

# Learnings from a Programme Business Case

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## Transport Networks for Growth Programme

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### **Abstract**

Auckland is expected to grow by up to 1 million people by 2043<sup>1</sup>. It is anticipated that 60-70% of this growth will occur within existing urban areas, with the remainder in future growth areas. Approximately 15,000 hectares of future growth is land that has been identified in the Proposed Auckland Unitary Plan (Operative in part) to accommodate this.

The Business Case approach was used to investigate a future transport network in Auckland's future growth areas, and deliver the planning and investment outcomes needed. By tailoring the Business Case approach the process ensured that a consistent regional approach was applied at a local level and provided enough detail and flexibility to respond to immediate and on-going development pressures within each growth area.

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<sup>1</sup> Statistics NZ high growth projections, 2013

## **Background**

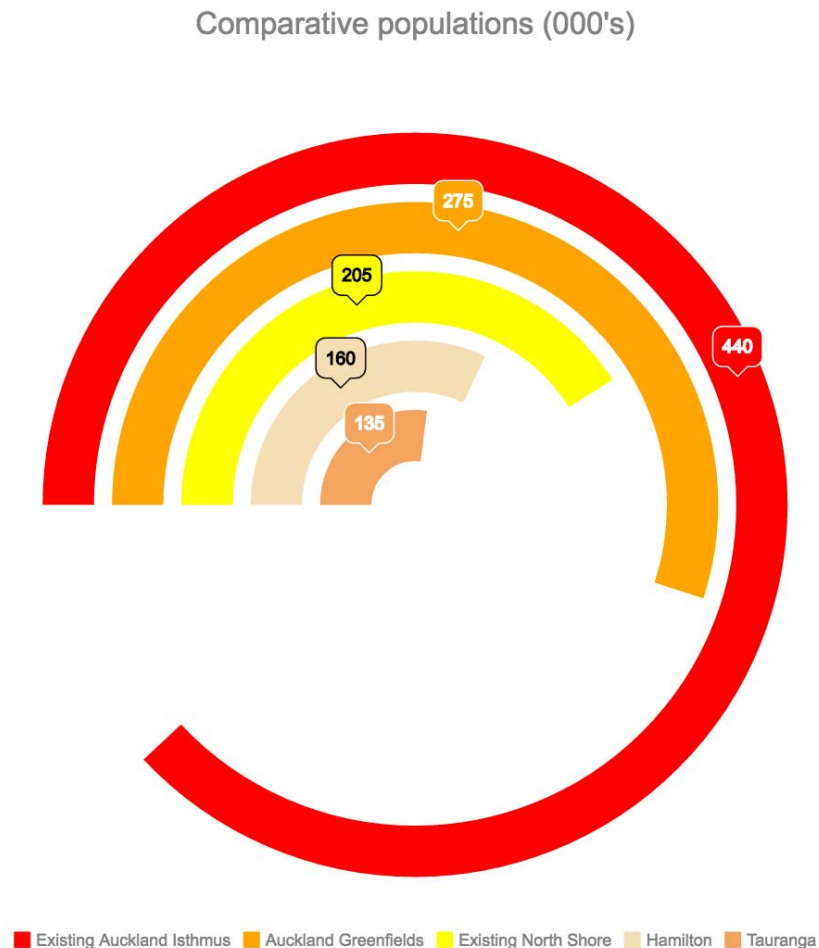
The Transport Networks for Growth project (previously known as Transport for Future Urban Growth) was completed in an eight month period in 2016 and is the largest and most complex Programme Business Case completed in New Zealand. The Programme Business Case identified a \$7.6 billion regional programme (the Programme) covering four geographical areas (Warkworth, North, North West, South) comprising some 15,000 hectares of future growth areas land. These four areas are anticipated to accommodate around 110,000 new dwellings, 275,000 new people, and 50,000 new jobs over the next 30 years. The Programme establishes the preferred transport network needed and sequencing to enable growth in these four areas.

This practice paper will provide an overview of the Transport Networks for Growth project, explain how it achieved the aims of the Programme Business Case, and highlight the learnings gained from this process. It will discuss how the Business Case Approach was used to identify a preferred long term network at a regional scale, while also being responsive to immediate issues and pressures at the local level.

## Setting the Scene

Auckland is expected to grow by up to 1 million people by 2043<sup>2</sup>. In the 15,000 hectares of future growth areas land (greenfield land) identified in the proposed Auckland Unitary Plan (Operative in part) significant new infrastructure will be needed to support 50,000 new jobs, around 275,000 new people and at least 110,000 new dwellings.

Figure 1 provides context from both an Auckland and New Zealand perspective in relation to the size of the anticipated growth in the future growth areas.



**Figure 1 - Comparison of future growth area with existing Auckland and New Zealand urban areas**

These growth areas are focused in:

- South: Takanini, Opaheke-Drury, Drury West, Paerata, and Pukekohe.
- North: Warkworth, Wainui, and Silverdale-Dairy Flat.
- North-west: Whenuapai, Red Hills, Kumeu, Huapai, and Riverhead.

The following map provides an indication of the proposed Programme.

<sup>2</sup> Statistics NZ high growth projections, 2013

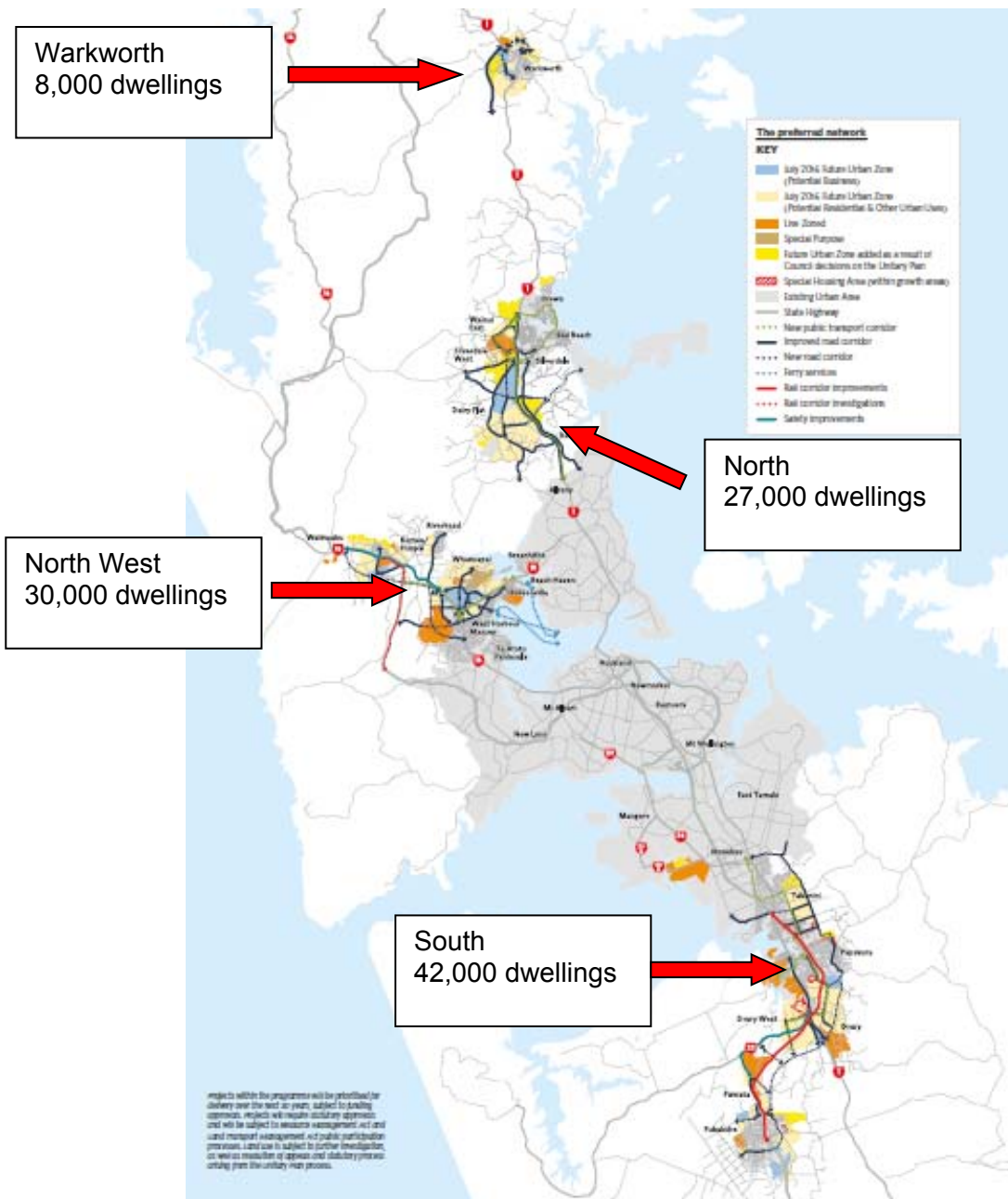


Figure 2 Map of proposed Programme

The Programme supports the council's Future Urban Land Supply Strategy which sets out the order in which future urban land is supplied for development. It has also considered the increased pressure on the transport network resulting from Special Housing Areas and wider developer aspirations.

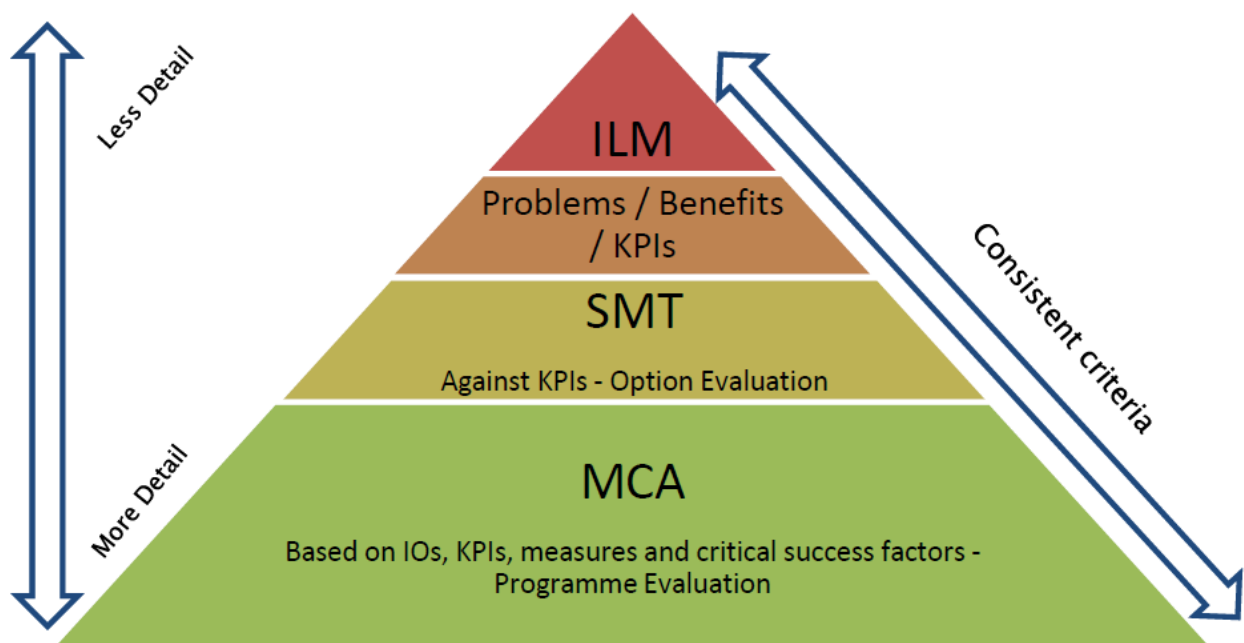
The preferred network from the Programme will provide an improved level of service to residents and visitors, and more efficient movement of goods and services across the Auckland area. It is an integrated land use and transport outcome delivering better access to employment and education, reduced congestion (in conjunction with demand side interventions), and increased public transport. It will begin delivering some of the key priorities laid out in the Auckland Transport Alignment Project (a collaboration between Auckland Council and the New Zealand Government) to improve alignment on a long-term strategic approach to transport in Auckland.

The future network is not just about roads; public transport, walking and cycling will feature strongly and through the course of the project the network has responded to the envisioned land use.

## Developing the Programme Business Case

The Business Case approach was used to investigate a future transport network in the Auckland future growth areas. This principle-based approach clearly links strategy to outcomes and defines problems and their consequences before solutions are considered. The Business Case Approach involves developing an Investment Logic Map (ILM), which identifies the key problems that need to be addressed and the benefits in addressing. It involves identifying investment objectives that are linked to the problems/ benefits.

For this project, the assessment framework for the Programme was linked directly to the ILM problems, benefits, investment objectives, and measures with a dual focus on both the requirements for the Business Case and the Resource Management Act. This meant the assessment included the use of the ILM measures, a Strategic Merit Test and the Multi Criteria Assessment in selecting and removing options. This ensured a clear line of sight between the ILM, the assessment process and criteria, and the identified benefits. See Figure 3 below for the assessment process.



**Figure 3 Assessment process**

Unlike traditional Programme Business Cases this programme used an Inquiry by Design process to develop the programme. This meant that the programme was elements were assessed at a strategic level and at a detailed level when required to more fully understanding the issues and constraints while developing options.

The following describes some particular challenges and responses the project team used in developing the Programme Business Case.

## **Let's get together**

Auckland Transport, Auckland Council and the NZ Transport Agency formed the Transport Network for Growth project, working in partnership to make sure planning happens in a coordinated way, to get the best results for these new communities and to identify the preferred transport networks needed to support these future growth areas in the north, northwest and south Auckland.

This was critical for the success of the Programme. By working together, it was possible to deliver a clear, concise and mutually agreed message to developers, politicians, and the public. The three organisations were jointly responsible for the assessment and outputs and were able to bring the key resources and skill sets needed to provide the evidence, conduct the assessments, and determine the Programme outcomes.

In addition, the team encompassed a number of key consultants (AECOM, BECA, FLOW, Jacobs, Just add Lime, Urbanism Plus) and technical specialists from the respective agencies. These consultants and specialists were key members of the team, their skills and learnings were utilised through an intensive program of 25 workshops and extensive technical analysis to develop the Programme. By fostering this team dynamic it was possible to concentrate efforts on appropriate assessment and delivery and a “no surprises” environment.

## **Integrated land use and transport planning**

While being a transport project the Programme did not just generate transportation infrastructure. Given the size of the growth anticipated it was necessary to consider projects that were demand, supply and productivity interventions. For this project the demand interventions were able to be assessed and the land use considered through the involvement of Auckland Council and the integrated approach through this programme and the Future Urban Land Supply Strategy.

As mentioned the land use scenarios were based on existing strategies such as the Future Urban Land Supply Strategy and existing proposals such as Special Housing Areas (SHAs). However, the project also involved developing and testing different land use scenarios to assess the impact on the transport network and vice versa to identify the preferred transport programme. For example, in the Northern area, additional employment land was identified as part of the programme to address the new demands and travel patterns of the 27,000 new dwellings. This has an impact on the proposed network by reducing the demand for longer distance travel especially on State Highway 1.

Opportunities were also identified to optimise and utilise existing networks better and this will be investigated in more detail at the subsequent stages of the project.

## **One size does not fit all**

The Business Case process is a set of guidelines and not a prescriptive process. This provided flexibility and enabled the process to deliver the required outcomes for the three partners while still addressing the key questions and outputs required to move to the subsequent stages in the Business Case Approach.

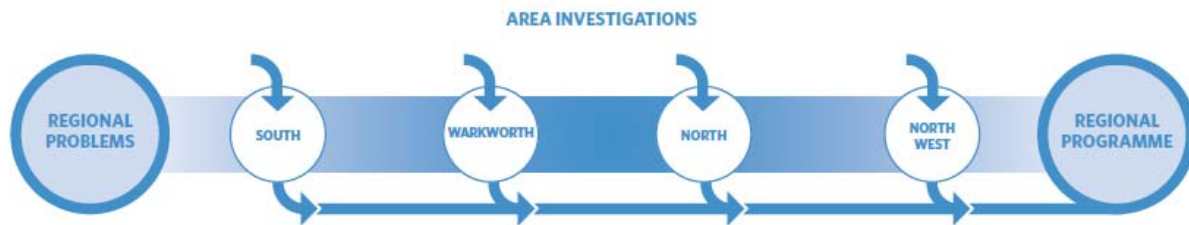
For Auckland Council, this was ensuring the transport network reflected and enabled the quantum of growth and staging set out in the Future Urban Land Supply Strategy; for Auckland Transport it was the development of a multi modal programme with sufficient expedience and detail to address immediate developer and SHA network questions; and for NZTA it was ensuring the strategic network operational efficiency was maintained and the investment was appropriate.

## **Bigger is better**

Given the quantum of change and the interactions between areas and both the new and existing development areas it was necessary to look at multiple programme levels. Areas were investigated, assessed, and evaluated at the local, sub area and regional level. While ordinarily

this may have been considered to be additional work it was critical to understanding the transport system, and the implications of trade-offs and different options in a regional context.

Ultimately, with a limited source of funds it was necessary to prioritise and rank the Programme elements at a regional level relative to the objectives and the enablement of the growth patterns and quantum from the Future Urban Land Supply Strategy.



**Figure 4 Link between regional and local area investigations**

### Details matter

During the course of the project it was identified that in a number of geographic locations the Investment Logic Map identified as a problem could be drilled down to quite a localised level. It could be a specific constraint, issue or opportunity that could realise the benefits for the Programme.

The region-wide scale of the Programme resulted in multiple inter-related elements, meaning the inclusion or exclusion of any one element could determine the effectiveness of the network. It was therefore critical to appreciate the local impacts, constraints, form and function of the individual network elements. During the course of the Programme development it was necessary to look at some elements in detail and conduct a level of optioneering assessment beyond that traditionally required at a Programme Business Case. This provided an appreciation of the inter-relationships and identified any critical issues that could directly impact on the wider network.



## Communications

While not a specified requirement in a Programme Business Case, during the course of the Transport Network for Growth project there were two rounds of public consultation as well as numerous discussions with Local Boards, local businesses, key stakeholders and mana whenua.

Public input is an integral part of transport planning, and input is often sought several times during the development of larger projects. Due to the size and complexity of the Programme early public engagement was sought, both to provide public visibility and to guide further assessment. During public consultation on the Programme it was clearly communicated that early input was being sought, and that there would be further opportunities to provide feedback and influence the design as it progressed.

Key drivers for this approach included the amount of information already publicly available and the accelerated development in these areas. The timing for the Future Urban Land Supply Strategy provided the land use response to enable growth but it was unclear to the public what the infrastructure response would be. By going out to the public we were able to illustrate that there is a plan to respond to the growth in Auckland. It also provided an opportunity for early engagement with land owners that may be affected by the future transport network. Early engagement has been vital as in many growth areas as the rate of development has preceded more rapidly than transport planning. Land owners are already developing concept plans and applying for subdivision resource consents that could be in conflict with the wider strategic transport network. By communicating with the public, it has provided us with the opportunity to work with land owners and to provide the bigger picture of how the whole future network is intended to operate.

Engagement with the public resulted in some fundamental changes to the Programme. The public were very clear in what they expected in these new areas as the new communities developed but were also vocal with regards the current issues and problems they faced on a daily basis. This was invaluable information and evidence that could be used to assess the current problems in the network and likely outcomes, but also helped structure the Programme to reflect community aspirations – see Figure 5 below.



Figure 5 Summary of feedback and impact on preferred Programme



## **Start with end in mind**

Accelerated growth and development pressures resulted in a need to develop detailed responses in a number of locations that also aligned with a wider strategic response. The Programme used and adapted the Business Case Approach to be a vehicle to deliver to these needs, not just as a process to follow.

In order to optimise the assessment, it was decided that the assessment through the Programme Business Case and any subsequent stages should be able to accommodate the outcomes required for Notice of Requirement as per the Resource Management Act. This does not pre-determine outcomes and indicate imminent construction, rather that assessments and evaluation are carried out with the end outputs in mind.

This means that the objective setting can be consistent throughout the process with some slight adjustments for specific project aims. It results in a comprehensive and concise story from the very start of the project, leading to less opportunity for misalignment in terms of the problems and objectives from the initial stages. Critically it means that options and alternatives are assessed, selected and/or discarded using the same criteria and approach throughout the project life cycle.

For this project, while it might have been considered to be additional work, the utilisation of a high level Assessment of Environmental Effects filter provided confidence in the continuation or removal of options and alternatives.

## **Wider considerations**

The Transport Network for Growth programme is about developing new communities in new areas of the Auckland region. There is a need to not only address the transport issues but also develop networks that are integrated with the land use of the Auckland Plan and deliver on its outcomes. This meant that the objectives developed, the assessments undertaken and the option selection had to be cognisant of the Auckland Plans intentions and political environment.

For this Programme the key driver was the development of well-connected and accessible areas through the development of a strong integrated strategic network. This network is to enable the development of housing supply in a way that connects communities and centres with local jobs. This meant we had to look at transport choice, high frequency public transport, and strategic connections and their influence on environmental outcomes, economic growth and the enablement of the Future Urban Land Supply Strategy quantum and sequencing.

## **Success**

The Programme has been considered a success and is moving onto the next stages of Indicative Business Cases, Detailed Business Cases and route protection. The intention is to route protect the entire network within 5 years and deliver on the first decade priorities from the Auckland Transport Alignment Project.