NEW ZEALAND
INFRASTRUCTURE
COMMISSION
Te Waihanga

Statement of Performance Expectations

Presented to the House of Representatives pursuant to section 149 C of the Crown Entities Act 2004

1 July 2026 - 30 June 2027

2026 - 2027

tewaihanga.govt.nz

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New Zealand Infrastructure Commission, Te Waihanga

Statement of Performance Expectations 2026/27

June 2026

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Contact details

New Zealand Infrastructure Commission, Te Waihanga
Level 7, 95 Customhouse Quay, Wellington 6011

info@tewaihanga.govt.nz | **tewaihanga**.govt.nz | linkedin.com/company/**tewaihanga**

NEW ZEALAND INFRASTRUCTURE COMMISSION Te Waihanga

Statement of responsibility

Tauākī haepapa

This document constitutes the Commission's Statement of Performance Expectations (SPE) as required under the Crown Entities Act 2004.

The descriptions of the Commission's purpose, role and functions are consistent with the New Zealand Infrastructure/Te Waihanga Act 2019. The SPE covers a one-year period between 1 July 2026 and 30 June 2027. It should be read in conjunction with the Commission's Statement of Intent 2025-29.

The Board is responsible for the content of this SPE, which comprises the reportable outputs and the prospective financial statements for the year, including the assumptions on which they are based, and the judgements used in preparing them.

The prospective financial statements have been prepared in accordance with generally accepted accounting practices in New Zealand.

The Commission has consulted with the Minister for Infrastructure in the preparation of this SPE.

This document was first presented in June 2026.

Raveen Jaduram
FEngNZ, CMInstD

Board Chair

17 June 2026

Suzanne Tindal
FCPA, CFInstD

Deputy Chair

17 June 2026

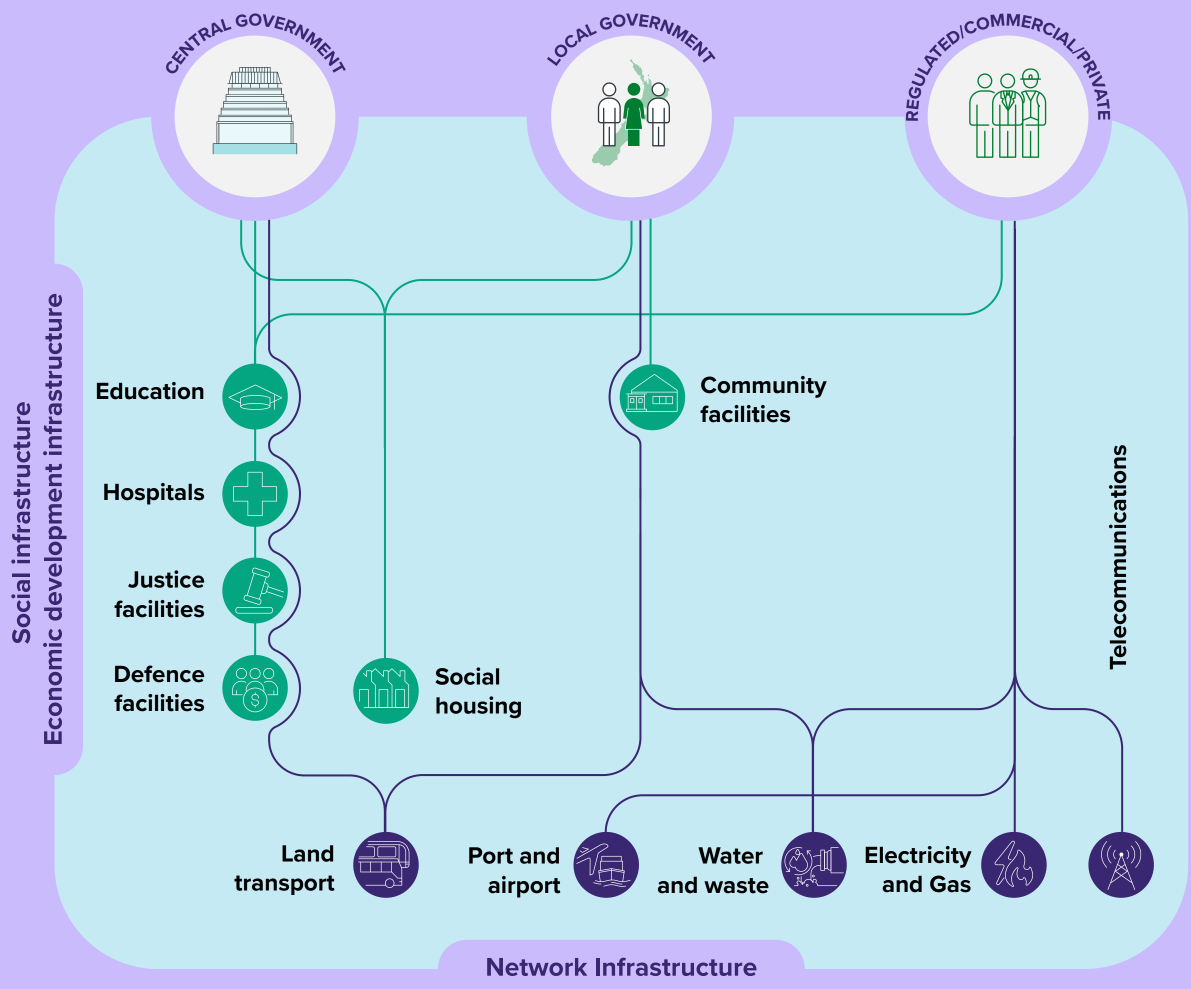
Who we are

Ko wai mātou

Established in September 2019 under the New Zealand Infrastructure Commission/ Te Waihanga Act 2019, the Commission is an Autonomous Crown Entity. We are an independent advisor on infrastructure, focused on improving the infrastructure system to lift New Zealand's economic performance and the wellbeing of all New Zealanders.

What is infrastructure?

Examples of major types of infrastucture



Why infrastructure matters

New Zealand's infrastructure is the backbone of everyday life: the roads we use to get to work, the power connections that heat our homes, the schools where our children learn, and the hospitals that heal us. Infrastructure underpins almost everything we do, which means the decisions made about it affect every New Zealander.

These decisions carry enormous weight. Because infrastructure assets are long-lived and capital-intensive, choices made today can shape outcomes for decades and involve investment at the scale of millions or billions of dollars. New Zealand currently spends approximately 5.8% of GDP on infrastructure. Yet, despite being among the OECD's highest infrastructure investors as a share of GDP from 2010 to 2019, we rank near the bottom of OECD countries on investment efficiency. This means that we are spending more but getting less, a challenge the Commission is here to help address.

What we do

Te Waihanga has a unique system-wide view of New Zealand's infrastructure. We are positioned to provide independent advice and to work across the infrastructure sector to improve how infrastructure is planned, prioritised, funded, and delivered. Our work programme spans four core areas:

1. Strategy and planning

We develop national strategies and long-term plans. Our most recent product, the National Infrastructure Plan (the Plan), published in February 2026, sets out a practical, affordable 30-year pathway for New Zealand's infrastructure. The Plan makes 16 recommendations across four performance areas (planning what we can afford, looking after what we have, prioritising the right projects, and making it easier to build better) along with 10 priorities for the decade ahead. With the Plan published, our focus has shifted to monitoring the implementation and effectiveness of recommendations based on the Government's response, and building the evidence base for future strategy reports

2. Independent advice and research

We provide evidence-based advice on infrastructure needs, priorities, and system issues. Our research programme builds a deeper understanding of infrastructure challenges and opportunities, including work on demand forecasting, investment efficiency, and economic productivity. We also manage this national register of current and planned infrastructure projects, giving Government, industry, and the market a forward view of investment activity and capacity demands.

3. Engagement and influence

We work to build broad public and stakeholder understanding of New Zealand's infrastructure challenges and the choices available to address them. This includes public and sector engagement on our strategy reports and research, an annual infrastructure symposium bringing together leaders and decision-makers from across the sector, support for cross-party consensus on long-term infrastructure priorities, and an active presence across digital channels and media. Because the Commission has no direct powers and does not deliver infrastructure projects, our ability to influence change depends on the quality of our evidence and the effectiveness with which we communicate and engage. Reaching and persuading the right people in government, industry, and the public is therefore central to achieving our purpose.

4. Investment and system capability

We support Treasury manage the Investment Management System, the system of rules and processes that govern the management of infrastructure within government. Part of this role will now include providing assurance for the delivery of high-risk infrastructure investments and the management of assets managed by central government, as agreed by Cabinet in April 2026. Additionally, we help grow capability across the sector, including providing guidance for planning and delivery of major public investments, asset management, and leadership and governance capabilities for infrastructure professionals.

Meaning of Te Waihanga

Our full legislative name is the New Zealand Infrastructure Commission I Te Waihanga. In te reo Māori, waihanga means a **cornerstone**, or to **make, create, develop, build, construct, or generate**. The name Te Waihanga describes **our commitment to shaping New Zealand's future through infrastructure planning and investment.**

Our vision

Infrastructure for a thriving New Zealand

Our purpose

To improve all New Zealanders' lives through better infrastructure

Our values

Free thinking
Whakaaro nui

Courageous
Māia

Trustworthy
Pono

Empathetic
Ngākau aroha

A small team, significant impact

Te Waihanga is a small organisation of around 50 people. We work alongside the **Treasury**, **National Infrastructure Funding and Financing Limited**, and **Crown Infrastructure Delivery Ltd** to support the Government's infrastructure priorities. While modest in size, our system-wide mandate and independent voice mean we can generate significant value for New Zealand by directing our resources to where they will make the greatest difference.

Operating environment

Fiscal sustainability

The Commission supports the Government's focus on fiscal sustainability. In line with this, we have agreed to absorb a 2% ($260,000) reduction to our baseline appropriation, bringing the total annual appropriation to $12,713,000. In the immediate term this can be accommodated without material impact on service delivery. Over the longer term, however, sustaining this reduction against a fixed nominal baseline will require the Commission to align its expenditure to its funding levels, ensuring that core functions and Ministerial priorities are met.

Investor assurance functions and resourcing pressures

As per the decision by Cabinet in April 2026, the Commission will assume responsibility for coordinating external Investor Assurance for high-risk central government infrastructure investments and asset management, from 1 November 2026. This new function will consolidate and improve on the existing Gateway Review process and the Commission's Infrastructure Priorities Programme, and in conjunction with the Treasury, will provide Ministers and Cabinet with clearer, more consolidated advice on investment readiness and project risk management.

Significant development work is required before the function goes live, including working with the Treasury to develop an Investor Assurance Framework in line with Treasury policy for Cabinet endorsement in September 2026, and establishing supporting internal processes, systems and agency-facing guidance. Initial establishment costs will be met from Strategic Reserves, with ongoing operations fully delivered within the user-pays cost recovery model currently in place. Further directives to extend assurance coverage to asset management would place additional pressure on resourcing, reinforcing the importance of actively managing the total funding envelope (Baseline funding + Reserves) within the three-year Business Plan.

National Infrastructure Plan and Government response

The Commission is legislatively required to produce a strategy report every five years. The first was published in 2022, with the second, the National Infrastructure Plan (the Plan), delivered in February 2026 ahead of the legislated timeframe and funded entirely within the Commission's existing funding envelope, with no additional appropriation sought. This was achieved through disciplined multi-year budgeting and deliberate smoothing of the work programme across strategy production years.

Following the Government's formal response to the Plan in June 2026, the Commission will take on an ongoing role monitoring progress against the Plan's 16 recommendations. The same budgeting discipline has been applied in planning for the next strategy report, ensuring the Commission can meet its statutory obligations while remaining responsive to Government priorities and maintaining long-term financial sustainability.

TE TAI ŌHANGA
THE TREASURY

The Treasury – Te Tai Ōhanga is the Government's lead economic and financial advisor, and is also the primary advisor to the Minister for Infrastructure. The Treasury provides advice to both the Minister for Infrastructure and the Minister of Finance on infrastructure issues, primarily:

- The performance of the stock of physical assets that underpin the functioning of the economy, specifically network and utility systems such as transport, water, communications and energy
- The quality of investment in, and long-run management of, key infrastructure (including areas of large capital expenditure) such as schools, hospitals and prisons, and
- As primary advisor for the infrastructure portfolio, the Treasury also leads advice on the funding and financing of infrastructure, including PPP policy. The Treasury also monitors the performance of the three other Government infrastructure agencies: NIFFCo, the New Zealand Infrastructure Commission, and CID.

NEW ZEALAND
INFRASTRUCTURE
COMMISSION
Te Waihanga

The New Zealand Infrastructure Commission, Te Waihanga, seeks to deliver a positive change in New Zealand's planning and delivery of infrastructure, its systems and settings. It is an independent advisor to government on infrastructure, prioritising long-term infrastructure strategy and planning.

- Developing a National Infrastructure Plan, including the Infrastructure Priorities Programme, which sets the direction for the next 30 years.
- Providing independent advice on complex project delivery that is applicable to the wider sector and reviewing infrastructure projects where additional advice is needed.
- Managing the Infrastructure Pipeline, which provides a national view of current or planned infrastructure projects.
- Providing independent strategic policy advice on infrastructure issues.

NATIONAL
INFRASTRUCTURE
FUNDING AND FINANCING

National Infrastructure Funding and Financing Limited (NIFFCo) is the Government's investor shopfront for public infrastructure and the centre of expertise on the funding and financing of New Zealand infrastructure.

NIFFCo supports Government infrastructure policy objectives by:

- Providing specialised expertise in Public Private Partnerships (PPPs) and capital markets, building the Crown's internal capability and ensuring consistency and development of long-term relationships with the market.
- Providing agencies with financial and commercial support and expertise when developing business cases and procuring large scale projects that may benefit from private finance or the use of a PPP model.
- Receiving and evaluating market-led proposals on behalf of the Crown, in line with guidance.
- Connecting overseas investors and lenders into New Zealand's infrastructure pipeline.
- Continuing to deliver on their existing programmes of work, including to facilitate transactions under the Infrastructure Funding and Financing Act and to manage several Crown infrastructure funds.

Crown
Infrastructure
Delivery

Crown Infrastructure Delivery Ltd (CID) leads the safe, efficient and cost-effective delivery of quality infrastructure projects for Crown organisations.

Working on a cost-recovery fee for service basis, CID provides a full suite of project delivery. Services include monitoring and contract management through to the design and construction phases and everything else needed to successfully deliver infrastructure projects.

- Delivering quality infrastructure projects in partnership with government agencies and entities.
- Providing a full suite of expert project delivery and project management services nationwide.
- Creating efficiencies for Crown organisations when dealing with the construction sector, utilising CID experience, expertise and established and familiar contracting processes.

Additionally, The Commission works with a wide range of stakeholders across central and local government and the infrastructure sector to influence the outcomes we seek for the sector. There are a number of other organisations who have roles in the infrastructure system. For example, Invest New Zealand is the dedicated agency for facilitating foreign direct investment, while Infrastructure New Zealand is the infrastructure association funded by members engaged in best practice development, research, advocacy, and public and private sector collaboration. We have relationships with many of the infrastructure industry bodies such as the Master Builders Association, Civil Contractors Association, and Āpōpō [1].

[1] Āpōpō - Infrastructure Asset Management Professionals Inc

Strategic objectives of the Commission

Ngā whāinga rautaki a Te Waihanga

The Commission seeks to deliver a positive change in the way New Zealand plans, invests in, funds, delivers and manages infrastructure. To achieve this, we are focused on developing and leading a transparent and evidenced-based approach that supports central and local government and the private sector to collectively plan and deliver infrastructure that improves the wellbeing of all New Zealanders. To do this effectively, the Commission needs to influence change through others.

The Commission was established in 2019 and for the first six years we focused on:

- Developing a rigorous evidence base to support decision-making
- Building trust and respect with central and local government and the private sector
- Engaging with the public
- Developing our first 30-year Strategy Report and the National Infrastructure Plan.

The publication of the National Infrastructure Plan in February 2026 marks the completion of that foundational phase and a significant milestone for New Zealand's infrastructure system. The Plan sets out a practical, affordable 30-year pathway for infrastructure investment and makes 16 recommendations across four themes (planning what we can afford, looking after what we have, prioritising the right projects, and making it easier to build better) along with 10 priorities for the decade ahead.

With this foundation in place, the Commission is now focused on helping to translate the Plan's recommendations into tangible system improvements. This means providing advice to the Treasury, lead policy agencies, and the wider infrastructure sector responsible for embedding the changes the Plan identifies as necessary and supported in the Government's response and ensuring that future infrastructure decisions are informed by the evidence base and forward guidance the Commission has developed.

In parallel, the institutional landscape within which the Commission operates has continued to evolve. The establishment of National Infrastructure Funding and Financing Limited (NIFFCo) and Crown Infrastructure Delivery Ltd (CID) has clarified the respective roles of central government infrastructure agencies, with the Commission's focus confirmed as whole-of-system strategy, independent advice, and system leadership. The Commission's functions under Cabinet Circular CO (23) 9, including completing the Infrastructure Needs Analysis, developing system strategy, and working with the Treasury on investment planning, prioritisation, assurance and asset management, continue to be a significant driver of the Commission's work programme.

The most significant development in the Commission's operating model in FY2026/27 is the assumption of responsibility for coordinating external investor assurance for high-risk central government infrastructure investments and asset management, from 1 November 2026, as agreed by Cabinet in April 2026. This new function will consolidate and improve on the existing Gateway review process and the Commission's Infrastructure Priorities Programme, and in conjunction with the Treasury, will provide Ministers and Cabinet with clearer, more consolidated advice on investment readiness and project risk management.

With the benefit of this work, this year we are increasing our focus on influencing change in the system in order to:

- monitor and provide advice where required on implementation of the National Infrastructure Plan's recommendations based on the Government response published in June 2026
- build on the evidence base established in the Strategy and National Infrastructure Plan to better understand long-term infrastructure needs and their drivers through ongoing development of the Infrastructure Needs Analysis and Forward Guidance

- continue to grow our external engagement across the sector, within Government, and cross-party to advocate for infrastructure system improvement
- support improvements to frameworks, processes and decision making within the Investment Management System, including through the Commission's system leadership role under CO (23) 9
- establish and operationalise a new Investor Assurance function to provide government with investor focused advice on asset management and investment plans and specific investments to help government allocate its constrained resources to projects and activities that deliver the greatest benefits for New Zealanders
- support asset owners to get more from existing infrastructure through the Asset Management Community of Practice, Working Groups, and guidance developed under the Asset Management and Investment Planning framework
- develop and improve sector capability for project and programme delivery through the Infrastructure Leaders Network, short courses, and best practice guides.

The complexity of infrastructure in New Zealand means that there is considerable work that needs to be done by many parties to achieve these desired outcomes. While we cannot achieve these outcomes alone, the Commission is clear that as a system leader and the Government's independent infrastructure advisor we have an important role to play, and the work we are prioritising this year will support government to make positive change.

Outcomes the reportable outputs are seeking to achieve

This section provides an explanation of what the reportable classes of outputs are intended to achieve, as required by section 149E(2)(a) of the Crown Entities Act 2004.

The Commission is an Autonomous Crown Entity with no direct powers and does not directly deliver infrastructure projects or first line policy advice. However, as a system leader, we are clear on the positive shifts we are seeking to influence across the infrastructure system.

While achieving these shifts is not directly or entirely within our control and may take a number of years to achieve, we want to be ambitious and clear about how we expect the work we do this year will positively impact the system.

In developing these outcomes, we have drawn on extensive insights from our work over the last six years, including our 30-year Strategy published in 2022 and the National Infrastructure Plan published in 2026. We have also considered the matters set out in the Minister for Infrastructure's Letters of Expectation and Government priorities.

To that end, the outcomes that we are seeking to impact as a result of the work across our reportable classes of output are:

Outcome 1
Decision-makers make effective and well-prioritised infrastructure investment decisions, informed by a long-term system view
Outcome 2
Infrastructure project delivery certainty (time, cost, value & quality) improves, including through lifting capability
Outcome 3
The main infrastructure issues facing New Zealand, as well as potential solutions/trade-offs, are understood by our stakeholders and the general public
Outcome 4
New Zealanders get more from existing infrastructure

For completeness, we note that there is not a one-to-one mapping of output classes to outcomes in this SPE. We expect to positively impact these outcomes by undertaking work across all four outputs.

Reportable outputs

Ngā hua ka taea te pūrongo

This section provides a description of the intended outputs for the period 1 July 2026 to 30 June 2027 that are reportable under section 149E(1)(a) of the Crown Entities Act 2004.

The Commission's functions are described in the New Zealand Infrastructure/Te Waihanga Act 2019. We receive an annual appropriation to carry out work under these functions.

A reportable class of output is a category of output that we propose to provide in the financial year that is directly funded by our appropriation. In practice, for the Commission this means our reportable classes of outputs are aligned with our statutory function.

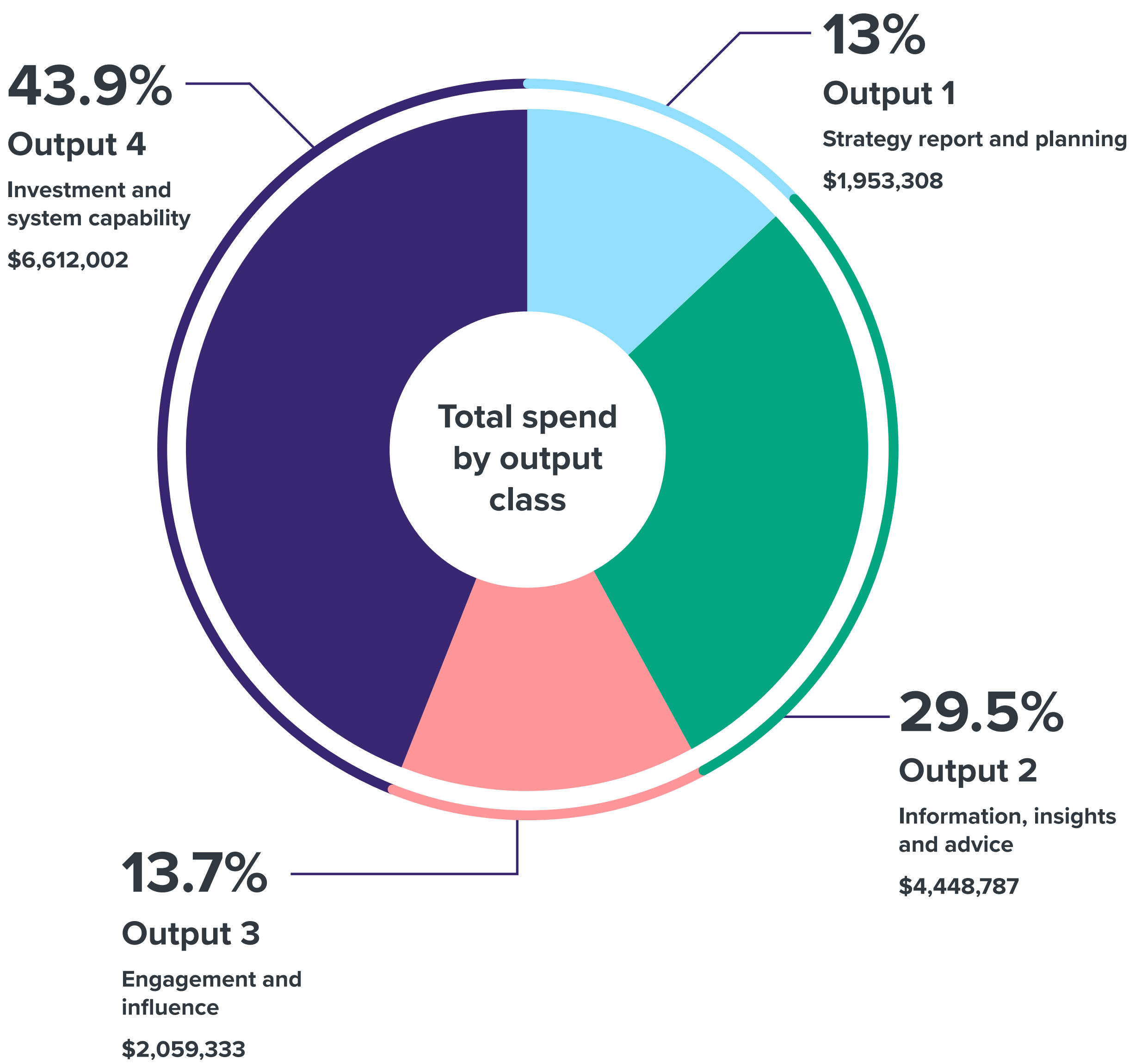
Our reportable classes of outputs are a roll-up of our legislative functions. The reportable classes of output for FY2026/27, along with the expected revenue and proposed expenditure (as required by s149E(2)(b) of the Crown Entities Act 2004) are:

Output 1	**Revenue ($000)**	**Expediture ($000)**
Strategy and planning Provide independent and strategic direction and advise on sector/system-wide policy issues and implications Deliver periodic strategy reports	1,822	1,953
Output 2		
Information, insights and advice Provide information, research, insights and advice on infrastructure needs, priorities, projects, Pipeline, efficient delivery, ability to meet expectations Provide independent strategic policy advice on infrastructure issues Provide other reports as directed by the Minister Corporate and Ministerial support	4,495	4,449
Output 3		
Engagement and influence Coordinate, develop and promote broad public agreement and long-term consensus on an approach to infrastructure that improves the wellbeing of New Zealanders and has regard to long-term trends	1,944	2,059
Output 4		
Investment and system capability Provide guidance, coordination and advice on infrastructure system performance, pipeline, projects Provide investor focused assurance for investments Provide asset management and investment planning advice Fulfil system leader role for infrastructure under CO23(9) Promote project, people and system capability	5,345	6,612
Total	**$13,606**	**$15,073**

Planned expenditure is spread appropriately across the four Output Classes. Our activities contribute to all medium-term Outcomes, are consistent with the Minister's expectations as expressed in successive Letters of Expectation, and support Government priorities. We have allocated one-off additional resources under Output 4 to stand up the new investor assurance function for high-risk central government infrastructure investments, as well as the asset management function. The initial establishment costs of the investor assurance function are to be met from strategic reserves, with ongoing operational costs fully recovered for this function through a user-pays model.

The Commission remains responsive to Ministerial directives for advice and support.

Spend by Output Class 2026/27



PERFORMANCE MEASURES

Decision-makers make effective and well-prioritised infrastructure investment decisions, informed by a long-term system view

- **Pipeline value** 6
- **Pipeline updates** 6
- **Minister feedback** 4 5 7 12 13 14 15
- **Forward Guidance value** 4
- **Pipeline contributors** 6
- **Policy input quality** 5
- **Research value** 7

New Zealand's key infrastructure issues, and the possible solutions and trade-offs, are understood by stakeholders and the public.

- **Commission references** 10
- **Channel engagement** 10
- **Advice quality** 13 14
- **Ministerial timeliness** 16
- **Operational cost reduction** 16

New Zealanders get more from existing infrastructure

- **Asset management value** 13 11

Infrastructure project delivery certainty (time, cost, value & quality) improves, including through lifting capability

- **IMS advice value** 13
- **Capability event score** 15
- **Investor Assurance establishment** 14
- **Investor Assurance timeliness** 13
- **Strategy Report recommendation progression** 2
- **Business case increase** 13 14
- **Independent assurance increase** 13
- **QIR project rating improvement** 13

PRIORITY DELIVERABLES

Strategy and planning

Provide independent and strategic direction and advise on sector/system-wide policy issues and implications Deliver periodic strategy reports

1 Strategy report implementation advice	2 Strategy report monitoring	3 Planning for Strategy report

Information, insights and advice

Provide information, research, insights and advice on infrastructure needs, priorities, projects, Pipeline, efficient delivery, ability to meet expectations. Provide independent strategic policy advice on infrastructure issues. Provide other reports as directed by the Minister Corporate and Ministerial support

4 Forward Guidance	5 Policy advice	6 National Infrastructure Pipeline	7 Research insights

Engagement and influence

Co-ordinate, develop and promote broad public agreement and long-term consensus on an approach to infrastructure that improves the wellbeing of New Zealanders and has regard to long-term trends

8 Stakeholder engagement	9 Symposium	10 Website and social media presence

Investment and system capability

Provide guidance, coordination and advice on infrastructure system performance, pipeline, projects Provide investor focused assurance for investments and asset management and investment planning Fulfil system leader role for infrastructure under CO23(9)
Promote project, people and system capability

11 Asset Management information collection	12 Investor Assurance establishment	13 Investor Assurance function	14 System leadership	15 Leadership capability building	16 Business support and accountability

Priority deliverables

Ngā tukunga mātāmua

Since its establishment in 2019, the Commission has captured and developed the baseline data and insights to support decisions to improve infrastructure delivery in New Zealand. This data and these insights have allowed us to identify the actions that will have the biggest impact on the outcomes we are seeking to influence.

Strategic priorities for FY2026-2027 have been driven by the capture of data and building our evidence base, the development of our long-term Strategy documents including the recent National Infrastructure Plan, previous Ministerial Letters of Expectations and discussions with key stakeholders.

The deliverables we will complete in order to support the outcomes we are seeking to impact are:

Outcome 1	**Priority deliverables**
Decision-makers make effective and well-prioritised infrastructure investment decisions, informed by a long-term system view	• Provide advice as needed to Treasury and lead agencies implementing the Government response to the National Infrastructure Plan • Establishment of the delivery of investor assurance in accordance with Treasury investor assurance policy, asset management and long-term investment plans • Establish provision of assurance outcomes to the Treasury's Fitness Assessment in a timely manner • National Infrastructure Pipeline • Forward Guidance for infrastructure investment • Publication of Research Insights series
Outcome 2	**Priority deliverables**
Infrastructure project delivery certainty (time, cost, value & quality) improves, including through lifting capability	• Provide IMS System Leadership as required • Policy and system reforms including advice on resource management reform • Monitoring of National Infrastructure Plan recommendations uptake and implementation • Infrastructure Leaders Network events, short courses and best practice guides • Central Government Asset Management Community of Practice events and network
Outcome 3	**Priority deliverables**
The main infrastructure issues facing New Zealand, as well as potential solutions/trade-offs, are understood by our stakeholders and the general public	• Publication of Research Insights series • Continued engagement with key stakeholders following the release of the Government response to the National Infrastructure Plan • Annual symposium • Website and social media presence
Outcome 4	**Priority deliverables**
New Zealanders get more from existing infrastructure	• Asset management advice and support to agencies, via Working Groups, implementing the Asset Management & Investment Planning Guidance • System leadership role under CO (23) 9 and supporting the Treasury with the IMS and the Budget process

The following section provides a brief description of some of the key deliverables listed in the table above.

Investor assurance function

From 1 November 2026, the Infrastructure Commission will assume responsibility for coordinating delivery of external investment assurance activities for central government funded infrastructure investments that have been determined to be high-risk by the Treasury Risk Profile Assessment.

The new assurance function will take the best parts of Gateway Review and the Infrastructure Priorities Programme into a single external assurance process that supports Government investment decisions and the management of risks in the development and delivery of investments. This change, alongside other changes to the Investment Management System, is intended to improve the quality of the assurance Ministers and Cabinet receive, providing decision makers with clear, consolidated advice on investment readiness and confidence that investments are effectively managed and are on track to achieve the outcomes. In addition, the Commission will be establishing an asset management and investment plan assurance function for capital intensive government agencies.

The Commission's focus until 31 October 2026 will be on:

- working with Treasury to develop a Gateway Review Assurance Policy and the Investor Assurance Framework to bring to Cabinet for endorsement in September of 2026
- setting up the internal processes, systems and workbooks, and applicant facing guides required to support this function.

From 1 November, the Commission will move into an operational phase and will start to give effect to Treasury investor assurance policy and will identify, sequence, scope and coordinate delivery of assurance reviews for all high-risk investments.

Resource Management reforms

The Commission will continue to provide advice on the infrastructure aspects of current changes to the Resource Management Act 1991, as well as the complete overhaul of the planning system. The Commission's planning assumes that it will not lead on specific aspects of the resource management reforms. If we were asked to lead, additional funding would be required, or trade-offs will need to be made in the provision of other services currently carried out by the Commission.

We expect that the resource management reforms will improve infrastructure planning, funding and delivery, and help ensure projects are delivered on time and on budget more often.

Developing public sector project leadership capability

Public sector project leaders require specific strategic and leadership capabilities to manage the increasing complexity of major projects, while also building teams with greater diversity of experience and backgrounds. A key priority is lifting infrastructure project leadership capability within the public sector.

The Commission is committed to supporting the growth of leadership capability and contributing to the development of infrastructure project leadership within the public sector. It also encourages better engagement with private sector contractors to achieve better outcomes in the delivery of government funded projects.

This includes providing opportunities to build the capability of emerging and current public sector infrastructure leaders through such targeted development initiatives as short courses, Infrastructure Leadership Network events, and system-level guidance that supports better recruitment, development, and performance of project leaders.

Investment management system and Budget process

Under Cabinet Office Circular CO (23) 9 [2], the Commission is deemed to have a system leadership role in the infrastructure system. In terms of the priorities noted above, the Commission will undertake its system leadership role this year through:

- Supporting the Treasury in our role on the Investment Panel, including moderating Risk Profile Assessments, assessing budget bids, contributing to Quarterly Investment System reporting and participating in assurance reviews.
- Undertaking work to improve infrastructure planning and delivery outcomes. This includes developing guidance for agencies on minimum standards, indicators and processes for asset management and long-term capital planning in alignment with Treasury policy.
- Providing strategic programme and project advice on high-value, high-risk or high-profile projects.
- Developing project leadership and people capability through our leadership capability programme.
- Supporting the Treasury with improvements to the Investment Management System, both by implementing Cabinet decisions and by supporting Treasury's continuous improvement initiatives such as the Better Business Case refresh and project monitoring improvements.

While responsibility for advice on Public Private Partnership (PPP) projects, policy, funding and financing transferred to NIFF and the Treasury from December 2024, we will continue to work collaboratively on infrastructure funding and financing and to contribute independent strategic policy advice on infrastructure issues, in line with the Minister's expectations.

Asset management advice & assurance

Following the successful establishment of the Asset Management Community of Practice and Asset Management Working Groups, as well as the release of the Asset Management and Investment Planning Guidance, the Commission is focused on providing continued advice and support to central government agencies on their asset management practices. This includes information collection from central government agencies on the current state of asset management roles in central government, as well as collection of asset data and performance metrics.

Advice will also be provided to support Treasury in any changes to CO (23) 9 in relation to asset management policy (subject to Treasury decisions).

General advice and document reviews will be provided from the perspective of asset management subject matter expertise on an ad hoc/as required basis, both internally and externally.

As decided by Cabinet in April 2026, the establishment of a new asset management assurance function will form a substantial deliverable for the Commission in FY2026/27.

Forward Guidance

The Commission's enabling legislation requires it to provide advice on long term infrastructure needs and priorities. CO23/9 also requires the Commission to develop a long run infrastructure needs analysis.

Forward Guidance, developed as part of the National Infrastructure Plan, is a 30-year forecast of infrastructure investment required to meet the needs of New Zealanders. It is designed to give decision makers advice on the level and mix of investment across different sectors. It has a focus on the sustainability and affordability of investment levels.

Recommendation 1 in the National Infrastructure Plan suggests that Forward Guidance is provided as an input to Treasury processes for setting fiscal strategy, capital allowances, and agency long term plans.

[2] Cabinet Office Circular: Investment Management and Asset Performance in Departments and Other Entities September 2023

Mapping of priority deliverables to reportable output classes

The following table shows how the priority deliverables map to the reportable classes of outputs (i.e. our functions):

Output 1	Priority deliverables
Strategy and planning Provide independent and strategic direction and advise on sector/system-wide policy issues and implications Deliver periodic strategy reports	• Provide advice on implementation of the Government response to the National Infrastructure Plan as required by Treasury and lead Agencies • Monitoring of National Infrastructure Plan recommendations uptake and implementation • Planning for next strategy report production • Forward Guidance for infrastructure investment
Output 2	**Priority deliverables**
Information, insights and advice Provide information, research, insights and advice on infrastructure needs, priorities, projects, Pipeline, efficient delivery, ability to meet expectations. Provide independent strategic policy advice on infrastructure issues. Provide other reports as directed by the Minister Corporate and Ministerial support	• Policy and system reforms including advice on resource management reform • National Infrastructure Pipeline • Publication of Research Insights series
Output 3	**Priority deliverables**
Engagement and influence Coordinate, develop and promote broad public agreement and long-term consensus on an approach to infrastructure that improves the wellbeing of New Zealanders and has regard to long-term trends	• Continued engagement with key stakeholders following the release of the Government response to the National Infrastructure Plan • Annual symposium • Website and social media presence • Information collection on current state of asset management roles in central government agencies • Information collection of asset data and performance metrics from central government agencies, via voluntary Working Groups
Output 4	**Priority deliverables**
Investment and system capability Provide guidance, coordination and advice on infrastructure system performance, pipeline, projects Fulfil system leader role for infrastructure under CO23(9) Promote project, people and system capability	• Establishment of an investor assurance function for investments, asset management and long-term investment plans • Give effect to Treasury's investor assurance policy and coordinate delivery of independent assurance reviews in accordance with the service level agreement • As part of the investor assurance function, provide structured assurance across the investment lifecycle by offering strategic project and programme advice as directed, delivering asset management advice and support to agencies in implementing the Asset Management & Investment Planning Guidance, and conducting post-investment reviews • System leadership role under CO (23) 9 and supporting the Treasury with the IMS and the Budget process • Infrastructure Leaders Network events, short courses and best practice guides

Performance Measures for 2026-2027

Ngā Ine Tutukinga mō 2026-2027

This section provides an explanation of how we will measure performance against our reportable classes of outputs in FY27, as required by s149E(2)(c) of the Crown Entities Act 2004.

It is not enough for the Commission to simply produce high quality reports. The analysis and commentary in our work needs to be disseminated, understood and influence policy and other behaviours so that, in the long-term, New Zealand gets the infrastructure it needs to be productive, and the wellbeing of all New Zealanders is improved. We will continue to work collaboratively to provide support to government agencies who are developing policy advice that relates to infrastructure, and to those delivering infrastructure projects, and we will strike a balance between expressing our independent views and maintaining influence with decision makers.

Measuring and reporting our progress: Our performance framework

The Commission seeks to deliver a positive change in New Zealand's planning and delivery of infrastructure, its systems and settings, and measuring and reporting our progress towards the outcomes we are seeking to impact is fundamental to our continued success.

We are focused on developing and leading a transparent and evidenced-based approach that supports central and local government and the private sector to collectively plan and deliver infrastructure that improves the wellbeing of all New Zealanders. However, we face two challenges in measuring our performance.

System challenges

Firstly, it is difficult to attribute changes to the infrastructure system directly to our performance - we are one of many players who contribute to the changes. There is a huge amount of work that needs to be done by many parties to achieve the desired changes. However, the Commission is clear that as a system leader and the Government's independent infrastructure advisor we need to show leadership and be the change agents to lift the delivery and performance of infrastructure in New Zealand.

The second challenge is that many of the outcomes that the Commission is seeking to impact will take several years to show up. For example, changes to the resource management framework should enable infrastructure projects to be delivered on time and on budget more often. However, it is most likely that the positive impact of these changes will show up on projects that are yet to start, meaning the positive impact is unlikely to be seen for some years.

Despite these challenges, the Commission wants to maintain its ambition in terms of the outcomes it is seeking to impact.

Performance measure reporting

The way we address these challenges in our performance measures is to:

- Include both short and long-term measures. We expect progress against the long-term measures to take several years to show up in a meaningful way but would like to continue to track progress.
- Include specific targets, where possible. For each measure we have a planned indicator to demonstrate the result of the measure [3], and these will be refined over time. These show our level of success in implementing our priority deliverables.

An array of surveys, information from partner sources, internal tracking information, website figures, and media monitoring.

In general, our short-term performance measures reflect the quality of our advice and outputs and sit within our direct control or influence. Our long-term measures reflect our aspiration for the impact we are seeking to have on the system over time, while acknowledging that our degree of direct control or influence over these outcomes may be more limited. We will:

- continue to measure the quality of our advice and how our advice is being received
- be clear on the priority deliverables that we will work on this year that will positively impact the outcomes include descriptors of progress to track progress against the measures.

We will use the following criteria to rate and report on our performance measures in our annual report at the end of the financial year:

- **Achieved** – where the performance result for the year is equal to or above the target set, the result will be reported and the performance measure will be assessed as achieved.
- **Substantially achieved** – where the performance result for the year is below the target but has not been achieved by a slim margin, the result will be reported and will be assessed as substantially achieved.
- **Not achieved but progress made** – where the performance result for the year is below the target, but progress has been made, the result will be reported and assessed as not achieved but progress made.
- **Not achieved** – where the performance is below the target and no progress has been made; the result will be reported and assessed as not achieved.

Figure 1 next page illustrates our performance framework and how we expect to make a difference to the infrastructure system in New Zealand and the services it provides.

Figure 1

Our vision

Infrastructure for a thriving New Zealand

Our purpose

To improve all New Zealanders' lives through better infrastructure

Outcome	Decision-makers make effective and well-prioritised infrastructure investment decisions, informed by a long-term system view	Infrastructure project delivery certainty (time, cost, quality) improves, including through lifting capability	The main infrastructure issues facing New Zealand, as well as potential solutions and trade-offs, are understood by our stakeholders and general public	New Zealanders get more from existing infrastructure
	We expect the achievement of the Commissions desired outcomes will be collectively supported by the four output classes.			
Output Class	**Strategy and planning** Provide independent and strategic direction and advise on sector/system-wide policy issues and implications Deliver periodic strategy reports	**Information, insights and advice** Provide information, research, insights and advice on infrastructure needs, priorities, projects, Pipeline, efficient delivery, ability to meet expectations. Provide independent strategic policy advice on infrastructure issues. Provide other reports as directed by the Minister Corporate and Ministerial support	**Engagement and influence** Coordinate, develop and promote broad public agreement and long-term consensus on an approach to infrastructure that improves the wellbeing of New Zealanders and has regard to long-term trends	**Investment and system capability** Provide guidance, coordination and advice on infrastructure system performance, pipeline, projects Provide investor focused assurance for investments and asset management and investment planning Fulfil system leader role for infrastructure under CO (23) 9 Promote project, people and system capability
Priority Deliverables	• Provide advice on implementation of the Government response to the National Infrastructure Plan as required by Treasury and lead Agencies • Monitoring of National Infrastructure Plan recommendations uptake and implementation • Planning for next strategy report production • Forward Guidance for infrastructure investment	• Policy and system reforms including advice on resource management reform • National Infrastructure Pipeline • Publication of Research Insights series	• Continued engagement with key stakeholders following the release of the Government response to the National Infrastructure Plan • Annual symposium • Website and social media presence • Information collection on current state of asset management roles in central government agencies • Information collection of asset data and performance metrics from central government agencies, via voluntary Working Groups	• Establishment of an investor assurance function for investments, asset management and long-term investment plans • Give effect to Treasury's investor assurance policy and coordinate delivery of independent assurance reviews in accordance with the service level agreement • As part of the investor assurance function, provide structured assurance across the investment lifecycle by offering strategic project and programme advice as directed, delivering asset management advice and support to agencies in implementing the Asset Management & Investment Planning Guidance, and conducting post-investment reviews • System leadership role under CO (23) 9 and supporting the Treasury with the IMS and the Budget process • Infrastructure Leaders Network events, short courses and best practice guides
Performance measures (short – 12 months)	• Survey of Pipeline users on the value of the Pipeline – rated 3 or above (scale 1 – 4) [4] • >75% of organisations contributing to the Pipeline provide regular updates on their infrastructure projects and intentions • Annual feedback sought from the Minister for Infrastructure as to the Commission is meeting expectations – rated 3 or above (scale 1 – 4) [5] • Survey of Treasury and capital-intensive agencies on the value of Forward Guidance – rated 3 or above (scale 1-4) • Percentage of nominated public entities with a role in infrastructure that provide information to the Pipeline on their infrastructure projects and intentions increase year-on-year [6]	• Annual feedback from lead policy agencies regarding the Commission's input into their policy work on the quality and impact of advice and ease of working together – rated 3 or above (scale 1 – 4) • Annual feedback from key infrastructure sector stakeholders on the value of the Commission's public-facing research outputs – rated 3 or above on a 1-4 scale [7] • >90% of Ministerial reports and advice (including OIAs/PQs/Quarterly Reports and Ministerial requests) are delivered by the agreed date or statutory deadline is maintained • The business operational support costs[8] reduce by up to 5% against planned budget	• The number of references to the Commission's work – by Parliament, Select Committees, and media increases relative to the three-yearly trailing average. References by other government agencies, local government, overseas authorities and academics will be reported on where possible [9] • Engagement with Commission's own channels (website page views and social media channel are maintained and/or increased relative to the three-yearly trailing average [10] • Feedback from sector stakeholders on quality of advice provided by the Commission meets expectations (3 or above – scale of 1-4) [11]	• Annual feedback from central government infrastructure asset-owning agencies on the value of the Commission's contributions in Asset Management – rated 3 or above on a 1-4 scale [12] • Annual feedback sought from System Leaders as to whether the Commission's advice in IMS processes is adding value – rated 3 or above (scale 1-4) • Net promoter score of attendees across all project leadership capability events increases to >40% • Investor Assurance process is established and operational within parameters set in Service Level Agreement with Treasury [13] • >90% of investor assurance function submissions reviewed or processed within parameters set in Service Level Agreement with Treasury [14]
Performance measures (long ~5y)	1L. Percentage of strategy report recommendations (including related policy advice) progressed increases			2L. percentage of infrastructure-related initiatives reviewed by the Treasury's Budget Investment Panel that have a completed business case increases [50%] 3L. Percentage of infrastructure-related initiatives funded in Budget that has been independently assured as ready for investment by the Commission's investor assurance function increases 4L. Percentage of high-profile high-risk infrastructure projects reported in the QIR as 'Cost Pressure and/or more than 1 year delay' decreases

[4] Wording update to measure from 'Survey of Pipeline users on the value of the Pipeline – exceeds 75% satisfaction' to provide consistency across measures. Historic structure of this survey allows for this to be reported on consistently.

[5] Updated from 'Advice from the Infrastructure Needs Analysis is used to inform capital planning (e.g. fiscal outlook, budget allowances). >60% of advice users assess the advice as useful on a 4-point scale'. This is a logical shift as the Commission will focus on providing advice from the Forward Guidance that has been developed based on the Infrastructure Needs Analysis.

[6] Updated from '>90% of nominated public entities with a role in infrastructure provide information to the Pipeline on their infrastructure projects and intentions'. 90% was a target set before the landscape of entities were known. This target will not be reached without a mandate set in place requiring them to provide information. The reworded measure allows growth based on our influence and value add without setting an unreachable target.

[7] This is a new measure to capture the effectiveness of research work we are doing on an ongoing basis.

[8] The operational costs included are: subscriptions, accounting, rent, ICT service and support, software expertise, telecommunications, website costs, cleaning and insurance.

[9] Updated from 'The number of references to the Commission's work – by Parliament, Select Committees, and media increases by 10% on previous year'. Updated to reflect surge in Strategy Report years and slump during election cycles. The new measure allows continued aspiration in growth while taking into account this fluctuation across cycles. Once data for FY2025/26 is finalised, the baseline for this measure can be set.

[10] Updated from 'Engagement with Commission's own channels (website page views and social media channel) are maintained and/or increased for 2025-26'. Updated to reflect surge in Strategy Report years and slump during election cycles. The new measure allows continued aspiration in growth while taking into account this fluctuation across cycles. Once data for FY2025/26 is finalised, the baseline for this measure can be set.

[11] Updated from 'Feedback from sector stakeholders on quality of advice provided in the NIP meets expectations (3 or above – scale of 1-4)' to capture advice aimed at sector stakeholders in non-Strategy report years.

[12] New measure corresponding to the Commission's Asset Management function.

[13] New measure only for FY2026/27 to reflect that five months of this financial year will be dedicated to establishing this function.

[14] Updated from 'Percentage of Infrastructure Priorities Programme submissions reviewed or processed within agreed timeframes is maintained (90% target)' to reflect that the function currently performed by the Infrastructure Priorities Programme will be superseded by the Investor Assurance function, as well as setting a targeted measure for this new function.

[15] Removed measure 'Improvement in where New Zealand sits in international rankings of infrastructure performance' as this is not updated frequently and therefore doesn't give us a good indication of movement.

[16] Updated from two measures 'The percentage of projects in the QIR facing cost pressure decreases' and 'The percentage of projects in the QIR facing time delays decreases' for simplicity of reporting.

[17] Updated from 'Percentage of infrastructure-related initiatives funded in Budget that has been independently endorsed by the Infrastructure Priorities Programme increases' to reflect the Infrastructure Priorities Programme giving way to the new Investor Assurance function.

Prospective financial statements for 2026/27

Ngā pūrongo pūtea āmua mō 2026/27

Introduction

These prospective financial statements have been prepared for inclusion in the Commission's Statement of Performance Expectations for the period ending 30 June 2027.

The purpose of these prospective financial statements is to facilitate consideration by Parliament of the planned performance of the Commission. The use of this information for other purposes may not be appropriate. Readers are cautioned that actual results are likely to vary from the information presented and that the variations may be material. The information has not been audited.

These prospective financial statements have been prepared on the basis of assumptions about future events that the Commission reasonably expects to occur as at the date the information was prepared. It is not intended that this information will be updated.

These prospective financial statements were authorised for issue by the Commission's Board on 17 June 2026.

Assumptions

The following assumptions have been used in preparing these prospective financial statements:

- The Crown Revenue appropriation has been budgeted at $12,713k.
- Other revenue has been budgeted based on the completion of eight Investor Assurance reviews, all anticipated in the second half of FY2026/27.
- The maximum headcount budgeted in the FY2026/27 year is 56 (including fixed term and outbound secondment). A 5% vacancy allowance has been applied across total salary costs.
- Board fees have been budgeted based on the revised Cabinet Fees Framework.
- Domestic and international travel costs have been budgeted consistent with prior year expenditure. This reflects the organisations continued emphasis on the use of technology for virtual meetings and engagements where appropriate, with travel reserved for activities where in person attendance is required.
- Consultancy spend will be limited to short term specialised expertise to assist in the development of the investor assurance function and other strategic priorities.
- Rental costs make up 69% of the total premises and equipment budget, with insurance being a further 20%.
- ICT costs comprise of both Enterprise ICT services and software costs to support business operations, and costs to support the ongoing development and maintenance of the National Infrastructure Pipeline.
- Interest income is earned depending on the level of cash balance being held.

Statement of accounting policies

A. Reporting entity

New Zealand Infrastructure Commission, Te Waihanga (the "Commission") is an autonomous Crown entity as defined by the Crown Entities Act 2004. It was established under the New Zealand Infrastructure Commission\Te Waihanga Act 2019 and its parent is the Crown.

B. Statement of compliance

These prospective financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirements to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The Commission has applied the Tier 2 Public Benefit Entity (PBE) Standards, using the reduce disclosure regime (RDR). The Commission is eligible and has elected to apply the PBE Standards RDR because its expenses are less than $33 million and does not have public accountability as defined

by XRB A1 Application of the Accounting Standards Framework.

C. Measurement base

The prospective financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. Accounting policies are selected and applied in a manner that ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

D. Functional and presentation currency

The prospective financial statements are presented in New Zealand Dollars, which is the Commission's functional currency. All amounts have been rounded to the nearest thousand dollars ($000), unless otherwise indicated.

E. Going concern

The prospective financial statements have been prepared on a going-concern basis.

F. Significant accounting policies

The significant accounting policies that materially affect the measurement of financial performance, financial position and cash flows have been applied consistently for all reporting periods covered by these financial statements.

Revenue

Revenue is measured at the fair value of consideration received or that is receivable. Revenue is earned through the provision of outputs for the Crown, services to third parties and investment income.

Revenue from the Crown

The Commission is primarily funded through revenue from the Crown. Revenue receipts from the Crown transactions are considered to be non-exchange transactions. The funding is restricted in its use for the purpose of the Commission meeting its objectives as specified in its founding legislation and the scope of the relevant government appropriations. Apart from these general restrictions, the Commission considers there are no conditions attached to the funding.

Revenue from the funding is recognised in the financial period to which the appropriation relates. The fair value of the revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

Other revenue

Other revenue transactions, including fees from 'New Gateway' reviews and interest revenue, are considered exchange transactions. Interest revenue is recognised by accruing on a time-proportion basis, the interest due for the investment.

The Commission will continue to investigate other revenue opportunities through cost reimbursements, charging attendance fees for events, or funding agreements with other agencies.

Expenditure

All expenditure incurred in the provision of outputs for the Crown is recognised in the surplus or deficit when an obligation arises, using an accrual basis.

Leases

The Commission is party to an operating lease as a lessee. As the lessor retains substantially all the risks and rewards of ownership of the leased property, plant and equipment, the operating lease payments are recognised in the surplus or deficit only in the periods in which they occur. Any lease incentives received or obligations to make good on the condition of the leased premises are recognised in the surplus or deficit over the term of the lease. At balance date, any unamortised incentive or outstanding obligation for reinstatement is recognised as a liability in the statement of financial position.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, and other short-term, highly liquid investments with maturities of three months or less.

Debtors and other receivables

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Property, plant and equipment

Property, plant and equipment consists of the following asset classes: information technology assets; furniture; office equipment; and leasehold improvements.

Additions

An item of property, plant and equipment is recognised as an asset only when it is probable that the future economic benefits or service potential associated with the item will flow to the Commission beyond one year or more, and the cost of the item can be measured reliably. Property, plant and equipment are initially recorded at their costs. Subsequent expenditure that extends the useful life or enhances the service potential of an existing item of property, plant and equipment is capitalised. All other costs incurred in maintaining the useful life or service potential of an existing item of property, plant and equipment are expensed in the surplus or deficit as they are incurred. Work in progress is recognised at cost and is not depreciated.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amounts of the assets. Gains or losses arising from the sale or disposal of an item of property, plant and equipment are recognised in the surplus or deficit in the period in which the item of property, plant and equipment is sold or disposed of.

Depreciation

Depreciation is provided on a straight-line basis on all asset components at rates that will write off the costs of the assets to their estimated residual values over their useful lives. Leasehold improvements are depreciated over the unexpired period of the lease. At each balance date, the useful lives and residual values of the assets are reviewed.

The estimated useful lives of the major asset classes are:

Information technology equipment	3 to 5 years
Leasehold improvements	6 years
Furniture and fittings	5 years

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter. The residual value and useful life of an asset are reviewed, and adjusted if applicable, at each financial year end.

Intangible assets

Software acquisition

Computer software is capitalised on the costs incurred to acquire and bring to use the specific software. Staff training costs are recognised as an expense when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred. Initial costs associated with the development of the Commission's website were capitalised. Subsequent expenditure on the website is capitalised only if it is probable that it will increase the future economic benefits or service potential associated with the specific asset. Other expenditure is recognised in profit or loss as incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is expensed in the surplus or deficit.

The useful life of intangible assets has been estimated as follows:

Computer Software	3 years

Impairment of property, plant and equipment and intangible assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts might not be recoverable. An impairment loss is recognized for the amount by which an asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of the asset's fair value, less costs to sell and value in use. Any impairment losses are recognized in the surplus or deficit.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable

Value in use is the present value of an asset's remaining service potential. It is determined using an approach based on a depreciated replacement cost approach, a restoring cost approach or a service units approach. The most appropriate approach for measuring value in use depends on the nature of the impairment and availability of information.

Creditors and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditure will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Goods and services tax

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

The Commission is a public authority and consequently is exempt from the payment of income tax. Accordingly, no provision has been made for income tax.

Equity

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- contributed capital
- accumulated surplus/(deficit).

Cash flows

The prospective cash flow statement is prepared exclusive of GST, which is consistent with the method used in the statement of comprehensive revenue and expense.

Performance outputs

Direct costs are costs directly attributed to an output. Personnel costs are allocated to outputs based on time spent. The indirect costs of support groups and overhead costs are charged to outputs based on the proportion of direct costs in each output.

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Lease classification

Determining whether a lease agreement is a finance or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to the Commission. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant and equipment, whereas for an operating lease no such asset is recognised. The Commission has exercised its judgement on the appropriate classification of equipment leases, and has determined that none of the lease arrangements is a finance lease.

Prospective Statement of Comprehensive Revenue and Expenses

for the years ending 30 June:

	2026 Estimated Actual $000	**2027 Budget $000**
Revenue		
Crown Revenue	12,973	12,713
Interest Income	135	120
Other Income	237	773
Total Revenue	**13,345**	**13,606**
Operating Expenses		
Personnel	9,847	10,248
Consultancy	2,262	2,206
Other Expenses	2,259	2,261
Depreciation & Amortisation	328	360
Total Operating Expenses	**14,696**	**15,073**
Net Surplus/(Deficit)	**(1,351)**	**(1,467)**

The Commission has budgeted for a $1.467 million deficit in FY2026/27 to implement the Cabinet decision transferring responsibility for coordinating external investor assurance of high-risk central government infrastructure investments from the Treasury to the Commission. This shift leverages and integrates the Commission's existing expertise and related work. The new function will provide assurance for capital-intensive central government agencies and other entities across asset management and investment planning, with the Commission coordinating assurance and the Treasury retaining responsibility for policy.

This is a material shift in the Commission's work programme and resourcing. The Commission will therefore use a mix of reprioritising current activities and drawing down on its strategic reserves to fund the one-off establishment costs for the new investor assurance function, which covers assurance on infrastructure investments, asset management, and long-term investment plans (LTIP). Once operational, reviews of infrastructure investments are expected to be self-funded within the current cost recovery model. The ongoing funding mechanism for the asset management and LTIP assurance is yet to be confirmed and will be worked through with our Vote analysts.

The Commission remains focused on value for money and will continue to ensure resources are directed towards delivering on Government priorities and fulfilling its statutory functions.

The Commission operates under an agile resourcing business model, where permanent staff are supported by consultants when specialist technical skills are required to deliver specific outcomes. The Commission will continue to focus on building in-house capability and will engage external expertise only where short-term specialised advice is necessary.

Capital expenditure totals $0.2 million and relates to business support needs, that is IT equipment, hardware and office furniture.

Prospective Statement of Changes in Equity

for the years ending 30 June:

	2026 Estimated Actual $000	2027 Budget $000
Balance as at 1 July	**3,969**	**2,618**
Comprehensive revenue and expenses		
Surplus/(Deficit)	(1,351)	(1,467)
Total comprehensive revenue and expenses	**(1,351)**	**(1,467)**
Balances as at 30 June	**2,618**	**1,151**

Prospective Statement of Financial Position

as at 30 June:

	2026 Estimated Actual $000	2027 Budget $000
Current Assets		
Cash and cash equivalents*	3,461	2,093
Debtors and prepayments**	233	188
GST refundable	78	46
Total Current Assets	**3,772**	**2,327**
Property, Plant and Equipment and Intangibles***	276	115
Non-Current Assets	**276**	**115**
Total Assets	**4,048**	**2,442**
Current Liabilities		
Creditors and Other Payables	464	256
Revenue in advance	200	200
Annual Leave Liability	402	471
Employee Entitlements	143	143
Standards NZ Fund	200	200
Total Current Liabilities	**1,409**	**1,270**
Non Current Liabilities		
Make Good Provision	21	21
Total Non-Current Liabilities	**21**	**21**
Total Liabilities	**1,430**	**1,291**
Nets Assets	**2,618**	**1,151**
Equity	**2,618**	**1,151**

* Cash and cash equivalents are expected to reduce significantly, in line with the delivery of the investor assurance function in 2026/27.

** Debtors and prepayments as at 30 June 2026 reflect anticipated prepaid expenditure, and the 30 June 2027 position reflects a similar level of forecast prepaid expenditure.

*** Capital assets at 30 June 2027 are anticipated to total $115K. This comprises the expected balance at 30 June 2026 of $276K, less 2026/27 depreciation of $360K, plus additions of $200K.

Prospective Statement of Cash Flows

as at 30 June:

	2026 Estimated Actual $000	2027 Budget $000
Operating Activities		
Crown Revenue received	12,973	12,713
Interest received	237	698
Other revenue received	135	120
Payments to suppliers and employees	(14,577)	(14,732)
Net Goods and Services Tax		33
Net Cash Flows from Operating Activities	**(1,232)**	**(1,168)**
Investing Activities		
Payment for Property, Plant, Equipment and Intangibles	(80)	(200)
Net Cash Flows from Investing Activities	**(80)**	**(200)**
Net Cash Flows	**(1,312)**	**(1,368)**
Cash and Cash Equivalents at the beginning of the period	**4,773**	**3,461**
Net change in cash for the period	(1,312)	(1,368)
Cash and cash equivalents at the end of the period	**3,461**	**2,093**

Photo credit: Transpower, Oteranga Bay cable termination station

NEW ZEALAND INFRASTRUCTURE COMMISSION
Te Waihanga

Statement of Performance Expectations
1 July 2026 - 30 June 2027

tewaihanga.govt.nz