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Committee Regional Land Transport
Author Günther Wild, Policy Advisor

Regional Prioritisation of Proposed Projects 2005/06

1. Purpose

The purpose of this report is to:

- set out the background which defines the context for today's meeting; and
- to advise the Committee of the technical evaluation process that has been developed to enable project priorities to be recommended.

2. Background

Technical assessment is undertaken by the Technical Working Group (TWG) made up of officers from Crown Agents (Transit New Zealand and representatives from the regional funding and safety branches of Land Transport New Zealand), GWRC, Regional Public Health and Territorial Authorities. The TWG has developed an integrated list of projects, most of which are based on Transit New Zealand's Draft 2005/06 – 2014/15 10 year State Highway Plan, but also includes three rail projects and three local roading projects.

The in accordance with Section 99 (3) (a) of the Land Transport Management Act 2003, Transit is seeking submissions on its Draft State Highway Plan 2005/06 – 2014/15 (**Attachment 2**). Submissions are requested by 16 March 2005.

The Committee may wish to comment on the following:

1. Suggested priorities for large regional state highway projects (costs greater than \$3 million);
2. Suggested priorities for investigation projects (potential projects development);
3. Suggested priorities for small and medium regional state highway projects (costs less than \$3 million); and
4. Comment on the other matters in the draft State Highway Plan.

Item one is the subject of the second report on this order paper titled “Large Project Construction Priorities”. Item two is the subject of the third report titled “Large Project Investigation Priorities”. Item three is covered by the fourth report titled “Small and Medium Project Construction Priorities” and item four is the subject of the final report titled “Other Matters For Submission To Transit”.

Those projects subject to a Western Corridor decision (due later this year) have been excluded from this prioritisation process. It is expected that they will be included in the 2006/07 prioritisation round.

3. Evaluation Process

Assessing the merit of each proposed project for their contribution to achieving the outcomes sought by the RLTS is a critical part of the prioritisation process. The method used this year is similar that that refined last year and is fully documented in **Attachment 1**. Briefly, there is a three-stage technical assessment that produces project priorities which are recommended for the Committee’s consideration. The fourth and final stage is for the Committee to determine priorities taking account of political factors.

The assessment uses a weighted attribute method to value a projects’ contribution to ‘progress’. Scoring is based on the best (latest) available data – quantitative where possible, peer reviewed by the TWG if not. The four stage process is outlined below.

Stage One - Consistency check

- a pass/fail test checking consistency with the RLTS and affordability, failures being deleted from further consideration

Stage Two - Scoring

- scoring each project on each line of a weighted attribute matrix. Scoring is to an eight point scale on each line, with ‘greatly, significantly, moderately, slightly’ plus and minus gradations, and pre-set definitions of each gradation for each line

Stage Three - Ranking

- ranking of projects ordered by descending scores
- scores are reviewed by TWG and any adjustments documented
- recommended ranking is then referred to the Committee

Stage four - Political review

- The Committee considers other criteria (i.e. not already in the attributes and these may include readiness, urgency, sequencing, feedback from public participation, and ‘other perceived costs/benefits’)
- each adjustment by the Committee is documented

- the final lists are formally adopted.

The weighted attribute matrix

Each objective in the RLTS is taken into account and their weighting is equalised, i.e. four objectives means each scores 25% of the total, five objectives means each scores 20%.

RLTS policies are reflected in the attributes (line-items). For example, reducing congestion, economic efficiency, enhancing safety, and reducing fuel use are RLTS policies that become scored attributes for each project (currently there are 12 such attributes – the RLTS review can review these).

Attributes are weighted to reflect received policy priorities but no attribute can be neglected. Weightings are pre-set and transparent. Economic efficiency, enhancing safety, promoting accessibility and reducing congestion are attributes which achieve higher weighting in the received Wellington matrix with the rest being treated equally. The RLTS review can review weightings.

Flawed projects are deleted, i.e. any project that scores less than –3 on the eight point scale on any line is disqualified from further consideration (thus projects that significantly increase congestion or have significant adverse environmental impact cannot be ranked or recommended).

4. Communications

There is nothing to communicate as a result of this report.

5. Recommendation

That the Committee receive the report.

Report prepared by:

Report approved by:

Report approved by:

Günther Wild
Policy Advisor
Access Planning

Joe Hewitt
Manager
Access Planning

Dave Watson
Divisional Manager
Transport

Attachment

1. Transport Package and Project Prioritisation Methodology
2. Letter from Transit dated 31 January 2005, seeking submissions on its Draft Land Transport Programme 2005/06 - 2014/15