Title: **Testing our thinking - Developing an enduring National Infrastructure Plan**

Reference: **NIPC24-0002897** | Submitted: **09/12/2024 05:48 pm** | Submitted by:

Summary of information submitted

Page 1 - Introduction

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We're seeking feedback

Our Discussion Document, [Testing our thinking: Developing an enduring National Infrastructure Plan](), sets out our thinking as we begin work to develop a National Infrastructure Plan. The Discussion Document sets out what we expect the Plan will cover and the problem it's trying to solve, as well as the approach we're proposing to take to develop it.

We're sharing this now to test our thinking and give you the chance to share your thoughts. Let us know if we've got it right or if there are issues you think we've missed.

We'll use your feedback as we develop the Plan. We'll be sharing our thinking by presenting at events around the country, hosting workshops and webinars, and sharing updates through our website, newsletter, and social media. We'll also seek feedback on a draft Plan before publishing the final Plan in December 2025.

Submission overview

You'll find 17 main questions that cover the topics found in the Discussion Document. You can answer as many questions as you like and can provide links to material within your responses. On the final page (6. Next steps) you can provide any other comments or suggestions that you would like us to consider as we develop the National Infrastructure Plan. Submissions are welcomed from both individuals and organisations.

A few things to note:

- You can save progress using the button at the top right of this form.
- A red asterisk (*) denotes a mandatory field that must be completed before the form can be submitted.
- We expect organisations to provide a single submission reflecting the views of their organisation. Collaboration within your organisation and internal review of your submission (before final submission), is supported through our Information Supply Platform. You'll need to be registered with an Infrastructure Hub account, and be affiliated with your organisation to utilise these advanced features. Many organisations will already have a '*Principal respondent*' who can manage submissions and assign users at your organisation with access to the draft responses.
- Submissions will be published on our website after the closing date. The names and details of organisations that submit will be published, but all personal and any commercial sensitive information will be removed.

Further assistance

Each submission that is started is provided a unique reference identifier. These identifiers are shown in the top right of each application page. Use this identifier when seeking further assistance or communicating with us about this submission by using one of the following methods.

- Use info@tewaihanga.govt.nz to contact us with any questions relating to our Discussion Document and consultation.
- Use inform@tewaihanga.govt.nz for help managing roles and permissions of user accounts affiliated with your organisation in the Information Supply Platform (ISP).

Submission method

Our preferred method is to receive responses through this form. However, we anticipate some submitters will wish to upload a pdf document, especially where their submission is complex or long. If this submission method is necessary, please use this word template and save as a pdf. We ask that you retain the structure and headings provided in the template as this will support our processing of responses.

Select a submission method

To continue, select the method you will be using.

Online form

Page 2 - Context for the Plan

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Testing our thinking

The Discussion Document includes five sections. Below we're seeking feedback on why we need a National Infrastructure Plan. We also want to test our thinking on our long-term needs and make sure we have a clear view of what investment is already planned.

Section one: Why we need a National Infrastructure Plan

A National Infrastructure Plan can provide information that can help improve certainty, while retaining enough flexibility to cancel or amend projects as circumstances or priorities change.

1. What are the most critical infrastructure challenges that the National Infrastructure Plan needs to address over the next 30 years?

1. Ensuring that expected outcomes are feasible.

Large or small infrastructure projects start with an outcome in mind. What I have seen in my own work and in the media are many examples where feasibility is not considered or assessed early enough. Its not just a yes or no answer. Feasibility has multiple aspects beyond just cost and these are often not sufficiently assessed before the investment 'gets a life'.

2. Demand management

Recent work to establish a pipeline of investments is useful and should be further developed. My experience is that the next question asked by those investing is to rate these investments to provide a basis to assess budget capacity. While this is useful for comparisons, stakeholders will always have multiple perspectives on what 'value' is. For example, after creating a list of investments in Heath infrastructure it was near impossible to maintain this as the comparative value of medical interventions was not agreed between the different clinical disciplines.

2. How can te ao Māori perspectives and principles be used to strengthen the National Infrastructure Plan's approach to long-term infrastructure planning?

I think there are a lot of points of input to planning where this can come into play. My experencse suggest that, as much as possible, separate governance input from consultation and make it very clear what the boundaries are in terms of the authority to change scope.

Section two: Our long-term needs

The National Infrastructure Plan will reflect on what New Zealanders value and expect from infrastructure. To do this, the Plan needs to consider New Zealanders' long-term aspirations and how these could be impacted over the next 30 years.

3. What are the main sources of uncertainty in infrastructure planning, and how could they be addressed when considering new capital investments?

Political changes. I think this is understood currently.

Change of Minister or Sponsor. This is difficult to address but formal sign off of scope by the governance group as early as possible is a mitigant.

Lack of clarity on Risk Appetite. The way to address this is to define what the Risk Appetite is.

Section three: What investment is already planned

We already gather and share data on current or planned infrastructure projects through the National Infrastructure Pipeline. This data, alongside other information gathered by the Treasury or published by infrastructure providers, helps to paint a picture of investment intentions.

4. How can the National Infrastructure Pipeline be used to better support infrastructure planning and delivery across New Zealand?

Develop and publish an online self-rating guide for poitential changes to the Pipeline.

Section four: Changing the approach

We have used our research and publicly available information on infrastructure investment challenges to identify key areas for change. The next question and the following three pages seek further detail on the three themes in section four of our paper. Within each of the three themes, we explore some topics in more detail, outlining the evidence, discussing the current 'state of play', and asking questions about where more work is needed.

5. Are we focusing on the right problems, and are there others we should consider?

I think the issues outlined are the main problem areas.

Page 3 - Capability to plan and build

Changing the approach — Capability to plan and build

Section four looks at changes that we can make to our infrastructure system to get us better results. We've broken these changes down into three themes: capability to plan and build, taking care of what we have, and getting the settings right.

For the first theme, we look at three key areas:

- Investment management: Stability, consistency, and future focus
- Workforce and project leadership: Building capability is essential
- Project costs: Escalation means less infrastructure services.

Investment management: Stability, consistency, and future focus

We're interested in your views on how we can address the challenges with government infrastructure planning and decision-making.

6. What changes would enable better infrastructure investment decisions by central and local government?

Develop and enforce minimum governance standards for all agencies
Currently investment and project governance teams and functions are highly variable between agencies - dependant on the capability and maturity of the organisation. While Treasury does have tools and guidance. this is often seen as an overhead that reduces the ability to be flexible enough to meet changing needs.

7. How should we think about balancing competing investment needs when there is not enough money to build everything?

Consider a Portfolio model where funding is first allocated into Portfolios governed by a body that acts like a stockbroker with expertise and experience in that Portfolio (e.g. Core Health Infrastructure) and recommends investment based on a pre-determined Risk appetite and considers ROI over the whole Portfolio based on criteria such asset value over time, social benefits, environmental sustainability, and urgency, To be included in a Portfolio a proposed investment should go through a short form 'test' approval with shared common assessment criteria that is maintained/updated based on what has been successful and what is higher risk.

Workforce and project leadership: Building capability is essential

We're interested in your views on how we can build capability in the infrastructure workforce.

8. How can we improve leadership in public infrastructure projects to make sure they're well planned and delivered? What's stopping us from doing this?

Ensure governance becomes less complex across multiple agencies by standardising and consolidating governance for large investments based on the Portfolio Model above - essentially Agencies should focus more on delivery. Governance should be part of the Cabinet paper and independent assurance should always be part of the governance body's function.

9. How can we build a more capable and diverse infrastructure workforce that draws on all of New Zealand's talent?

Review tertiary funding priorities and outcomes to consider establishing Infrastructure as a classification for investment priority.

Project costs: Escalation means less infrastructure services

We're interested in your views on further opportunities to improve our ability to deliver good infrastructure at an affordable cost.

10. What approaches could be used to get better value from our infrastructure dollar? What's stopping us from doing this?

It is too easy for costs to be disguised or reallocated from approved Projects. Costs can be hidden in operating budgets but used to fund services rather than build productive assets. New rules around transparency and reporting to Governance are needed. Projects involving multiple agencies need to be assessed to ensure that conflicting priorities are not driving up costs.

Page 4 - Taking care of what we've got

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Changing the approach — Taking care of what we've got

The second theme in section four looks at how we can get better at taking care of what we have. It looks at three areas:

- Asset management: Managing what we already have is the biggest task
- Resilience: Preparing for greater disruption
- Decarbonisation: A different kind of challenge.

Asset management: Managing what we already have is the biggest task

Asset management means looking after our infrastructure. We are interested in your views on how we can improve planning for this.

11. What strategies would encourage a better long-term view of asset management and how could asset management planning be improved? What's stopping us from doing this?
No submission on this question.

Resilience: Preparing for greater disruption

We are interested in your views on how we can better understand the risks that natural hazards pose for our infrastructure.

12. How can we improve the way we understand and manage risks to infrastructure? What's stopping us from doing this?
No submission on this question.

Decarbonisation: A different kind of challenge

We're interested in your views on how we can improve understanding of the decarbonisation challenge facing infrastructure.

13. How can we lower carbon emissions from providing and using infrastructure? What's stopping us from doing this?
No submission on this question.

Page 5 - Getting the settings right

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Changing the approach — Getting the settings right

The third theme in section four looks at how we can get our settings right to get better results from our infrastructure system. It looks at three areas:

- Institutions: Setting the rules of the game
- Network pricing: How we price infrastructure services impacts what we think we need
- Regulation: Charting a more enabling path.

Institutions: Setting the rules of the game

We're interested in your views on what changes to our infrastructure institutions would make the biggest difference in giving us the infrastructure we need at an affordable cost.

14. Are any changes needed to our infrastructure institutions and systems and if so, what would make the biggest difference?

No submission on this question.

Network pricing: How we price infrastructure services impacts what we think we need

We're interested in your views on further opportunities to improve network infrastructure pricing.

15. How can best practice network pricing be used to provide better infrastructure outcomes?

No submission on this question.

Regulation: Charting a more enabling path

We're interested in your views on further opportunities to improve regulation affecting infrastructure delivery.

16. What regulatory settings need to change to enable better infrastructure outcomes?

No submission on this question.

Page 6 - What happens next?

Additional information to support our development of the Plan

Section five in the Discussion Document is on the next steps. In this section, we're asking you for any additional comments, suggestions, or supporting documentation that we should consider in our development of the National Infrastructure Plan.

17. Do you have any additional comments or suggestions that you would like us to consider as we develop the National Infrastructure Plan?

Click 'Add another' to add multiple suggestions or comments.

Item 1

No submission on this question.

18. Attach any documents that support your submission

Click 'Add another' to add multiple attachments in PDF format.

Document 1

No attachment

Thank you for your response

Thank you for providing feedback on our Discussion Document. We'll use your comments as we continue to develop the Plan. This will not be the only opportunity for you to provide feedback, but it is an important way to test our emerging thinking on the development of an enduring National Infrastructure Plan.

If you have prepared a submission on behalf of an organisation, you'll need to be an authorised *respondent* to make the final submission. If you entered a new organisation during sign-up, or your organisation does not already have a *Principal respondent* assigned, you will have been asked to nominate yourself or someone else for this role as you started this submission. Our team will have worked to verify these accounts allowing *Principal respondents* to manage access and assignment of requests for information to people within your organisation.

If you require any assistance please reach out to our team at inform@tewaihanga.govt.nz.