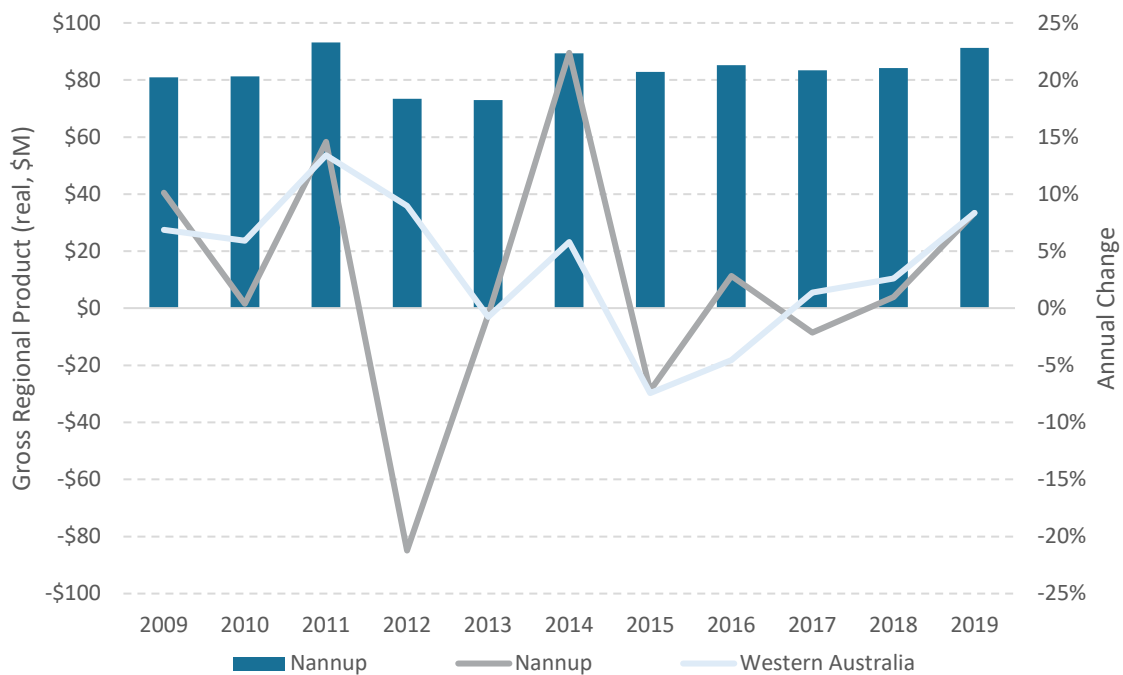
Currently, Nannup receives an estimated 85,200 visitors per year.

Figure 4.9. Nannup Historical Population



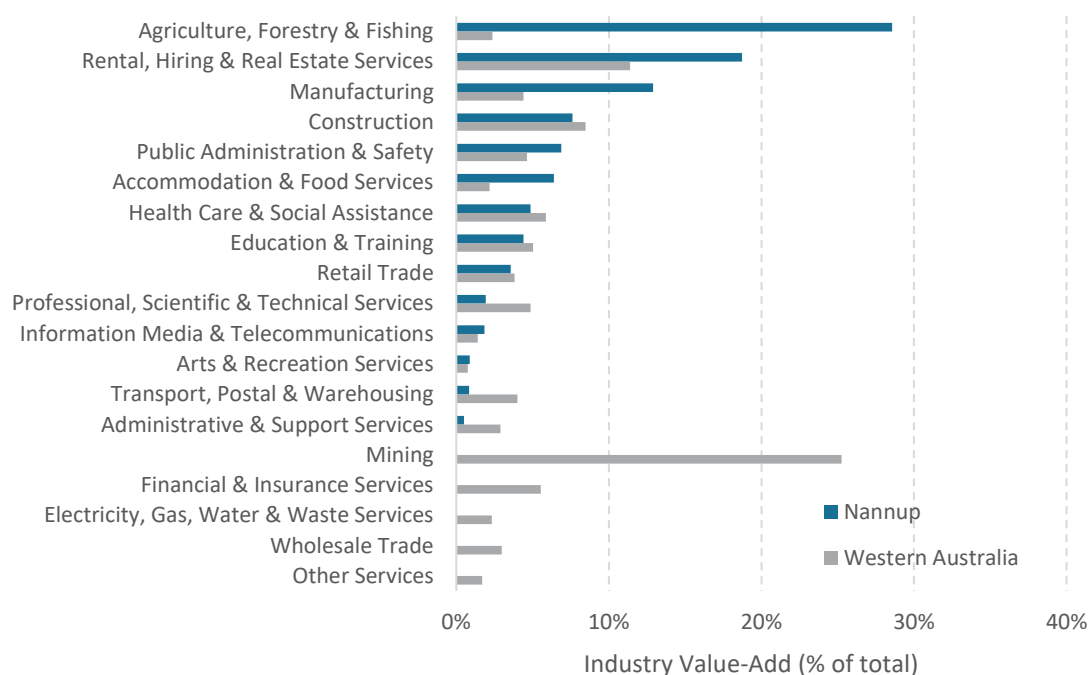
Source: REMPLAN (2020)

Figure 4.10. Gross Regional Product



Source: REMPLAN (2020)

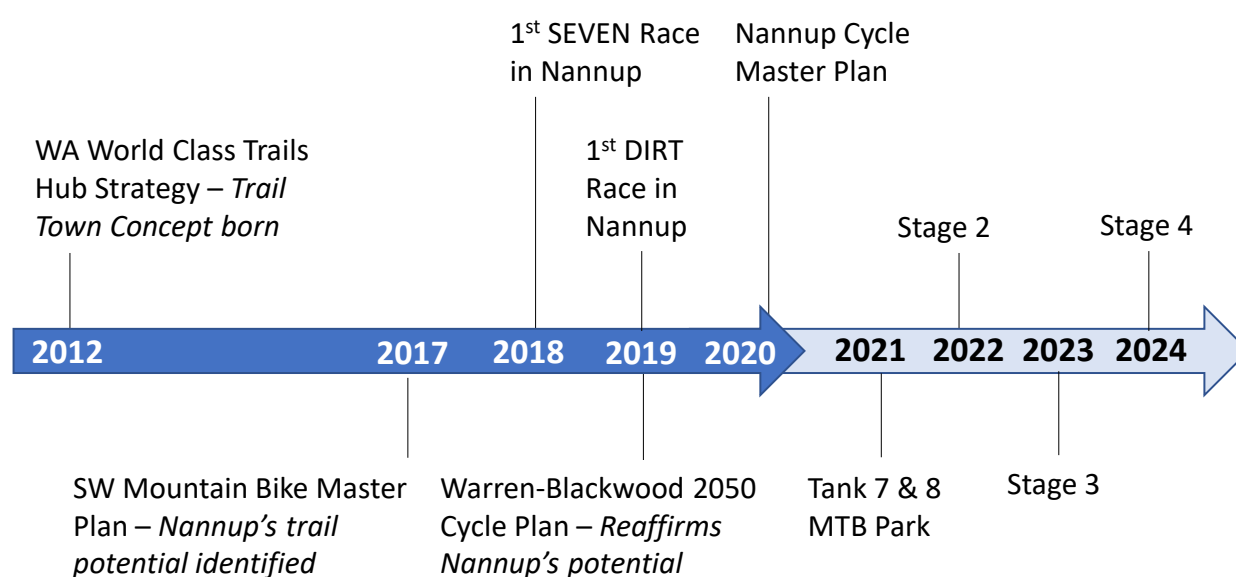
Figure 4.11. Industry Value-Add, 2018-19



Note: The 'rental, hiring and real estate services' industry includes 'ownership of dwellings'.
Source: REMPLAN (2020)

Project History and Development

The Nannup Trail Town project has evolved over time and has currently begun its implementation phase. The project has its origins in the 2012 WA World Class Trails Hub Strategy, which defined what it meant to be a 'Trail Town'. Subsequent plans and strategies have further refined the concept and confirmed Nannup's future potential. Numerous mountain biking events have been founded in Nannup based on the quality of the surrounding environment. The Nannup Cycle Master Plan was completed in 2020 and further refinements have already been made to define the current project. The Tank 7 & 8 Mountain Bike Park is currently under construction (as the first project identified in the Nannup Cycle Master Plan) and is due for completion in 2021.



In **2012**, the **WA World Class Trails Town Strategy** clearly articulated and defined a 'Trail Town' as a town or destination which is widely known for its trails offering through the provision of:

- High quality trails
- Strong branding
- Trail-user-related services
- Facilities and businesses
- Supportive governance, resourcing structure and maintenance regime

In the South West Mountain Bike Master Plan (SWMP), Nannup was identified as a regionally significant location for mountain biking. Regionally significant locations (as defined by the SWMP) cater for tourism short breaks or weekend trips and can provide a recreation resource to larger communities. They should be developed primarily to cater for interstate and intrastate tourism use and community-based trail use. Facilities should be developed within a 15-20km zone, which equates to approximately 15 minutes driving, and must be focused around either a primary trail centre or Trails Town model. They should provide a minimum level of services and infrastructure and should have the ability to cater for national and regional events. Excluding long distance trails, at least 30km of trail must be developed with a majority of single track forming at least two major loops. Locations of regional significance should develop broad trail types and classifications. Regional locations will see demand for trails from the surrounding national locations and should meet development procedures and standards.

The SWMP recommended development of Nannup as a Trail Town.

With its rolling landscapes, scenic road trails, expanses of state forest and timber plantations, close proximity to major regional populations and halfway point on the Munda Biddi Trail, Nannup is the natural choice for a Trails Town. The growth of cycle events over the last few years has also placed a spotlight on Nannup and the surrounding area, both as a road-based and gravel cycling destination.

Events that are held fully or in part in Nannup, including:

- SEVEN (Australia's premier gravel race, since 2018)
- DIRT (multi-surface, multi-stage race through the Blackwood Cycling District, since 2019)
- Tour of Margaret River (Australia's only Pro Am cycling event for teams, since 2009)
- Tour of the Blackwood (one of the most challenging rides in Western Australia)
- Melo Velo Series (regional team race with 4 people)
- Tour of WA (a social cycle ride around regional WA)
- Chase the Thylacine (informal 2-day annual club event)
- Downhill State Series & State Championship (annual event with 80-100 competitors)

The transformation of Nannup into a Trail Town will support further development as a cycling event destination.

In June 2020, the **Nannup Cycle Master Plan** was released. It highlights a series of projects to support the further development of Nannup as a cycling destination. The development of the Master Plan included the following phases:

- Project Definition
- Stakeholder and Community Consultation
- Trails Audit and Detailed Gap Analysis
- Constraint Definition and Opportunity Planning
- Master Plan Preparation

The **Stakeholder and Community Consultation** was extensive and included:

- Engagement with the Project Steering Committee (which included participation from the Shire of Nannup, the Department of Biodiversity, Conservation and Attractions (DBCA), the Department of Local Government, Sport and Cultural Industries (DLGSCI), Forest Products Commission (FPC) and the Nannup Mountain Bike Club)
- Consultation with user groups
- Key stakeholder consultation
- A user survey was conducted (with over 300 responses)
- Drop in day

Through the engagement process the following stakeholders were consulted:

- Warren Blackwood Alliance Councils (WBAC)
- Cape Roc
- Busselton Airport
- Forest Products Commission (FPC)
- Department Biodiversity Conservation and Attractions (DBCA)
- Ride WA
- Department Local Government Sport and Cultural Industries (DLGSC)
- Westcycle
- Nannup Mountain Bike Club (NMBC)
- Peel MBC
- Margaret River Off Road Cycling Association (MRORCA)
- South West Development Commission (SWDC)
- Regional Development Australia (RDA)
- Tourism WA
- Australia's South West (ASW)
- Southern Forests and Valleys Tourism Association (SFVTA)
- Munda Biddi Foundation
- Department of Transport
- Donnelly River Village
- Main Roads WA
- Road Safety Commission/RAC
- Local businesses, commercial operators/Business Initiative Group Nannup (BigN)
- Nannup District High School
- Funding bodies (including Lotterywest, RAC, Dept of Transport, RDA/SWDC, Tallison)
- Business Initiative Group Nannup (BigN)
- Community individuals who expressed interest or requested additional information/input
- Forest Rally
- Water Corporation
- Private landowners

As a result of the Nannup Cycle Master Plan, the Shire also commissioned a detailed concept design for the **Tank 7 & 8 Mountain Biking Park** (the project highlighted in the Master Plan as the most immediate need and opportunity). In addition to the concept design, a detailed design and costing has recently been completed. The project will deliver over 37km of trails located south of the Brockman Highway approximately 2 km south-east of the Nannup Townsite. The project is already funded and currently under construction, expecting completion in 2021.

In September 2020, a **Gaps and Opportunities Assessment** was conducted in order to refine the concept for the Nannup Trail Town and identify a series of priority projects that are required.

This assessment researched and identified a series of characteristics of other recognised trail towns, including:

- Blue Derby, Tasmania
- Bright, Victoria
- Forrest, Victoria
- Maydena Bike Park, Tasmania
- Thredbo, New South Wales
- Rotorua, New Zealand

Benchmarking with these areas was also conducted in order to identify the current gaps for Nannup in terms of infrastructure and services. From this research, a number of gaps for Nannup in accommodation, restaurants, cafes and specialty retail (bike) shops were identified. At the same time, a range of existing supporting infrastructure (including the wash down facility and numerous existing businesses) was also identified.

Consultation regarding the future opportunities and gaps was conducted with numerous local stakeholders, which confirmed the gaps in accommodation, food and beverage offering as well as specialty shops (and services). The consultation revealed unanimous support for Nannup to become a Trails Town.

The case study analysis showed that through the provision of trail infrastructure, more visitors would be attracted to Nannup, which in turn would trigger investments from the private sector in accommodation, restaurant, cafes and specialty bike shops. This process was identified as the most appropriate course of action for Nannup in order to take advantage of identified opportunities and fill the existing gaps in terms of product and service offerings.

In order to identify the key infrastructure projects required, a prioritisation framework was created to evaluate all identified projects in the Master Plan (31 projects in total). The process included evaluating each project in terms of the capital expenditure required, the timing required to development the project (including all permitting and design) as well as the potential future economic benefit that the project could offer.

Based on the prioritisation framework, the following projects were identified as the key priority infrastructure required for Nannup to transition into a Trails Town:

- Freestyle Jump Park
- Southern Traffic Bridge
- Native Forest Mountain Bike Park (referred to as Tank 1 and Tank 5 in Master Plan)
- Principle Trailhead
- Adventure Trail Link Nannup to Donnelly
- Signage, Branding and Mapping for Gravel Routes
- Signage for Road Cycling Routes

Following on from the Gaps and Opportunity Assessment, it was decided that Nannup should seek to become an accredited Trail Town, catering for cycling, walking, canoeing and horse-riding. The Department of Local Government, Sport and Cultural Industries and Trails WA are currently developing the accreditation program, which will be managed by Trails WA through a consultancy firm.

A Trails Town is classified as a population centre which has been assessed and accredited as a destination for its trails offering through the provision of high quality:

- Trails (single or mixed use)
- Outdoor experiences that encourage extended visitation
- Trail-user related facilities and services (including accommodation)
- Trail-related businesses
- Trail branding and signage
- Supportive governance and resourcing structure and maintenance regime

A Trails Town can achieve this status through the provision and promotion of either a critical mass of complementary mixed-use trails or single use trails, providing there is a range of types suited to a range of experience levels and user types and a suitable maintenance regime is in place.

A Trails Town:

- Offers a wide range of high-quality trails as well as related services, facilities, businesses, strong branding and governance
- Can incorporate trail centres and have multiple trail networks
- Must consist of a number of sites

There has also been a series of major changes over the past years that further support Nannup's transition into a Trails Town, including:

- Trails are now a key strategic priority for the Local Government, and budgets and resources have been allocated to progress this project as an economic stimulator
- Ride WA has moved to Nannup and developed three national standard cycling events
- The Riverside Trail, Warren Blackwood Stock Route, Kondil Park and Timberline Trail have been renovated or constructed
- Canoe drop-in points established along the Blackwood River
- Heritage Trail and Food trails have been established
- Trails mapping and promotion has commenced
- The Nannup Mountain Bike Club has established and is a key engagement tool with community
- The Munda Bidli Foundation Cycle Friendly Business program has been rolled out in Nannup

The project now seeks to build on the success of developing the Tank 7 & 8 mountain biking park by pursuing the development of Nannup as a Trails Town through the following key infrastructure projects:

- Freestyle Jump Park
- Southern Traffic Bridge
- Native Forest Mountain Bike Park (referred to as Tank 1 and Tank 5 in Master Plan)
- Principle Trailhead
- Adventure Trail Link Nannup to Donnelly
- Signage, Branding and Mapping for Gravel Routes
- Signage for Road Cycling Routes

Market Segments and Trends

Trail type defines the style of trail and its typical attributes. Different trail types suit different styles of riding and typically each trail type will have a specific kind of mountain bike designed to suit. Different cohorts use different types of trails and all trail types can have varying classifications.

Gravel

Utilises unsealed roads and usually consists of forestry or fire management roads within the region. Bikes are usually medium weight with dual suspension.

Cross Country

Primarily single-track orientated with a combination of climbing and descending trails and natural trail features of varying technicality. Cross Country trails appeal to the majority market and can cater for timed competitive events. Typically, bikes are lightweight with shorter travel dual suspension or no rear suspension.

All Mountain

Similar to Cross Country and primarily single-trail orientated, with greater emphasis on technical descents, with nontechnical climbs. All Mountain trails can cater for timed Enduro competitive events. Bikes are typically light-medium weight with medium-travel dual suspension.

Downhill

Purely descent only trails with emphasis on speed and technical challenge. These trails can cater for timed Downhill competitive racing. Downhill trails appeal to the more experienced market and typically require uplift to the trailhead via chairlift or vehicle shuttle. Bikes are designed for descending and are typically long-travel dual suspension and built for strength over weight.

Freeride

Typically, descent focused trails with emphasis solely on technical challenge. Trails feature both built and natural terrain technical features with a focus on drops and jumps. Appeals to the more experienced market and caters for competitions judging manoeuvres and skills only. Bikes are typically medium to long-travel dual suspension and are built for strength.

Park

Built feature environment with emphasis on manoeuvres, skills and progression. Appeals to wide market including youth and can cater for competitions judging aerial manoeuvres. Can include Jump and Pump Tracks and Skills Park. Typically, dirt surfaced but can include hardened surfaces. Bikes are typically built for strength, with short travel suspension.

Touring

Typically, long distance riding on reasonably uniform surface conditions and lower grades. Touring trails are dual direction linear trails or long-distance circuits with a focus on reaching a destination. Touring trails can include rail trails, access/fire roads and single track. While there is a limited market for long distance mountain biking, touring trails can be ridden in sections making them accessible to all. If carrying panniers bikes are usually robust with limited suspension, however, for short sections or day trips most mountain bikes are suitable. While diverse, each of the trail types meet a different market segment. It is important that the majority of trails cater for the existing and potential market majority.

Road

Road cyclists utilise existing sealed roads and tend to seek elevation, preferring routes that loop ranging in length of 50 km to 200+ km. Road bikes vary considerably from mountain bikes across a number of different features including tires, handlebars, pedals, etc.

Other Trail Users

Beyond cycling the Nannup Trail Town project will also cater to other types of trail users including equestrian riders and canoe/kayak users through increased amenity and support infrastructure in town.

Providing a diverse and attractive visitor experience

Mountain biking is very popular in Australia and growth over recent years has been extensive. Equally, the development of various mountain biking parks and facilities has also grown strongly. The Nannup Trail Town is very different from the 'typical' mountain biking park. It will provide a range of different mountain biking environments (i.e. pine forest plantations, natural karri forests, man-made jump park, challenge park, etc.). Furthermore, Nannup's development into a Trails Town goes beyond just mountain biking and will appeal to road cyclists, gravel cyclists, mountain bikers, bushwalkers as well as canoeing and horseback riding enthusiasts.

All of these riding environments are also within a 5 km radius of the township of Nannup, providing a further differentiating factor. Many competing mountain biking trails/parks elsewhere are located well outside of any urban settlement, forcing riders to drive and park near the trailhead. In Nannup, riders can access the infrastructure from the town directly.

To support the overall visitor experience, new accommodation, restaurants, cafes and specialty retail outlets will be attracted to Nannup in order to access the visitors travelling to town to access the diverse range of trail experiences.

Throughout this project, a diverse and compelling visitor experience will be developed, which will make Nannup an attractive and competitive destination.

There are also growing market segments driven by different styles of riding and bikes uses, which should be given consideration when developing trail networks and experiences.

Bike Packing

Bike packing is growing in popularity and is particularly relevant considering the Munda Biddi Trail. Whilst end to end users of the track are still moderate in number, there is a strong contingent of multi-day bike packers travelling the Munda Biddi for periods up to a week. Almost all mountain bikes can be made into capable bike packing rigs.

E-bikes

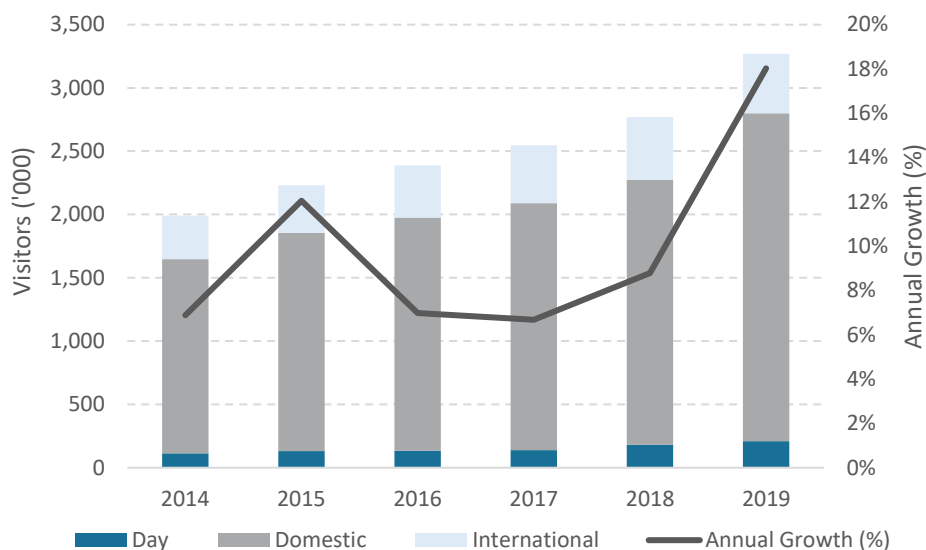
Another new market which is revolutionising the cycle market is e-bikes. Terrain is becoming less of a barrier and the leisure cyclist can explore over longer distances with greater ease. With increased technology and affordability e-bikes are improving accessibility for all ages, particularly ensuring older age groups can remain active more often. Bike shops now include e-bikes in the bike hire range, most popular with holiday travellers, offering an option for them to trial the bikes before they purchase them. Several cyclists have trialled riding the Munda Biddi Trail on an e-bike. Currently it is possible to ride the majority of the trail with a few shortcuts on sealed roads to towns to re-charge. The option to install solar e-bike charging stations at select huts along the Munda Biddi would provide opportunity to enable cyclists to complete the trail who would not physically otherwise be capable, and provide the confidence that they will not run out of battery power in the middle of the bush.

Other emerging trends include:

- Fat bikes (bikes with oversized tyres), which have allowed the rider to traverse soft, unstable terrain such as sand or snow;
- Popularity of soft-adventure trails and guided or self-guided experience packages that provide information, accommodation, transport and equipment; use of digital technologies (such as smart phones and apps) and
- Social media to access information about trails and record their trail activities.

In terms of tourism, visitors engaging in cycling has been growing steadily over the last five years, including 18% growth in 2019 (Figure 4.12).

Figure 4.12. Cycle Visitors, Australia



Source: Tourism Research Australia (2020); Lucid Economics

4.5. Policy and Strategic Framework

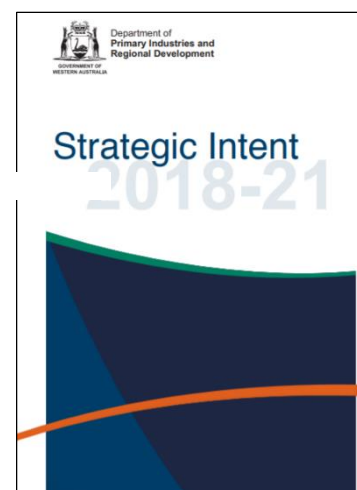
4.5.1. Alignment to The Department of Primary Industries and Regional Development's Strategic Intent (2018-21)

The Nannup Trail Town will contribute to growing and diversifying the economy through building and growing a vibrant, niche tourism sector. Through attracting visitors to Nannup and Western Australia, a wide variety of jobs will be created and through this employment creation, skills development for Western Australians will be supported.

The Department's purpose is to create enduring prosperity for all Western Australians. Its role is to ensure that primary industries and regions are key contributors to the Government's agenda for economic growth and diversification, job creation, strong communities and better places.

Its main goals are to:

- **Protect:** To manage and provide for sustainable use of our natural resources and soils, and to protect Western Australia's brand and reputation as a reliable producer of premium, clean and safe food, products and services.



- **Grow:** To enable the primary industries sector and regions to increase international competitiveness, and grow in value and social amenity, strengthening these key pillars of the State's economy.
- **Innovate:** To support a culture of scientific inquiry, innovation and adaptation across primary industries and regions to boost industry transformation, economic growth and employment.

The Nannup Trail Town development aligns with the following Strategic Priorities:

2 SUSTAINABILITY: Sustaining our State's land, water and aquatic resources, reputation and competitive advantage

2.2 Natural resource management planning and assessment: WA's natural resources are sustainably used and managed using a sound risk-based planning and assessment approach, incorporating partnerships with traditional landowners and custodians.

The Nannup Trail Town project will support the sustainable use and management of local forests and water catchment areas through the development of sanctioned trails and other supporting infrastructure, thereby reducing the use of unsanctioned trails or areas that are prohibited.

3 INTERNATIONAL COMPETITIVENESS: Growing internationally competitive industries and businesses

3.1 Trade and investment facilitation: Businesses and regional economies are growing through increased market access, trade and investment.

The Nannup Trail Town will support growth of Nannup and broader South West regional economy through increasing private sector investment in related and ancillary tourism infrastructure (i.e. accommodation, food and beverage outlets, MTB and road bike support services, etc.). Furthermore, over time, the Nannup Trail Town will grow in reputation and attract a variety of interstate and international visitors, thereby increasing the State's market access to overseas visitors and delivering a number of economic benefits.

4 REGIONAL OPPORTUNITIES: Capturing regional opportunities to drive economic growth, job creation, local capability and social amenity

4.1 Regional growth opportunities and project pipeline: Regions benefit from priority economic infrastructure and growth projects, with targeted, strategic co-investment from the State, Commonwealth and private sectors

4.2 Local content in regional WA: Regional suppliers, businesses and contractors, including Aboriginal-owned enterprises, benefit from increased commercial opportunities, contracts and tenders, owing to increased capability and capacity

The Nannup Trail Town project will support growth in regional Western Australia and create a situation for co-investment from the State and Commonwealth as well as providing a catalyst for private sector investment across accommodation, food and beverage and specialty retail services.

The Nannup Trail Town project also supports local businesses through attracting an increasing level of visitors to Nannup, presenting opportunities for new businesses in accommodation, restaurants, cafes and other specialty services. The development of the project will also leverage local businesses across Western Australia.

6 ENABLING ENVIRONMENTS: Creating an enabling environment for primary industries and regions (legislation, policy, business systems and practice)

6.1 Unlocking land and water expansion opportunities: Proponents can access clearer, faster and de-risked pathways to either develop new land and water resources, or to more efficiently use existing resources.

The Nannup Trail Town project seeks to support existing agricultural farms and timber plantations through designating specific areas for riding, providing a clear separation from existing primary uses. Additionally, the project will unlock economic on new land within State Forests and water protection areas.

4.5.2. Alignment to Related Strategic Imperatives

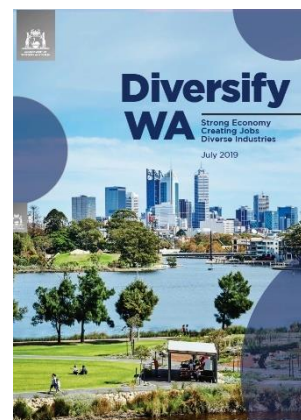
The project aligns with a variety of local, regional and State strategies and plans, including:

- Diversify WA – Economic Development Framework for WA (2019)
- South West Regional Investment Blueprint (2014)
- WA Strategic Trails Blueprint 2017-2021
- WA World Class Trails Town Strategy (2012)
- Sports & Recreation Priorities – SD6
- WA Mountain Bike Strategy 2015-2020
- Warren-Blackwood 2050 Cycling Plan (2019)
- South West Mountain Bike Master Plan (2017)
- Nannup Cycle Masterplan 2020

Diversify WA – Economic Development Framework for WA (2019)

Diversify WA is the State's economic development framework and seeks to provide a blueprint for collaboration between government, industry and the community, to unlock the State's economic potential. It seeks to support an extra 150,000 jobs by 2024 by delivering a more diverse economy. Diversify WA places a focus on six priority sectors to provide a more resilient, sustainable and stronger economy, including:

- Energy
- Tourism, Events and Creative Industries
- International Education
- Mining Engineering and Technical Services
- Technology and Advanced Manufacturing
- Primary Industries



Diversify WA outlines a range of actions for government to drive a stable regulatory environment and sound fiscal management, which can then contribute to a growing economy.

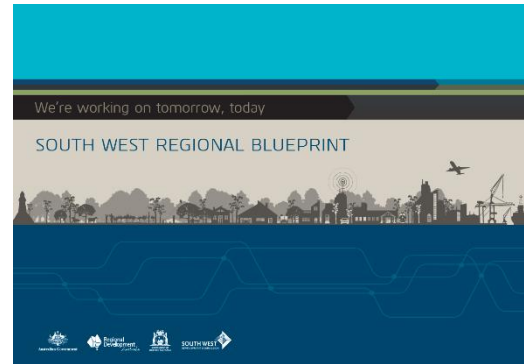
The Nannup Trail Town project aligns to this framework as it will proactively contribute to growing the State's tourism (and events) sector through delivery of a truly unique and diversified trails experience.

South West Regional Investment Blueprint

The South West Regional Blueprint from the South West Development Commission assesses the strengths and challenges of the region and seeks to provide guidance towards future prosperity through jobs and population growth.

By 2050 the South West of Western Australia is recognised internationally as a region of excellence. The Blueprint mission is to achieve excellence by:

- Supporting a broad, internationally engaged industry base
- Building population and skills to a critical mass necessary to support new investment and improved amenity
- Developing infrastructure linked to world opportunities that respects and enhances the environment
- Driving and supporting agendas that promote cohesive, vibrant and engaged communities



Tourism is highlighted as one of six transformational industry and business priorities in the region. The Blueprint seeks to increase tourism's economic contribution through increasing visitation from interstate and overseas. It also seeks to develop tourism infrastructure across the region. Specific objectives highlighted in the Blueprint for tourism include 'improve the quality of visitor experiences' and 'support both local and international visitation incorporating nature-based and marine tourism' (pg. 76).

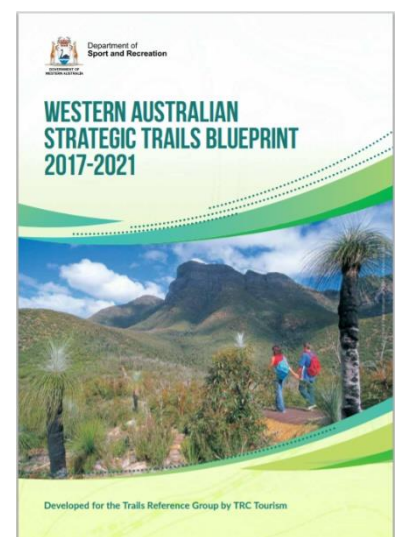
The Nannup Trail Town project aligns to this plan by developing unique and high-quality visitor experiences, including new nature-based tourism product.

WA Strategic Trails Blueprint 2017-2021

In May 2017, the WA Department of Sport and Recreation published the Western Australia Strategic Trails Blueprint 2017-2021 to provide overarching direction and consistency for a coordinated approach to the planning, development and management of trails across the State. It recognises the improved physical and mental health benefits that are associated with greater levels of physical fitness and recreation as well as the fact that trails can support a range of physical and recreational pursuits including walking, jogging, bicycle riding and trail bike riding.

The Blueprint also appreciates the quality and diversity of natural landscapes across the State and the ability to leverage these landscapes for tourism purposes, which can create economic activity and drive economic outcomes in numerous communities around the State. Quality trails can lead to 'Trail Towns', 'Trail Centres' and 'Trail Networks', that can be used to deliver economic and social outcomes.

The Blueprint's vision is 'By 2021 more people will be using Western Australia's trail network resulting in greater community, social, cultural, economic, environmental, health and wellbeing outcomes for Western Australia'.



The Blueprint provides a number of 'Strategic Directions', including:

- **Effective governance:** Strengthen State-wide governance arrangements for trails coordination.
- **Consistent and collaborative planning:** Develop an integrated and consistent approach to trail planning at the state regional and local levels. Create a regional trails masterplan framework.
- **Sustainable design and maintenance:** Ensure that information and training on best practice sustainable trail design, construction and maintenance is available to current and potential trail developers, managers and organisations.
- **Sound knowledge base:** Investigate and evaluate trail use trends to inform decision-making on new trail developments and trail uses. Improve the availability of trail-related data and research for use in trail funding, planning, development and management.
- **Community engagement:** Encourage community stewardship for trails by supporting and facilitating improvements in volunteer trail development, maintenance and management. Encourage environmental stewardship through trail participation and programs. Enhance opportunities for community development through participation in trails activities and programs.
- **Investment and financing:** Provide guidance and support to organisations, localities and regions to evaluate and seek investment in existing and future trails. Investigate and encourage the adoption and expansion of a range of sustainable funding options for the development, maintenance and management of trails.
- **Greater trail use and awareness:**
 - Improve trail facilities, interpretation and safety to increase the appeal of trail experiences.
 - Build the capacity of trail-focused events to increase usage and trail-led economic stimulus.
 - Establish an effective coordinated system for trail communication, promotion and marketing.
 - Increase coverage of WA trails in the media.
- **Growing the visitor economy:**
 - Identify iconic trails to be developed and promoted as the best in Western Australia.
 - Implement a staged program of trail development and promotion for iconic trails.
 - Encourage and support private sector involvement in improving trail experiences.
 - Encourage and support Aboriginal involvement in improving trail experiences.

The Nannup Trail Town project aligns to this blueprint through creating greater trail use and awareness as well as growing the visitor economy.

Sport & Recreation Priorities – SD6

The policies of the Department of Sport and Recreation are guided by the rotating Strategic Directions (SD) reports. SD6 was released in April 2016 and will remain current until 2020. SD6 aims to provide vision and direction for Western Australia's sport and recreation industry and to guide strategic planning processes.

"It is vital that this growth in outdoor recreation and adventure activities is matched by the provision of quality products, services and facilities that enhance the experience of participants, while keeping participants safe and sustaining the natural environment."

The Plan strongly supports outdoor recreation and adventure activities and highlights it as one of the key strategic areas for the sport and recreation industry to strengthen in the future.



The Nannup Trail Town project aligns to SD6 through the creation of outdoor recreational infrastructure and the creation of new high quality outdoor recreation and adventure infrastructure.

WA World Class Trails Town Strategy

In 2012, the World Class Trails Town Strategy was developed for Western Australia. It sought to research worldwide best practice in the development of trail Trails Towns, create a blueprint that shows how towns in WA can become world class trail Trails Towns and develop recommendations for a strategy of trail Trails Towns across Western Australia.

The Strategy defined a Trails Town as a town or destination which is widely known for its trails offering through the provision of high-quality trails; strong branding; trail-user-related services; facilities and businesses; supportive governance and resourcing structure and maintenance regime.

The Strategy suggested that a Trails Town can achieve this status through the provision and promotion of either a critical mass of complementary mixed-use trails or single use trails, providing there is a range of types suited to a range of experience levels and user types and a suitable maintenance regime is in place.

Through this project, Nannup is seeking to become a Trails Town.

Western Australian Mountain Bike Strategy

The 2014 Western Australia Mountain Bike Strategy provides a high-level framework for coordinating and developing mountain biking across Western Australia. The Strategy assesses identified challenges and desired improvements in order to provide a vision for the future of mountain biking in Western Australia. It details the objectives, strategies and recommendations needed to unlock the immense opportunities and potential that mountain biking presents.

This strategy recognised the immediate need for further development of mountain biking infrastructure in the South West.

The development of Nannup as a Trails Town meets a numbers of key strategy objective through the delivery of new trails, facilities and infrastructure that will increase participation and tourism.



Warren-Blackwood 2050 Cycling Plan (2019)

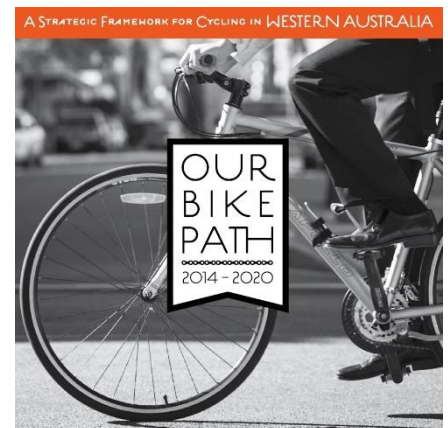
The plan sets out a long-term strategy that reflects the priorities shared by local and State governments. It sets out a blueprint for making cycling an attractive mode of transport within the subregion's towns, through the development of an interconnected network of off-road shared paths, protected on-road bike lanes and low-stress residential streets.

The plan outlines future trails and links within the region, connecting Nannup to Busselton, Bridgetown, Boyup Brook and the Leeuwin-Naturaliste subregion. The plan highlighted a number of opportunities for Nannup including further mountain biking trails, more development along existing cycle trails as well as leveraging the Munda Biddi Track further. It also highlighted that Nannup, more so than most towns, had the ability to implement more cycling friendly infrastructure in the town due to its current layout.

The Nannup Trail Town project includes many stages that supports the outcomes highlighted in the Warren-Blackwood 2050 Cycling Plan (and many projects included in the Nannup Trail Town project have been highlighted in the Warren-Blackwood 2050 Cycle Plan).

Our Bike Path

Our Bike Path 2014 – 2020 is a strategic and collaborative approach to the growth of cycling in Western Australia. It maps a vision and framework to guide the future development and growth of cycling in Western Australia. The document aims to provide a framework for all cycling groups and state government agencies and establishes the principal that no single cycling organisation, club, rider, bicycle user group or government agency can grow cycling alone. It establishes the need to grow a cycling culture, create bike friendly communities, build community capacity, strengthen sporting pathways and develop a cycling economy.



This strategy identified the immediate need to expand infrastructure in the South West to support further development of cycling.

The Nannup Trail Town project aligns well to this strategy as it will increase participation in cycling, improve safety, create further opportunities for cycling events, provide a range of infrastructure to support cycling and contribute to the cycling economy.

South West Mountain Bike Master Plan (2017)

The Master Plan provides a framework to create and sustain an international mountain bike destination capable of providing tremendous economic, tourism, environmental, health, social and community benefits. The vision is to enable the world-class and cohesive network of trails, which offer varied experiences, and cater for progression and diverse styles of riding while maintaining local character.

The Master Plan identified existing gaps in the market as well as opportunities to grow mountain biking in the region across a tiered system of national significance, regional significance and local significance facilities.



The Master Plan identified Nannup as a regionally significant hub and a number of development areas were identified.

The development of Nannup as a Trails Town fulfills many of the identified goals in the Master Plan, providing economic, tourism, environmental and community benefits.

Nannup Cycle Master Plan 2020

The Nannup Cycle Master Plan was a further extension of the South West Mountain Bike Master Plan. It was developed in partnership with key land managers, community groups and tourism agencies. Recommendations were developed by assessing the existing supply of trails and infrastructure, events, tourism and commercial products, governance, management and promotion of trail opportunities in the region.

Recommendations provided will work towards developing an innovative, high quality and cohesive network of trails, which offer varied experiences, and caters for progression and diverse styles of riding while maintaining local character. Incorporating trails for road, mountain bikes, cross country, downhill, gravity and Enduro cyclists positions Nannup as a formidable “cycling central” destination promoting the “united tribes of cycling” to the world.



This Master Plan recommended the development of Tank 7 & 8 Mountain Bike Park in Nannup, which is currently under development.

The Nannup Trail Town project is a direct result of this Master Plan.



4.6. Project Deliverables

Table 4.2. Nannup Trail Town, Project Deliverables

	Outputs (What is being delivered? What will be physically done?)	Performance Measure (What are you measuring?)	Performance Measure method (How are you measuring it?)
1	Stage 1: Completion of Tank 7 & 8 Mountain Bike Park <ul style="list-style-type: none"> Stacked loop trail network (37 km in total) 100% single MTB use 80% single direction, 20% dual direction Multiple trail opportunities allowing different riding lengths and difficulty Trails to fit within landscape and focus on natural features Steel/timber features would only be considered if required to protect specific environmental values Consider alternate lines and optional technical features to increase difficulty of trails Continuous, non-compounding trail alignments to maximise event opportunities Trail design to feature and interpret the natural landscape Primary Trail Head (parking, shelters and signage) One secondary Trail Heads (vehicle turnaround, parking and signage) 	Development of the Tank 7 & 8 Mountain Bike Park	Completion of Development

	Outputs (What is being delivered? What will be physically done?)	Performance Measure (What are you measuring?)	Performance Measure method (How are you measuring it?)
2	Stage 2: Southern Traffic Bridge, Freestyle Jump Park, Signage, Branding and Mapping for Gravel and Road Cycling Routes <ul style="list-style-type: none"> Southern Traffic Bridge, including 481 metres of new trail encompassing a combination of a concrete pathway (extension of existing pathway) and two short bridges A new Freestyle Jump Park New signage, branding and mapping, including a variety of way finding signage across existing road and gravel cycle routes as well as in town. Branding and mapping will include the development of the Nannup Tool (an interactive app) that provide a wide variety of information and maps regarding the area Link to Donnelly River Village 	Development and construction of the pathway and two bridges Development and construction of the Freestyle Jump Park Development of the Nannup Tool (app) and linkages to Donnelly River Village	Completion of the pathway and bridges Completion of the new Freestyle Jump Park Completion and launch of the Nannup Tool (app) and link
3	Stage 3: Native Forest Mountain Bike Park <ul style="list-style-type: none"> Trail development (approximately 40km in total) Primary Trail Head (parking, shelter, BBQ, toilets, water and signage) Directional signage Trail network entry archway <p>A private sector resort (not included in this business case) will also be developed in parallel to the Native Forest Mountain Bike Park</p>	Development of the Native Forest Mountain Bike Park & Adjoining Private Sector Resort	Completion of Development

	Outputs (What is being delivered? What will be physically done?)	Performance Measure (What are you measuring?)	Performance Measure method (How are you measuring it?)
4	Stage 4: Principal Trailhead <ul style="list-style-type: none"> • Challenge park • Toilets • Directional signage • Car parking (to also be used as marshalling areas for events) • Picnic tables and shelters • Nature play playground 	Development of the Principal Trailhead	Completion of Development

The Nannup Trail Town will create a number of positive economic and community outcomes (aligned to the State Government, regional and local goals and objectives), including:

- Increasing levels of usage of the existing trails
- Increased tourism visitation to Nannup and Western Australia
- Increased visitor expenditure in Nannup
- Increased employment in Nannup and the South West region
- Increase investment into tourism infrastructure and related/ancillary services (i.e. accommodation, food and beverage outlets, retail shops and bike specific services)
- Increase population in Nannup (through the creation of new jobs and business opportunities)

Contributing to the WA Recovery Plan

The Nannup Trail Town can contribute immediately to the goals of the WA Recovery Plan from the COVID-19 crisis. The Trails Town project has the ability to restore local business and consumer confidence through the promotion of the new infrastructure and the marketing campaigns that are already planned for the Trails Town. The project will get people back into work and contribute positively (and immediately) to rebuilding the State's economy as well as the local economies across the Shire of Nannup and the broader South West region.

Table 4.3. Nannup Trail Town, Project Outcomes and Performance Measures

	Outcomes	Performance Measure	Performance Measure method	DPIRD Strategic Priorities
1	Increased Users	Number of Trail Users	Trail counters deployed across network of trails	2.2 Natural resource management planning and assessment
2	Increased Visitation	Number of Visitors to Nannup	Tourism Research Australia's National and International Visitors Survey	3.3 Trade and investment facilitation 4.1 Regional growth opportunities and project pipeline
3	Increased Visitor Expenditure	Visitor Expenditure in Nannup	Tourism Research Australia's National and International Visitors Survey and expenditure estimates	3.3 Trade and investment facilitation 4.1 Regional growth opportunities and project pipeline 4.2 Local content in regional WA

	Outcomes	Performance Measure	Performance Measure method	DPIRD Strategic Priorities
4	Increased Jobs	Number of new jobs created from the increase in tourism visitation and expenditure	Modelled estimate using the Regional Tourism Satellite Account from Tourism Research Australia	<p>4.1 Regional growth opportunities and project pipeline</p> <p>4.2 Local content in regional WA</p> <p>6.1 Unlocking land and water expansion opportunities</p>
5	Increased Private Investment	Amount of investment into trails and associated infrastructure and businesses	Individual project capital expenditure	<p>3.3 Trade and investment facilitation</p> <p>4.1 Regional growth opportunities and project pipeline</p> <p>4.2 Local content in regional WA</p>
6	Increased Businesses	Number of new businesses created	Identification of new businesses in town	<p>3.3 Trade and investment facilitation</p> <p>4.1 Regional growth opportunities and project pipeline</p> <p>4.2 Local content in regional WA</p>
7	Increased Population	Number of estimated resident population in the Shire of Nannup	ABS Cat. No. 3128.0 Regional Population Growth, Australia	<p>4.1 Regional growth opportunities and project pipeline</p> <p>4.2 Local content in regional WA</p>

4.7. Stakeholder Engagement

There has been considerable stakeholder engagement about this project stemming from the South West Mountain Biking Master Plan (2017). Consultation with stakeholders and the community has taken place since across a variety of projects and engagement mechanisms.

As part of the development of the Nannup Cycle Master Plan (2020), a variety of engagement was undertaken, including:

- Engagement with the Project Steering Committee (which included participation from the Shire of Nannup, the Department of Biodiversity, Conservation and Attractions (DBCA), the Department of Local Government, Sport and Cultural Industries (DLGSCI), Forest Products Commission (FPC), Water Corporation and the Nannup Mountain Bike Club)
- Consultation with user groups
- Key stakeholder consultation
- A user survey was conducted (with over 300 responses)
- Drop in day

User Groups

A stakeholder facilitated workshop hosted in Nannup with 21 community attendees focusing on the themes of: place making, branding, facilities/infrastructure, social/community development, trails, culture, governance, economic development/triple bottom line. A number of representatives from each of the following cycle user groups attended the workshops:

- Nannup Mountain Bike Club
- Ride WA
- South West Mountain Bike Club

Key Community Outcomes from user group consultation included:

- Incorporating cultural components into infrastructure and trail development is important
- Ensure there are low impacts on volunteers
- Develop a brand that becomes internationally recognised, that is unique and identifies Nannup as a trail town
- Ensure maps have accurate trail alignments
- Promote Nannup as the Munda Biddi halfway point service centre and promote Donnelly River Village as a trails hub
- Sanctioned trails to incorporate where possible universal accessibility, link neighbouring towns with multi-use trails
- Ensure sustainability via user pays or sponsorship
- Develop parking areas out of the main street and lobby for public transport to support bike transport
- Develop the town and trails for the local residents, economic benefits from trail development and visitors will result. Important to ensure the character of Nannup is retained
- Develop trails that showcase the environment whilst protecting the bio-diversity
- Develop trails that meet racing specifications and offer repeatable event experiences

User Survey

Two surveys were initiated over the course of the project planning, forming an integral component of the consultation strategy for the Master Plan. The initial survey was developed to better understand the existing trends of the wider cycling community and their preferences for biking development in the Shire of Nannup. Social pinpoint provided an opportunity for cyclists to details proposed routes, points of interest and areas of concern onto a topographical map.

The surveys were developed as an online form and were widely distributed throughout the bike community. It was promoted through user group membership databases, websites and social media, and received input from 308 respondents, with 24 respondents (7%) being from Nannup.

Key Survey Outcomes

- 46% of survey respondents use plantation roads for cycling, followed by 43% using Tank 7 as a cycling base
- Tank 8, Munda Biddi and Timberline trails are well utilised
- Word of mouth and social media are the primary promotion tools
- Trail head to be located in the Nannup townsite and trail access from town is critical, with inter-connecting trails
- Accurate trail and directional signage are critical
- Motorbike riders are concerned that they will lose access to connector trails from Nannup and be excluded from trail areas
- Utilise the rail corridors in the region to establish link trails to neighbouring towns including Margaret River, Busselton and Balingup
- Over 60% of respondents indicated that they would travel further than 100kms to access quality trail experiences
- Only 7% of respondents stay in luxury accommodation. The balance stay in Airbnb, B&B, formal camping and free camping options
- Additional infrastructure requests include directional and interpretive signage, wash down stations and water stations
- A key recommendation in the feedback is to retain the raw, handmade authenticity of constructed trails, that offer differing skill levels options
- Conflicts between trail bikes, mountain bikes and 4WD's identified
- Trailforks, Strava and Garmin are the predominantly used map apps

The extensive consultation undertaken on the Nannup Cycle Master Plan was an inclusive and valuable process, which greatly informed the project outcomes. The consultation generally highlighted the increasing demand and lack of existing trails in the region. User feedback reflected the stakeholder desire to develop sustainable trails for all types and abilities within the recreation and tourism sectors. There is a general community frustration at the length of time required to develop trails and identified need to develop a unified brand so that the region can capitalise on current and future marketing opportunities. The feedback highlighted the need for the Master Plan and reinforced the project vision to develop Nannup as a Trails Town and to support Donnelly River Village as a Trail Town.

Gaps, Constraints and Opportunity Assessment

As part of the Gaps, Constraints and Opportunity Assessment undertaken in September 2020 by Lucid Economics, further consultation with stakeholders was undertaken with the following stakeholders through individual interviews:

- Shire of Nannup
- Melo Velo Café
- Blackwood Café
- Wide Eye Press
- Winwood Estate Winery
- Ray White Real Estate Nannup
- Holberry House
- Nannup Caravan Park
- BigN (Nannup Chamber of Commerce)
- Chestnut Brae
- Southern Forests Honey
- Southern Forests Blackwood Valley Tourism Association
- Time Travel Tours
- Jarrah Glen Cabins
- Nannup Brewing Company
- Ride WA
- Bowling Club
- Flower & Garden committee
- Donnelly River Village

From this consultation, there was overwhelming support for Nannup to become a Trails Town.

Beyond these more formal instruments of consultation, the Nannup Mountain Bike Club has been providing on-going updates to the community (and beyond) regarding the progress of the project.

There has been overwhelming support for the project from the community.

Furthermore, there was a steering group organised to oversee the development of the Nannup Cycle Master Plan and a project steering committee formed to oversee the development of the Tank 7 & 8 Mountain Bike Park. Members of these committees include important stakeholders such as:

- Department of Biodiversity Conservation and Attractions (DBCA)
- Nannup Mountain Bike Club Inc. (NMBC)
- Forest Products Commission (FPC)
- Water Corporation

Considerable stakeholder and community engagement has taken place regarding this project since 2017 and there is overwhelming support for the project.

Letters of support are provided in the attached Appendix A.

4.8. Critical Assumptions

The following critical assumptions have been made:

- **Capital expenditure costs:** the required capital to develop the Nannup Trail Town
- **Trail user demand:** the future utilisation of the identified infrastructure and various stage of the project, which generates the future visitation, tourism and economic benefits of the project.
- **Business and community support:** support from the local business community and residents at large is an important aspect about creating the right environment for the Trails Town and right experience for riders.
- **Approvals and Land-Owner Consent:** the majority of project elements are located on land owned by the State Government and controlled by the Department of Biodiversity, Conservation and Attractions (DBCA). Forrest Products Commission (FPC) also has interested in the area identified for the Native Forest Mountain Bike Park. Approvals and consent from these organisations will be required for the project to progress.

While all of these assumptions are critical to the success of the project, all of them have been strongly supported by the research and planning for this project.

The development of Stage 1 of the project demonstrates that the necessary approvals can be obtained from DBCA and FPC and having gone through this process, the project team is now familiar with the necessary inputs and required actions to obtain approvals.

4.9. Economic and Financial Analyses

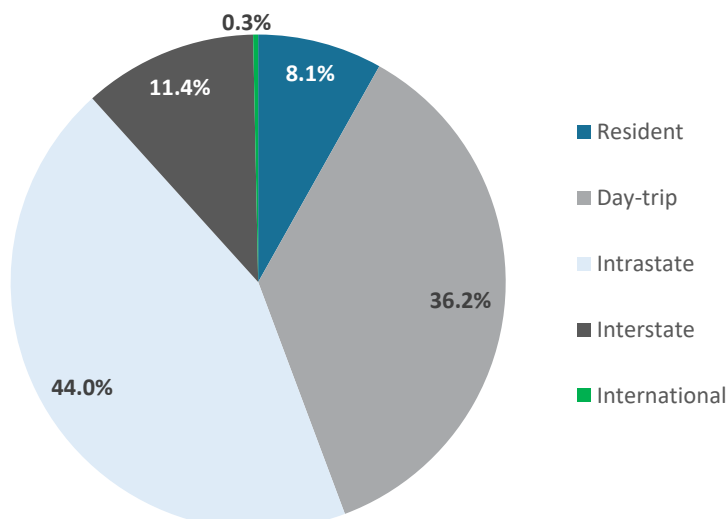
Financial Analysis

Future Demand

Future demand for the Nannup Trail Town was established through future estimates of users by Common Ground (i.e. author of the Nannup Cycle Master Plan and Tank 7 & 8 Concept Plan) and Three Chillies (i.e. designer and builder for Tank 7 & 8).

Estimates were provided for overall utilisation of the Tank 7 & 8 Mountain Bike Park and the average estimate was a total 11,500 users. Based on the results of the user survey (over 300 total responses), the 11,500 users were segmented into various visitor groups, including local residents, day trip visitors, intrastate/interstate and international visitors (Figure 4.13).

Figure 4.13. User Segmentation, Nannup Trail Town



Source: Lucid Economics (2020)

Financial Analysis

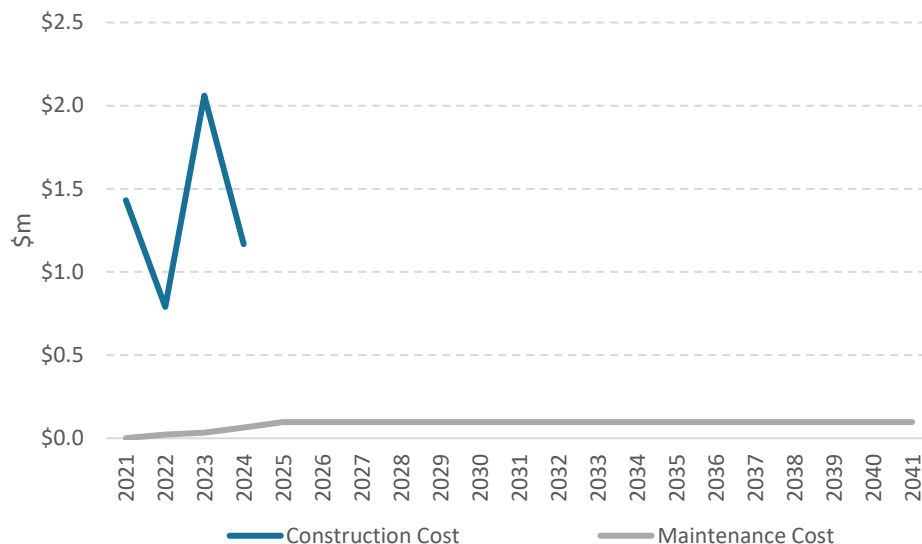
The financial model developed for this project includes a combination of upfront capital funding as well as ongoing maintenance costs. No revenue or income will be generated directly from this project for the Shire (or any private sector operators). The Nannup Mountain Bike Club (NMBC) may be able to generate some future income through the attraction of competition events and hosting these events, however, this future income is considered to be marginal and variable.

The maintenance costs for the various infrastructure projects included in the Nannup Trail Town project will be the major on-going (recurring) cost. These cost will be managed through a combination of volunteer support (i.e. from the NMBC in terms of trail maintenance) as well as through normal maintenance operations of the Shire of Nannup (i.e. for the Freestyle Jump Park, Principal Trailhead and other associated infrastructure in town and at Trailheads in accordance with the typical annual grounds maintenance program). Once fully built out, on-going maintenance costs are estimated at just under \$100,000 per year (based on 1.5% of the capital expenditure).

Refer to Attachment 1 that confirms the Shire's willingness and ability to assume these on-going maintenance costs.

Furthermore, the Shire of Nannup is willing to investigate (and implement if necessary and identified by the elected members as required) a differential rating system that would charge an additional (or higher) rate on properties in the Nannup townsite that benefit from the increase in visitation (generated through the investment and maintenance of the various trail infrastructure identified for this project).

Figure 4.14. Construction and Maintenance Costs, Nannup Trail Town



Source: Lucid Economics (2020)

Economic Analysis

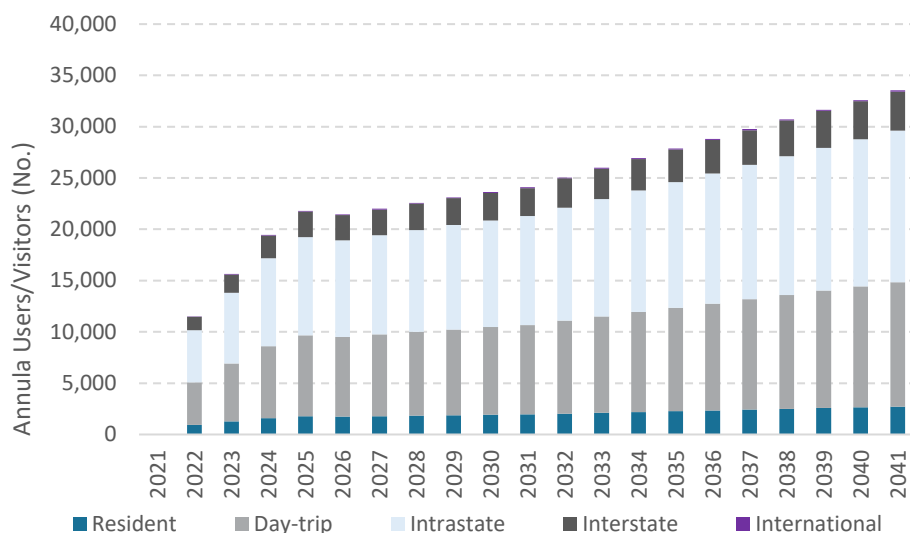
An independent economic impact assessment and cost-benefit assessment has been carried out by Lucid Economics for this project and has been attached as Appendix B. The findings from the report are summarised in this section.

By 2031, the Nannup Trail Town project is expected to attract just over 24,000 annual users, and by 2041 a total of 33,500 users. By 2041, the project will attract 30,800

visitors and 85,400 visitor nights and \$16.6 million in visitor expenditure to Nannup. 30,800 visitors is the equivalent to 36% of the current level of visitors. The project will increase visitation to Nannup by 12% in the first year alone.

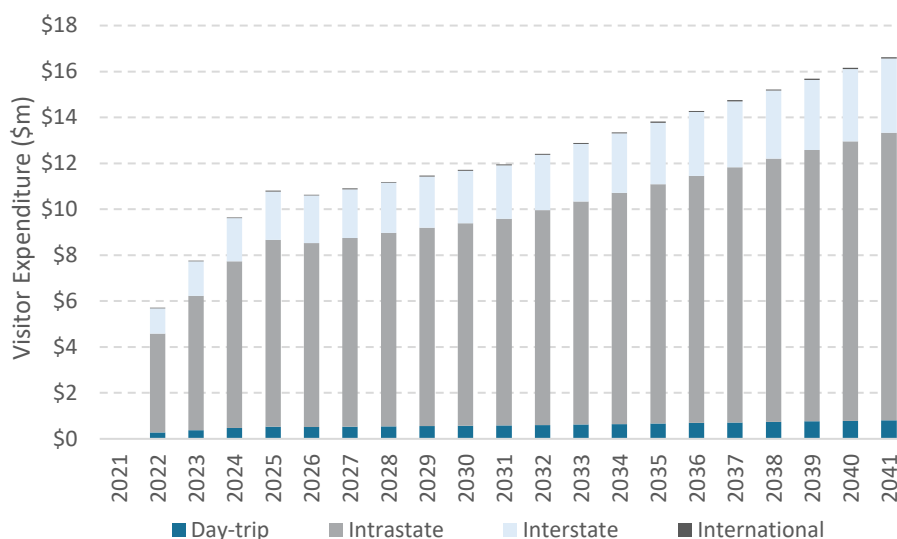
By 2031, the project will create 70 new jobs and by 2041 there will be almost 100 jobs created through this project. By 2031, the project will represent over \$7.3 million in the local economy in Gross Regional Product terms (which represents 9% of the current economy) and by 2041 it will be over \$10 million.

Figure 4.15. Future Users, Nannup Trail Town



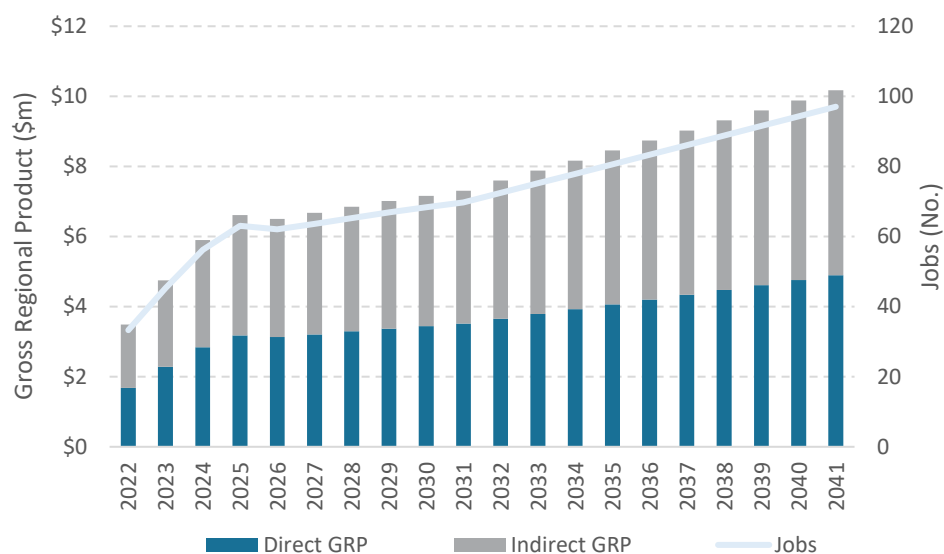
Source: Common Ground (2020); Three Chillies (2020); Lucid Economics (2020)

Figure 4.16. Future Visitor Expenditure, Nannup Trail Town



Source: Lucid Economics (2020)

Figure 4.17. Future Economic Benefits, Nannup Trail Town



Source: Lucid Economics (2020)

Beyond these quantifiable economic benefits, there would be numerous additional economic benefits stemming from the development of the Nannup Trail Town, including:

- **Economic Diversification:** business activity in small towns that rely on only a few industries can be volatile, susceptible to macroeconomic events and shocks outside of the town. The Nannup economy is very reliant upon agriculture and manufacturing (i.e. the Parkside timber mill and the Houghton winery). The Nannup Trail Town can provide greater diversity to the local economy through tourism and visitation.
- **Increased Business Confidence:** any investment that takes place in a small town such as Nannup that can diversify the local economy has significant flow-on benefits. The project has the potential to greatly increase local business confidence, which could trigger additional investments and job creation across the economy.
- **Private Sector Investment:** based on the case study analysis in the Gaps, Constraints and Opportunity Assessment, the increase in visitation generated through the investment in trails infrastructure will encourage private sector investment into accommodation, restaurants, cafes and other specialised businesses. This investment will create additional economic benefits and jobs.
- **Population Growth:** through the increase in investment and jobs (generated by the Nannup Trails Town project), the local population of Nannup is expected to grow as families move to the district to access the new jobs and business opportunities. Population growth in Nannup has consistently been below the region and State. Increasing the local population will drive local consumption and expenditure, creating additional economic and community benefits.
- **Business Sustainability:** all businesses in Nannup are small and by nature any increase in infrastructure that generate additional activity in the town is important and will assist with the ongoing sustainability of local businesses.
- **Profile of Nannup:** if Nannup can transition into a Trails Town, then its profile as a tourism destination will greatly increase. The growing profile, brand and recognition of Nannup grows, it will attract additional visitors, which can provide further economic benefits.

Beyond the economic impacts identified above, a cost-benefit analysis was also conducted for this project. The results of the CBA for the Nannup Trail Town project are highlighted in the following table (Table 4.4).

Table 4.4. Present Values of Costs and Benefits, 2020/21 – 2040/41 (\$m)

	Discount Rate (4%)	Discount Rate (7%)	Discount Rate (10%)
Benefits			
Tourism Benefits	\$44.8	\$33.7	\$26.1
Health Benefits	\$0.0	\$0.0	\$0.0
Total Benefits	\$44.8	\$33.7	\$26.1
Costs			
Construction Cost	\$5.1	\$4.9	\$4.7
Maintenance	\$1.2	\$0.9	\$0.7
Total Costs	\$6.3	\$5.8	\$5.4
Net Present Value			
NPV	\$38.5	\$27.9	\$20.7
Benefit to Cost Ratio			
BCR	7.1	5.8	4.8

At the selected real discount rate of 7% for this project, the analysis yields a **Benefit to Cost Ratio (BCR) of 5.8** meaning that it is economically desirable and provides a net benefit. Even at the higher discount rate of 10%, the project still yields a positive NPV and BCR. At 7% discount rate, for every \$1 in costs associated with the project, there are \$5.77 of benefits.

Under the baseline scenario (without project scenario), none of the identified benefits would be captured nor any of the costs incurred. As such, the scenario with the project provides positive economic and social benefits.

4.10. Assessment of Options

Option 1: Development of the Nannup Trail Town (Staged)

This option would see the development of the Nannup Trail Town across its identified stages as identified in this business case. This option would deliver the identified economic and community benefits identified above. Through the staged approach, new elements are added over time, creating the impetus for visitors to return to experience the new elements.

Option 2: Development of the Nannup Trail Town (Combined Stages)

This option would see the development of all four stages of the Nannup Trail Town take place at the same time. This option would deliver all the identified economic and community benefits upfront. However, given the size and scale of the project, doing all of the development at one time may prove to overwhelm the local team and environment.

Option 3: No Further Investment

This option would see the project finish after Stage 1 (Tank 7 & 8 Mountain Bike Park). While this option would provide economic benefits, they would be limited to just the Stage 1 of the project. Furthermore, through not undertaking Stages 2-4, it is unlikely that Nannup will be able to build the critical mass of visitors nor the unique and diversified trail offering to attract private sector investment, which would limit the economic and community benefits of the project.

Preferred Option

The preferred option is Option 1 as this option provides the maximum economic and community benefits.

4.11. Funding Strategy

The total project cost is highlighted in the following table, by stage, including elements for which funding has been received as well as areas that still require funding.

Table 4.5. Nannup Trail Town, Total Costs

Stage	Description	Budget (ex GST)
Stage 1	Tank 7 & 8 (currently underway)	\$1,464,743
Stage 2	Southern Traffic Bridge, Freestyle Jump Park, Signage, Branding and Mapping for Gravel and Road Cycling Routes, Link to Donnelly River Village	\$789,956
Stage 3	Native Forest MTB Park	\$2,060,115
Stage 4	Principal Trailhead	\$1,167,611
Total		\$5,482,425

4.12. Total Budget

The following tables provide a further breakdown of the budget for each stage of the project. For each stage, costings have been developed by a quantity surveyor, an industry leading expert design firm or have been guided by the Rawlinsons Construction Cost Handbook, in order to provide a high level of quality and confidence in these figures. For some unique elements of future stages, costings have been based on recent costings for similar projects.

Stage 1: Tank 7 & 8 (Currently Underway)

Item of Expenditure	Budget (\$)	Source of Funds	Quality of Estimates	Has the Funding been Secured?
Part 1 (Trails 2-6, 10-11, 14, 19)	\$700,000	Drought Funding Program	High. Three Chillies (2020)	Yes
Part 2 (Trails 1, 7, 9, 12-13, 15-16)	\$294,201	Local Roads and Community Infrastructure Funding (2 rounds)	High. Three Chillies (2020)	Yes
Part 3 (Trails 8, 17, 18, 20)	\$158,016	South West RED Grant	High. Three Chillies (2020)	Yes, \$52,216 of costs remain unsecured
Town Trail Link Sealing	\$35,000	State of WA / Federal Government	High. Rawlinsons Construction Cost Handbook (2020)	No

Trailhead	\$51,935	State of WA / Federal Government	High. Rawlinsons Construction Cost Handbook (2020)	No
Parking	\$175,950	State of WA / Federal Government	High. Rawlinsons Construction Cost Handbook (2020)	No
Signage	\$49,642	State of WA / Federal Government	High. Rawlinsons Construction Cost Handbook (2020)	No
Total	\$1,464,743			

The detailed costing developed by Three Chillies Design is attached as Appendix C.

Stage 2: Southern Traffic Bridge, Freestyle Jump Park, Signage, Branding, Mapping for Gravel and Road cycling routes and Donnelly Link

Item of Expenditure	Budget (\$)	Source of Funds	Quality of Estimates	Has the Funding been Secured?
Southern Traffic Bridge	\$472,830	WA Dept of Transport / Shire of Nannup	High. Quantity Surveyor	Yes, \$118,208 remained unsecured
Freestyle Jump Park	\$213,473	State of WA / Federal Government	High. Based on costs of similar projects	No
Signage	\$25,000	State of WA / Federal Government	High. Jason Sign Makers (2020)	No
Marketing and Branding	\$25,000	State of WA / Federal Government	High. Nymmbi (2020)	No
Donnelly Link	\$53,653	State of WA / Federal Government	High. Jason Sign Makers (2020)	No
Total	\$789,956			

The quotes from Nymbl, the developer of the 'Find the Fun' app for Margaret River that is the template for the Nannup Tool, and the Department of Transport are attached as Appendix D.

Stage 3: Native Forest Mountain Bike Park

Item of Expenditure	Budget (\$)	Source of Funds	Quality of Estimates	Has the Funding been Secured?
Trail Development	\$1,442,110	State of WA / Federal Government	High. Three Chillies (2020)	No
Trailhead	\$142,378	State of WA / Federal Government	High. Rawlinsons Construction Cost Handbook (2020)	No
Parking	\$158,355	State of WA / Federal Government	High. Rawlinsons Construction Cost Handbook (2020)	No
Signage	\$48,561	State of WA / Federal Government	High. Jason Sign Makers (2020)	No
Detailed Design and PM	\$268,711	State of WA / Federal Government	Based on 15% of total costs	No
Total	\$2,060,115			

Stage 4: Principal Trailhead

Item of Expenditure	Budget (\$)	Source of Funds	Quality of Estimates	Has the Funding been Secured?
Trailhead	\$237,266	State of Western Australia	High. Rawlinsons Construction Cost Handbook (2020)	No
Parking	\$105,570	State of Western Australia	High. Rawlinsons Construction Cost Handbook (2020)	No
Directional Signage	\$26,826	State of Western Australia	High. Jason Sign Makers (2020)	No
Challenge Park	\$500,000	State of Western Australia	High. Based on other similar projects	No
Playground	\$150,000	State of Western Australia	High. Imagination Play (2020)	No
Detailed Design and PM	\$147,949	State of Western Australia	Based on 15% of total costs	No
Total	\$1,167,611			

4.13. State Government Funding Amount

The project has received considerable funding to date, including from the Shire, Commonwealth Government, South West Development Commission and the WA Department of Transport. The project required an additional \$4,027,802 to complete all stages of the project.

The following table shows the remaining required funding to complete the project.

Additional Funding Required to Complete the Project

Item of Expenditure	2020/2021	2021/2022	2022/23	2023/2024	2021/2022 - 2023/24
Stage 1	\$364,743				\$364,743
Stage 2		\$435,333			\$435,333
Stage 3			\$2,060,115		\$2,060,115
Stage 4				\$1,167,611	\$1,167,611
Total	\$364,743	\$435,333	\$2,060,115	\$1,167,611	\$4,027,802

4.14. Sustainability and Ongoing Viability

The on-going maintenance costs are estimated to be \$97,000, once the project is fully developed. The Shire of Nannup will be responsible for maintenance of the following built infrastructure:

- Trailheads
- Challenge Park
- Playground
- Landscaping for Principal Trailhead

The Shire of Nannup will absorb this maintenance into its routine annual maintenance program.

The trails will be maintained by the Nannup Mountain Bike Club.

Given the nature of this infrastructure, there are no on-going operating costs (outside of the maintenance costs).

4.15. Project Timeframe and Key Milestones

The following table highlights the project timeframe and key milestones.

Main Activities (Milestone)	Commencement Date	Completion Date	Responsibility
Stage 1			
Tank 7 & 8 (currently under construction)	Nov-20	Dec-21	Shire of Nannup
Stage 2			
Southern Traffic Bridge	Jul-21	Jun-23	Shire of Nannup
Freestyle Jump Park	Jul-21	Jun-23	Shire of Nannup
Signage, Branding and Mapping	Jul-21	Jun-22	Shire of Nannup
Donnelly Link	Jul-21	Jun-22	Shire of Nannup
Stage 3			
Native Forest Mountain Bike Park	Jan-22	Jun-23	Shire of Nannup
Stage 4			
Principal Trailhead	Jul-23	Jun-24	Shire of Nannup

4.16. Risk Analysis

Risk Assessment Framework

There are three main areas of risk for the Nannup Trail Town Development project:

1. Development risk
2. Operational risk
3. Governance risk

Risk Methodology

A Likelihoods and Consequences-based matrix approach has been used for assessing the risk profile of the project. This approach considers both:

- The likelihood that a risk will occur
- The subsequent consequences to the project

By doing so, a weighted assessment of project risk is undertaken, allowing for risks to be ranked in terms of their serious and management plan initiatives and actions appropriately targeted.

Table 4.6. Likelihood and Consequences Risk Assessment Matrix

		Likelihood				
		1	2	3	4	5
Consequence	1	1	2	3	4	5
	2	2	4	6	8	10
	3	3	6	9	12	15
	4	4	8	12	16	20
	5	5	10	15	20	25

There are four different categories of risks:

1. Low Risk (Total Scores 1-4) – risks with a low likelihood and consequence
2. Moderate Risk (Total Scores 5-10) – risks that have a more moderate likelihood/consequence combination (either both having moderate scores or one has a high score and the other a low score)
3. High Risk (Total Score 12-16) – risks where both likelihood and consequences scores are moderate or high
4. Extreme Risk (Total Score 20-25) – risks where both likelihood and consequences scores are very high

The treatment of each of these risks categories varies. While it is generally sufficient to simply note Low Risks, Moderate Risks usually require some form of ongoing monitoring. In contrast, High and Extreme Risks are usually the subject of targeted mitigation actions.

Risk Identification

The following major risks for the Nannup Trail Town have been identified:

Development Risk

1. **Capital Expenditure Costs:** Capital costs on trail infrastructure can have variances for a variety of reasons.
2. **Development Timing:** If the timeframe identified for project deliver is extended due to some sort of complication during the development period, project costs could escalate and benefits be delayed.

Operational Risk

3. **Operating Viability:** There are a variety of factors of the operation of the Nannup Trail Town project that can impact its operational viability, including:
 - **Low demand:** There are numerous competing locations, particularly for mountain biking. Actual demand could be lower than expected.
 - **Higher than expected operating costs:** Maintenance costs may be higher than expected.
4. **Liability:** liability is an issue in terms of operating on public sector infrastructure for a recreational activity where trail users could become injured or damage property. Understanding the risks associated with trail use and mitigating these risks and the liabilities associated with them will be important.

Governance Risk

5. **Governance Risk:** Having the appropriate governance structure is important for any project to succeed. Governance provides organisations with clear responsibility, which can help to ensure project success. Ensuring appropriate structures are in place within the organisation as well as having the necessary experience are important to project success.

Risk Mitigation

The key risks identified that may impact the delivery of the Nannup Trail Town Development objectives along with proposed mitigation strategies are outlined in the tables below.

Table 4.7. Nannup Trail Town, Risk Assessment

Risk	Likelihood	Consequence	Risk Level	Comments	Mitigation Actions
Higher than assumed capital expenditure costs	3	3	Moderate	Capital costs on trail infrastructure can have variances for a variety of reasons (i.e. materials, unforeseen issues, etc.)	Detailed design and costings will be prepared for each Stage and contracts for construction will include safeguards against price escalations.
Development timing is extended	3	3	Moderate	A specific development timeframe has been established for this project and if the timeframe is extended due to some sort of complication during the development period, project costs could escalate and benefits be delayed.	The development timeframe will be negotiated and included in the contract with the selected contractor.
Low demand (i.e. trail users)	3	2	Moderate	There are numerous competing destinations, particularly for mountain biking.	The Nannup Trail Town will offer a range of different experiences, specifically for mountain biking, as well as cater to a number of other trail users, thereby creating a unique and attractive experiences.
Higher than expected maintenance costs	3	3	Moderate	Maintenance costs could be higher than envisioned.	The Shire of Nannup has capacity to cover higher maintenance costs. Additionally, the Shire may also consider a differential rate scheme to assist in contributing to maintenance costs.
Insurance and liability	2	4	Moderate	A liability exists from trail users utilising public sector infrastructure and recreating on public lands.	DBCA (as the land manager) operates State and National forests around Western Australia and is experienced at managing this risk. The Nannup Tool will also provide a range of maps and will function without a mobile phone signal, which will reduce the chance of a trail user becoming lost and/or disoriented.

Risk	Likelihood	Consequence	Risk Level	Comments	Mitigation Actions
Misadventure or injury to a visitor	3	5	High	All mountain bike riding involves some risk. Most risk is within the control of the rider – i.e. the rider's responsibility to know the capabilities and limitations of the bike and to ride within his or her limits of strength, experience and skill. Additionally, there are certain environmental risks from trail users operating in State Forests.	Sufficient warnings will be provided across the range of marketing materials and the Nannup Tool. Additionally, all trails will be sign posted in regard to their difficulty so as to make riders aware of the likely challenges to be faced on the trail. Warning signs will be posted at each Trail head location.
Operational governance	1	4	Low	Having the appropriate governance structure is important for any project to succeed.	The Shire of Nannup will implement a steering group to oversee the project with representation from DBCA, FPC and other important stakeholders.

4.17. Local Content

The Shire of Nannup has an existing purchasing policy (policy ADM 4). This policy provides a framework to ensure all goods and services are procured in a manner that supports a full, fair and reasonable opportunity for regional businesses. Furthermore, the policy provides guidance to specifically support local businesses.

Outside of specialty equipment (i.e. challenge park equipment, playground equipment, toilets, etc.) all inputs into the project will be sourced from the local and regional market, ensuring benefits flow to the regional communities across the South West.

Equipment purchases will likely be made within Western Australia, ensuring all benefits are retained within the State.

Furthermore, the economic analysis showed that over 100 jobs (recurring) will be created locally in Nannup over the life of the project.

The Shire of Nannup purchasing policy is attached as Appendix E.

4.18. Aboriginal Participation

The Nannup Trail Town intends to engage and foster productive relationships and provide economic opportunities for Aboriginal and Torres Strait Islander people in the South West region.

This could be achieved through:

- The provision and creation of new jobs across the region (to service the increase in visitors)
- The procurement and contracting practices of the development phase of the project will be open to all businesses, including Indigenous businesses

Locations that are popular for riding can sometimes coincide with sites of significance for traditional owners, given they can both occur in natural, relatively undisturbed areas. Should detailed site planning progress for any of the locations recommended in this Master Plan, traditional owners will be consulted in accordance with the relevant legislation and any requirements of the South West native title settlement.

The relatively small number of local Aboriginal and Torres Strait Islander people in the labour force in the South West will limit the actual number who could be involved. The Trails Town will be all inclusive in its engagement and any employment opportunities which evolve, in particular when opportunities in trail development, should arise. There may also be potential to include cultural tourism as part of the Trail Town including tour guiding and cultural experiences

4.19. State Funded Infrastructure and Apprenticeship Participation

While only one stage of the Nannup Trail Town exceeds \$2 million (i.e. Stage 3, \$2.06 million), the Shire of Nannup will seek to adhere to the Government Building Training Policy and support the use of apprenticeships and traineeships through the tendering process.

5. IMPLEMENTATION STRATEGY

5.1. *Communication Plan*

General Tourism Promotion and Destination Marketing

Promotion is a vital part of cycling and can increase both recreation, tourism and event markets. The best marketing for a cycling destination is achieved through inspiring advocates amongst existing users through the creation of desirable and marketable trails.

Key government agencies and major cycling bodies promote the activity and benefits of cycling in general. State, regional and local tourism organisations, and visitor centres are the bodies which market and promote the region and its destinations. Typically, promotion is focused on websites, social media, media familiarisations, and printed material such as visitors guides, but can include television commercials. Australia's South West is the tourism body responsible for promoting the region. With all forms of cycling increasing in popularity, promotion of opportunities is on the rise, Australia's South West webpage highlights a number of different opportunities in the South West, notably the Munda Biddi and Old Timberline Trail in Nannup.

At a state level Tourism WA and WestCycle commissioned the WA Cycle Tourism Strategy in 2018 to identify the potential of the cycle tourism market and outline development priority areas. In this strategy marketing and events were outlined as key priorities in order to raise the profile of WA as a cycle tourism destination, encourage regional dispersal and deliver the greatest return on investment.

Various tourism bodies are responsible for promoting the region. The Southern Forests & Valley Tourism Association will provide destination marketing and visitor servicing when they commence trading in 2020. Trail based activities are promoted as a key attraction within the region through the Trails WA, Total Trails and Australia's South West websites and trail user bodies, DBCA, commercial operators and event promoters.

The Shire of Nannup has produced a trails map that incorporates all local trails for visitor information and there is a regional map at the Trailhead on Brockman St and at the Nannup Visitor Information Service.

Local tourism organisations and visitors centres also typically depict cycling, but also have limited trail information or direct marketing. The Munda Biddi Trail Foundation (MBTF) undertakes targeted marketing and promotes and provides information on the Munda Biddi Trail. A series of commercial maps are available and the website features comprehensive information on the trail including listing cycle friendly businesses.

Although not limited to cycling trails, Trails WA is the current leader in online promotion of trails through its website and social media. The website hosts detailed information, maps and links to multiple formats of digital trail information. While providing a snapshot the current marketing is not targeted and lacks sufficient detail for the enthusiast and sport markets. Online information sources such as Trailforks and Strava are also generally the go to for cyclists seeking information regarding trails in an area.

The region's most significant promotion comes through events, especially the Tour of Margaret River which attracts a high level of intrastate competitors. Typically, this event has magazine, social and online coverage as well as numerous advocates leaving the region and state. Seven and Dirt gravel events are also attracting significant interest highlighting the diversity of cycling opportunities in the region. Most of the other events in the region also generate advocates who promote the region. Many of the regions other events are well promoted

nationally to the cycling community including through magazines and on mountain bike community websites. The region's trails have been sporadically featured within magazines however typically are not well represented on industry and community trail databases.

Marketing

Marketing and promotion of the Nannup Trail Town experience needs to be appropriate to the level of development and to the intended markets. The diversity of experience can be packaged and marketed to entice longer stays and repeat visits. The marketing strategy will grow as various stages of the project are added and promotional efforts will be jointly conducted with the support of various tourism associations, such as Australia's South West, which will help to amplify the market and reach of any campaigns.

It is important to ensure promotion of trail opportunities and experiences is appropriate to the level of development and the intended markets. On an ongoing basis, it will be important to maintain up to date, accurate trail information to ensure accurate communication and accessibility for users. Content development and management (including continual updates) is often the biggest challenge for destinations as no one agency takes the lead. It will be vital for the Shire of Nannup to invest in a resource (either in-house or external) who will be responsible for generating or commissioning editorial and imagery and management of the brand. This will ensure consistency of the messaging, inspirational content development and that the key messages are adapted by the industry and promoted through external partners and networks.

The Nannup Tool (app)

The Nannup Tool (app) will be a valuable resource in terms of marketing and communicating with visitors about the region and connecting them to the experience, product or service that they required. Providing this level of local visitor servicing is important and as visitor's have positive experiences in Nannup, these messages can be shared with others.

Events

At a state level there has been a noted increase in the promotion of cycle tourism over the past few years, particularly since the launch of the WA Cycle Tourism Strategy. Traditionally this has been driven by event marketing, though specific cycle tourism promotions have started to appear and significant funding has been made at a state level to the development of trails and cycle tourism across the greater south west. Nannup has already experienced an increase in cycling events over the last few years. Events can be very effective in promoting and marketing an area through the various media that the events generate.

Branding

The Shire of Nannup currently engages the brand of 'Rest, Connect, Grow', with a connection from their website to a comprehensive business, community and tourism website titled 'Everything Nannup'. Developing a strong brand around the Nannup Trail Town will be important to building its reputation as a tourism and trails destination. Careful consideration is required and the brand will likely emerge over time, creating a unique brand that will resonate with visitors over the long-term.

Social Media

Social media has already been used by the Shire of Nannup as an effective tool to communicate with the community and interested stakeholders in this project. The Shire of Nannup can reach in excess of 11,000 people through the existing social media platform and has been communicating with this audience regarding the progress of Stage 1 (Tank 7 & 8 Mountain Bike Park).

Figure 5.1. Nannup Mountain Bike Club Facebook Post Regarding Tank 7 & 8

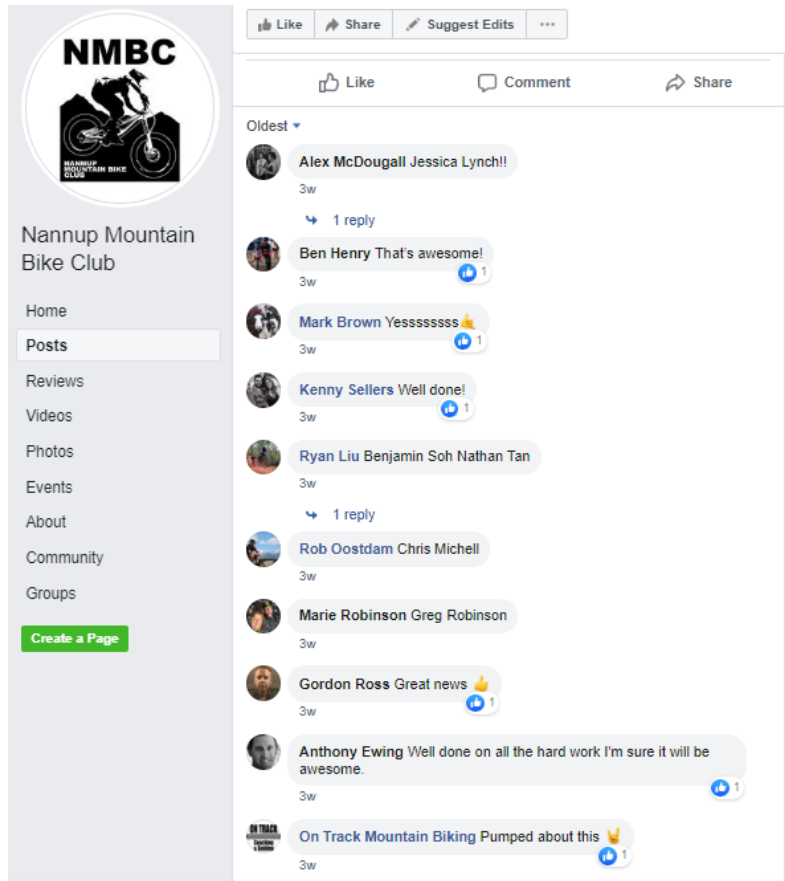



Figure 5.2. Nannup Mountain Bike Club Facebook Page

facebook


Email or phone Password [Log In](#)

[Forgotten account?](#)




Nannup Mountain Bike Club


- Home
- Posts
- Reviews
- Videos
- Photos
- Events
- About
- Community
- Groups



[Like](#) [Share](#) [Suggest Edits](#) [...](#) [Send Message](#)

Posts

 **Nannup Mountain Bike Club** shared a video from the playlist **WA Pump Tracks**.
17 November at 01:08 · [Public](#)



366 Views

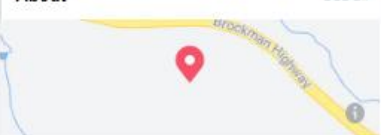
MTB Guidebook posted a video to the playlist **WA Pump Tracks**.
16 November at 22:56 · Boddington, WA · [Public](#)

A small town next to one of Australia's largest gold mines is a pretty place with a new pump track, skate park and playground on the river.

Community [See all](#)

794 people like this
842 people follow this

About [See all](#)



[Hills of Nannup \(3,616.70 km\)](#)
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5.2. Project Management

The Shire of Nannup will manage the construction and operations of the various trails and other infrastructure included in this project.

Shire of Nannup's capacity to Project Management large works has been established over time. An overview of the following projects indicates the Shire's capacity to deliver large projects, like the Nannup Trials Town.

- Construction of Mowen Road from 2010 – 2015 ~ \$7.8m
- Main Street Upgrade 2014 – 2018 ~ \$1m
- Establishment of all Fire & Emergency centres ~ \$100,000 each and include East Nannup, North Nannup, Cundinup, Darradup, Scott River
- Jalbarragup Bridge ~ \$800,000
- Foreshore redevelopment and riverside trail development
- 2011/12 Spending on materials and contracts was \$1.15m mainly on Road Construction
- 2012/13 Capital expenditure was \$6,912,497 and works spending was \$5,738,000 with the main street expenditure being \$94,000 in that year.
- 2013/14 Capital expenditure was \$4,969,613
- 2014/15 Recreation Centre received an upgrade with \$1,177,750, other infrastructure projects value spent was \$1,623,542
- 2015/16 Road construction was \$2,348,250
- 2016/17 Road construction was \$1,022,000
- 2017/18 Road construction \$1,523,000
- 2018/19 Road construction \$603,000
- 2019/20 Materials and project expenditure was \$3,700,843

Over the last 10 years, more than \$32M worth of infrastructure projects have been successfully managed and developed by the Shire of Nannup.

The Shire will appoint a dedicated project manager for this project. The project manager will report back to the Shire through a Project Steering Committee that will be formed to oversee the project. The Project Steering Committee will include a variety of key stakeholders including DBCA, DRIRD, SWDC, FPC and Ride WA.

5.3. Project Governance

The Nannup Trail Town Development will be governed through the following project governance framework.

Table 5.1. Project Governance Framework

Governance Framework	
Steering Group Membership	<p>Department of Biodiversity, Conservation and Attractions (DBCA) Ben Tannock Sue Trigwell</p> <p>Department of Primary Industries and Regional Development Nominated Person, Project Sponsor</p> <p>South West Development Commission Billy Westmead</p> <p>Shire of Nannup David Taylor, CEO Nicole Botica</p> <p>Nannup Mountain Bike Club (NMBC) Irene Schmutz</p> <p>Forrest Products Commission (FPC) Henry Haussen, Strategic Planner Soni Lamond, Community Engagement Leader</p> <p>Water Corporation Mark Irving</p>
Interested Stakeholders	WestCycle, Department of Local Government Sport and Cultural Industries (DLGSCI), Margaret River Offroad Cycling Association (MRORCA), Peel Mountain Bike Club (PMBC), BigN
Objectives	<p>The development of Nannup as a Trails Town will require a variety of trails related infrastructure (including new trail development, trailheads, riding parks, marketing materials and other associated infrastructure). The overall network of trails and other experiences will be available to mountain bikers, road cyclists, gravel cyclists, canoe/kayakers and other trail users, such as equestrian riders.</p> <p>Through the development of this infrastructure, a wide variety of visitors will be attracted to Nannup, delivering a considerable economic benefit.</p> <p>The development of infrastructure should have consideration for underlying conservation and cultural heritage values and land tenure. The completion of all required planning and approvals (particularly from DBCA through the Mountain Bike Guidelines) will be required as well as detailed design.</p> <p>The Project Steering Committee will provide overall guidance and advice to the project manager throughout the development of the project.</p>

Governance Framework		
Meetings	Monthly at the Shire of Nannup offices, to be organised and hosted by the Shire.	
Management Model	Owner(s)/Land Manager(s)	Department of Biodiversity, Conservation and Attractions (DBCA) Forrest Products Commission (FPC)
	Operator	Nannup Mountain Bike Club (NMBC)
	Monitoring	NMBC to provide quarterly trail counter statistics capable of being uploaded to DBCA VISTAT database. NMBC to conduct annual trail user survey. NMBC and Shire of Nannup to facilitate ongoing trail quality monitoring and create protocols for users to report issues. DBCA to carry out annual visitor risk management assessment.
Scope & Scale	Significance & Importance	SW Mountain Bike Master Plan 2015 'Regionally significant hub'.
	Scale	The development of concept designs as well as detailed design will be carried out for each stage, in accordance with DBCA standards. Various infrastructure to support the trail network(s) will be created (i.e. trailheads, parking, water stations, signage, etc.)
	Rationale	Provide a world-class trail network with a range of experiences across different trails and for different trail user groups in order to attract visitors and create economic stimulus and diversification.
	Proposed Use	Recreational uses (including visitors and residents) as well as hosting larger sporting events.

Source: Shire of Nannup

Licenses and Approvals

The following licenses and approvals will be required for this project:

- Approval from landowner(s)/manager(s)
- Environmental disturbance approval (DBCA)
- Department of Transport signage approvals (Dept of Transport)
- Development and building approvals (Shire of Nannup)

The Shire of Nannup has already been through the license and approvals process for the development of Tank 7 & 8. The process is well known to the Shire and the necessary approvals will be sought during the detailed design phase of each future Stage of the project.

Stage 1: Tank 7 & 8 Mountain Bike Park has all the necessary approvals.

5.4. Procurement Strategy

The Shire of Nannup purchasing policy complies with the Local Government Act, 1995 and the Local Government Act (Functions and General) Regulations, 1996 and management is committed to setting up efficient, effective, economical and sustainable procedures in all purchasing activities. The policy includes:

- i. Provides the Shire of Nannup with an effective way of purchasing goods and services.
- ii. Ensures that purchasing transactions are carried out in a fair and equitable manner.
- iii. Strengthens integrity and confidence in the purchasing system.
- iv. Ensures the Shire of Nannup receives value for money in its purchasing.
- v. Ensures that the Shire of Nannup considers the environmental impact of the procurement process across the life cycle of goods and services.
- vi. Promotes effective governance and definition of roles and responsibilities.
- vii. Upholds respect from the public and industry for the Shire of Nannup's purchasing practices that withstands probity.

All Procurement will comply with the Shire's existing policy, which is attached as Appendix E.

Objectives of Shire of Nannup Purchasing Policy ADM 4:

- To ensure compliance with the Local Government Act, 1995 and the Local Government Act (Functions and General) Regulations, 1996 (as amended).
- To deliver a best practice approach and procedures to purchasing for the Shire of Nannup.
- To ensure consistency for all purchasing activities that integrates with all the Shire of Nannup's operational areas.

5.5. Supporting Documents

The following supporting documents are attached or linked to this Business Case.

- Nannup Cycle Master Plan 2050
- Tank 7&8 Concept Design
- Warren -Blackwood 2050 Cycling Plan
- South West MTB Master Plan
- Leewin Naturaliste 2050 Cycle Strategy
- Lucid Economics Nannup Trail Town, Economic Impact Assessment and Cost-Benefit Assessment
- Lucid Economics Nannup Trail Town Gaps, Constraints and Opportunity Assessment
- Shire of Nannup Purchasing Policy ADM 4
- Letters of Support

6. SIGNING OF BUSINESS CASE

6.1. Sign-off

I confirm that the information contained in this Business Case is true and correct.

The Shire of Nannup			
Business Case Author		CEO / DG Signed	
Signed Completed by	Nicole Botica	Approved by	David Taylor
Position	Economic & Community Development Officer	Position	Chief Executive Officer
Date	13/04/2021	Date	13/04/2021