

Public Excluded

Report PE 01.747

2 October 2001

File: TP/6/4/1

[01.747pe_djw]

Report to the Policy and Finance Committee
From Dr D J Watson, Divisional Manager Transport

Lambton Bus/Rail Interchange Funding

1. Purpose

To update the Committee on actions taken by the Chairman of the Council and the Chairman of the Passenger Transport Committee to resolve the Lambton Interchange funding issue.

2. Background

The special meeting of the Policy and Finance Committee held on 5 September 2001 resolved:

“That the Wellington Regional Council:

- (1) confirm that the Wellington Regional Council Chairperson request an urgent meeting with representatives of the Transfund New Zealand Board regarding their Lambton Interchange funding decision and empower the Wellington Regional Council Chairperson and the Chairperson of the Passenger Transport Committee and the Chief Executive to negotiate and conclude a deal no worse than the current offer.
- (2) confirm that the Wellington Regional Council Chairperson immediately write to the Minister of Transport, to inform him of the Transfund Board decision and the Council’s response to it and to seek his assistance in resolving the issue in a timely fashion.
- (3) advise the Wellington City Council that until funding for the project has been resolved, to the satisfaction of the Wellington Regional Council, the Regional Council will not make any further contribution towards the project.

- (4) that the above 3 recommendations be actioned in the context of involving in the longer term other Regional and City Councils to join the Wellington Regional Council in a meeting with the Minister of Transport to discuss a rational and consistent basis for funding passenger transport (capital and operating).”

The Chairman of the Council wrote to the Chairman of Transfund New Zealand, Michael Gross, on 7 September 2001 (**attachment 1**). This resulted in a meeting held on 19 September 2001 involving Cr Macaskill, Cr McDavitt, Mr Stone and Dr Watson representing the Council and Mr Gross, Mr Gummer (CEO), Mr Burghout (Planning and Evaluation Manager) and Mr Hunter (Regional Manager) from Transfund.

The meeting agreed that Lambton Interchange was primarily the refurbishment and reinstatement of an existing facility not a new project. A parallel was drawn between this and a road. An existing road needs to be maintained periodically and eventually may be rebuilt to provide current service quality standards. As a consequence of the meeting a new funding proposal was sent to Transfund for consideration at their 20 September Board meeting (**attachment 2**).

The revised funding proposal was rejected by the Transfund Board which reaffirmed its previous funding proposal (**attachment 3**).

A meeting with the Minister of Transport was immediately arranged for 27 September 2001, however, this was subsequently postponed to 2 October 2001. The Minister was provided with a one page note on the issues (**attachment 4**).

The Minister, Hon Mark Gosche, was very receptive to the Council’s concerns. He appreciated that Wellington’s passenger transport system was a mature system and therefore the issue was about retaining these passengers rather than increasing patronage. He said he would look into the matter and get back to us as soon as possible.

Yesterday I made contact with his senior advisor, Robyn Henderson. No decision on a response has yet been made but she did say that they had discussed it on a number of occasions and that they saw the need to think outside the square if they were to arrive at a sensible solution. They appreciated the need to make a decision urgently and would be in contact again soon.

3. **Recommendation**

1. *That the report be received.*
2. *That the Council empower the General Manager to accept a Lambton Interchange funding solution, that may result from the intervention of the Minister of Transport, that is no worse than the current Transfund New Zealand offer.*

Report prepared by:

DAVE WATSON
Divisional Manager, Transport

Attachments:

- 1- Letter from WRC to Transfund dated 7 September 2001**
- 2- Funding proposal**
- 3- Letter from Transfund to WRC dated 24 September 2001**
- 4- Note for meeting with Minister of Transport on 2 October 2001**