

<b>Officer responsible</b> City Streets Manager	<b>Author</b> Alix Newman
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The purpose of this report is to advise the Council of the prioritisation process the City Streets Unit intends to use to evaluate projects for the next round of the five year Capital Works Programme.

#### CAPITAL WORKS PROJECTS PRIORITISATION PROCESS

The City Streets Unit has recognised for the last couple of years that it would be inappropriate to continue to build roading projects that have only a good benefit/cost ratio as their primary justification. For each of the last two years the Unit has used a prioritisation process which has evaluated individual projects on how well they meet the City Streets Unit's transport improvement objectives, as well as the benefit/cost ratio.

The prioritisation process has the following steps:

- Identify how well the project complies with (or does not comply with) the eight separate objectives.
- Weight the objectives – the safety objective is given more emphasis than all other objectives.
- Evaluate the project benefit/cost. For those projects that don't have a benefit/cost, the prioritisation team will allocate a ranking benefit/cost.
- Both the objective-compliance score and the benefit/cost ratio are then "normalised" to each provide a value between zero (0) and five (5).
- The two normalised scores are added with the result that all projects can be ranked on a scale of 0 to 10.

The attachment explains the process in more detail.

Generally the prioritisation process above gives projects which do not have benefit/costs, or projects which emphasise public transport or non-vehicle movement, more weight in the capital works programme.

The process this year, as explained in the attachment, represents only a minor change from the last two years. This year's improvements clarify the scale and wording against which a project will be judged to comply with the Council's objectives, and gives the project benefit/cost ratio more importance than before.

**Recommendation:** That the prioritisation process set out in the report be adopted.