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Greater Wellington is the promotional name of the Wellington Regional Council

Dear Jan

## **Funding of Trolley Buses**

My Council is pleased that Land Transport New Zealand has accepted the business case for the continuation of trolley bus services in Wellington.

However, the unilateral decision of your Board to allocate crown funding provided to the Wellington region to partially fund the LTNZ subsidy, has been met with strong disappointment from my Council and the region's mayors.

You will be aware that the Wellington Transport Package was agreed to between Cabinet and the regional leaders, with the understanding that the region would have a process for determining how the money is spent. Establishing a process for this to occur is of high priority for our officials.

The Cabinet paper allocating the additional crown funds identified a category for retaining PT mode share, clearly identifying the short-fall of <u>local share</u> to retain commuter rail services, and makes reference to the retention of trolley bus services. On that basis, and consistent with the broad understanding of the Wellington Transport Project Officials' Group, \$10M of this \$65M allocation was budgeted by Greater Wellington towards the local share cost.

The decision of your Board to utilise \$7.5M of the crown money, rather than the normal source of funds from your national programme, means drawing further on crown funds than was expected. This can only occur at the expense of other opportunities to enhance PT in the Wellington region.

The issue of further use of crown funds has been referred by my Council to the Regional Land Transport Committee for consideration. Before this meeting I ask your Board, with some urgency, to reconsider the source of funding for LTNZ subsidy contribution to the trolley bus service.

As always, I am happy to discuss this issue with you at any time, and I look forward to a positive response.

Regards

## Ian Buchanan

Chairman

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