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Committee Policy, Finance and Strategy Committee
Author Dave Watson Divisional Manager Transport

Western Corridor Review

1. Purpose

To formally advise the Council of the new cost estimate for the Transmission Gully motorway announced by Transit New Zealand on 16 April 2004.

To provide the Council with an appropriate way forward to contribute to resolving the travel issues in the Western Corridor.

To adopt the Terms of Reference for a Western Corridor review.

To agree to allocate \$212,500 in 2004/05 from the transport reserve to fund the review, which means a total Council budget change of \$425,000.

2. Transmission Gully Cost Announcement

On 16 April 2004 Transit New Zealand announced a cost estimate of \$830m for a Transmission Gully motorway (**attachment 1**). In light of this new estimate and the legislative requirements of the Land Transport Management Act, Transit New Zealand also announced on 16 April that the next steps would be an assessment of the multi-model alternatives for the Western Corridor. They concluded that:

- Problems in the SH1 corridor are real and will increase over the next ten years
- Improvements are underway which will provide some relief
- Public transport improvements are seen as both important and urgent
- The region needs certainty on the solutions for the corridor, short, medium and long term
- Now have greater certainty on TGM costs
- Need corridor review in order to proceed (expected by late 2005).

3. Western Corridor Review

On 21 April 2004, Mr Rick van Barneveld the acting chief executive of Transit New Zealand and the Council's chief executive, Barry Harris, met to discuss the way forward. At that meeting it was agreed that Greater Wellington would be the lead agency for the corridor review with Transit New Zealand a partner in the review. The rationale for Greater Wellington taking the lead role were that the issues were regional rather than national, they covered all modes of transport and the review would need to be strongly linked with the Regional Strategy exercise and the Regional Land Transport Strategy review process. A small team of staff from Greater Wellington, Transit New Zealand Head Office and Regional Office were tasked with developing a terms of reference for the review by the end of May 2004 which would be the basis of a funding application to Transfund New Zealand.

The application will seek 100% funding from Transfund for this project. However similar projects across the country have usually received 75% support. The Council may therefore need to fund 25% of the anticipated cost that is some \$212,500.

4. Review Terms of Reference (ToR)

Attachment 2 are the draft terms of reference for a Western Corridor review. As stated above they form the basis of an application to Transfund New Zealand for funding. The ToR are also to be adopted by the Transit New Zealand board.

5. Communications

There is considerable public interest in finding a solution to the transport problems of the Western Corridor. Once the ToR are adopted by the Council and Transit New Zealand a joint media statement will be released. It will also clearly be essential to engage with the other key stakeholders to ensure their support and co-operation.

6. Recommendations

- 1. That the Committee receive the information provided by Transit New Zealand on their estimation of the cost of constructing the Transmission Gully motorway.*
- 2. That the Committee approve the Terms of Reference for the Western Corridor review.*
- 3. That the Committee agree to allocate \$212,500 of the transport reserve for 2004/05 to fund the review.*

Report prepared by:

Dave Watson

Divisional Manager Transport

Attachments:

1. Transit New Zealand Cost Estimate
2. Terms of Reference