

Report 13.755  
Date 28 August 2013  
File TP/01/16/12

Committee Regional Transport Committee  
Author Natasha Hayes, Senior Transport Planner

## **Proposed variation to the Wellington Regional Land Transport Programme 2012 – 2015: Transmission Gully highway and Porirua link roads**

### **1. Purpose**

To seek the Committee's support for a variation of the Wellington Regional Land Transport Programme at the request of Porirua City Council and the NZ Transport Agency.

### **2. The decision-making process and significance**

Officers recognise that the matters referenced in this report may have a high degree of importance to affected or interested parties.

The matter requiring decision in this report has been considered by officers against the requirements of Part 6 of the Local Government Act 2002 (the Act). Part 6 sets out the obligations of local authorities in relation to the making of decisions.

#### **2.1 Significance of the decision**

The matters for decision in this report are subject to the legislative requirements of the Land Transport Management Act (the Act) 2003<sup>1</sup>. Section 18D(5) of the Act requires the Committee to determine if a proposed variation to the RLTP is significant, in accordance with its significance policy adopted under 106(2) and included in the programme.

An assessment of the variation against the RLTP significance policy is set out in section 6 of this report and concludes the matter does not trigger the requirement to carry out consultation.

---

<sup>1</sup> As amended by the Land Transport Management Amendment Act 2013.

### **3. Voting**

All members of the Regional Transport Committee are entitled to vote on matters relating to the Regional Land Transport Programme.

It is noted that the former 'objective representatives' are no longer members of the Committee following recent changes to the Land Transport Management Act 2003. The former 'objective representatives' have been temporarily appointed as 'advisors' to the Regional Transport Committee for this September meeting. This will be reviewed by the new council following the local body elections.

Advisors appointed to the Regional Transport Committee have full speaking rights, but no voting entitlement on any matter.

### **4. Background**

#### **4.1 The Regional Land Transport Programme**

The current Regional Land Transport Programme (2012 – 2015) was prepared by this Committee and subsequently approved by Greater Wellington Regional Council in June 2012.

The RLTP contains all the land transport activities proposed to be undertaken throughout the region over 3 financial years, the regional priority of those activities, indicative activities over the following 3 financial years, plus a 10 year financial forecast.

The activities in the RLTP are submitted by the NZ Transport Agency (the Agency) and 'Approved Organisations' (including the eight territorial authorities and Greater Wellington Regional Council). The activities in the programme relate to passenger transport, walking and cycling, local roads, state highways, and the movement of freight.

### **5. Process for considering a variation**

The Act includes provision for changes to some types of activities without the need for a variation to the RLTP. However, this provision does not apply to the proposed new activity outlined below. As such, the process for dealing with requests for variations must be followed.

Section 18D of the Act states that if a good reason exists to do so, the Committee may prepare a variation to its RLTP during the three years to which it applies. This can be at the request of an Approved Organisation or the Agency, or on the Committee's own motion. In this case, the request has been made by an Approved Organisation and the Agency.

Section 18D(4) requires the Committee to consider any variation request promptly.

Section 18D(5) notes that consultation is not required for any variation that is not significant.

If the Committee does not wish to accept the request to vary the RLTP, it must give written advice to the Agency of that decision and the reasons for the decision.

## **6. Proposed variation**

### Transmission Gully

The current RLTP shows Transmission Gully with an expected construction start in the 2015/16 year. Since then the decision was made to progress the procurement of Transmission Gully as a Public Private Partnership (PPP). This procurement model enables an earlier construction start date for the project. If Transmission Gully highway proceeds as a PPP then the construction start date for the Transmission Gully PPP is expected to be in the 2014/15 year.

Under a PPP, a private sector consortium will finance the design, construction, maintenance and operation of the Transmission Gully highway. In return, the NZTA will commit to making debt payments for up to 25 years once the highway is available to traffic and has met all specified standards. These payments will be made through the National Land Transport Fund, but will have no impact on the RLTP or NLTP until 2020 when the highway is open. Consequently, there is no impact on the current 2012-15 programme in terms of cash-flow from bringing this project forward one year.

### Porirua link roads

Porirua City Council has made a request to vary the RLTP 2012-15 by bringing forward a small proportion of the cost for the Porirua link roads project, currently timed outside the three year programme, into the 2012-15 period. This project is currently identified in the RLTP table of 'Other significant activities expected to commence within the next 10 years' (previously called Transmission Gully link roads).

The total cost of this project identified in the Porirua City Council Annual Plan is \$35 million. The project would be jointly funded by Porirua City Council and the NZ Transport Agency. For the purposes of the requested variation to the RLTP the cashflow will be:

- 2013/14 - \$2,266,000
- 2014/15 - \$2,337,000

The remainder will fall within the subsequent Regional Land Transport Programme 2015-18.

This total variation cost of \$4.6 million relates to an increase of around 10% in the relevant activity class (New and improved infrastructure for local roads) and less than 0.5% of the total programme cost.

### **6.1 Reason for the variation**

The decision by central government to progress the procurement of Transmission Gully as a Public Private Partnership (PPP) has meant that the expected timeframe for commencing this project has been able to be brought

forward by one year. This has no impact on the regional or national land transport programme cash flow or on any other activities as the cost in 2014/15 falls on the private sector consortium only.

The Porirua link roads consist of two new local roads; the Whitby link road and the Waitangirua link road, which will be owned, operated and maintained by Porirua City Council. The link roads will connect to Transmission Gully at the grade separated James Cook interchange, located south of the State Highway 58 interchange. The link roads and Transmission Gully are inter-dependent projects.

As a result of the decision by central government to advance the expected construction start date for the Transmission Gully project, Porirua City Council needs to ensure that funding is available at the same time for the construction of the Porirua links roads. This is expected to provide construction and financial efficiencies for both parties.

Based on the Committee's prioritisation approach as set out in Table 2 of the RLTP 2012-15, a project with a total cost over \$5 million is a third priority activity. Therefore, both the Transmission Gully and Porirua Link Roads projects would sit within the list of third priority activities in the programme.

Whilst third priority large new projects are given a ranking within that group at the time the regional programme is developed, this is for the purpose of a submission to the NZ Transport Agency as to the relative regional importance of these activities for inclusion in the National Land Transport Programme. It is not considered appropriate to rank these projects in isolation, after the national programme has been approved. Therefore, they have been included in the RLTP unranked within the third priority group for the purpose of this variation.

A summary of the expected investment outcomes from the Porirua link roads is provided in **Attachment 1**.

Details of the proposed variation for inclusion in Table 3 of the existing RLTP are set out in **Attachment 2**.

## **7. Determination of Significance**

Officers have assessed the significance of the proposed variation, for the purpose of consultation, against the adopted RLTP significance policy.

The significance policy is set out in section 7 (page 36 and 37) of the RLTP.

In making a determination of significance (against the criteria set out in section 7.3 of the RLTP), officers considered the following factors:

- No cost variation is required for the earlier commencement of the Transmission Gully project

- The proposed cost variation of \$4.6 million for the Porirua Link Roads is not considered to materially change the overall balance of strategic investment in the context of the \$1.3 billion programme cost.
- The proposed variation would have a positive contribution towards the Government Policy Statement objectives as the subject activities form an integral component of the Wellington RoNS.
- Extensive public consultation has been carried out in relation to both Transmission Gully highway and the Porirua link roads.
  - Transmission Gully highway has been previously identified and consulted on through a number of regional documents including the Regional Land Transport Strategy, Western Corridor Plan and the Regional Land Transport Programme (current and previous versions). A common message through these consultation processes was overall support and a call to construct this project earlier. Comprehensive consultation was also part of the recent Board of Inquiry process to obtain the required resource consents for the project.
  - The Porirua link roads were considered and publically consulted on as a component of the broader Transmission Gully project as part of the Board of Inquiry process. The earlier commencement of the Porirua link roads was a specific focus of consultation for the Porirua City Council's Draft Annual Plan, and following consideration of submissions, was included in the adopted Annual Plan.
- The proposed variation is not expected to affect the integrity of the RLTP or its overall affordability.

Consideration has also been given to the likely consequences, cost and benefits of carrying out consultation in relation to the subject variation. It is clear that given the extensive consultation already undertaken in relation to the subject projects as part of several different processes, the benefits of consultation in relation to the programme variation would be minimal. The cost of a consultation process and potential delays to contracts for this activity are considered to significantly outweigh the benefits.

As such, officers consider that the proposed variation to the RLTP is not significant and does not trigger the requirement to carry out consultation.

## **8. Next Steps**

If the Committee agrees to the variation request, it will then be forwarded to Greater Wellington Regional Council for approval at its meeting on 25 September. As is the case with the Regional Land Transport Programme itself, Greater Wellington Regional Council must either accept the recommendation or it can refer the variation back to the Committee once with a request that it be reconsidered.

Once the variation has been approved by Greater Wellington Regional Council, the variation is then forwarded to the NZ Transport Agency for consideration of inclusion in the National Land Transport Programme (NLTP) for funding.

There is no obligation for the NZ Transport Agency to vary the NLTP by including the new activity. However, it must give written reasons for any decision not to do so. In this case, the NZ Transport Agency supports the request and has indicated that it will look to add the Porirua Link Roads project to the current NLTP and seek funding approval before the end of the year.

## 9. Recommendations

*That the Committee:*

1. ***Receives the report.***
2. ***Notes the content of the report.***
3. ***Agrees to vary the Regional Land Transport Programme 2012 – 2015 by adding the proposed activities to Table 3, set out in Attachment 2, to the programme.***
4. ***Agrees to recommend the variation to the Regional Land Transport Programme 2012 – 2015, as set out in Attachment 2, to Greater Wellington Regional Council for its consideration.***

Report prepared by:

Report approved by

Report approved by:

**Natasha Hayes**  
Senior Transport Planner

**Luke Troy**  
Manager, Corporate Planning

**Jane Davis**  
General Manager Strategy  
and Community Engagement

Attachment 1: Letter dated 9 July 2013 from Porirua City Council.

Attachment 2: Variation to Wellington Regional Land Transport Programme 2012 – 2015: Transmission Gully and Porirua link roads.