



MINISTERIAL BRIEFING NOTE

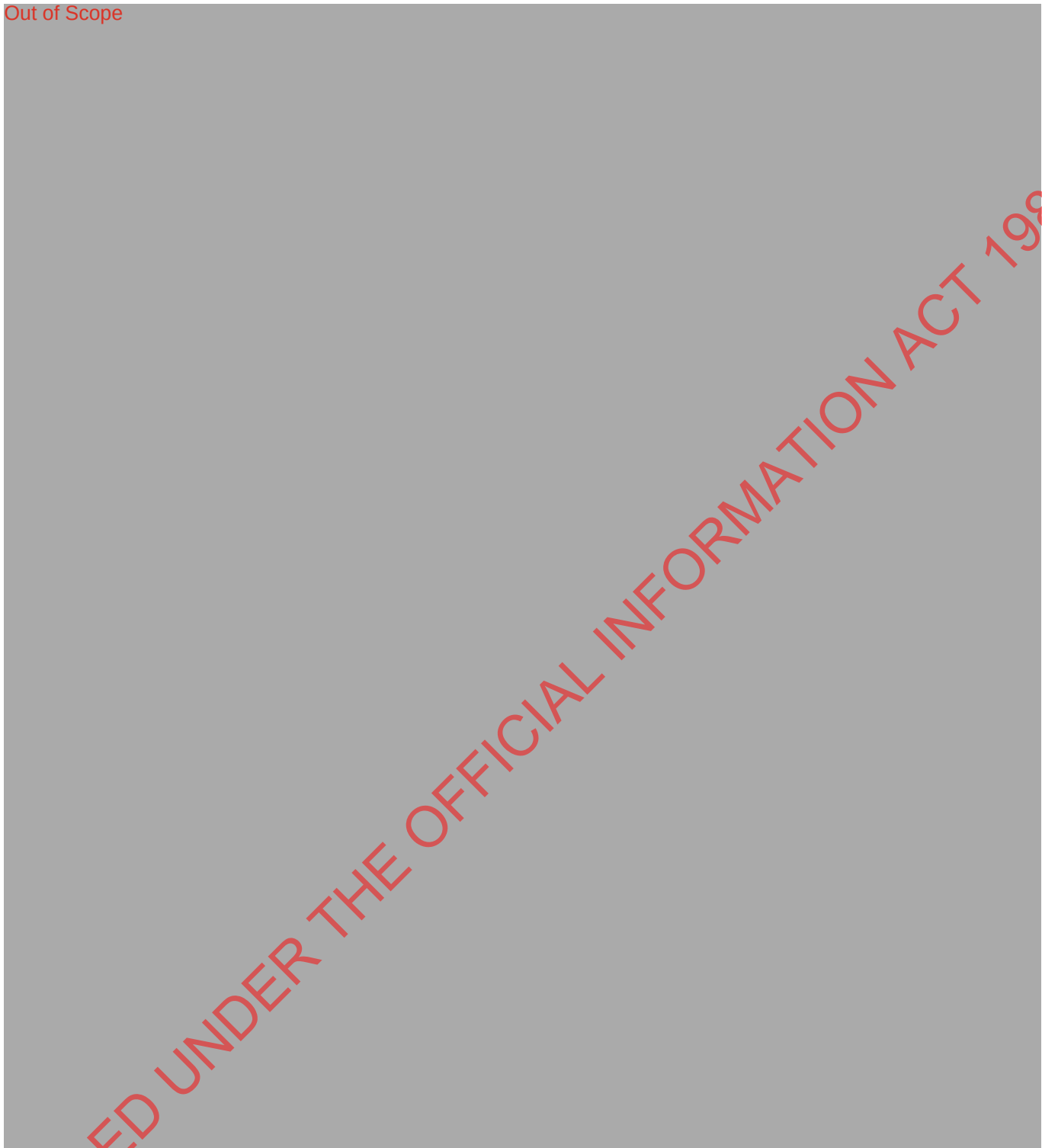
Subject	Crown Funding delivery
Date	28 November 2023
Briefing number	BRI-2886

Contact(s) for telephone discussion (if required)				
Name	Position	Direct line	Cell phone	1 st contact
Richard May	Chief of Staff	s 9(2)(a)	s 9(2)(a)	✓

Action taken by Office of the Minister

- ☐ Noted
- ☐ Seen by Minister
- ☐ Agreed
- ☐ Feedback provided
- ☐ Forwarded to
- ☐ Needs change [please specify]
- ☐ Withdrawn
- ☐ Overtaken by events

Out of Scope



Queenstown Package

32. The Queenstown Package includes bus priority measures on State Highway 6/6A, bus lanes on SH6, improvements to the existing Frankton bus hub, improvements to the SH6A/SH6 intersection, pedestrian access improvements across SH6 and SH6A and a new roundabout at Howards Drive. When complete, the Queenstown Package will provide dedicated public transport infrastructure to support greater travel choices and carbon reduction.
33. The Queenstown Package is in pre-implementation and the Agency is in a live alliance contract for the works. The funding allocation for the package is \$130 million. The Queenstown Package

is, however, unaffordable within the funding allocation with projected costs to deliver the full package between \$290 million and \$390 million.

34. In April 2023, the Agency began to progress a complete design, total cost and reconciliation for a prioritised package comprising the intersection of State Highway 6/6A, the Frankton bus hub and the Howards Drive Roundabout. The Queenstown Lakes District Council and Otago Regional Council have agreed these prioritised package elements are the most important to achieve the mode-shift, active travel and safety outcomes sought.
35. The reduced package is estimated to cost \$250 million, exceeding the funding allocation by \$120 million. Reconciliation of the estimate is at an advanced stage and it is clear the final cost will require additional funding to deliver the reduced scope Queenstown Package.
36. It is possible to draw additional funding required for the Queenstown Package elsewhere in the programme. For example, reprioritising funds from projects in NZUP which are less advanced and are not contractually committed e.g., South Auckland Package (Drury urban arterials), Canterbury package (Brougham and Rolleston), Whangārei to Port Marsden Safety. While decisions on these other projects are not required at this time, approval of the Queenstown Package funding will impact on the choices available, and essentially require one of these other projects to be stopped.
37. The Agency Board will consider additional funding in December 2023 and a decision on the physical works contract will be required in January 2024. Given the implications on remaining NZUP projects, the Agency will seek direction from Joint Ministers before the reduced scope Queenstown Package is awarded to the alliance.
38. Progressing the reduced scope Queenstown Package within NZUP is recommended. However, the whole package in Queenstown remains a regional priority for further investment which the Agency can provide advice to Joint Ministers on.

Out of Scope

