

NZ Upgrade Programme

August 2021 Monthly Report

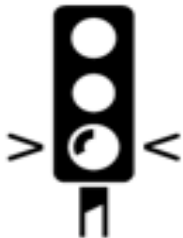
ISSUED ON 10th August 2021

 **WAKA KOTAHI**
NZ TRANSPORT
AGENCY

PROUDLY DELIVERING

New Zealand
Upgrade
Programme

Programme Reporting Pack Highlights



Project Status Reporting

- Northern Pathway - there is continual political and media focus on public opposition to the new bridge. Further scope refinement has occurred through July/ August, to inform and support the consenting application at the end of 2021.
- Major Milestones completed in the month include Walnut Avenue (Physical Works contract awarded) and SH2 Melling (NOR Lodged).
- SH58, Takitimu North Link Stage 1 and SH1-29 have highlighted risks to schedules due to property and consenting complexity and delays. These projects have construction start dates within the next 12-18 months.



Delivery Improvement

- The team has been engaging directly with projects to support uptake, understanding and implementation of DI outcomes. This involves supporting the development of focussed plans to give effect to the core focus areas of Delivery Improvement for each project.
- The Delivery Improvement team has worked with Riverlink, Papakura to Drury, Penlink, Takitimu North Link and Brougham Street thus far. Engaging with SH1/29, SH58, Wakatipu Transport Alliance and Northern pathway over next month.



Emerging Risks & Issues

- **Resourcing:** Resourcing constraints are impacting several projects with active recruitment underway in several areas alongside some changes to senior personnel. Recruitment in the current market for appropriate skilled people is challenging.
- **Costs:** material cost and shipping to NZ are increasingly unpredictable in the foreseeable future and are likely to increase project costs beyond expected escalation built into P50 estimates.
- **Step Change Opportunities:** the significant opportunities for the horizontal construction sector may not be delivered without the incorporation of appropriate commercial incentives.
- **Quality Assurance:** Inadequate processes could result in sub-optimal programme outcomes including scope, schedule and cost increases.
- **MoT and Treasury programme requirements:** being relatively complex there is a risk that they will result in extended approval periods (particularly with respect to accessing contingency), impacting adversely on construction delivery

Programme Reporting Pack Highlights (cont.)



Property

- Takitimu North Link Stage 1 – Acquisition programme on track, with Māori Land Court alienation hearing set down for September. Note that there is an emerging risk around the displaced tenants / occupiers on 29 properties that will need to vacate to allow construction to commence. The wider Project team, including Property & Director Regional Relationships are working to identify alternative options for those tenants to mitigate this risk.
- O2NL – Two advance purchases settled in July. 27 negotiations progressing
- Penlink – s 9(2)(i)
- SH1/29 Intersection, Queenstown Package and SH73 Weedons-Ross Road (Canterbury) – Active acquisition programme commenced.



Financials

- **July Month End:** Financials for July month end are not included in this month's report due to the timing of month end closure
- **FY2021/22 Forecasts:** New forecasts are being finalised in SAP at the time of writing. These will be provided in the August month end report.
- **Contingency Management:** The change control process is being drafted and will be issued during August.



Procurement

- **Penlink:** A 27 September 2021 release date of the Penlink Physical Works Request for Tender (RFT) to shortlisted proponents has been confirmed;
- **Walnut Avenue Intersection Improvements:** The Physical Works Contract was awarded to Fulton Hogan 30 July 2021.
- **Takitimu North Link Stage 1:** A paper has been provided to Governance Group to request permission to Award part B subject to resolution of the Maori Land Court process.
- **Assurance:** A procurement runway has been developed by the project controls team to provide better visibility of the steps required from business case to RFT release.

Programme Overview

Project	MOT Risk Level	Phase	\$	Time
Penlink	Higher	Pre-Imp		
Northern Pathway Westhaven to Akoranga	Higher	Pre-Imp		
Otaki to North of Levin	Higher	BC		
SH1-29 Intersection Improvements	Lower	Pre-Imp		
Takitimu North Link Stage 1	Lower	Pre-Imp		
SH58 Safety Improvements – Stage 2	Lower	Pre-Imp		
SH2 Melling Efficiency & Safety Imp	Lower	Pre-Imp		
Brougham St Corridor Improvements	Lower	BC		
Rolleston Access Improvements	Lower	BC		
SH75 Halswell Rd Imps	Lower	BC		
SH73 Weedons-Ross Road Intersection	Lower	BC		
Walnut Avenue Intersection Improvements	Lower	Pre-Imp		
SH1 Tinwald Corridor Improvements	Lower	BC		
SH6A Corridor Improvements	Lower	Pre-Imp		
SH6 Ladies Mile Stage 2	Lower	Pre-Imp		
Grant Road to Kaware Falls Bridge Improvement	Lower	Pre-Imp		
SH1 Whangarei to Port Marsden H'way	Rescope	N/A		
SH1 Papakura to Drury South	Proceed (P50) No funding for stage 2	Imp		
Mill Road Corridor	Rescope	N/A		
Takitimu North Link Stage 2	Rescope	Pre Imp		

Summary

Programme remains at an overall **AMBER** s 9(2)(g)(i). At an individual project-level, we are seeing specific challenges which are reflected in a RED RAG status but are not felt sufficient to push the overall programme into RED.

Status updates for the rescope projects is reported to Governance in more detail outside of this monthly report.

Programme Update

Activity underway at a programme level continues with the development of change control and contingency management processes. This will be reported to the Steering Group in August, followed by Governance Group.

CIPA assessments have been completed for the confirmed projects and a number of assurance reviews have been completed or planned for August/ September.

Project Highlights

s 9(2)(g)(i)

- **Takitimu North Link Stage 1** – the **RED** budget status s 9(2)(g)(i)
- **SH58 Safety Improvements Stage 2** – Schedule RAG set to **RED** to s 9(2)(g)(i)
- **Northern Pathway Westhaven to Akoranga** – Project is tracking well within the baseline deliverables. Conversations with the EPA are underway regarding scope under the fast track consenting act with a Ministerial briefing scheduled for August 2021.
- **Walnut Avenue Intersection Improvements** – Physical Works contract awarded in July
- **Melling** – Lodgement occurred 29 July 2021 (on schedule)

Project Readiness Status

Due	Projects	Construction start date as per Baseline Report	Delivery phase	Next major milestone		Project Steering Committee established	State of Readiness			
							Stable Scope	Property purchase	Crown land obligations as treaty partners	Consenting
1	SH58 Safety Improvements – Stage 2	Mid 2021	Pre Imp	NOR Lodged (stage 2b)	Mar-22		§ 9(2)(g)(i)	§ 9(2)(g)(i)		
2	Walnut Avenue Intersection Improvements	Mid 2021	Pre Imp	Construction start	Mid-21					
3	Takitimu North Link Stage 1	Late 2021	Pre Imp	Physical Works contract awarded	Nov 21			§ 9(2)(g)(i)	§ 9(2)(g)(i)	
4	Penlink	Mid 2022	Pre Imp	BC Addendum phase completed	Nov 21		§ 9(2)(g)(i)	§ 9(2)(g)(i)		
5	SH1-29 Intersection Improvements	Late 2022	Pre Imp	NOR Lodged	Sep-21			§ 9(2)(g)(i)		
6	Northern Pathway Westhaven to Akoranga	Early 2023	Pre Imp	NOR Lodged	Dec-21		§ 9(2)(g)(i)	§ 9(2)(g)(i)		§ 9(2)(g)(i)
7=	Brougham St Corridor Improvements	Mid 2023	BC	Business Case Approval	Nov 21			§ 9(2)(g)(i)		
7=	SH73 Weedons-Ross Road Intersection	Mid 2023	BC	Physical Works contract awarded	May-22					
7=	SH1 Tinwald Corridor Improvements	Mid 2023	BC	SSBC Completed	Oct 21					
7=	SH1 Papakura to Drury South	S1 –2021	Imp	NOR Lodged (stage 1B2)	Jan 23					
11=	SH2 Melling Efficiency & Safety Imp	Late 2023	Pre Imp	Notice of Requirement Lodged	Aug-21			§ 9(2)(g)(i)		
11=	SH75 Halswell Rd Imps	Late 2023	BC	Business Case complete	Nov 21			§ 9(2)(g)(i)		
13	Rolleston Access Improvements	Early 2024	BC	Business Case approved	Feb-22					
14	Takitimu North Link Stage 2	Late 2024	Pre Imp	Lodge RMA applications	Dec 21			§ 9(2)(g)(i)		
15-17	Queenstown Package (3 Projects)	Early 2025	Pre-imp	Lodge RMA applications	Nov-21					
18	Otaki to North of Levin	2025	BC	SSBC Endorsed	Oct-21				§ 9(2)(g)(i)	§ 9(2)(g)(i)

*Mill Road Corridor and Whangarei to Port Marsden are currently undergoing rescoping have been excluded from this report

'Readiness' is required by the time the construction contract is awarded, noting that some of the initial projects are being implemented in phases. Two Projects undergoing rescope (SH1 Whangarei to Port Marsden Highway and Mill Road Corridor) work are currently excluded from this report.

Project Steering Committees

Established as BAU

Scope

Projects in Business Case phase do not yet have a defined level of scope and are rated RED.

- SH58 RED § 9(2)(g)(i)
- Some more advanced projects have scope/cost issues to resolve and are marked AMBER/RED

Property

Rating relates to timeframes/complexity available to complete property purchase before construction start date. § 9(2)(g)(i)

- Status should trend to amber/green as scope issues are resolved, providing certainty around property requirements

- Takitimu North Link Stage 1 – § 9(2)(g)(i)

Crown land obligations as treaty partners

Two projects have significant work required in this space and continue to be shown as RED

Consenting

§ 9(2)(g)(i)

RAG status here relates to the state of readiness prior to construction and will be different to the consenting slide which depicts complexity, time frames and consenting risk.

- A separate report on consenting is being prepared for the Governance Group meeting in September

Programme Milestones

Key Project Milestones Completed in July

- **SH1/SH29 Intersection:** Final consult with stakeholders & preferred option agreed – 30/07/2021
- **SH2 Melling Efficiency & Safety Improvements:** Notice of Requirement Lodged – 29/07/2021
- **SH58 Safety Improvements - Stage 2b:** Detailed design completed – 16/07/2021
- **Walnut Avenue Intersection:** Physical Works contract awarded – 30/07/2021
- **SH1 Tinwald Corridor Improvements:** Business Case approved and Pre-Imp Project Management Plan approved – 22/07/2021

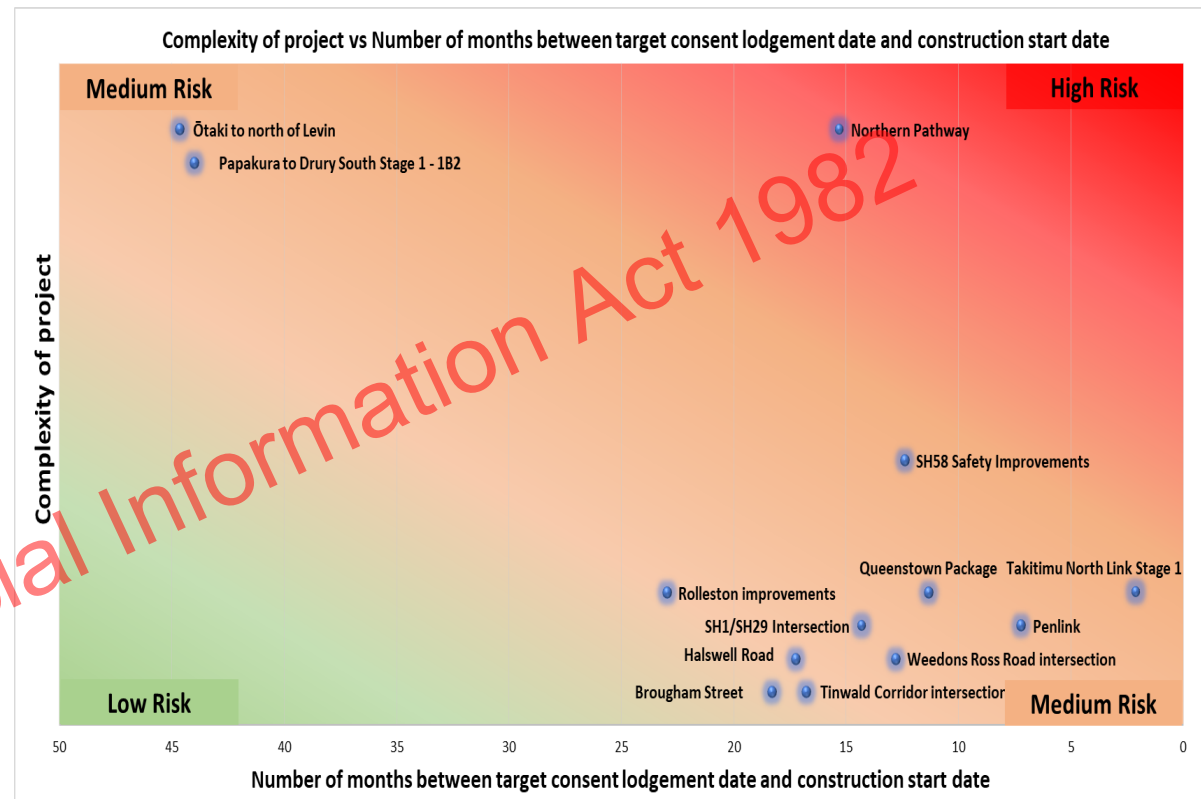
Upcoming Milestones in August

- **Penlink:** Initiate IPAA tender process
- **SH1/SH29 Intersection:** Complete concept design to support consenting process and enable consent lodgement
- **SH2 Melling Efficiency & Safety Improvements:** Commence property negotiation
- **Walnut Avenue Intersection:** Start construction
- **SH1 Tinwald Corridor Improvements:** Commence Pre-Imp and MSQA Tender
- **Queenstown Package:** Project Alliance Agreement awarded
- **Brougham Street Corridor Improvements:** Complete Business Case phase

Programme Consent Lodgement Insights

Project	Current consenting status	Overall consent complexity and risk rating	Comments
Penlink	Preparing application		Alterations to designation and consent conditions required
Northern Pathway Westhaven to Akoranga	Preparing application		Listed project in Fast Track Act
Otaki to North of Levin	Preparing application		Scale and extent of project increases complexity
SH1-29 Intersection Improvements	Lodgement on August 2021		Landowner risk increases complexity
Takitimu North Link Stage 1	Preparing application		Alterations to designation required
SH58 Safety Improvements – Stage 2B	Preparing application		RMA complexity rating may reduce if effects on wetland avoided
SH2 Melling Efficiency & Safety Imp	Lodged on 30 July 2021		RMA complexity rating higher due to partnership arrangements
Brougham St Corridor Improvements	Not yet underway		
Rolleston Access Improvements	Not yet underway		
SH75 Halswell Rd Imps	Not yet underway		
SH73 Weedons-Ross Road Intersection	Preparing application		
Walnut Avenue Intersection Improvements	No further RMA approvals required		
SH1 Tinwald Corridor Improvements	Preparing application		
Queenstown Package	Not yet underway		Consent requirements TBC
SH1 Papakura to Drury South Stage 1 - 1B1	Application lodged		Listed project in Fast Track Act
SH1 Papakura to Drury South Stage 1 - 1B2	Preparing application		Listed project in Fast Track Act

*The Overall rating is calculated based on the complexity of the project, RMA approvals and other statutory approvals. This is different to the RAG rating shown on the Programme Readiness page.



Project	Current consenting status	Overall rating
Re-Scoped Projects		
SH1 Whangārei to Port Marsden Safety Improvements	Project to be rescope. Timing for lodgement of any NOR or consent applications (if required) is unknown.	
Mill Road (Northern Section)	NOR to alter existing AT designation lodged May 2021. Consents for site specific vegetation removal in northern section lodged early June 2021, now on hold. Timing for lodgement of any NOR or consent applications (if required) is unknown.	
Papakura to Drury South Stage 2	No longer part of NZUP. Timing for lodgement of any NOR or consent applications is unknown.	
Takitimu North Link Stage 2 (route protection)	Lodge NOR for route protection (TBC) Dec 2021	

Communications & Engagement

Overview

Summary

Significant political (WPQs, OIAs etc) and media scrutiny of the programme following Government decisions continued in early July but reduced markedly with the proactive release of a number of documents provided to the Government.

An updated programme communications and engagement strategy to reset direction following the Government decisions is now being implemented.

There is increasing project C&E activity to support delivery progress, with SH58 stage 2a and Papakura to Drury construction continuing, a sod-turning being planned for Walnut Ave and community engagement on a number of projects.

Key Issues/Risks

- **Northern Pathway** continued political and media focus on public opposition to new bridge may s 9(2)(g)(i)
- **Climate Impact Policy Assessments** – increased emissions may undermine messages focused on de-carbonisation being a priority for NZUP

Stakeholder Engagement

What stakeholders are saying (themes):

- **Northland & South Auckland** – landowner uncertainty due to rescoping and lack of clarity on long term strategy for corridor upgrades.
- **Rolleston flyover** – business owner concern at impacts and anxiety at need for local road upgrades.
- **Takitimu North Link** – ongoing concern & uncertainty at lack of plan to improve Omokoroa intersection safety.

Communications & Engagement Activity

Programme

- Updated programme C&E strategy rolled out to projects
- Meetings with programme stakeholders – AT, KiwiRail, Transpower, EPA, Heritage New Zealand
- Reviewing and updating programme stakeholder engagement plan.

Projects

- **Rolleston flyover** – community engagement began with 6 of 7 pop up events held,
- **Penlink** – communications to advise on geotechnical work
- **Northern Pathway** - provided project updates to landowners, stakeholders and the community. Continued technical conversations with key stakeholders
- **Papakura to Drury** - Community open days covering Stage 1A construction and Stage 1B1 lodgement, engagement with Generation Zero and Greenpeace
- **Takitimu North Link stage 1** – presented to Rotary Club
- **O2NL** - Video of resident sharing experience of road closures due to accidents, Levin project office open one day a week to community
- **SH73 Weedons-Ross Rd intersection** - update to stakeholders, e-newsletter

Upcoming Activities

August

- **SH2 Melling Efficiency & Safety Improvements** – media release and communications to support Riverlink consents notification
- **Penlink** – video to update project progress published
- **South Auckland** – attending minister visit with local MP of South Auckland transport projects
- **Rolleston flyover** – community engagement continues
- **Walnut Ave** – media and sod-turning event to start construction (date tbc)
- **Queenstown** – Comms to support Ladies Mile bus lanes investigations
- **Tinwald corridor** – Community engagement report released
- **SH75 Halswell Rd** – DRR to update MP Megan Woods
- **O2NL** – approaches to property owners re early acquisition and mitigation discussions.

September

- **SH1/29** - Information days on Cambridge to Piarere corridor
- **Northern Pathway** – Property owner engagement.

Iwi Engagement & Treaty Partnership

Key Themes

Strategic Relationships

- 3rd August hui held with Te Arawhiti, The Office for Māori Crown Relationships. Te Arawhiti have developed a framework to track the health of Māori crown relationships of which all crown agencies will be measured. The work NZUP is doing to lift cultural capability with workshops on Te Ao Māori and upcoming Te Tiriti o Waitangi workshops will place Waka Kotahi in a strong position when Te Arawhiti do the audit. Moreover, the NZUP directives that iwi are to be engaged and be afforded mana enhancing partnership roles at all levels of the project including project governance is the direction to a healthy crown Tiriti based relationship with tangata whenua
- 2nd August hui held with policy advisors of Ministry of Pacific Peoples around identifying barriers and strategies to increase economic business opportunities for Pacifica SME on NZUP. Acknowledgement of recent apology to Pacifica by the Crown was appreciated by MPP members
- On 28th July the NZUP Principal Advisor Māori attended a 2-day team day with Te Mātangi in Palmerston North covering alignment of workstream and initiatives and giving updates on NZUP Māori outcomes around iwi in project governance with the opportunities to support Māori economic growth

Project Iwi Engagement Updates

- **Penlink:** Penlink team attended cultural induction for the archaeologist and the Geotechnical teams with Ngāti Manuhiri. Through a mana whenua lead process, the team have engaged a mana whenua design specialist. Iwi representation on PAB discussion have started internally and are working through a process to decide on number of mana whenua on PAB
- **Northern Pathway:** 3 partnership hui have been held on the governance approach. Next hui will aim to agree on process and number of mana whenua representation on PAB. This will be a milestone achievement for both the project and mana whenua. Hui date set for 23 August 3pm
- **SH2 Melling Efficiency & Safety Improvements:** Mana whenua steering group set up. NZUP Māori advisor supporting with Māori outcomes for procurement plan. Witkaira Consulting working with project and mana whenua to drive iwi aspirations and outcomes at project level

Key Activities this reporting period

NZUP Workplan

- Ensuring iwi engagement workplan Q1 targets are on track with any constraints identified with plans and actions in place. Ensuring 5% of contract value written into all upcoming NZUP procurement contracts

NZUP Rescoped Projects

- Discussion with the project director on approach to work with iwi agreed upon. Iwi will not be part of sprint steering group, however, will be engaged at all phases of re-scope through all existing relationship channels

Upcoming Activities

- Two Treaty of Waitangi workshops will be booked for NZUP by end of Q1 with stepped phased approach in line with the WK Te Ara Poutama Cultural Competency Framework
- Meet with all NZUP projects to update iwi engagement stock take form with paper to Steering Group by end of September
- Build on strengthening whanaungatanga relationships with projects, with a focus on clear consistent partnership approach with iwi and Māori outcome deliverables

Highest Programme Risks

Programme risks have been reviewed in July. Only the highest programme risks are reported here.

Risk Description	Causes	Existing Controls	Controlled Risk Level	Additional Controls (Treatments)	Risk and Control Monitoring
Inadequate Internal Programme Resource	<ul style="list-style-type: none"> Inadequate resource planning Lack of resource capacity Lack of resource capability Covid-19 amplifies this issue Tight market Reprioritisation of Programme 	<ul style="list-style-type: none"> TBC 	Extreme	<ul style="list-style-type: none"> Targeted staff training programmes Baselining outcomes to clarify capability and capacity needs Build great NZUP culture People focused leadership discussions and actions Quarterly governance reporting NZUP Health check survey 	<ul style="list-style-type: none"> Governance reporting NZUP survey
Imbalance in Market	<ul style="list-style-type: none"> One or two suppliers too successful winning and delivering work Risk appetite of some suppliers might be capped so they will choose jobs with a spread portfolio Other opportunities considered more attractive Geographical remoteness of some projects restricts choice Less likelihood of overseas suppliers to deliver large infrastructure opportunities through covid19 restrictions Reduced opportunity to redress imbalance due to reprioritisation 	<ul style="list-style-type: none"> Dashboard for tracking supplier percentages and forward workload Other programmes of works - limited effectiveness Contractual model levers Regular engagement and liaison meetings active control Pipeline of works - limited effectiveness 	Extreme	<ul style="list-style-type: none"> Embedding level field playing practice at procurement stage Strategic review of programme wide procurement approach 	<ul style="list-style-type: none"> Dashboard tracker Industry liaison meetings Major projects/ programme meetings Regular procurement updates to GG Market share intelligence

Highest Programme Risks

Risk Description	Causes	Existing Controls	Controlled Risk Level	Additional Controls (Treatments)	Risk and Control Monitoring
Inadequate Quality Assurance	<ul style="list-style-type: none"> High expectations re timeframes Legacy issues Professional provider lacking required depth of capability New project structure - end to end New project director Possible scope/ specification creep Multiple reporting lines Organisational silos Outcomes currently not clearly aligned 	<ul style="list-style-type: none"> Steering committee Sponsors PSC 	Extreme	<ul style="list-style-type: none"> Resolution of technical issues - Go-To Committee Issues captured and raised at right level i.e. GLT Sponsor taking issues back to GLT Increased NZUP Programme Team support Change tack Sprint Agreed process for resolving difficult project issues Define clear ownership of this risk and controls Define way forward with sponsor 	<ul style="list-style-type: none"> Weekly meeting minutes with Delivery lead, sponsor etc Governance Group meeting Fortnightly Steering Group updates Weekly meetings with project sponsor
Step Change Outcomes/ Opportunities not achieved/realised	<ul style="list-style-type: none"> Lack of commercial incentives for industry Insufficient resource Too many initiatives / lack of prioritisation Initiative development cannot keep pace with project timing Similar to change management causes Initiatives create a burden Initiatives do not result in meaningful improvement Initiatives poorly communicated / not understood Lack of coordination with broader Waka Kotahi initiatives 	<ul style="list-style-type: none"> Communication Governance structure Draft individual initiative Implementation strategies Step change workshops Part time SME and support resources in place 	High	<ul style="list-style-type: none"> Implementation Strategy Develop online resource to communicate initiatives Complete and implement resourcing strategy Further develop implementation strategies Establish community of practice with PMs and Step Change champions Delivery improvement implementation plan Quality assurance checks pre procurement Incentives for industry 	<ul style="list-style-type: none"> Delivery improvement plans Regular meetings with SME's around understanding of delivery improvements Project health tracker for GG oversight

Emerging Programme Risks

Risk Description	Causes	Existing Controls	Controlled Risk Level	Additional Controls (Treatments)	Risk and Control Monitoring
Escalating Material and Shipping Cost	<ul style="list-style-type: none"> • Covid-19 related supply chain issues • Increased shipping costs • Material cost increases at source • Covid-19 driving changes in international consumer patterns - changes shipping priorities • Access difficulties to required materials through suppliers cornering market i.e. owning quarries • Difficulties in access new quarry/local aggregate sources • Strong construction sector both infrastructure and buildings pressing supplies in NZ and Australasia 	<ul style="list-style-type: none"> • Contingency allowance including risk provision for material cost increases • Programme schedules covering material scheduling and accessing • Material and cost estimation as part of procurement planning • Material scheduling and construction methodology 	TBD	<ul style="list-style-type: none"> • Monitoring shipping markets - Board level oversight 	TBD
Complex MoT and Treasury Programme Requirements	<ul style="list-style-type: none"> • Ministers seeking very high levels of assurance from Treasury and MoT • Lack of confidence by MoT and Treasury that WK can deliver significant programmes to time, quality and costs • Partnering relationship with MoT, Treasury requires more focus 	<ul style="list-style-type: none"> • Working relationship with MoT and Treasury • Communication of programme requirements to project teams • Project risk contingencies • Communication of programme requirement implications and consequences to Minister, MoT and Treasury 	TBD	<ul style="list-style-type: none"> • Scheduling of programme requirements in project schedules 	TBD

NZ Upgrade Programme – Project Updates

Region	Project	Current Phase	* P50 Baseline Budget (\$m)	*Total Spent (\$m) (%)	* Variance (\$m)	RAG Status		Commentary
NZ Upgrade Programme Overview						\$	🕒	
Northland	SH1 Whangarei to Port Marsden H'way	Rescope						Cabinet decision to rescope this project: Safety improvements along the existing state highways, however no funding allocation for Route Protection. Reporting on this project is provided separately
Auckland	SH1 Papakura to Drury South	Pre Implementation						Cabinet decision to support investment, however no funding allocation for Route Protection for Drury South Stage 2 Stage 1A mobilisation and site establishment is underway. Application for Stage 1B consents were approved by Environmental Protection Agency (EPA) on 1 July. Schedule status remains AMBER s 9(2)(g)(i)
	Northern Pathway Westhaven to Akoranga	Pre Implementation						Project is tracking well within the baseline deliverables. It is noted that the project's change in scope may not meet the definitions in the fast track consenting act. Conversations with the Environmental Protection Authority are underway with a Ministerial briefing scheduled for August 2021.
	Penlink	Pre Implementation						The reference design development is substantially complete subject to final subject matter expert comments being closed out. Geotechnical investigations continue focusing on areas known to have poor soil conditions. The final report will be completed in late 2021. The issue of RFP is proposed in late September. Overall status is now AMBER s 9(2)(g)(i)
	Mill Road Corridor	Rescope						Project team has been established (Waka Kotahi, Auckland Council, Auckland Transport, KiwiRail). A pan-agency forum has also been set up with 9 partner organisations represented. Project is proposed to be split into 3 stages: scoping and early works (due to complete August); optioneering (planned completion September) and draft deliverables (due October). In addition, close out works are due to be finalised by October 2021.

* Financials for July Month End were not available at the time of the report production.

NZ Upgrade Programme – Project Updates

Region	Project	Current Phase	P50 Baseline Budget (\$m)	Total Spent (\$m) (%)	Budget Variance (\$m)	RAG Status		Commentary
						\$	🕒	
Waikato & Bay of Plenty	SH1-29 Intersection Improvements	Pre Implementation						Pre-implementation phase underway, with work continuing on the detailed design. s 9(2)(j)
	Takitimu North Link Stage 1	Pre Implementation						Schedule status remains AMBER s 9(2)(g)(i). Design and Construct Contract is in the second month of detailed design and making good progress and is on track. s 9(2)(j) Progress is reliant on a fast track Māori land Court order to enable construction to start on current timeline. Budget status remains RED s 9(2)(g)(i)
	Takitimu North Link Stage 2	Pre Implementation						Cabinet decision to support Route Protection only. Any further work to be funded through National Land Transport Fund (NLTF) The approach for route protection is confirmed. Schedule and Cost status remains AMBER s 9(2)(g)(i)
Wellington	SH58 Safety Improvements – Stage 2	Implementation						Schedule status set to RED to s 9(2)(g)(i). The Stage 2b business case is expected to be submitted to the Investment and Delivery Committee in September for approval, which will provide more certainty for the project and the schedule.
	SH2 Melling Efficiency & Safety Imp	Pre Implementation						Lodgement notice of requirement and consents made 29 July. Procurement is progressing and working towards a October 2021 date for registration of interest.
	Otaki to North of Levin (O2NL)	Business Case						During July Detailed business case development continued with approval set for October prior to Board approval in November. Schedule status remains AMBER s 9(2)(g)(i)

NZ Upgrade Programme – Project Updates

Region	Project	Current Phase	P50 Baseline Budget (\$m)	Total Spent (\$m) (%)	Budget Variance (\$m)	RAG Status		Commentary
						\$	🕒	
Canterbury	Brougham St Corridor Improvements	Business Case						This project is nearing completion of the Business Case phase.
	SH73 Rolleston Access Improvements	Business Case						The detailed business case is well underway to identify the preferred option for scope. Community engagement has commenced.
	SH75 Halswell Rd Imps	Business Case						Detailed business case is progressing with further design refinements to be completed before it can be finalised in August.
	SH73 Weedons-Ross Road Intersection	Business Case						Preliminary design completed in July. Land requirements confirmed and acquisition strategy ready for sign off prior to applying to LINZ. Schedule remains AMBER s 9(2)(g)(i) [REDACTED] Budget remains AMBER s 9(2)(g)(i) [REDACTED].
	Walnut Avenue Intersection Improvements	Pre Implementation						Physical works contract was awarded to Fulton Hogan on 30 th July. Schedule status remains AMBER s 9(2)(g)(i) [REDACTED].
	SH1 Tinwald Corridor Improvements	Business Case						Independent quality assurance completed. Pre-implementation scope planning is underway including forward planning with KiwiRail. Communication update on website planned for August.

NZ Upgrade Programme – Project Updates

Region	Project	Current Phase	P50 Baseline Budget (\$m)	Total Spent (\$m) (%)	Budget Variance (\$m)	RAG Status		Commentary
						\$	🕒	
Queenstown	SH6A Corridor Improvements	Pre-Implementation						<p>It has been agreed between project and programme teams to combine all 3 NZUP funded activities into a single SH6A project. This work will be delivered as one integrated package and has a single business case and baseline report.</p> <p>Projects are in early stages of facilitating handover to the Alliance for detailed design and construction including geotechnical testing and minimum requirements documentation.</p>
	SH6 Ladies Mile Stage 2	Pre-Implementation						
	Grant Road to Kawarau Falls Bridge Improvement	Pre-Implementation						

Released under the Official Information Act 1982