

From: [Information Management Team](#)
To: [REDACTED]
Subject: RE: LGOIMA Request - Cross Valley Connections – Lower Hutt Economic Appraisal Peer Review.
Date: Tuesday, 23 November 2021 4:30:00 PM
Attachments: [DOC 20 123032 Cross Valley Transport Connection PBC Economic Peer Review Official Issue 20201213 \(1\).PDF](#)

Tēnā koe [REDACTED]

I refer to your request dated 27 October 2021.

Please find attached the Cross Valley Connections – Lower Hutt Economic Appraisal Peer Review.

Please note that this email (with your personal details removed) may be published on the Council's website.

Nāku noa, nā

Kate Ostapowicz

Senior Advisor, Official Information

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From: contact mailbox <contact@huttcity.govt.nz>
Sent: Wednesday, 27 October 2021 12:37 PM
To: Information Management Team <informationmanagementteam@huttcity.govt.nz>
Subject: LGOIMA Request

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Response By Email

Information requested The Cross Valley Connection Programme Business Case (as available at this link- <http://www.huttcity.govt.nz/Your-Council/Projects/cross-valley-connections>) says on page 114 that "Tony Brennand from Waka Kotahi was provided the detailed analysis completed to calculate the BCRs shown in Table 32." Can I please be provided with this detailed analysis.

File upload

Urgency

Reason

Invisible CAPTCHA 2021-10-27 12:35:22|

The work of Cardno NZ demonstrates that even under an assumption of a severe demand reduction due to the COVID19 induced economic downturn in the short term, the Benefit to cost ratio of the Cross-Valley Connections will at least be in the range of 3.2 to 6.0. The corollary is that the probability that the benefit cost ratio is less than 3.2 is very low.

Cardno NZ's analysis shows that the following factors acted to reduce the Benefit Cost Ratio:

- Increases in construction costs
- Reduced transfer of traffic from Petone Esplanade to be assigned to the Cross-Valley Link
- Lowering the speed limit on the Esplanade below 50 Kph
- Long run average traffic growth on the Hutt Network falling below 1.3% per annum
- Increasing the discount rate

These factors should be monitored.

Cardno NZ's analysis show that the following factors will increase the Benefit Cost Ratio:

- Reduction in construction costs
- Increased transfer of traffic from Petone Esplanade to be assigned to the Cross-Valley Link
- Increasing the speed limit on the Cross-Valley Link above 50 Kph
- Long run average traffic growth on the Hutt Network increasing above 1.3% per annum
- Reducing the discount rate or increasing the economic evaluation period beyond 40 years

6. Conclusions

- a) Cardno NZ's economic evaluation has correctly used the processes and procedures outlined in the Economic Evaluation
- b) Cardno NZ has applied an appropriate level of sensitivity testing to inform the uncertainties surrounding the benefit to cost ratio for the Cross-Valley Connections
- c) The benefit to cost ratio for Cross-Valley Connections is likely to sit within the range 3.2 to 6.0
- d) The probability that the benefit cost ratio for Cross-Valley Connections is less than 3.2 is very low.