

Infrastructure Committee
7 May 2020

Report for Agenda Item | Rīpoata moto e Rāraki take: 2

Department: Corporate Services

Title | Taitara Submission on Investment Decision-Making Framework Review

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

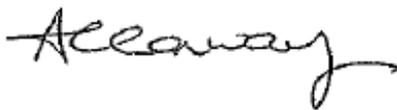
The purpose of this report is to present the submission made to Waka Kotahi NZ Transport Agency (NZTA) on the Investment Decision-Making Framework Review, and seek the Committee's feedback and retrospective approval of its content. This submission was made to NZTA on 21 February 2020.

RECOMMENDATION | NGĀ TŪOHUNGA

That the Infrastructure Committee:

1. **Note** the contents of this report; and
2. **Approve** retrospectively the contents of the attached submission.

Prepared by:



Name: Alice Conway
Title: Policy and Performance
Advisor

23/04/2020

Reviewed and Authorised by:



Name: Peter Hansby
Title: General Manager
Property and Infrastructure

23/04/2020

CONTEXT | HOROPAKI

- 1 The investment decision-making framework review looks at changes that can be made relating to the assessment of investment proposals, and the development of business cases and low cost, low risk programmes. The NZTA is looking at a fundamental change in how land transport investment decisions are made; putting people and place, rather than vehicles and networks, at the centre of the decision-making process.
- 2 The NZTA requested feedback on the draft design of the new framework focussing on assessment and developing business cases. Consultation on prioritisation will be held separately after the release of the draft Government Policy Statement of Land Transport (GPS) from the Ministry of Transport.
- 3 Submission was completed through the NZTA's online feedback form which, after confirmation from an NZTA representative, was the sole method of receiving submissions. QLDC's points for submission were best fit into the online feedback form headings.
- 4 Due to the timing of an NZTA workshop attended by Council officers on the 13 February and the due date for the submission being 21 February there was insufficient time to seek Committee feedback prior to the submission. This submission was approved and submitted by the Chief Executive.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

- 5 Officers prepared the submission to ensure that Queenstown Lakes District's unique circumstances as a traditionally high growth area were taken into account.
- 6 QLDC strongly supports the intention of the NZTA to create a clear and unambiguous framework for investment decision making, however it is noted that the framework gives little opportunity for investment where transformative change could serve the community through behaviour change and change of land use.
- 7 The main headings from the submission are:
 - **Investment principles:** QLDC seeks clarity in what is to be specifically included within the framework. Local context and awareness is key in the Queenstown Lakes District.
 - **Right sizing the business case:** QLDC believes that certain themes, such as public transport, should be accepted on a national level with LTAs presenting only the local context. QLDC welcomes a scalable approach to submitting business cases for low cost, low risk programmes.
 - **Programmes and packages:** A clear context for the requirement of standalone business cases versus more comprehensive Programme Business Cases should be included. Further flexibility is required for the incorporation of new information over longer periods of time.

- **Benefits framework:** Clarity is requested by confirming what is required to identifying direct and indirect benefits especially when it comes to non-transport benefits. The longevity of these benefits requires further development.
- **Business case assessment tools:** Examples of issues and opportunities of different business case assessment tools were discussed, emphasising the need for clarity and simplicity.

8 Option 1: to retrospectively agree the contents of the attached submission.

Advantages: The submission will remain in the NZTA revision process and QLDC will have partaken in the Investment Decision-Making Framework Review revision process.

Disadvantages: There are no clear disadvantages to this option.

9 Option 2: to request the withdrawal of the attached submission from the NZTA revision process.

Advantages: The submission will be withdrawn from the NZTA revision process and any inaccurate representations of QLDC's position will not be considered.

Disadvantages: QLDC will not take part in the Investment Decision Making Framework Review revision process as it relates to assessment and developing business cases, as it will not have submitted on this occasion.

10 This report recommends **Option 1** if the submission is broadly reflective of the Council's position.

11 Option 2 is only recommended in the event that the direction taken by the submission is incorrect and fails to capture the position of the Council at all.

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

12 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because proposed changes to the IDMF are not within the direct control of QLDC. However, this proposed review a matter of interest to a range of individuals, organisations, groups and sectors in the community.

13 The persons who are affected by or interested in this matter are residents/ratepayers of the Queenstown Lakes district community.

> MĀORI CONSULTATION | IWI RŪNANGA

14 Iwi has not been consulted during the drafting of the attached submission.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

- 15 This matter relates to the Strategic/Political/Reputation It is associated with RISK00038 within the QLDC Risk Register: Lack of Alignment - Strategies and policies. This risk has been assessed as having a moderate inherent risk rating.
- 16 The approval of the recommended option will support the Council by allowing us to implement additional controls for this risk. This shall be achieved by contributing to Waka Kotahi NZTA’s Investment Decision Making Review, in particular addressing issues that affect the funding of QLDC projects within the Queenstown Lakes District community.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

- 17 There are no financial implications.

COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA

- 18 The following Council policies, strategies and bylaws were considered:

- The outcomes and principles of the Vision Beyond 2050.
- Stages 1, 2 and 3 of the Proposed District Plan
- 2018-2028 Ten Year Plan
- 2019-2020 Annual Plan
- Master Plans
- Asset Management Plan
- 30 Year Infrastructure Strategy.

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 O TE KĀWANATAKA Ā-KĀIKA

- 19 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by contributing to the development of a clear framework for investment decision making by the NZTA.
- Can be implemented through current funding under the Ten Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

ATTACHMENTS | NGĀ TĀPIRIHANGA

A	SUBMISSION: Investment Decision-Making Framework Review
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