

Problem Statement



How to price/value the benefits of placemaking for the development of business cases

AP 18-01

Problem Description

Question

Description of the problem and purpose of the proposed research

Response

The benefits of successful placemaking¹ are an increasingly recognised part of effective strategic transport planning. However, these benefits are not formally recognised in business cases or in any cost-benefit analysis (CBA) for new infrastructure projects, resulting in unfavourable or undervalued appraisals of these projects.

With an increasing focus on implementing Transport for NSW's (TfNSW) Future Transport Strategy, the value of considering placemaking elements is enhanced. However, there is presently no accepted framework that allows these intangible benefits to be captured in their associated business cases and CBAs. The value of placemaking benefits are unnoticed in favour of more established, accepted, easily assessable measures aligned with movement such as time-saving and/or safety benefits. Consequently, important aesthetic, social, cultural, environmental and heritage impacts are not appropriately considered. If TfNSW is to successfully implement these placemaking elements from the Future Transport Strategy, then an acceptable way to measure these benefits should be considered.

TfNSW is therefore interested in research which examines how other jurisdictions around the world are incorporating placemaking benefits into business cases and CBAs to inform decision-making regarding infrastructure. Preferably, the research will identify the emerging best-practice approach and methodologies in this area, and demonstrate how they could be applied by TfNSW.

Hypothesis & Variables

Question

For explanatory research, please describe a clear hypothesis with variables for testing

For exploratory research, please describe how the proposed research will contribute to future explanatory research

Response

The research aims to understand best practice methodology in placemaking assessment tools and develop a toolkit for the purpose of application in business cases and CBAs in a TfNSW context.

Development of framework/toolkit to measure placemaking benefits



Pilot study to test placemaking measures

The research project is exploratory in nature, rather than explanatory, but a measure of success for the project will be that it should enable well-defined explanatory research to be subsequently undertaken.

¹ Placemaking refers to the development and management of the built environment to influence the character or experience of places. Successful placemaking either preserves or enhances the character of our public spaces, making them more accessible, attractive, comfortable and safe. Definition taken from Future Transport Strategy 2056.



Strategic Criteria & Alignment

Question Response **Alignment with** This problem statement is aligned with the Strategic Research theme of 'Successful Places'. This theme is also aligned with the 'Successful Places' outcome in the strategic theme Future Transport Strategy that is focussed on activating centres with a new movement and place framework. The Future Transport Strategy outcome outlines how better access to these types of spaces encourages physical activity and increases social interactions within these communities. We use PESTLE analysis to identify and describe the external drivers of change **External driver of** that this research would help TfNSW to better respond to. change analysis **Political** Outline how the research will better position TfNSW The delivery of many transport projects is a key function of the NSW government. to respond proactively Delivering Infrastructure is one of the Premier's 12 Priorities in NSW. These to macro drivers of change projects reflect the political and public value expectations of TfNSW's vision of making NSW a better place to live, visit and do business, and are central to supporting the public value proposition for the NSW Government. **Economic** As populations increase, there is an increased demand on all government infrastructures. The delivery of capital projects which assist in improving the wellbeing of individuals who engage in public spaces with placemaking benefits may have flow-on economic effects. Social Being able to capture the numerous social benefits associated with 'successful places' in business cases will lead to more projects with placemaking benefits being funded and implemented. **Technological** New technologies and innovations are constantly emerging which lead to improvements in the experiences NSW residents have as they interact with the transport network and associated infrastructure. Improving the way we use technology and innovations in infrastructure decisions will lead to greater benefits for the citizens of NSW in general. **Forward looking** This problem statement is forward looking as there is currently no known



impact

The successful development of this approach has the potential to make previously unviable projects viable, and allow for greater emphasis on placemaking activities.

established or acceptable NSW/Australian method of valuing placemaking in



business cases and CBAs.

Technical Criteria

Question	Response
Innovation Outline how the proposed research will result in new knowledge	This research will lead to a tool with the potential for widespread application. There is no accepted measurement of placemaking benefits for the purpose of use in business cases and CBAs for decision-making regarding new infrastructure.
Basis in completed research and/or observed practice	TfNSW understand that there are jurisdictions around the world that have developed approaches to valuing placemaking in CBA. For example, Transport for London has moved from a network efficiency model to a movement and placebased model; a model which views place as a complex of social and economic exchange. To aid this, Transport for London has developed a valuation tool (known as the Valuing Urban Realm Toolkit) that allows for the valuation of 'place'.
Feasible data requirements	In seeking to apply new methodologies in an applied manner, it is anticipated that TfNSW would provide data on its existing approaches, including previous and current assessment of capital projects.

Level of Collaboration & Resource Requirements

Question	Response	
Level of collaboration	1. 'Quick-Fire' Research	
Please select the level of collaboration required to complete the proposed research	Intense bursts of research activity (e.g. under 8 weeks). Intended to make use of 'hackathon'-type environments, where students/researchers work collaboratively and intensely on particular problems involving data interrogation and visualisation.	
	2. Undergraduate Final-Year Research	
	Suitable for final-year undergraduate students (e.g. capstone, Honours) as part of the research requirements for their undergraduate degree (i.e. 1 to 2 semesters).	
	3. Higher Degree Research	\boxtimes
	Project may form whole or part of a postgraduate research degree (i.e. Masters, PhD), and contribute to new knowledge (i.e. 1 to 3 years).	
	4. Major Collaborations and Funded Research	
	Project may form the basis for a significant collaboration agreement between TfNSW and the relevant research institution, including major competitive grant funding (e.g. Australian Research Council funding with TfNSW as an industry partner).	
Comments	This project could form all or part of a PhD or Master of Research.	
	The research requires a multi-disciplinary approach. A background in both economics and urban design is desirable.	
Supporting TfNSW resources	TfNSW will facilitate access to subject matter experts and project support (up to hours per week). TfNSW will also endeavour to help attain access to previous business cases. For example, as part of the Circular Quay Renewal Project business case, it is intended that place-making benefits will be incorporated into business case and a scan of international literature has been undertaken as part the business case process.	the

