

# Plan Change G

## Hearings Presentation



# What is a Business Case?

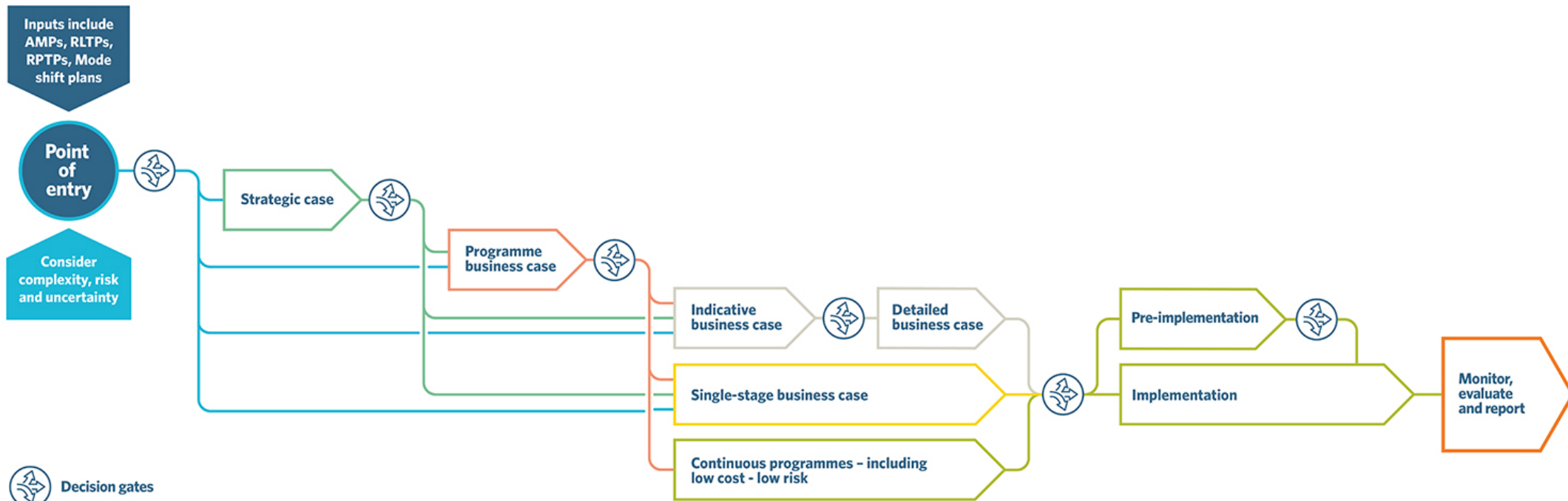
Standard NZ Treasury Better Business Case format:

- Strategic Case – *Why are we doing this? What's the issue?*
- Economic Case – *What are the optimal/possible solutions?*
- Commercial Case – *Can the market deliver?*
- Financial Case – *Can we afford it?*
- Management Case – *Can we deliver it? Who are our partners?*

Timeframe – 3 to 12+ months, depending on complexity, availability of resources, client/partner buy-in etc.

# What is a Business Case?

- The level of detail in Business Cases is dependent on the complexity of the subject.
- PNITI is set at Programme Business Case (PBC) level, meaning some actions can go straight to implementation (i.e. minor safety/access improvements), while other actions may require further business cases (i.e. Freight Ring Route).
- For example, PNITI unlocked ~\$35m of Low-Cost-Low-Risk (LCLR) funding for improvements across Palmerston North with the 2021-24 period.



# Why is a Business Case needed?

- A level of evidentiary robustness is required to unlock funding from the National Land Transport Fund (NLTF).
- As a principle, NLTF contributions require alignment with a Waka Kotahi board-endorsed Programme Business Case. Any projects within a PBC should maintain alignment to the wider PBC
- A Business Case clarifies the intended outcomes of a programme and provides clear accountability for all parties.
- An endorsed business case provides more investment certainty and assurance for all partners.
- The programme within a Business Case outlines which steps in the programme need to occur at what times, and highlights interdependencies across the individual steps
- Funding still needs to be confirmed

# Evidence Highlights

- Waka Kotahi acknowledges PNCC's longstanding intent to further develop adjacent to SH57 at Aokautere, and note references to residential growth at Aokautere in PNITI.
- PNITI was a jointly developed programme alongside Palmerston North City Council and Horizons Regional Council.
- During the development of PNITI, Aokautere was signalled as a long-term growth area to be preceded by growth at Kakatangiata, Napier Road, intensification opportunities and others listed in PNITI.
- Therefore, Waka Kotahi only challenge the timing of interventions at SH57 Aokautere regarding the ability to secure NLTF funding and to ensure a well-functioning urban network across Palmerston North.
- To align with existing investment channels, interventions to mitigate future issues at SH57 Aokautere needs to follow the delivery of the short-term PNITI programme already enabled and funded from the NLTF. Waka Kotahi look forward to closely working with PNCC to deliver the required interventions and achieve our collective aspirations for the wider community.

# Questions?