

1 2 Petone to Grenada and Cross Valley Link Major project report

November 2025

Project overview

The Petone to Grenada and Cross Valley Link project is part of the government's wider Roads of National Significance programme and is included in the [Government Policy Statement on land transport 2024](#).

The Petone to Grenada section involves building a new 4-lane highway, including 2 short tunnels, between State Highway 2 (SH2) in Petone (southern Lower Hutt) and State Highway 1 (SH1) in Grenada (north Wellington/Porirua). The Cross Valley Link section would connect the south-eastern Hutt Valley with SH2 using existing local roads and a new bridge. Together, the project will unlock economic and housing growth, reduce traffic on existing highways, and create an alternative route for when major events and incidents occur on SH1 and SH2.

Announcements to date

- » November 2015 – [preferred route confirmed](#)
- » December 2017 – [project to be re-examined to ensure resilience to major events](#)
- » April 2019 – [project to be re-designed following re-evaluation](#)
- » June 2024 – [included in the Government Policy Statement on Land Transport 2024](#)
- » October 2025 – [funding to progress work on design, procurement and consenting activities](#)

More information on the project can be found [here](#).

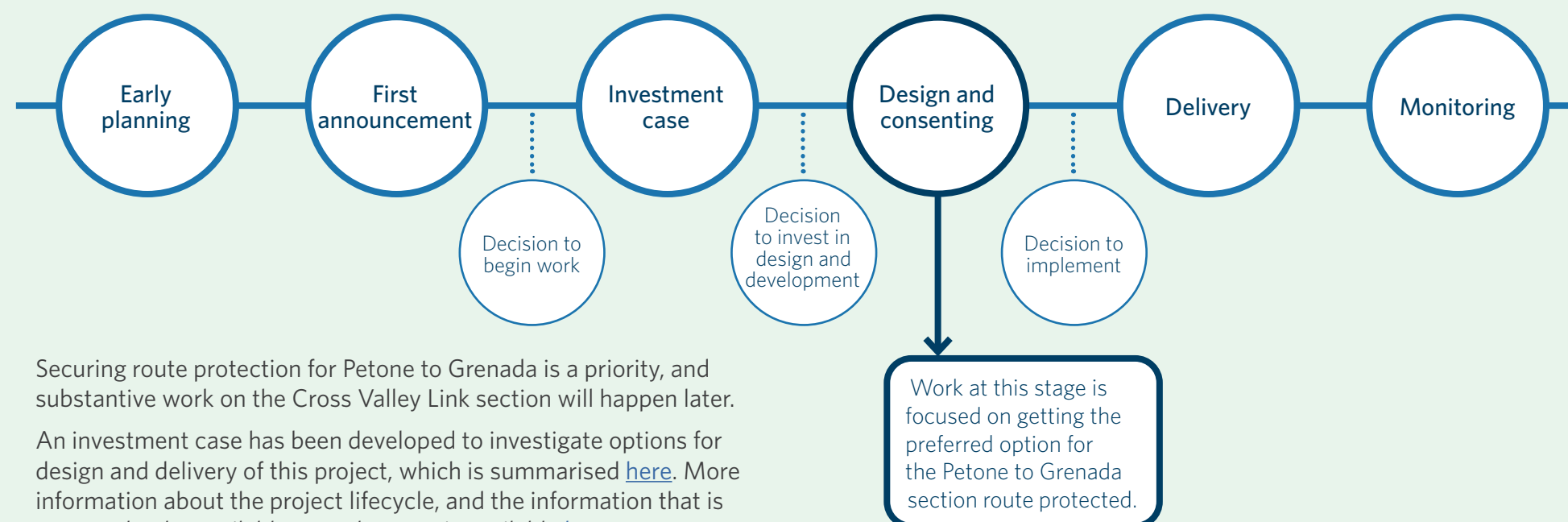
Next steps

Next steps include:

- » further work on project designs
- » geotechnical and environmental investigations
- » protecting the route for the project
- » engaging with directly impacted people, partners and organisations and the wider community
- » securing any necessary consents and approvals through the fast-track legislation.

We keep this report updated with the latest information as the project evolves. This report was last updated in November 2025.

Project lifecycle — where we're at



Cost information

The indicative investment envelope to design, consent, acquire property and deliver the Petone to Grenada section of this project is \$2.1-2.6 billion. This does not include investment to deliver the Cross Valley Link section, which will be announced later subject to further decisions.

We expect the investment envelope to narrow as work is undertaken to increase cost certainty. Cost information will be refined through design, consenting and tendering processes and as delivery work begins.

Funding

The funding source for work to develop this project is the National Land Transport Fund. Funding of \$32 million has been approved to progress design, consenting and procurement activities for the Petone to Grenada section. Timing and funding for project delivery has yet to be confirmed.

The investment case work explored the suitability of a range of alternative funding options such as tolling, Infrastructure Funding and Financing levy and developer contributions.

Potential cost risks and opportunities

Key factors that may cause cost information to change are:

- » project detailed design decisions,
- » project phasing and timing,
- » property acquisition,
- » future escalation of labour costs and materials,
- » ground conditions identified during detailed geotechnical investigations and design phases,
- » changes to consenting and/or other statutory approval requirements or timeframes, such as fast-track legislation,
- » consenting requirements and conditions,
- » market capacity and capability at the point of tendering and the selected procurement method,
- » funding and financing options.