# Strategic case title

[AUTHOR]

[DATE]

VERSION

Strategic assessment of



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## Executive Summary

Someone should be able to read the executive summary for this strategic case and be able to understand in a couple of paragraphs:

* The strategic context and fit of the proposed investment
* The case for change and the need for investment.

Be **concise** and rewrite the information to fit rather than copy and pasting it from elsewhere in the document.

Include, as you see fit, a **summary** of:

* the purpose
* strategic context
* problem and benefit statements from the ILM
* strategic fit and effectiveness
* key findings/conclusions from the review of evidence
* recommendation whether the strategic case should progress to the next phase or not
* if it’s progressing, state what the next phase/steps should be.

These points can be in a paragraph/s or broken down with subheadings as you choose.

A visual map of the area/location is helpful, as well as graphics showing the key contextual issues.

# THE STRATEGIC CASE

Part A serves to set out the background information and evidence of the strategic case and outline what came out of the ILMs. The strategic case demonstrates the case for change and the need to potentially invest further. It also shows what benefits could be gained from any potential investment.

The strategic case needs to demonstrate a clear and aligned view of what the problem(s) are, the impact were they not addressed and the significance of the issue with regard to stakeholders’ strategic goals and direction – the ‘case for change’.

A strategic case should:

* Identify the key problem or rationale for investing, and affected parties
* Outline the strategic context and fit for the proposed investment
* Identify the potential benefits of investing
* Seek approval for a recommendation regarding the proposal.

Keep the document concise and easy to read. The strategic case should not involve extensive data collection or new work. It’s expected the strategic case will take a comparatively short time to produce.

The chapters and section headings provided are ***a guide only*** *and the author can amend* these to suit the particular circumstances. It is the author’s decision how best to illustrate the information in this document and tables and images may be used to simplify matters. Make the document suit what you are getting across to readers, don’t change your information to fit into the guideline.

## Introduction

### Purpose

Use the introduction to briefly:

* Explain why this project has been looked into; the purpose of the investigation.
* Describe the investment proposal (where, name, outcome area related to key problem/opportunity, partners – who is involved in developing/promoting this proposal).
* State what decision makers are being asked to consider or decide.

### Background

Include any background information about the case that you think will be important for readers to know as they go through the strategic case.

Consider things like why it’s being looked into, past history of the route/area or if there’s community involvement somehow, etc. Even some information/statistics on users or weather or things that you find relevant work well.

## Partners and Key Stakeholders

The purpose of this chapter is to explain briefly who the key partners and stakeholders to the strategic case are and explains the approach used for identifying them. Explain what they bring to the table and why you are working with them.

For the purposes of this document the following definitions should be applied:

* A **key partner** is a group or organisation that you have aligned with as an owner of the problem or opportunity.
* A **key stakeholder** is an individual who can help your planning effort for the strategic case succeed. This person has information and knowledge you need for participating fully in the ILM and benefits workshops.

You can look to briefly address these in a table form as below, or more detailed paragraphs.

Example tables

|  |  |
| --- | --- |
| **Stakeholders (attending ILMs)** | **Knowledge/involvement** |
| Stakeholder 1 | Knowledge/area of involvement |
| Stakeholder 2 | Knowledge/area of involvement |

|  |  |
| --- | --- |
| **Partners** | **Knowledge/involvement** |
| Partner 1 | Knowledge/area of involvement |
| Partner 2 | Knowledge/area of involvement |

## Strategic Assessment - Outlining the Need for Investment

Having outlined the partners to the investment, the next step is to outline a clear rationale for the investment. This chapter presents the investment story through explaining further the outcomes from the ILM process, in particular, the Investment Logic Map and the Benefits Map. It should be focussed on addressing the first eight of the 16 key questions, with a particular focus on the first four. Note that the author should bear these questions in mind when drafting the strategic case, rather than answering them individually.

### Defining the problem/opportunity

Key focus of the 16 questions – problem/opportunity statement:

* Is it clear what the problem is that needs to be addressed? (both the cause and effect?)
* Is there evidence to confirm the cause and effect of the problem?
* Does the problem need to be addressed at this time?
* Is the problem specific to this investment? (or should a broader perspective be taken)

The author should provide a clear explanation of the reasons the problems were identified in the ILM workshop.

Example text

A facilitated investment logic mapping workshop was held on [dd/mm/yyyy] with key stakeholders as listed above, to gain a better understanding of current issues and business needs. The stakeholder panel identified and agreed the following key problems:

* *Problem one:…*
* *Problem two:…*
* *Problem three: …*

The Investment Logic Map is attached as appendix A.

### Benefits of investment

Key focus of the 16 questions – benefits:

* Have the benefits that will result from fixing the problem been adequately defined?
* Will the KPIs that have been specified provide reasonable evidence that the benefits have been delivered?
* Is there a logical connection between the effect of the problem and the benefits and their KPIs?
* Are the benefits of high value to the organisation/s? (furthering its objectives)

The author should provide a clear explanation of the reasons the benefits of investment were identified in the benefits workshop.

Example text

The potential benefits of successfully investing to address these were identified as part of a second facilitated investment logic mapping held on [dd/mm/yyyy]. The stakeholder panel identified and agreed the following potential benefits for the proposal:

* *Benefit one:…*
* *Benefit two:…*
* *Benefit three: …*

*The Benefit Map is attached as appendix B.*

### Key performance measures

Identify the performance attributes and measures that will be used to judge how an investment has contributed to the benefits of solving a problem or realising an opportunity identified in the strategic case.

It is important that the potential benefits of successfully investing are able to be assessed and measured in order to demonstrate optimum programme development and activity/option selection.

When considering performance attributes and measures refer to the framework for performance measurement on the Knowledge Base:

[Knowledge Base - Framework for Performance Measures](https://www.pikb.co.nz/home/monitor-investment-performance/nzta-investment-monitoring-overview/framework-for-investment-performance-measurement/)

[Knowledge Base - List of measures](https://www.pikb.co.nz/assets/Uploads/Documents/KB-list-of-performance-measures-version-2016-3-30.pdf)

This section should briefly identify the attributes and measures chosen for the proposal. They may be developed further in subsequent business case phases as the evidence base and problems and benefits are analysed in more detail.

Where required, for particularly complex proposals, it may be desirable to outline the reasons for choosing them and their link to the associated benefits/outcomes as an additional appendix.

**Example table**

|  |  |  |  |
| --- | --- | --- | --- |
| **Benefit** | **Investment KPI** | **Measure** | **Description** |
|  |  |  |  |
|  |  |  |  |

### Telling the story

This is the most important part of the strategic case.

Change the subheading above to suit what you’re getting across to readers. Consider terms like Information for… or Describing the… followed by things like the situation, circumstance/s, issue, case, matter, subject, topic, etc. You’ll find that different ways of saying this can be more appropriate than others to really deliver what your case is about.

In this section, do exactly what your heading states – tell the story, describe the situation or give information about the matter. Imagine that you’re using this space to describe the case to a friend or family member, someone who doesn’t know anything about it yet. Be succinct and to the point but don’t be afraid to expand on your earlier background information given and add some extra data or insights/perceptions/concerns that would describe and help strengthen the case. Consider external factors across a one network approach that might be relevant to this corridor.

This is the opportunity and place in the document to let your inner literary genius shine to make it interesting and pertinent for readers.

### Status of the existing evidence base

The strategic case evidence base provides a means of assessing the robustness of the problems and benefits from current information and stakeholder knowledge. The insight gained from readily available evidence does not need to be complete but should acknowledge the gaps and identify areas of focus, should the business case progress.

Use evidence to quantify not only the cause(s) of the problems but also that the problem statements are correct and worth looking into.

Be honest and acknowledge where there are evidence gaps. It’s worth doing this now and being able to see the ‘trail’ in subsequent business case phases when those gaps are looked into in more detail and evidence is gathered. This will be important for informing the project plan scope where any relevant information or data not currently available will be obtained as part of the subsequent phase of the business case.

If relevant, break the evidence down into subheadings identifying the main cause/s for each of the problem statements. However, you may find evidence is relevant to more than one problem and better portrayed as a whole.

Questions to consider:

* How does the evidence relate to the problem?
* How significant is the problem?
* How is the problem unique to the locality?
* In which areas is there a good evidence base?
* Where are there gaps in the evidence and what areas were identified for further analysis to support the investment story?
* How does the problem compare nationally?

The Transport Agency has access to wide range of data that can be used to provide a good initial assessment of the existing or possible future problems. This will inform the author’s professional judgement for making the case for change. Some resources and its source, is shown below.

* [MAPHub](https://maps.nzta.govt.nz/portal/home/)
* National business cases (for example National Roads and Roadsides PBC)
* [Traffic Monitoring System (TMS)](http://www.nzta.govt.nz/network/operating/counting-traffic/index.html)
* Bridge Data System (BDS)
* Bridge Replacement Programme
* KiwiRap Analysis Tool
* SafetyNet
* [*Economic evaluation manual*](http://nzta.govt.nz/resources/economic-evaluation-manual/economic-evaluation-manual/index.html)
* Regional strategic models – relevant Regional Transport Planning Manager
* [Ministry of Transport Freight Demands Study](http://www.transport.govt.nz/research/nationalfreightdemandsstudy/)
* [Ministry of Transport Household Travel Survey](http://www.transport.govt.nz/research/travelsurvey/)
* [Census/ NZ demographic/ NZ business surveys](http://www.stats.govt.nz/)
* Local government growth and development strategies that include the area – relevant local authority

It is important that the analytical review succinctly describes how the existing evidence either does or doesn’t support the problem or opportunity statements, providing detail to support the cause and effect. References back to these documents are encouraged and the strategic case should not look to replicate the work done in these existing studies.

## Strategic Context

This chapter briefly explains how the scope of the proposed investment fits within the existing strategies of the partner organisations, in terms of their existing and future operational needs. Additional supporting detail can be included in Appendices. Documents should be referenced wherever possible in preference to repeating detailed content of existing, readily available documents.

The key questions to look at are:

* + - 1. Does the investment proposal have clear linkages back to organisational strategy?
			2. Do the benefits and outcomes sought by the investment provide direction to the strategic context?

### Organisational overview

The scope of the organisational focus will determine the scope of the investment proposal, whether it encompasses multiple organisations or a single Approved Organisation. An outcome from the strategic case might be a number of projects which would be progressed through multi-party funding arrangements. It needs to be clear who the contributing parties are and the areas where the most benefits are anticipated to accrue or are inter-dependant as this will ultimately guide investment – so this is an important consideration.

This is different from listing the stakeholders and partners and how they are relevant to the ILM earlier in the document. Rather, discuss the relevant organisations and what their strategy focuses on and how the strategic case investment outcomes reflect this.

### Organisational outcomes, impacts and objectives

Outline the overall organisational goals and outcomes sought of relevance to this investment. Describe the areas of synergy and mis-alignment of the organisational goals.

The summary of the operating environment should consider what externally driven factors are driving the need to invest. These could be threats or opportunities, either existing or expected. External drivers for change can be:

* Political –a priority in the GPS, government mandate, local government project,
* Environmental – a requirement of the RMA, consent condition,
* Societal – obligation as a ‘good neighbour’,
* Technological – response to changing technology (driverless cars), more advanced technology making efficiency gains (SMART motorways, LED lighting),
* Legislative – required by the RMA, new legislation
* Economic – Rapid growth, economic changes

Current planning documents should be referenced where possible as the author considers it relevant. There is no need to repeat detailed content of existing, readily available documents. However, the reader should be provided with a brief snapshot of the organisation, of what it is seeking to achieve, current activities, available resources and the environment in which it operates.

### Alignment to existing strategies/organisational goals

Describe how the proposed outcomes and benefits for this business case align to relevant national, regional, sector and organisational strategies. It is important that the proposed direction for the business case contributes to and is consistent (or at least not inconsistent) with the aims and objectives of each organisations’ strategy.

Include any projects and strategic documents that the strategic fit reflects and is relevant to. These are listed not just for what it is, but how it’s relevant to the strategic case.

The table below shows examples of some of the organisation strategies that could be considered for different organisations:

|  |  |
| --- | --- |
| Organisation | Organisational strategies |
| NZ Transport Agency | GPS, Statement of Intent, Freight Plans, National Business Cases, National Infrastructure Plan |
| Local Government | Growth strategies, structure plans, town centre strategies, regional transport plans, lifelines strategy, mode specific strategies |
| Sector Strategies | Land-use development strategies, logistics strategy, harvest plans |

## Key findings/Conclusions and next steps

Use this chapter to summarise the key findings from the review of the evidence and make a recommendation as to whether the strategic case should (a) progress to the next phase or not and, (b) if it is progressing, what the next phase should be.

It is important that the author consider the evidence to test whether it supports the outcomes of the ILM workshop, is inconclusive due to evidence not being available or other reasons, or contradicts the problem statements. The evidence may also show a problem that was not picked up in the ILM. The table below can be used to summarise the findings:

|  |  |  |
| --- | --- | --- |
| Problems identified in the ILM / Other | Key findings in the strategic case | Conclusions |
| Problem 1 |  |  |
| Problem 2 |  |  |
| Problem 3 |  |  |
| Problem identified in the assessment |  |  |

Gaps in evidence will also be looked at as part of the Project plan for the next phase requirements later in this document if the next step is to progress the business case to the next phase.

# PROJECT PLAN FOR THE NEXT PHASE

The project plan for the next phase is our fundamental project planning document and a critical element of handover and funding. All parties to the next phase should be signed up to the approach.

It serves two purposes;

* + - 1. it should set out the requirements for funding to develop the next phase of the business case
			2. it is used as the initial HNO project plan for the next phase.

The project plan for the next phase must:

* demonstrate (by way of an outline project plan) how the Partners will develop the next phase;
* demonstrate how risk will be managed;
* demonstrate the rationale for the level of funding requested;
* provide for an unambiguous hand over between Phase Project Managers/Teams.

The chapters and section headings provided are ***a guide only*** *and the author can amend* to suit the particular circumstances. The scale of the investment and the level of project management required for the next phase will determine the level of detail required for this section.

## Scope

### Purpose

The purpose of the [next phase of the business case] is to investigate and develop a [preferred programme of activities] *(for PBC) or* [long list to short list of options] *(for later phases, as relevant)* for implementation, that will best achieve the benefits and outcomes defined in this strategic case.

### Key benefits

Bullet the key benefits to be achieved from the strategic case. This repetition allows the project plan to be extracted from the strategic case to form version one of a standalone project plan.

### Geographic boundary

Defines the geographic context for the next phase, eg if a corridor state the SH, start reference point, finish reference point and length of the corridor which is in scope, and note the region and local authority area. Also add a map image/s where it better portrays the information.

### Scope

Outline the scope of the work required to develop the next phase of the business case. This should cover (but is not limited to):

* The proposed approach to developing further the strategic context, where necessary
* Development of the investment objectives, business needs
* Closing the gaps in the evidence base - what is the significance of these and how will these gaps be filled?
* The scope of data collection/modelling/analysis to better inform the problems and outcomes
* What work will be undertaken to better define the benefits, constraints and dependencies of the programme
* The scope for identifying and assessing the main alternatives and options for delivering the required outcomes
* Briefly explain who are the key stakeholders and how will they be engaged. What public engagement is proposed to understand further the key opportunities and constraints and wider objectives of the community to inform the next phase of the business case? (expand in the communications section below)
* The scope of effort/resource levels and timing for completing the next phase of the business case.

### Constraints and assumptions

Outline any constraints on the scope. Outline any significant assumptions made in developing the scope that’s of relevance to the successful delivery of the next phase of the business case to the programme and budget proposed.

### Interfaces

Outline any related interactions with activities/projects/programmes that are either being incorporated into the scope of this next phase or will have a significant impact on this phase. Consider what may impact or affect your project.

## Anticipated Strategic Fit and Effectiveness

Outline the strategic fit and effectiveness of investing in the problem/opportunity in accordance with the requirements of the [Investment Assessment Framework](https://www.pikb.co.nz/assessment-framework/2015-18-nltp-investment-assessment-framework-overview/).

Meaningfully, explain in summary the rationale for the profile proposed with reference to the IAF criteria. Generic statements such as “it meets the criteria of high” are not acceptable.

Use tables and diagrams where relevant to portray the information succinctly.

Example text

An assessment of the anticipated strategic fit and effectiveness has been undertaken in accordance with the Transport Agency Investment Assessment Framework. The stakeholder partners to this strategic case have determined that the anticipated profile would be X/X/-.

### Strategic fit

Explain how you’ve reached your rating using information from the IAF link above.

More information on [strategic fit for investment management](https://www.pikb.co.nz/assessment-framework/strategic-fit-3/strategic-fit-for-investment-management/) and on [strategic fit for road improvements](https://www.pikb.co.nz/assessment-framework/strategic-fit-3/strategic-fit-for-road-improvements/) is available.

### Effectiveness

The assessment considers all criteria. The overall effectiveness assessment is reported as the lowest rating for any criterion, ie an overall M rating will be given when all criteria and parts have either an M or H rating. An overall L rating will be given if any criterion is rated L.

#### Criteria for effectiveness

All [six criteria set out in the Knowledge Base](https://www.pikb.co.nz/assessment-framework/effectiveness-2/) for the assessment framework for the 2015-18 NLTP, are to be assessed for any programme or activity proposed for NLTP inclusion or funding approval.

The criteria for effectiveness explanations are most appropriate when applied to road improvement activities. Variations of these are appropriate when assessing activities other than road improvements. The explanations are a guide to assessment, highlighting aspects that need to be considered. **If any of these aspects is not applicable to the activity then it should not form part of the assessment.** Amend the information in the table to suit what you need, don’t just use what’s there. Include your own explanation as it relates to your project.

**Example table**

|  |  |  |
| --- | --- | --- |
| Component | Explanation | Rating |
| Eg. outcomes focussed, integrated, affordable, etc. | * Describe how the activity achieves a L/M/H rating consistent with the PIKB explanation
 | Use: L/M/ or H |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| **Overall** | * assessment based on *lowest* rating of all components
 | L/M/H |

More information and variations about [assessment of activities other than road improvements](https://www.pikb.co.nz/assessment-framework/effectiveness-2/) is available.

## Timeframes

Summarise the work programme timetable here – linked to scope and resources. Use tables or images to portray the information more easily. Include things like milestones in the development of the next phase of the business case, start and end dates and consideration of how and when the funding will be spent. Where is the programme filed/stored?

## Financial

### Financial management estimated cost and financial plan

Outline the estimated cost of developing the next phase of the business case and the basis for its value. What is the proposed programme and cash flow (linked to the proposed programme) for the next phase? How/when will the funding be spent?

Include SAP reference which includes financial forecast and NZ Transport Agency managed costs.

Attach your phase estimate using SM014, Assessment form G: Project phase funding application - project development, amended as appropriate.

Outline any cost sharing arrangements with stakeholder partners and attach as appendices.

### Funding conditions

Outline any proposed funding conditions or likely funding conditions which might be signalled by the Planning and Investment Group, State Highway Programme Review Committee (or others) and update once a funding decision has been confirmed.

## Quality Management

Keep in mind possible scope creep and preparation for the unknown in this section.

#### Document management

All key electronic documents will be stored within the NZ Transport Agency’s InfoHub file system with both hard and electronic copies stored within the [insert] Regional Office.

#### Quality assurance

The business case phase will be delivered in accordance with HNO Quality and Approvals processes and delegations, summarising the key QA processes, check/reviews/approvals and hold points.

Where necessary, outline other assurance measures to be applied or where necessary outline proposed deviations from HNO standard Quality and Approvals processes and delegations.

#### Risk/Issues and opportunities

Highlight your top risks, eg organisational, reputational, management, customer, governance, etc and provide the risk score.

Outline your overarching risk management strategy.

Attach your risk register as an appendix.

#### Change control

HNO change control processes will be applied during the next business case phase.

If necessary, highlight any potential deviations from standard practice. Prepare for the unexpected.

## Organisation and Governance

### Programme organisation

#### Resourcing and governance structure (internal/external)

This section sets out how the team is structured, reporting lines, delegations/decision making processes and how it is being resourced, eg in-house, consultants, size, key skill sets, risks.

It identifies the establishment of a ‘one agency’ team; eg project manager, technical assistance such as environment, structures, asset management, safety, procurement, etc from across HNO, the NZ Transport Agency and wider stakeholder group where appropriate.

Who is the P&I case manager? How will the project team be resourced: eg in-house, consultants, size, key skill sets, risks. What are the roles and responsibilities of the project team members? What are the anticipated lines of communication between the team and external stakeholders?

#### Governance and organisational charts

Insert governance/organisation charts as necessary.

## Communications

### Identify key stakeholders

This section demonstrates the approach adopted for identifying, and outlines, the key stakeholders who have an interest in the expected outcomes or can influence the investment proposal.

Different stakeholders can add specialist judgement or bring different perspectives and skills at different stages. It is important to develop a stakeholder plan that maps out the stakeholder groups required to optimise the development of the next phase of the business case.

#### Creating and analysing stakeholder profiles

Outline the key stakeholders and customers of the participating organisations relevant to the development of the business case. Identify commonalities and differences in areas of focus.

Insert or reference the Stakeholder Map and the Influence/Interest Matrix.

#### Stakeholder engagement strategy

This section addresses the key question ‘how will stakeholders be effectively engaged with during the development of the next phase of the business case; eg the key messages, who takes on particular roles, how stakeholders will be engaged.’

Attach your initial communications plan if you have one prepared in lieu of the detail in this paragraph, with a reference.

#### Procurement strategy

Attach the procurement strategy and highlight any procurement management issues the programme business case phase may have and where information can be accessed if held elsewhere.

#### Health and safety management

Health and safety responsibilities are outlined in the NZ Transport Agency’s [Health and Safety Policy](http://onramp/Our-People/Policies/Pages/Ensuring-health-and-safety-in-the-workplace.aspx) (December 2013) and [Safety in Design](https://nzta.govt.nz/roads-and-rail/highways-information-portal/technical-disciplines/zero-harm-minimum-standards/safety-in-design). Highlight anything of significance or deviation from the above.

#### Other [as appropriate]

Include additional chapters where these assist in either clarifying the funding application or providing unambiguous phase handover.

## Appendix A - Investment Logic Map

Include the investment logic map.



## Appendix B – Benefits Map

Include the investment benefits map.

