



If calling, please ask for Democratic Services

Council

Thursday 12 June 2025, 9.30am

Taumata Kōrero, Council Chamber, Greater Wellington Regional Council
100 Cuba St, Te Aro, Wellington

Quorum: *Seven Councillors*

Members

Councillors

Daran Ponter (Chair)

Adrienne Staples (Deputy Chair)

David Bassett

Ros Connelly

Quentin Duthie

Penny Gaylor

Chris Kirk-Burnnand

Ken Laban

David Lee

Thomas Nash

Hikitia Ropata

Yadana Saw

Simon Woolf

Recommendations in reports are not to be construed as Council policy until adopted by Council

Council

Thursday 12 June 2025, 9.30am

Taumata Kōrero - Council Chamber, Greater Wellington Regional Council
100 Cuba St, Te Aro, Wellington

Public Business

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Resolution to Exclude the Public

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Public Excluded Business

8.	Confirmation of the Public Excluded minutes of the Council meeting on Thursday 22 May 2025	PE25.229	33
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Restricted Public Excluded Business

12.	Confirmation of the Restricted Public Excluded minutes of the Council meeting on Thursday 22 May 2025	RPE25.232	158
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Please note these minutes remain unconfirmed until the Council meeting on 12 June 2025

Report 25.230

Public minutes of the Council meeting on Thursday 22 May 2025

Taumata Kōrero – Council Chamber, Greater Wellington Regional Council
100 Cuba Street, Te Aro, Wellington, at 9.33am

Members Present

Councillor Ponter (Chair)
Councillor Staples (Deputy Chair)
Councillor Bassett
Councillor Connelly
Councillor Duthie
Councillor Gaylor
Councillor Kirk-Burnnand
Councillor Lee
Councillor Laban
Councillor Nash
Councillor Ropata
Councillor Saw

Karakia timatanga

The Council Chair opened the meeting with a karakia timatanga.

Public Business

1 Apologies

Moved: Cr Saw / Cr Gaylor

That the Council accepts the apology for lateness from Councillor Woolf.

The motion was **carried**.

2 Declarations of conflicts of interest

There were no declarations of conflicts of interest.

3 Public participation

There was no public participation.

4 Confirmation of the Public minutes of the Council meeting of 10 April 2025 – Report 25.170

Moved: Cr Ropata / Cr Connelly

That the Council confirms the Public minutes of the Council meeting of 10 April 2025 – Report 25.170.

The motion was **carried**.

5 Confirmation of the Public Excluded minutes of the Council meeting of 10 April 2025 – Report PE25.168

Moved: Cr Kirk-Burnnand / Cr Staples

That the Council confirms the Public Excluded minutes of the Council meeting of 10 April 2025 – Report PE25.168.

The motion was **carried**.

6 Feedback on the Proposed 2025/26 Annual Plan and budget finalisation – Report 25.217

Tyler Dunkel, Manager Corporate Planning and Reporting, spoke to the report.

Moved: Cr Laban / Cr Nash

That Council:

- 1 Notes that at its meeting on 27 February 2025, Council agreed to an ‘Inform and Engage’ approach for the proposed 2025/26 Annual Plan as no significant or material changes have been proposed from Greater Wellington’s 2024-34 Long Term Plan (Report 25.52).
- 2 Notes the final 2025/26 Annual Plan and the related resolutions on rates and levies for 2025/26 will be presented to the 26 June 2025 Council meeting for formal adoption.
- 3 Notes the public feedback received, and analysis of this, is included in this report, following the ‘inform and engage’ period which ran from 03 – 28 March 2025.
- 4 Directs officers to proceed with finalising the 2025/26 Annual Plan with a 9.72% rates increase, as described in the public engagement material approved at the meeting on 27 February 2025 (Report 25.52).

The motion was **carried**.

7 Re-budgeting of operational and capital expenditure from 2024/25 to 2025/26 – Report 25.197

Ashwin Pai, Head of Finance, and Alison Trustrum-Rainey, Group Manager Finance and Risk, spoke to the report.

Moved: Cr Staples / Cr Connelly

That Council:

- 1 Approves the operating and capital expenditure items, as outlined in Attachments 1 and 2 to be re-budgeted from 2024/25 to 2025/26.

The motion was **carried**.

Noted: The Council requested that a list of the projects funded through Environment Iwi Partnership/Kaupapa funding be provided to Councillors.

8 Changes to the Low Carbon Acceleration Fund – Report 25.184

Jake Roos, Manager Climate Change, spoke to the report.

Moved: Cr Duthie / Cr Saw

That Council:

- 1 Adopts the new accountability criteria for the Low Carbon Acceleration Fund.
- 2 Approves the transfer of 21,993 NZUs, earned by Greater Wellington through the Permanent Forest Sinks Initiative, to Greater Wellington's Low Carbon Acceleration Fund.

The motion was **carried**.

9 Organisational emissions targets – Report 25.185

Updated Report 25.185 was tabled. Jake Roos, Manager Climate Change, spoke to the updated report.

Moved: Cr Duthie / Cr Gaylor

That Council:

- 1 Removes its current organisational net emissions targets for 2025, 2030 and 2035.
- 2 Adopts a new organisational net emissions target (Option B) of being 'Climate Positive' (each year, Greater Wellington's organisational emissions removals exceed its organisational emissions) from 2044/45 onwards.
- 3 Endorses a new gross emissions target (Option C) for all categories of organisational emissions of an 84 percent reduction in 2039/40 compared to the base year of 2018/19, subject to further evaluation of the additional actions that would be required to achieve it.

The motion was **carried**.

10 Local Government New Zealand Annual General Meeting 2025 – Report 25.166

Moved: Cr Nash / Cr Saw

That Council:

- 1 Approves the attendance of Councillors Staples and Duthie, and Nigel Corry, Chief Executive, at the 2025 Local Government New Zealand Annual General Meeting.
- 2 Appoints Councillor Staples as the Presiding Delegate for the voting on behalf of Council at the 2025 Local Government New Zealand Annual General Meeting.
- 3 Appoints Councillor Duthie and Nigel Corry, Chief Executive, as Alternate Delegates for voting on behalf of Council at the 2025 Local Government New Zealand Annual General Meeting if Councillor Staples is absent.

The motion was **carried**.

11 Greater Wellington’s Quarter Three 2024/25 summary report – Report 25.212

Nigel Corry, Chief Executive, spoke to the report.

Moved: Cr Staples / Cr Kirk-Burnnand

That Council:

- 1 Accepts Greater Wellington’s 2024/25 Quarter Three Performance Summary Report, as at 31 March 2025 (Attachment 1).

The motion was **carried**.

Noted: The Council requested a workshop session to discuss an information dashboard relating to public transport performance, including the early running of services.

Noted: The Council requested that Councillors be provided with updates on Queen Elizabeth Park restoration, and activities in the coastal marine area.

12 Finance update – March 2025 – Report 25.196 [For Information]

Ashwin Pai, Head of Finance, spoke to the report.

The Chair acknowledged Donna Hickey’s service to Greater Wellington and wished her well for her retirement.

Resolution to exclude the public

13 Resolution to exclude the public – Report 25.211

Moved: Cr Gaylor / Cr Saw

That the Council excludes the public from the following parts of the proceedings of this meeting, namely:

Northern depot – Report PE25.80

Confirmation of the Restricted Public Excluded minutes of Council Meeting on Thursday 10 April 2025 – Report RPE25.169

Bus services procurement: evaluation criteria – Report RPE25.190.

The general subject of each matter to be considered while the public is excluded, the reasons for passing this resolution in relation to each matter, and the specific ground/s under section 48(1) of the Local Government Official Information and Meetings Act 1987 (the Act) for the passing of this resolution are as follows:

Northern depot – PE25.80	
<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under section 48(1) for the passing of this resolution</i>
<p>Information contained in this report relates to a lease opportunity in northern Wellington. Release of this information would be likely to prejudice or disadvantage the ability of Greater Wellington to carry on negotiations (section 7(2)(i)).</p> <p>Greater Wellington has not been able to identify a public interest favouring disclosure of this information in public proceedings of the meeting that would override the need to withhold the information.</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(i) of the Act to enable Greater Wellington to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>
Confirmation of the Restricted Public Excluded minutes of Council Meeting on Thursday 10 April 2025 – Report RPE25.169	
<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under section 48(1) for the passing of this resolution</i>
<p>Information contained in these minutes relates to East by West Contractual arrangements, the Bus Services Procurement Strategy, and the Zero Emissions Bus Strategy. Release of this information would be likely to prejudice or disadvantage the ability of Greater Wellington to carry on commercial negotiations (section 7(2)(i)).</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(i) of the Act to enable Greater Wellington to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>

<p>Greater Wellington has not been able to identify a public interest favouring disclosure of this information in public proceedings of the meeting that would override the need to withhold the information.</p>	
<p>Bus services procurement: evaluation criteria – Report RPE25.190</p>	
<p><i>Reason for passing this resolution in relation to each matter</i></p>	<p><i>Ground(s) under section 48(1) for the passing of this resolution</i></p>
<p>Certain information contained in this report relates to future bus service procurement and contracts in the Wellington Region. Release of this information would be likely to prejudice or disadvantage the ability of Greater Wellington to carry out negotiations and may affect the probity of the bus services procurement process (section 7(2)(i) of the Act).</p> <p>Greater Wellington has not been able to identify a public interest favouring disclosure of this particular information in public proceedings of the meeting that would override the need to withhold the information.</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(i) of the Act to enable Greater Wellington to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>

This resolution is made in reliance on section 48(1)(a) of the Act and the particular interest or interests protected by section 6 or section 7 of that Act or section 6 or section 7 or section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public.

The motion was **carried**.

The public part of the meeting closed at 10.23am.

Councillor D Ponter

Chair

Date:

Council
12 June 2025
Report 25.263



For Decision

WAIRARAPA LINE RAIL SERVICE ISSUES - UPDATE

Te take mō te pūrongo

Purpose

1. To provide the Council with an update on current Wairarapa Line rail service issues and actions undertaken to alleviate customer impacts.
2. To set out potential short term measures to acknowledge issues related to service level issues experienced by Wairarapa commuters.

He tūtohu

Recommendations

That Council:

- 1 **Acknowledges** and shares the frustration surrounding rail performance to and from the Wairarapa.
- 2 **Notes** that officers have identified a number of potential short-term measures for Council consideration.
- 3 **Notes** that the preferred measure recommended by officers (recommendation 5 below):
 - a provides targeted relief to those Wairarapa Line users directly impacted by the rail replacement services caused by Transdev staff shortages
 - b can be accommodated in the overall rail operating budget.
- 4 **Agrees** to not charge a fare for the following timetabled rail replacement services between Wairarapa and Wellington for the following services:
 - a the weekday 3:38pm departure from Masterton, and the 6:18pm departure from Wellington
 - b the Friday only 8:40pm departure from Masterton, and the 10.25pm departure from Wellingtonwhile these services are bus replaced due to the shortage of available train managers.
- 5 **Agrees** that while services will be provided at no charge, passengers will still be required to tag on and off services in accordance with normal rail replacement protocols.

- 6 **Notes** that due to fares complexities, passengers will be charged and then automatically reimbursed in full by Snapper, with 30 day pass holders having their refunds applied to their e-purse (card) balance only.
- 7 **Notes** that fares reimbursement on the rail replacement services will start from the earliest possible date, and that the date will depend on Snapper requirements.
- 8 **Requests** that when staffing levels have been resolved on the Wairarapa Line, officers bring a report to Council to consider measures that may promote patronage growth on the Wairarapa Line.

Te tāhū kōrero

Background

3. The customer experience on Wairarapa rail services has been negatively impacted by generally poor punctuality and reliability, and disruptions of both a minor and major nature, for a number of years.
4. The challenges facing the Wairarapa Line differ in a number of fundamental ways from other rail lines in the Metlink passenger rail network:
 - a The length of the journey/line is significantly longer than other Line (Kāpiti Line is 57 km in length; Wairarapa Line is 91km)
 - b The Line includes an 8.8km tunnel
 - c All of the track north of Upper Hutt is single tracked
 - d All services must pass through the busy Hutt Valley Line
 - e There are a low number of services, so each service delay has a big impact on overall line performance
 - f The Line north of Upper Hutt is not electrified so only different and limited rolling stock is available.
5. Work has been underway to address KiwiRail network infrastructure challenges on the Wairarapa Line, for a number of years; the nature of the work causes impacts to customers by requiring Blocks of Line, Temporary Speed Restrictions, and resulting in reduced train services.
6. In addition, recent staffing levels at Transdev Wellington (Transdev) have meant that the full timetable cannot be run as trains, and certain services are bus replaced.
7. Updates and progress on current service impacts on the Wairarapa Line caused by staffing levels have been provided to the Wairarapa Committee and Transport Committee, as follows:
 - a Wairarapa Committee: 25 March 2025, Report 25.96 Public Transport Update – March 2025; 3 June 2025, Report 25.198 Public Transport Update – June 2025

- b Transport Committee: 3 April 2025, Report 25.101 Public Transport Performance – February 2025; 8 May 2025 Report 25.161 Public Transport Performance – March 2025.

Staffing issues

8. Transdev has been operating Wairarapa Line services with a limited roster of train managers.
9. Under the current rail partnering contract, it is the responsibility of the rail operator (Transdev) to recruit and train its frontline staff (this includes train drivers, train managers and passenger operators).
10. A full establishment of 12 Wairarapa Line train managers is needed to provide for full coverage of services across the week, which allows a buffer for reasonable leave requirements (planned and unplanned).
11. Currently, a full weekday Wairarapa Line timetable requires a minimum of six train managers, but ideally seven in case of leave. At present, only five Wairarapa Line train managers are consistently available for rostering.
12. Based on the training requirements (see below), Transdev has advised that they expect to have sufficient number of train managers for the Wairarapa Line by September 2025.

Specialist training requirements

13. The Wairarapa Line requires train managers with specialised training, including industry standard licenses for safety procedures for the Remutaka Tunnel and shunting operations in Masterton Yard.
14. It takes approximately 6 months for full specialised Wairarapa Line training, and training is restricted due to the need for one-on-one training on the job.

Initiatives

15. The paragraphs below set out initiatives undertaken to address matters on the Wairarapa Line which are contributing to the overall negative customer experience.

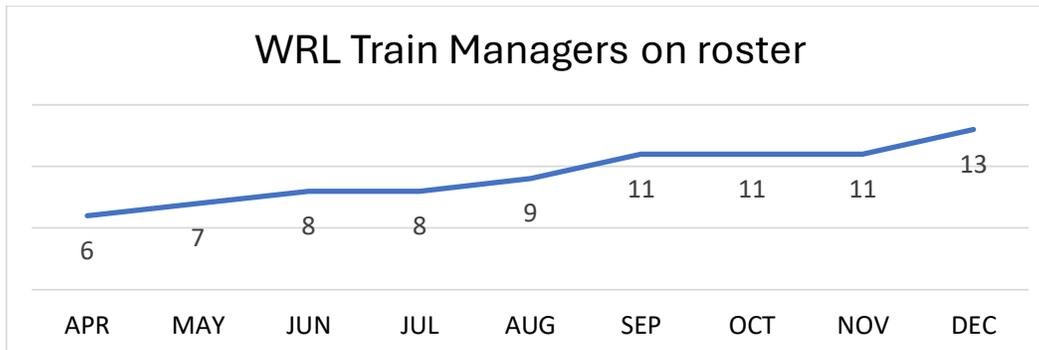
Immediate focus – staffing issues causing service reductions

Enforcing contractual provisions

16. Greater Wellington is enforcing contractual provisions with Transdev to the extent that the contract allows.
17. In accordance with the contract, monthly abatements are applied where Transdev fails to meet its reliability and punctuality obligations and measures.

Transdev recovery plan

18. At the request of Metlink, Transdev has provided a recovery plan, which outlines Transdev's approach to returning to contracted service provision.
19. Based on the training requirements, Transdev expects to have sufficient number of train managers by mid-September 2025. The table below sets out Transdev's projected train manager numbers:



20. The recovery plan and progress reports against it are being posted to Metlink website.¹

Consistency of service

21. To provide consistency of service, until staffing resources allow², Metlink has agreed with Transdev to replace the following rail services with buses:
- a the weekday 3:38pm departure from Masterton, and the 6:18pm departure from Wellington (on average, each of these rail services carried approximately 80 passengers)
 - b the Friday only 8:40pm departure from Masterton, and the 10.25pm departure from Wellington (on average, each of these rail services carried approximately 25 passengers).

Improving communications

22. To ensure passengers have access to as much information as possible about what is currently affecting the Wairarapa Line, Metlink is improving communication by:
- a Improving Service Alerts to provide more timely and informative information about disruptions.
 - b Enhancing customer communications on-board Wairarapa Line (including posters with QR codes, which direct passengers to the Metlink website); Transdev is improving its on-board announcement protocol to be more informative.
 - c Providing updates to Wairarapa commuters, Councillors, Mayors, Members of Parliament, and the Minister of Transport by publishing weekly situation reports on the Metlink website, explaining factors affecting Wairarapa trains and upcoming impacts to services³.

¹ <https://www.metlink.org.nz/news-and-updates/news/wairarapa-line-train-reliability>

² Please note, further train services may be replaced by buses if more train managers become unavailable at short notice

³ Available at same location on the Metlink website as above.

Actively monitor workforce trends

23. Metlink has commenced active monitoring of operator frontline staff numbers, including:
 - a Transdev's monthly operating frontline staff numbers has been reported on in the monthly performance report from March
 - b Lead indicators will be monitored for insight into trends. Our monthly operator and regular meetings with stakeholders and partners include as agenda items:
 - i recruitment plans
 - ii the results of recent recruitment campaigns
 - iii trends relating to staffing, including turnover.

Immediate and long term focus – network infrastructure challenges on the Wairarapa Line

24. Historically, there has been an under-investment in the rail network.
25. Over the next ten years KiwiRail is delivering a large volume of rail infrastructure maintenance and renewals. This is to address a significant backlog of work on the rail network and to create a more resilient and optimised rail network for the Wellington Region.
26. The Wairarapa Line is less exposed currently, as existing and past investment programmes have targeted the Wairarapa area; however, that has meant disruption to train users.

Temporary Speed Restrictions

27. Speed restrictions are used to ensure the safety of passenger and freight services on parts of the network where renewals are taking place, or to prolong the asset condition until they can be delivered.
28. While a buffer is built into rail timetables to allow for 'normal' maintenance, a higher-than-expected level of speed restrictions will impact travel times until renewal work can be undertaken on the rail network.
29. Key Performance Indicators (KPIs) are set for Temporary Speed Restrictions (TSRs) in the Wellington Network Agreement (WNA).
30. Metlink is looking to strengthen KPIs with KiwiRail around TSRs to incentivise a reduction in TSRs, while ensuring safety is not compromised.
31. The Council Chair has recently written to KiwiRail's Board Chair to express, amongst other things, Council's desire for KiwiRail to:
 - a focus on how the essential maintenance and improvement works across the network (which are fully supported by Council) can be delivered in a way that reduces the duration and/or frequency of Blocks of Line
 - b consider the reduction of TSRs where it is safe and practical on the network.

Seeking contractual relief under Wellington Network Agreement

32. As set out above, KPIs are set for TSRs in the WNA.
33. In the event that KPIs are not met, KiwiRail receives a reduced performance fee payment from Greater Wellington.
34. KiwiRail is currently receiving a reduced performance fee payment from Greater Wellington for the Wairarapa Line.

Rail Replacement Services: Action plan for improving the customer experience

35. Metlink has developed a Rail Replacement Services improvement action plan (Action Plan) which is to be undertaken over the period 2025 to early-2026.
36. The Action Plan was presented as an information report at the Transport Committee's 3 April 2025 meeting (refer Report 25.102 Rail Replacement Services: Action Plan for Improving the Customer Experience).
37. Three key areas have been identified for improvement:
 - a Customer information: Providing more information, including real-time information about the location of rail replacement service buses.
 - b Infrastructure: Improving the placement and quality of rail replacement service bus stops.
 - c Operating model: Exploring options for simplifying the delivery of rail replacement services.

Long term focus – redesign of Wairarapa Line timetable (LNIRIM)

38. The 2023 Government budget included funding for the capital investment of new rolling stock and associated infrastructure to deliver improved passenger rail services on the Manawatū Line (MUL) and Wairarapa Line (WRL) based on the LNIRIM Detailed Business Case this includes:
 - a 18 new Independently Powered Electric Multiple Unit vehicles (IPEMU Vehicles) to replace the existing carriages and locomotives currently used to deliver MUL and WRL services
 - b A new maintenance depot for the IPEMU Vehicles
 - c Station and platform upgrades
 - d Rail Network upgrades, including passing loops and stabling facilities.
39. It is expected that the new trains will double peak-time services between Palmerston North and Wellington on the Manawatū line and double them between Masterton and Wellington on the Wairarapa Line.
40. As part of the Lower North Island Rail Integrated Mobility programme officers are working on the new Wairarapa Line timetable; with the objective of providing six south-bound peak services in the morning, six-north bound peak services in the evening, and three return services in the inter peak, and an additional service on Friday nights. It is also proposed to provide four return services on each weekend day. This timetable needs to be built around the network constraints, track availability/access requirements, train availability and crew roster efficiency.

Identification of potential short term measures to acknowledge poor service levels

41. It has been requested that officers identify potential short-term measures that could be introduced to recognise the significant and ongoing level of disruption faced by Wairarapa Line service users.
42. Officers have identified the following reasonably practicable short-term measures for Council consideration:
 - a Provision of free timetabled rail replacement services between Wairarapa and Wellington.
 - b Temporary provision of services at no charge for travellers from Wairarapa to Wellington on Wairarapa rail services for a short period of time.
43. Officers also considered a temporary halt to any agreed fare increases Wairarapa rail services (scheduled to come in force from 1 July 2025). This option was discounted as it was not able to be implemented because Greater Wellington has a zone system for its fares which does not allow for individual locations or mode types to be treated independently – the ticketing system cannot be configured to provide for this
44. Analysis of the reasonably practicable short term measures identified follows (refer Analysis section below).

Strategic context and considerations

45. Note for each of the potential measures the following strategic context and considerations need to be considered.
46. The Government Policy Statement on Land Transport 2024 set out that “Increased public transport fare-box recovery and third-party revenue will be expected from local government”.
47. Previous NZ Transport Agency Waka Kotahi (NZTA) fares policy, since rescinded, strongly discouraged free fares for groups other than young children. Current NZTA fares policy is ambiguous on the provision of free fares but emphasises “the important role of passenger fares in helping cover the cost of public transport” and requires Public Transport Authorities (PTAs) to adopt fares policies that include public transport cost recovery measures as defined by NZTA. In addition, NZTA requires PTAs to “ensure fare revenue supports the level of NLTF funding approved by NZTA and is consistent with the revenue and financing policy in council long-term plans”.
48. The fares policies in the Current and Proposed Draft Greater Wellington Regional Public Transport Plan are ambiguous on the provision of free fares other than for children under five years old.
49. Metlink Conditions of Carriage, developed to comply with the Consumer Guarantees Act 1993, sets out the contractual basis of passenger travel on the Wellington public transport network. Section 2.9 of the Conditions of Carriage states that passengers may have the right to a partial or full fare refund in relation to unplanned service disruptions unless the service disruption was due to:
 - a causes beyond our control; or

- b an act, default, omission or representation made by a party other than us or our agents.
50. The following practical considerations apply:
- a The methodology and architecture for setting fares at Greater Wellington is already relatively complex.
 - b Creating exceptions around fare pricing or discounts for specific services adds a further level of complexity, currently not programmed into the Snapper zonal based fare structure.
 - c Applying exceptions to fare increases or discounts for specific routes may also, reduce overall fare legibility for customers and may raise claims around the fairness and consistency of application of current fares policy.
 - d Given the relatively short period of time before services are expected to return to normal, exceptions to fare increases and discounts are unlikely to justify the additional policy complexity and changes to Snapper software logic it will require.
51. Any fare discounts need to be factored against a number of customer considerations:
- a The risk of establishing a precedent for compensating customers whenever disruptions occur on the network, establishing compensation as an entitlement, rather than a form of apology which is used sparingly.
 - b Reversing the protocol introduced over summer 2024/25 to require payment for Wairarapa rail replacement services. This requirement was understood by most customers in the context that fares are required as part of ongoing investment to improve services.
 - c Short-term fare reductions / cost savings for customers may generate some goodwill.

Te tātaritanga Analysis

Option 1: Provision of timetabled rail replacement services at no charge

52. For the duration of the period where rail replacement services are used on the Wairarapa Line due to the shortage of train managers (expected until mid-September):
- a the weekday 3:38pm departure from Masterton, and the 6:18pm departure from Wellington (on average, each of these bus replacement services carry approximately 25 passengers)
 - b the Friday only 8:40pm departure from Masterton, and the 10.25pm departure from Wellington (on average, each of these bus replacement services carry less than 10 passengers).
- Fares would not be charged.
53. It is noted that the cost of providing the buses is met by Transdev.

54. If Greater Wellington were to determine that fares should not be charged on these services, Greater Wellington would incur between approximately \$4,000 and \$6,000 a week in lost revenue (based on current patronage).
55. The cost of provision of these timetabled rail replacement services at no charge can be accommodated in the overall rail operating budget (which includes abatements applied to Transdev).
56. While rail replacement journeys would be at no charge under this measure, passengers would still be required to tag on and tag off services to enable the initial charge to be reimbursed in full by Snapper, and to ensure that patronage data is maintained.
57. Due to fares complexities, passengers will be charged and then reimbursed in full by Snapper; with 30 day pass holders having their refunds applied to their e-purse (card) balance only.
58. Fare reimbursement on the rail replacement services will commence from the earliest possible date, and that the date will depend on Snapper requirements.
59. This measure is **recommended** for the following reasons:
 - a Providing timetabled rail replacement services at no charge (as set out at paragraph 52 above) would benefit the customers who are directly impacted by the service issues related to Transdev staffing.
 - b This measure acknowledges the need to retain these services for the community, while accepting the ongoing sub-optimal nature of the bus replacement journey.
 - c The cost of providing free timetabled rail replacement services as set out above can be accommodated in the overall rail operating budget.
 - d This measure maintains the recently introduced rail replacement protocol, which includes tagging on and off services.

Option 2: Do not charge fares on Wairarapa rail services for a short period of time

60. In recognition of the continued provision of poor services, Council could determine that fares be not charged on Wairarapa rail services for Wairarapa Commuters travelling from Wairarapa (i.e. one way) for a short period of time.
61. Based on current patronage each working day, Metlink receives approximately \$14,000 per day in revenue (approximately \$7,000 each way).
62. Potential options to implement this measure are set out below:
 - a Providing free travel for Wairarapa Commuters travelling from Wairarapa (i.e. one way) for a period of one working week (5 days) would cost approximately \$35,000 in lost fare revenue
 - b Providing free travel for Wairarapa Commuters travelling from Wairarapa (i.e. one way) a period of two working weeks (10 days) would cost approximately \$70,000 in lost fare revenue

Note that these estimates assume that any potential uplift in Wairarapa patronage due to reduced fares will not materially cause capacity or operational issues, or further revenue loss.

63. Complexities to the implementation of these potential options are currently being worked through by Snapper.
64. This measure is **not recommended** for the following reasons:
 - a This measure would benefit all Wairarapa users but would not specifically target those customers who are directly impacted by the service issues related to Transdev staffing (i.e. those having to use rail replacement services).
 - b This measure could be seen to be promoting travel on the Wairarapa Line at a time when there are service impacts, which may lead to an increased number of current users and potential users having a negative travel experience; negative travel experiences may lead to or impact the already declining patronage levels on the Wairarapa Line. Note, when staffing levels have been resolved on the Wairarapa Line, Council may wish to consider any one of the options in this measure as a way to promote patronage growth on the Line, and acknowledge the poor service experienced on the Line related to staffing issues.
 - c In order for this measure to benefit all Wairarapa Line users, it would be necessary to provide sufficient lead-in time so that those passengers who use fare products including for example, the 30 day pass are able to determine when to activate their passes.
 - d There is risk that this measure could create precedence for fare discounting whenever poor performance occurs (refer to paragraph 51 above).

Ngā hua ahumoni Financial implications

65. The financial implications of each of the potential short term measures are set out within the body of this report.
66. If Council were to agree to the recommended short term measure (i.e. to provide timetabled rail replacement services at no charge for those services set out at paragraph 52 above), the cost of provision of these services can be accommodated in the overall rail operating budget (which includes abatements applied to Transdev).

Ngā Take e hāngai ana te iwi Māori Implications for Māori

67. Public Transport allows Māori to travel affordably to places such as employment, social services, education, and culturally significant events. Public Transport also aims to decrease the amount of greenhouse gas emissions in the environment which appeals to the protection of the environment which is important in te ao Māori given a special connection to the whenua (land).

Te huritao ki te huringa o te āhuarangi
Consideration of climate change

68. The potential short term measures to acknowledge poor service on the Wairarapa Line neither significantly contributes to nor is at odds with Council and Greater Wellington's policies and commitments relating to climate change.
69. There are no significant implications for greenhouse gas emissions and therefore does not require an approach to reduce them.
70. Climate change impacts will not have any direct effect upon the matters for decision in this report.

Ngā tikanga whakatau
Decision-making process

71. The matter requiring decision in this report was considered by officers against the decision-making requirements of Part 6 of the Local Government Act 2002.

Te hiranga
Significance

72. Officers considered the significance (as defined by Part 6 of the Local Government Act 2002) of the matter, taking into account Council's Significance and Engagement Policy and Greater Wellington's Decision-making Guidelines.
73. Officers consider that the matters for decision in this report (proposing a potential short term measures to benefit those commuters most impacted by the recent service level issues caused by staffing shortages on the Wairarapa Line) is of low significance (noting that the provision of these services can be accommodated in the overall rail operating budget).
74. Officers have taken into account the principles set out in section 14 of the Act and the need to manage the Council's resources prudently.
75. Officers have also considered the need to take account of the community's views and preferences in relation to the matter.

Te whakatūtakitaki
Engagement

76. Metlink has engaged with the Wairarapa community over the services issues. Including via Mayors, local Members of Parliament and relevant Ministers.

Ngā tūāoma e whai ake nei
Next steps

77. Subject to Council agreeing to the recommended measure, officers will:

- a arrange for Snapper to make necessary arrangements to implement the measure
- b provide targeted communication to those customers who use the bus replacement service, and general communication to Wairarapa Line users.

Ngā kaiwaitohu

Signatories

Writers	Paul Tawharu – Senior Manager Operations, Metlink
Approvers	Samantha Gain – Kaiwhakahaere Matua Waka-ā-atea Group Manager Metlink Nigel Corry – Tumu Whakarae Chief Executive

<p style="text-align: center;">He whakarāpopoto i ngā huritaonga Summary of considerations</p>
<p><i>Fit with Council or Committee’s Terms of Reference</i></p> <p>The Council has authority to make the decisions in relation to funding fares initiatives for the Wellington Region.</p>
<p><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></p> <p>The proposals in this report contribute to the delivery of Public Transport aspects of the current Long Term Plan 2024-2034.</p>
<p><i>Internal consultation</i></p> <p>In preparing this report there has been consultation with officers in the Public Transport, Finance and Community Engagement departments.</p>
<p><i>Risks and impacts: legal / health and safety etc.</i></p> <p>There are no identified legal or health and safety risks arising from the matters in this report.</p>

Council
12 June 2025
Report 25.242



For Information

FINANCE UPDATE – APRIL 2025

Te take mō te pūrongo

Purpose

1. To provide Council with Greater Wellington Regional Council's (Greater Wellington) summary financial reports for the period ended 30 April 2025.

Te tāhū kōrero

Background

2. The Council is responsible for overseeing and evaluating Greater Wellington's performance.
3. Regular review of financial results is needed for effective management enabling informed decision making, performance evaluation, and for compliance and accountability while highlighting potential risks to assets and services.
4. This report and [Attachment 1](#) provide a summary of the financial performance of Greater Wellington's activities for the 10 months to 30 April 2025. All amounts in this report and attachment are GST exclusive.
5. The full year forecast has been incorporated in this report based on the third quarter numbers and a review of the last quarter.

Te tātaritanga

Analysis

6. The result to end of April 2025 is a \$23 million operating surplus before fair value movements. Greater Wellington had budgeted for an operating surplus of \$44 million. The main drivers for the variance are outlined below.

Total Operating Revenue is currently \$65 million lower than budgeted, materially driven by the following items:

7. Year to date Grants and Subsidies revenue is lower by \$65 million due to reassessed milestones with Lower North Island Rail Integrated Mobility (LNIRIM), delays in the National Ticketing Solution (NTS) project and the decision on the National Land Transport Plan (NLTP) projects. Full year forecasts have been updated to reflect this which has resulted in a variance of \$73 million - LNIRIM \$54 million, NTS delays \$5 million and the NLTP funding reduction of \$21 million. This is

partially offset by additional Crown revenue for flood protection and a lower amount payable to NZTA for reduced farebox revenue.

8. Year to date Other Revenue is lower by \$1 million, driven by farebox revenue being lower than anticipated (\$14.5 million), materially offset by higher interest revenue and subvention payment. Farebox revenue is forecast to be \$14.5 million lower by year end. We will continue to closely monitor it over the next two months and provide an update accordingly in the next report

Total Operating Expenditure is currently \$44 million lower than budgeted, materially driven by the following items:

9. Year to date Grants and Subsidies are under by \$29 million due to changes in the accounting treatment for the NTS project moving from an expense to a Prepaid Asset \$21 million (Full Year \$28 million). This will be released when the NTS system goes live. Currently, the project is \$18 million behind budget due to Cubic CSAM solution and integration delays. This is forecast to reduce to a \$10 million full year underspend.
10. The remaining \$7 million is due to delays in rail network renewals and decarbonisation delays, with \$3 million underspend expected for the full year.
11. Year to date Consultants, Contractors and Suppliers are lower than budget by \$22 million, primarily due to lower spending across Environment and Public Transport. The underspend is expected to reduce to \$13 million by year-end.

Total Capital Delivery is currently \$79 million lower than budgeted, materially driven by the following items:

12. Delays across multiple projects within Water Supply, as well as with RiverLink property purchases. The agreed reduction in the Metlink capital programme to align with the NLTP funding decision is also contributing to the underspend.
13. The forecast is indicating a full year underspend of \$58 million driven by a \$21 million underspend from unapproved NZTA funding on NLTP projects. Water's capital projects are expecting \$24 million underspend to accommodate the rephasing of existing projects. Forecast full year \$15 million underspend in Riverlink and Floodplain Management Plan will be partially offset by \$7 million of additional flood resilience works (crown funded). The remaining variance is composed of smaller projects across the groups.
14. LNIRIM spend profile and cashflow has changed from the initial business case due to revised milestones. The 24/25 reduction in spend (\$8 million from \$67 million) does not indicate a material delay or reduction in overall programme cost.

Key Risks

15. The Public Transport activity is currently forecasting a balanced result, using a modest amount of reserves. However, any further significant cost pressures may require additional debt or additional reserve funding.
16. Public Transport faces external cost risks, mainly relating to Bus contracts, Capital Connection and Transdev contract.

17. These items are being actively monitored, and an update will be provided to Council if any materialise.

Ngā tūāoma e whai ake nei

Next steps

18. The next financial report will be presented to Council on 26 June 2025.

Ngā āpitihanga

Attachment

Number	Title
1	Council Financial Report – 30 April 2025

Ngā kaiwaitohu

Signatories

Writer	Darryl Joyce – Kaiwhakahaere Matua Manager Accounting Services
Approvers	Ashwin Pai - Kaiwhakahaere Matua Head of Finance Alison Trustrum-Rainey – Kaiwhakahaere Matua, Pūtea me ngā Tūraru Group Manager Finance and Risk

He whakarāpopoto i ngā huritaonga Summary of considerations
<i>Fit with Council's roles or with Committee's terms of reference</i> The Council has governance oversight of the robustness of the organisation's financial performance.
<i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i> The report reviews performance against the budget set in the first year of 2024-34 Long Term Plan.
<i>Internal consultation</i> This report has been drafted following contributions from Finance Business Partners of Metlink, Environment and Corporate Services.
<i>Risks and impacts - legal / health and safety etc.</i> There are no risks arising from this report.

Council Report April 2025

This report provides the financials for the period ended 30 April 2025:

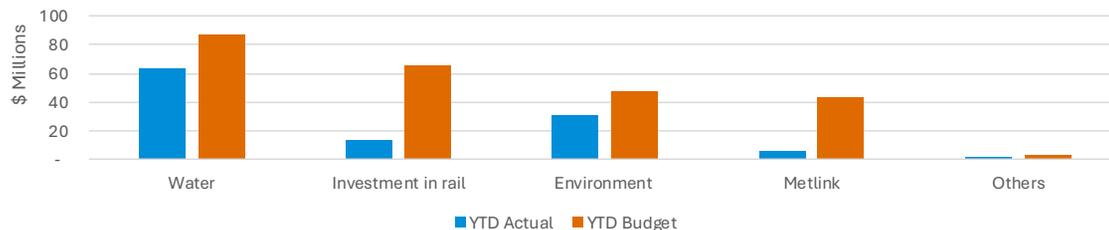
1. Comparisons are to the budget set in the first year of 2024/2034 Long Term Plan and includes re-budgets approved by Council.
2. Projected variance for the full-year compares the approved full year budgets to the current forecast updated in April 2025.
3. The figures in this report reflect best accounting practice. The overall funding surplus or deficit will differ due to non-cash items and capital grants.

Summarised Profit and Loss as at April 2025

	Year to date			Full Year		
	Actual \$000s	Revised Budget \$000s	Variance \$000s	Forecast \$000s	Revised Budget \$000s	Variance \$000s
Operating Revenue						
Rates and Levies	268,210	267,674	536	321,821	321,531	290
Grants and Subsidies	152,429	217,052	(64,623)	188,295	260,880	(72,586)
Other Revenue	117,260	118,282	(1,022)	146,137	147,866	(1,728)
Total Operating Revenue	537,899	603,008	(65,109)	656,254	730,277	(74,024)
Operating Expenditure						
Personnel	84,172	84,490	(318)	100,523	101,168	(645)
Grants and Subsidies	237,253	266,070	(28,817)	288,840	319,708	(30,868)
Consultants, Contractors and Suppliers	112,823	134,641	(21,818)	149,797	162,739	(12,942)
Finance Costs	49,887	46,026	3,861	60,330	56,154	4,176
Depreciation	30,611	27,945	2,666	38,524	34,149	4,374
Total Operating Expenditure	514,747	559,172	(44,425)	638,013	673,918	(35,905)
Operating Surplus/(Deficit) before other items	23,152	43,836	(20,684)	18,241	56,359	(38,119)
Fair Value Movements	(18,920)	-	(18,920)	(20,857)	-	(20,857)
Operating Surplus/(Deficit)	4,232	43,836	(39,603)	(2,617)	56,359	(58,976)
Capital Expenditure	101,761	180,439	(78,678)	158,534	216,370	(57,836)
Investment in Greater Wellington Rail	13,360	65,262	(51,902)	17,859	78,315	(60,455)

** Revised budget is budget set in the first year of 2024-34 Long Term Plan plus re-budgets approved by Council

Capital Expenditure by Group



*All amounts in this report are GST exclusive.

GM Finance and Risk Overview

Economic and Financial Overview

March quarter GDP data is scheduled for release on 19 June 2025.

There is increased optimism that New Zealand's economic performance will improve in line with the May Official Cash Rate (OCR) reduction, which is expected to support business confidence and household spending.

However, several risks persist. These include ongoing global trade tensions and subdued domestic demand, both of which could constrain growth. A measured and flexible approach remains essential. While interest rates may stabilise or begin to decline over the medium term, global market volatility—particularly inflationary pressures originating from the U.S.—continues to be a key area of concern.

Full-Year Forecast Summary

This month's report maintains a focus on the full-year forecast, updated in April. Revenue is tracking below expectations, primarily due to revised LNIRIM milestones, delays in NLTTP funding decisions, and a shortfall in farebox recovery. The Public Transport team and Finance have worked to partially offset the revenue reduction by reducing forecast operating expenditure.

At this stage, the Public Transport activity is forecasting a modest funding shortfall, which is currently manageable through existing PT reserves. However, I am concerned about the revenue position and consider there to be increased risk that reserves may not be sufficient to cover a larger-than-expected deficit should revenue continue to underperform.

Potential Risks and Funding Considerations

We are bringing the 2025/26 Annual Plan to Council for adoption on 26 June, which includes a 9.72% rates increase. Meanwhile, work is beginning on the 2026/27 Annual Plan, which continues to face ongoing cost pressures. The organisation remains focused on cost control and identifying savings opportunities to manage these challenges effectively.

Capital Expenditure

The capital expenditure variance continues to follow the same trends observed last month. Delays across multiple Water Supply projects, RiverLink property purchases, and the agreed reduction in the Metlink capital programme to align with NLTTP funding have contributed to a year-to-date underspend of \$79 million.

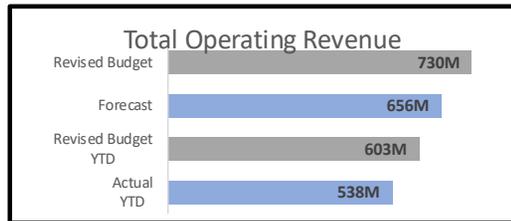
Treasury Highlights

Council's investments (excluding subsidiaries) have increased from **\$315 million** at the start of the financial year to **\$341 million**, including:

- Water contingency investments: **\$56 million**
- Pre-funding: **\$120 million**

Council's gross external debt stands at **\$1.2 billion**, with a net debt position of **\$804 million**, including **\$120 million** in pre-funded debt.

Key Variance Commentary



Metlink PT – YTD grants and subsidies revenue are below budget primarily due to reassessed milestones with LNIRIM, the NLTP projects funding decision and delays in the NTS programme, **\$71 million**. Full year forecasts have been updated to reflect this resulting in a variance of **\$78 million** - \$54 million relating to LNIRIM, \$21 million relating to the NLTP, \$5 million related to delays in NTS and \$3 million lower operational spending. This is partially offset by lower amount payable to NZTA for lower farebox revenue.

Farebox revenue is under budget by **\$14.5 million** YTD due to changing travel patterns, with fewer longer distance customers lowering the average ticket price and patronage numbers compared to budget assumptions. FY forecasts have been reduced by **\$14.5 million** compared to original budget to account for the latest estimated farebox revenue shortfall.

Environment – YTD grants and subsidies is **\$5 million** above budget mainly due to unbudgeted Crown revenue for the Flood Resilience capex programme (FY forecast of **\$6 million** favourable).

Investment – YTD other revenues are **\$13 million** favorable due to higher subvention payments and interest revenue. This is partially offset by additional financing costs.

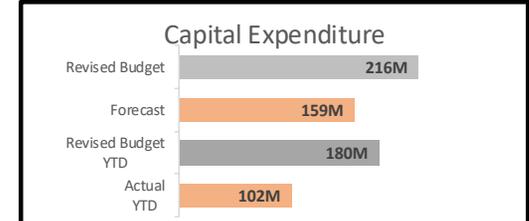


Metlink PT – YTD grants and subsidies are under by **\$29 million** primarily due to changes in the accounting treatment for the NTS project moving from an expense to a Prepaid Asset and delays in rail network renewals and decarbonisation. This will be released when the NTS system goes live. Of the **\$32 million** full year variance, \$28 million is due to NTS.

Currently NTS project is **\$18 million** behind budget due to Cubic CSAM solution and integration delays. This is forecasted to reduce to a **\$10 million** underspend for the full year.

Environment – Underspend in contractor and consultants across Knowledge & Insights, Catchment Management, and Pinehaven, **\$7 million**. This variance is expected to remain at **\$7 million** for the full year.

Investment – YTD Finance costs are **\$4 million** higher, mainly due to prefunding. This is offset by additional interest revenue.



Metlink PT – NZTA’s decision to withhold funding for NLTP projects delayed their start times while funding prioritisation decisions were made, resulting in a **\$15 million** underspend year to date. Full year NLTP forecasts have had the NZTA funding portion of **\$21 million** removed.

Environment – RiverLink projects are currently **\$19 million** behind budget, mainly due to contractor cost savings on below ground demolition and Millis Street stop bank, the timing of EVA cable relocation costs, and delays in property acquisitions. This variance is expected to reduce to **\$12 million** by year end.

Water Supply – Delays across multiple projects are driving **\$23 million** YTD lower spend, with a forecasted **\$24 million** full year underspend. The Group is proposing to rebudget the full year underspend of **\$22 million** into 2025/26 and the balance 2026/27 to accommodate the rephasing of existing projects.

Council
12 June 2025
Report 25.260



For Decision

RESOLUTION TO EXCLUDE THE PUBLIC

That the Council excludes the public from the following parts of the proceedings of this meeting, namely:

Confirmation of the Public Excluded minutes of the Council meeting on Thursday 22 May 2025 – Report PE25.229

Reappointment of Directors to the Wellington Regional Economic Development Agency – Report PE25.264

Management Services Agreement – Greater Wellington Rail Limited – Report PE25.175

LNIRIM: Funding and Management Agreement – Report PE25.253

Confirmation of the Restricted Public Excluded minutes of the Council meeting on Thursday 22 May 2025 – Report RPE25.232

The general subject of each matter to be considered while the public is excluded, the reasons for passing this resolution in relation to each matter and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 (the Act) for the passing of this resolution are as follows:

Confirmation of the Public Excluded minutes of the Council meeting on Thursday 22 May 2025 – Report PE25.229	
<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under section 48(1) for the passing of this resolution</i>
<p>Information contained in these minutes relates to a lease opportunity in northern Wellington. Release of this information would be likely to prejudice or disadvantage the ability of Greater Wellington Regional Council (Greater Wellington) to carry on negotiations (section 7(2)(i)).</p> <p>Greater Wellington has not been able to identify a public interest favouring disclosure of this information in public proceedings of the meeting that would override the need to withhold the information.</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(i) of the Act to enable Greater Wellington to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>

Reappointment of Directors to the Wellington Regional Economic Development Agency – Report PE25.264	
<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under section 48(1) for the passing of this resolution</i>
<p>The information contained in this report includes personal and identifying information about the proposed candidate for appointment. Withholding this information prior to Council’s decision is necessary to protect the privacy of that natural person (section 7(2)(a) of the Act) as releasing this information would disclose their consideration as a Director of the Wellington Regional Economic Development Agency (WellingtonNZ).</p> <p>Greater Wellington has not been able to identify a public interest favouring disclosure of this particular information in public proceedings of the meeting that would override the need to withhold the information.</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(a) of the Act, to protect the privacy of natural persons.</p>
Management Services Agreement – Greater Wellington Rail Limited – Report PE25.175	
<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under section 48(1) for the passing of this resolution</i>
<p>Certain information contained in this report relates to future rail service procurement and contracting in the Wellington Region. Excluding the public from the proceedings of the meeting is necessary as considering this information in public would be likely to prejudice or disadvantage the ability of Greater Wellington Regional Council (Greater Wellington) to carry out, without prejudice or disadvantage negotiations (section 7(2)(i) of the Act).</p> <p>Greater Wellington has not been able to identify a public interest favouring disclosure of this particular information in public proceedings of the meeting that would override the need to withhold the information.</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(i) of the Act to enable Greater Wellington to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>

LNIRIM: Funding and Management Agreement – Report PE25.253	
<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under section 48(1) for the passing of this resolution</i>
<p>Certain information contained in this report relates to future rail service procurement and contracting in the Wellington Region. Excluding the public from the proceedings of the meeting is necessary as considering this information in public would be likely to prejudice or disadvantage the ability of Greater Wellington to carry out, without prejudice or disadvantage negotiations (section 7(2)(i) of the Act).</p> <p>Greater Wellington has not been able to identify a public interest favouring disclosure of this particular information in public proceedings of the meeting that would override the need to withhold the information.</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(i) of the Act to enable Greater Wellington to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>
Confirmation of the Restricted Public Excluded minutes of the Council meeting on Thursday 22 May 2025 – Report RPE25.232	
<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under section 48(1) for the passing of this resolution</i>
<p>Certain information contained in these minutes relates to future bus service procurement and contracts in the Wellington Region. Release of this information would be likely to prejudice or disadvantage the ability of Greater Wellington to carry out negotiations and may affect the probity of the bus services procurement process (section 7(2)(i) of the Act).</p> <p>Greater Wellington has not been able to identify a public interest favouring disclosure of this information in public proceedings of the meeting that would override the need to withhold the information.</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(i) of the Act to enable Greater Wellington to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>

This resolution is made in reliance on section 48(1)(a) of the Act and the particular interest or interests protected by section 6 or section 7 of that Act or section 6 or section 7 or section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public.