



National Office

Level 3, BP House
20 Customhouse Quay
PO Box 233 1, Wellington
New Zealand
Phone +64 (4) 473 0220
Fax +64 (4) 499 0733
Website www.transfund.govt.nz

22 May 2002

Ref AF 89 03 03

Margaret Shields
Chairperson
Wellington Regional Council
P O Box 1 1-646
WELLINGTON

Dear Margaret

Funding of Lambton Bus-Rail Interchange

I am sorry to hear of your concern over Transfund's handling of the Lambton Interchange project. The Board at all times has treated the WRC requests seriously and with respect.

Subsequent to your delegations and meeting with the Board, management were instructed to report back on one issue only – which was considered by the Board at its February meeting. The result of the Board's further deliberations has been conveyed to you. I had earlier suggested meeting with the Board in November to save the inevitable delay over Christmas.

The issue of double funding and funding of capital continues to dog our relationship. The Minister recently, in answer to a question, stated – I believe quite firmly – that the Government had made a substantial capital payment for Auckland rail and saw Transfund's role in funding passenger transport infrastructure as limited to small capital projects. Generally payments were to reward patronage and not for lump sum capital – an ongoing subsidy for patronage only.

Kick start funding was to be limited to small non service projects and payments were on a decreasing rate ie 80% to June 01, 60% to June 02 and 40% to June 03. I understand the project that met the category was the stand alone shelters, but because of the delays experienced I will ask the Board to reconsider the matter of Transfund's contribution to the project.

I assure you that at all times both management and staff have cooperated and endeavoured to assist the Wellington Regional Council in a climate of uncertainty and change.

Yours sincerely

A handwritten signature in black ink, appearing to read "Michael Gross".

Michael Gross
Chairperson