



Hokitika Wastewater Treatment Plant Project

Oversight Subcommittee – Inaugural Meeting

Business Case

- **Context: Project Outcomes**
- **Process: Presentation and Discussion**
- **Next Steps**

04 August 2021

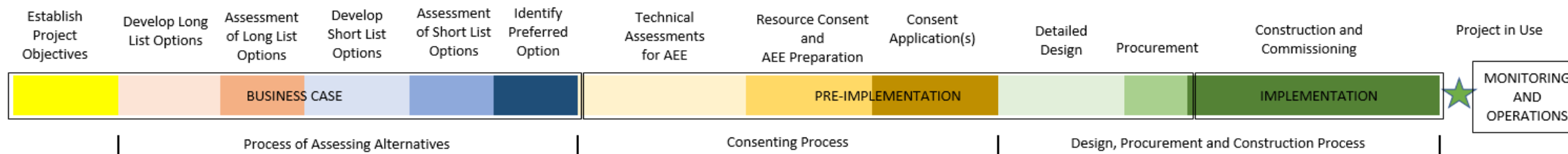


HOKITIKA WASTEWATER TREATMENT PLANT PROJECT

Proposed Project pathway:

Focus of today is on the Business Case

Hokitika WWTP Project - Proposed Pathway





Proposed Business Case pathway:

Presentation of proposed Business Case pathway, and interactive session to discuss how best to apply the Business Case process for this project.

Why are we doing this Business Case?

The outcome we want to achieve:	Improving health, environmental and cultural outcomes
How we are going to achieve this:	By delivering a resilient wastewater treatment system for Hokitika



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Business Case investment questions:

Problem	Benefits	Strategic response	Solution
Is it clear what the problem is that needs to be addressed (both the cause and the effect)?			
Is there evidence to confirm the cause and effect of the problem?			
Does the problem need to be assessed <i>at this time</i> ?			
Is the problem specific to this investment (or should a broader perspective be taken)?			

Business Case investment questions:

Problem	Benefits	Strategic response	Solution
Is it clear what the problem is that needs to be addressed (both the cause and the effect)?	Have the benefits that will result from fixing the problem been adequately defined?		
Is there evidence to confirm the cause and effect of the problem?	Are the benefits of high value to the organisation(s) (furthering its (their) objectives)?		
Does the problem need to be assessed <i>at this time</i> ?	Will the KPIs that have been specified provide reasonable evidence that the benefits have been delivered?		
Is the problem specific to this investment (or should a broader perspective be taken)?	Are the KPIs both <i>measurable</i> and <i>totally attributable</i> to this investment?		

Business Case investment questions:

Problem	Benefits	Strategic response	Solution
Is it clear what the problem is that needs to be addressed (both the cause and the effect)?	Have the benefits that will result from fixing the problem been adequately defined?	Have a sufficient range of strategic alternatives and options been explored (demand, productivity and supply)?	
Is there evidence to confirm the cause and effect of the problem?	Are the benefits of high value to the organisation(s) (furthering its (their) objectives)?	Is it clear what strategic alternatives and options are proposed and the rationale for their selection?	
Does the problem need to be assessed <i>at this time</i> ?	Will the KPIs that have been specified provide reasonable evidence that the benefits have been delivered?	Are the proposed alternatives and options the most effective response to the problem (comprehensive and balanced)?	
Is the problem specific to this investment (or should a broader perspective be taken)?	Are the KPIs both measurable and totally attributable to this investment?	Are the proposed alternatives and options feasible?	



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Business Case investment questions:

Problem	Benefits	Strategic response	Solution
Is it clear what the problem is that needs to be addressed (both the cause and the effect)?	Have the benefits that will result from fixing the problem been adequately defined?	Have a sufficient range of strategic alternatives and options been explored (demand, productivity and supply)?	Consistent with the strategic alternatives and options, have a reasonable range of project options been analysed?
Is there evidence to confirm the cause and effect of the problem?	Are the benefits of high value to the organisation(s) (furthering its (their) objectives)?	Is it clear what strategic alternatives and options are proposed and the rationale for their selection?	Is the proposed solution specified clearly and fully (all business changes and any assets)?
Does the problem need to be assessed <i>at this time</i> ?	Will the KPIs that have been specified provide reasonable evidence that the benefits have been delivered?	Are the proposed alternatives and options the most effective response to the problem (comprehensive and balanced)?	Is the proposed solution the best way to respond to the problem and deliver the expected benefits?
Is the problem specific to this investment (or should a broader perspective be taken)?	Are the KPIs both measurable and totally attributable to this investment?	Are the proposed alternatives and options feasible?	Can the solution really be delivered (costs, risks, timeframes, governance)?

Business Case process:

[Better Business Cases™: Overview of the five-case model \(treasury.govt.nz\)](https://www.treasury.govt.nz/better-business-cases)

[The Strategic Case:](#) What is the compelling case for change? What are the benefits?

[The Economic Case:](#) What are the options? What is the best option for Hokitika?

[The Commercial Case:](#) Can the project be delivered; market capability and capacity?

[The Financial Case:](#) How is it funded, and is it affordable?

[The Management Case:](#) How and when would it be delivered; how would the delivery be managed?

Questions:

Who do we want involved?

How and at what stages?



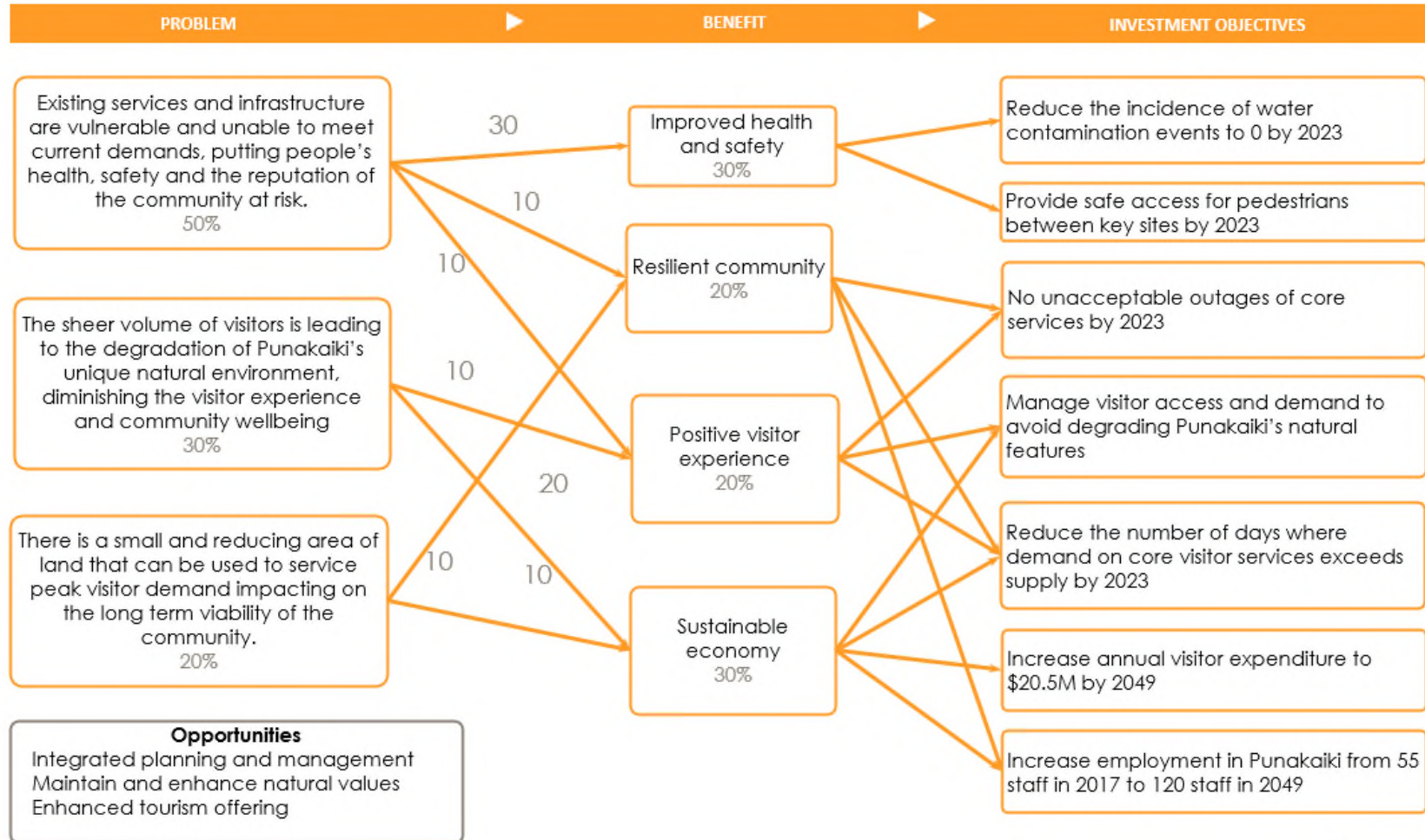


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Example Investment Logic map (ILM) – Strategic Case

Buller District Council

Delivering a sustainable, resilient Punakaiki community and a world class visitor experience



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Example Optioneering – Economic Case

Theme	Sub-theme	Intervention	Programme options																													
			Business as usual					Do Minimum (achieve minimum standards)					Scale back					Some Enhancement										Do Maximum				
			Environment Focus		Community Focus			Resilience Focus			Visitor Experience Focus																					
			Fox River	Te Miko	Village	Dolomite Pt to Razorback	Punakaiki River to Barrytown	Fox River	Te Miko	Village	Dolomite Pt to Razorback	Punakaiki River to Barrytown	Fox River	Te Miko	Village	Dolomite Pt to Razorback	Punakaiki River to Barrytown	Fox River	Te Miko	Village	Dolomite Pt to Razorback	Punakaiki River to Barrytown	Fox River	Te Miko	Village	Dolomite Pt to Razorback	Punakaiki River to Barrytown					
Water	Source	River (Pororari or Punakaiki)																														
		Existing creek (Smiths Creek)																														
		Existing creek (behind Dolomite Pt)																														
		Other creek(s)																														
		Roof water (water tanks)																														
	Treatment	Existing treatment (BDC WTP)																														
		Existing treatment (other private)																														
		Upgrade existing treatment (BDC WTP)																														
		New treatment plant (BDC)																														
		Desalination plant (BDC)																														
	Storage	Existing storage (above Hartmount Pt)																														
		Increased storage (above Hartmount Pt)																														
		Storage behind Dolomite Point (pump up, gravity feed down)																														
		Storage at Cattle Reserve																														
	Supply	Water tanks (at each property)																														
Upgrade pipe network (flow capacity)																																
Meter supply																																
User pays																																
Water conservation initiatives & education																																



Project planning

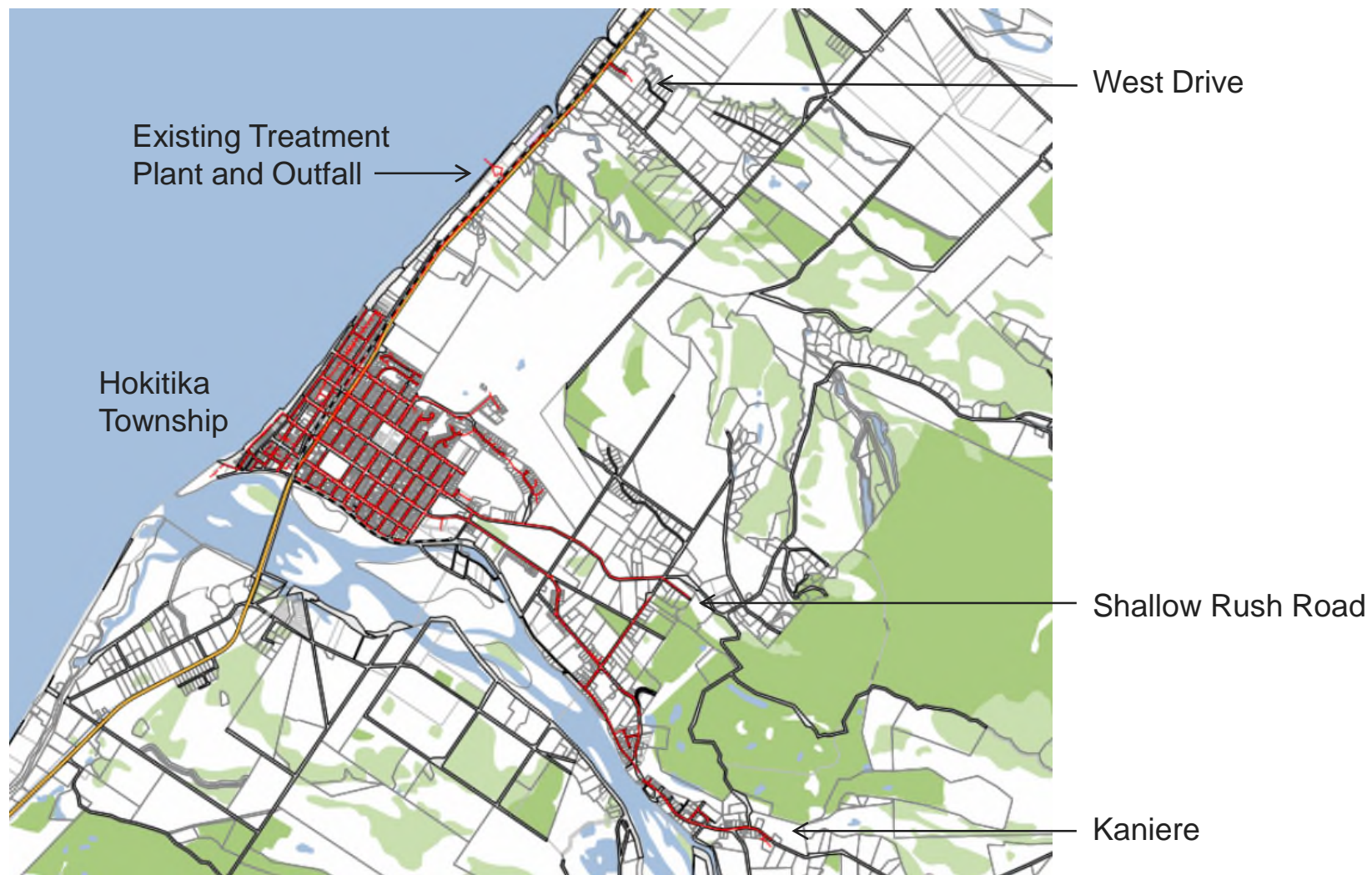
- *Scope*
- *Timeline*
- *Risk*
- *Communications and engagement*



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Scope?

Existing network extents





Next Steps:

Finalise Project Establishment

- Prepare Project Plan
- Submit Project Plan to Oversight Subcommittee for approval
- Commence the Business Case process