

**2001/02 Annual Plan**

**Vol. I**

**Submissions**

## Annual Plan Submissions

Note: Those submitters identified in bold type have expressed a desire to be heard in support of their submissions.

1. Norm Morgan	Acquisition of TranzMetro, Kick start funding, Water integration, effectiveness of submission process
<b>2. Steve Ritchie</b>	<b>Bus service for Robson Street and McManaway Grove , Stokes Valley</b>
3. Nicola Harvey	Acquisition of TranzMetro, Kick start funding, Water integration, Marine conservation project for Lyall Bay
4. Alan Waller	Rates increases, upgrade to Petone Railway Station
5. John Davis	Acquisition of TranzMetro, Water integration, MMP for local government, Emergency management
6. Wellington City Council	Floodplain management funding policy
7. Kapiti Coast Grey Power Assn Inc	Annual Plan presentation, acquisition of TranzMetro, Kick start funding, rates, operating expenditure, financial management, land management, Parks and Forests, Investment in democracy,
8. John Mcalister	Acquisition of TranzMetro, Kick Start funding, Water integration, water supply in the Wairarapa
<b>9. Hutt 2000 Limited</b>	<b>Installation of security cameras in Bunny Street Lower Hutt</b>
10. Walk Wellington	Inclusion of walking in Regional Land Transport Strategy
<b>11. Hugh Barr</b>	<b>Acquisition of TranzMetro, Kick Start funding, Water integration, public access to Water collection areas</b>

12. Porirua City Council	<b>Bulk Water levy, Transparency of Transport rate, support for Friends of Maara Roa, environmental management and Biodiversity</b>
13. Keep Otaki Beautiful	Otaki Bus Shelter
14. Barney Scully	<b>Cobham Drive Waterfront/Foreshore</b>
15. Upper Hutt City Council	Acquisition of TranzMetro, Water Integration, Hutt River Floodplain Management
16. Wairarapa Green Issues Network	<b>Acquisition of TransMetro, Rick start funding, environmental education, rail services, biodiversity</b>
17. Tawa Progressive and Ratepayers Assn Inc	Suburban rail network, western corridor, water integration
18. Hutt Valley District Health Board	<b>Environmental management performance indicators, Regional water supply</b>
19. Queen Elizabeth II National Trust	Care groups, sustainable land Management, pest management, biodiversity, Wairarapa Wetland Park
20. Upper Otaki River landowners	Erosion in Otaki River
21. Wellington Labour Local Body Committee	<b>Relationship with Iwi, Environmental management, regional transport, acquisition of TranzMetro, regional Water supply, Land management, flood protection, Parks and Forests, Regional Stadium, investments, investing in democracy</b>
22. Mayor John Terris	Security in Bunny Street Lower Hutt
23. NZ Historic Places Trust	Rimutaka Incline, heritage

24. Cycle Aware Wellington		Regional cycling strategy, cycle path maps, carriage of cycles on public transport
25. Chris Horne		<b>Regional Land Transport Strategy, Kyoto Protocol</b>
26. Tararua Club	Tramping	<b>Annual plan presentation, investments, environmental management, regional transport, regional water supply, land management, Parks &amp; Forests, Regional Stadium, financial tables</b>
27. Wellington Museum	Tramway	Railway station north of MacKay's Crossing
28. Wellington Society	Botanical	<b>Land management, biodiversity, Akura Nursery, environmental education</b>
29. Kathy Spiers		Access to Paraparaumu station
30. Te Runanga Te Ati Awa ki Whakarongotai		<b>Catchment management in Waikanae River, Queen Elizabeth Park</b>
31. Tawa Community Board		Park and rides
32. Philip Tomlinson		Rates, public transport, Kick start funding, water integration
33. Normandale Residents Assn		<b>Environment management, Regional Transport, regional water supply, flood protection, Parks and Forests</b>
34. Waiwhetu Working Group	Stream	<b>Waiwhetu Stream Action Plan</b>



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**Lloyd Bezett**

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**From:** Marie Martin  
**Sent:** Thursday, 26 April 2001 08:33  
**To:** Kristine Scherp; Lloyd Bezett  
**Subject:** FW: Annual Plan 2001 Update - Consultation Submission

SUBMITTERS NAME: Norm Morgan  
CONSTITUENCY: Lower Hutt

KEY ISSUE 1: Potential Acquisition with a Private Sector Partner, of Tranz Metro (Wellington).  
RESPONSE:

KEY ISSUE 2: The extent to which the Council should take advantage of additional kick start funded transport projects.

RESPONSE: I oppose the "kick start" if it includes the building of the Best Street Bridge in Wainuiomata. If built it would only serve a few people in the morning and evening during the working week and would be seldom used otherwise. The main proponent for this bridge has 2 daughters living in separate households on the other side of Black Creek and seems to be motivated for their convenience rather than for the good of the entire community. I do not oppose the bridge if it is shown that there will be a major benefit for the entire 16,000 residents of Wainuiomata rather than about 400 who would only have the luxury of a third exit from their streets.

Some businesses argue that this bridge will enable more customers to frequent their establishments, but there is no specific or marketing data to collaborate this, and the WRC should consider the environmental impact on the banks of Black Creek, and the households nearby, before it recommends bridges regardless of dubious benefits of efficient transport for so few people over short busy periods during weekdays.

It may well be that this may be an efficient route for a bus to take, but what is not known is how many people will forsake the comfort of their cars to get onto a bus and will there really be hoards of people catching a bus to get to the Queen Street businesses. If any of the above queries are unable to be answered, then the WRC should reject the Best Street Bridge proposal and concentrate on a better bus service that would encourage the greater Wainuiomata community to catch buses rather than the stream of over 2,000 cars that leave and come back to this valley each workday using the present main routes and not the 100 or so that reside on the other side of Black Creek.

KEY ISSUE 3: Transfer of the WRC's bulk water assets into a stand alone Water Trust controlled by Wellington City Council, Hutt City Council and the Wellington Regional Council.

RESPONSE: Totally opposed to this and any councilors voting or prompting this are going to pay the price of not being elected again. We have seen the BS with other trusts and especially in Auckland where the Council has lost control of the water resources and power boards.

It does not matter how well the veil of propagand is portrayed that the council will retain control, we do not believe it, and if councils lose control of this important resource, the people lose control over it too. And there are many of us aware of the implications of this proposed jack up. So forget it and get on with what is important and know that we watch any moves to privatise any of our resources or assets.

**OTHER ISSUES**

RESPONSE: If the WRC wants to succeed and hope to get re-elected, then these issues should be taken seriously, and if it is found that our submissions are not being taken seriously, we have recourse via the courts and parliament to re-correct any failures in democracy.

Wish to be heard at meeting? **NoToHearing**

**CONTACT DETAILS**

Phone Number:  
Fax number:  
Email address:  
Street address:  
City:  
Country:



SUBMISSION  
TO  
REGIONAL TRANSPORT COMMITTEE  
ON  
PROVISION OF BUS SERVICES TO ROBSON STREET & McMANAWAY  
GROVE

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PRESENTED ON BEHALF OF

LOCAL RESIDENTS GROUP  
BY  
STEVE RITCHIE

### **Who we are**

We are the residents of Robson Street and McManaway Grove. We are part of a community consisting of six streets, with an estimated population in excess of 350 people.

### **Where is Robson Street and McManaway Grove?**

These streets are at the top of the hill on the left hand side of Stokes Valley just 'as you come into the entrance. This hill is one of the steepest streets in Hutt City, with the Mayor having stated that the terrain makes it a special needs case. The road climbs approximately 700 feet in just 1 kilometre.

The nearest public transport to the Streets around Robson Street is a bus stop 1 km down the hill and another .75 kilometre further along on the flat.

### **What we want (Stakeholders request)**

We would like a bus service. Whether it is provided directly by The Regional Council or whether the function is contracted out is unimportant.

A schedule should be considered that allows for the following;

- Travel of college pupils to and from school
- Commuters travelling to and from work, including connecting with Rail services
- Travel to shops or public amenities

We have been asking for a bus service for 9 months. We have offered to help conduct a survey to try and determine potential usage.

We pay rates to the Wellington Regional Council for the provision of public transport. To date as stakeholders and potential users we have met rejection out of hand.

The Wellington Regional Council Land transport Strategy paper for 1999-2004 says that stakeholders have been consulted as to their needs.



This report claims that user's groups were consulted. We have not been consulted. Our attempts to enter into discussions have proved fruitless, is this because we are not users?

### **The School bus service**

There is no size restriction on buses coming up this hill. A School bus service for primary school children has existed for the last 20 years, with buses of all sizes making the journey around our hill with ease. There are existing bus stops.

This bus service goes around the hill once in the morning and once in the afternoon, to pick up primary school children.

While we have had the offer of making this service available to all residents instead of just primary school children there are several issues which make this proposition unsatisfactory:

- The bus comes at the wrong time for College students,
- The service is too late in the morning to use as transport to work,
- The service goes through too early in the afternoon to use as transport home from work,
- Someone using the school bus to go shopping would have to wait most of the day before being able to get home,
- The school bus has an irregular arrival time in the morning. Children sometimes have to wait outside for up to 20 minutes and often arrive late at school,
- The service doesn't run during school holidays

We have a number of single car families and college pupils that have to walk up and down this hill each day because we don't have the same services as many other similar areas. Holborn Drive and Brooklyn West both have a bus route and are similar in terrain or size to the Manor Drive hill.

### **WRC Policy?**

WRC has a stated aim of wanting to "Make public transport an easier choice in the valley", (see page 42 of Toward a greater Wellington Vol. 1)

The WRC wanted to consult with Stakeholders/user groups but didn't consult with potential users.

The Strategy document states that a five yearly review of Stokes Valley bus services was due toward the end of 2000. Has this been started?

The WRC also wants to reduce the traffic levels using the main arterial route into Wellington but hasn't provided a transport option for commuters living on the Robson Street hill.

### **Conclusion**

We ask that the Wellington Regional Transport Committee give consideration to providing a regular and scheduled service for the Manor Drive hill area, and that the service levels are in line with that provided to Holborn Drive residents.

Contact details  
Steve Ritchie  
17 Robson Street  
Stokes Valley  
Ph 5637223  
Mobile 021 423501



## **Lloyd Bezett**

**From:** Margaret McLachlan  
**Sent:** Monday, 14 May 2001 08:55  
**To:** Lloyd Bezett  
**Subject:** FW: Annual Plan 2001 Update - Consultation Submission

-----Original Message-----

**From:** WRCwebsite@wrc.govt.nz [SMTP:WRCwebsite@wrc.govt.nz]  
**Sent:** Friday, 11 May 2001 16:43  
**To:** INFO@wrc.govt.nz  
**Subject:** Annual Plan 2001 Update - Consultation Submission

**SUBMITTERS NAME:** Nicola Harvey  
**CONSTITUENCY:** Porirua

**KEY ISSUE 1:** Potential Acquisition with a Private Sector Partner, of Tranz Metro (Wellington).

**RESPONSE:** I support nationalisation of the railways, even if this is bound to result in some economic loss. I do feel the council needs to have a stake in the railway and would be appalled if it did not take a strong stance in this.

**KEY ISSUE 2:** The extent to which the Council should take advantage of additional kick start funded transport projects.

**RESPONSE:** No Transmission Gully thanks. I do not see how this will "solve" the almighty problem of road transport in/out of Wellington. Please focus on upgrading the present road system ie traffic lights at the Mana roundabout and widening the road in select places like presently being done at Pukerua Bay area.

**KEY ISSUE 3:** Transfer of the WRC's bulk water assets into a stand alone Water Trust controlled by Wellington City Council, Hutt City Council and the Wellington Regional Council.

**RESPONSE:** I'm not sure but please do not make any steps with the agenda of privatising the water in the future as there will be a massive objection.

**OTHER ISSUES**

**RESPONSE:** Please loan funds to help the setting up of the proposed Marine Conservation project for Lyall Bay as I feel that this will be very valuable for conservation, education and the long term economic benefits of helping to attract more tourists to the Wellington area.

Wish to be heard at meeting? NoToHearing

**CONTACT DETAILS**

Phone Number: 04 233 6191

Fax number: n/a

Email address: nikki\_harvey@hotmail.com

Street address: 19a Makora Grove

City: Porirua

Country: N.Z



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**Lloyd Bezett**

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**From:** Marie Martin  
**Sent:** Wednesday, 9 May 2001 08:16  
**To:** Lloyd Bezett  
**Subject:** FW: proposed rates hike

Marie Martin  
Communications Officer  
Wellington Regional Council  
04 381 7720

-----Original Message-----

**From:** aw [SMTP:aw@zfree.co.nz]  
**Sent:** Tuesday, 8 May 2001 21:28  
**To:** info@wrc.govt.nz  
**Subject:** proposed rates hike

I would like to send this submission to WRC Draft Annual Plan  
Why is it for the second year in a row Ratepayers are being subjected to a rates  
hike,i draw your attention to this weeks Hutt News 8/05/01 property values have dropped  
on average 1.7% in the hutt valley but you have hiked your river rate 3.48% an increase  
nearly four times higher than any other city or district in the region.Was the threat  
of legal action by the Wellington CC last year enough to scare the WRC to now load  
the rates hikes on to hutt city ratepayers. I would appreciate a reply.  
Yours Faithfully Alan Waller 21 TeMome Rd Lower Hutt 04/9386064 aw@zfree.co.nz

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2

**Lloyd Bezett**

**From:** Marie Martin  
**Sent:** Wednesday, 9 May 2001 08:17  
**To:** Lloyd Bezett  
**Subject:** FW: petone station

Marie Martin  
Communications Officer  
Wellington Regional Council  
04 381 7720

-----Original Message-----

**From:** aw [SMTP:aw@zfree.co.nz]  
**Sent:** Tuesday, 8 May 2001 22:05  
**To:** info@wrc.govt.nz  
**Subject:** petone station

A submission to your annual plan please. I am still trying to work out why is it that ratepayers have to pay for a new Railway Station at Petone wasn't TransRail Privatised back in 1993, because of the stupidity of the last National Government ie privatising Rail why does the ratepayer now get hit in the pocket because of the past stupidity of politicians.  
Yours Faithfully Alan Waller 21 TeMome Rd Lower Hutt 04/9386064 aw@zfree.co.nz

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**Helen Plant**

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From: aw [j.waller@paradise.net.nz]  
Sent: Saturday, 19 May 2001 10:22  
To: marg.shields@xtra.co.nz; robert.shaw@xtra.co.nz; dwerry@xtra.co.nz; rosemarie thomas; j.allen@clear.net.nz; stuart.macaskill@wrc.govt.nz; info@wrc.govt.nz  
Cc: emqueen@tranzrail.co.nz; tmcdavitt@paradise.net.nz; laidlaw; Chris Turver; rlong@voyager.co.nz; buchanji@xtra.co.nz  
Subject: annual rates increase



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**Net worth continues**

## **decline**

19 May 2001

**The net worth of New Zealand households fell for the fifth consecutive quarter in March 2001 supporting arguments that the central bank need not worry about inflationary pressures.**

According to the latest WestpacTrust household savings indicators over the quarter ended March 2001, household net worth fell by \$400 million.

"It is now \$4 billion or 1.9 percent lower than a year ago," the bank said in a statement.

"Declining net wealth, weak asset prices and slow borrowing is not an environment in which the Reserve Bank need worry about a burst of persistent inflation," WestpacTrust chief economist Adrian Orr said.

On Wednesday the central bank cut the official cash rate (OCR), its main inflation-fighting tool, by quarter of a percentage point to 5.75 percent. The move sparked a round of home loan interest rate reductions even though the Bank warned against expecting further OCR cuts.

"The continued decline in household net worth over the past year continues to suggest a reasonably subdued domestic spend over 2001. Although we still anticipate a rise in consumer spending over 2001, it will be well below the growth rates experienced in the mid 1990s," Mr Orr said.

Despite the fall in total net worth, financial net worth, which excludes housing assets and liabilities, rose \$1 billion in the quarter.

Alex Sundakov, director of the Institute of Economic Research which helps with the data, said with net worth declining, debt levels high, and house prices only keeping pace with inflation, it is not surprising that growth in household borrowing was declining.

WestpacTrust said low inflation expectations, weak population growth and high debt burdens were slowing the drive for residential investment and hence house price growth.

But growth in other assets continued to rise.

Over the year ended March 2001, managed funds' assets rose in value by \$1.2 billion or 3.2 percent. The amount of deposits and cash held at financial institutions rose by \$1.8 billion or 4.4 percent.

The value of housing however declined \$2.5 billion or 1.4 percent.

Please keep in mind when setting rates increases. This is a Submission to your Annual Plan  
aw@paradise.net.nz <mailto:aw@paradise.net.nz>





Submissions re Annual Plan (+ 10 Year Plan) (5)

11 May 2001

Wellington Regional Council

Annual plan 2001-2002

1. The council should not acquire Trans-Metro unless all public transport is acquired and run as a whole.
2. I believe I've already commented that bulk water supply should not be transferred to a trust - it should remain a local government, and fully a community-run, concern, by fully elected representatives.
3. All people in a region should be represented equally - one person one vote - perhaps MMP should be applied to local government with no special seats or representation for any person or group - but MMP with members elected by the total vote for each group whose list should be voted for before by registered electors. Small groups would have to combine.

14 MAY 2001

4. Availability of plant and skilled operator & direction in an emergency. The WRC should produce a possible scenario on what could be done to open roads and communications and immediately removing or making safe damaged or collapsed buildings where possible. The demise of the Ministry of Works and Development has not been made good yet in these matters.

FILE REF.	
G/4/1/3	
NAME	Int/Date
Heckel	
TO ACTION	

*John E Davis*

JOHN E DAVIS

8 Fortunatus St  
Wellington 6002

67123



12 April 2001

WELLINGTON REGIONAL COUNCIL  
20 APR 2001

N 3.1328

Mr Alistair Cross  
The Hutt River Floodplain Advisory Committee  
Wellington Regional Council Flood Protection  
FREEPOST 3 156  
PO Box 11 646  
WELLINGTON

B. Paul  
A. Cross  
Helen  
Wood

Dear Mr Cross

**HUTT RIVER FLOODPLAIN MANAGEMENT PLAN CONSULTATION  
DRAFT**

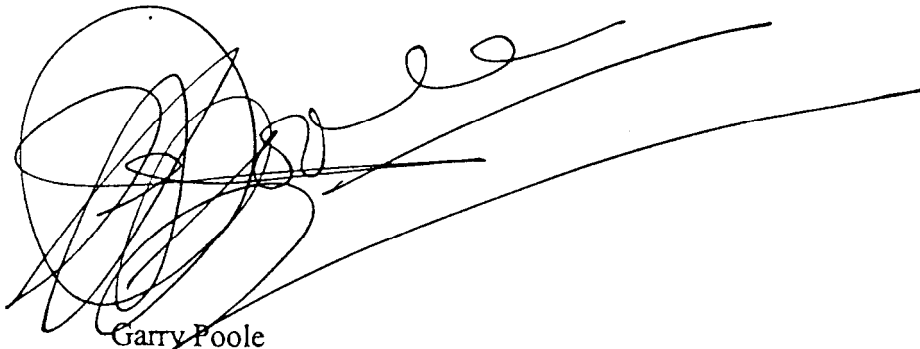
**SUBMISSION BY WELLINGTON CITY COUNCIL**

I attach Wellington City Council's submission on the Hutt River Floodplain Management Plan Consultation Draft.

Your full consideration of the matters raised is appreciated.

Please inform me of any opportunity to speak to this submission at your May workshop.

Yours sincerely



Garry Poole  
CHIEF EXECUTIVE .

160911

## *Hutt River Floodplain Management Plan Consultation Draft.*

### **Submission of Wellington City Council**

#### **1. INTRODUCTION**

Wellington City Council (WCC) endorses Wellington Regional Council's (WRC) response to local community concerns over flood protection in the Hutt Valley. The makeup of the Hutt River Floodplain Management Advisory Committee (HRFMAC) is appropriate, in that it represents beneficiaries and stakeholders of the existing and proposed works.

While it represents the beneficiaries and stakeholders, it does not, however, represent at all those paying most for the benefits of flood protection works in the Region, that is the residents of Wellington City. So whereas WRC has appropriately identified and included the beneficiaries of this particular flood protection project in the Advisory Committee, it has also decided to pass much of the cost burden to communities that it did not consider sufficiently affected by the projects outcomes to warrant inclusion. The point being made is not to include communities such as Wellington and Porirua Cities on the Advisory Committee, but that these communities are not substantial beneficiaries and therefore should not bear substantial costs.

Analysis reveals that Wellington City ratepayers will fund about one third of the total costs of WRC flood protection works each year. This is more than the residents of Hutt and Upper Hutt combined, who will only pay 27% of the annual costs. The proposed Hutt River Floodplain Management Plan will incrementally add to this burden.

Wellington City Council, on behalf of its citizens, wants to communicate to WRC that this is unfair, has no credible logic and has the appearance of opportunistic burden shifting to a captive community.

The Hutt River Floodplain Management Plan Consultation Draft analysis of benefits confines them almost entirely to benefits arising on the floodplain. WCC agrees with this analysis and asks that it be applied to Flood Protection in general. The Consultation Draft, however, is at odds with WRC's Funding Policy and how the Regional Council intends to fund the project. This is because the Advisory Committee does not ascribe significant benefits at the regional level in the Consultation Draft.

The purpose of this submission is therefore to appeal to WRC to consider the Advisory Committees own analysis and allocate costs in a way that is:

- Fair
- Transparent
- Efficient, in that those determining the level of investment do so in the knowledge that they will pay for the benefits they receive.

## 2. FLOOD PROTECTION AND WRC FUNDING POLICY

Page 143 of the Consultation Draft deals with funding the floodplain management plan. This, however, only summarises the current WRC Funding Policy, which says that 50% will be funded from the area adjacent to the works, as defined by their local authority borders, and 50% from the region as a whole. The Funding Policy must therefore be considered in dealing with flood protection funding.

Funding policies are a requirement of s 1220 of the Local Government Act. The act requires what has become known as the “three-step process” in making significant funding decisions, in order to make these decisions transparent. The steps are:

- i) To derive an allocation of costs based on the distribution of benefits, across the community and across time.
- ii) To apply any reasonable, relevant and lawful policy considerations, such as fairness and ability to pay, to modify the step-1 allocation.
- iii) To implement the step-2 allocation, using lawful, transparent, effective and efficient funding mechanisms.

WCC makes the following comments on WRC’s implementation of the 3-step process:

### 2.1 Step-1 Allocation

WRC’s step-1 (s 122E 1a) cost allocation, based purely on distribution of benefits, is as follows:

Floodplain Residents	60%-70% -	Those whose properties are prone to flooding. Presumably residents and businesses near the river and spillways.
Infrastructure Owners	15%-20% -	Those whose infrastructure is at risk from flooding, e.g utility companies, national and local road owners, local authorities.
Economic Catchment	10%- 15% -	“Area adjacent to the floodplain”. Step-3 uses the immediate local authority as a proxy for this, i.e. Hutt and Upper Hutt.
Region	0%- 10% -	The Wellington Region.

#### **Floodplain Residents**

The majority of the benefits (60%-70%) are ascribed to floodplain residents, presumably including businesses.

The Regional Council has the ability to assess levels of risk within the floodplain according to position on the river and altitude. This would identify the beneficiaries directly. WRC have stated, however, that this task is relatively difficult for what benefit it delivers. This position is based on advice received several years ago, that stated the cost of the analysis was too large compared with the sums to be allocated. WCC disagrees with this position, as it:

- i) Implies that WRC does not have a true picture of the benefits delivered by millions of dollars of flood protection.
- ii) Further implies that no thorough cost/benefit study has been carried out, otherwise WRC would know what properties are threatened by what level of flood.
- iii) Suggests that new topographical information is required. This information is available, relatively easy to obtain and does not need to be applied at a fine degree of detail to greatly improve the identification of beneficiaries.

If WRC maintains that this exercise is too difficult, WCC will willingly provide advice on how to do it.

WRC have acknowledged that flood protection works increase the value of properties they protect. When others, outside the protected area, pay for the works, a wealth transfer occurs from those paying to those benefiting. WRC acknowledge this also, but do not appear to let it affect their cost allocation. It is likely to be a contributing factor to why the locally based Hutt River Floodplain Management Advisory Committee recommended spending almost twice as much as the wider Regional Council finally approved.

#### **Infrastructure owners**

Infrastructure owners are allocated 15% to 20%. While many of these are not usually rateable under legislative settings, or due to their absence from the valuation roll, they are also correctly identified as beneficiaries. The lower percentage of benefits ascribed to this group is appropriately lower than that for floodplain residents.

#### **Economic catchment**

Benefits to the “economic catchment” (10% to 15%) are less obvious. Businesses located on the floodplain would be more at risk due to material losses, as well as interruption of supply of inputs, in comparison to those near the area, which might only have input supplies interrupted.

For this reason floodplain located businesses should be covered under floodplain residents above. Benefits to those in the economic catchment “adjacent” to the floodplain have also not been rigorously assessed.

At face value the WRC range of 10%-15% appears too high. Losses to businesses not directly affected by flooding will be interruptions to input supplies, e.g labour, materials and energy. Losses will equal lost profits, not lost turnover, as costs will also drop during the interruption. Depending on the amounts of fixed and variable inputs, these losses will vary. For example, if

the business has to pay labour costs (i.e. this cost is fixed) even though it is not producing, then losses will be higher than for firms that can vary this cost.

**Regional community**

Local Government boundaries were radically redesigned in 1989. The boundaries of Local Government regions in New Zealand were largely determined by geophysical characteristics such as floodplains.

Territorial local authorities (city and district councils), on the other hand, were designed to balance community of interest (where parochialism was leading to increasingly smaller units) with economies of scale (which suggested larger units).

The idea of a “regional community” is therefore dubious and appears, in this context, as something of a convenient device to diffuse costs while concentrating benefits.

**2.2 Step-2 Allocation**

**Ability to Pay**

The step-2 logic does not appear to be based on any explicit analysis. This is reason for concern, given such large transfers of cost from away from the obvious beneficiaries, to others with low levels of benefits, as identified by WRC’s own step- 1 analysis.

On ability to pay, there is no evidence that the council analysed the ability to pay of regional residents. This is at odds with s 1220 of the Local Government Act, which requires:

“(b) The rationale, in terms of section 122C( 1)(d) of this Act, for any allocation of costs including.. . the specific issues of fairness and equity taken into account.”

While Wellington City has higher household incomes than any local authority area in New Zealand, this does not mean that Hutt and other areas cannot afford to pay for flood protection. Average household incomes from the 1996 Census are detailed below

Territorial Local Authority	Average Household Number of Dwellings	
	Income 1996	1996
Wellington	58,409	59,250
Porirua	50,987	14,085
Lower Hutt	47,456	34,140
Upper Hutt	45,836	12,831
Kapiti Coast	39,013	15,415
South Wairarapa	35,354	3,411
Masterton	35,244	8,447
Carterton	35,064	2,514



Shifting, say \$3million of the burden back to the Hutt Valley will only increase average household regional rates by around \$55 per year. This is about one tenth of one percent (0.001) of average household incomes for Hutt and Upper Hutt residences.

Requiring Wellington City ratepayers to pay one third of total flood protection costs, while those living in this particular area of benefit pay only 27%, cannot be reconciled with this analysis.

WRC also acknowledges that shifting the cost to ratepayers outside the floodplain results in a wealth transfer. This is a tacit acknowledgement that benefits are largely contained within the floodplain. This point is then apparently ignored.

#### **Other Regional Considerations**

The Regional Council “values all residents and businesses.. . being safe from the risk of flooding.. .”. It is not apparent that this justifies shifting costs to other parts of the region. In fact, shifting costs is likely to promote living in flood-prone areas by shifting the costs of mitigation elsewhere. This is acknowledged, but also appears to be ignored. In order to optimise people’s location decisions, they should face the true costs of those decisions. Artificially lowering the cost, encourages communities to take on more risk and generate further demands for mitigation and remedial expenditures – most of which is to be paid for by other people. The Regional Council appears to ignore this important consideration.

#### **Environmental and Amenity Benefits**

This appears reasonable, but should be a mathematical exercise where those costs arising from environmental and amenity aspects of the investment are calculated separately and funded according to a reasonable “who benefits” analysis. The Regional Council has done this with the distribution of costs for the Stadium amenity.

#### **Sense of Community**

This is at odds with WRC’s actions where dedicated consultation and representation on advisory boards, in this particular instance, was limited to WRC, Hutt, Upper Hutt and iwi.

#### **Confusion of Funding Policy Process**

WRC has continued to assess benefit distributions at step-2 of the 3-step process. This is an incorrect application of the process. All benefits should be assigned at step-1 to form a benefit-based distribution of costs. Step-2 is for applying policy modifiers to that cost allocation. WRC’s approach reduces the transparency of the funding decisions and has the look of wanting to re-litigate what was essentially a reasonable analysis at step- 1.

### **2.3 Step-3 Allocations**

The allocations for flood protection in total are confusing. For instance, 61% of the operating costs come from regional general rate. This is more than the 50%

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the Funding Policy says should come from this source. The Regional Council has explained this anomaly as being due to:

- “1) *Some of the loans relate to a time before the adoption of the 50/50*
- 2) *Planning costs are included and are regionally funded”*

WCC does not accept this as a reasonable justification. If these are factors influencing the final allocation of costs, then the final allocation should be 60/40, not 50/50 as disclosed in the Funding Policy. This leaves the Regional Council three reasonable options:

- i) Amend the Funding Policy
- ii) Reduce the regional general rate funded portion from 61% to 50%.
- iii) Provide a clear explanation of what is really happening.

**Please note; while this is an important transparency issue, rectifying it alone will not rectify the unfairness of the allocations.**

#### **Regional General Rate vs Regional Works and Services Rates.**

The regional general rate should ideally be used to fund activities that deliver benefits evenly across the region. Examples are regional democracy and regional plans.

The Rating Powers Act provides regional councils with specific funding mechanisms for activities delivering benefits at the sub-regional level, specifically “Regional Works and Services Rates” and “Catchment Board Rates”. These rates should fund services with sub-regional benefits.

WRC is clearly capable of fine-tuning the regional rates burden, as demonstrated by the “Stadium Rate” and the “Regional Transport Rates”. Using such imprecise logic and allocations for flood protection is highly inconsistent with these other practices.

#### **Effectiveness Efficiency and Transparency**

The objective of step-3 of a Funding Policy is to achieve the step-2 allocation with effective, efficient and transparent funding mechanisms. The current allocation fails in two out of three of these objectives.

- i) Efficiency, in that those receiving the majority of the benefits (and having considerable influence over how much is invested, via the Advisory Committee), bear a minority of the costs. This is evidenced by the Advisory Committee’s recommendation to opt for a much higher level of flood protection than the Regional Council finally proposes to fund.

The investment will encourage over-development on the floodplain at the expense of areas with cheaper overall cost structures.

- ii) Transparency, in that those who pay most, do not understand what they are paying for, while those receiving the benefit are less likely to understand the actual cost

#### 2.4 Level of Investment and Benefit

“Benefit”, in the context of flood protection, is not specifically defined in the WRC Funding Policy. It can reasonably be taken to mean the value of avoidance of loss of life and material loss from uncontrolled flood events.

Placing a value on the avoidance of loss could then take a standard risk management approach where the value of the flood protection works = cost of potential material loss, multiplied by the probability of the flood event. It would also be reasonable to place a value on and add some intangible costs loss for such things as trauma due to flooding events.

WRC propose to build the improved flood protection works to cope, in general, with a 440-year flood event. This assumes a probability of 0.23% (1/440) of a flood event that would test the system to its maximum in any given year. If the operating cost for mitigating this risk \$3,000,000 per annum, it would need to be preventing material damage of \$1.32 billion to be worthwhile, in an insurance sense. This seems excessive as \$1.32 billion equals approximately 14% of the total capital value of Hutt and Upper Hutt cities.

### 3. CONCLUSION

The way that WRC intends to fund Hutt River floodplain management has little relationship with the analysis of who benefits in the WRC Funding Policy and even less with the more recent Hutt River Floodplain Management Plan.

WRC’s rationale for modifying the allocation of costs, so that Wellington City ratepayers pay one third, is weak, cursory and unfair.

- . WCC emphatically requests HRFMAC and WRC to allocate costs to the actual beneficiaries as they are described in the Consultation draft.



# KAPITI COAST GREY POWER ASSOCIATION INC.



**P.O. BOX 479 PARAPARAUMU 6450**

*Affiliated to Grey Power NZ Federation Inc.*

*The Active Organisation for those 50+*



RURU

May 16th 2001.

THE CHAIRMAN AND COUNCILLORS,  
WELLINGTON REGIONAL COUNCIL

This submission is on behalf of the Kapiti Coast Grey Power Association Inc. which represents 2,940 older people living in Kapiti.

There are 10,300 persons over 65 on the Kapiti Coast. This group is 24.5% of the population, which is much higher than the national figure of 15.4%, and is growing. As a consequence any rating proposals disproportionately affects this group, whose members are mostly on fixed incomes, many who live alone. As an example 40% of the Waikanae population are over 60, which may translate to 50% of the ratepayers, many of whom are on fixed incomes.

These figures are based on the 1996 census, statistics from KCDC indicate that growth has continued which will be noted in the 2001 Census results.

In response to the WRC's proposed "Towards a Greater Wellington" 10 year Plan 2000 to 2010: 2001 Update which gives the proposed budget increases, Kapiti Coast Grey Power Association Inc. (hereafter referred to as Grey Power) makes the following submissions:

**"Towards a Greater Wellington"** This document is very professionally presented, with most of the information being comprehensive and easily understood, full credit goes to the compilers.

In going through the document, where comments are made the page number will be given, with paragraphs also numbered to allow ease of reference.

**p2. 1.0** Introduction from the Chairman, bullet point 3 : Regarding public transport services, the Chairman states "Improvements to the services and contributions to improved infrastructure.. . have helped towards further increases in patronage".

**1.1** This increase in patronage benefits the owners and shareholders of the service, not the people who pay for those improvements. Some reference to "ratepayer funded" improvements to public transport services need to be made.

**1.2** Last year a majority of the submissions asked the WRC to cut the proposed Budget increase of 12.5%, however the Council proceeded to put into place it's investment plans, as the Chairman states in the concluding paragraphs of this page. He believes this was the right decision, and in the best interests of the region, in Kapiti this 12.5% increase in Budget resulted in a much higher rate increase, in Waikanae this was approximately 32%. It would be appropriate for the local authorities' average rate increases to be featured here, as well as in the tables on page 16.

2

**p3** 2.0 Paragraph 8 states that “The plan incorporates two assumptions etc” There is also the assumption that ratepayers have the “ability to pay” the continued extra funding for the public transport vision especially if the suggested \$6million additional revenue from road pricing does not eventuate.

2.1 **Key issues facing Council.** Views are sought on issues, including bullet point one which states “ Council’s potential acquisition of Tranz Metro (Wellington) etc.

2.2 Grey Power is extremely concerned regarding this issue. Currently Auckland ratepayers are considering a \$112 million buy out of a lease for which Tranz Rail pays the **majestic sum of one dollar (\$1)per year.** As yet their Council has not released the result of negotiations, if there is a conclusion at this stage. As the Wellington network is much larger, the price could also be higher, the WRC has not given out any information on the costings. The other question of whether the buy-in would also include part of the Tranz Metro debt has not yet been aired in public. Perhaps there isn’t any information to be had to date, but the prudence of negotiating without an idea of the cost of the project, the amount of debt to be accepted, or the rating impact on the public is questioned.

Specific public consultation on this matter **must** take place with correct financial costing available, and the effect on each community of enormous extra rate burdens be fully disclosed, and **no commitment** be entered into without full consultation and consent.

In **Kapiti** the KCDC has several costly infrastructure upgrades, replacements and new projects to be funded. These together with WRC proposals need to be carefully considered and presented to the ratepaying public.

**p6** 3.0 **Key issues** 1. This section deals again with the acquisition of Tranz Metro (Wellington) Slightly more information is given about the WRC taking the initiative to form a joint venture company with a proven private sector rail operator.

3.1 The key advantages of this approach are listed, the first being “Shared risk between public and private sectors”. This is another cause for concern. The WRC should **NOT** take risks with ratepayers money.

3.2 There is not enough information available as to price of purchase, the share of debt, the investments in infrastructure, operating costs, maintenance costs, or revenue to allow an informed decision to be made. Therefore, the WRC ‘s question on whether the regional ratepayers want greater community control cannot be adequately answered. Any one who has read Brian **Gaynor**’s article in the New Zealand Herald on 21/10/00 will probably say “NO” to the purchase. \* copy attached.

**p7** 3.3 Issue 2. The kick start projects are given extra funding for two years, before accepting them into the baseline funding the new projects need to be **trialed.** The list of possible extra kick start projects need to be prioritised in 2002/03. It is impossible for Grey Power to know which of all these projects are essential, and which of them belong on a wish list. A more cautionary approach is required with research. For example: what is intended by “bus enhancements for Waikanae”? The current extra services are not well patronised. The existing services in Paraparaumu are being changed in Leinster Ave. without residents who are patrons being consulted.

3

**p16** 4.0 Rates and Levies. Tables 1,2, and 3, are understandable and we note that the WRC budget increase of 4.21% translate to an increase of 8.80% in Kapiti when the ECV movements are applied. A transport rate increase is signalled at 7.48%. How reliable are these charts?

4.1 In last year's Annual Plan Kapiti was noted to have an increase of 17.92% with a transport rate increase of 5.61%. In Waikanae this became 32% total rate increase, and a massive 153% transport rate increase on a \$175,000 valuation band properties.

**p17** 4.2 Tables 4 and 5 are new in this section giving the average annual Rate Increase per assessment. These tables are not particularly helpful. For example Table 4 contains comparisons of the average rate in the various districts in the region. Wellington City and Lower Hutt City both have large commercial/business sectors which pay a large proportion of the rates. Whilst noting these tables are indicative only, a more helpful chart would have the business rates split out from the residential rates. It is known that some Wellington City residents pay \$244, or on a valuation of \$280,000 pay \$3 11 to WRC. nowhere near the \$468 listed in Table 4. The Kapiti increase on a rule of thumb average is stated to be \$9.12 on a property paying \$20 1 rates now. The transport rate for Kapiti is stated to be +33.89% in table 5, which gives \$16 on a \$204 rated property, which does not reconcile with \$9.12 in table 4.

Perhaps these tables should be re-worked using a business/commercial split with a separate residential rate, or should be scrapped.

**p18** 5.0 Regional Rates by significant activity. The graph represents WRC's view that it is time to invest further in transport, not all the public shared that view last year, the submissions will demonstrate if they do this year. It is noted the figures have been increased over last year's forecast in the 00/01 Annual Plan, as well as the base for last year which makes comparison difficult. The 10 year plan figures are thus increased.

No doubt this will be explained by the Annual Plan being called an update. It is expected that the figures given for the previous year will remain the same as those printed in the Annual Plan to allow true comparisons.

**p20** 5.1 Financial Overview. Operating Expenditure. There are many interesting increases over last year's figures in this table. The key points to the graph.. bullet point 1 says the increase is \$7.6 million. Originally last year the budget for 00/01 was \$105,800 million with a forecast for 01/02 of \$104.300million. This year the estimate is \$114.600 million therefore the increase is actually \$8.8 million.

5.2 Bullet point 2 states the Regional transport expenditure is projected to increase by \$9.5 million in 05/06. From 01/02 to 05/06 the increase is actually \$14.3 million..

5.3 One final comment on page 20. the **ten year** figure for regional transport operating expenditure has increased by \$7.3 million on the published figures in last year's Annual Plan, whilst the total operating expenditure of the WRC last year was stated at \$12 1.600 million, in this year's Annual Plan we have \$130.000 million, therefore the WRC vision has a \$8.5 million expansion on top of 00/01 **ten year** vision proposed costs of \$16.1 million.

4

5.4 Whilst other extra revenues sources be may found, the basic assumption being made is that the ageing Wellington regional ratepayers can afford to fund the WRC's expanding vision and investments plans without limitation, or any research being carried out on the "Ability to pay" especially of the people on low or fixed incomes.

**p33 6.0 Regional Transport** The performance Indicators long term states " to monitor the delivery of an affordable Regional Land Transport Strategy.. . . which reflects the prevailing community views" This does not say "affordable" by whom. the users?, or the ratepayers who subsidise the services?. As stated previously assumptions are made that ratepayers have the ability to pay for the WRC's strategies without any research being undertaken on ability to pay. How are the prevailing community views obtained? Grey Power members are not aware of any research, or surveys being undertaken in Kapiti for the proposed bus/train service increases.

**p34 6.1 Funding Transport Services.** Short Term. This sentence is almost the same as the one in last year's Annual Plan, except for one glaring instance. The service contract price last year was to be "no more than \$30.130 million".

This year's Annual Plan states "a total contract price of no more than \$38.640 million" that is **\$8.51 million** extra in contract prices. This extra amount is proposed to go to Tranz Rail and other operators without any transparency or accountability to ratepayers. A list of contract prices would be useful to know how ratepayers' money is being distributed. This was also requested last year.

**p35 6.2 Financial Summary.** The operating expenditure for 00/01 was \$39.678 million in last year's Annual Plan with a proposed deficit of \$1.042. This year that figure is stated as \$40.764 million with same deficit budgeting. The proposed 01/02 says \$48.500 million which reflects the increase already mentioned, and probably the "kick start" extra funding.

**p36 6.3 Nine year Financial Forecast .Operating Expenditure** Once again it is noted that Budget Plan figures for 00/01 are not the same as last year's Annual Plan. 00/01 Ten year forecast was 00/01 \$39.678 million whilst 09/10 was \$56.153 million. This year's Annual Plan states 00/01 \$40.764, with 09/10 being \$62.469 million meaning the vision has been expanded by \$6.3 16 million.

It is noted that extra revenue from Transfund patronage funding makes a difference, however details of that funding are not given.

**p37 6.4 Improving Public Transport.** The text states that "Council expects these improvements to increase public transport use and hence the viability" This increased use will benefit and provide profit for the owners. The extra revenue gained does not come back to the ratepayers. There is also mention in this paragraph about "not overburdening the ratepayer" This statement hasn't any meaning until a study is done on what ratepayers can afford.

**p39 6.5. Material changes from Investing in the Future 2000-2010.** The first line carries information on total proposed transport expenditure for 01/02. It is noted that a new figure of \$41.9 million is introduced, whilst this is not the original \$39.678 million, it is also not the operating budget given on p35, which is \$40.764 million, same on p100. There is an actual increase of \$7.736 million not \$6.6 million.

6.6 . The fourth paragraph states that "funding changes have encouraged the Council to bring forward some projects previously programmed for future years." How many of these projects are essential, or do they appear on an Officer's "wishlist"? A cautionary approach is needed, not fast tracking.



5

To say that the delay in implementing the Waikanae urban rail electrification project has off-set the costs of some of these projects suggests that spending ratepayers' money is of no consequence to the WRC.

**As Kapiti is not part of the Regional Water Systems there aren't any comments.**

**p52.** 7.0 Land management. It is noted that there is an increase of \$2.2 million explained by the note regarding pest control. It is hoped that this figure can successfully be negotiated downwards.

**p69** 8.0 Parks and Forests. Financial Summary. It is interesting to note that the operating expenditure in the funding statement is more or less the same as for last year's 00/01 base line, as is the forecast. At least in this section comparisons can easily be made.

**p84** 9.0 Investments in Democracy. Again the base 00/01 is the same as in last year's Annual Plan giving ease of comparison.

**p86.** 9.1. Assumptions. Bullet point one needs to be altered to accommodate the change in Council numbers, down from fourteen to thirteen, courtesy of the Local Government Commission. The budget will need to be altered accordingly, as will the number of daily meeting allowances paid.

**p100.** 10 .O. Budget Statement of Financial Performance by Activity. Once more it is noted that the 00/01 baseline figures in the Annual Plan for last year are different. In these accounts attention is drawn to the Operating Surplus set at \$5.287.million. In the 99/00 there was a much larger surplus than the budget had predicted, as yet the financial year 00/01 has not ended. Because of these differences, could the \$5.287 estimate be reduced? If \$2million were deducted from the predicted surplus with adjusted expenditure over 3% could be deducted from the rates bill. The Loan funding and debt provisioning requirements are already in the Financial Performance Statement.

**p101** 10.1 . The Statement of Financial Performance has some differences from the 00/0 1 Annual Plan.

**p107** 11.0 It is noted the Projected Net Public Debt has been adjusted from 00/01 due to the higher than budgeted Operating Surplus in 99/000, although that explanation is not given.

**p109** 12.0 Supplementary Information. Reserves.

The baseline 00/01 figures are the same as in the Annual Plan for that year. By 09/10 the amount of money in the reserves account will be up to \$16.192 million. Why keep such a large sum of money tied up in these Reserves accounts? Perhaps up to \$8million would be more prudent, allowing for a smaller operating surplus and so less rates to be extracted from the ratepayers' pockets. The question is asked "Why is it necessary to have such large Reserves in hand?"

**To conclude:** Grey Power requests the Wellington Regional Council to cut down the proposed operating costs thus lowering rates, re-examine the now expanded vision, and

6  
consider the affects of continual rate increases on people with fixed incomes, and low income families.

Development has to be affordable, and well researched using people not computer modelling, with new projects to result from prioritising and surveys.

A study on ratepayers' "Ability to pay" WRC increasing costs is essential.

On behalf of Kapiti Grey Power Association Inc, I wish to speak to this submission at a hearing.

*Betty van Gaalen,*

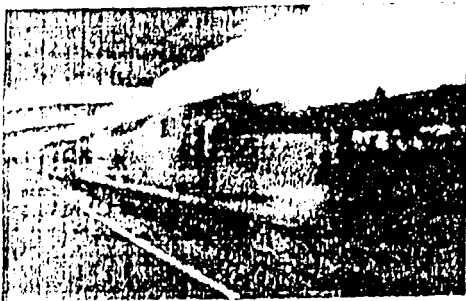
Spokesperson, Local body Affairs,

Correspondence regarding hearing to be addressed to:  
Betty van Gaalen, The Mews, 22, Field Way, Waikanae Beach, Kapiti. 04 9023761

Subject: Investment: Track record costly to public. New Zealand Herald, 21.10.00.

ATTACHMENT TO KAPITI  
COAST GREY POWER ASSOC. INC.  
16/5/01

### Business News



Politicians proposing to bury Auckland's rail corridor show a poor grasp of economic reality Herald  
Caption: Peter Meehan

### Investment: Track record costly to public

21.10.2000 By BRIAN GAYNOR

Trans Rail's colourful history took another turn last week when the company announced it was closing its passenger operations.

The decision is particularly important for the Auckland area because the local authorities are trying to buy the region's rail corridors for \$65 million. These will form the basis of a new multimillion-dollar transport system.

Fay Richwhite, one of Trans Rail's controlling shareholders, has never been on the wrong end of a transaction with the public sector and the sale of the corridors to the local authorities is not expected to break this trend.

Trans Rail can be traced back to the original railway network established by the Government in the late 1870s

The network became hopelessly overstuffed and inefficient, and in 1982 the Railways Department was reorganised into a wholly owned Government organisation called New Zealand Railways Corporation.

In 1990, the company was restructured again and incorporated as a limited liability company called New Zealand Rail.

As part of this process the Government wrote off \$1.2 billion of debt and contributed \$360 million of new equity. DID WRC KNOW THIS?

Fay Richwhite was the main financial adviser to New Zealand Rail between 1990 and 1993.

In September 1993, NZ Rail was privatised and sold to Tranz Rail for \$328.3 million. Tranz Rail had six main shareholders:

'Fay, Richwhite, a New Zealand-listed company, 31.8 per cent.

'Wisconsin Central, a United States rail company, 27.3 per cent.

'Berkshire Fund, a US investment group, 27.3 per cent.

'Alex van Heeren, 9.1 per cent.

'Richwhite family interests, 4.5 per cent.

In an extremely clever move, Tranz Rail borrowed \$220.9 million to buy NZ Rail, and Tranz Rail's shareholders contributed just \$107.4 million of **equity** to the purchase price.

NZ Rail's strong balance sheet allowed the private-sector shareholders to effectively extract \$220.9 million of equity that the taxpayer had contributed just three years earlier.

In 1995, Tranz Rail made a capital repayment of \$100 million. As \$90.6 million of this went to Tranz Rail's, original shareholders it effectively reduced their investment in the group from \$107.4 to \$16.8 million.

This \$16.8 million represents a net cost of only **16c** a share for the original Tranz Rail shareholders.

In mid-1996, Tranz Rail issued 31 million new shares - representing 25 per cent of the group - to the public at \$6.19 each.

A substantial proportion of new equity was used to repay the borrowings associated with the \$100 million capital repayment in 1995.

The shares were listed on the Stock Exchange on June 14, 1996 and were keenly sought by investors. By the end of the year Tranz Rail's share price had reached \$8.60 and it peaked at \$9 in mid-1997.

A number of the original shareholders took advantage of the high share price to sell all or most of their holdings. Berkshire Fund sold 16.3 million shares in November 1996 and March 1997 at an average price of **more** than \$8 each.

In 1998, Alex van Heeren, the owner of Huka Lodge, sold 7.4 million shares at an average price of \$5.99. This compared with his original cost of **16c** a share.

Mr van Heeren's profit, which exceeded \$42 million, was particularly **attractive** because New Zealand has no capital gains tax.

In recent years Tranz Rail's operating performance has been fairly dismal. Since 1995-96 there has been a huge increase in capital expenditure and long-term debt.

Over the same period revenue has been relatively static and operating profit has fallen from \$111 to \$71 million.

The group's share price has responded to the poor **performance** and it reached an all-time low of \$2.60 in 1998. At yesterday's closing **price** of \$3.60, it is still well below the public issue price of \$6.19 a share.

The recent history of Tranz Rail contradicts the theory that success is rewarded

*Interesting info*

9 (3)

and failure is punished in the business world

Francis Small, the group's managing director until May, has received large pay increases in each of the past three years and he was paid \$1.8 million, including a retirement allowance, in the year to last June Dr Small remains a director even though the group has performed poorly in recent years under his stewardship.

The huge returns received by Tranz Rail's original investors has had nothing to do with good governance as the group's operating profit is now lower than its last two years under Government ownership.

Those profits are mainly due to Fay, Richwhite's intimate knowledge of the group's financial structure and the new shareholders' ability to take advantage of the Government's \$1.2 billion debt writeoff and \$360 million equity injection in 1990.

But the poor operating performance of the group has finally stirred the directors into action. Michael Beard has replaced Dr Small as managing director and he told last week's annual meeting that Tranz Rail would be substantially restructured.

The group will concentrate on freight. its other businesses, including passenger services, will be sold, leased or closed. Staff numbers will be reduced from 4000 to just 600 as part of the process.

A number of lines, including the Napier to Gisborne route, may be permanently shut

This will put enormous pressure on roads, particularly in regions where there is expected to be a huge increase in logging activity over the next few decades.

Tranz Rail's main shareholders, who were responsible for stripping out \$220.9 million of equity in-1993 and \$100 million in. 1995, are now suggesting that the Government may wish to subsidise uneconomic lines if it wants them kept open.

The obvious conclusion from last week's announcement is that Wisconsin Central, Fay, Richwhite, Berkshire and Richwhite family interests who still own 45 per cent of Tranz Rail believe that they can maximise shareholder value by downsizing the group to its profitable freight operations.

Last year, the Fay and Richwhite interests sold 6.2 million Tranz Rail shares at an average price of \$3.62 each and their origin-34 million investment is now worth nearly \$130 million,. most of it unrealised.

The big shareholders have probably decided that they have too many shares to sell on the market and the best way to realise value is through further capital repayments.

In this regard the country's taxpayers and Auckland's ratepayers are about to assist them.

+ WELLINGTON 3?

Tranz Rail is in the process of selling part of its long-term lease over the rail-way lines in the greater Auckland region for \$65 million plus an annual fee of \$2.25 million This will probably be funded by a combination of taxpayer and ratepayer money.

EVP 5/3/01 P.2 (1) SAYS \$112 MILLION

The money will be a bonanza for Tranz Rail shareholders and will probably be returned to them in the form of a capital repayment,

(2) JUDY BAILEY TV NEWS 17/10/01 SAID GOV SOLD LEASE FOR ONE DOLLAR.

It is difficult to understand why the Auckland region is prepared to pay \$65 million,

(3) HON. MARG. SHIELDS SAID 17/10/01 ON TV " WRC CONTRACT WAS \$17M TO RUN OUT JUNE/01. TRANSFUND PAID \$10M ALSO

WHAT IS WRC LOOKING AT PAYING ?

10 (7a)

**Lloyd Bezett**

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**From:** Marie Martin  
**Sent:** Monday, 21 May 2001 13:55  
**To:** Lloyd Bezett  
**Subject:** FW: SUPPLEMENTARY SUBMISSION-KAPITI GREY POWER

Marie Martin  
Communications Officer  
Wellington Regional Council  
04 381 7720

-----Original Message-----

**From:** BVG [SMTP:bvg@paradise.net.nz]  
**Sent:** Monday, 21 May 2001 13:43  
**To:** info@wrc.govt.nz  
**Subject:** SUPPLEMENTARY SUBMISSION-KAPITI GREY POWER

>From : KAPITI COAST GREY POWER ASSOCIATION INC  
May 21 st 2001

TO: THE CHAIRMAN and COUNCILLORS,  
WELLINGTON REGIONAL COUNCIL

Further to the Grey Power submission dated May 16th 2001 on Page 5 referring to WRC Annual Plan 2001102 Document p52. Paragraph 7.0 (Grey Power number) Land Management states "It is noted that there is an increase of \$2.2 million, explained by a note regarding pest control. It is hoped that this figure can successfully be negotiated downwards." The Evening Post 17/5/01 carried an article stating that changes in Government funding had saved WRC \$1 million dollars funding in Pest Control. Grey Power strongly urge Wellington Regional Council to use this windfall for rate reduction, and not to spend the money on extra projects which have not been out for consultation in the Annual Plan.

Betty van Gaalen, Kapiti Grey Power Spokesperson for Local Body Affairs.

Please attach this to our main submission. Thank you.



## Lloyd Bezett

**From:** Marie Martin  
**Sent:** Monday, 21 May 2001 08:07  
**To:** Lloyd Bezett  
**Subject:** FW: annual plan submission

Marie Martin  
Communications Officer  
Wellington Regional Council  
04 3817720

-----Original Message-----

**From:** John Macalister [SMTP:jmacalis@paradise.net.nz]  
**Sent:** Saturday, 19 May 2001 12:06  
**To:** info@wrc.govt.nz  
**Subject:** annual plan submission

I wish to make the following comments on the key issues raised in the proposed annual plan.

1. There should certainly be greater community control of the regional rail network. I take this to include services to and from the Wairarapa. Council should pursue an ownership interest in the network.

2. Kick start funded transport projects seem attractive. I welcome the overdue proposal for an extra peak hour rail service connecting the Wairarapa and Wellington. I question however the substantial commitment proposed for 'how long' information at certain bus stops. The only rationale for such an investment would be if it lead to an increased use of public transport, and a corresponding reduction in the use of private motor vehicles. Is there any such demonstrable connection? If not, I would suggest that its function is purely cosmetic, and that the proposed \$600,000 could be used to much greater public advantage elsewhere.

3. Water must be recognised as a key asset that remains under public control. We do not want the Wellington region to follow the example of a metropolitan area such as Auckland.

There are, it should be noted, problems with water supply in the South Wairarapa. Any action that the region could take to ameliorate these problems would be welcome.

I trust that the above will be taken into consideration by the WRC when finalising its annual plan.

John Macalister  
65 Fox Street  
Featherston  
New Zealand





## **Submission on Wellington Regional Council draft Annual Plan**

By: Hutt 2000 Limited  
15 Daly Street  
PO Box 30233  
LOWER HUTT

Phone: 560 3677

This submission is made by Joe Daly, General Manager on behalf of Hutt 2000 Limited.

I would like to appear in support of my submission.

I would like to receive a copy of the final Annual Plan.

### **SUBMISSION**

Hutt 2000 Limited represents the interests of the business community of the Hutt Central Business District and has a membership of around 700 businesses.

At recent membership meetings many of our members have raised the major issue of safety and security in the Bunny Street, Lower Hutt area. Large numbers of youth congregate in the area because of the presence of the bus stops. Some of these people engage in undesirable and illegal activity, they are intimidating and create a serious area of pedestrian conflict.

This has had a significant effect on local businesses. There are two vacant shops in Bunny Street; one of the businesses, Bagatique, specifically cited the behaviour of the youth as a reason for closing down. The fears surrounding safety and security are a deterrent to new shops opening and the two shops have remained vacant for several months.

Some of the Bunny Street shops now close at 7.00pm on a Thursday evening rather than stay open until 9.00pm, the more common time among retailers in the area. They are concerned for the safety of their employees and themselves.

The problems of safety and security are directly related to the presence of the bus stops and the operation of the area as a transport centre and I believe it is incumbent upon Wellington regional Council to allocate funds to satisfactorily deal with the problem.

The problem would appear to be best dealt with through a combination of security cameras and a security presence.

I have obtained an initial estimate for installing security cameras – the installation of three cameras controlled by a digital, computer based monitoring system would cost in the order of \$50,000. I recommend that Council include this sum in the Annual Plan for the 2001/02 year.

In addition, an ongoing, operating expense should be allowed for monitoring the system and for the occasional visit by security patrols.

J J Daly  
General Manager, Hutt 2000 Limited



## **Lloyd Bezett**

**From:** Marie Martin  
**Sent:** Monday, 21 May 2001 08:04  
**To:** Lloyd Bezett  
**Subject:** FW: WalkWellington Annual Plan submission

Marie Martin  
Communications Officer  
Wellington Regional Council  
04 3817720

-----Original Message-----

**From:** M Mellor [SMTP:mmellor@free.net.nz]  
**Sent:** Sunday, 20 May 2001 21:29  
**To:** Wellington Regional Council  
**Subject:** WalkWellington Annual Plan submission

WalkWellington  
11 Newport Terrace  
Seatoun  
Wellington  
ph: 04 388 8625 fax: 04 388 8672  
email: mmellor@free.net.nz

20 May 2001

The Council Secretary  
Wellington Regional Council  
PO Box 1 I-246  
Wellington

Dear Sir

**Submission: Proposed WRC Ten-year Plan 2000-2010:  
2001 Update, incorporating the 2001-2002 Annual Plan**

***Our Objectives***

The Objectives of WalkWellington are to:

- § Promote the social and economic benefits of pedestrian-friendly communities.
- § Promote walking as a healthy, environmentally-friendly and universal means of transport and recreation.
- § Work for improved access and conditions for walkers, pedestrians and runners eg walking surfaces, traffic flows, speed and safety.
- § Educate authorities, pedestrians and others in order to improve safety for pedestrians.
- § Present the case for walking in public debate and to relevant authorities.
- § Advocate for greater representation of walker and pedestrian concerns in urban and regional land use and transport planning and, as appropriate, at a national level.
- § Promote walking as a tourist activity.
- § Work for improved signage, maps and other information for walkers.
- § Have particular regard for people with special mobility needs.
- § Undertake any other activities to further the objects and interests of the Society.

***Our submission***

We note that the Regional Land Transport Strategy "promotes a safe and sustainable land transport system maximising social and economic benefits for the regional community".

Given that walking, pushchair and wheelchair use are the most environmentally sustainable methods of travel, WalkWellington urges the Council to include in the final document:

1. a statement to that effect: and

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2. a statement that it will promote to local authorities throughout the region the need to provide direct and safe pedestrian access to all public transport facilities.

Yours sincerely

for Jane Norman  
Chair



## Lloyd Bezett

**From:** Marie Martin  
**Sent:** Monday, 21 May 2001 08:13  
**To:** Lloyd Bezett  
**Subject:** FW: Annual Plan 2001 Update - Consultation Submission

Marie Martin  
Communications Officer  
Wellington Regional Council  
**04 3817720**

-----Original Message-----

**From:** WRCwebsite@wrc.govt.nz [SMTP:WRCwebsite@wrc.govt.nz]  
**Sent:** Friday, 18 May 2001 20:43  
**To:** INFO@wrc.govt.nz  
**Subject:** Annual Plan 2001 Update - Consultation Submission

**SUBMITTERS NAME:** Hugh Barr  
**CONSTITUENCY:** Wellington

**KEY ISSUE 1:** Potential Acquisition with a Private Sector Partner, of Tranz Metro (Wellington).

**RESPONSE:** Great Idea, with the right partner. Main problem - getting a fair price, and fair access to the track. Work with Govt to get a fair deal eg purchase back all track rights. Dont let the Region be ripped off by TranzRail.

**KEY ISSUE 2:** The extent to which the Council should take advantage of additional kick start funded transport projects.

**RESPONSE:** Yes, if it has routes/projects that will become viable.

**KEY ISSUE 3:** Transfer of the WRC's bulk water assets into a stand alone Water Trust controlled by Wellington City Council, Hutt City Council and the Wellington Regional Council.

**RESPONSE:** Needs to have publicly elected representatives as Trustees, so they are answerable to the ratepayers.

### OTHER ISSUES

**RESPONSE:** Public Access to Water Supply Catchments: Greater Public Access for outdoor clubs to the Wainuiomata and Orongorongo catchments. At present only one visit per month is balloted. The areas are of high recreational and ecological value. Greater tramping, deerstalker and botanic/walking use should be able to be accommodated by the WRC for responsible outdoor groups. PS I appreciate the open "wilderness" use of the Hutt Catchments.

Wish to be heard at meeting? YesToHearing

### CONTACT DETAILS

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City: Karori, Wellington

Country: NZ







In reply please quote: **SP/5/1**  
For enquires please contact: **C Adams**  
Extension: **8498CA**  
Direct Dial: **2371498**

17 May 2001

Howard Stone  
General Manager  
Wellington Regional Council  
PO Box 11 646  
WELLINGTON

Address  
correspondence to:  
  
The Chief Executive  
Porirua City Council  
PO Box 50218  
Porirua City  
New Zealand  
Phone 644237 5089  
Fax 64 4 237 6384  
  
Administration Bldg  
Cobham Court  
Porirua City

Dear Howard

**PORIRUA CITY COUNCIL SUBMISSION ON THE WELLINGTON REGIONAL COUNCIL ANNUAL PLAN**

Thank you for the opportunity to submit on the Wellington Regional Council Annual Plan. The submission covers the issues of:

- the bulk water levy;
- the proposed transport rate;
- support for the Friends of Maara Roa; and
- the work of the Wellington Regional Council on their work in partnership with others on the action plan for the Pauatahanui Inlet.

As the submission period closes on 21 May 2001 before our next Council meeting, I have been authorised by Council to lodge the submission under delegation. Council will adopt the submission on 23 May 2001 and I will inform you if any changes are made.

Porirua City Council would like to take the opportunity of attending the Annual Plan hearings and make a presentation regarding our submission.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Roger Blakeley'.

Roger Blakeley  
**CHIEF EXECUTIVE**

67405

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## SUBMISSION FROM PORIRUA CITY COUNCIL TO THE WELLINGTON REGIONAL COUNCIL ANNUAL PLAN 2001/2002

### WATER

It is noted from the draft Annual Plan that the Bulk Water Levy for 2001/2002 is intended to remain at the same level as the 2000/2001 levy.

Porirua City Council officers have recently been provided with a graph of debt scenarios that show the impact of various percent decreases in the water levy on the forecast debt balance. This shows that if the levy remains at its current level, the debt will be paid off in twenty-one (21) years time, whereas if the levy is reduced by 2% it will be reduced to zero in twenty six (26) years time.

Therefore, Porirua City Council would like the Bulk Water Levy for the 2001/2002 year to be reduced by 2%. Our arguments are similar to last year. Your draft Annual Plan indicates that the next significant amount of capital expenditure is not expected until approximately the year 2026 and that that expenditure would be in the order of \$15m. Therefore, it seems entirely appropriate that the 2% reduction in the levy is achievable in reducing debt before that increased capital expenditure.

It has been argued that the Wellington Regional Council believes that a high level of debt exposes the Regional Council to risk from fluctuations in interest rates. However, it needs to be recognised that much of Wellington Regional Council's debt is at fixed interest rates and for terms of some years. Hence the average cost of interest moves very little from year to year and therefore there is a very low cost risk of significant fluctuations in interest rates.

We also note that the draft Annual Plan refers to the current Water Integration Proposals. We recognise that this is still under consideration. However, we believe that if the matter has not been resolved by the time you issue your draft Annual Plan, then it is inappropriate to make such a major organisational, structural and financial change between the draft Annual Plan stage and the Annual Plan stage.

We also appreciate the opportunity to take up these Annual Plan water issues directly with the Wellington Regional Council, with the full knowledge that you have the power to respond to submitters concerns. Those powers will be considerably reduced if a Trust is formed.

### TRANSPORT

We have reviewed the proposed transport rate in the draft Annual Plan and note that there is an 8.8% increase proposed in the transport rate. Your Annual Plan indicates the areas where there will be improvement to services for the increase of expenditure and we note that some of the costs of these increased services are being met from increased Transfund subsidies.

The issue for Porirua City Council, is that it is not clear within your Annual Plan what the impact of these rates are in the various local authority areas.

This information was found in the Order Paper of your Policy and Finance Committee (April 2001) relating to the alteration to the Differential Special Order. Presumably, this information is also being provided in your public notification of this Special Order.

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Porirua City Council is concerned about the transparency of this process. While the increases in, for example the bulk water area are sent to officers of the Council, this does not occur with the transport rate. Our view is therefore that the increase in the transport rate for the different local authorities within the region should be identified in your draft Annual Plan, in order to show the varying impacts of the rate increases in the Region.

#### SUPPORT FOR THE FRIENDS OF MAARA ROA

Porirua City Council would like to congratulate Wellington Regional Council on the work being done to upgrade and improve the Belmont Regional Park and particularly that work that falls within the Porirua City side of the park. Previous submissions have noted the comparative difference in standards between the Hutt City public amenities and those at the Cannons Creek entrance.

Porirua City joins with the Friends of Maara Roa in supporting Wellington Regional Council in seeking to vest in public ownership under the Reserves Act that part of the Cannons Creek valley currently owned by Landcorp which has a conservation covenant over it. Porirua City regards this as a valuable permanent addition to the Belmont Regional Park and commends Wellington Regional Council on its efforts.

#### ENVIRONMENTAL MANAGEMENT and BIODIVERSITY

Porirua City Council would like to congratulate Wellington Regional Council on the outstanding work that has been undertaken in conjunction with Porirua City Council and its residents in assisting with and facilitating the development, adoption and implementation of an action plan for the Pauatahanui Inlet.

Porirua City Council fully supports the continued work of the Wellington Regional Council in this area, and other complementary work that is also occurring in terms of riparian management, habitat restoration and the protection of remnant indigenous vegetation.



Roger Blakeley  
**CHIEF EXECUTIVE**

Porirua City Council  
PO Box 50 218  
PORIRUA CITY



16 May 2001

The Mayor and Councillors  
KCDC  
Private bag 601  
Paraparaumu

**Submission to Annual Plan**

**Otaki Bus Shelter - SH1 opposite Information Centre**

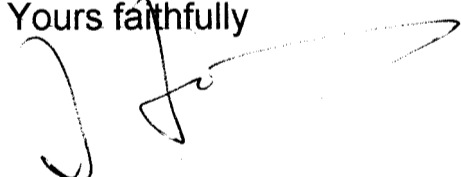
As requested by Iain McIntosh, we are resubmitting our application for a bus shelter, for inclusion in the Annual Plan. As discussed at our site meeting on 17 April, we wish KCDC to install a bus shelter on State Highway One, opposite the Otaki Information centre, for southbound bus passengers.

There is currently an exposed seat on KCDC land, which is unsatisfactory for the passengers of approximately 100 buses that visit weekly. The attached public transport timetable illustrates the schedule of bus visits.

The existing seat is exposed to the elements. Local retailers and Information centre staff tell that many passengers take shelter under shop verandahs, which often results in them missing the bus, which cannot see any passengers and therefore does not stop. It is not possible for southbound passengers to use the excellent shelter on the other side of the highway due to the danger from high-density traffic

We understand that the highly successful shelter on the opposite side of the road cost \$8,000 to erect. This would be the preferred style of shelter.

Yours faithfully



Barrie Bayston  
Chairman

copy : Otaki Community Board,

67373