

IPP Feedback to TE WAIHANGA

FROM: [REDACTED] Executive Advisor, Professional Engineer, Mediator, Company Director

DATE: 9

SUBJECT: Strengthening the Infrastructure Priority Programme (IPP) to Mitigate Political Risk and Ensure Long-Term Investment Quality

Dear Te Waihanga,

I am a professional engineer and executive advisor with over 20 years of experience in New Zealand's infrastructure sector. My career has focused on asset management, investment, and delivery, and I am deeply invested in the long-term prosperity of New Zealand. In my capacity as a professional who has worked across government, the private sector, and with organisations like the Northern Infrastructure Forum (NIF), I have a unique perspective on the challenges facing our transport sector. I am writing to you today to express my strong support for the critical work undertaken by Te Waihanga, particularly the establishment and ongoing development of the Infrastructure Priority Programme (IPP).

The IPP is an indispensable mechanism for fostering the transparency and economic rigour essential for building a robust, long-term pipeline of infrastructure investments. This disciplined, evidence-based approach is vital for New Zealand's sustained economic growth and productivity, and I commend the progress made to date in cultivating the bipartisan consensus necessary for projects that span decades in planning and delivery.

The IPP's Nascent Strength and Looming Political Cycles

While the IPP represents a significant leap forward, it is still in its nascent stages. Its true strength and public trust will be forged through consistent application and demonstrated impartiality across multiple cycles of government change. This long-term credibility is paramount if the IPP is to become the enduring bedrock upon which New Zealand builds better infrastructure decisions, free from short-term political interference.

We observe that the upcoming local elections in October 2025, followed shortly by the campaign for the general election in 2026, will usher in a period of heightened political debate. This electoral cycle presents a significant risk to Te Waihanga. If the IPP, or projects intended to be guided by its principles, becomes directly embroiled in heated political disputes over specific investments—particularly those large-scale

projects already committed or in advanced procurement, such as the Roads of National Significance (RoNS)—it risks compromising its perceived impartiality. Indeed, should independent assessments reveal unfavourable findings for certain projects, it is far better to address these realities transparently and early, before the campaign intensifies, rather than allow them to become politicised and mishandled later. This could undermine the very trust and bipartisan support that Te Waihangā is diligently working to cultivate within both the public and industry.

I believe it is crucial to protect the integrity of the IPP and the good projects being advanced by the current government's Government Policy Statement on land transport (GPS) from becoming political footballs.

Proposal: Accelerating Independent Review Capacity within Te Waihangā

To proactively mitigate this political risk and further solidify Te Waihangā's crucial role, I strongly recommend that Te Waihangā swiftly boost and accelerate the capacity of its *existing* independent review panel for investment cases and project oversight. This enhanced capacity should be specifically mandated to conduct rapid, rigorous, and transparent reviews of more large, controversial projects that are either already funded or in advanced stages of procurement, *before* the general election campaign fully intensifies.

The mandate and activities of this accelerated panel would include:

- **Independent Economic Review and Return Articulation:** Conducting independent economic reviews of detailed investment assessments for these projects, ensuring clear articulation of expected economic returns, their timelines, alignment with national and regional growth objectives, and explicit consideration of opportunity costs.
- **Enhanced Procurement Transparency and Independent Validation (for PPPs):** For Public-Private Partnerships (PPPs), validating the Public Sector Comparator (PSC) and the affordability threshold used by NZTA to calibrate procurement, ensuring maximum transparency and value for money.
- **Regular Performance Reporting:** Overseeing and reviewing regular, public updates on project progress against key performance indicators, including budget adherence, schedule, and the realisation of anticipated economic benefits. This process will also support both NZTA and Te Waihangā in establishing long-term best practice and building enduring capability.

To ensure the panel's perceived independence and broad acceptance, its appointments should be transparent, ideally involving cross-bench selection of

experts. The panel's findings and high-level conclusions regarding economic rationale and projected returns for the reviewed projects should be made publicly available. The panel would report directly to the Parliamentary Transport Committee and the Boards of NZTA and Te Waihanga.

Expected Outcomes

By taking this proactive step, Te Waihanga can cast a clear, independent light on the economic realities of significant infrastructure investments. This will compel both the current government and the opposition to engage with evidence-based assessments, thereby demonstrating their commitment to New Zealand's long-term interests rather than short-term political expediency. It will provide a crucial boost to public and industry confidence, reinforcing the IPP's role as an impartial authority and ensuring that capital commitments are made wisely, protecting New Zealand from incurring significant debt without commensurate benefits.

Conclusion

I am committed to supporting Te Waihanga in its vital mission. I believe that by embracing this accelerated, transparent review mechanism for existing large projects, Te Waihanga can cement its impartiality, mitigate political risks, and ensure New Zealand's infrastructure investments truly drive productivity and prosperity for generations to come. I stand ready to support Te Waihanga in this critical endeavour.

Yours sincerely,

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or, Professional Engineer