

Infrastructure weekly update

For the week starting 1 July 2024



To: Hon Chris Bishop, Minister for Infrastructure

Minister's comments:

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1. Actions arising from previous meetings

Meeting date	Agreed action	By whom	By when	Status
25 June	Provide advice on proactive release of the NDH review	TW	asap	Completed 26 June [TW-2024-435 refers]
25 June	Draft a Cabinet paper on the National Infrastructure Plan	TW	4 July	Pending
25 June	Provide advice on US Court's delegations re PPP project candidates	TW	asap	To be delivered on 27 June
25 June	Schedule PPP Policy Chew Session with US Court	MO	asap	Scheduled for 9.30am 27 June
25 June	Schedule session with Minister to discuss NIP	MO	asap	Pending
25 June	Defer consideration of NIP by IIMG from July to August meeting	TW/Tsy		Agenda updated

2. Key issues and updates

2.1. OECD Asset Management Results

Since 2021, the OECD has been constructing Indicators on the Governance of Infrastructure (IGIs) to map the state of infrastructure governance across countries. This tool is useful for identifying gaps in New Zealand's infrastructure system, and improvements that can be made including through policies and practice. It also allows us to assess how we are performing relative to our peers.

To date, eight out of ten IGI have been released across various functions including strategic vision, evidence-based decision making, efficient public procurement, and coherent regulatory frameworks. Recently, the OECD released results on the IGI covering infrastructure asset management, which includes all infrastructure assets (e.g., government-owned, privately-owned, and mixed-ownership).

New Zealand ranked in the bottom quarter of OECD countries for asset management (fourth to last). There are three sub-categories that sit under the aggregate indicator, including:

- policies and tools for managing asset lifecycles (11th out of 31 countries),
- accountability and professionalism in asset management (31st out of 31 countries), and
- financial management of assets (24th out of 31 countries).

New Zealand ranked the lowest out of all OECD countries for accountability and professionalism, scoring twice as low as the next lowest country. This presents a strong signal to Government that action is needed to improve the maturity of our asset management practice and supporting information base. This point is consistent with our Asset Management State of Play Report, which has found that there is little readily-available information to inform us of how well we are doing in asset management.

The OECD considers that good accountability and professionalism in asset management means:

- requiring infrastructure providers to periodically publicly report on a consistent set of asset management measures (e.g., asset condition, asset performance, financial data, maintenance), which are subject to independent audit.
- requiring infrastructure providers to undertake and publicly report on the results of a periodic independent review of their organisation's asset management maturity.
- maintaining a centralised (or consolidated) fixed asset register that is verified and updated periodically.
- Providing free upskilling opportunities for asset managers on international best-practice as well as recent changes to country-level policy, regulations, and standards. This could include on-the-job training, formal learning, and opportunities to share best practice.

Our Asset Management State of Play report will outline recommendations on next steps to improve public sector asset management. We plan to publish this report later this year.

Andy Hagan, General Manager, Infrastructure Delivery

2.2. Building Leadership Capability

There have been three significant milestones recently in building the capability of Major Project Leaders:

1. On 21 June, we kicked off the pilot **Peer Learning series** with eight Project Directors from five agencies. Over five months they will be regularly connecting and learning from each other's experiences in order to build their leadership capability and deliver their projects on time and to budget.

2. On 20 June, we held the **inaugural online Infrastructure Leaders Network (ILN) Masterclass**. These are 60-minute online seminars with international speakers sharing their experiences about the things that matter to project leaders. The speaker for this session was Anthony Manning, who talked about modern forms of construction, specifically modular design in NSW schools. The event was fully booked with strong interest from the Ministry of Education and Health NZ.

“We have been putting bricks on top of each other for over a thousand years... everything else has evolved, we need to as well.” s9(2)(a)
3. On 14th June, we held the **Auckland ILN Meet-Up**. This event was fully booked with registrations from a broad range of senior leaders from public sector entities including Public Service, Local Government and SOE’s. Once again, your attendance was rated as one of the highlights of the event, along with the opportunity for attendees to connect and learn from each other. Feedback is that leaders would like more of these Meetups. We are working with your office to schedule the Christchurch event.

These short learning and connection events are proving very successful. Funding was unsuccessfully sought through Budget 24 to establish to a Major Project Leadership Programme (MPLP). As a result, we are currently investigating options to further build leadership capability through existing funding.

Andy Hagan, General Manager, Infrastructure Delivery

2.3. Upcoming events

We advise you of any significant forums or events that Infrastructure Commission staff are attending or presenting at.

Event	Event date	Description (attending/presenting/purpose)
Bridging the Infrastructure Gap: Funding and financing for a resilient Aotearoa New Zealand	26 June, 5.30-8pm	The Minister is speaking at this event, which is to be hosted in the Banquet Hall at Parliament. The focus of the event is the launch of a report by WSP in collaboration with the Helen Clark Foundation. Andy Hagan and Peter Nunns will attend for InfraCom.
Building Tomorrow: Innovation in Civil Construction Training Panel	4 July	This panel discussion is hosted by the Construction and Infrastructure Centre of Vocational Excellence, and will discuss the need to align training with industry demand as well as innovative approaches to civil construction training. Nicola Richardson, Director Leadership, will be speaking.
Webinar on the Infrastructure Priorities Programme	10 July	We are planning a webinar on this date to introduce and explain the Infrastructure Priorities Programme to central government agencies.
Water Utilities Association Meeting	17 July	Geoff Cooper to speak to this group about wastewater infrastructure costs.
Quarry NZ Conference	18 July	Geoff Cooper will be speaking at this event and sharing the Commission’s work on aggregate modelling.
LGNZ Conference	23 August	Peter Nunns, Director Economics is part of a panel discussion about the structure of local government.
Building Nations 2024 (Infrastructure NZ annual conference)	28-29 August	Geoff Cooper or Andy Hagan will speak and/or be on a panel.

Anna Moodie, General Manager, Operations

3. Upcoming advice

3.1. Upcoming briefings and aides memoire for the Minister

We provide advice to the Minister on our work programme and our contribution to the government’s wider work programme – both proactively and in response to requests from him.

Topic and tracking number	Date due to your office	What this advice covers	Deadline for Minister’s feedback
Public consultation on the second emissions reduction plan [TW-2024-437]	Sent 25 June	Provides feedback on the draft ERP2 and Cabinet paper, as an input to Ministerial consultation.	s9(2)(g)(i)
New Dunedin Hospital Independent Expert Review – report release options [TW-2024-435]	Sent 26 June	Provides options for release of the NDH review and terms of reference, for consideration by Joint Ministers.	12 July
Next steps on infrastructure national direction	tbc	Joint briefing from TW, MfE and MBIE officials to the Ministers of/for RMA Reform, Infrastructure, Local Government and Undersecretary Court setting out proposed next steps for the national direction work programme.	tbc
Briefings re reports and publications			
None			

3.2. Upcoming briefings and aides memoire for the Parliamentary Under-Secretary

We provide advice to Mr Court in line with his delegations from the Minister – both proactively and in response to requests from him. All advice to Mr Court is copied to the Minister.

Topic and tracking number	Date due to your office	What this advice covers	Deadline for US’s feedback
Next steps on infrastructure national direction	tbc	Joint briefing from TW, MfE and MBIE officials to the Ministers of/for RMA Reform, Infrastructure, Local Government and Undersecretary Court setting out proposed next steps for the national direction work programme.	Tbc

3.3. Monitoring and performance reports

We provide quarterly reports on our performance against the Statement of Performance Expectations, regular updates on the National Infrastructure Pipeline, and updates on cross-government work to deliver the Infrastructure Strategy.

Topic	Date due to your office	What this report covers	Timeline
Final SPE	Before 30 June	Provides the Commission’s Statement of Performance Expectations, including outputs, outcomes and measures	To be finalised by 30 June.
Q4 Quarterly Report	End of July	Provides an update of our progress on key aspects of our work programme, and performance against the SPE.	N/A
Annual report	Before 30 November	Provides the Commission’s report on financial and non-financial performance for FY24	N/A

3.4. Upcoming Cabinet papers

We provide advice to you on upcoming papers that you or your colleagues are taking to Cabinet, where relevant to the infrastructure system.

Lead Minister	Description	Date due to your office	Committee	Timeframe
	s9(2)(g)(i)			

Lead Minister	Description	Date due to your office	Committee	Timeframe
<p>s9(2)(g)(i)</p>				

3.5. Ministerial Official Information Act requests

Where requested, we provide information to inform responses to OIAs that you receive.

Date received from your office	Correspondent	Description of request	Date due to Minister	Date due to send
30 May	s9(2)(a)	Documents listed in WPQ 10615 (2024) [Tsy is coordinating this. We provided our input on 31 May.]	21 June	Extended to 12 July

Date received from your office	Correspondent	Description of request	Date due to Minister	Date due to send
31 May	s9(2)(a)	Documents provided to the Minister between 5 April and 8 May 2024 [The decision re release of doc 1 of this request depends on Joint Ministers' decision on a preferred option for release of the NDH Review and ToR [TW-2024-435 refers]]	21 June TW input sent 24 June – but doc 1 needs to be re-assessed.	Extended to 12 July

3.6. Departmental Official Information Act requests

We provide you with a heads-up on OIAs that we have received and our proposed response.

Date received	Correspondent	Description of request	Date due to send
None			

3.7. Upcoming Ministerial meetings

Where requested, we provide support for meetings the Minister is attending.

Meeting	Meeting date	Who will be attending/presenting	Comment / action	TW lead
Launch of 'Bridging the Gap'	26 June, 5.30-8pm	Minister Bishop	Minister will speak	John Summers
Meeting with Meridian re fast track consenting	27 June, 3.30pm	tbc	We will contribute to a background briefing as required.	Barbara Tebbs
Going for Housing Growth meeting (highly productive land)	27 June, 4.15pm	Peter Nunns to attend if needed	Agenda tbc	Peter Nunns
Officials meeting	1 July, 4.15-5pm	Minister, infrastructure officials		Ross Copland

Meeting	Meeting date	Who will be attending/presenting	Comment / action	TW lead
s9(2)(f)(iv)				
Real Estate Institute of NZ business seminar	4 July, 10.30am-12.00pm	The Minister will speak about RM reform, infrastructure for growth, planning for Auckland	We will provide input as required.	Tsy is leading
Officials meeting	8 July, 3.30pm	Minister, infrastructure officials		Ross Copland
Meeting to discuss the National Infrastructure Plan	Week beginning 8 July - tbc	Minister, InfraCom	As requested by the Minister on 25 June	Geoff Cooper, Peter Nunns
Kaitaia business lunch	9 July	tbc	tbc	
Officials meeting	15 July, 3.30pm	Minister, infrastructure officials		Geoff Cooper
Officials meeting	22 July, 1.30pm	Minister, infrastructure officials		Geoff Cooper
Infrastructure and Investment Ministers Group	23 July, 7-8pm	Hons Bishop (Chair), Willis, Brown, Jones and US Court	PPP model, city and regional deals on the agenda. Papers are due to Tsy on 9 July.	Andy Hagan
Going for Housing Growth	24 July, 11.45am	Minister Bishop and housing officials		
Fortnightly meeting: InfraCom Chair and Minister	29 July, 1.45-2pm	Regular fortnightly 1:1 (ahead of standing officials meeting)		Alan Bollard
Infrastructure and Investment Ministers Group	20 August, 7-8pm	Hons Bishop (Chair), Willis, Brown, Jones and US Court	An update on the NIP is on the agenda.	Andy Hagan

3.8. Upcoming meetings for the Parliamentary Under-Secretary

Where requested, we provide support for meetings US Court is attending.

Meeting	Meeting date	Who will be attending/presenting	Comment / action	TW lead
'Chew session' re PPP policies	27 June, 9.30am	US Court, InfraCom (Andy Hagan, Brendan Herder) and Tsy (Alistair Birchall, Simon Currey)		Andy Hagan
Infrastructure and Investment Ministers Group	23 July, 7-8pm	Hons Bishop (Chair), Willis, Brown, Jones and US Court	PPP model, city and regional deals on the agenda. Papers are due to Tsy on 9 July.	Andy Hagan
Infrastructure and Investment Ministers Group	20 August, 7-8pm	Hons Bishop (Chair), Willis, Brown, Jones and US Court	NIP is on the agenda.	Andy Hagan

[Note that, due to timeframes, Written and Oral Parliamentary questions and media requests will be provided directly to the Minister's office and not signalled in this report.]

Appendix A: List of upcoming reports and publications

We investigate a range of topics to help build the capability and performance of the infrastructure system and to support discussions with the sector. We publish reports that we commission or author ourselves – including research insights, ‘deep dive’ inquiries, project reviews, economic analysis, and policy insights. The list below sets out our current programme of reports. We provide the Minister’s office with a heads-up before publishing.

Topic / Title	Type of report	Intended publication date	What this report or publication covers
Statement of Performance Expectations	Corporate document	1 July 2024	Provides the Commission’s Statement of Performance Expectations, including outputs, outcomes and measures.
Water metering and leakage	Research report	TBC July 2024	Examines the economic and societal benefits of using water metering and volumetric charging to help solve water network-related challenges. This report and the Transport pricing case studies paper below will be released together. [TW-2024-423 refers.]
Transport pricing case studies	Research report	TBC July 2024	This looks at experience of tolling, congestion charging and other forms of pricing and demand management [TW-2024-423 refers].
Transparency response paper	Response to research	TBC July 2024	This report analyses the possible actions the Government could make in response to the Infrastructure Commission’s work on transparency in projects. A briefing on this was provided to the Minister on 26 March [TW-2024-339 refers].
Taking care of Tomorrow Today: An Asset Management State of Play	Research report	TBC July 2024	This paper outlines how mature our asset management tools and processes are across different infrastructure sectors, and provides recommendations to improve public sector asset management.
Introducing water meters	Case studies	TBC July 2024	Includes foreword from us, followed by case studies and reflections on introducing water metering commissioned from Pat Dougherty, Director Wellington Water. These are about his experiences introducing water metering in Kapiti and Nelson. [TW-2024-423 refers.]

s18(d)

s18(d)

