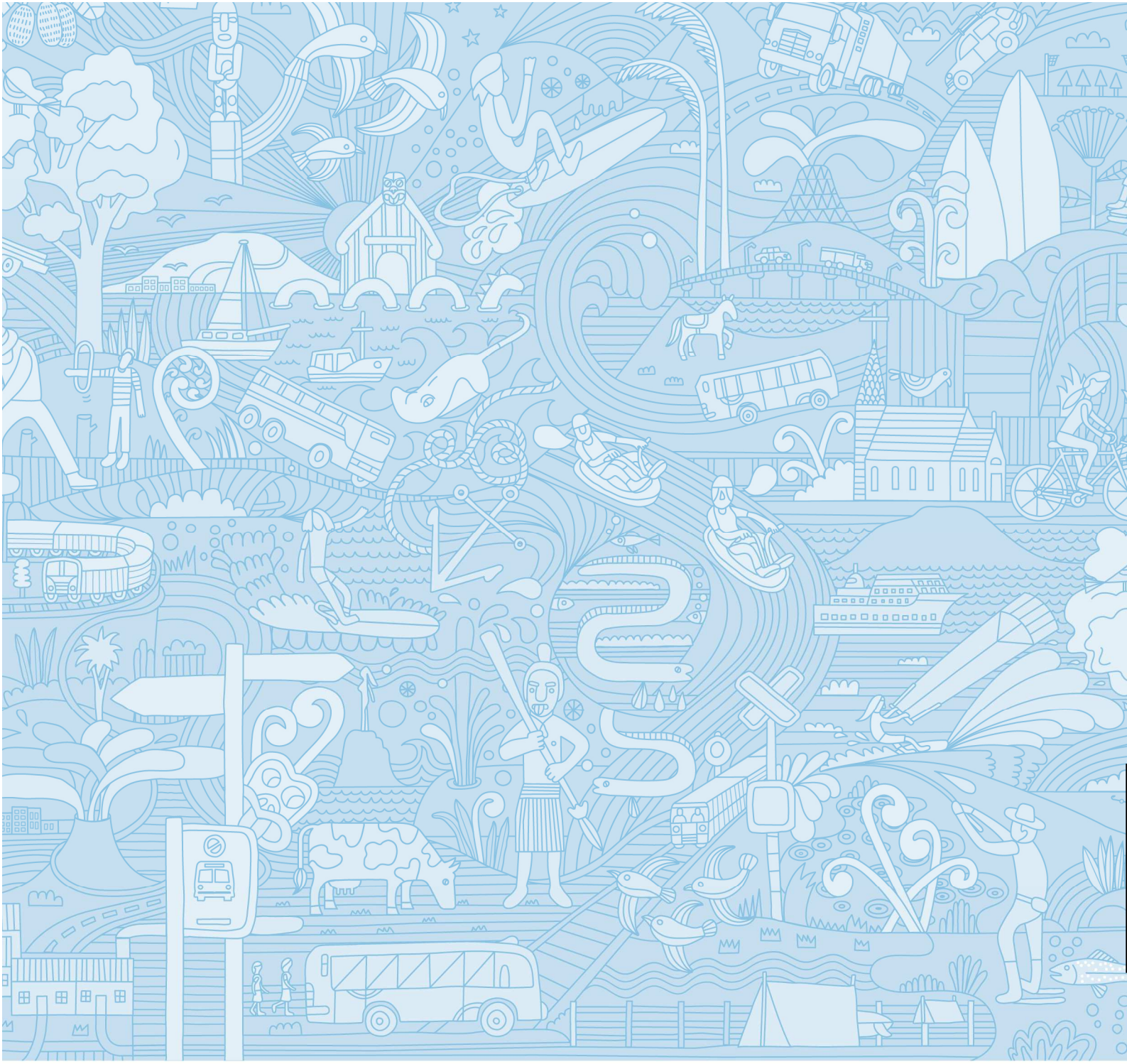

Western Bay Public Transport Blueprint

Strategic Case Part A and Part B February 2016

BAY OF PLENTY REGIONAL COUNCIL TOI MOANA

Western Bay of Plenty District Council

Tauranga City

NZ TRANSPORT AGENCY WAKA KOTAHI

SmartGrowth Building our futures together

Objective ID:

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Executive summary

Contracts for the Tauranga urban and Schoolhopper public transport services are due to expire at the end of the 2018 calendar year. The tendering of these services will provide an opportunity to look at the two networks as a whole, identifying opportunities to improve the efficiency of the transport network and to re-examine the role that Public Transport (PT) performs in Tauranga.

Prior to tendering new contracts, a business case for continued investment in the Western Bay's public transport network is required by the New Zealand Transport Agency (NZTA). This strategic case is the first step in the business case development and aims to identify the best outcomes for the Western Bay transport network and provide an aligned direction for participating organisations: NZTA, Bay of Plenty Regional Council (BOPRC), Tauranga City Council (TCC) and Western Bay of Plenty District Council (WBoPDC).

As part of its funding approval process the Transport Agency requires projects to be assessed against the Investment Assessment Framework, which enables the NZTA to prioritise projects according to their strategic fit, effectiveness and efficiency (benefit/cost ratio). Initial assessment of the Western Bay Public Transport Blueprint gives high strategic fit and a high effectiveness within this framework, with efficiency not being tested until the business case is further developed. This indicates that the project is well aligned with the outcomes sought from the Government Policy Statement and that the Public Transport Blueprint is the right project, to do the right things, in the right place, and with the support from the right organisations.

Should this strategic case be endorsed by the participating organisations, work will commence on developing options to deliver the benefits outlined in the strategic case.

Contents

Part A: Strategic case for Western Bay Public Transport Blueprint

1 Introduction

At the end of 2017 the BOPRC's contracts for Tauranga urban and school bus services end. Prior to letting new contracts, a business case for investment in Western Bay's public transport network will be developed to ensure that any investment in the network achieves the best outcomes for the Western Bay transport network and aligns the views of all participating organisations.

The business case is being undertaken by BOPRC, NZTA, WBoPDC and TCC. The business case will follow the NZTA approved approach, with the strategic case providing the initial, high level assessment of why investment should be made and providing justification for investing in the next development stage, the Programme Business Case (PBC), that will examine the investment options that are available.

Part A of the strategic case identifies the problems facing the Western Bay's public transport, and the benefits that can be gained from investing to solve these problems. It contains an assessment of how the Western Bay Public Transport Blueprint (the Blueprint) fits within the organisational values for each of the partner organisations and the fit with the NZTA Investment Framework.

Part B of the strategic assessment sets out the project plan and funding requirements for this project to progress to the PBC development stage.

1.1 Decision sought

Approval is sought from each of the project partners to proceed with the development of a PBC that will:

- gather further information to confirm the problems and benefits identified,
- develop a range of options that will address the problems and opportunities, and
- realise the benefits identified within the strategic case.

Additionally, approval is sought from NZTA for investment to develop the PBC.

- BOPRC are seeking a contribution of $51,000 towards total costs of $100,000.
- TCC are seeking a contribution of $19,200 towards total costs of $40,000.

2 Partners and key stakeholders

This section identifies the project partners, describes their roles, and lists key stakeholders who have contributed to the development of the strategic case.

The project partners are BOPRC, TCC, WBoPDC and the NZTA.

BOPRC BOPRC is responsible for planning and managing public transport networks in the Bay of Plenty including the Rotorua, Tauranga, and Whakatāne urban networks as well as regional services.

TCC TCC provides, maintains and upgrades their local transport network infrastructure (roads, bridges, footpaths, bus shelters and vehicle parking areas). TCC also sets policies and planning regulations that have a significant impact on the utilisation of public transport.

WBoPDC WBoPDC provides, maintains and upgrades their local transport network infrastructure (roads, bridges, footpaths, bus shelters, and vehicle parking areas). WBoPDC also set planning regulations that have the potential to impact on the utilisation of public transport.

NZTA The Transport Agency's role is to deliver transport solutions for a thriving New Zealand on behalf of the government. NZTA is responsible for:

i. helping to plan land transport networks, bringing a national perspective,

ii. providing access to and use of the land transport system,

iii. managing the state highway network, and

iv. investing in land transport.

The sole additional stakeholder in developing the strategic case was SmartGrowth. Additional stakeholders will be identified and engaged at appropriate points through the development of the programme and activity businesses case(s).

SmartGrowth An organisation formed in collaboration between TCC, WBoPDC, BOPRC and Tangata Whenua tasked with developing and implementing the spatial plan for the Western Bay of Plenty sub-region.

3 Strategic assessment

This section identifies and briefly examines the principle problems with the Western Bay public transport network and the benefits to be gained from investing to remedy these problems.

3.1 Defining the problems

BOPRC convened a facilitated Investment Logic Mapping (ILM) workshop with partners and key stakeholders on 29 April 2015 to gain a better understanding of current issues and business needs.

Attendees for this workshop were:

- Matt Barnes (NZTA, Facilitator)
- Clair Cassidy (TCC)
- Duncan Tindall (SmartGrowth)
- Jim Paterson (WBopDC)
- Alistair Talbot (NZTA)
- Joe Metcalfe (BOPRC)

The stakeholder panel identified and agreed the following key problems and weightings:

- **Problem one:** The current urban land form and topography makes it difficult to support a more effective and efficient PT system across the whole network (35%).
- **Problem two:** The focus on access to PT services across the sub-region may mean that PT is not being best utilised as a competitive alternative mode to private cars (50%).
- **Problem three:** The traditional way the benefits of PT are demonstrated has led to policies, plans, and decisions amongst stakeholders that do not fully support the role of PT in the integrated transport network (15%).

The ILM is attached as Appendix A.

Problem one identifies that the physical environment public transport network operates in isn't optimal for providing an effective and efficient public transport system. This incorporates issues such as:

- Tauranga's bus network currently operates as a hub and spoke system only with all services terminating in the city centre,
- Lack of connectivity in the road network that results in more turns and longer routes,
- Lack of pedestrian permeability in residential and commercial areas that reduces the effective passenger catchment at bus stops,

- Corridors and networks that are principally designed to accommodate high-speeds and vehicle capacity ahead of active modes including elements such carriageway widths, lack of crossing points and pedestrian priority, speed environment,
- Consistently low-density housing across the Western Bay reduces the number of people within the catchment area for stops and routes consequently reducing patronage per km travelled and increasing cost of providing services, and
- Topography in the form of hills, valleys, rivers and the harbour that prevent direct connections and limits connectivity within the public transport and pedestrian networks.

Problem two identifies that to date, the focus has been on providing a public transport network that covers a wide area with sometimes circuitous routes. Under these conditions it is hard to provide the services that are both frequent and fast (from origin to destination) that would make public transport competitive with cars and an effective tool to increase public transport mode share and reduce congestion. For example, an off-peak journey from East Pāpāmoa to the Tauranga CBD takes approximately 30 minutes by car but 50 minutes by bus without accounting for wait and walk times for the bus users. This coupled with service frequencies of 30 minutes makes using public transport unattractive to those who wish to travel quickly and have access to a motor vehicle.

Problem three identifies that in the past we have evaluated the value of public transport in a manner that doesn't fully recognise the contribution public transport can make to the wider transport network, to urban form, to social wellbeing and the prosperity of the Western Bay of Plenty sub-region. An inability to demonstrate and express these contributions to stakeholders and decision-makers has resulted in less incentive to align policies and planning that would allow public transport to play a significant role in the optimised transport system.

3.1.1 The political lens

An additional workshop was undertaken with the Public Transport Subcommittee consisting of members from Rotorua Lakes Council, TCC, and BOPRC on 19 June 2015 to assess how the problems that were identified by officers through the ILM workshop process aligned with the view of the councillors.

The problems identified by the subcommittee that do not align with the ILM problems are the "offensive behaviour of some bus users" and "should cater for mobility disadvantaged'. Whilst these issues are not captured through the ILM process there will be a need to address these problems within the PBC or activity business case(s) at a later date.

The alignment between the ILM and subcommittee problems is shown below in Table 1.

Problems identified by councillors	Fit with ILM problems
Land form	Problem one
User experience	Problem two
Offensive behaviour by bus users	Not identified in problems
Public attitude – convenience, consumer expectation	Problem two

Problems identified by councillors	Fit with ILM problems
Should cater for mobility disadvantaged	Problem two
Accessibility to service (suburban permeability)	Problem one
Lack of park and ride	Problem two
Driver courtesy	Problem two
Congestion (Welcome Bay, Bethlehem)	Problem two
Lack of technology on buses (wi-fi, charging points, real time)	Problem two
Travel time	Problem one and two
Need a more integrated approach	Problem three
NZTA alignment of policies	Problem three
Lack of marketing	Identified as a possible solution to problem two
Insufficient understanding of our customers	Problem two

Table 1 Alignment of issues identified by councillors with ILM workshop problems.

During the workshop, councillors were asked to indicate which of the three problems identified in the ILM were considered most significant. A voting system was used giving each participant five votes to allocate across the three problems. The votes were then tallied giving the priorities shown in the next table.

Problem	ILM workshop	Subcommittee workshop
Problem one	2nd (35%)	3rd (22%)
Problem two	1st (50%)	2nd (28%)
Problem three	3rd (15%)	1st (33%

Table 2 Problem ranking by subcommittee and ILM workshops.

The different priorities between the ILM workshops and the subcommittee workshop is reflective of the strategic level that the councillors work at, with the more strategic issue of stakeholder policies and decisions being given a top priority over the more detail orientated problems of urban land form and competitiveness with car. The final problems and weightings that will be given to each of them will be confirmed through the PBC.

3.2 The benefits of investment

The benefits of investing to address these problems were identified as part of a second facilitated ILM workshop held on 5 May 2015. This workshop explored a range of different benefits with the three most significant of these chosen to include within the investment framework. This approach forces the project group to focus the project towards delivering the most significant benefits without being distracted or overcomplicating by trying to achieve too broad a set of outcomes.

Attendees for this workshop were:

- Matt Barnes (NZTA, Facilitator)
- Clair Cassidy (TCC)
- Duncan Tindall (SmartGrowth)
- Jim Paterson (WBoPDC)
- Alistair Talbot (NZTA)
- Joe Metcalfe (BOPRC)
- Stella Norris (BOPRC)

The three most significant benefits that were identified are:

- **Benefit one:** Improved optimisation of the transport network (55%).
- **Benefit two:** Improved travel choice (25%).
- **Benefit three:** Greater alignment of planning and investment (20%).

The benefit map is attached as Appendix B.

Benefit one identifies that there is significant potential to utilise the existing transport network to achieve better transport outcomes within the same or similar funding envelopes and physical footprint. Optimising the transport network should result in:

- An increased ability to delay or reduce infrastructure investment (e.g. road improvements),
- Increased person throughput on key routes,
- Improved journey time reliability across modes,
- Reduced total cost of transport for all road users, and
- Improved urban form by assisting decision-makers to make appropriate transport investment decisions; having the right mode in the right place, serving the right function.

Benefit one aligns with the Government Policy Statement on Land Transport (GPS) strategic direction for economic growth and productivity by improving the performance of the land transport system and consequently the productivity of the wider economy. It also aligns with the GPS strategic direction by focusing on delivering improved value for money by improving the capacity and productivity of the transport system in a growing city.

Benefit two identifies that we can improve the options that are available to people for making trips by public transport giving them more choice as to how and when they wish to travel. Improving travel choices should result in:

- Reduced travel times across the network for a wide range of trips including those made by public transport,

- Public transport across the city will be convenient and cost effective, better meeting user needs,
- Better serving those without reasonable alternative modes of transport including those with disabilities that make other travel modes difficult, and
- Improved mode share for public transport.

Benefit two aligns with the GPS national land transport objective for the transport system to provide appropriate transport choices.

Benefit three identifies that there is potential to better plan and align transport investment to achieving better transport outcomes. In the past, public transport planning, parking policies, state highway investment and urban planning have been conducted without always taking full consideration of the implications that this might have on each of the different travel modes. Partly this is due to a lack of full transport system understanding and the associated interaction and implications of individual organisations planning and investment decisions.

Benefit three aligns with the GPS strategic priority of providing value for money by encouraging public bodies involved in the land transport system to work together to improve system performance to deliver the best possible value to New Zealanders.

3.3 Key Performance Indicators (KPIs) and targets

The diagrams below show the KPIs that will be used to measure the success in achieving each of the identified benefits associated with the review.

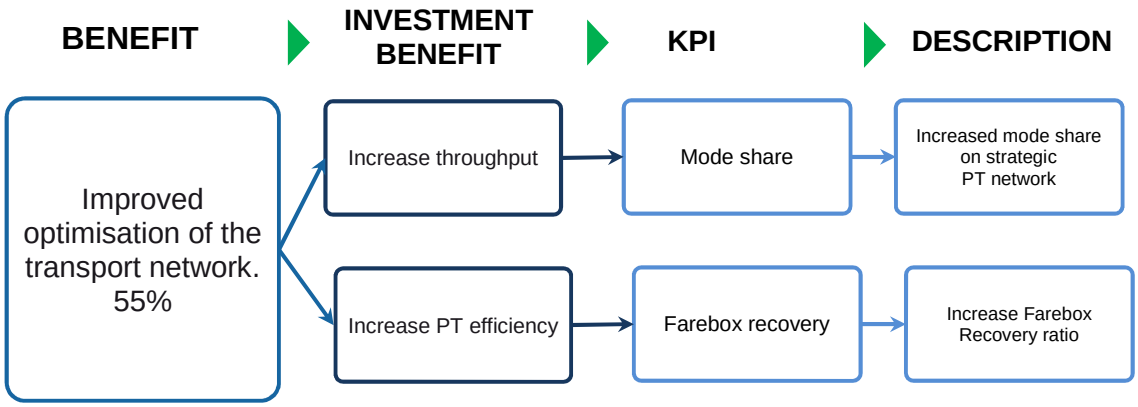


Figure 1 KPIs for benefit one.

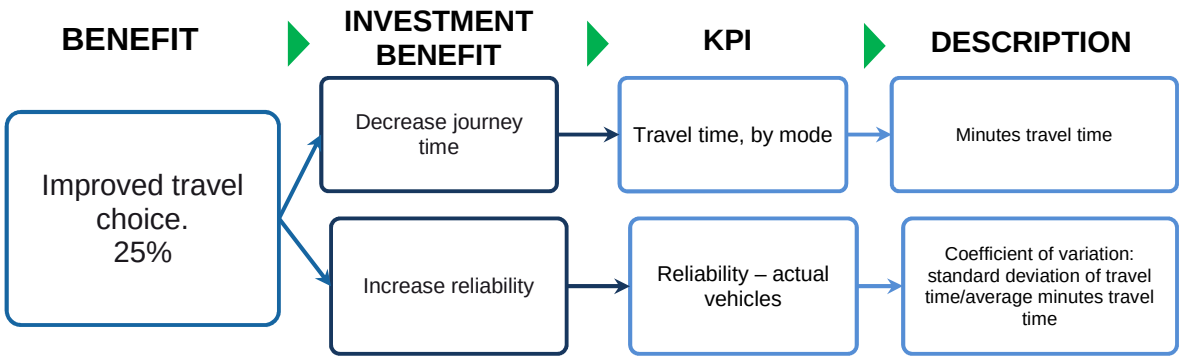


Figure 2 KPIs for benefit two.

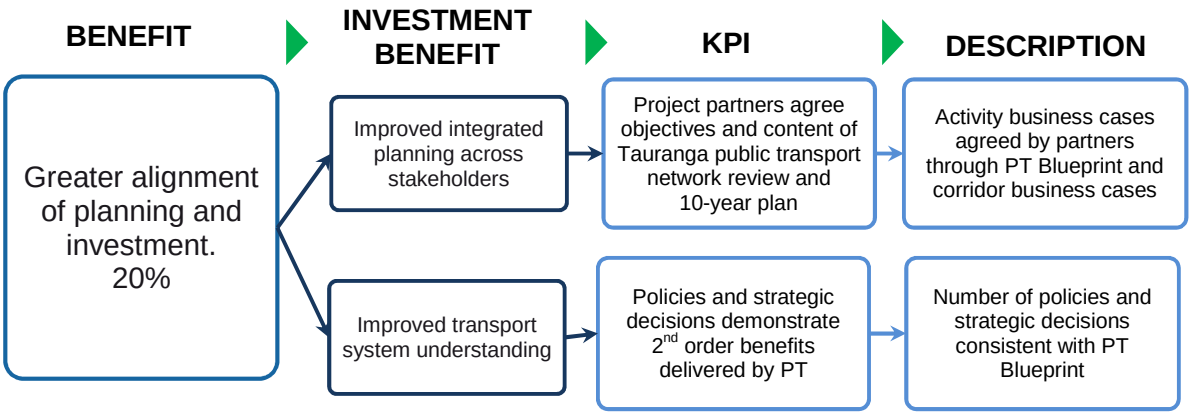


Figure 3 KPIs for benefit three.

Whilst these benefits and KPIs capture the most significant of the benefits that can be expected from the Blueprint, there are also secondary benefits that will be achieved as a result of the Blueprint. Through the course of the business case process, additional benefits will be identified, examined and incorporated into the analysis.

3.4 Status of the evidence base

In order to generate a robust PBC for investment, an assessment of the existing evidence base has been undertaken. The table below identifies the likely information and data that will be required in the PBC, the current state of this information, and any actions that need to be taken to address deficiencies.

There is a wide array of information available to undertake the PBC with much of this being readily available. Some additional actions will help to add to the evidence base informing the PBC but much of this is non-essential to undertake a thorough analysis of the options.

It is noted that the review of the Regional Public Transport Plan will be occurring in 2016 and this process will run alongside the development of the PBC.

Data	Source	State	Requires action
Active mode trip distribution and mode share	MOT household survey for mode share and kms walked		
Private vehicle trip distribution and mode share	Tauranga Transport Model*	Base year data factored to current year, good reliability.	No
Current and future transport demand (non-mode specific)	Tauranga Transport Model*	Base year factored to current year. Forecasts.	
Public transport distribution and barriers to usage	User and non-user survey	Will require implementation.	Possible. BOPRC to estimate cost.
Forecast demand by mode	Tauranga Transport Model*	Requires additional analysis to establish future active mode and PT demand.	Yes, BOPRC to undertake analysis

Data	Source	State	Requires action
PT travel time variation	PT Real Time information system	Planned install 2016.	Yes, BOPRC to undertake tender in 2015.
Network maps	BOPRC GIS system	Available.	No
Economic evaluation manual	NZTA	Available.	No
Household survey	Ministry of Transport	Available.	No
Census data	STATS NZ	Available.	No
Growth strategies	SmartGrowth	Available, updated 2013.	Settlement Pattern Review scheduled to be completed mid-2016.
Public Transport Plan	BOPRC	Available.	Requires review in 2016.
Tauranga Transport Strategy	TCC	Available.	No
Journey time surveys and congestion index	NZTA	Survey undertaken annually.	No

** Tauranga Transport model is under review and additional functionality may be added to assist with the network review.*

4 Strategic context

This section demonstrates how the investment proposal has clear linkages back to organisational strategy for contributing organisations. Demonstrating links between the project benefits and organisational goals is critical to engaging and gaining high level support within each organisation.

The Tauranga Transport Strategy (TTS) identifies a number of corridors that will experience a rapidly decreasing level of service in the short-term (within five years), shown below in Figure 4. This is a result of the network being unable to meet forecast demand and will result in increased journey times and decreased travel time reliability for buses, cars and freight. The identified benefit of "Improved optimisation of the transport network" relates directly to overcoming these issues and should delivered in advance of significant investment in road infrastructure.

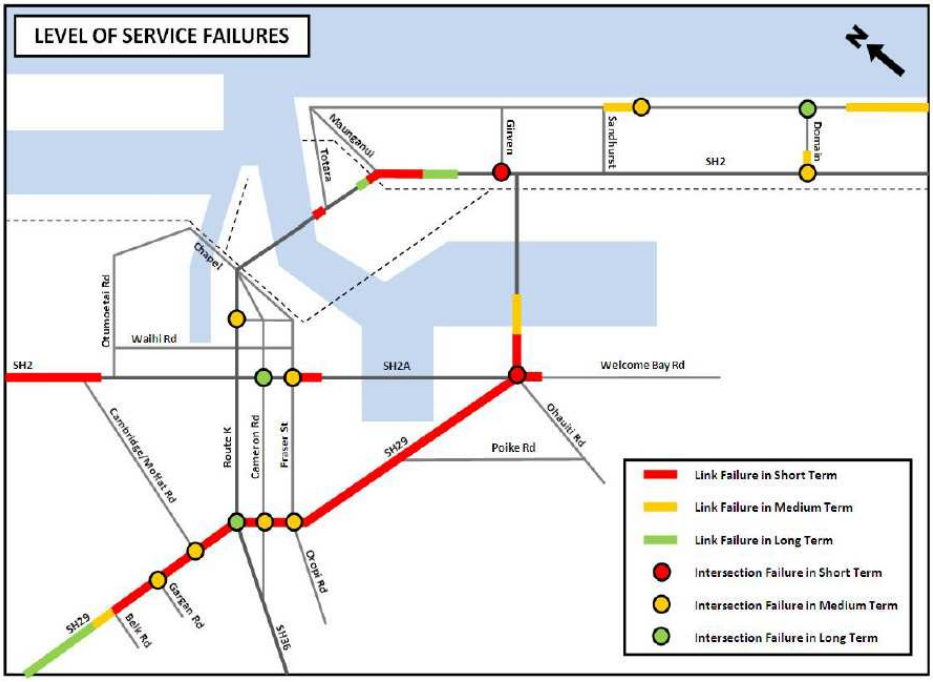


Figure 4 Level of Service Failures in Tauranga strategic road network.

The ability to address the service level failures in the road network through increased roading capacity is severely limited as a result of the topography of Tauranga (for example there are only two water crossings and both are State Highways) and the unavailability of land for expansion on most routes. There are other issues with such measures such as community severance, incompatible existing land use functions and maintaining a desirable urban environment. Addressing the capacity constraint through the use of active modes and public transport does not generate these issues.

Table 3 shows that during the 2009-2012 period Tauranga had the lowest public transport, walking and cycling mode share of similarly sized or larger cities in New Zealand. These figures indicate that there is potential to significantly increase PT and active mode share in Tauranga to address the growing pressures on the transport network identified through the TTS.

City	Travel mode			
	Private vehicle	Public transport	Cycling	Walking
Tauranga	98%	<1%	<1%	2
Auckland	89	6	1	3
Hamilton	89	3	3	5
Wellington	65	19	3	11
Christchurch	78	5	8	8
Dunedin	83	4	4	9

Table 3 Ministry of Transport household travel survey - 2009-2012 average mode share.

4.1 Organisational outcomes, impacts and objectives

The table below shows the organisational outcomes, goals and objectives for each of the partner organisations and indicates how these relate to the expected benefits for investment in the Blueprint. For the purpose of this strategic assessment the Government Policy Statement on Land Transport (GPS) has also been included as this predicates all local government and NZTA transport strategies and policies.

For this strategic case there are strong connections between organisation outcomes and the expected benefits from the Blueprint. This is predominantly driven by the wide range of benefits identified as part of the strategic case and in particular the improvement of integrated planning across stakeholders that has the potential to contribute to a wide range of organisational outcomes.

Tauranga City Council		
Long Term Plan	**Goal** - Maintain our existing infrastructure so it is fit for purpose now and in the future.	**Investment benefit** - Reduce or defer cost of transport infrastructure investment.
	Goal - Deliver efficient services to our communities.	**Key benefit** – Improved Optimisation of the transport network.
	Goal - Provide for our growing city, notably through an efficient infrastructure strategy.	**Investment benefit** – Increase throughput. Also see infrastructure strategy alignment.
	Goal - Invest in Tauranga's future, to bolster our city's economic vibrancy.	**Key benefit** - Improved travel choice.
	Goal - Managing rates and debt levels.	**Investment benefit** - Reduce or defer cost of transport infrastructure investment.
Tauranga Transport Strategy	**Objective** - Economic growth and productivity.	**Investment benefit** – Reduced cost of travel. **Investment benefit** - Reduce or defer cost of transport infrastructure investment. **Key benefit** – Improved travel choice.
	Objective - Ensuring value for money.	**Investment benefit** - Reduce or defer cost of transport infrastructure investment.
	Objective - Improving road safety.	Not expressed in benefits. Any transfer in mode share from car to PT will result in improved safety per kilometre travelled.

Tauranga City Council			
Infrastructure strategy	**Focus area** - Providing the infrastructure required for resilience and growth in a manner that aligns with our financial strategy.	**Goal** - Provided new infrastructure to provide for new urban growth areas.	No benefit identified.
	Focus area - Ensuring we are able to maintain current levels of service through growth and other pressures.	**Goal** - Provided an efficient network which promotes economic growth and productivity.	**Key benefit** – Improved optimisation of the transport network. **Key benefit –** Improved travel choice.
		Goal - Provided a safe network for road users.	Not expressed in benefits. Any transfer in mode share from car to PT will result in improved safety per kilometre travelled.
	Focus area - Maintaining assets in a prudent and sustainable manner.	**Goal** - Provided an effective network which supports transport integration, environmental sustainability, access and mobility.	**Key benefit -** Improved optimisation of the transport network. **Key benefit –** Improved travel choice.
Financial strategy	**Key element** - Maintain debt less than $500m,		**Investment benefit** - Reduce or defer cost of transport infrastructure investment.
	Key element - Maintain a debt to revenue ratio of less than 225%, and		**Investment benefit** - Reduce or defer cost of transport infrastructure investment.
	Key element - Maintain affordable rate levels.		**Investment benefit** - Reduce or defer cost of transport infrastructure investment.
	Core philosophy - To manage growth to protect Council's financial exposure. This includes encouraging growth into defined corridors and urban growth areas to ensure the most efficient provision of infrastructure. It also includes close monitoring of the actual uptake of growth to ensure that infrastructure is provided "just-in-time".		**Key Benefit -** Improved optimisation of the transport network. **Investment benefit** - Improved integrated planning across stakeholders.
	Core philosophy - To work with partner councils to lead and fund initiatives that have a wider regional or sub-regional benefit such as economic development (priority one) and growth management (SmartGrowth).		**Investment benefit -** Improved integrated planning across stakeholders.

Western Bay of Plenty District Council		
Long Term Plan (transport)	**Goal** - Transportation networks support and promote economic development.	**Investment benefit** – Reduced cost of travel. **Key benefit** – Improved travel choice.
	Goal - The impact on the environment of the transportation system is mitigated where practicable.	Not specifically expressed in benefits. Reduced emissions by reducing Vehicle Kilometres Travelled (VKT) of private vehicles.
	Goal - Transport systems enable healthy activity and reduce transport-related public health risks.	Not specifically expressed in benefits. Increased PT mode increases user activity levels and has resultant health benefits.
	Goal - Transport systems improve access and mobility.	**Key benefit** – Improved travel choice.
	Goal - Land use and transportation network planning are integrated.	**Investment benefit** - Improved integrated planning across stakeholders.
Long Term Plan vision	**10-year outcome** - The environment is valued, cared for and improved so that future generations will be able to access what this generation now enjoys.	Not specifically expressed in benefits. Reduced emissions and water pollution by reducing VKT of private vehicles.
	10-year outcome - People enjoy a healthy and safe lifestyle where values and diversity are respected.	No benefits identified.
	10-year outcome - Our district is vibrant and prosperous, with thriving industries, good jobs and affordable housing.	No benefits identified.
	10-year outcome - The economy is based on a wide range of activities that are friendly to the environment.	No benefits identified.
	10-year outcome - The infrastructure, facilities and services we provide meet the needs of those who live in our district, including people aged over 65.	**Investment benefit** - Increase availability and access.
	10-year outcome - Costs to ratepayers are affordable.	**Investment benefit** - Reduce or defer cost of transport infrastructure investment.

Bay of Plenty Regional Council		
Long Term Plan	**Community outcomes** - Water quality and quantity.	Not specifically expressed in benefits. Reduced infrastructure investment will have positive impacts for water quality in urban catchment areas due to reduction in impermeable surfaces.
	Community outcomes - Environmental protection.	Not specifically expressed in benefits. Reduced emissions by reducing VKT of private vehicles.
	Community outcomes - Resilience and safety.	No significant impact.
	Community outcomes - Regional collaboration and leadership.	**Investment benefit** - Improved integrated planning across stakeholders.
	Community outcomes - Economic development.	**Investment benefit** – Reduced cost of travel. **Investment benefit** - Reduce or defer cost of transport infrastructure investment. **Key benefit** – Improved travel choice.
Regional Public Transport Plan	**Objective** - Reliable and integrated public transport services that go where people want to go.	**Key benefit** – Improved travel choice.
	Objective - High quality and accessible public transport infrastructure that supports safe and comfortable travel.	**Key benefit** - Improved optimisation of the transport network.
	Objective - Fares, ticketing and information systems that attract and retain customers while covering a reasonable proportion of operating costs.	Not specifically addressed in benefits. Increased travel choice, throughput of passengers, and reliability should have a significant positive impact on farebox recovery rates.
	Contracting requirement - A procurement system that enables efficient and effective delivery of the desired network of public transport services.	Not addressed in benefits.

Bay of Plenty Regional Council		
Regional Land Transport Plan	**Objective** - Economic performance – The transport system is integrated with well planned development, enabling the efficient movement of people and goods to, from and throughout the region.	**Key benefit** - Improved optimisation of the transport network. **Investment benefit** - Improved integrated planning across stakeholders.
	Objective - Safety - Deaths and serious injuries in the region's transport system are reduced.	Not specifically expressed in benefits. Any transfer in mode share from car to PT will result in improved safety per kilometre travelled.
	Objective - Land use and transport integration – Long-term planning ensures regional growth patterns and urban form reduced travel demand, support public transport and encourage walking and cycling.	**Key benefit** - Improved optimisation of the transport network. **Investment benefit** - Improved integrated planning across stakeholders.
	Objective - Access and resilience – Communities have access to resilient and reliable transport system that provides them with a range of travel choices to meet their social, economic, health, and cultural needs.	**Key benefit** – Improved travel choice.
	Objective - Affordability – investment in the transport system maximises use of available resources and achieves value for money.	**Key benefit** - Improved optimisation of the transport network. **Investment benefit** - Reduce or defer cost of transport infrastructure investment.
	Objective - Energy efficiency **–** People choose the best way to travel to improve energy efficiency and reduce reliance on non-renewable resources.	**Key benefit** – Improved travel choice.
	Objective - Environmental sustainability – The social and environmental effects arising from the use of transport are minimised.	**Investment benefit** - Reduce or defer cost of transport infrastructure investment.

NZTA		
Statement of Intent 2015/2019		
Goal - Integrate one effective and resilient network for customers	**Objective** - Integrate land uses and transport networks to shape demand at national, regional and local levels.	**Investment benefit** - Improved integrated planning across stakeholders. **Key benefit** - Improved optimisation of the transport network.
	Objective - Integrate national and local transport networks to support strategic connections and travel choice.	**Investment benefit** - Improved integrated planning across stakeholders. **Key benefit** – Improved travel choice.
	Objective - Improve freight supply chain efficiency.	Not specifically addressed in benefits. Any increase in mode share in key corridors will improve freight efficiency where there is existing congestion.
Goal - Shape smart, efficient, safe and responsible transport choices	**Objective** - Implement the Safe System approach to create a forgiving land transport system that accommodates human error and vulnerability.	Not addressed through Western Bay of Plenty PT network review.
	Objective - Incentivise and shape safe and efficient travel choices using a customer-focused approach.	**Key benefit** – Improved travel choice.
	Objective - Reduce costs for transport users through better regulation and willing compliance.	No benefits identified.
Goal - Deliver efficient, safe and responsible, and resilient highway solutions for customers	**Objective** - Greater resilience of the state highway network.	No benefits identified.
	Objective - Deliver consistent levels of customer service that meet current expectations and anticipate future demand.	No benefits identified.
	Objective - Provide significant transport infrastructure.	Is opposed to the **investment benefit** - Reduce or defer cost of transport infrastructure investment.

Statement of Intent 2015/19		
Goal - Maximise effective, efficient and strategic returns for New Zealand	**Objective** - Align investment to agreed national, regional and local outcomes, and improve value for money in all we invest in and deliver.	**Investment benefit** - Improved integrated planning across stakeholders. **Investment benefit** - Reduce or defer cost of transport infrastructure investment.
	Objective - Ensure effective and efficient co-investment with our partners.	**Investment benefit** - Improved integrated planning across stakeholders.
	Objective - Explore innovative revenue, pricing and financing approaches that enhance the value delivered by land transport investments.	**Investment benefit** – Reduced cost of travel.

Government Policy Statement			
Strategic direction	**Objective**	**Primary long-term results**	
Economic growth and productivity	A land transport system that addresses current and future demand for access to economic and social opportunities.	Support economic growth and productivity through the provision of better access to markets, employment and business areas.	**Key benefit** – Improved travel choice.
		Support economic growth of regional New Zealand through provision of better access to markets.	No benefits identified.
	A land transport system that provides appropriate transport choices.	Provide appropriate travel choices, particularly for people with limited access to a private vehicle.	**Key benefit** – Improved travel choice.
	A land transport system that is resilient.	Improved network resilience at the most critical points.	No benefits identified.

Strategic direction	Objective	Primary long-term results	
Road safety	A land transport system that is a safe system, increasingly free of death and serious injury.	Reduction in deaths and serious injuries.	Not expressed in benefits. Any transfer in mode share from car to PT will result in improved safety per kilometre travelled.
	A land transport system that mitigates the effects of land transport on the environment.	Mitigation of adverse environmental effects.	Not expressed in benefits. Reduced infrastructure investment will have positive impacts for water quality in urban catchment areas due to reduction in impermeable surfaces.
Value for money	A land transport system that delivers the right infrastructure and services to the right level at the best cost.	Delivery of the right infrastructure and services to the right level.	**Key benefit** - Improved optimisation of the transport network. **Investment benefit** - Improved integrated planning across stakeholders. **Investment benefit** - Reduce or defer cost of transport infrastructure investment.
		Improved returns from road maintenance.	No benefits identified.
		Improved returns from public transport.	Not specifically addressed in benefits. Increased travel choice, throughput of passengers, and reliability should have a significant positive impact on farebox recovery rates.

5 Anticipated strategic fit and effectiveness

Assessments of the strategic fit and effectiveness have been undertaken in accordance with the Transport Agency Investment Assessment Framework.

The partners to this strategic case have determined that the anticipated profile would be High strategic fit/High effectiveness (H/H).

The strategic fit and effectiveness for the Blueprint will be re-examined once the PBC is completed to ensure that the assessments are still valid with the additional information and analysis that will have been undertaken.

5.1 Strategic fit

For the strategic case to obtain a high rating it must meet the both the medium and high criteria as set out in the Investment Assessment Framework.

Medium criteria

A medium strategic fit rating may be given if, in the short to medium-term, the problem, issue or opportunity is:

- a service provision that does not meet forecast demand, including in and to main urban areas, within a region, OR
- access to social and economic opportunities, particularly for those with limited access to a private vehicle, OR
- a deficiency in reliability, or resilience in the transport system.

Medium assessment: The current transport network in Western Bay is not able to meet the forecast demand in the short-term on either SH 2 or SH 29 within the next five years. The opportunity exists for public transport to assist in meeting this demand.

High criteria

A public transport improvement activity must only be given a high strategic fit rating if in the short to medium-term, the problem, issue or opportunity is:

- a service provision does not meet forecast demand on networks or corridors in major urban areas, OR
- there is a deficiency in journey time reliability in a major urban area.

High assessment: The current transport network in the Western Bay is not able to meet the forecast demand in the short-term on either SH 2 or SH 29 within the next five years. The opportunity exists for public transport to assist in meeting this demand. Tauranga is considered a major urban area in regards to the Investment Assessment Framework.

5.2 Effectiveness assessment

The six criteria for effectiveness are set out in the table below and have been assessed for the Blueprint. The explanations are a guide to assessment, highlighting aspects that need to be considered. Typically, if the explanations are not applicable to the activity then it can be excluded from the assessment.

Component	Explanation	Rating
Outcomes focused	• tangible change in addressing the problem, issue or opportunity identified in the strategic fit assessment • consistency with levels of service in an appropriate classification system where a classification system exists	High – There are significant problems that have been identified within the TTS and which can be partially addressed through investment in public transport and through closer integration between organisations responsible for delivering the transport system in Tauranga.
Integrated	• consistency with the current network and future transport plans • consistency with other current and future activities • consistency with current and future land use planning • accommodates different needs across modes including the integration between public transport modes, e.g. bus to rail connections, if applicable • support as an agreed programme across partners, including public transport and other infrastructure improvements, operation and maintenance	High – Consistent with the TTS that considers future land use and infrastructure investment plans. Will accommodate better integration of modes through the optimisation of the transport network and greater alignment of planning and investment benefits. Programme will be agreed across partners.
Correctly scoped	• the degree of fit as part of an agreed strategy or business case • has followed the intervention hierarchy to consider alternatives and options including low cost alternatives and options • is of an appropriate scale in relation to the issue/opportunity • covers and/or manages the spatial impact (upstream and downstream, network impacts) • mitigates any adverse impacts on other results	High – PT is an integral part of the agreed TTS and interventions are likely to be predominantly at the top of the intervention hierarchy. The PBC will determine an appropriate scale for investment and identify and mitigate adverse impacts.

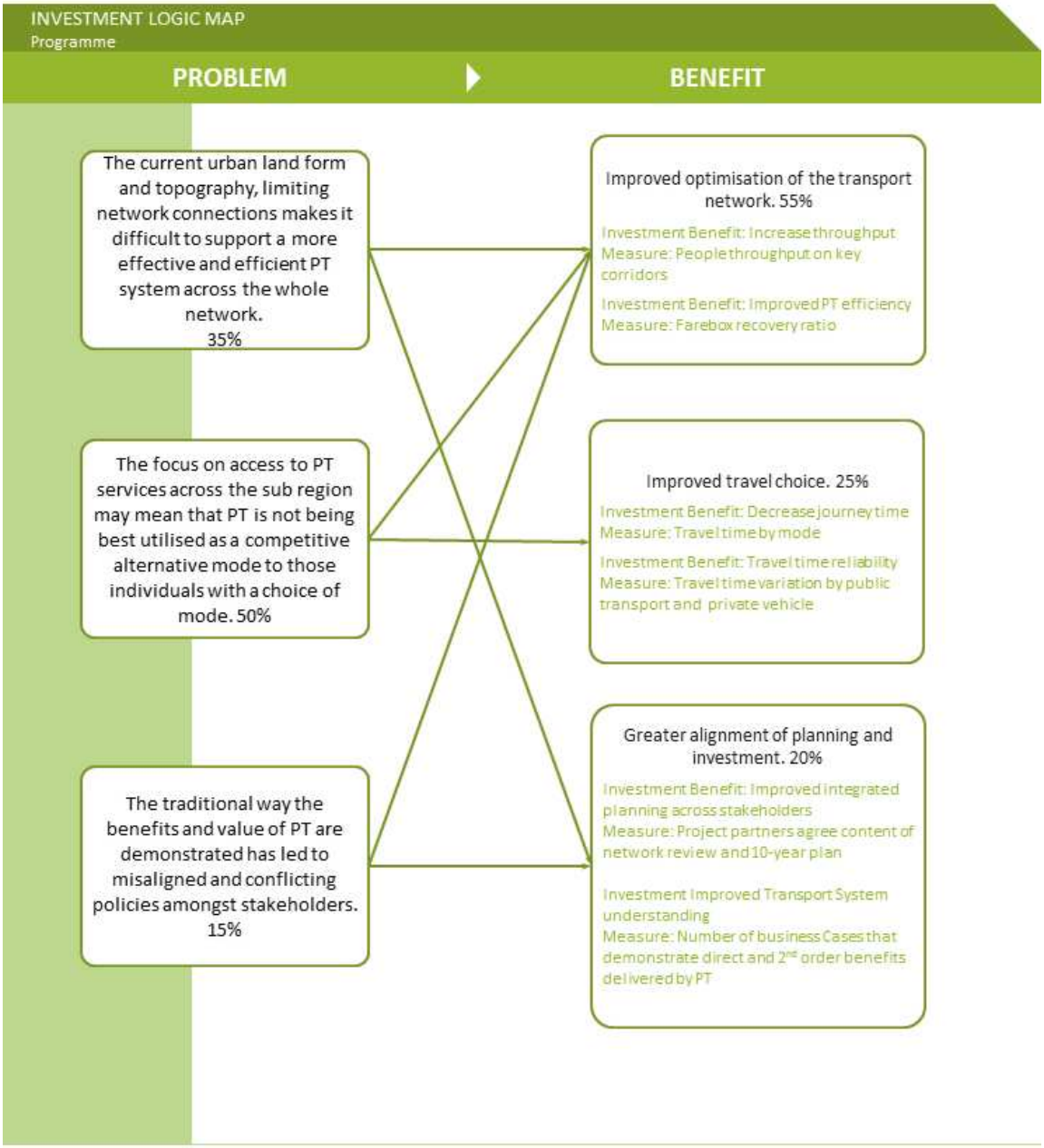
Component	Explanation	Rating
Affordable	• is affordable through the lifecycle for all parties • has understood and traded off the best whole of life cost approach • has understood the benefits and costs between transport users and other parties and sought contributions as possible • ongoing impact on the costs of providing the public transport services programme are understood and accepted by all funding partners	High - affordability will drive each of the partner organisations and will be a constant consideration as the business case develops. The PBC will be able to provide options to be scale investment to meet affordability requirements.
Timely	• delivers enduring benefits over the timeframe identified in the justified strategy or business case • provides the benefits in a timely manner	High – Public transport investment will be identified through a 10-year plan that will deliver infrastructure and services when and where required. Benefits will accrue throughout the 10-year-plan.
Confidence	• manages current and future risk for results/outcomes • manages current and future risk for costs	High – Implementation of a 10-year-plan with targets and investment triggers will reduce risk of over or under investing in the network. Long-term infrastructure investment will look at opportunities to reconfigure the investment to meet the needs of emerging technologies (ie driverless cars, electronic vehicles, etc)
Overall	• **Assessment based on lowest rating of all components**	**High**

Figure 5 Blueprint assessment of project effectiveness.Appendices

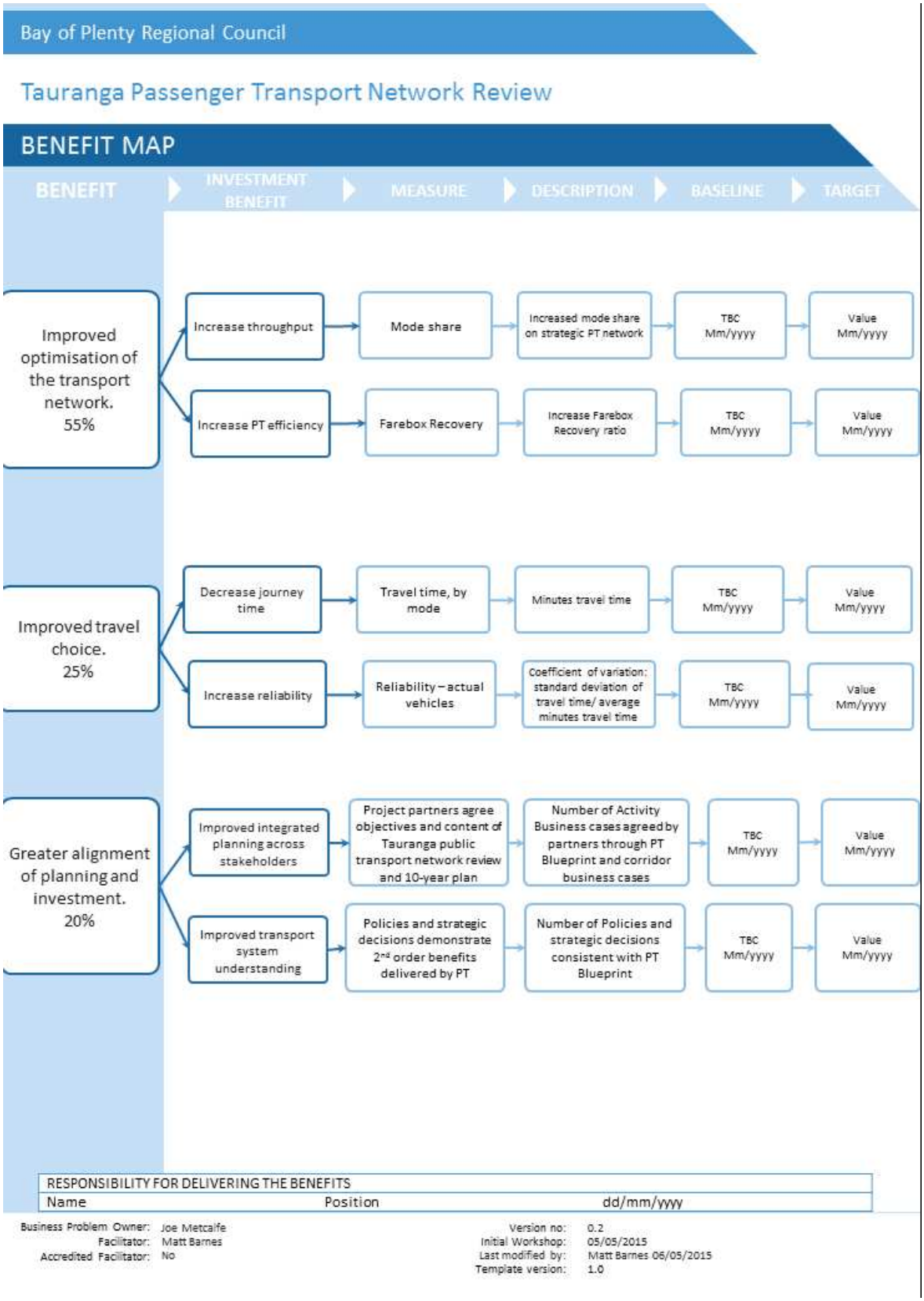
Appendix 1 – Investment logic map

Bay of Plenty Regional Council

Tauranga Passenger Transport Network Review



Appendix 2 – Benefits map



Appendix 3 – Strategic fit for non-public transport activities

Matches the desired Government Policy Statement (GPS) result	GPS result: Improved returns from public transport GPS supports this by enabling provision of public transport appropriate to the network and patronage function, targeted infrastructure improvements and gains in public transport productivity. GPS result: Support economic growth and productivity through the provision of better access to markets, employment and business areas The GPS does not specifically support the use of public transport in achieving this result however it is expected that the public transport network review will make a significant contribution to this result area.
Is significant in relation to the desired GPS result(s)	GPS result: Improved returns from public transport The network review will have a significant impact in this area. The efficiency gains that can be made by increasing the people throughput on our existing roadways can only be achieved through well provisioned PT that is supported by the right planning, policies and investment. The review will specifically examine the role of PT to ensure that its provisioning is appropriate at a network and corridor level and will drive better returns.
Is significant in relation to the scale of the gap to the appropriate customer level of service or performance measure	There is a significant gap in the appropriate customer levels of service for PT users in Tauranga. Travel times are significantly longer in many areas than is warranted and service frequencies could be improved on some corridors. There is also significant room to improve the current PT mode share in Tauranga (identified as KPI) which is currently sitting at 2%, well below other, similar cities in New Zealand.
Is significant as part of an end to end journey	Better utilisation of public transport for congestion relieve on key corridors will result in increased journey time reliability and travel times for PT, HCVs, and private vehicles. Congestion relief on the SH network in Tauranga could help facilitate key journeys such as Auckland - Hamilton - Tauranga - Port.
Is significant from a national perspective (given local, regional, national perspectives)	From a national perspective Tauranga has the capacity for significant population and economic growth however the infrastructure to support this will only be affordable if land use and transport functions can be delivered through an integrated and optimised framework. Direct investment in transport infrastructure to accommodate current growth plans is estimated at $1billion excluding any second order costs.
Is significant in relation to GPS timeframes, i.e. a significant issue/opportunity within 3/6/6+ years	The opportunity exists to achieve the identified benefits prior to letting new contracts for the Tauranga public transport network required in 2017. This places the proposal firmly in the current GPS three-year timeframe.

Part B: Programme business case brief

6 Introduction

At the end of 2017 the BOPRC's contracts for Tauranga urban and school bus services end. Prior to letting new contracts, a business case for investment in the Western Bay public transport network will be developed to ensure that any investment in the network achieves the best outcomes for the Western Bay transport network and aligns the views of all participating organisations.

The business case is being undertaken by BOPRC, NZTA, WBoPDC and TCC. The business case will follow the NZTA approved approach, with the strategic case providing the initial, high level assessment of why investment should be made and providing justification for investing in the next development stage, the Programme Business Case (PBC),that will examine the investment options that are available.

Part A of the strategic case identifies the problems facing the Western Bay public transport, and the benefits that can be gained from investing to solve these problems. It contains an assessment of how the Blueprint fits within the organisational values for each of the partner organisations and the fit with the NZTA Investment Framework.

Part B of the strategic assessment sets out the project plan and funding requirements for this project to progress to the PBC development stage.

7 Scope

7.1 Purpose

Progressing to the PBC stage will allow the investigation and development of a preferred programme of activities for implementation that will best achieve the benefits and outcomes defined in the strategic case. The output of this will be a 10-year plan identifying the required investment in infrastructure and PT services along with any changes within the delivery environment that will assist in achieving described in Part A of the strategic case.

7.2 Key benefits

Key benefits identified in the strategic case are:

- **Benefit one:** Improved optimisation of the transport network (55%).
- **Benefit two:** Improved travel choice (25%).
- **Benefit three:** Greater alignment of planning and investment (20%).

7.3 Geographic boundaries

The geographic scope of the Blueprint will encompass the Western Bay boundary and services between satellite communities in the Western Bay of Plenty such as Ōmokoroa, Katikati, and Te Puke. Consideration will also be given to future growth areas as identified by SmartGrowth settlement pattern review.

Other regional services will be reviewed only with regard to how these services are routed within Western Bay to connect with urban services.

7.4 Scope

The PT network will be reviewed from first principles incorporating the policy direction from the relevant regional, district, and national strategies and policies. The review will not be limited to looking solely at network changes but will examine all options available for meeting the objectives of the review, including but not limited to:

- Redesigning and optimising bus routes,
- Operating hours,
- Fares and fare boundaries,
- Bus stop locations,
- Policy settings,
- Changes to the public transport planning environment,
- Technology options to improve customer service,
- Infrastructure investment (bus shelters, bus lanes, interchanges, cycling/walking infrastructure),
- Signage and wayfaring,
- Information, marketing and branding,
- Accessibility, pedestrian and cycling infrastructure, and
- The movement corridors identified within the TTS.

The outcome for the review will not necessarily be a single network change but will aim to produce a staged development of the network and its associated infrastructure through a programme of improvement activities. This will enable any risks associated with the changes to be better managed and provide a clear direction for public transport in the Western Bay over a longer horizon.

7.5 Process to develop programme business case

7.5.1 Priority setting

- Confirm each stakeholders priority's for investment
- Confirm investment objectives

7.5.2 Data collection

- Identify and assess existing transport demand and capacity
- Assess key corridors for future traffic growth
- Identify and map existing land use patterns, including key generators
- Identify and map existing parking constraints and anticipated future constraints
- Identify deficiencies in LOS (reliability, journey time, frequency) on existing PT network
- Identify customer demand and expectations
- Assessment of existing policies impacting on public transport use and delivery
- Identify and map planned infrastructure investment and expected outcomes

7.5.3 Workshop sessions – Option development

Expected to be a half-day session to identify and develop potential strategic responses.

- Provide a summary of data collection
- Consider the differences between the movement corridors identified within the TTS
- Development of an agreed vision/milestones (where we want to be in 1, 5, 10 years)
- Developing a process for prioritising where infrastructure and service investment is required
- An indicative assessment of the costs, risks, timeframe, benefits and dis-benefits of the options; and how well they meet the objectives
- Identify mechanisms that will allow PT to be more responsive to changing demands
- Identify ways to better demonstrate the benefits of PT and mechanisms to ensure that these are integrated within the planning and investment processes and decisions across the participating organisations
- Develop options for public transport service and infrastructure investment

7.5.4 Strategic response development and assessment

- Develop long list of strategic responses. by the movement corridors identified within the TTS
- Develop required level of detail for each strategic response
- Assessment of strategic responses against investment objectives and KPIs

- Estimation of strategic responses benefits and costs
- Assess public transport options against investment in road infrastructure
- **Approve strategic responses with Governance Group**

7.5.5 Programme development and assessment

- Develop a short list of programme options incorporating individual strategic responses as previously identified
- Provide indicative timing for investment and establish packages of investment that will need to be developed as separate indicative/activity business cases
- Assess affordability of programme options
- **Approve programme with Governance Group**

7.5.6 Draft programme business case

- Incorporate input from political workshop(s)
- Develop preferred 10-year investment plan from 2017 including triggers for additional service or infrastructure investment
- Identify preferred programme
- **Approve draft with steering group**
- **Approve draft with PT Subcommittee**

7.5.7 Approval from partner organisations

- Seek partner approval through full Council meetings (or as required).

7.6 Interfaces

The Blueprint will require interaction with the following ongoing projects to ensure that the development is consistent with other activities in the sub-region:

- The movement corridors identified within the TTS
- Tauranga Network Operating Frameworks
- Tauranga Corridor Business Cases
- SH 2 Northern Corridor Study
- B2B construction staging and design
- SmartGrowth Settlement Pattern Review
- Network Operating Frameworks being developed for corridors within Tauranga
- Review of the Regional Public Transport Plan (2016/2017)

SmartGrowth workstreams will need to be informed throughout the development of the Western Bay Public Transport Blueprint. There are strong dependencies between the development of PT in the sub-region and the planning work being undertaken by Smartgrowth. Consistency in planning decisions between the two projects is critical to providing long-term benefits.

7.7 Dependencies

	Comment
Regional Public Transport Plan 2013 (RPTP)	• The RPTP is the primary enabling document for the network review. In order to receive funding from the NZTA for public transport services they must be included within the RPTP. • The RPTP must be reviewed no later than 2016; this provides an opportunity to ensure alignment with the Blueprint.
Regional Land Transport Plan (2015-2045)	• The recently completed RLTP provides overall direction to the regions land transport activities and must contain all activities that are funded through the National Land Transport Fund.
Tauranga City Council Long Term Plan (2015-2025)	• Infrastructure funding will need to be identified in the Tauranga City Council Long Term Plan
Western Bay of Plenty District Council Long Term Plan (2015-2025)	• Infrastructure funding will need to be identified in the Western Bay of Plenty District Council Long Term Plan
BOPRC Long Term Plan (2015-2025)	• Funding for services and service improvements will need to be identified in the BOPRC Long Term Plan
NZTA funding approval	• Funding from the National Land Transport Fund will need to be approved by NZTA for development of the PBC and for any activities that result from the PBC

8 Timeframes

The timeframes for this project are being driven by the need to retender the Tauranga Urban bus network contract at the start of the 2018 calendar year. The high level programme for delivering this project is as follows:

1 Point of entry - April 2015 **completed**

2 Strategic case – April 2015-February 2016 **completed (draft)**

3 Programme business case – January 2016- October 2016, **commenced planning**

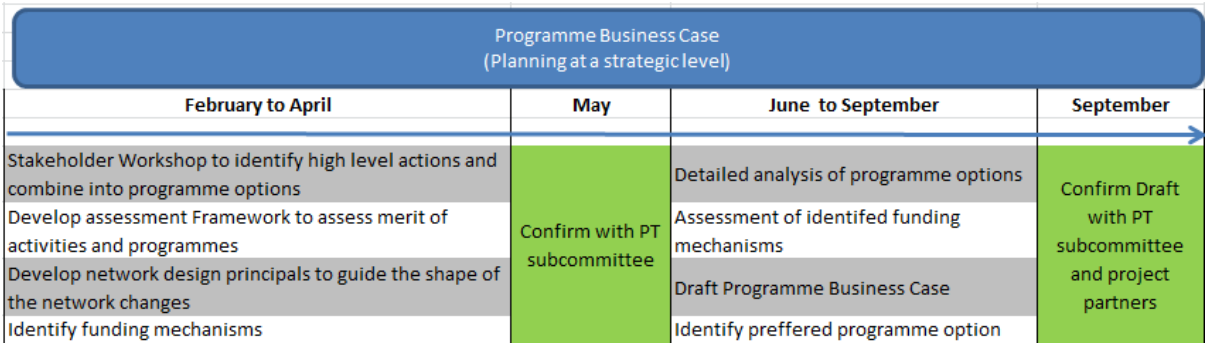
4 Activity business case PT services* – May 2016–February 2017

5 Tender development and award of bus service contract - January 2017–June 2017

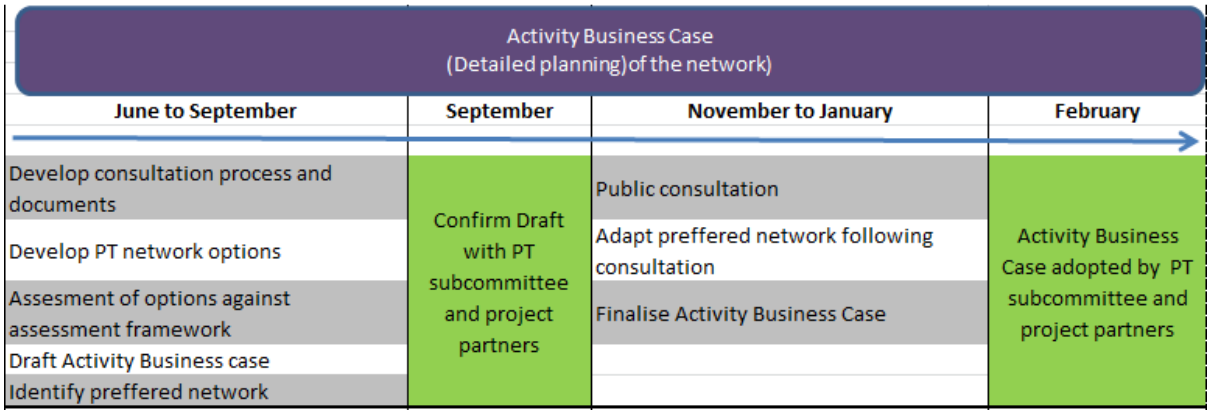
6 New network commencement date – January 2018

7 Develop other activity business cases as identified by the PBC

The PBC consists of the following stages:



The activity business case for the network design element of the project will be run concurrently with the program business case and timings for this project are outlined below:



9 Financial

9.1 Estimated cost

The estimated cost for completing the PBC is $92,000.

The estimated cost for completing an activity business case for public transport services in the Western Bay is $76.000. This cost has been identified and included as it will likely be a required outcome from the programme business case if public transport is to continue operating in Tauranga.

Total cost for these planning stages is $168,000. Additional activity business cases may also be required as part of the PBC however these will be costed as required.

Organisation	Contribution
BOPRC	$100,000 (of which $40,000 has been requested from NZTA)
TCC	$40,000 (of which $19,200 has been requested from NZTA)

The remaining $28,000 will be sourced from internal budgets within participating organisations to cover staff charges associated with the project.

10 Organisation and governance

This project requires the input and collaboration of three councils and the NZTA. It may require each of these parties to approve funding within the 10-year plan being developed as part of this project. As such the steering group will consist of members from each of these organisations.

Project acceptance

Project gates will need to be approved by each of the project partners at an appropriate level.

BOPRC – PT Subcommittee to approve all gates. Full Council to approve final option within the programme business case.

TCC – To approve project gates at appropriate level within the organisation as decided by the project steering group.

WBOPDC - To approve project gates at appropriate level within the organisation as decided by the project steering group.

Project steering group

Role: Reviews and confirms budgets and financial decisions. Provides strategic direction to the project manager and engages at the political level within their respective organisations:

- Garry Maloney (BOPRC)
- Jim Patterson (WBoPDC)
- Phillip King (TCC)
- Richard Hurn/Alistair Talbot (NZTA)

Delivery team

Role: Undertakes/commissions work and provides reports to project board and governance groups.

- Joe Metcalfe (BOPRC, Project Manager)
- Jim Patterson (WBoPDC)
- Clare Cassidy (TCC)
- Alistair Talbot (NZTA)