

## APPENDIX – Further information

### About Greater Wellington Regional Council

Located in our capital city and including the Wairarapa and Kāpiti Coast, 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.

Greater Wellington has had an evolving formal relationship with 6 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.

Greater Wellington partners with central government in relation to infrastructure for regional transport planning and public transport. We are the only regional council to operate in the collection, treatment, and supply of drinking water. Like other regional and unitary councils, we plan, develop, and operate flood management warning systems and infrastructure on schemes across the region.

We agree with the incoming Government’s plan for a “National Infrastructure Agency” and for developing National, City and Regional Deals as a means of partnering with local Government to create long-term pipelines of regional projects. We see a national spatial planning function sitting naturally with such an agency, directing a joined-up approach to building, and developing in the right places, giving long-term certainty and more effective planning at place.

Resource management is fundamental to the role of regional councils. We work closely with the Ministry for the Environment to optimise the outcomes of Government’s legislative programme and planning frameworks. We ask to continue our close involvement, to help ensure that the upcoming changes deliver the best possible outcomes to all New Zealanders, our economy, and our environment.

We draw your attention to **fourteen** key challenges:

#### **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/or 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. Improving flood resilience in the face of climate change

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 intense weather events like 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. 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. This is before we consider the intangible health, social, cultural, and environmental benefits.

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.

Over many years, regional councils have demonstrated their capacity and capability to deliver flood protection infrastructure. It 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:

- j) 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.

### 5. 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 protect and transform Te Awa Kairangi ki Tai - Lower Hutt and improve the safety and resilience of our State Highway.

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 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 New Zealand.

## REQUEST

We ask that Government:

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

## 6. 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 own three waters infrastructure. All six 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 currently available revenue mechanisms. 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:

- l) 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.
- m) works with the councils across the Wellington Region to create a new public model to own and manage water assets.

### **7. Implement the Climate Change Adaptation Bill to prescribe responsibility and funding for managed retreat from high-risk areas.**

Greater Wellington supports the continuation of the Environment Select Committee Inquiry into community-led retreat and adaptation planning, and the introduction of the Climate Change Adaptation Bill. We also support the Ministry for the Environment development of guidance for undertaking local climate change risk assessments and adaptation plans. We welcome the recent changes to the Local Government Official Information and Meetings Act LGOIMA (1987) to ensure Land Information Memorandums provide better information regarding the climate risks affecting properties.

Central and local government should be taking action to adapt to climate change. Recognising this, we are developing the first Wellington Regional Climate Change Impact Assessment in partnership with the Wellington Regional Leadership Committee. This is the first stage of a regional adaptation planning process designed to inform the next iteration of the Wellington Region Future Development Strategy, as well as councils' long-term and spatial plans.

Our collective of councils would benefit significantly from clearly understanding the finance and funding arrangements available from central government, as well as roles and responsibilities. Councils are hesitant to initiate community engagement on adaptation planning before knowing who is going to pay and have liability for what. It's important to have agreed methods for prioritising and initiating pre-emptive community-based adaptation engagement to avoid maladaptation and exacerbating existing inequities.

The essential ingredients are fair, repeatable, scalable, and efficient processes, clarity about individual and institutional responsibilities, integrated legislation, robust funding mechanisms, and a defensible evidence-base.

#### REQUEST

We ask that Government

- n) enacts a Climate Change Adaptation Bill to prescribe responsibility and funding for managed retreat from high-risk areas.

### **8. Complete the National Policy Statement on Natural Hazard Decision-making**

We support the submission of Regional and Unitary Councils Aotearoa/ Te Uru Kahika on the National Policy Statement for Natural Hazard Decision-making. New Zealand communities need this NPS to provide clearer direction and certainty in a very complicated policy and regulatory environment.

#### REQUEST

We ask that Government

- o) introduces the National Policy Statement for Natural Hazard Decision-making.

### **9. Support and enable the strong connection between environmental protection and quality fit-for-purpose three waters infrastructure.**

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 six councils know that the current water management model is not working, and that change is needed to enable us to renew and fix pipes, upgrade drinking and wastewater treatment plants, undertake other asset renewals, install water meters, and build long-term storage solutions. Only then will we make any meaningful progress towards addressing the poor state of our freshwater, especially the intractable issue of *e coli* in our urban and rural waterways.

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 need Government leadership to enable and direct a new water infrastructure funding and delivery model.

The Wellington region's Future Development Strategy (FDS) sets out how we plan to deliver well-functioning urban environments in our existing and future towns and cities over the next 30 years. It notes that our region's various Long-Term Plans identify the level of three waters infrastructure spend over the next ten years to support the expected levels of housing and business growth. While our FDS supports denser, more compact, and mixed-use development styles (which mitigate the need for new infrastructure), the projected budgets are often what the respective council can afford and less than what is needed to fully fund three waters requirements.

## REQUEST

We ask that Government:

- p) seriously consider 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.

### **10. 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. It provides 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 now at risk. The current Interislander ferries are nearing the end of their 30-year working lives and the 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, terminal infrastructure in Wellington and Waitohi Picton needs substantial upgrades to bring it up to modern safety standards and to be ready for the new ferries. The current terminal

these cannot be accommodated by the existing terminal.

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:

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

### **11. 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:

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

### **12. Retain key aspects of the Spatial Planning Act (SPA) 2023, and its drive for integration.**

Spatial planning and strategies have merit, ensuring that we build and develop in the right place with the right infrastructure. Spatial plans ensure alignment with infrastructure development and upgrade priorities and investment, especially in relation to three waters, rail, roads, energy transmission, local power generation and importantly climate and flood resilience.

We support the need for a regional planning committee to develop and deliver a spatial plan, with our Wellington Regional Leadership Committee (WRLC) providing for this in our region, including Ministerial and mana whenua representation. Through the SPA we have a legislative mandate for the work and the partnership with Government. It underpins our broad direction and ensures that the more detailed provisions align with it and are best placed to reflect and deliver on key outcomes. From this perspective, the SPA is very valuable legislation.

The WRLC proposes where to prioritise housing and business development, as well as investment in infrastructure to support this development.

#### REQUEST

We ask that Government:

- s) Retains key principles of the Spatial Planning Act 2023 and uses them as the foundation for driving investment into regional integrated infrastructure.

### **13. Keep the existing national direction under the national planning framework; extend implementation timeframes.**

Water is one of the most precious taonga in New Zealand, and Greater Wellington supports the National Policy Statement for Freshwater Management (NPS-FM) in its drive to protect our freshwater. Our waterways provide drinking water and support for industries such as farming and tourism, and are also valued for mahinga kai, education, tourism, and ecological health.

In our region, GW has created Whaitua Committees to develop Whaitua Implementation Programmes (WIP), to describe community aspirations for freshwater and set a platform for collective effort to improve the health of waterways (Whaitua is the Māori word for space or catchment). The WIP is implemented through new regulations and actions on the ground.

GW has just notified Plan Change 1 for our Natural Resources Plan, implementing the requirements of the NPS-FM and the WIPs for Te Whanganui-a-Tara (Wellington/Hutt Valley) and Te Awarua-o-Porirua (Porirua Harbour). We expect to finalise the Plan Change by mid-2025.

While we are making good progress, the Plan Change process is very time- and resource-intensive, and requires extensive collaboration with partners, stakeholders, and the community. The Government's current deadline (end 2024) is not achievable for Greater Wellington. We support an extension to achieve implementation by the end of 2026, in line with your election commitments. This timeframe would be far more reasonable and realistic and would go a long way to support enduring relationships with our mana whenua partners, the community, key business sectors and local councils.

We note your intention to “consider ways to rebalance Te Mana o te Wai to better reflect the interests of all water users”. We take this to mean that the existing provisions will be retained in part and clarified and strengthened in other areas.

GW can help redesign this process, and we offer our assistance to develop a range of options for decision-makers.

## REQUEST

We ask that Government:

- t) retains the National Policy Statement for Freshwater Management, extends the implementation deadline to the end of 2026, and accepts Greater Wellington assistance to clarify and strengthen the provisions.

## **14. Replacement for the Natural and Built Environment Act (NBEA) 2023, future matters for consideration.**

GW acknowledges your intent to repeal the NBEA and introduce a fast-track consenting regime. While the NBEA concerned us on several fronts, it proposed useful changes to consenting, compliance, and enforcement, providing a wider range of compliance and enforcement options

for councils. It also addressed some problems and loopholes with the current system. We ask that any replacement legislation brings forward these changes, which give councils the teeth to achieve the outcomes.

Clearly there is a swathe of opportunities for Government to implement change that will improve outcomes for communities and create the conditions for local government to be more effective and efficient in fulfilling our responsibilities. GW seeks that any reform programme related to local government is well connected, and considers the broad implications of change, to avoid unintended consequences and conflicting messages, and to streamline implementation.

#### REQUEST

We ask that:

- u) any reform programme related to Resource Management Act is well connected, and considers the broad implications of change, to avoid unintended consequences and conflicting messages, and to streamline implementation.