Te Ara o Taruheru – Taruheru River Pathway

Single Stage Business Case

March 2026

Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

TAPUWAE
TAIRĀWHITI
TRAILS

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1. EXECUTIVE SUMMARY

Te Ara o Taruheru - Whakahono Hapori

The Taruheru River Pathway - connecting communities

For centuries, the Taruheru River has been at the heart of Tūranganui-a-Kiwa Gisborne. Now we have an opportunity to transform this natural asset with a **vibrant, connected pathway** that serves our people and our future.

The Taruheru River Pathway will provide safe and accessible walking, cycling and wheeling connections along the awa. Connecting west to east neighbourhoods, the Taruheru River Pathway forms **the backbone of Gisborne's active travel network,** enabling people to move easily between home, school, work, and community.

The Taruheru River Pathway is the crucial next link in the active travel route that encircles the city, with the vison of connecting this pathway with Midway Beach and Te Oneroa Walkway, **improving safety, reducing transport costs, and enabling everyday participation in education, employment, and social life.**

Why The Taruheru River Pathway Matters

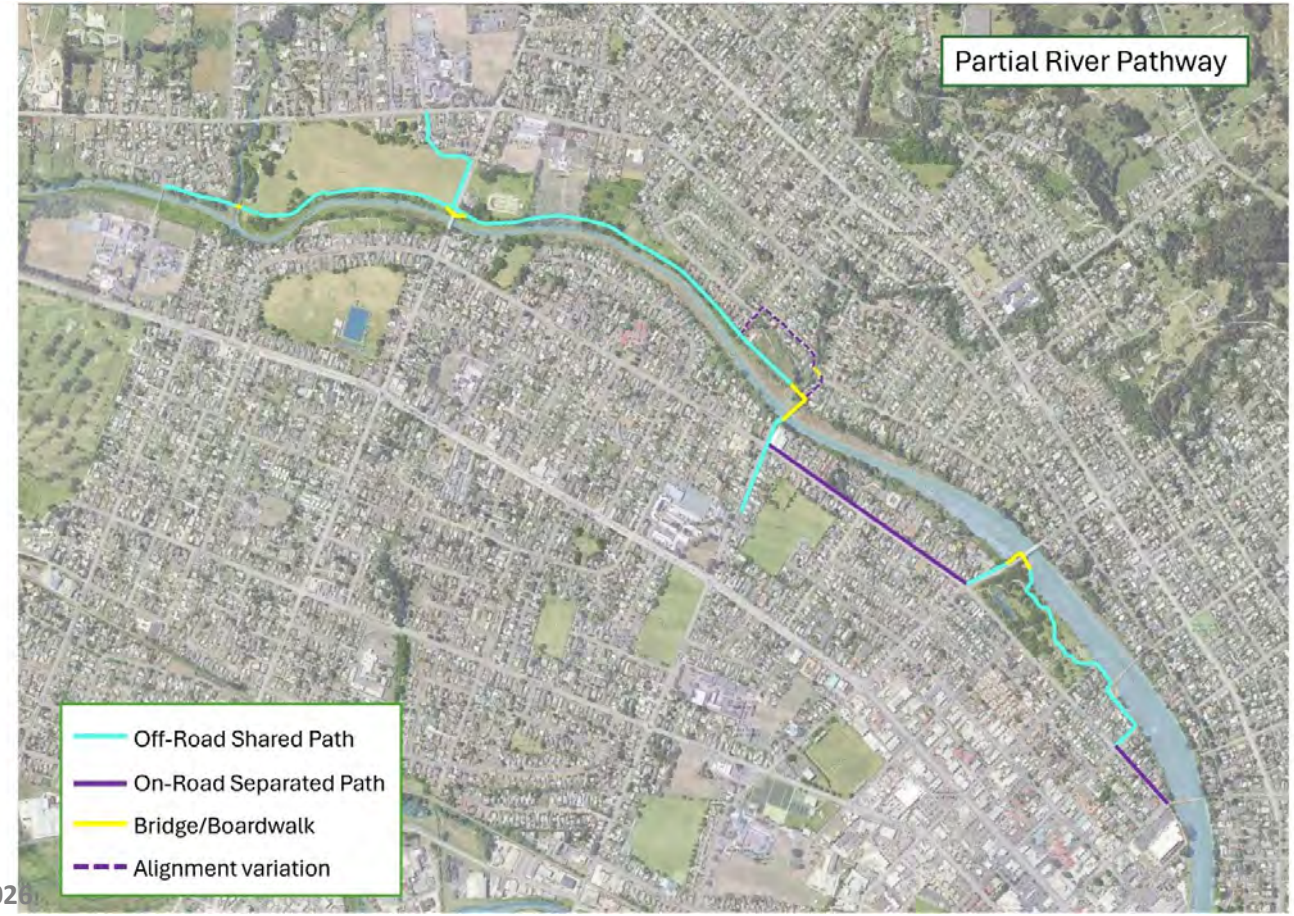
Almost half of Gisborne's population lives within a five-minute bike ride of the Taruheru river corridor. Yet today, west–east active travel routes are fragmented, unsafe, and inaccessible for many. The pathway addresses this gap by unlocking a key active transport route providing a protected, healthier alternative to motorised travel, reducing reliance on cars and opening a desirable social recreation area. It's not just a path—it's a lifeline for safer travel, improved wellbeing and stronger community connections. With current elevated living costs, this infrastructure functions as a social and economic equaliser.

What's proposed

The proposed Taruheru River Pathway is a **safe, accessible, pathway** running along the Taruheru River, **from Derby Street to Campion College**. It would enable a range of uses including walking, cycling and wheeling, and support commuter and recreational travel alike.

The route would be a mixture of off-road concrete pathway, widened footpaths, and on-road separated cycleways.

Figure 1: Preferred Pathway



A long time in the making

A Taruheru river walkway has been discussed since the 1960s and a part of Council's long-term plans since 2009.

Earlier feasibility work identified a full riverside pathway route option with a capital cost in the order of **$33 million**. External funding was not awarded for stage one of this pathway route option, and the subsequent Memorandum of Understanding with the Tapuwae Tairāwhiti Trails Trust (TTT) prompted a review of the previous work to explore more feasible pathway route options while retaining the active transport, wellbeing and connectivity benefit outcomes.

Positive development adds demonstrable value

This supplementary business case identifies a preferred pathway and significant improvements on benefit-cost ratio. The new pathway, consisting of a mix of on-road and off-road pathway route options, has reduced the expected capital cost to **$15.7 million**, and lowered lifetime costs. During business case development, several risks identified in earlier studies have been mitigated.

The new pathway proposal is financially affordable, scalable, and well aligned with Council's long-term investment capacity, while delivering exceptionally strong value for money relative to its cost.

Partnership and Progress

Council and the Tapuwae Tairāwhiti Trails Trust (TTT) have partnered closely to advance this project, ensuring it reflects community aspirations and cultural values. The pathway will tell the stories of the awa, honouring its significance while creating a safe space for all ages and abilities.

The Funding Approach

The Taruheru River Pathway represents a moderate-scale but high-value infrastructure investment with an estimated capital construction cost of **$15.7 million** for the preferred Pathway route option 5 alignment. This cost includes a 30% contingency and 20% allowance for professional services, reflecting the project's current level of design maturity.

When assessed over a 40-year asset life, the present-value whole-of-life cost is approximately $18.6–$18.7 million, inclusive of ongoing maintenance and renewals.

The project will be funded through a **multi-source funding model** including direct Council capital contributions, partnership funding from community funding partners and potential targeted applications to the National Land Transport Fund (walking and cycling activity class). This diversified funding approach reduces reliance on any single funding stream, improves resilience to funding uncertainty, and aligns with Council's already committed funding through the Three-Year Plan.

Delivery Approach

A key strength of the preferred pathway route option is its ability to be delivered in stages, allowing construction to be sequenced in line with confirmed funding and delivery capacity. Staging enables early delivery of high-use sections, spreads capital expenditure over multiple years, and reduces financial risk while still realising immediate benefits. This approach also provides **flexibility** to respond to future funding opportunities, adapt to suit budget constraints and to integrate delivery with other Council infrastructure programmes.

Stage 1 | Campion Bridge to Dalrymple Road	$6.87m
Stage 2 | Mitre 10 to Roebuck Road	$2.08m
Stage 3 | Roebuck Road to Stanley Road	$4.42m
Stage 4 | Stanley Road to Dalrymple Road	$2.35m

A Transformational Investment

Robust Cost-Benefit Analysis demonstrates that the pathway delivers exceptional returns. Improved health outcomes from increased activity, better educational and cognitive outcomes for school-aged users, enhanced resilience, and wider economic benefits together generate an estimated return of **$251.8M,** representing **$13.50 of benefits for every $1 invested**, even when whole-of-life costs are included.

Of this, $6.91 from every dollar spent accrues as benefits to the users of the pathway, while a further $6.59 per dollar spent accrues in spillover benefits to the broader community.

Figure 2: Estimated benefits for each dollar invested

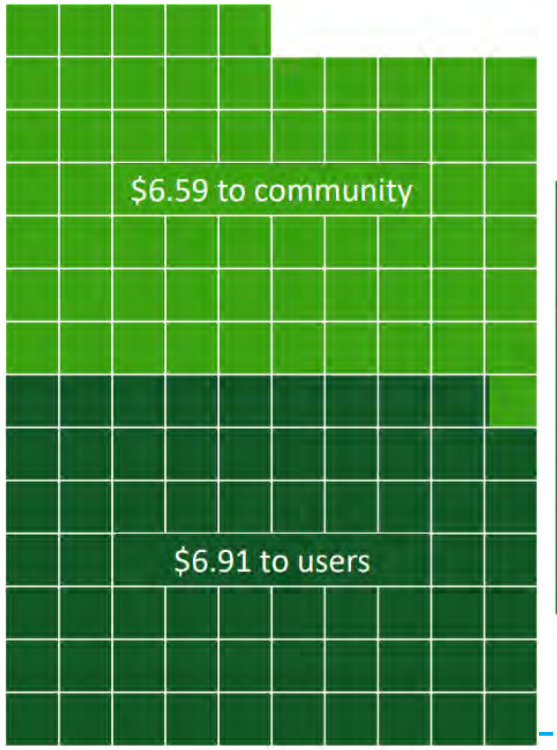


Figure 3: Overview of benefits

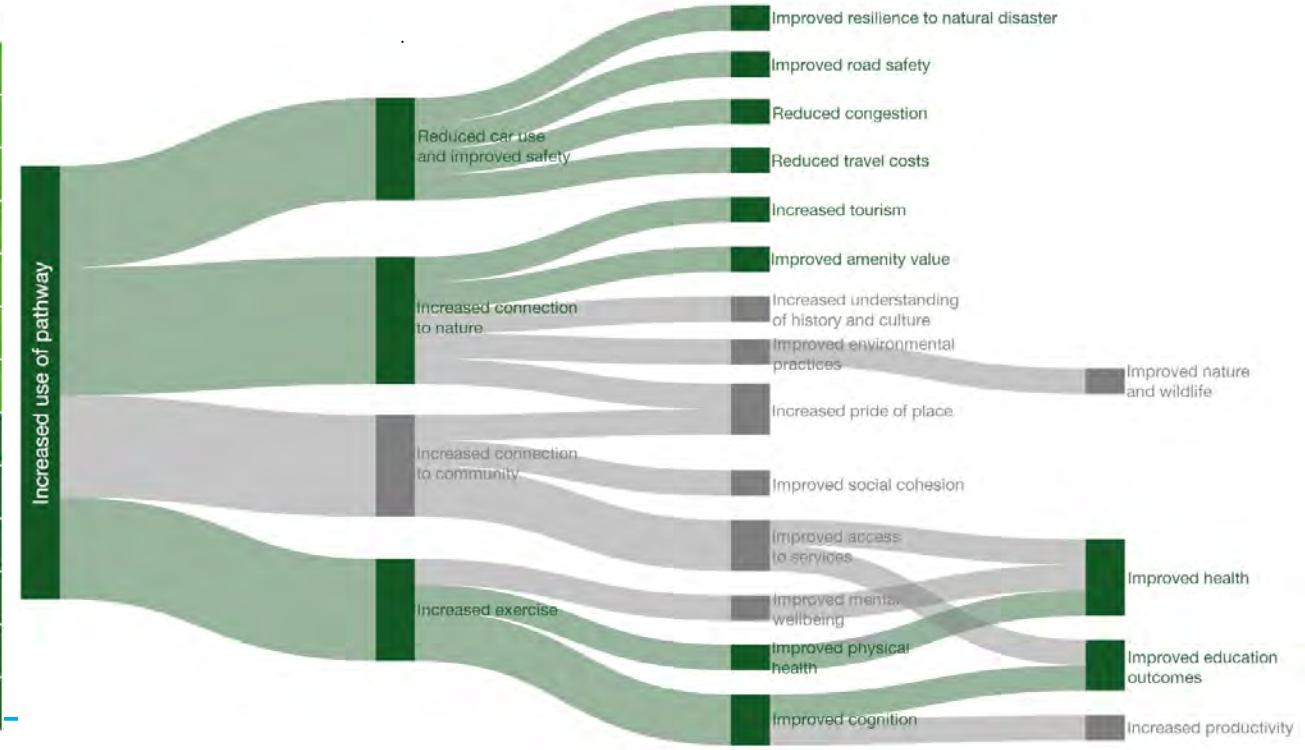


Table 1: Monetised benefits by Trust Tairāwhiti's Wellbeing Framework Muka:

Hapori (community) benefits Improved health | Improved road safety | Improved resilience to natural disasters	$202.1m
Mātauranga (knowledge) benefits Improved cognitive skills	$32.6m
Ōhanga (economic) benefits Reduced travel costs | Increased tourism	$11.8m
Taio (environmental) benefits Reduced emissions | Improved amenity value	$3.1m
Tūhono (relational) benefits Reduced congestion	$2.7m

Outcomes for Tairāwhiti

The business case demonstrates that delivery of the Taruheru River Pathway will generate wide-ranging and enduring outcomes for the region:

Economic & Urban Regeneration

- Sustainable transport link reducing household cost-of-living pressures.
- Improved access to employment, training, and the CBD.
- Increased local business activity and visitor spending.
- Support for housing intensification and sustainable urban growth.

Community Connection & Social Cohesion

- Connecting neighbourhoods through continuous public space along the awa.
- Strengthening links between communities, schools, parks, and the city centre.
- Reducing social isolation and enhancing civic pride and place identity.

Health & Wellbeing

- Increased physical activity and improved mental wellbeing.
- Reduced long-term healthcare costs.
- Strong health gains in communities with low current participation.

Education & Youth Development

- Safer access to schools and tertiary campuses.
- Improved learning, attendance, and cognitive outcomes.
- Greater independence for rangatahi and long-term intergenerational benefits.

Resilience & Emergency Preparedness

- Integration into a resilient, connected active travel network.
- Improved evacuation and movement routes during emergencies.
- Reduced reliance on private vehicles during disruptions.

Kaitiakitanga & Environmental Stewardship

- Strengthened guardianship of the Taruheru Awa.
- Reduced emissions through mode shift.
- Support for biodiversity, restoration, and mana whenua leadership.

Safety, Access & Inclusive Mobility

- Safer, protected routes for walking, cycling, and wheeling.
- Improved accessibility for all ages and abilities.
- More equitable access to essential services and opportunities.

The Taruheru River Pathway is more than just infrastructure. It's a high-value, evidence-based investment in equity, wellbeing, and long-term prosperity and the foundational infrastructure component of a future active travel route encircling the city.

Together, we are building a stronger, healthier, and more connected Gisborne and unlocking the prosperity for all of our people.

2. INTRODUCTION

2.1 Background Context

Te Ara o Taruheru – the Taruheru River Pathway echoes the past for a prosperous future

The Taruheru River has been a vital connector for generations, historically functioning as a natural 'highway' linking people, places and activity. The Taruheru River Pathway seeks to restore this role by reconnecting communities along the awa.

As the first stage of a wider vision to encircle Gisborne with an active travel route, the pathway provides a safe, accessible west–east connection for walking, jogging, cycling and wheeling. It enables people to move more easily between home, school, work and community destinations, while supporting improved health, social connection, economic activity and educational participation across Tairāwhiti.

A long-standing community objective

The concept of a Taruheru River Pathway dates back to the 1960s and was reaffirmed through its inclusion in the 2009 Walking and Cycling Strategy. That strategy envisaged a shared pathway linking Bright Street, the Botanical Gardens and Campion Road, forming a central urban corridor with recreation and tourism benefits.

Inclusion in Council plans

The pathway has featured consistently in Gisborne District Council's Long-Term Plans for more than 15 years, reflecting sustained strategic support:

- Included as a major project in the 2009–2019 and 2012–2022 LTPs
- Retained in principle through later plans despite deferred funding
- Reconfirmed as a priority active transport project in the 2018–2028 and 2021–2031 LTPs
- The 2024–2027 Three Year Plan committed $3.3 million ($2.5M Council, $0.75M sought from Waka Kotahi) to extend the path from Mitre 10 to the Botanical Gardens, although NLTP co-funding was not secured

Council's $2.5M allocation demonstrates an ongoing commitment to incremental delivery as funding becomes available.

Recent progress

In July 2024, a 100-metre concrete path connecting Grey Street and Derby Street behind Mitre 10 was completed through a partnership between Council and the site's owners. This milestone reflects Council and community partners' commitment to delivering sustainable, accessible transport infrastructure that enhances wellbeing and recreation in Gisborne.

2.2 Primary Drivers

The key driver underpinning the project is the lack of safe and connected active travel networks along the Taruheru River corridor.

2.3 Brief and Scope

This business case sets out the information needed to make an informed decision to progress the Taruheru River Pathway project. This includes the investment required to enable project development, the preferred route and treatment, indicative costings, and options for constructing and staging the project based on available resource.

The project's steering group emphasized the need to leverage external funding to make the project deliverable. This remains a key focus for the project, and the business case serves to identify the funding argument for the pathway, and potential funding avenues.

3. THE STRATEGIC CASE

3.1 Purpose

This Single Stage Business Case (SSBC) establishes a preferred approach to improving active transport infrastructure along the Taruheru River corridor in Gisborne. This SSBC:

- Identifies key problems associated with current active transport conditions in the corridor and the benefits of investment that effectively address these problems (the strategic case).
- Identifies and assesses a range of options to confirm a preferred approach for improving active transport in the corridor (the economic case).
- Establishes a delivery pathway for the preferred pathway route option (financial, commercial and management cases).

3.2 Strategic Context

3.2.1 Gisborne District Council Three Year Plan (2024-27)

Council's Three-Year Plan (2024-27) notes that the only project for investment in the plan period is the extension of the Taruheru River Shared Path from Mitre 10 to the Botanical Gardens.

$2.5M of Council funding was committed to this purpose, and though an additional $750K was sought from NZTA Waka Kotahi, this funding bid was unsuccessful.

3.3.4 A vision for a connected Gisborne City

Figure 4 below is an indication of a future 'loop' vision of a pathway that could circulate Gisborne city.

The progression of The Taruheru River Pathway is a critical step in achieving this vision and providing a connected Gisborne community.

Figure 4: 'Loop' vision - connecting pathways

3.4 Site context

3.4.1 Surrounding population

The Taruheru River Pathway would connect 23,600 people, more than half of Gisborne's urban population.

The Taruheru River Corridor runs through predominantly residential areas in its western portion and meets Gisborne's commercial city centre at its eastern end.

The map (figure 5) illustrates the approximate alignment of the proposed Taruheru River Pathway and a 400-metre buffer area around the path. Path users are likely to be drawn from a broad catchment, but the path would be within very easy walking distance for residents within this 400m catchment. Within a broader 800m catchment there are all high schools, two tertiary education facilities (EIT central campus and rural studies campus) and part of Gisborne's city centre with its concentration of retail, employment, social service and cultural activity.

The path would provide a connection through much of the built-up area of the western half of urban Gisborne. Table 1 illustrates the extensive residential population within various distance bands from the proposed path alignment. Approximately 13,100 people (38% of the Gisborne's urban area's total population live) within 800 metres (ten-minute walk) of the path and 23,600 people (68%) live within 1,600 metres (an "easy" cycling distance).

Table 2: Population within the vicinity of the proposed Taruheru River Pathway (Stantec 2024)

Distance from path	Within 400 metres	Within 800 metres	Within1,600 metres
Approximate walk time	5 minutes	10 minutes	20 minutes
Approximate cycle time	1.5 minutes	3 minutes	5 minutes
Approximate resident population (2018 Census)	8,000	13,100	23,600

Figure 5: Proposed Taruheru River Pathway alignment and 400 metre buffer (Stantec 2024)

3.4.2 Urban growth alignment

The proposed pathway is also perfectly positioned to support the city's planned growth and intensification.

The Tairāwhiti Future Development Strategy 2024 is the region's plan for enabling the housing growth required to accommodate our future population. It identifies areas and densities in Gisborne City most suitable to accommodate an additional 8700 residents over the next 30 years, and what's required to enable this.

The strategy sets out that 75% of Gisborne's new dwellings will be delivered through intensification of the existing urban environment. The following map (figure 6) identifies the areas of intensification (in orange), of which many are clustered around the proposed corridor of the Taruheru River Pathway.

Therefore, not only is the path situated to connect a significant portion of Gisborne's urban population, but it also connects the city's highest growth areas.

Figure 6: Intended growth and intensification areas for Gisborne City (Tairāwhiti Furute Development Strategy, 2024)

3.5 Strategic Alignment

The Taruheru River Pathway demonstrates strong alignment with Council's strategic direction and with regional and national policy settings for transport, urban development and wellbeing. It is identified as a priority corridor in local and regional strategies and responds directly to GPS 2024 priorities of safety, value for money and targeted investment.

By delivering a staged, affordable, and highly connected active travel spine through the city, the pathway supports urban intensification, improves equitable access to education and employment, and enables a shift to safer, lower-emissions transport modes. This alignment strengthens the project's eligibility for external funding and underpins the strategic case for investment

Table 3: Alignment of the Taruheru River Pathway with Local, Regional and National Policy

Policy / Strategy	Key Objectives	Alignment with Taruheru River Pathway
Gisborne District Council Three Year Plan (2024–27)	Deliver priority active transport project Improve safety and accessibility Support community wellbeing within fiscal constraints	The pathway is the only active transport project identified for investment in the current plan period. Pathway route option 5 provides a staged, affordable approach that aligns with Council's funding capacity while delivering immediate safety and accessibility improvements.
Tairāwhiti Regional Land Transport Plan 2024	Improve Safety Across the Transport System Enable Transport Choice and Improve Accessibility Support Community Resilience and Better Urban Outcomes	The pathway provides safer transport environments and improved access for vulnerable users. It improves transport choice by enabling equitable, citywide walking, cycling and wheeling access and strengthens community connectivity, supporting intensification areas, and contributing to a healthier, lower-emissions transport system.
Te Tairāwhiti Active Travel Strategy (2024)	Make walking, cycling and wheeling the first choice for short trips Prioritise safe, connected corridors Embed inclusive and culturally responsive design	Identified as a key urban corridor. The pathway forms a central spine of the active travel network, providing a continuous west–east route connecting neighbourhoods, schools, parks and the city centre, with universal design and mana whenua involvement.
Tairāwhiti Moves – Mode Shift Plan	Shift trips from private vehicles to active and shared modes Improve safety and attractiveness of active travel	Provides a protected, high-quality alternative to car travel for short urban trips. Addresses the primary barriers to mode shift (safety, continuity and convenience), particularly for school and commuter trips.

Policy / Strategy	Key Objectives	Alignment with Taruheru River Pathway
	Influence travel behaviour through infrastructure	
Tairāwhiti 2050 Spatial Plan	Create a connected, liveable city Improve pedestrian and cyclist safety Support compact urban form and access to services	The pathway supports the vision of a connected Gisborne and underpins future "loop" connections. It improves access to key destinations and aligns with targets for increased walking and cycling to work and school.
Tairāwhiti Future Development Strategy (2024)	Accommodate population growth through urban intensification Align infrastructure with growth areas	The corridor passes through or adjacent to identified intensification areas. The pathway enables higher density living by improving non-car access to education, employment, services and recreation.
Government Policy Statement on Land Transport (GPS 2024)	Safety: reduce deaths and serious injuries Economic growth and productivity Value for money and targeted investment• Maintenance and resilience	A continuous, protected shared path materially improves safety for vulnerable users. The route connects major urban destinations, supporting productivity and local economic activity. The project demonstrates very high value for money (BCR 13.5–16.0) and qualifies for walking and cycling activity-class funding, including maintenance.
National Walking and Cycling Strategy – "Getting There: On Foot, By Cycle"	Make walking and cycling safe, convenient and attractive Increase participation across all ages and abilities	The pathway delivers high-quality infrastructure that supports everyday trips and recreation, encourages uptake among less confident users, and connects into the wider urban network.
National Policy Statement on Urban Development (NPS-UD)	Enable well-functioning urban environments Improve accessibility and connectivity Integrate land use and transport	The pathway improves access to schools, the CBD, parks and residential areas without increasing car dependency. It supports compact urban growth and provides infrastructure that enables sustainable travel choices.
Trust Tairāwhiti – He Rangitapu He Tohu Ora Wellbeing Framework	Equity, sustainability and community-led wellbeing outcomes	The pathway directly supports multiple wellbeing domains, including health, education, community connection, environmental stewardship and economic resilience, with quantified and non-quantified benefits aligned to the framework.

3.6 Problem Definition

3.6.1 Key Problems

Drawing on stakeholder engagement, community feedback, and technical assessment, the following problems describe the current state of the transport system along the Taruheru River corridor and explain why intervention is required. Each problem is framed in accordance with Waka Kotahi guidance by identifying the issue, its location, the people affected, and the consequences if left unaddressed.

The problems consider: Equity & outcomes, Network failure, Slow uptake of mode shift, Safety barriers, place & cultural value.

Problem 1: The west–east active travel network in Gisborne City is fragmented and does not function as a connected system.

What is happening: Existing walking and cycling facilities between western residential areas and the city centre are incomplete, indirect, and inconsistent in standard.

Where: Across the Taruheru River corridor and surrounding west–east movement routes through urban Gisborne.

Who is affected: Residents travelling to schools, workplaces, services, and recreation destinations; particularly those making short, everyday trips.

Why it matters: Without a coherent spine route, active modes cannot operate as a practical everyday transport option, inhibiting mode shift and suppressing the benefits identified in Problem 2.

Problem 2: The transport system does not enable or encourage equitable west–east access, resulting in significant foregone health, education, and economic benefits.

What is happening: Many residents — particularly children, rangatahi, households without reliable access to a private vehicle and those who cannot use a vehicle — lack a safe and continuous west–east active travel route, limiting walking and cycling and wheeling as viable options for everyday trips.

Where: Across west – east movement routes in urban Gisborne, including the Taruheru River corridor and its connections to schools, residential areas, and the city centre.

Who is affected: Tamariki and rangatahi travelling to school, lower-income households, older people, people without a driver's licence or who are unable to drive or those with disabilities who depend on walking, cycling, and wheeling.

Why it matters: The lack of equitable access suppresses participation in active travel and prevents the transport system from realising well-evidenced benefits. The project's cost–benefit analysis indicates that improved health outcomes from increased walking and cycling are valued at **$118.9 million** and improved cognitive and educational outcomes for school-aged users at **$32.6 million**. Overall, the pathway is estimated to generate **$251.8 million** in benefits against **$18.7 million** in lifetime costs (BCR **13.5–16.0**). Without intervention, these benefits remain unrealised in a high-demand urban corridor.

Problem 3: Actual and perceived safety risks deter people from walking and cycling.

What is happening: Active travel currently requires interaction with motor traffic, exposure to high vehicle speeds, and negotiation of unsafe or poorly designed crossings.

Where: Along key west–east routes adjacent to the Taruheru River and at connections to schools, parks, and the city centre.

Who is affected: Anyone who would choose to travel actively with particular emphasis on children, older people, people with disabilities, less confident cyclists, and whānau making school and local trips.

Why it matters: Safety concerns are consistently identified as the primary barrier to active travel uptake. Without a protected and continuous facility, many residents are unwilling or unable to walk or cycle, leading to higher car dependency, increased risk of harm, and poorer health and environmental outcomes. These safety concerns reinforce inequities identified in Problem 2, as those with the least transport choice are least able to tolerate risk.

Problem 4: Public access to the Taruheru Awa is limited, reducing cultural, social, and environmental connection.

What is happening: Historic urban development has constrained access to the river corridor, with limited opportunities to travel along, visit, or interact with the awa.

Where: Along much of the Taruheru River through the urban area.

Who is affected: Mana whenua, local residents, schools, and visitors who lack safe and welcoming access to the river environment.

Why it matters The Taruheru Awa is a significant cultural and environmental asset. Development of the city over time has privatized the majority of the riverbanks, limiting opportunities for connection to place, cultural expression, recreation, and environmental stewardship. Over time this disconnection leads to poorer outcomes for both the health of the river, and our people.

3.7 Investment Benefits

The benefit statements for the project are presented below, with relative weightings of importance.

Benefit 1: Increased connection to Taruheru Awa reflects that active facilities that interact with the Taruheru riverside will improve community connections with the river. Through social connection, the improved environmental, social and wellbeing outcomes are likely to increase the pride our community has in Te Tairāwhiti as well as providing cultural benefits through increased connection to place, heritage and the cultural value associated with the river.

Benefit 2: Increasing active travel recognises that addressing the problems above will encourage more people to walk, cycle and wheel. This will have wider community benefits for people's health and the environment. It can also lead to more activity and interaction between people, contributing to increased quality-of-life outcomes and enhancing community cohesion. There are significant residential populations and destinations within the project area (schools, city centre) that can attract meaningful numbers of active transport trips.

Benefit 3: Equity of access identifies the lack of provision for people to choose active travel and have direct and safe access to destinations across the city such as schools, healthcare, workplaces, etc. Providing key connections, leading to more active travel choices, can increase independence, raise education outcomes, reduce health concerns and connect disconnected communities.

Benefit 4: Increased active recreation reflects the significant opportunity to attract recreational use of the pathway, similar to that which is seen on Te Oneroa pathway between Waikanae and Midway beaches, resulting in healthier communities, social connectivity and connected communities.

Benefit 5: Increased financial returns captures the economic benefit expected through the use of the pathway. This includes increased tourism spend due to visitation of the pathway, providing a direct, safe connection to the CBD, increasing footfall and the greater desirability of the region as a place to live and improving the productivity of the urban workforce.

3.8 Investment Pillars

The following investment pillars define the core principles against which pathway route options for the Taruheru River Pathway have been developed and assessed. They articulate what success looks like for the investment and provide a clear framework for decision-making throughout design, delivery, and operation. Each pillar is supported by indicators that are measurable using established data sources, enabling robust monitoring of benefits realisation over time. Oversight of benefits tracking and performance against these pillars will sit with the project governance group, as outlined in the Management Case.

Safety

Safety is the primary investment pillar and reflects the Government Policy Statement on Land Transport (GPS 2024) priority of reducing deaths and serious injuries. The project seeks to materially improve both actual and perceived safety for people walking, cycling, and wheeling by providing a continuous, protected corridor that minimises conflict with motor vehicles. Success under this pillar will be measured through indicators such as reduced exposure to traffic, improved network continuity, user perceptions of safety, and changes in active travel participation, particularly for children and other vulnerable users. A demonstrable improvement in safety is fundamental to enabling mode shift and unlocking wider health and wellbeing benefits.

Alignment with Mana Whenua Aspirations

The Taruheru River Pathway is grounded in recognition of the cultural significance of the Taruheru Awa and the importance of mana whenua values, narratives, and kaitiakitanga. This pillar ensures that the pathway is co-designed in partnership with mana whenua, reflects Te Ao Māori in its form and function, and strengthens connection to place. Indicators may include the extent and quality of mana whenua involvement in design and governance, incorporation of cultural narratives and design elements, and outcomes that support environmental stewardship of the river corridor. Alignment with mana whenua aspirations is essential to achieving enduring cultural, social, and environmental value from the investment.

Affordability

Affordability ensures that the preferred pathway route option delivers value for money across its whole of life, including capital, maintenance, and operational costs. This pillar recognises the need to balance ambition with fiscal responsibility and to align with available funding sources, including Council budgets, regional investment, and the National Land Transport Fund walking and cycling activity class. Indicators will focus on capital efficiency, whole-of-life cost profiles, funding certainty, and the ability to stage delivery to match funding availability. An affordable solution supports timely delivery and long-term asset sustainability without placing undue pressure on Council or funding partners.

Accessible to Everyone

This pillar reflects the objective of creating an inclusive and equitable transport system that enables independent mobility for people of all ages and abilities. The pathway will be designed in accordance with universal design principles, ensuring it is safe and usable for children, older people, people with disabilities, and those using mobility aids, prams, or wheeled devices. Measures of success include compliance with accessibility standards, continuity of accessible routes to key destinations, and increased use of the network by groups who currently face barriers to active travel. Accessibility is critical to achieving equitable access to education, employment, healthcare, and recreation.

Sustainability

Sustainability captures the project's contribution to long-term environmental, social, and economic outcomes. The pathway supports a shift to low-emissions transport modes, reduces reliance on private vehicles for short trips, and enhances access to green infrastructure along the river corridor. Environmental sustainability will be supported through sensitive design within the floodplain, protection and enhancement of riparian values, and durable materials that minimise maintenance impacts and are adaptable with the changing climate challenges. Financial sustainability is supported through more durable materials and less long-term maintenance, adjusted pathway route option to reduce capital costs. Indicators may include increased active mode share, reduced vehicle kilometres travelled for

local trips, and positive environmental outcomes associated with river corridor management.

Achievability

Achievability ensures that the preferred pathway route option can be delivered successfully within the constraints of the physical environment, regulatory framework, funding landscape, and organisational capacity. This pillar considers construction complexity, land access requirements, consenting pathways, delivery sequencing, and partnership arrangements. Indicators include clarity of delivery staging, risk management effectiveness, readiness of design and approvals, and alignment with Council's broader capital programme. An achievable solution provides confidence that the investment can be progressed in a timely, resilient, and coordinated manner.

3.9 Benefits Map

3.10 Constraints and Dependencies

3.10.1 Key Constraints

Category	Constraint	Implication / Risk
Funding & affordability	Total cost requires co-funding across multiple years and sources (Council, Community Trusts, central government, community partners).	Delivery likely to be staged; strong funding strategy required to align timing and eligibility of different partners.
Physical environment	Pathway follows a floodplain with variable ground conditions and erosion risk. Limited corridor width in some sections.	Requires detailed geotechnical and flood modelling to confirm alignment and construction methods. *NB: The most recent GDC flood modelling has been considered in the preferred pathway selection process.*
Land ownership & access	Some small sections traverse private land or infrastructure corridors (e.g. rail, utilities).	Requires early engagement and negotiation for easements or agreements, potentially extending the programme. NB: *Engagement with some landowners has occurred and is well advanced.*
Cultural & environmental values	Taruheru River holds significant cultural and ecological value, including potential wāhi tapu and archaeological features. Works within riparian margins trigger regional and national regulatory controls.	Must be co-designed with mana whenua and supported by cultural impact and ecological assessments. *NB: Iwi and hapu representation on the steering group through early engagement with TTT has contributed to co-design.*
Utilities & existing infrastructure	Interactions with drainage, stormwater, and bridge structures along the river corridor.	Coordination with Council infrastructure teams essential to avoid rework or duplication of capital works.
Programme capacity	Competing Council infrastructure priorities and limited delivery capacity within current programme period.	May require a staged procurement or partnership delivery model.
Community interface	Adjacent residents may have privacy or access concerns; high community interest and expectation for early delivery.	Continuous and transparent engagement needed to maintain trust and support.

3.10.2 Key Dependencies

Dependency	Description	Status / Next Step
Multi-source funding model	Combination of local government, community trust, philanthropic and potential Waka Kotahi funding.	Funding strategy development in collaboration with Trust Tairāwhiti and other regional partners will be sought in 2026.
Partnership with Tapuwae Tairāwhiti Trails Trust	Collaboration for design input, community engagement, and potential maintenance or activation roles.	Governance MOU in place; continue to partner on funding and community partnerships.
Mana whenua partnership	Input into pathway alignment, cultural narrative, and environmental mitigation measures.	Early engagement underway; further engagement to inform concept design.
Regulatory approvals	Resource consents for works near the river, archaeological authority if required, and building consents for structures.	Concept design to inform integrated consenting approach in 2026.
Integration with wider active travel network	Alignment with the citywide Active Travel Strategy and the Waikanae/Waimatā network.	Design and sequencing has been coordinated with broader mobility programme and process has considered and informed possible future Active strategy plans, especially links to Taruheru pathway
Alignment with flood protection works	Council's flood resilience along the Taruheru.	Worked with Gisborne District Council's Rivers Team to align design elevations and avoid future conflicts, especially regarding flooding and climate change risks
Operations and maintenance funding	Long-term maintenance and renewals require confirmed operational budgets.	Whole-of-life cost model to be agreed with Council and funding partners.
Partnerships with landowners and leaseholders	Collaborative partnerships with landowners and leaseholders where the trail requires construction through their property	Discussions are underway with these parties, and suitable agreements would be developed prior to confirming then construction methodology.

3.11 Strategic case summary

The proposed investment is well aligned and positioned to deliver significant outcomes for the region

The strategic case identifies persistent problems of fragmented east–west active travel routes, safety concerns for people who may choose to travel actively and for those that currently choose to, which contributes to slow uptake of active travel, limited public access to the Taruheru Awa, and inequitable mobility outcomes for people without access to private vehicles. The pathway is also well positioned to support future urban growth and intensification, with many of the city's highest-growth areas clustered around the corridor.

The project demonstrates strong alignment with local, regional and national strategies, including the Te Tairāwhiti Active Travel Strategy, Tairāwhiti 2050 Spatial Plan, Mode Shift Plan, and the Government Policy Statement on Land Transport 2024. Investment is expected to deliver very significant benefits across safety, active travel uptake, equity of access, recreation, cultural connection to the awa, and very significant economic and wellbeing outcomes.

While delivery is subject to funding, environmental, land access and capacity constraints, these are considered manageable through early partnership with mana whenua, community organisations and funding partners, and a staged, multi-source funding and delivery approach. Overall, the strategic case establishes the Taruheru River Pathway as a targeted, high-return investment that advances resilience, sustainability and liveability for Gisborne.

4. THE WELLBEING CASE

4.1 Purpose

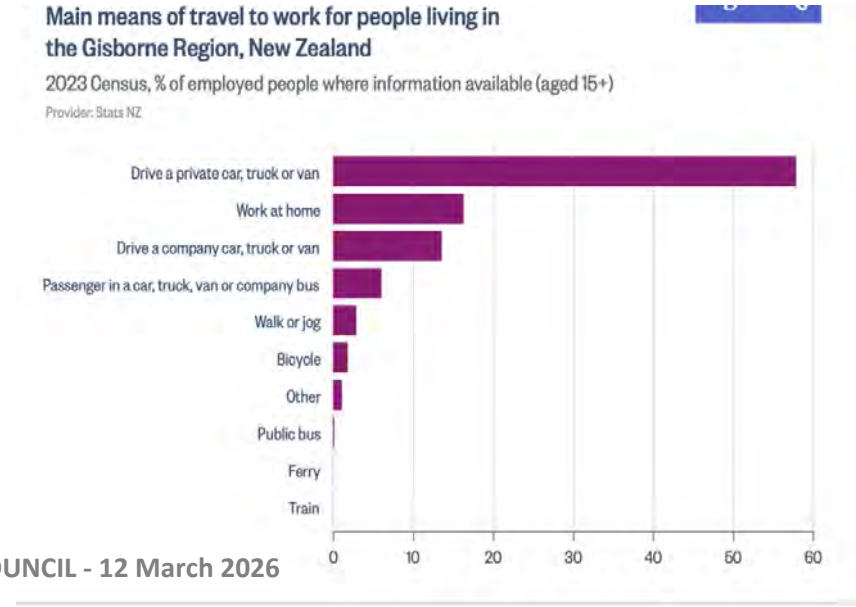
This Wellbeing Case demonstrates how the Taruheru River Pathway delivers measurable and non-measurable wellbeing outcomes consistent with Council, regional and national wellbeing frameworks. It focuses on *outcomes and evidence*, avoiding duplication with the Strategic and Economic Cases.

4.2 Introduction

The Wellbeing Case demonstrates the broad-ranging benefits this project could deliver to the residents of Tairāwhiti, with a particular focus on health, social cohesion, cultural identity, education, environmental sustainability, and economic outcomes.

4.2.1 Gisborne's Walking and Cycling rates

Gisborne currently experiences low rates of active transport. According to the 2023 Census, only 1.9 %% of employed people cycled to work, and 2.9 %% walked or jogged to work — below the national average of 7.4%



4.3 Evidence Base for Walking and Cycling

4.3.1 Benefits of walking and cycling infrastructure

The development of walkways and cycleways has been shown to significantly increase walking and cycling activity, contributing to improved public health, reduced carbon emissions, and economic benefits. These benefits underscore the importance of continued investment in such infrastructure to foster healthier and more sustainable communities.

Increased Active Travel

A study in New Plymouth and Hastings, New Zealand, found that the introduction of new walking and cycling paths led to a sustained increase in active travel rates over five years, especially among Māori and low-income communities. This was compared to cities without such infrastructure improvements.

Environmental Impact

In New Zealand, the same study in New Plymouth and Hastings reported a 1.6% reduction in vehicle kilometres travelled and a 1% decrease in carbon emissions within three years of implementing the new infrastructure.

Economic and Safety Benefits

Investments in walking and cycling infrastructure have also been linked to economic gains. In New Zealand towns like Hamilton and Richmond, businesses located near new cycle paths reported up to a 25% increase in patronage, indicating a boost in local economic activity.

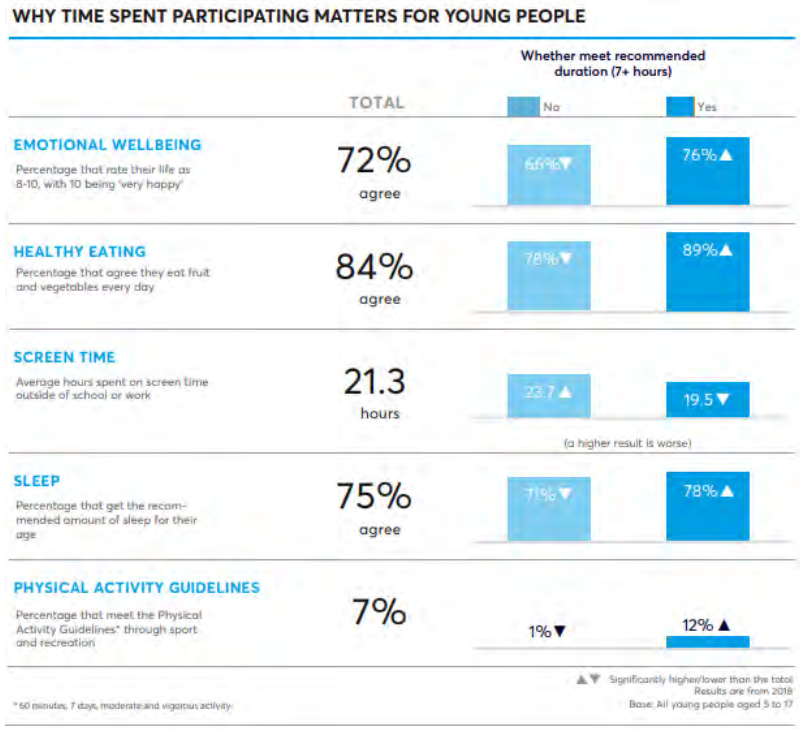
Furthermore, a study by Glen Koorey found that the implementation of cycle lanes in Christchurch led to a 43% reduction in reported crash rates, enhancing safety for cyclists

4.3.2 Benefits of Physical Activity

Physical activity is widely recognised as a critical contributor to physical, mental, and social wellbeing. Sport and active recreation improve cardiovascular health, reduce the risk of type 2 diabetes, certain cancers, dementia, depression, and anxiety. Studies indicate that individuals meeting recommended levels of physical activity are 58% more likely to score in the healthy range for mental wellbeing.

Gisborne's low active travel rates present a clear opportunity for infrastructure improvements to increase participation in walking and cycling, thereby improving health outcomes and reducing healthcare costs (estimated at over $200M per year nationally due to inactivity).

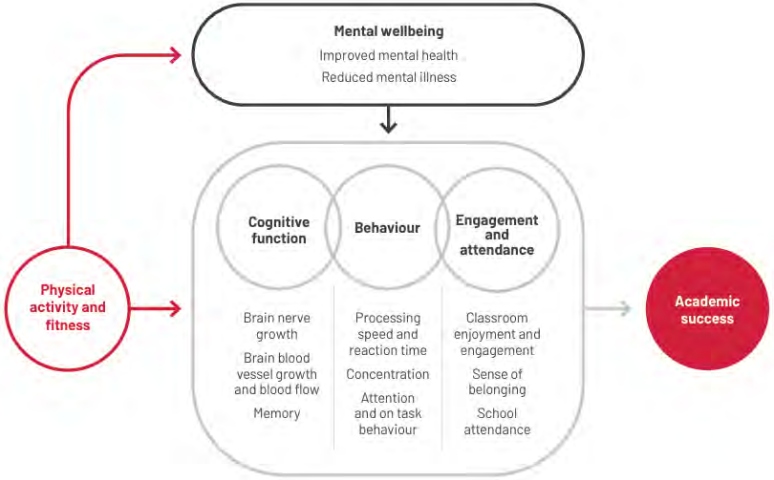
Sport NZ: Why Time Spent Participating Matters



4.3.3 Impact of physical activity on academic outcomes

Sport NZ's **Active Bodies, Active Minds** report brings together strong evidence from New Zealand and international research showing that physical activity isn't just good for children's health – it also supports better learning and school success. The report highlights that tamariki and rangatahi who are more physically active tend to be more engaged in learning, stay in school longer, reach higher levels of achievement across subjects like literacy and maths, and show higher levels of mental wellbeing. Increased time spent moving has been linked to measurable gains in academic outcomes and classroom behaviours like concentration and on-task time.

The research also shows how physical activity can support cognitive function – including working memory, attention, and problem-solving – which are all important for successful learning.



4.4 He Rangitapu He Tohu Ora - Trust Tairāwhiti Wellbeing Framework

Trust Tairāwhiti has developed a regional framework to guide their investment decisions and internal operations. It serves as a foundational means of valuing, assessing and contributing to regional wellbeing. The Taruheru River Pathway has embraced the principles of equity, sustainability and integrity, aspiring to pass through the Waharoa of the framework.

Waharoa

In partnering with the Trust, we encourage you to step through our waharoa. It is always open to anyone who aspires to benefit the people of Tairāwhiti.

Te Taahu

Tairāwhiti upholds Te Tiriti o Waitangi. Mana Whenua partnerships are maintained with integrity.

Kia mauri tū
Integrity

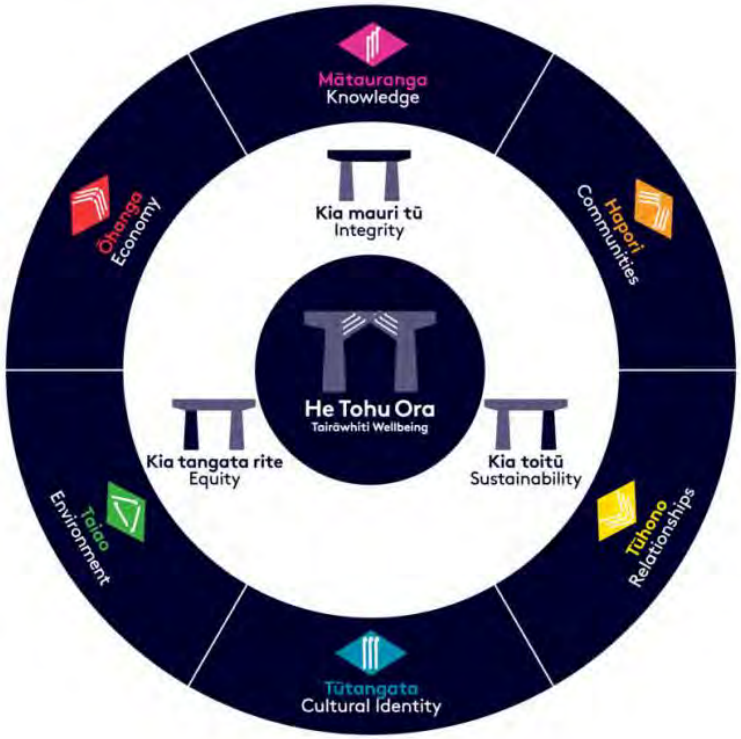
Ngā Pou

All people, whānau, and communities of Tairāwhiti have unhindered access to support and opportunities that enhance their wellbeing.

Kia tangata rite
Equity

We are good ancestors. Children, young people and future generations have a better set of opportunities than the current generation.

Kia toitū
Sustainability



Muka

Our muka represent wellbeing outcomes. Our muka statements are aspirations. They articulate what success looks like across interdependent and dynamic areas that are important to us.

- The Tairāwhiti economy is diverse, innovative, resilient, and regenerative and provides access to well-paid, quality jobs. Our people have sustainable livelihoods from paid and unpaid work.
- Diverse systems of knowledge, information, and Mātauranga Māori are accessible, utilised, valued, and evolve.
- Communities are healthy, happy, and empowered. The voice of communities is integral to decisions that impact their lives.
- Our people, whānau, and communities in Tairāwhiti have respectful, connected, and collaborative relationships.
- Culture connects the people of Tairāwhiti. We express, celebrate, and value our diversity, heritage, and taonga.
- The quality of our land, water, air, and atmosphere is pristine. Our biodiversity is abundant. We practise kaitiakitanga.

4.4.1 Wellbeing Benefits by Trust Tairāwhiti Framework Domains

The total demonstrable, monetary benefit of the project totals $251.8 million dollars. Kōtātā Insight have quantified the monetary value of each benefit under the six muka categories. This section describes benefits through the muka lens, describing the benefit itself, the evidence, and the monetised value of each muka

Hapori / Communities – Be Active

The pathway promotes healthy, empowered communities by enabling safe and enjoyable active travel and recreation:

- Encourages daily physical activity, improving physical and mental health.
- Provides safe routes to schools, recreational spaces, and workplaces, particularly from the eastern side of the city where infrastructure is currently limited.
- Supports multi-generational participation, promoting inclusion and equity.
- Enhances community confidence in active transport, contributing to increased adoption of walking and cycling and wheeling.

Evidence & Outcomes:

- Access to the path for 23,000 residents within 1.6 km.
- Reduction in chronic disease risk through increased physical activity.
- Cognitive benefits in children and adults, including improved attention, memory, and problem-solving (Brain Rules, Medina, 2008).

GPS Alignment: Safety, Better Travel Options, and Value for Money.

Muka	Benefit	Comment	Value
Hapori (community)			***$202.1m***
	Improved health	Health outcome	$118.9m
	Improved road safety	Health outcome	$1.4m
	Improved resilience to natural disasters	Value derives from risk of death – conceptually a health outcome	$81.8m

3.2 Tūhono / Relationships – Connect

The pathway strengthens social cohesion and connectedness:

- Provides spaces for community interaction, recreation, and events.
- Enhances sense of belonging and reduces social isolation, particularly for elderly and youth.
- Facilitates inclusion across socio-economic groups, supporting equitable access to public spaces.

Evidence & Outcomes:

- Shared pathways act as "social glue," fostering pro-social behaviours and community pride.
- Opportunities for volunteer engagement in maintenance and cultural storytelling.

GPS Alignment: Safety, Social Inclusion, and Access.

Tūhono (relationships)			***$2.7m***
	Reduced congestion	Value is associated with freeing up commuting time for other uses	$2.7m

3.3 Mātauranga / Knowledge – Keep Learning

Safe access to education and learning opportunities is facilitated by the pathway:

- Links many schools and tertiary campuses (EIT) along the city spine.
- Active travel to schools is associated with improved concentration, attendance, and academic achievement.
- Outdoor learning opportunities along the river corridor allow for applied learning across subjects including history, science, and environmental studies.
- Storyboards and pou provide cultural and historical knowledge in both English and te reo Māori.

Evidence & Outcomes:

- Positive relationship between physical activity and educational outcomes.
- Supports development of cognitive skills, self-esteem, and social capital among tamariki and rangatahi.

GPS Alignment: Accessibility, Educational Outcomes, Community Wellbeing.

Mātauranga (knowledge)			***$32.6m***
	Improved cognitive skills	Knowledge outcome	$32.6m

3.4 Tūtangata / Cultural Identity – Take Notice

The pathway integrates local heritage and cultural identity:

- Incorporates mana whenua input, storytelling, and place-based design features.
- Reinforces connection to Tairāwhiti's history, culture, and environmental taonga.
- Supports shared cultural narratives, building awareness and respect across communities.

Evidence & Outcomes:

- Cultural signage, pou, and interpretation boards enrich the user experience.
- Encourages recognition and celebration of Te Ao Māori.

GPS Alignment: Inclusive Design, Equity, and Community Identity.

Note: Cultural value is priceless and cannot be quantified with a monetary value.

3.5 Taiao / Environment – Take Notice / Give

The pathway enhances environmental wellbeing:

- Encourages mode shift from private vehicles, reducing carbon emissions and congestion.
- Provides safe access to natural areas, promoting interaction with and stewardship of the river ecosystem.
- Offers opportunities for riparian planting, biodiversity enhancement, and flood resilience.
- Improves liveability and sense of pride in place through green infrastructure.

Evidence & Outcomes:

- Estimated reduction in emissions from decreased car trips.
- Improved ecological outcomes along the river corridor.
- Enhanced mauri and mana of the wai and surrounding environment.

GPS Alignment: Low Emissions Transport, Climate Resilience, Environmental Sustainability.

Taiao (environment)		***$3.1m***
	Reduced emissions	$0.7m
	Improved amenity value	$2.6m

3.6 Ōhonga / Economy – Prosper

The pathway supports economic wellbeing:

- Improves accessibility for education and employment, supporting long-term productivity.
- Attracts tourism and recreational spending.
- Increases property desirability and liveability.
- Reduces healthcare costs through improved physical and mental health.
- Supports skills development and workforce productivity through engagement in sport and recreation.

Evidence & Outcomes:

- Social Return on Investment estimates indicate substantial economic and social benefits for every dollar invested.
- Comparable local infrastructure (Oneroa and City Rivers shared paths) demonstrates uptake and usage, supporting projected benefits.

GPS Alignment: Economic Growth & Productivity, Value for Money.

Ōhanga (economy)			***$11.1m***
	Reduced travel costs	Fiscal costs	$6.0m
	Increased tourism	Impact on regional economy	$5.1m

4.5 Wellbeing Case Summary

The Taruheru River Pathway presents a transformative opportunity for Tairāwhiti:

- Improves **physical and mental health** for all ages.
- Strengthens **community cohesion, social capital, and cultural identity**.
- Enhances **educational outcomes** by supporting active travel to schools.
- Contributes to **environmental sustainability** through reduced emissions and enhanced biodiversity.
- Delivers strong **economic returns** through tourism, local business, and reduced healthcare costs.

Investment in the pathway aligns strongly with both **Trust Tairāwhiti's wellbeing framework** and **GPS 2024 strategic priorities**, demonstrating compelling value for the region. It represents an infrastructure project that is not only a transport facility but also a cornerstone for community wellbeing, cultural engagement, and sustainable urban development.

5. THE ECONOMIC CASE

5.1 Purpose

The purpose of the economic case is to find the best value-for-money approach to addressing the issues identified in the strategic case.

This section outlines the strategic options assessed to meet the need for safer and more effective active travel networks, and how a preferred pathway route option was selected.

5.2 Options Development & Assessment

A long list of pathway route options was considered by Stantec in their 2024 business case for the Taruheru River Pathway (**Appendix 3**). Those pathway route options were borne out of a workshop with council staff, and included:

- Various alignments for a continuous safe cycling route along the corridor using on-road and off-road routes
- Various facility treatment types including:
    - Different path widths (e.g. 3 or 4 metres)
    - Path construction and material type including consideration of:
        - Compacted gravel
        - Asphalt
        - Concrete
        - Boardwalk
        - Reclaimed land
    - Hours of use and whether path lighting for off-road options was required
- Detailed design responses at the Botanical Gardens and Roebuck Road crossing.

This business case provides a shortlist assessment of four pathway route options that were identified by Stantec in 2024, alongside a fifth pathway route option which was presented by Tapuwae Tairāwhiti Trails Trust (TTT) and is set out in the following sections. These options were reassessed by Stantec at this point, and the costings reconsidered in a separate investigation (**Appendix 1**).

The strategic pathway route options to address the identified problem definitions for the Taruheru River Pathway are as follows:

Pathway route option 1: On-road painted cycle lanes (un-protected), Aberdeen Road and Lytton Rod and compacted riverside off-road gravel shared path at Nelson Park.

Pathway route option 2: On-road, separated cycleway along Aberdeen Road.

Pathway route option 3: Off-road, shared river path on a mixture of boardwalk and concrete pathway.

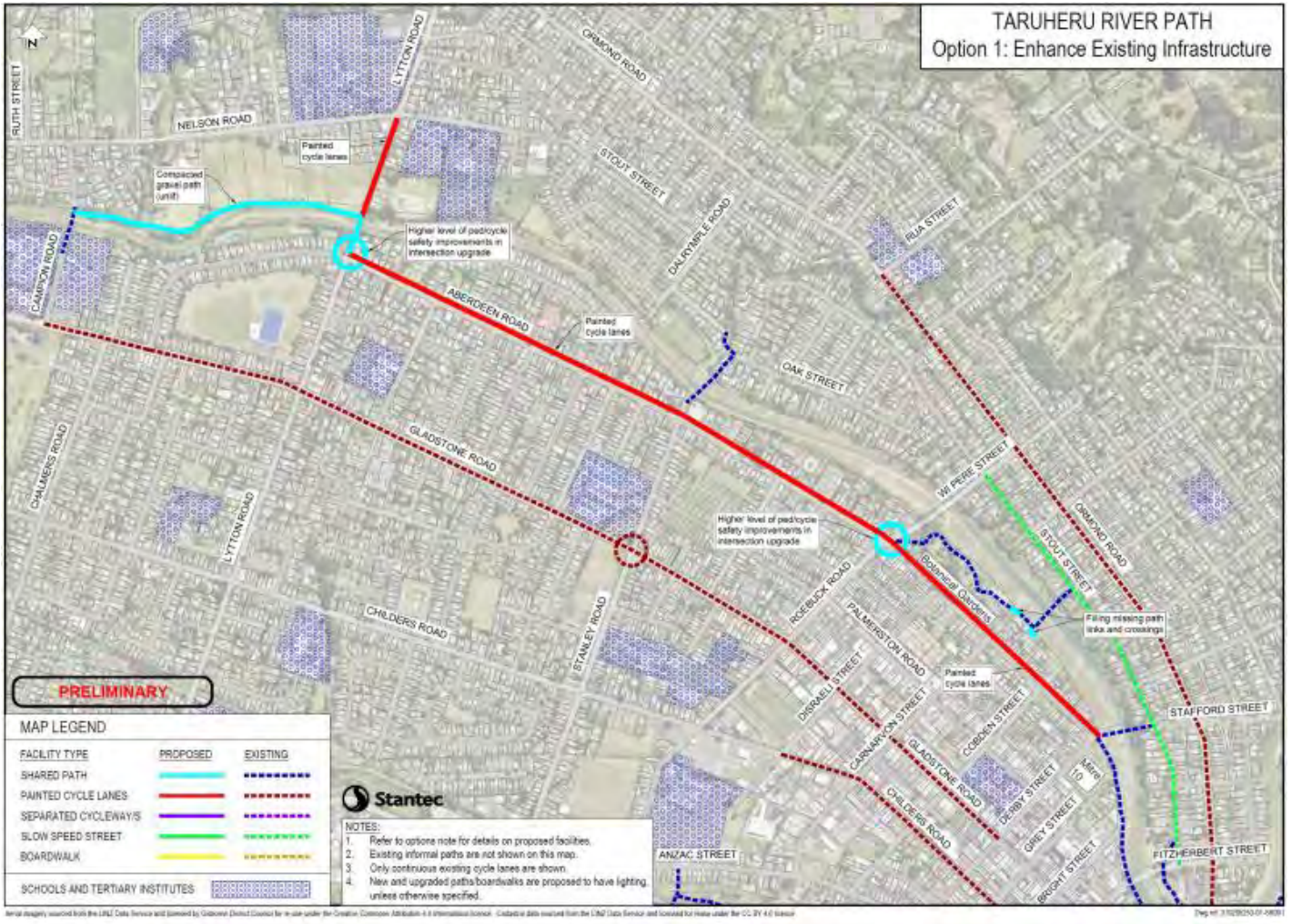
Pathway route option 4: Mixture of off-road and on-road portions, including boardwalk, painted cycleways and off-road concrete pathway.

Pathway route option 5: Mixture of on-road separated cycleway, widened footpaths and off-road concrete pathway.

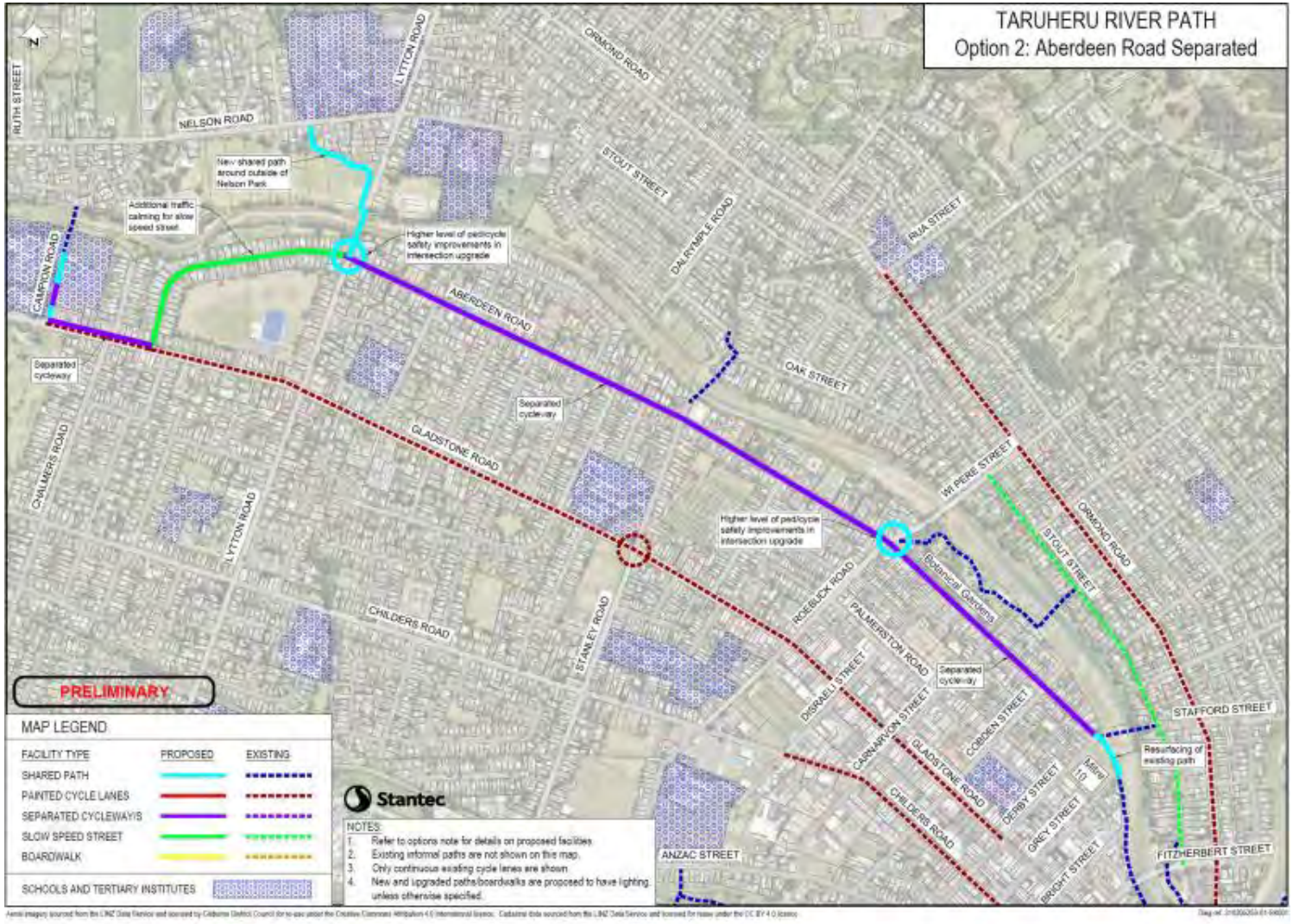
Each pathway route option is explored in detail in the following section.

5.3 Route Options Maps

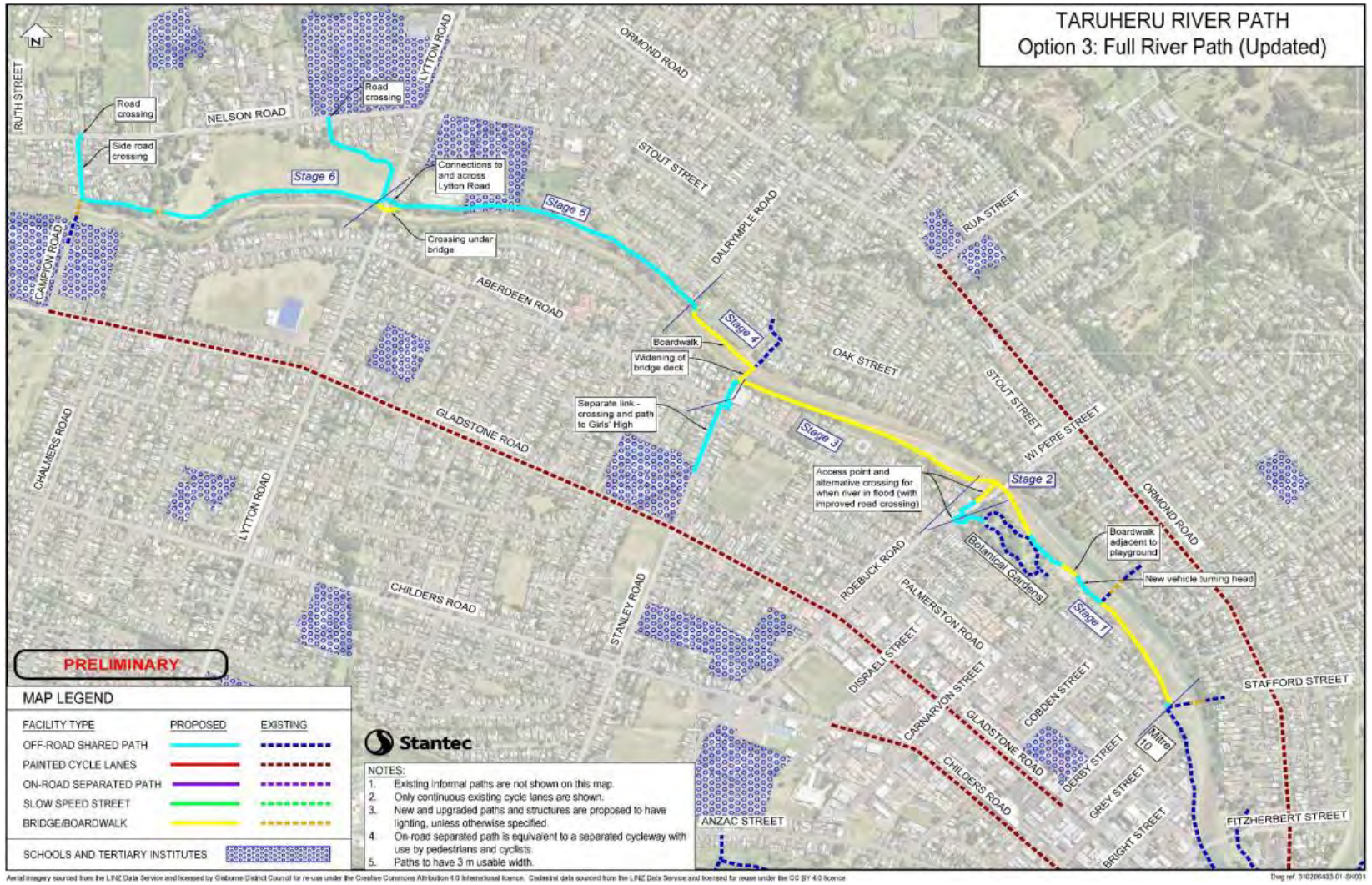
Pathway route option 1: Painted on-road cycleway



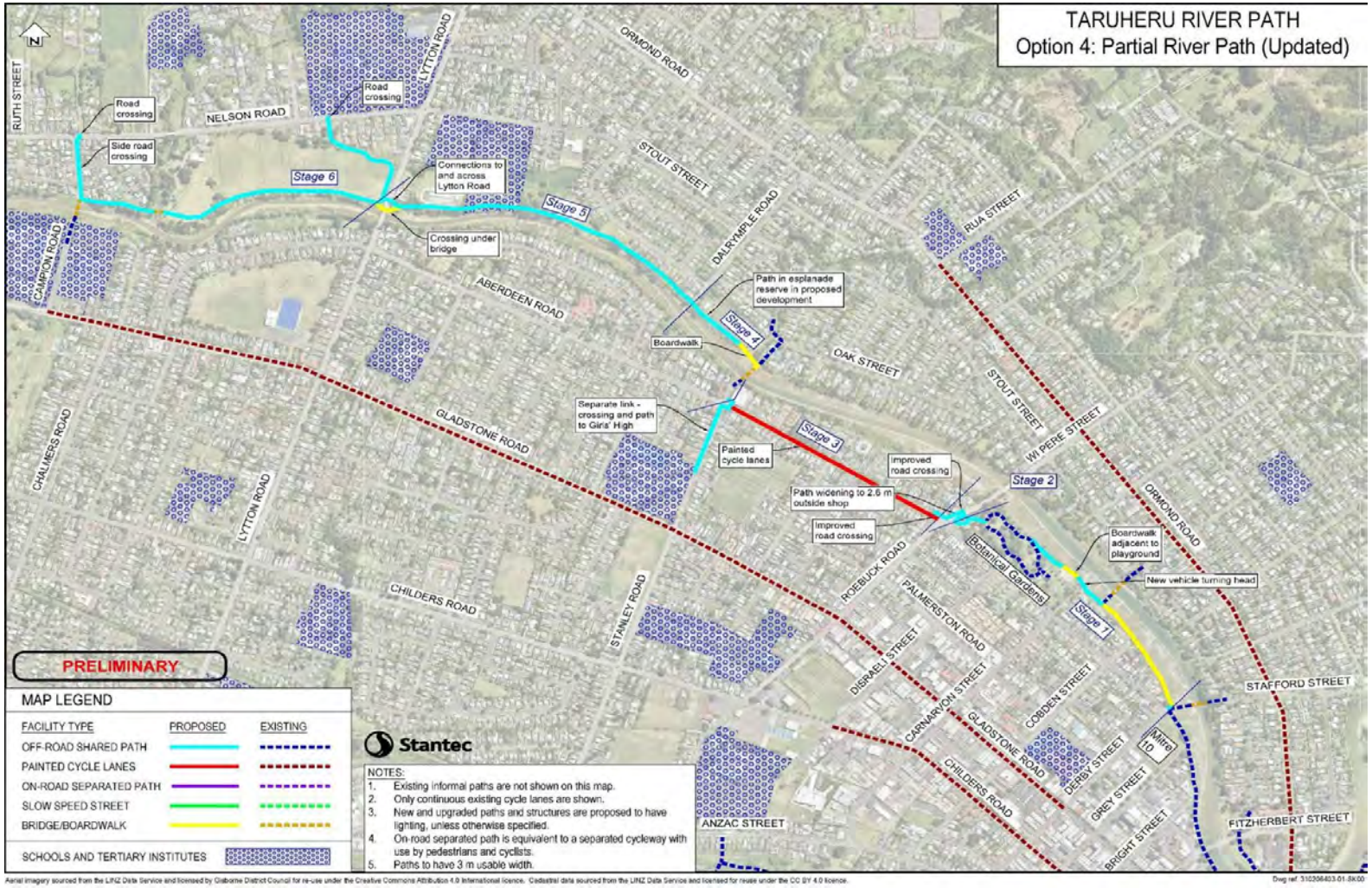
Pathway route option 2: On-road, separated cycleway



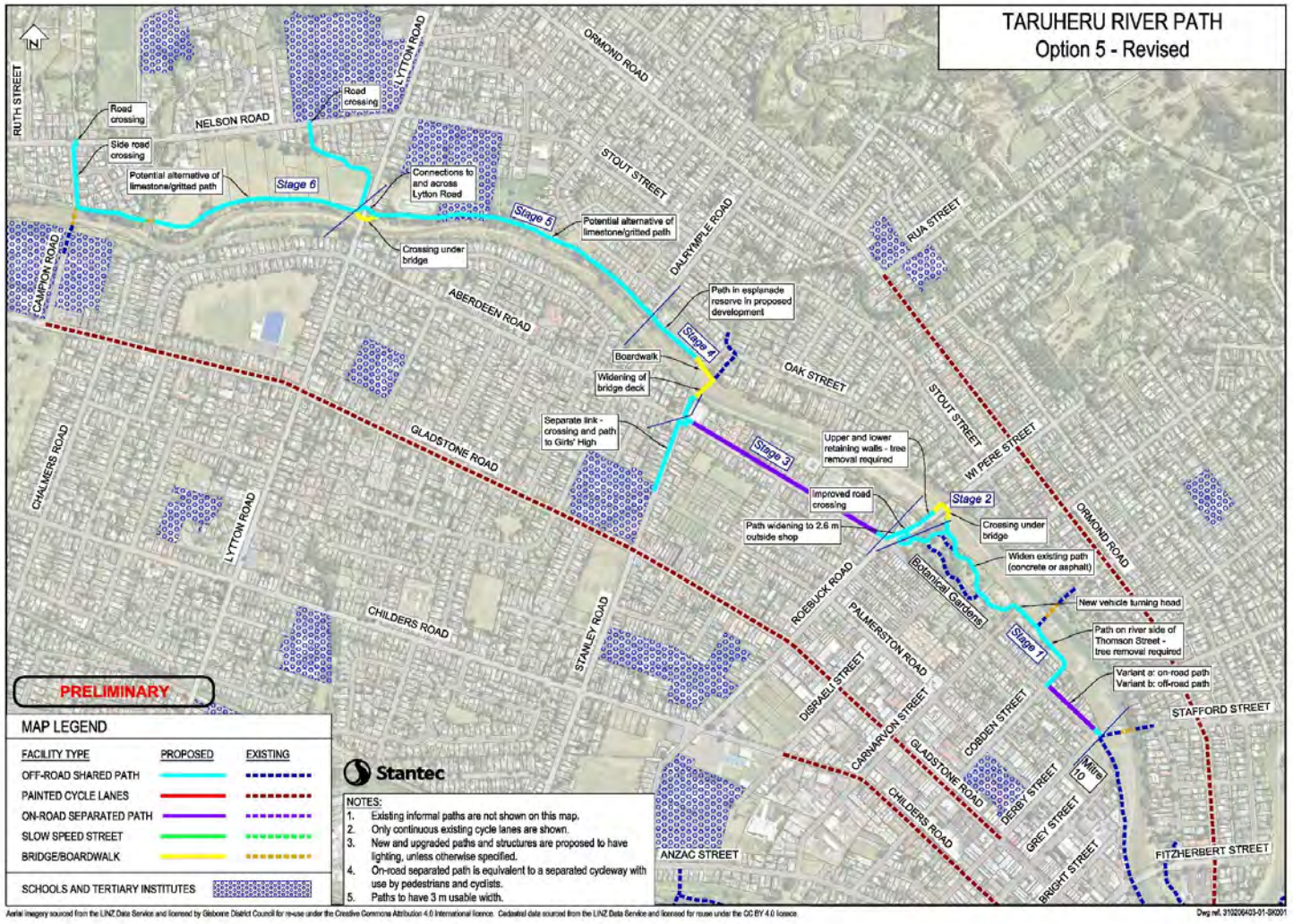
Pathway route option 3: Full river path



Pathway route option 4: Partial river path (boardwalk, concrete, painted cycleway)



Pathway route option 5: Partial river pathway (concrete off-road, separated on-road, widened footpath)



5.4 Pathway Route Options Summary Assessment

Pathway route option	Summary assessment	Estimated capital cost
Pathway route option 1: Painted on-road cycleway	• Partially achieves all five investment benefits, but is likely to attract relatively low levels of new cycling users due to basic cycling infrastructure • Provides limited connectivity to riverside • Low cost and low-risk construction	$2.2 million (Stantec 2024)
Pathway route option 2: On-road, separated cycleway	• Achieves mode-shift benefit by attracting higher levels of new cyclists with high-quality facilities • Does not achieve investment benefit of improving connectivity to riverside • Does not attract any new walking or wheeling users, limited recreational cycling use compared to Pathway route option 3 • Low negative impacts, some loss of on-street carparking	$8.0 million (Stantec 2024)
Pathway route option 3: Full river path	• Achieves all investment benefits • Attracts highest level of new cycling and walking users by providing a continuous and direct shared path • Unlikely to attract new wheeled users due to compatibility with boardwalk design • Provides continuous connection along the riverside with high recreational value • Low economic efficiency, but additional investment compared with other pathway route options still delivers incremental benefits • Impacts on local environment and visual impacts on riverside – but potential for integration with ecological restoration of saltmarsh • Most exposed to flooding events	$33.6 million (Stantec 2025) *(See note)*
Pathway route option 4: Partial river path	• Achieves all investment benefits • Provides riverside connection to Botanical Gardens and at western end • Attracts lower level of cycling and walking and wheeling users due to lack of continuous path • Some loss of on-street carparking	$16.1 million (Stantec 2025)
Pathway route option 5: Partial river path (concrete off-road, separated on-road, widened footpath)	• Achieves all investment benefits • Less exposure to flooding than pathway route option 3 • Less environmental impacts than pathway route options 3 and 4 • Some consultation risks due to the loss of on-street parking	$15.7 million (Stantec 2025)

Note: As part of a stage-by-stage assessment of the pathway, the steering group considered an Amended Option 3, with boardwalk on the river between Roebuck to Stanley Road only. The rest of the route matched Option 5. The width of the boardwalk was also reduced from 4m (as per 2023 Stantec specifications) to 3m. Stantec informally assessed this 1m reduction and reduced length of boardwalk and estimated a capital cost reduction from $33.6M to around $23.7M for Amended Option 3.

5.5 Multi-Criteria Assessment

For the multi-criteria assessment, the steering group scored the proposed pathways against their ability to achieve the benefits and investment pillars for a more robust and rigorous assessment. (Note each category scored out of 5).

	Criterion	Weighting	Route option: 1	Route option: 2	Route option: 3	Route option: 4	Route option: 5
			$2,233,363.00	$7,965,720.00	$33,623,993.00	$16,124,063.00	$15,723,743.00
Benefits	Better connection to the Awa	10%	1.36	1.00	4.93	3.43	3.43
Benefits	Increase in active travel	10%	2.00	2.93	4.29	3.43	4.29
Benefits	Equity of access	10%	1.93	2.86	4.50	3.71	4.29
Benefits	Increase in active recreation	10%	1.29	1.57	4.79	3.57	3.64
Benefits	Increased financial returns	10%	1.29	2.29	4.14	3.64	3.77
Investment pillars	Increased safety	15%	1.57	2.79	4.29	3.36	4.36
Investment pillars	Alignment with mana whenua aspirations	10%	(To be determined by mana whenua)				
Investment pillars	Affordability	10%	4.57	3.71	1.29	2.64	3.21
Investment pillars	Accessible to everyone	5%	1.50	1.79	3.86	3.00	4.00
Investment pillars	Sustainability	5%	3.71	3.64	2.14	3.00	3.64
Investment pillars	Achievability	5%	4.29	3.93	1.71	3.36	3.79
	NET Benefits score		0.79	1.06	2.26	1.78	1.94
	NET Investment pillars score		1.17	1.26	1.16	1.24	1.55
	Total	**100%**	**1.95**	**2.32**	**3.42**	**3.01**	**3.49**

5.6 Preferred Route for Taruheru River Shared Pathway

Following the multi-criteria assessment of the shortlisted pathway route options, it was identified that a stage-by-stage approach would be beneficial for identifying an overall preferred route option.

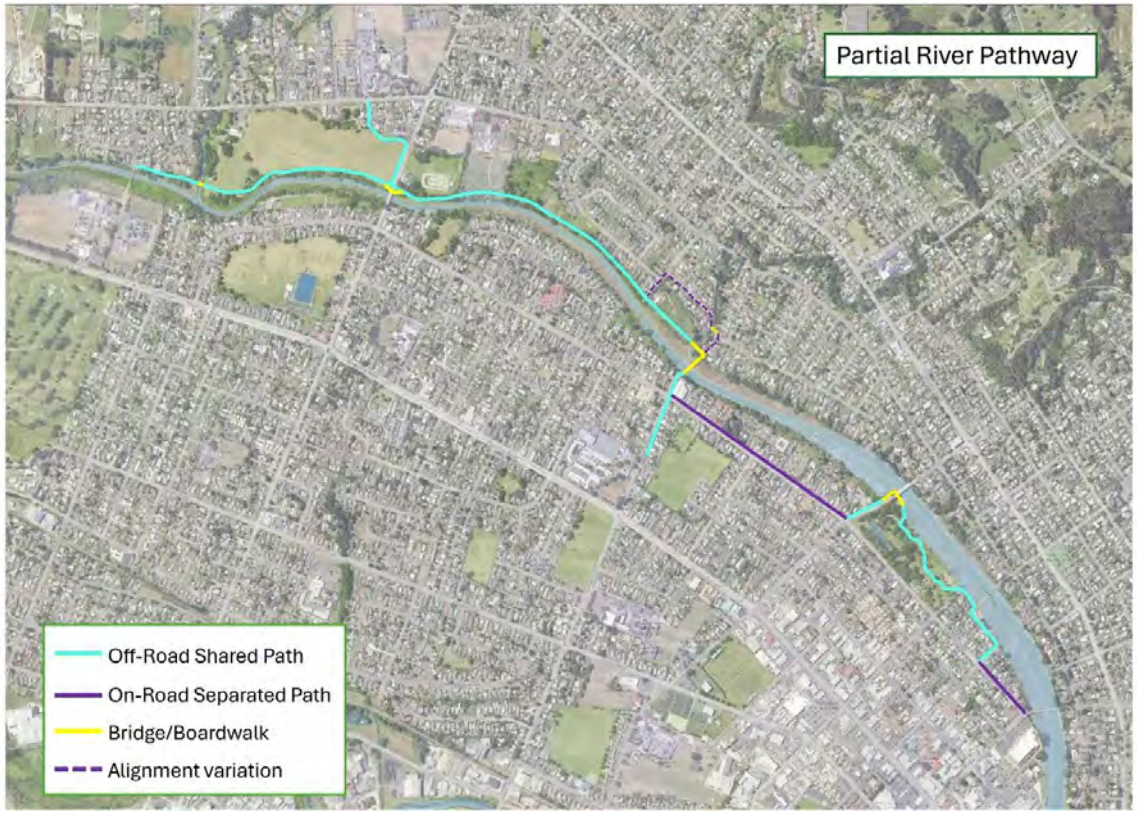
This process led to Pathway route option 5 – Partial River Path being selected as the preferred pathway route option.

Both pathway route option 3 and 5 scored well when measuring benefit realization but ultimately pathway route option 5 was selected due to its stronger alignment with the investment pillars.

Pathway route option 5 – Partial River Path includes a combination of off-road and on-road pathways with multiple treatment options, providing a safe, connected pathway that follows the Taruheru river corridor.

It also includes two supplementary connections to schools (Gisborne Girls High and Lytton/Ngā Uri a Māui)

The key distinction of Pathway route option 5 is the focus of travelling alongside the river corridor as opposed to in it. This option aligns strongly with all investment pillars and reduces the estimated capital cost substantially.



5.7 Affordability Assessment

Included in the 2023 business case was detailed costing of all proposed pathways.

With the introduction of pathway route option 5 and considering the time that had passed since the 2024 business case, Stantec was further engaged to provide updated costing for the shortlisted pathway route options.

Pathway route option Name	Capital Cost	Whole-of-Life Cost (40 years, present value, incl. Maintenance costs)	Notes
Pathway route option 3 - full river path	$33,620,000	$36,130,000	
Pathway route option 5a – (on-road path in Stage 1)	$15,720,000	$18,700,000*	The difference between these pathway route options is a shared pathway (widened sidewalk) vs on-road separated cycleway.
Pathway route option 5b - (off-road path in Stage 1)	$15,740,000	$18,600,000*	

Cost comparison, including whole-of-life cost, of the shortlisted pathway route options, Stantec - March 2025. *Updated whole-of-life cost, Kōtātā Insight 2025.

The updated costing was separated out by delivery stages which allowed for the individual staged costs to be isolated and considered for delivery. This assisted the selection of the preferred route via the stage-by-stage selection process.

5.7.1 Preliminary Concept Construction Cost Estimate

This estimate is based on measured quantities, rates are escalated as detailed and assume a competitive tender. Includes a 30% contingency and 20% allowance for professional services and is excluding GST.

A 30% contingency is typical of a capital project at this stage of its development, and the estimated professional services (including but not limited to design, consenting, project management and quality assurance) are in line with industry benchmarks at 20% of the project's construction cost.

5.8 Cost-Benefit Analysis

Purpose

The Taruheru Shared Pathway Cost–Benefit Analysis (BCA) (**Appendix 2**) assesses the economic and wellbeing impacts of a proposed shared walking and cycling pathway along the Taruheru River in Gisborne. The analysis evaluates whether the investment represents value for money by comparing the present value of benefits with capital and whole-of-life costs, using established transport and economic appraisal methodologies.

Rationale

The proposed pathway aims to improve active transport and recreation options, enhance public health, strengthen community wellbeing, and improve resilience to natural disasters. The BCA applies Waka Kotahi's standardised transport appraisal framework for valuing health, safety, and environmental benefits, and extends this analysis to capture wider community, education, and economic outcomes. The approach aligns with Trust Tairāwhiti's He Rangitapu He Tohu Ora wellbeing framework, ensuring that the assessment reflects regional priorities and values.

Key Findings

The largest share of benefits arises from improved health outcomes associated with increased levels of walking and cycling, valued at $118.9 million. Improved resilience to natural disasters contributes a further $81.8 million in benefits, largely due to enhanced evacuation capacity during a potential tsunami event. Improved cognitive and educational outcomes linked to regular physical activity among school-aged users are valued at $32.6 million. Additional benefits include reduced travel costs, reduced traffic congestion, increased tourism, lower greenhouse gas emissions, and improved amenity value associated with travel along the river corridor. Sensitivity testing indicates that the project continues to deliver strong value for money even under conservative demand and growth assumptions.

Economic Study establishes Concrete and Intangible Benefits

The steering group commissioned Kōtātā Insight to measure the project's monetised economic benefits and understand unquantifiable or intangible benefits.

Research evidence quantifies relevant relationships in a way that enables a monetary cost to be attached. This gives confidence that the benefits are sufficiently distinct from monetized benefits and are unlikely to be unintentionally double counted.

Many benefits relating to community connection were not monetised because of these criteria. This reflects the state of the current research evidence on many of these topics, and of the scope of this analysis, as primarily a desktop-based exercise (as opposed to one where we could use New Zealand data to do new research on these topics).This should not be interpreted as evidence that these benefits do not exist, or do not have value.

Figure 7 maps and distinguishes between monetised and non-monetised benefits.

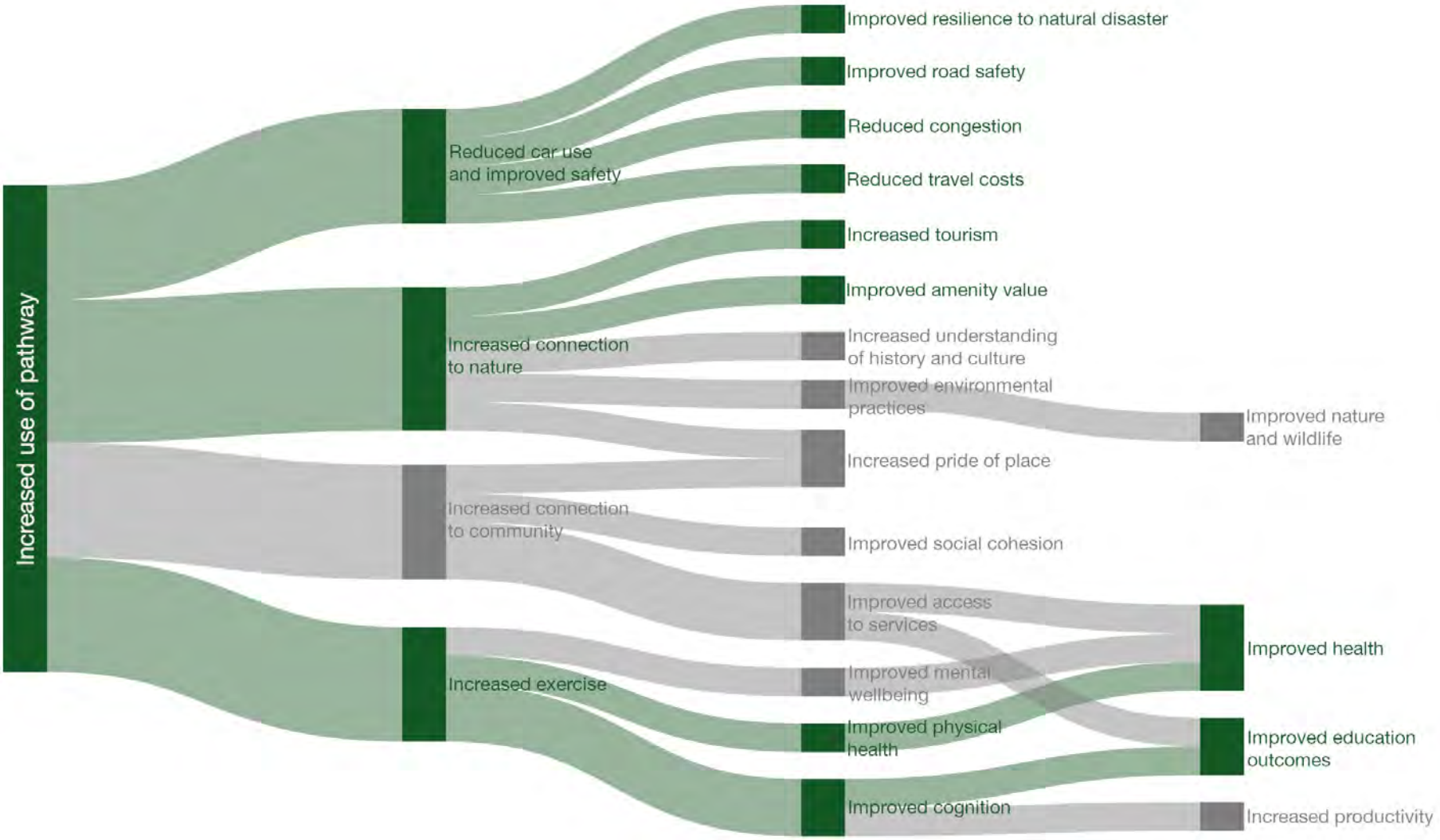


Figure 7: Indication of monetised and non-monetised benefits (Kōtātā Insight, 2025)

Table 4: Summary of benefits and costs from standard assumptions

Benefit/cost component	Accrues to	Present value
Improved health	Users	$118.9m
Improved road safety	Users	$1.4m
Improved resilience to disaster	Community	$81.8m
Reduced emissions	Community	$0.7m
Reduced congestion	Community	$2.7m
Reduced travel costs	Users	$6.0m
Increased tourism	Community	$5.1m
Improved cognitive skills	Community	$32.6m
Improved amenity value	Users	$2.6m
Total estimated benefits		**$251.8m**
Capital costs		$15.7m
Maintenance costs (whole of life)		$2.9m
Total estimated costs		**$18.7m**
Net present value		**$233.1m**
Benefit-cost ratio (capital costs only)		16.0
Benefit-cost ratio (all costs)		**13.5**

Summary of Results

The analysis estimates total present value benefits of $251.8 million over the life of the project, compared with total present value costs of $18.7 million. This results in a net present value of $233.1 million. The benefit–cost ratio is estimated at 16.0 when considering capital costs only, and **13.5** when including maintenance and whole-of-life costs. Overall, the project is estimated to generate approximately **$13.50 in benefits for every dollar invested.**

The Taruheru Shared Pathway demonstrates a strong economic and strategic case for investment. The analysis shows that the pathway delivers substantial net benefits to those who use the pathway and the wider Gisborne community, with benefits significantly exceeding costs under all tested scenarios. In addition to transport and health outcomes, the pathway supports broader objectives relating to community wellbeing, education, resilience, and placemaking, making it a robust and high-value infrastructure investment.

6. THE COMMERCIAL CASE

6.1 Introduction

The commercial case outlines how the Taruheru River Pathway project can be procured and delivered in a way that provides best public value. It evaluates delivery options, market capacity, risk allocation, and procurement strategies in accordance with **Waka Kotahi NZTA's Procurement Manual** and the **Government Procurement Rules (MBIE)**.

6.2 Market Analysis and Capacity

A soft market analysis indicates that there is capacity within the local and national market to deliver this project. Comparable recent pathway projects in New Zealand — such as:

- Te Ara Ōtākaro Avon River Trail (Christchurch),
- Wellington's Cobham Drive Pathway
- Te Awa River Ride (Waikato)

—have been delivered through traditional Design–Bid–Build or Design–Build (D&B) models using local and regional contractors, often co-funded by NZTA and local councils.

6.3 Longlist of Delivery Options

Delivery Model	Description	Typical Use / Suitability	Key Advantages	Key Considerations / Risks
Traditional (Design–Bid–Build, DBB)	The client (e.g., Council) completes design, then tenders the construction works separately.	When design certainty is high; complex sites needing strong client control; projects with defined scope.	Clear control over design and quality; competitive pricing; transparent process.	Longer delivery time (sequential phases); higher client interface and coordination effort; limited contractor innovation.
Design & Build (D&B)	A single supplier is responsible for both design and construction, often on a performance-based brief.	When outcomes can be clearly specified; projects requiring time efficiency or integration (e.g. on-road or multi-interface works).	Single point of accountability; faster delivery; encourages innovation and buildability.	Reduced client control over detailed design; need for clear performance specifications and strong contract management.
Early Contractor Involvement (ECI)	Contractor engaged early during design to advise on buildability, methodology, and cost, then often continues to construction.	Complex, high-risk, or constrained projects; where early input can reduce risk or rework.	Early risk identification; improved cost certainty; collaborative planning.	Requires mature client capability; potential perception of reduced competition if not managed transparently.
Alliance / Collaborative Model	Client and delivery partners form a joint team sharing risks, rewards, and decision-making.	Very large, complex, or time-critical projects; where outcomes are uncertain or need innovation (e.g. TREC, Kaikōura rebuild, City Rail Link).	Strong collaboration; best for complex interfaces; shared incentives drive performance.	High governance and overhead cost; not suited to smaller projects.
Public–Private Partnership (PPP)	Private consortium designs, builds, finances, and operates the asset under long-term contract.	Large-scale, long-term infrastructure with whole-of-life performance (e.g. Transmission Gully).	Transfers significant risk; drives innovation and lifecycle efficiency.	Complex procurement; not suitable for smaller or community-scale projects.

6.4 Shortlisted Delivery Models

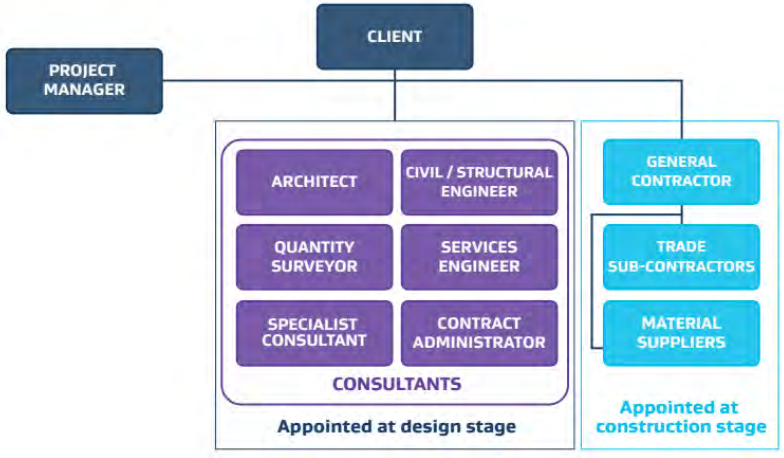
Based on best practice for infrastructure of this type and scale, the following delivery models have been considered:

It's recommended that the most suitable delivery model is utilised for each stage of the pathway, based on the timing of funding, and wider staging of the project.

1. **Traditional Design-Bid-Build (DBB) Contract**

- Consultants complete design; separate contractors' complete construction.
- Best suited for: Western/off-road sections of the pathway with challenging terrain, environmentally sensitive areas, or complex riverbank works.
- **Pros**: Clear scope, competitive pricing, allows specialist contractors to focus on complex off-road works.
- **Cons**: Longer project timeline, risk allocation between design and construction phases needs careful management.

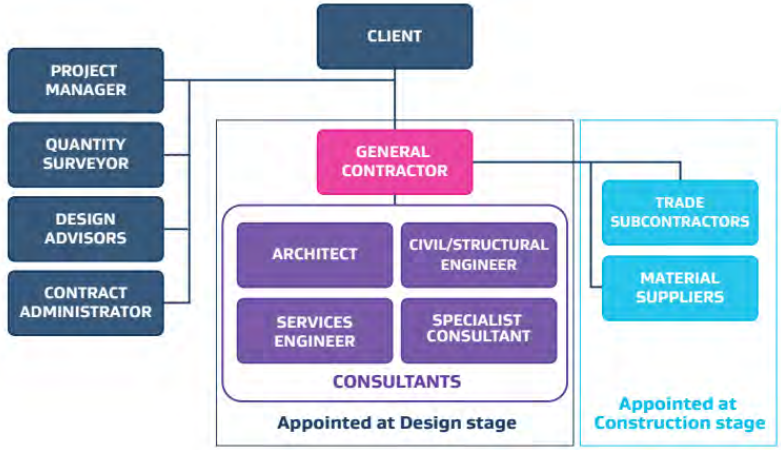
Traditional (Design, Bid, Build) contractual relationships



Design and Build (D&B)

- Single contractor responsible for design and construction.
- Best suited for: On-road urban sections, where design is more standardised and integrated traffic/utility management is required.
- **Pros**: Single point of accountability, integrated approach, potential time and cost efficiencies.
- **Cons**: Less separation between design and construction; requires careful scoping and evaluation

Design and build contractual relationships



6.5 Typical Delivery Models of Cycleway and Shared Path Projects

Project	Location	Reported total value (rounded)	Reported / inferred delivery model
Northern Pathway (Harbour crossing & land components)	Auckland, NZ	**$360M+** (Government investment in first section). Overall programme funding larger in upgrade programme.	**Design & Build** (procurement shortlisted teams for design & construction; single-team delivery for sections).
Ōtaki → North of Levin (Ō2NL) — includes separated shared path	Kapiti / Horowhenua, NZ	**Originally $817M**, project cost reporting increased (media reporting shows ~$2.1B total for highway project; shared path included as part of works).	**Design & Build** (construction contracts signed; VINCI/contract announcements refer to road D&B packages including shared path).
Christchurch Major Cycle Routes (network of 13 Major Cycle Routes)	Christchurch, NZ	**~$70M** (historic CCC programme figure for network rollout).	**Mix — DBB for detailed off-site packages; multiple construction contracts** (design consultants appointed; route sections let via construction contracts).
New Plymouth cycleway proposals	New Plymouth, NZ	**Originally ~$17M estimate; later total for three routes reported >$35M (scope/cost updates)**.	**Council procurement (likely DBB / staged contracts)** — project procurement and delivery by Council; some packages likely tendered as construction contracts.
Orewa West Walkway / Cycleway (staged)	Rodney District / Auckland region, NZ	**$3.85M** (remaining stages 2–7 cost estimate in NZTA paper).	**Design & Construct / DBB** (NZTA paper approves funding for design & construction of remaining stages — typical approach is DBB/construct contracts).
Phillips Ave Active Transport Cycleway (grant funded)	Canterbury-Bankstown, NSW, AUS	**$877k grant** (Active Transport funding for design & build of new cycleway elements).	**Council delivery (design & construct)** — grant to deliver local active-transport works; typical delivery by Council via design/construct contract.
Auckland Hobsonville Road cycleway (project works / staged)	Auckland, NZ	*Public planning pages; construction start announced (no single total cost published on the page).*	**Staged delivery; likely D&B for on-road urban sections** (AT prefers D&B for on-road works according to project updates).

6.6 Proposed Staging Approach

While the approach to staging and delivering the pathway needs to remain dynamic, the following is an indicative staging plan based on the assumption that funding for the pathway will be received over multiple Long-Term-Plans, and from a range of funders. For that reason, it seeks to provide some guidance on where and how the pathway could be constructed in stages to maximise community benefits with the available resources.

Pathway Section	Delivery Model	Procurement Approach	Priority of build	Key Considerations / Benefits
Western / Off-road (e.g., Campion bridge to Dalrymple Rd)	Design-Bid-Build (DBB)	EOI → RFP → NZS3910/3915 Contract	Stage 1	Complex terrain; environmental sensitivity; specialist construction; enhances access to high-deprivation neighbourhoods; fosters community pride
Mitre 10 to Botanical Gardens	Design & Build (D&B)	EOI → RFP → D&B Contract	Stage 2	Constrained working environment, range of treatment options and impacts on neighbouring properties
Roebuck Road to Stanley Road	Design & Build (D&B)	EOI → RFP → D&B Contract	Stage 3	Integrated traffic management; single point of accountability; encourages active transport to schools and city amenities
Roebuck Road Crossing	Design & Build (D&B)	EOI → RFP → D&B Contract	Stage 3	Constrained construction environment, highly disruptive area for works, feasibility and pre-construction planning key to understanding the true cost of the works
Dalrymple to Stanley Road	Design & Build (D&B)	EOI → RFP → D&B Contract	Stage 1-3 (TBC)	Development of this section requires the crossing of private land, although that may be resolved if the land is subdivided in coming years and an esplanade reserve vested in Council. Therefore, this section of pathway could be developed sooner if that subdivision were completed.
Priority School & Community Links	DBB or D&B depending on location	EOI → RFP → Appropriate Contract	Stage 4	Connect pathway to surrounding community infrastructure, such as school and community facilities. Improves safe travel to schools; supports wellbeing, education, and active lifestyles

6.7 Procurement Approach

6.7.1 Procurement Strategy

In line with **NZTA's Procurement Manual (SM030)** and the **Government Procurement Rules**, the strategy will include:

- **Procurement Plan (Rule 22):** Required for any sections of the pathway subject to co-investment from NZTA
- **Advanced Notice:** To notify suppliers via GETS and stimulate interest
- **Request for Tender (RFT):** Open competitive process based on price and non-price attributes
- **Non-Price Attributes:** Include methodology, resourcing, track record, and local engagement approach
- **Evaluation Panel:** Comprising technical, procurement, and community representation

In addition, the procurement will comply with GDC **Procurement Policy and Rules**, including:

- Open, fair, and transparent processes
- Value for money as the primary consideration
- Compliance with relevant legislation and NZ Government procurement guidance
- Managing risk, probity, and sustainability considerations

6.7.2 Recommended Procurement Strategy

1. **Expression of Interest (EOI) / Request for Proposal (RFP)**
   - EOI to shortlist suitably qualified contractors for each delivery model.
   - RFP issued to shortlisted suppliers, including evaluation criteria covering:
     - Price / value for money
     - Experience in similar shared path / active travel projects
     - Capability in environmental and cultural management
     - Delivery methodology for staged sections
2. **Contract Type**
   - **DBB sections:** Standard NZS3910 or NZS3915 construction contracts for off-road works.
   - **D&B sections:** Design & Build contracts tailored for urban / on-road sections with traffic integration.
   - Clear clauses for staged delivery and pre-agreed rates for subsequent sections.
3. **Staged Delivery Adaptation**
   - Define **priority sections** (e.g., high-use school corridors, central city links) to deliver first.
   - Allow contractors to submit proposals for later delivery stages once additional funding is secured.
   - Use **framework agreements or schedule-of-rates contracts** to maintain cost certainty for future delivery stages.
4. **Risk and Contingency Management**
   - Include risk allocation for environmental constraints, site conditions, and stakeholder engagement.
   - Contingency allowances for unforeseen issues (utilities, flooding, heritage sites) incorporated into contracts.

5. **Stakeholder and Community Engagement**
    - Contractors must demonstrate experience in community engagement and Māori partnership (mana whenua), consistent with Council and Waka Kotahi expectations.

6.7.3 Regional Economic Benefit

Council will structure procurement to **maximise local and regional economic benefits**:

- **Encourage local contractors** to participate in the delivery of the pathway, where feasible, either as prime contractors or subcontractors.
- **Package works** to allow smaller regional firms to compete for sections of the pathway, particularly for civil, landscaping, and finishing works.
- **Incorporate supplier development clauses** that encourage employment of local labour and engagement with mana whenua and community groups.
- **Promote knowledge transfer** and capability building within the local workforce.

This approach ensures that the project delivers not only community wellbeing but also tangible economic benefits for Tairāwhiti.

6.7.4 Key Procurement Risks and Mitigations

Risk	Mitigation
Insufficient market interest	Early EOI and market engagement; allow regional and national contractors
Cost escalation	Use framework agreements and staged delivery with agreed rates
Delays in approvals or funding	Stage works by priority sections; maintain flexibility in schedule
Quality inconsistency	Standardised specifications, design review, and performance-based contract clauses

6.7.5 Conclusion

A hybrid delivery model (DBB for western/off-road sections and D&B for urban/on-road sections) with staged implementation provides:

- Technical efficiency tailored to terrain and complexity
- Single-point accountability for urban sections
- Flexibility to manage funding limitations
- Compliance with Council's Procurement Policy and Rules
- Regional economic benefits through local contractor engagement

This commercial approach ensures the pathway is delivered efficiently, sustainably, and inclusively, maximising value for Tairāwhiti residents.

7. THE FINANCIAL CASE

7.1 Purpose

The Financial Case outlines the overall cost and affordability of the preferred route option for the Taruheru River Pathway, identified within the Economic Case.

The purpose of the Financial Case is to:

- Quantify expected annual costs of the Taruheru River Pathway
- Identify potential sources of funding.
- Assess the affordability of the Taruheru River Pathway.

7.2 Recommended Option

The Economic Case provides more detailed information about the preferred pathway route option for the Taruheru Shared Pathway. This is a pathway utilizing a mixture of on- and off-road sections, with an estimated capital cost of $15.7M.

7.3 Financial Model

7.3.1 Overview of Approach

The project has **$2.5 million of existing capital funding** allocated through Gisborne District Council's Long-Term Plan (LTP) and is anticipated to seek the remaining balance through a combination of **Community Funders, Waka Kotahi co-investment**, and **other community or central government funding sources**.

7.3.2 Key working assumptions

- Total capital cost estimated at **$15.7 million (excl. GST)** based on Stantec (2025) concept design including contingencies outlined below.
- A **30% contingency allowance** applied to reflect early-stage design and geotechnical/environmental uncertainty.
- An allowance of **20%** has been made for **professional services** including but not limited to design, consenting, geo tech, project management and quality assurance. This is in line with industry best practice.
- Cost escalation of **2.5–3% per annum** applied for future-year construction stages.
- A **4% real discount rate** applied, consistent with Treasury and Waka Kotahi guidance.
- Financial analysis conducted over a **40-year asset life**, reflecting typical cycleway infrastructure lifespan.
- Construction delivered in phases aligned with funding availability (2026–2030).
- Annual maintenance costs estimated at **$22,000 per annum**.
- Straight-line method over **25–50 years** depending on component type, in line with GDC asset policy.
- Nil residual value assumed; renewals to be funded through depreciation reserves.
- No significant land acquisition, utility relocation, or consenting cost overruns.

7.3.3 Capital Expenditure

Cost Component	Estimated Cost (excl. GST)	Source
Design, consenting, and management	$2.09M	Stantec 2025
Construction and materials	$10.48M	Stantec 2025
Contingency (30%)	$3.15M	Stantec 2025
Total Capital Cost	**$15.72M**	—
40-year Cost (PV)	$18.7M	Kōtātā Insight 2025

7.3.4 Long-term Maintenance Costs

Maintenance costs

Ongoing maintenance costs are estimated at $2.9M PV over 40 years, with approximately $22,000 per annum.

10 yearly periodic maintenance estimate: $309,000 (Kōtātā Insight, 2025)

20 yearly periodic maintenance and renewals estimate: $1,449,450 (Kōtātā Insight, 2025)

Gisborne District Council's Transportation Activity Management Plan will consider these costs, with renewals incorporated into future LTP cycles.

Table 5: Itemised maintenance schedule - Stantec 2025

Item	Annual		10-yearly		20-yearly	
Painted cycle lanes (both sides of the road)	$ 4	Re-mark additional paint	$ 15	Re-mark green		
Two-way separated cycleway - existing road surface	$ 8	Re-mark additional paint and replace some delineators	$ 15	Re-mark green	$ 500	Replace separators
Two-way separated cycleway - shoulder smoothing	$ 8	Re-mark additional paint and replace some delineators	$ 15	Re-mark green	$ 500	Replace separators
Concrete shared path, 3 m wide, in reserves	$ 2	Re-mark paint			$ 150	Replace damaged sections (20%)
Concrete shared path, 3 m wide, on roadside berm	$ 4	Re-mark paint	$ 10	Re-mark green (driveways)	$ 200	Replace damaged sections (20%)
Concrete/AC path with kerb/drainage alterations, in road reserve	$ 2	Re-mark paint			$ 300	Replace damaged sections (20%)
Compacted gravel path, 3 m wide, in reserves			$ 75	Replace wearing course	$ 45	Replace damaged sections (20%)
Timber boardwalk on or ramping to mudflats with handrail, 4 m wide	$ 10	Inspect, minor repairs	$ 500	Moderate repairs, clear flood debris	$ 800	Replace 50% decking
Timber boardwalk on park areas, no handrail, 4 m wide	$ 10	Inspect, minor repairs	$ 400	Moderate repairs	$ 600	Replace 50% decking
Concrete shared path, 4 m wide, with timber retaining wall each side and handrail one side	$ 5	Maintain signs	$ 100	Minor repairs/maintenance	$ 300	Replace damaged sections (20%)
Replace and widen bridge deck to 3 m width, new handrails	$ 8	Inspect, minor repairs	$ 400	Moderate repairs	$ 600	Replace 50% decking
Spare						
Minor intersection/crossing improvements	$ 100	Additional sweeping				
Low retaining wall for path			$ 50	Minor repairs/maintenance		
New path lighting			$ 20	Replace luminaires		

7.3.5 Depreciation

The Taruheru River Pathway will be capitalised as a transportation and recreation infrastructure asset within Gisborne District Council's fixed asset register.

Depreciation will be applied in accordance with Council's Accounting and Asset Management Policies, consistent with the Local Government Act 2002, Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS 17), and GDC's Activity Management Plans.

Depreciation Method

- Depreciation will be calculated using the **straight-line method** over the **estimated useful life** of each asset component.
- This method allocates cost evenly across the asset's expected life, reflecting gradual wear and consumption of service potential.

Asset Components and Useful Lives

Based on GDC's **Infrastructure Asset Management Plan – Transport and Recreation**, indicative useful lives are:

Asset Component	Typical Useful Life (Years)	Depreciation Basis
Concrete or asphalt shared path surface	40 years	Straight-line
Timber or composite boardwalks / bridges	25–40 years	Straight-line
Lighting and furniture (seating, bins, signage)	10–20 years	Straight-line
Drainage and subgrade improvements	50 years	Straight-line
Landscaping and plantings	Not depreciated (maintenance only)	—

Depreciation Funding

- Depreciation will be funded to the extent of local share contribution (minimum of 32%). Renewal works (resurfacing, furniture replacement, signage upgrades) will be timed according to asset condition assessments and renewal forecasting tools.

7.3.6 Financial Impact Assessment (Council)

- Council's **capital exposure is capped** at the existing LTP allocation.
- Ongoing costs are **modest**.
- Depreciation funding will have an impact on rates and would need to be considered through the 2027-37 LTP.
- External co-funding materially reduces long-term financial risk.

7.4 Rates Impact Assessment

Capital funding impact
Gisborne District Council has allocated **$2.5 million** to the Taruheru River Pathway through its 2024-27 Three Year Plan. The remaining capital cost will be met through external funding sources, including Waka Kotahi co-investment and regional partners.

Operating and maintenance impact
Ongoing yearly maintenance costs are estimated at **$22,000 per annum**. These costs will be considered within Council's future Transport Activity maintenance budgets. The pathway is comparable in cost to other shared path assets currently managed by Council.

Depreciation and renewals
The pathway will be depreciated at approximately **$393,000 per annum** over an average useful life of 40 years. Renewal works will be programmed through future Long-Term Plans based on asset condition and performance.

Overall rates impact

- No additional rates are required to fund capital delivery.
- Yearly operating costs are modest.
- Average additional costs required to meet long term maintenance/renewals levels result in provision of $100k per annum.
- Depreciation will be funded to the extent of local share contribution (minimum of 32%).

7.5 Financial Sensitivity Analysis

Scenario / Variable	Change Tested	Revised Estimated Total Cost (NZD)	Impact on Funding Requirement	Commentary / Implications
Base Case (Pathway route option 5a)	—	**$15.72M**	GDC $2.5M (confirmed) + external $13.2M	Financially viable under blended funding model.
Construction Cost +10%	Increase of 10% in total capital cost	$17.29M	Additional $1.57M required from external sources (e.g., local funders or Waka Kotahi).	Moderate sensitivity; manageable within potential funding range ($15–17M).
Construction Cost –10%	Decrease of 10% in total capital cost	$14.15M	Reduces external funding requirement by $1.57M.	Improves affordability; lower stress on co-funding ratios.
Inflation / Escalation +2% (compounded)	Sustained escalation over staged delivery (2.5% → 4.5%)	$16.35M	Additional $0.6M funding required over 4 years.	Manageable if staged procurement locks early pricing.
Reduced Waka Kotahi FAR (from 68% → 51%)	Lower co-investment rate applied	Net local share ↑ by ~$2.5M	Additional funding required from external funders.	High sensitivity — highlights value of securing higher FAR through GPS alignment.
Local funders contribution +$2M	Increase in regional co-funding	Total external contribution sufficient to cover 100% of cost.	Reduces dependency on NLTP timing and FAR rates.	Strengthens delivery certainty and regional partnership.
Delay of 2 years (2026 → 2028)	Deferral with escalation	$16.6M (approx. +6%)	Funding gap increases ~$0.9M.	Reinforces benefit of early delivery and locking contracts early.
Maintenance cost +20%	$26.4k per annum (vs. $22k base)	N/A (OPEX impact only)	Minor increase in annual operating budgets.	Negligible effect on affordability.

7.6 Funding Approach

The project will pursue a **multi-source funding strategy** to reduce reliance on any single funding stream and to align with regional partnership objectives:

Potential Funder	Key Objectives / Alignment Considerations	Indicative Potential Funding Contribution	Notes / Considerations
Gisborne District Council (GDC)	• Primary asset owner and delivery agency. • Supports local transport and recreation infrastructure. • Aligned with GDC's *Active Travel Strategy 2024*, *Parks & Open Spaces Strategy*, and *Long Term Plan (LTP)*.	**$2.5M (confirmed)** Additional renewals funding over lifecycle.	Existing LTP allocation (2024–2027). Further top-ups possible via subsequent LTP rounds.
Community Partners	• Strategic focus on regional wellbeing and community-led development. • Alignment with wellbeing domains: Hapori, Tūhono, Taiao, and Ōhonga.	**TBC**	Strong alignment with community objectives outlined in executive summary and significantly impactful core regional infrastructure.
Waka Kotahi NZ Transport Agency (National Land Transport Programme – NLTP)	• GPS 2024 priorities: safety, better travel options, sustainability, and emissions reduction. • Eligible under *Walking and Cycling Improvements Activity Class* or *Transport Choices Programme*.	**$7–9M (51–75% co-funding)**	Dependent on inclusion in future NLTP cycle (2027–30). Co-funding likely strongest for urban connectivity and school travel sections.
Tapuwae Tairāwhiti Trails Trust	• Focus on developing a connected regional trail network. • Aims to enhance tourism, community access, and recreation. •	**In-kind contributions to trail planning**	Likely non-cash or leveraged funding through partnerships and sponsorship. *NB: Has funded technical reports to support this business case.*
Central Government – Active Mode or Climate Funds	• Prioritises low-emission transport investments and resilience projects. • Aligned with mode shift and climate adaptation policy objectives.	**$1–2M (potential)**	Dependent on future government funding rounds; likely competitive grant process requiring demonstration of emission-reduction benefits.
Corporate / Sponsorship Partners	• Local or national organisations seeking visibility and CSR alignment.	**$0.1–0.25M (variable)**	Could include material or service sponsorship (e.g. equipment, design support, or amenities).

7.7 Financial Risks and Mitigations

Risk	Description	Mitigation
Funding shortfall	Not all funding sources confirmed	Staged delivery; early applications to local and national funding partners.
Cost escalation	Construction inflation and supply chain volatility	Early contractor engagement; fixed-price contract elements.
Maintenance burden	Long-term cost pressures	Use of durable materials (concrete rather than gravel), efficient design.
Timing of co-funding	NLTP cycle misalignment	Align business case and design timing with Waka Kotahi funding windows.

7.8 Summary of Financial Position

- Project remains **affordable and deliverable** within a total cost envelope of **$15 – 17 million**.
- A **multi-source funding model** (GDC + Waka Kotahi + Local funders) ensures resilience to funding cycle variability.
- Early co-funding confirmation and staged delivery will manage escalation risk and support timely delivery.

8. THE MANAGEMENT CASE

8.1 Introduction

The Management Case sets out the frameworks and processes which would be implemented to ensure the project has the required direction, management, control, and communication to make it a success.

The Management Case demonstrates that:

- Clear governance and decision-making arrangements are in place.
- Roles, responsibilities, and accountabilities are well defined.
- The partnership model is fit for purpose for planning, delivery, and long-term stewardship; and
- The project can be delivered in a manner consistent with public-sector assurance, funding, and reporting expectations.

8.2 Project Governance

The governance model for the Taruheru River Pathway is a partnership-based model formalised through a Memorandum of Understanding (MoU) with Tapuwae Tairāwhiti Trails Trust (TTT) (**Appendix 4**). The MoU provides the overarching governance structure, defines how decisions are made, and establishes the mechanisms for coordination between the parties.

The model reflects:

- GDC's statutory role, funding accountability, and asset ownership responsibilities; and
- TTT's role as a trusted community partner with specialist expertise in trails development, advocacy, engagement, and coordination.

Memorandum of Understanding as the Governance Instrument

The MoU (effective from 30 April 2024 to 1 May 2029) is the primary governance document for the project. It records the partnership intent, scope, principles for working together, and high-level responsibilities of each party.

The MoU:

- Does not create a separate legal entity.
- Does not override statutory obligations of GDC; and
- Provides sufficient flexibility to accommodate a multi-agency delivery environment while maintaining clear accountability.

The MoU remains in force through planning, funding applications, detailed design, and implementation, with an explicit commitment to consider governance arrangements beyond the term to support long-term sustainability of the pathway.

8.2.2 Governance Group Membership

The Governance Group comprises representatives from:

- Gisborne District Council.
- Tapuwae Tairāwhiti Trails Trust; and
- Mana Whenua

Additional community or agency representatives may be included where appropriate to reflect project needs, subject to agreement by the partners.

8.3 Indicative Project Timeline

The delivery timeframe for the Taruheru River Pathway depends on the availability and timing of external funding, statutory approvals, and internal Council decision-making. As such, the programme remains indicative and will continue to evolve as key dependencies are confirmed, and project scope and staging are refined.

Programme Assumptions and Dependencies

The overall project timeline is subject to the following key factors:

- Confirmation of funding sources and funding approval timeframes
- Completion of required statutory and regulatory approvals, including resource consents
- Outcomes of mana whenua and stakeholder engagement
- Finalisation of design scope and procurement strategy
- Seasonal and environmental constraints associated with river-edge construction

Delays or changes in any of these areas may affect the sequencing and duration of project activities.

Indicative Project Delivery stages

Subject to funding and approvals, the project is anticipated to progress through the following high-level delivery stages:

- Business case approval and funding confirmation
- Preliminary investigations and concept design
- Stakeholder, community, and mana whenua engagement
- Detailed design and statutory approvals
- Procurement and contractor appointment
- Construction (potentially staged)
- Practical completion, handover, and commencement of operations

Specific start and completion dates will be confirmed as the project advances through these delivery stages.

Schedule Management and Governance

A live project schedule will be developed and maintained by the Project Manager and will reflect current assumptions, dependencies, and approved changes. The schedule will be regularly reviewed and updated to support informed decision-making.

Oversight of the project programme will be provided by the Project Governance Group, which will:

- Monitor progress against agreed milestones
- Review schedule risks and emerging constraints
- Endorse significant programme changes where required
- Ensure alignment between funding, approvals, and delivery timing
- Monitor the project budget

8.4 Benefits Management

The purpose of benefits management for the Taruheru River Pathway is to ensure that the investment delivers the intended outcomes identified in the Strategic and Economic Cases and that these outcomes are actively monitored, reported, and used to inform future decision-making. Benefits management will be an ongoing process across the lifecycle of the project, from delivery through to operation, and will be integrated into Council's existing governance, asset management, and performance reporting frameworks.

The approach is based on the principles of clear benefit ownership, measurable indicators, proportionate monitoring, and continuous improvement. Benefits have been defined to directly address the identified problems, align with the investment pillars, and demonstrate performance against Government Policy Statement (GPS 2024) priorities, particularly Safety, Economic Growth and Productivity, Resilience, and Value for Money.

Oversight of benefits management will sit with the Project Governance Group, supported by Council officers and delivery partners. The governance group will be responsible for confirming baseline conditions, endorsing performance measures, and ensuring that benefits realisation is tracked and reported over time.

8.4.1 Benefits Management Plan

Benefits Identification and Ownership

Each primary benefit has been assigned a clear owner responsible for monitoring and reporting. Ownership typically sits with the relevant Council activity or partner best placed to influence outcomes.

Benefit	Primary Owner	Supporting Partners
Increased safety for active travel users	GDC Transport Team	Waka Kotahi, schools
Increased active travel uptake	GDC Transport & Planning	Public Health, schools
Improved equity of access	GDC Transport & Community Wellbeing	Disability groups
Increased connection to Taruheru Awa	Mana whenua / GDC Parks	Tapuwae Tairāwhiti
Increased active recreation	GDC Parks & Recreation	Tourism partners
Economic and productivity benefits	Trust Tairāwhiti (as the Regional Economic Development Agency)	Business associations

8.4.2 Benefits Measures and Indicators

Benefits will be measured using a combination of quantitative and qualitative indicators, prioritising established and cost-effective data sources.

Benefit	*Indicator*	*Baseline*	*Target / Direction*
Safety	Reported crashes involving pedestrians/cyclists	Pre-construction data	Reduction over time
Safety	User perception of safety	Baseline survey	Measurable improvement
Active travel uptake	Daily path users (counters)	0 / existing	Year-on-year increase
Mode shift	% of school trips by walking/cycling	Baseline travel data	Increase
Equity of access	Use by children, older people, disabled users	Baseline survey	Broader user mix
Connection to awa	Cultural design features delivered	None	Fully implemented
Recreation	Recreational use counts	Baseline	Growth comparable to Te Oneroa
Economic benefit	Proximity footfall / amenity perception	Baseline	Positive trend

8.4.3 Baseline Establishment

Baseline data will be established prior to construction for all primary indicators. Where direct data is not currently available, proxy measures (e.g. traffic counts, school travel surveys, community surveys) will be used. Baseline establishment will occur during detailed design and prior to the first stage of construction, ensuring a robust "before and after" comparison.

8.4.4 Monitoring and Reporting

Benefits will be monitored at defined intervals to reflect when outcomes are expected to materialise.

Timing	Activity
Pre-construction	Confirm baseline measures
Year 1 post-opening	Initial benefits check (usage, safety perception)
Years 3–5	Formal benefits realisation review
Ongoing	Incorporated into AMP and LTP reporting

Reporting will be proportionate and integrated into existing Council reporting processes, including Annual Reports, Transport Activity performance reporting, and LTP reviews.

8.4.5 Managing Risks to Benefits Realisation

Key risks to benefits realisation and mitigation measures include:

Risk	Mitigation
Safety benefits not realised	High-quality design, CPTED principles, lighting
Lower-than-expected usage	Wayfinding, activation, school travel programmes
Cultural outcomes not delivered	Early and ongoing mana whenua partnership
Maintenance shortfalls	Confirmed OPEX funding and condition monitoring
Network disconnection	Integration with wider active travel programme

8.4.6 Continuous Improvement and Adaptation

Benefits management will support adaptive management of the pathway.

Monitoring results may inform:

- Targeted safety upgrades
- Additional connections or crossings
- Activation and programming initiatives
- Future stages of the active travel network

Lessons learned will be captured and applied to subsequent active travel investments across Gisborne.

8.4.7 Summary

The benefits management approach ensures that the Taruheru River Pathway delivers measurable, enduring value aligned with Council, regional, and national objectives. Clear ownership, practical indicators, and integrated reporting provide confidence that the investment will achieve its intended outcomes and inform future transport and place-making decisions.

8.5 Risk Management

Effective risk management is critical to the successful delivery and long-term operation of the Taruheru River Pathway. Risks have been identified across the planning, delivery, and operational phases of the project, with mitigation measures proposed to reduce the likelihood and impact of adverse outcomes. Risks will be actively monitored and reviewed throughout the project lifecycle.

8.5.1 Risk Management Approach

The project applies a proactive risk management framework consistent with recognised public-sector best practice. Key elements include:

- Early identification of strategic, operational, environmental, financial, and reputational risks
- Assignment of clear ownership for each risk
- Implementation of mitigation strategies proportionate to risk severity
- Ongoing monitoring and reporting to governance and project sponsors

Risk assessments will be updated at key project milestones, including design completion, procurement, construction commencement, and transition to operations.

Risk Approach To-Date

Over the past 18 months, substantial risk mitigation and due diligence work has been undertaken by the project steering group. External technical and specialist reports have been commissioned and funded by the Tapuwae Tairāwhiti Trails Trust, to ensure the full benefits realisation can be achieved by retaining as much of the available funding for capital construction.

Key Risk Mitigation Activities Undertaken

1. Establishing clear project success criteria and assessment pillars, highlighting sustainability and affordability.
2. Comprehensive review of all previous Taruheru River Pathway reports and resolution of outstanding issues.
3. Validation of projected user demand analysis through investment into monitoring of existing shared path infrastructure and collection of local usage data.
4. Analysis of travel demand between residential areas, workplaces, and education destinations.
5. Commissioned an updated, high-level capital and maintenance cost estimates and review of earlier costings.
6. Development of staged delivery options, breaking the 4.5 km pathway into eight clear delivery stages all with separated costings, helping to assess value and benefit alignment.
7. Assessment of multiple route alignments and surface treatment options to improve feasibility.
8. Environmental and climate risk assessment, including flood behaviour, tsunami risk, and sea-level rise adaptation.
9. Preliminary assessments of selected river crossings.
10. Review of vehicle heavy traffic flows and safety risks at major intersections.
11. Analysis of ACC walking and cycling accident data for Gisborne over the past five years.
12. Ongoing engagement with local hapū and mana whenua, including representation on the Steering Group.
13. Assessment of rates impacts and long-term financial sustainability of ongoing maintenance.
14. Ongoing engagement with landowners and leaseholders where the pathway is proposed to pass through their property.
15. Targeted engagement with community groups, including CCS Disability and health professionals.
16. Consultation with an arborist on ecological and tree-related risks.
17. Independent economic evaluation of benefits to the community over the lifetime of the pathway.

Risk Category	Risk Description	Likelihood	Impact	Mitigation Measures
Environmental	Adverse impacts on river ecology, including disturbance to habitats, discovery of land contamination, water quality, or riparian vegetation	Medium	High	Early ecological assessments; pathway alignment to avoid sensitive areas; construction management plans; engagement with environmental experts and mana whenua
Regulatory & Consents	Delays or conditions arising from resource consent or statutory approvals	Medium	High	Early engagement with regulators; clear consent strategy; allowance for consent timeframes in project programme
Cultural & Community	Insufficient engagement with mana whenua or community leading to opposition or reputational risk, damage to archaeological sites	Low–Medium	High	Early and ongoing engagement with mana whenua; incorporation of cultural values and narratives; community consultation and transparent communication
Flooding & Natural Hazards	Damage to pathway from flooding, erosion, or climate-related events	Medium	High	Design to flood-resilient standards; appropriate setbacks; durable materials; integration with flood management plans
Financial	Cost escalation due to inflation, unforeseen ground conditions, or scope changes	Medium	Medium–High	Robust cost estimates; contingency allowances; staged delivery; value engineering during design
Construction	Disruption to adjacent landowners, traffic, or public access during construction	Medium	Medium	Construction traffic management plans; staged works; clear communication with affected stakeholders
Health & Safety	Injury to workers or the public during construction or operation	Low–Medium	High	Contractor health and safety plans; compliance with legislation; safe design principles; regular audits
Perceived safety	Perceived social safety of users affects the use of the trail	Medium	Low-medium	CPTED consideration through design, community engagement around safe use, initiatives to ensure that all communities can access and enjoy the trail
Operational & Maintenance	Ongoing maintenance costs exceed forecasts or asset condition deteriorates faster than expected	Medium	Medium	Lifecycle costing; durable materials; clear maintenance responsibilities; integration into existing asset management plans
Demand & Usage	Lower-than-anticipated usage reducing social or economic benefits	Low–Medium	Medium	Alignment with existing networks; good wayfinding and accessibility; promotion of recreational and commuting use

8.8.2 Residual Risk and Governance

Following the implementation of mitigation measures, residual risks are considered manageable and consistent with the Council's risk appetite for strategic infrastructure and community wellbeing projects. Governance oversight will ensure that emerging risks are identified early and addressed promptly.

Risk identification and mitigation will continue and intensify as the project progresses into detailed design, consenting, delivery, and operational phases. The work completed to date represents a significant level of de-risking and provides increased confidence that costs, benefits, and delivery risks have been appropriately identified and assessed.

8.8.3 Summary of strategic risk

While the Taruheru River Pathway faces a range of environmental, delivery, and operational risks, these are typical of linear river-edge infrastructure projects and can be effectively managed through careful planning, stakeholder engagement, and resilient design. A structured risk management approach will support successful delivery and long-term community benefit.

8.5 Stakeholder Engagement and Communication

8.5.1 Purpose of Engagement

To ensure the Taruheru River Pathway reflects community aspirations, cultural values, safety needs, and environmental sensitivities, engagement will:

- Build shared understanding of the project vision and benefits.
- Gather input to refine the design solutions.
- Strengthen local ownership and stewardship of the pathway.
- Identify and manage potential impacts on landowners, businesses, and those who use the pathway..

8.5.2 Engagement Objectives

Objective	Description
Inform	Provide clear, accessible information on the project purpose, options, and timeline.
Consult	Seek community feedback on pathway route options, design elements, access points, safety features, and environmental considerations.
Collaborate	Work closely with adjoining landowners, schools, and recreational groups to co-design local solutions.
Empower	Build enduring partnerships with mana whenua, Tapuwae Tairāwhiti Trails and other community groups to lead activation, maintenance, and promotion of the pathway.

8.5.3 Key Stakeholders & Audiences

Group	Engagement Focus	Engagement Style
Mana whenua	Cultural values, placemaking, storytelling along the awa, design, environmental management	Hui, wānanga, co-design workshops
Adjacent landowners and residents	Access, privacy, boundary, fencing, construction impacts	One-on-one meetings, letter drops, drop-in sessions
Recreation and trail users (Tapuwae Tairāwhiti, GDC Journeys, cycle clubs)	Connectivity, route usability, signage, surface materials	Workshops, online maps, surveys
Schools and community organisations	Safe routes to school, educational opportunities	School visits, youth design sessions
Business and tourism operators	Economic activation, wayfinding, event potential	Focus groups, business chamber briefings
General public	Awareness, feedback on options, broad support	Public open days, online "Participate" page, social media updates
Regulatory / funding partners (Waka Kotahi, MBIE, DOC)	Funding alignment, standards, policy compliance	Technical meetings, formal review

8.5.4 Summary of historic consultation

The Taruheru walkway/cycleway has been featured in several of Gisborne District Council's strategic planning documents:

- **2009-2019 Long Term Plan:** The project was included as a major project, with funding to complete the pathway from Bright Street to Botanical Gardens in year 2-3 and from Botanical Gardens in year 4-5.
- **2012-2022 Long Term Plan:** Completion of the cycleway from Bright Street to Campion Road was planned for years 1-6 of the plan.
- **2015-2025 Long Term Plan:** The plan included no budget for the project but noted that planning would continue for the extension of the current cycleway from Bright Street to Derby Street.
- **2018–2028 Long Term Plan**: The project was included as a key infrastructure initiative, reflecting community support for improved walking and cycling facilities.
- **2021–2031 Long Term Plan**: While specific details are limited in the available summary, the plan continued to support the development of active transport infrastructure, including the Taruheru River Pathway.
- **2024–2027 Three Year Plan**: The plan allocates $3.3 million to extend the shared path from Mitre 10 to the Botanical Gardens. The Council applied for $750,000 in co-funding from Waka Kotahi NZ Transport Agency, this funding was not awarded.

8.5.5 Communication risks and Mitigation

Risk	Mitigation
Stakeholder fatigue from previous consultation rounds	Targeted engagement with clear purpose and visible feedback loops.
Misalignment with mana whenua expectations	Early and continuous partnership, joint cultural impact assessment.
Public opposition over land use or costs	Transparent information, highlight co-benefits (safety, recreation, health and wellbeing and connectivity).

8.5.6 Expected Outcomes

- A pathway design reflecting community priorities and cultural values.
- Strengthened local partnerships supporting long-term care of the pathway.
- Improved project legitimacy and reduced implementation risk.
- Documented evidence supporting NLTP / Waka Kotahi funding applications.

8.11 Quality Management approach

The Quality Management approach outlines the systems, processes, and responsibilities that will ensure the Taruheru River Pathway is planned, designed, constructed, and operated to an appropriate standard, delivering a safe, durable, and high-quality asset that meets community, environmental, and regulatory expectations.

Standards and Compliance

The project will comply with all applicable legislation, codes of practice, and standards, including but not limited to:

- Resource consent conditions and statutory approvals
- Council design guidelines and asset standards
- Relevant New Zealand Standards for pathways, structures, drainage, and materials
- Health and safety, environmental, and accessibility requirements

Where appropriate, best-practice guidance for shared pathways, river-edge infrastructure, and climate-resilient design will be adopted.

Roles and Responsibilities

Role	Quality Responsibilities
Project Sponsor	Oversight of quality objectives and acceptance of final outcomes
Project Manager	Implementation of the Quality Management Plan; coordination of reviews and audits
Design Consultants	Delivery of designs that meet technical, environmental, and cultural requirements
Contractors	Preparation and implementation of Quality Assurance and Quality Control (QA/QC) plans
Council Asset Team	Review of maintainability, durability, and asset handover documentation
Independent Reviewers	Peer review of design and construction where required

Design Quality Management

Design quality will be assured through:

- Clear design briefs and scope definitions
- Concept, developed, and detailed design reviews
- Technical peer review of key elements (e.g. structures, flood resilience, materials)
- Engagement with mana whenua and stakeholders to ensure cultural and community outcomes are reflected

Design outputs will be formally approved prior to progressing to procurement or construction.

Construction Quality Management

Construction quality will be managed through:

- Contractor-prepared QA/QC plans aligned with this QMP
- Inspection and test plans for key construction activities
- Regular site inspections and progress meetings
- Non-conformance reporting and corrective actions where required
- Documentation of as-built information and certifications

Environmental and Cultural Quality

Quality management will incorporate environmental and cultural considerations, including:

- Compliance with environmental management plans and consent conditions
- Protection of riparian margins and waterways during construction
- Ongoing engagement with mana whenua to ensure cultural outcomes are achieved

Handover and Operational Quality

Quality assurance will continue through asset handover and into operation:

- Verification that all works meet contract and design requirements
- Completion of defects and snag lists
- Provision of as-built drawings, warranties, and maintenance manuals
- Integration into Council's asset management systems
- Post-construction review to identify lessons learned

Continuous Improvement

Continuous improvement will be supported by:

- Regular quality reporting to governance groups
- Review of quality outcomes at project milestones
- Incorporation of lessons learned into future stages or similar projects

9. RECOMMENDATIONS AND NEXT STEPS

It is recommended that the investment proceed

The pathway is a positive investment that would improve access along the Taruheru River, provide a safe alternative transport choice to support walking, cycling and wheeling, and create a safer and more enjoyable space for the community. It also offers opportunities to strengthen connections with nature, reflect local culture and heritage, and link with other paths and open spaces.

It is recommended that the project:

- Continues to the next stage of development, including further design work and required approvals
- Proceeds in a flexible and staged way, so it can respond to funding availability and consent requirements
- Actively seeks external funding to help deliver the project and reduce pressure on local budgets

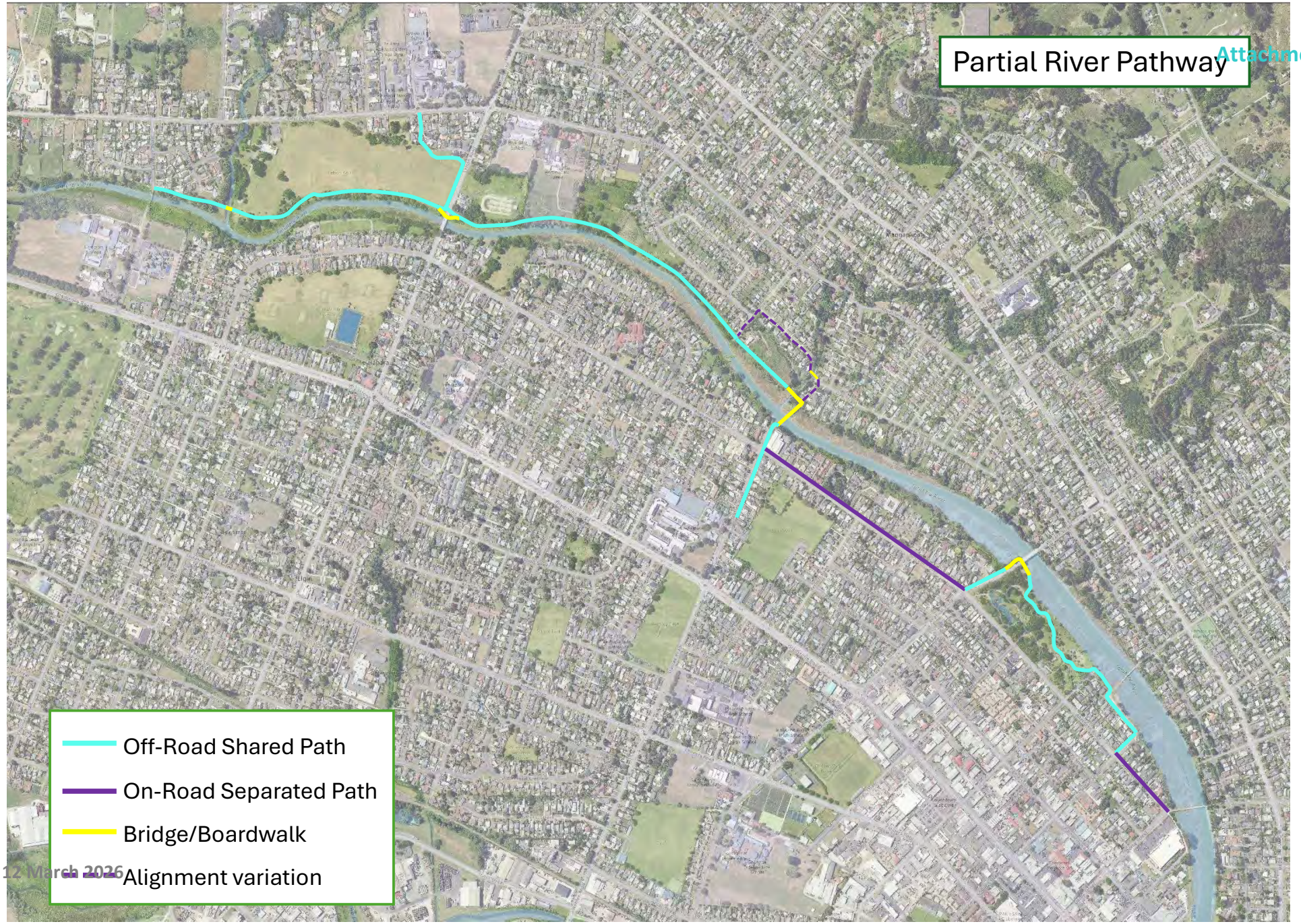
The project timeline will remain flexible until funding and approvals are confirmed. A detailed project schedule will be kept up to date by the project manager, with progress and any changes reviewed by the project governance group.

Ongoing engagement with mana whenua, landowners, stakeholders, and the wider community should continue to ensure the pathway reflects local values, protects the river environment, encourages and enables the choice for increased active travel and meets the needs of future users.

Overall, progressing the Taruheru River Pathway is considered a practical and worthwhile step that can deliver long-term benefits for the community, while allowing time and flexibility to manage costs, risks, and approvals.

10. APPENDICES

1. Te Ara o Taruheru – Taruheru River Pathway Investigations and Cost Estimates Memo (May 2025), Stantec
2. Te Ara o Taruheru – Taruheru River Pathway Benefit Cost Assessment Report (December 2025), Kōtātā Insight
3. Taruheru River Pathway Business Case Lite (Draft) (February 2024), Stantec
4. MOU – Gisborne District Council and Tapuwae Tairāwhiti Trails Trust (June 2024)


Partial River Pathway
Off-Road Shared Path
On-Road Separated Path
Bridge/Boardwalk
Alignment variation