



1 December 2023

ORGSTR-1512315375-1880

Hon Simeon Brown  
Minister of Transport  
Minister of Local Government  
Parliament Buildings  
Wellington

Tēnā koe Minister

## **Briefing to Incoming Minister: Transport (including Marine) and Local Government**

Congratulations on your appointment as Minister of Transport and Minister of Local Government.

Greater Wellington Regional Council (Greater Wellington) shares your vision for safer, faster and more reliable transport. We strongly support the need to drive housing growth and infrastructure improvements for the benefit of thriving communities and the environment.

Our letter outlines 16 issues that we bring to your attention, grouped under seven headings:

### **1. Public transport**

- 1) Halt the degradation of Wellington's Rail Network infrastructure:** KiwiRail is in urgent need of Government funding (\$128 million) of upgrades to the Wellington metro rail network. The upgrades address a significant backlog of deferred maintenance of the metro rail network and are crucial to safe and reliable service provision to thousands of passengers and provides for the new hybrid inter-regional trains due to arrive in 2028. Note that a paper goes to the Greater Wellington Regional Council next week on this issue – as is the case in local government the paper will be publicly available later today.
- 2) Unlock housing growth through additional public transport funding:** The Wellington region's Future Development Strategy provides for significant growth across the region (both green and brown field). We need to upgrade and expand public transport services to accommodate this growth. We don't have sufficient funding from the National Land Transport Fund and local rates for this. We need changes to the Funding Assistance Rate

(FAR) allocation approach, particularly: more flexible funding models; 100% FAR for rail infrastructure projects; and enhanced FAR for the purchase of new bus vehicles to support growth.

- 3) Partner with our region to leverage Roads of National Significance for housing and industrial growth** The Wellington Regional Leadership Committee (which includes Government Ministers and Greater Wellington) sees a Regional Deal as an important opportunity to develop shared priorities and unlock growth across the region. If paired with new public transport connections, new road investments such as the East-West link and the Cross Valley Link in Lower Hutt may enable significant housing and industrial growth.
- 4) Invest more in public transport to reduce transport emissions:** Transport is one of New Zealand's largest sources of emissions; funding more public transport not only cuts emissions but provides cleaner and safer urban area and overall lower transport costs. Combining this with well-planned higher density urban development reduces emissions even further by allowing more people to almost eliminate their daily transport emissions.
- 5) Reduce congestion and emissions through national road pricing (congestion charging).** Road pricing has been an effective tool internationally for managing demand on the road network. It can be a key mechanism for encouraging both mode shift away from private vehicles and towards public transport and active modes. It can also change travel behaviour to better use off-peak hours on the road network.

## **2. Second Mount Victoria tunnel and Basin Reserve Upgrade**

- 6) Maintain NZTA/ Waka Kotahi co-investment in network-critical projects.** Wellington's transport network is nearing full capacity, with congestion and delays already common experiences. Several locally led projects have been scoped and are going through the Treasury-mandated detailed business case phase. These projects are critical to realising the expected benefits of Government investments in the Basin Reserve and Mt Victoria tunnels and to the overall transport network. They include bus-priority lanes and a second public transport spine on the main corridor from the central railway station, past the hospital, to Island Bay.

A relatively low-cost option exists to enhance bus services along the Harbour Quays and to the east of Wellington, by providing bus priority lanes along the core bus corridor. This has already been scoped and can be delivered quickly without the need for resource consents.

This improvement will reduce disruption caused by construction works at the Basin Reserve and Mt Victoria tunnel upgrades, by providing an attractive alternative travel option. It will enable faster, more reliable bus services through the CBD and to and from the Eastern suburbs (which includes Wellington Airport).

Ongoing NZTA/Waka Kotahi co-funding is essential to enable these network-critical projects, and to bring timeframes forward if required.

### **3. Cook Strait ferry terminals**

- 7) Invest in the Wellington Single-User Ferry Terminal development:** The Cook Strait ferries are effectively the marine section of SH1 and the Main Trunk railway line. However, the existing Interislander ferry terminals in Wellington and Picton are “end of life” and no longer fit to meet the needs of 21<sup>st</sup> century New Zealand. Further they are unable to accommodate the new ferries that are due to arrive from 2026.

In Wellington, a larger and more resilient new Single-User Ferry Terminal has been designed to rehome the Interislander ferry operations with some funding committed by Kiwirail and CentrePort. However, delivery costs have skyrocketed since initial funding was agreed; we understand that lower service standards are now planned. Government needs to be “eyes wide open” to what is being delivered and commit the necessary funding to ensure reliable passage across Cook Strait as a critical part of the New Zealand’s transport and tourism infrastructure.

- 8) Partner with us to accelerate a multi-user ferry precinct:** The new Single-User Ferry Terminal development will enable expansion to a multi-user facility in the future – bringing Interislander and Bluebridge operations into one location. However, the Single User Terminal only provides a short-term transport solution that will reach capacity within a few years from completing construction, therefore impeding future opportunities for growth. The region has agreed a masterplan for expansion to a multi-user precinct and Government support is required to implement this. To achieve the optimal outcome for NZ, this expansion should be accelerated and integrated as soon as possible.

### **4. Te Wai Takamori o Te Awa Kairangi – RiverLink**

- 9) Commit to fully funding RiverLink.** NZTA/Waka Kotahi has partnered with Greater Wellington, Hutt City Council and Ngāti Toa Rangatira and Taranaki Whānui ki Te Upoko o Te Ika, to deliver a very complex construction programme. RiverLink will improve transport safety and connections, increase flood resilience, and rejuvenate the Hutt City centre. Due to a range of factors, Riverlink is facing substantial cost over-runs. Greater Wellington is

committed to funding its share. It is critical that NZTA/ Waka Kotahi adequately resources all aspects of the programme to be fully delivered.

## **5. Optimising outcomes from state highway investment**

**10) Halt ferrets and other pest migration into Wellington via state highways:** New highways into Wellington have cut travelling time not only for cars, but also for pests. Among potential invaders from the north are ferrets which can kill adult kiwi. Government assistance is needed to control this threat to the enormous efforts of Predator Free Wellington and Capital Kiwi, and our city's flourishing birdlife. We seek that Government provide funding and work with Greater Wellington on ungulate and mustelid control for its State Highway 1 road corridors.

**11) Enable public good outcomes on Transmission Gully Motorway (TGM) land surplus to requirements:** In 2014 NZTA/Waka Kotahi purchased approximately 550ha of farmland at Paekākāriki for construction of the Transmission Gully Motorway (TGM). Most of this land is likely to be declared surplus to motorway requirements. We believe that works to build TGM have rendered once-marginal farmland now unviable for that purpose, and it is now mainly suitable for environmental restoration and flood mitigation.

Greater Wellington, Kāpiti Coast District Council, mana whenua and the community have been working together on an opportunity to achieve extraordinary public good outcomes (including environmental restoration, flood mitigation and recreation) using an innovative ownership model. We are looking for Crown support to transfer the land on favourable terms, to enable us to achieve these outcomes.

## **6. Marine transport safety**

**12) Need to support out-of-port vessels in the Cook Strait.** While a lack of support capability has been apparent for many years, the risk to vessels crossing Cook Strait and travelling elsewhere became apparent in 2023. Serious ferry failures in January and February, the MV Shiling incident in May and the domestic cargo freighter Rangitata power loss this month have highlighted the ongoing safety concerns for this route.

**13) Maritime NZ's need for more maritime inspection capability.** While most of the domestic and international shipping fleet operating in New Zealand water is well-maintained and seaworthy, a significant number are of poor quality and entail real risk to life and the environment. Maritime NZ's inspection capability picks up these issues before accidents happen – but that capacity is under-strength for the job at hand.

## 7. Local Government

**14) Broken funding model for local government.** The current local government funding and finance system is under pressure. It is neither sustainable for the 2020's nor fit for the decades beyond 2030. Like other councils, GW is facing double-digit rates increases just to fund increased costs for insurance, debt servicing and inflation. To fund for resilience, growth, and deliver community aspirations, councils need new tools to raise revenue, and government needs to come to the table as a co-investment partner.

**15) Need to build community resilience to flooding.** More fully described in *Before the Deluge 2.0*, this proposal will enable Government and the regional sector to protect people, communities (homes, schools, businesses, public facilities), infrastructure (roads, bridges, railway lines) and productive land from the devastation arising from the intensity of such events as Cyclones Hale and Gabrielle. Investing in flood management infrastructure now will give time for longer term measures such as managed retreat and nature-based solutions to take effect.

**16) Broken system of three waters infrastructure:** As one of the six council owners of Wellington Water Ltd, GW agrees that the current model for drinking, waste and stormwater is neither affordable nor sustainable. New funding tools and levers are needed so that local government can meet Taumata Arowai standards and community expectations in a financially sustainable manner. GW is the only regional council providing bulk water; we want to exit as an operator and focus on our paramount role as the environmental regulator.

Please find attached further information (**Appendix – Further information**) regarding our proposals for your consideration.

Greater Wellington Regional Council enormously values our partnership with Government in relation to New Zealand's transport and local government. We hope to meet with you soon.

Ngā mihi



**Daran Ponter**

Chair

CC: Leaders and Deputy Leaders of Government Coalition Partners, Minister for Infrastructure, Wellington region constituency Members of Parliament, Wellington Region Mayors; Wellington Region Mana Whenua Iwi Chairs, Local Government New Zealand

## APPENDIX – Further information

### About Greater Wellington Regional Council

Located in our capital city and including the Wairarapa and Kāpiti Coast, Greater Wellington Regional Council (Greater Wellington) is one of the largest and most diverse regional councils in New Zealand. We have core roles across public transport provision, environmental protection, regional leadership and co-ordination, and bulk water supply.

We partner with central government across Transport and Urban Development through key forums and programmes including: The Wellington Leadership Committee (regional Urban Growth Partnership), Let's Get Wellington Moving, Te Wai Takamori o Te Awa Kairangi (Riverlink) And Waka Kotahi's National Land Transport Fund (NLTF). We work closely with Maritime NZ on marine and harbour safety and take a local government leadership role through Regional and Unitary Councils of Aotearoa/ Te Uru Kahika.

Greater Wellington has had an evolving formal relationship with six mana whenua partners for over three decades:

- Ngāti Kahungunu represented by Ngāti Kahungunu ki Wairarapa.
- Ngāti Raukawa ki te Tonga represented by Ngā Hapū o Otaki.
- Ngāti Toa Rangatira represented by Te Rūnanga o Toa Rangatira Inc.
- Rangitāne represented by Rangitāne o Wairarapa Inc.
- Taranaki Whānui represented by the Port Nicholson Block Settlement Trust.
- Te Ātiawa ki Whakarongotai represented by Ātiawa ki Whakarongotai Charitable Trust.

The arrangements include Te Upoko Taiao – Natural Resources Plan Committee (est 2009) and having mana whenua representatives on various Council Committees with the Long-Term Plan Committee as the most recent example.

### Additional context on key issues

#### Public Transport

##### 1. Halt the degradation of Wellington's Rail Network infrastructure

The KiwiRail network remains in a state of decline. Greater Wellington understands there is shortfall of approximately \$750 million for end-of-life assets that have not been replaced when required (deferred renewals) of which \$150m will be required in the next three financial years. This means the budgets for Renewals Services ('steady state

renewals’) that Greater Wellington is supposed to cover has not been used for these purposes – instead, KiwiRail has applied it to the deferred renewals. This has resulted in declining reliability of the rail network and escalating maintenance costs which cannot be covered by ratepayers.

We request that the Crown actively engages in resolving the issue of rail network insurance and its unaffordability for Greater Wellington and KiwiRail. Insurance costs for the Wellington rail network have increased from \$2 million per annum in 2018 to \$11 million per annum in 2023. KiwiRail is using the Renewals Services budget to fund this and additional operational costs rather than undertaking renewals.

If the funding shortfall is not addressed, Greater Wellington has been advised that it will be asked to significantly reduce its passenger rail service to Wellington commuters to protect the rail infrastructure. During peak weekday services this translates to:

- One train per hour on the Johnsonville line (down from four trains per hour)
- No Melling line trains (down from 46 services per weekday)
- Three trains per hour on the Kapiti lines (down from seven trains per hour)
- Two trains per hour on Hutt Valley lines (down from six trains per hour)
- Greatly reduced train stabling and servicing.

Not only would there be a reduction in services, but all remaining services would be run at over-capacity in the peak periods (i.e. passengers would be off-loaded and passengers would experience sardine-like conditions).

These reductions would be catastrophic for the Wellington region.

## REQUEST

We ask that the Government:

- a) addresses the significant shortfall in expenditure on KiwiRail asset renewals and upgrades
- b) actively engages in resolving the issue of rail network insurance and its unaffordability for Greater Wellington, Auckland Transport and KiwiRail.

There are also longer-term issues regarding funding certainty for existing programmes of work that, if not resolved, could undermine the benefits of previous and current Crown investments.

#### REQUEST

We ask that the Government:

- c) implements the EM80, Ministry of Transport and Independent Review into Auckland, Deloitte report recommendations, particularly the focus on providing more frequent and high-quality metro services.
- d) support the implementation of the Regional Rail Plan.

## **2. Unlock housing growth through additional public transport funding**

Over the next 30 years the Wairarapa-Wellington-Horowhenua region needs to support 200,000 more people and 99,000 more homes. Through the draft Future Development Strategy (FDS), local government has partnered with central government and mana whenua to prioritise where development should occur to support this projected growth.

Wellington uses more public transport per capita than any city in Australasia (except Sydney). With reliability now consistently above 99%, patronage on buses has now risen above pre-Covid levels with well over two million bus boardings per month and approximately one million rail boardings per month.

The FDS outlines several major areas for brownfield and greenfield development. These will require brand new bus services to be implemented which will come at significant cost to establish and service the routes. It costs Greater Wellington \$1.35 million per annum to run a 20-minute frequency bus service, and \$1.8 million per annum if the frequency is increased to a bus every 15 minutes. New routes will be unaffordable for local ratepayers given the significant additional investment already required to maintain and grow existing services.

#### REQUEST

We ask that Government amends the Funding Assistance Rate (FAR) allocation approach, particularly:

- e) more flexible funding models
- f) 100% FAR for rail infrastructure projects; and
- g) enhanced FAR for the purchase of new bus vehicles to support growth.



### **3. Partner with our region on a Regional Deal to leverage Roads of National Significance for housing and industrial growth**

Until recently, there has been a lack of co-ordination between central and local government regarding the future growth of New Zealand's high growth urban centres, and the infrastructure investment required to support this. This has resulted in a range of complex issues that affect housing and urban development in New Zealand, including severe housing affordability and low levels of mobility.

To improve co-ordination, several Urban Growth Partnerships have been established across the country, including the Wellington Regional Leadership Committee (WRLC). The WRLC brings together iwi, local and central government to focus on regional spatial planning and regional economic development.

The WRLC has been hugely successful in improving collaboration between our region and government agencies and has lifted the certainty and integration of regional planning.

To further strengthen the functioning of the committee, members have completed a Health Check review. The review suggests several focus areas for the committee, including:

- Further building the region's partnership with Government through a regional deal and shared prioritisation to address key infrastructure gaps (including transport)
- Shifting to a solutions and implementation focused work programme
- Clearer funding pathways to deliver regional priorities

#### **REQUEST**

We ask that Government partner with the Wellington region to:

- h) form a Regional Deal to develop shared priorities of central government, local government and iwi, and drive housing and business growth across the region.
- i) identify pathways for leveraging investment in Roads of National Significance to enable housing and industrial growth

#### **4. Invest more in public transport to reduce transport emissions**

Investing in public transport not only reduces transport emissions but provides cleaner and safer urban areas. However, the current funding does not reflect the level of urgency and ambition necessary to achieve the National Emission Reduction Plan transport targets and the 2021 Wellington Regional Land Transport Plans' emissions reduction target.

Current arrangements may lead to increased pressure on local and regional councils to increase their funding shares for public transport services, new and improved local roading projects, improving the resilience of local transport networks and maintaining existing local roads – further overextending the already constrained financial environment for the local government sector.

##### **REQUEST**

We ask that the Government:

- j) increases funding to set land transport on the trajectory to achieving the National Emission Reduction Plan transport targets.

#### **5. Reduce congestion and emissions through national road pricing.**

Research<sup>1</sup> and transport modelling demonstrate that road pricing is an effective tool to manage travel demand and reduce kilometres travelled by light vehicles, which the Wellington Region can leverage alongside behaviour change programmes and active mode and public transport networks to effect lasting change in the region.

We urge the government to pass legislation that will enable the use of road pricing tools, including congestion or corridor charging. This is an important prerequisite to reducing vehicle kilometres travelled (VKT) and emissions at the pace required to meet our targets.

##### **REQUEST**

We ask that Government:

- k) introduces national road pricing legislation, including congestion or corridor charging.

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<sup>1</sup> Pacheco, E., & Ivory, V. (2023). [A narrative literature review of the effectiveness of interventions to reduce light vehicle travel](#). Waka Kotahi NZ Transport Agency Research Report 707.

## Second Mount Victoria tunnel and Basin Reserve Upgrade

### 6. Maintain NZTA/ Waka Kotahi co-investment in network-critical projects

Regardless of the future direction of a transformational transport programme for Wellington city, locally-led projects must maintain implementation momentum to realise the benefits of upgrades to the Basin Reserve and a second Mt Victoria tunnel. Many of these supporting projects have been through most of the option scoping and identification process - with business case processes expected to be complete by mid-2024.

These multi-modal city street improvements build on a 2019 investigation by GW and WCC on a Bus Priority Action Plan. They provide good, attractive travel choices across the city, reduce traffic congestion, and support mode shift and emissions reduction. These improvements are pragmatic, cost effective, and provide significant transport benefits for relatively low investment.

It is critical that Government continues its existing commitment to fund locally-led improvements through the National Land Transport Fund, in particular:

- ***A second public transport spine through the city:***

A key driver of the locally-led approach is the nature of Wellington City's topography and the bus network that serves its residents. This means that many bus services from across the city all converge through the central city – mostly along the Golden Mile.

The Golden Mile has a maximum public transport capacity that we expect will be reached during 2025.

It is critical that a “second spine” for public transport is in place by 2025 to accommodate forecast demand and to help maintain adequate levels of service on the public transport network during construction of the Golden Mile upgrade.

- ***A high standard of Bus Priority to Wellington City:***

It is now even more critical to progress the roll out of high-quality bus priority solutions along the southern and eastern corridor to support new urban development and housing along this key growth corridor. This will also provide people with better travel options for accessing the hospital, reducing traffic congestion and the pressure on hospital parking for those who need them.

The “Eastern Enhanced Bus” solution is an important companion project to the Basin upgrade and new Mount Victoria tunnel by providing good travel options during the construction period. The solution comprises a connected corridor of bus priority measures to improve bus travel times and reliability, provide better access to the airport, jobs, education, and recreational facilities from across the city and region. It is critical to supporting new housing development in the eastern suburbs.

The Eastern Enhanced Bus was the preferred public transport solution to lift services to the eastern suburbs (which includes the Airport), as endorsed by Greater Wellington Regional Council, Wellington City Council, and NZTA/Waka Kotahi in 2022.

Options for delivering this solution have since been scoped and assessed and are ready for implementation. Planning completed to date on an accelerated delivery timeframe suggests that implementation of Eastern Enhanced Bus could begin in 2026 if Government funding were provided. This start date is critical for the programme to offset disruption of other construction priorities (the Basin Reserve and Mount Victoria upgrades).

This project will align well with the planned introduction of new electric, high capacity articulated (bendy) buses on the core route to the east and will support the recently improved airport express bus service.

## REQUEST

We ask that Government maintain co-investment in network-critical projects, particularly:

- l) a second public transport spine through the city;
- m) a high standard of Bus Priority to southern Wellington City
- n) accelerate delivery of “Eastern enhanced buses”, through confirming funding of the detailed design.

## Cook Strait ferry terminals

### 7. Invest in the Wellington Single-User Ferry Terminal development

The Cook Strait crossing is a strategic national asset, extending State Highway One and the Main Trunk Railway between the North and South islands and providing a vital part of New Zealand's transport and tourism infrastructure.

On average each year, the Interislander operates around 3,800 services, transports about 850,000 passengers, 250,000 cars and up to \$14 billion worth of freight, and these numbers are forecast to increase. It also provides a unique Aotearoa tourism experience bringing in money, visitors and supporting jobs in Wellington and Waitohi Picton.

The Interislander service is, however, at risk. The current Interislander ferries are nearing the end of their 30-year working lives and this replacement programme is now time critical. As the fleet ages, the ferries struggle to meet modern safety requirements, there are rising maintenance costs, high carbon emissions, sub-standard crew conditions and no capacity for growth or increased profitability. To address these issues, KiwiRail has ordered two large new rail-enabled ferries due to arrive from 2026. However, these cannot be accommodated by the existing terminal.

Terminal infrastructure in Wellington and Waitohi Picton is in need of substantial upgrades to bring it up to modern safety standards and to be ready for the new ferries.

This project is about moving away from a state of managed decline to future planning and investment so that New Zealand has a reliable, safe, and resilient Interislander service by the mid-2020s. Government funding is critical to ensuring delivery of this national asset.

#### REQUEST

We ask that Government:

- o) commit to funding the identified cost increases to ensure timely delivery of the Single-User Ferry terminal.

### 8. Partner with us to accelerate a multi-user ferry precinct.

The Single User Ferry Terminal only provides a short-term transport solution that will reach capacity within a few years from completing construction. This will impede future opportunities for growth. Recognising this, the region has agreed a masterplan for expansion to a multi-user facility, which should be accelerated and integrated as soon as possible to achieve the optimal outcome for NZ.

We would be pleased to discuss the Masterplan with you, to identify how Government support could enable and accelerate this project.

#### REQUEST

We ask that Government:

- p) partner with us to accelerate a multi-user approach to the ferry precinct development.

## Te Wai Takamori o Te Awa Kairangi – RiverLink

### 9. Commit to fully funding RiverLink

Te Awa Kairangi - Hutt River is an invaluable resource to the Greater Wellington community, supporting the economy, lifestyle, and culture of the Hutt Valley. The river is identified as a taonga, a sacred treasure and serves as an attraction for both locals and tourists - it is visited by over a million people each year. It also supplies half of the consumable water for thousands of people living in Wellington, Hutt and Porirua cities, which equals around 75 million litres of water per day.

Te Wai Takamori o Te Awa Kairangi/ Riverlink is a transformational project for Te Awa Kairangi ki Tai - Lower Hutt. It is a collaborative project between Greater Wellington Regional Council, Hutt City Council, NZTA/ Waka Kotahi, iwi mana whenua Taranaki Whānui ki te Upoko o te Ika (Taranaki Whānui), Ngāti Toa Rangatira (Ngāti Toa), and the AECOM-Fletcher alliance to transform Te Awa Kairangi ki Tai - Lower Hutt.

It includes:

- crucial flood protection and river restoration work led by Greater Wellington
- improvements to public transport, walking & cycling routes, local roads and the SH2 Melling Interchange led by NZTA/Waka Kotahi and
- urban revitalisation of the Lower Hutt city centre led by Lower Hutt City Council.

The project has been through several design phases to refine and ensure integration of the complex construction elements. As integration matures, there are inevitable challenges regarding scope and affordability. It is critical that NZTA/Waka Kotahi is adequately resourced to ensure all aspects of the programme are delivered in full to maximise the benefits of this partnership to the regional community.

#### REQUEST

We ask that Government:

- q) commit to fully funding RiverLink through NZTA/ Waka Kotahi.

## Optimising outcomes from state highway investment

### 10. Halt ferrets and other pest migration into Wellington via new state highways

In the past decade Government has invested significantly in our State Highway Network, better connecting the Wellington region. However, these new corridors are also proving to be pest highways, with the way now open to fast-track rabbits, ungulates and all mustelids (ferrets, stoats, and weasels) into our urban areas and hinterlands.

Unlike stoats, ferrets can kill adult kiwi. In 2010 one or two ferrets killed 12 kiwi in just one week, in Pukaha/ Mt Bruce. Left unchanged, this situation will reverse the significant pest eradication results being achieved by Predator Free Wellington (see below) and Capital Kiwi, which has now introduced kiwi into the hills behind Kārori.

We seek that Government provide funding and work in partnership with Greater Wellington on ungulate and mustelid control for its SH1 road corridors (Ōtaki to Linden), to mitigate the risk of further encroachment into Wellington, and to specifically guard against the arrival of ferrets.

#### REQUEST

We ask that Government:

- r) fund ungulate and mustelid pest control for State Highway 1 road corridors into Wellington (Ōtaki to Linden).

### 11. Enable public good outcomes on land surplus to Transmission Gully Motorway requirements.

In 2014 NZTA/Waka Kotahi purchased approximately 550ha of farmland at Paekākāriki for construction of the Transmission Gully Motorway (TGM). Most of this land is likely to be declared surplus to motorway requirements.

Greater Wellington has been working with the local community, Kāpiti Coast District Council, Te Runanga o Toa Rangatira and Ātiawa ki Whakarongotai towards forming an entity that may hold the land. The entity would oversee use of the land for environmental restoration, flood mitigation, recreation, and small-scale renewable energy generation. The partners are currently investigating the feasibility of the site for small-scale social housing.

We believe that works to build TGM have rendered once-marginal farmland now unviable for that purpose, and it is now mainly suitable for environmental restoration and flood

mitigation. We are seeking Crown support to transfer the land on favourable terms to the Councils, for eventual management by a Council Controlled Organisation (CCO).

We intend that the CCO will be set up on a 50/50 Council/Mana whenua basis, with the potential to grow local employment, capability and capacity, with benefits reverberating through the Wellington region and beyond.

The local community is extremely supportive of the concept. All parties are requesting that the Crown transfer the land on favourable terms to enable these outcomes.

#### REQUEST

We ask that Government:

- s) Transfer land surplus to Transmission Gully Motorway requirements, on favourable terms, to Greater Wellington and Kāpiti Coast District Council, to manage for public good outcomes.

## Marine transport safety

### 12. Need to support out-of-port vessels in the Cook Strait

Cook Strait is an area where the line between safe travel and disaster can get very narrow, due to its very nature and rapidly changing environmental conditions.

The frequent and vital Cook Strait ferry movements mean that Wellington Harbour has the highest number of shipping movements in New Zealand. This together with the number of passing ships (both on the NZ coast and vessels passing through Cook Strait) means that our coastline is especially vulnerable to shipping incidents.

While a lack of out-of-port support capability has been apparent for many years, the risk to vessels crossing Cook Strait and travelling elsewhere has become apparent in 2023. Serious ferry failures in January and February, the MV Shiling incident in May and the domestic cargo freighter Rangitata power loss this month have highlighted the ongoing safety concerns for this route and the lack of practical and timely support for these vessels outside of Port areas.



#### REQUEST

We ask that Government:

- t) progresses Maritime New Zealand's recent work to identify solutions for ensuring greater safety for ships, passengers, crew, and cargo crossing the Cook Strait and elsewhere in New Zealand.
- u) Partner with the regional sector so that Harbourmasters can understand the Government's direction and can apply their collective experience towards developing an effective solution.

### **13. Maritime NZ's need for more maritime inspection capability**

Several recent incidents have raised concerns around the quality and safety of many ships operating around the New Zealand's coast, both domestic and international. They present real risk to life and the environment. Generally, there are indications as to which ships are going to be problematic and Maritime NZ's inspection teams must have the capability and capacity to inspect to pick up these issues before accidents happen. Currently, its capacity is well under-strength and it needs Government support to bring it up to an acceptable level.

#### REQUEST

We ask that Government:

- v) provides increased funding to support Maritime NZ's ship inspection capability and capacity.

## **Local Government**

### **14. Broken funding model for local government**

Now in the preliminary stages of preparing our Long-Term Plan 2024-34, Greater Wellington find ourselves in very constrained economic circumstances, with extraordinary cost pressures of debt servicing, inflation, insurance, and supply chain rapidly converging to impact our budgets. This is no one-time issue, nor are we alone in experiencing it. Councils all over New Zealand are contemplating rates increases of at least 10%, just to pay for the locked-in increases in inflation and interest costs.

Greater Wellington supports the recommendations of the independent Future for Local Government Panel, that the funding model for local government is not sustainable and needs to change. New funding mechanisms are needed to apply substantially more

funding to local government than is currently available. The whole local government system - not just three waters - is in danger of spiralling out of control unless the underlying funding issue is addressed.

#### REQUEST

We ask that Government:

- w) consider the recommendations of the Future for Local Government Panel report, and work with the sector towards creating a sustainable, equitable local government funding and financing system.

### 15. Need to build community resilience to flooding

Regional and Unitary Councils of NZ/ Te Uru Kahika seeks to partner with Government to oversee a 3-year programme of new and upgraded flood protection infrastructure, within a 10-year pipeline of nationwide co-investment. More fully described in the report **Before the Deluge 2.0** this will enable us to protect infrastructure (roads, bridges, railway lines), communities (homes and businesses), productive land and people from the devastation arising from the intensity of such events as Cyclones Hale and Gabrielle.

A significant investment is required. Te Uru Kahika is seeking co-investment of \$197m from central government to accelerate delivery of 80 urgent shovel-ready projects.

The case for taking immediate action is irrefutable. Both national and international studies show the return on investment from well-designed flood protection works is considerable: \$1 spent protecting a community avoids \$5-\$8 in clean-up costs afterwards, before the intangible benefits - in health, social, cultural, and environmental impacts - are considered.

The climate is rapidly changing, and the frequency and magnitude of floods is accelerating. There is a distinct national interest and national assets to be protected. Co-investment from central government acknowledges shared accountabilities.

Regional councils have demonstrated their capacity and capability to deliver flood protection infrastructure. This remains the first line of defence against flood risks, and a primary means of building community resilience until other longer-term measures are put into effect.

#### REQUEST

We ask that Government:

- x) co-invests \$197 Million with the regional sector to accelerate the delivery of 80 urgent flood management infrastructure projects, all of which are shovel ready.

## **16. Broken system of three waters infrastructure**

For too long now local government across New Zealand has been under-investing in three waters infrastructure, leaning on the nature of pipes and treatment plants being out of the public eye. Now the consequences are playing out in full view, and councils are facing stark challenges to meet the investment needed for drinking water, wastewater, and storm water infrastructure, and to cater for future growth. This challenge is compounded by the eye-watering increases in costs of construction and insurance.

In the Wellington region Greater Wellington is one of six council owners of Wellington Water, and the only regional council in New Zealand to be an owner of three waters infrastructure. All five councils know that the current water management model is not working, and that change is needed to enable the backlog of renewals and maintenance to be affordably funded. We are all ready to have the change conversation with Government.

No matter the structural change we agree upon, councils cannot meet this challenge with only the current revenue mechanisms available to us. We need Government leadership to enable and direct a new water funding and delivery model. To pay for our pipe and other asset renewals, install water meters, build long term storage solutions, and maintain everything, we need more ability to borrow and significantly increased income to service the debt. Councils currently face balance sheet limitations and very limited options for raising funds outside rates.

We also need Government support to take the tough but necessary decisions associated with provision of water infrastructure. There needs to be a clear and mandatory process, timelines and criteria underpinned by economic and environmental bottom lines.

We support the Government's direction for local control of water services. Ongoing local control of water is essential, with councils, community, and Iwi / Māori partners working together. While water assets must remain in public ownership, the Wellington region seeks the option to create a new public model to hold water assets. For Greater Wellington as the only regional council involved as a water supply operator this would enable us to step away from that role, to focus on our functions as environmental regulator and land manager.

### **REQUEST**

We ask that Government:

- y) seriously considers how local government may have sufficient access to funding to enable councils to address under-investment, compliance with robust standards for water quality and quantity, and meet growth expectations.
- z) works with the councils across the Wellington Region to create a new public model to own and manage water assets.