

NZ Upgrade Programme

- A major focus in Q3 is the work on the programme baseline for end of March 2021, to provide the latest understanding of outcomes, scope, cost, schedule and risk to decision makers. Most projects are now seeing cost estimates that are greater than funding allocation. Notable recent milestones include completion of a series of challenge sessions to provide top-down review of baselines, as well as Project Sponsor reviews and endorsement on individual project baselines.
- Papakura to Drury South Stage 1B1 consent documentation preparation under the Covid-19 Recovery (Fast Track Consenting) Act 2020 is underway.
- Otaki to North of Levin formal NoR/Consenting programme has commenced, with planning discussions programmed with regional and district councils.
- SH58 Stage 2a physical works have commenced.
- SH75 Halswell Road emerging preferred option design is being finalised. Community Boards briefing dates are scheduled for early March.
- Weedons Ross Road business case and preferred option was endorsed by Waka Kotahi internal governance in January.
- Walnut Avenue design is complete and being reviewed. Construction will commence upon completion of the design review.
- Penlink Hybrid Alliance ROI (Short listing) closed in December 2020 and tender evaluation is now underway. The current programme is to announce the short-listed proponents in February.
- Rolleston is currently out for tender for business case phase, with award expected in March 2021.

Project	Milestone	Time	Financial
NZUP SH1 Whangarei to Port Marsden H'way	Design		
NZUP Penlink	Design		
NZUP Mill Road Corridor	Design		
Papakura to Drury South	Design		
NZUP Northern Pathway	Design		
NZUP SH1-29 Intersection Improvements	Design		
NZUP Takitimu North Link Stage 1	Design		
NZUP Takitimu North Link Stage 2	Design		
NZUP SH58 Safety Improvements	Design		
NZUP SH2 Melling Efficiency & Safety Imp	Design		
NZUP Otaki to North of Levin	Design		
NZUP Rolleston Access Improvements	Design		
NZUP Brougham St Corridor Improvements	Design		
NZUP SH75 Halswell Rd Imps	Design		
NZUP SH73 Weedons-Ross Road Intersection	Design		
NZUP Walnut Avenue	Design		
NZUP SH1 Tinwald Corridor Improvements	Design		
NZUP SH6A corridor improvements	Design		
NZUP SH6 Ladies Mile Stage 2	Design		
NZUP Grant Road to Kawarau Falls	Design		

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Key Project Milestones Completed

- **Queenstown Package** Detailed Business Case approved by Waka Kotahi Board
- **Tinwald** preferred option for consultation endorsed
- **Papakura to Drury Stage 1A** physical works contract awarded
- **Penlink** Hybrid Alliance ROI is in its final sign-off prior to announcing the two proponents who will enter into the Request for Proposal Phase.
- **Takitimu North Link Stage 1** Design and Construct tender closed in February. Tender extended to undertake commercial review of tenderer pricing and methodology
- **Rolleston** out for tender for business case phase, award expected March 2021.















Upcoming Milestones

- **Walnut Ave** tender for Physical Works to be released March
- **Brougham Street** Business Case approved
- **SH73 Weedons-Ross Road** Business Case approved
- **SH75 Halswell Road** Preferred options identified
- **Takitimu North Link Stage 1** Contract A award.








NZ Upgrade Programme – Project updates

Region	Project	Current Phase	Budget (\$m)	Total Spent (\$m) (%)	Budget Variance (\$m)	RAG		Commentary
NZ Upgrade Programme Overview			5,614.00	208.2 (3.7%)	-612.00			
Northland	SH1 Whangarei to Port Marsden Highway	Business Case	692.0	3.59 (0.5%)	0.00			Budget RAG remains at Amber due to risk associated with initial cost estimates that are significantly above the funding allocation. The project has undertaken a series of workshops to review options for reducing the potential cost and how delivery could be staged, with options to be presented in April. Two Community Open Days (rural and urban) were held at the end February. Completion of the Business Case in mid 2021 is on track, with final Board approval scheduled for October 21.
Auckland	NZUP SH1 Papakura to Drury South	Pre Implementation	423.00	13.73 (3.2%)	-246.00			Stage 1A physical works contract was awarded in February. Stage 1B1 consent documentation under the new Covid-19 Recovery (Fast Track Consenting) Act 2020 is nearing completion. However, the lodgement date of February 2021 has moved to a later date awaiting direction from the Minister. The delay though in the lodgement date will provide the opportunity for Iwi to complete a number of Cultural Impact Assessments.
	NZUP Northern Pathway Westhaven to Akoranga	Pre Implementation	360.00	33.35 (9.3%)	-240.00			Project is reporting Red as current project estimates are above funding allocation, a major scope change is proposed, and risks related to works in the coastal marine area have not been resolved. Project go-live date is at risk. The project will report options back to the Waka Kotahi Board in March.
	NZUP Penlink	Pre Implementation	411.00	36.67 (8.9%)	0.00			The reference design and minimum requirement development is in progress. Budget RAG is Red due to the current estimate signalling that the cost exceeds budget. The Hybrid Alliance ROI is in its final sign-off prior to announcing the two proponents whom will enter into the Request for Proposal Phase.
	NZUP Mill Road Corridor	Business Case	1354.00	73.56 (5.4%)	0.00			The project's overall health status is RED due to the recent estimate exceeding the funding allocation by a significant amount. The detailed business case and Notice of Requirement workstreams are on hold until the investment objectives are confirmed. Property acquisition in the northern (Manukau) section where the designation is in place has been approved for commencement. This is now on hold pending advice from the Minister.






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Waikato & Bay of Plenty	NZUP SH1/29 Intersection Improvements	Pre Implementation	58.00	0.77 (1.3%)	0.00			Contractor engaged to undertake pre-implementation. Project is proceeding at risk to develop an Assessment of Environmental Effects for consents and NOR. Approval given to proceed at risk with land entry prior to Board approval of Business Case. Risk to complete environmental surveys this season still exists.
	NZUP Takitimu North Link Stage 1	Pre Implementation	478.00	3.08 (0.6%)	-91.00			The Design and Construct tender closed in February following an extension to undertake a commercial review of tenderer pricing and methodology. A recommendation from the Tender Evaluation Team on contract award is expected late March following any pre-let discussions. A revised project estimate has been endorsed internally however further exceeds NZUP funding. Ministerial approval is being sought in March for the increase and to progress to contract award.
	NZUP Takitimu North Link Stage 2	Pre Implementation	455.00	2.52 (1.0%)	0.00			Several strategic/early property purchases are underway. Stage 1 extension drawings have been updated and geotech consents lodged. Cost estimate received in January indicate funding pressures against approved allocation.
Wellington	NZUP SH58 Safety Improvements - Stage 2	Pre Implementation	59.00	4.74 (8.0%)	-35.00			Stage 2a physical works have commenced. Stage 2b MCA workshop has been held with the final report due in March.
	NZUP SH2 Melling Efficiency and Safety Improvements	Pre Implementation	258.00	2.52 (1.0%)	0.00			Budget RAG has moved to red due to cost estimate for design freeze 1 coming in above NZUP allocation. The new programme for end of May lodgement is tracking and still achievable.
	NZUP Otaki to North of Levin (O2NL)	Business Case	817.00	27.12 (3.3%)	0.00			The second stage of the business case (preliminary design, cost estimation, business case report drafting) has commenced. The consenting programme has commenced, including planning discussions with regional and district councils. Budget remains Amber because of the risks associated with interim total project costs which indicate that the project allocation will be exceeded.

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Canterbury	NZUP Brougham St Corridor Improvements	Business Case	40.00	2.29 (5.7%)	0.00			Business Case is currently being taken through assurance, endorsements and approvals processes within both Waka Kotahi and Christchurch City Council. Cost RAG has moved to Green due to receiving a parallel estimate with refined base implementation costs.
	NZUP Rolleston Transport Improvements	Business Case	60.00	0.26 (0.4%)	0.00			Project is currently out for tender for business case phase, with award expected in March 2021. Latest costs estimates of the preferred option is higher than allocation. The detailed business case will investigate options and reconfirm cost estimates.
	NZUP SH75 Halswell Rd Imps	Business Case	25.00	0.60 (2.4%)	0.00			Completion of the Business Case is delayed three weeks to ensure sufficient time is allocated for community consultation and preparation of material for this consultation. The emerging option has been presented to one of the two Community Boards, with the briefing to the second Community Board scheduled for March.
	NZUP SH73 Weedons-Ross Road Intersection	Business Case	6.00	0.39 (6.5%)	0.00			Project activities are on track. Pre-implementation phase contract documentation is being developed in parallel with the business case approval process to maintain delivery momentum.
	NZUP Walnut Avenue Intersection Improvements	Pre Implementation	18.00	0.54 (3.0%)	0.00			Design has been completed, however tendering has been delayed due to Kiwirail agreement and railway signal design issues. Tender for Physical Works is expected to be released in March.
	NZUP Tinwald Corridor Improvements	Business Case	10.00	0.25 (2.5%)	0.00			Preferred option for consultation has been endorsed internally. Stakeholder meetings were held with Kiwirail in February.

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Queenstown	NZUP SH6A Corridor Improvements	Pre-Implementation	20.00	0.30 (1.5%)	0.00			<p>It has been agreed by the NZUP programme team to combine all 3 NZUP funded activities into the existing SH6A and Town Centre business case. This will now be delivered as one integrated package under a single business case.</p> <p>The Business Case was endorsed by all partner organisations and the Waka Kotahi Board in February. Parallel estimate is complete and has confirmed a funding shortfall.</p> <p>The establishment of the delivery alliance for NZUP and QLDC CIP projects is progressing well, with award expected early in 2021.</p>
	NZUP SH6 Ladies Mile Stage 2 NZUP	Pre-Implementation	35.00	0.25 (0.7%)	0.00			
	NZUP Grant Rd to KF Bridge Improvements	Pre-Implementation	35.00	1.70 (4.9%)	0.00	