



National Infrastructure Plan: key advice

Proactive Release

December 2024

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Documents Proactively Released			
Item	Date	Document	Section of the Act applied
1	4 September 2024	TW-2024-472 National Infrastructure Plan Work Programme	9(2)(a)
2	12 September 2024	TW-2024-482 National Infrastructure Plan Work Programme – further details	9(2)(a)
3	19 September 2024	TW-2024-477 Work Programme for the Infrastructure Needs Analysis	9(2)(a)
4	26 September 2024	TW-2024-483 System integration of the National Infrastructure Plan	9(2)(a)
5	26 September 2024	TW-2024-503 National Infrastructure Plan – Draft Update for IIMG, 15 October 2024	9(2)(a)
6	10 October 2024	TW-2024-500 Further detail on the Infrastructure Priorities Programme (IPP)	9(2)(a), 9(2)(f)(iv), 9(2)(g)(i)
7	11 October 2024	TW-2024-501 Draft Discussion Document – National Infrastructure Plan	9(2)(a)

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National Infrastructure Plan Work Programme

Date: 4 September 2024

Report No: TW-2024-472

To	Action sought	Deadline
Hon Chris Bishop, Minister for Infrastructure	<p>Provide any feedback on the work programme for the development of the National Infrastructure Plan</p> <p>Note next steps for building a bipartisan approach to the National Infrastructure Plan.</p>	For discussion at the officials meeting on 9 September.

Attachments

1. Appendix A: Project Structure
2. Appendix B: Workstreams
3. Appendix C: Key Deliverables

Contact details

Name	Role	Phone
Jane Simmonds	Programme Manager, National Infrastructure Plan	s9(2)(a)
Geoff Cooper	Acting Chief Executive	s9(2)(a)

Actions for the Minister's office staff

Return the signed report to the NZ Infrastructure Commission | Te Waihanga

Minister's Comments

Recommendations

We recommend that you:

1. **Provide any feedback** on the work programme for the development of the National Infrastructure Plan.

Agree / disagree

2. **Note** that, in line with your letters of 28 August to infrastructure spokespersons, the Infrastructure Commission will be contacting political party representatives within the next week to begin holding meetings and sharing information to build bipartisan support for the National Infrastructure Plan.

s9(2)(a)

Geoff Cooper
Acting Chief Executive

Hon Chris Bishop
Minister for Infrastructure

____ / ____ / ____

National Infrastructure Plan Work Programme

Purpose

1. This Aide Memoire provides an update and more detail on the work programme for the National Infrastructure Plan.

Work programme

Context

2. The National Infrastructure Plan will provide an assessment of current and future infrastructure needs and identify the priorities for infrastructure for the next 30 years.
3. It will answer three key questions:
 - a. What infrastructure will be needed and what should we spend over the next 30 years.
 - b. What infrastructure investment is currently planned over the next 10 years?
 - c. What is the gap between the long-term infrastructure need and planned investment, and how do we address this gap?

Timeframes

4. A draft Plan will be delivered to the Minister for feedback in June 2025 and the Plan will be finalised by the end of 2025, with the Government response to follow in early 2026.
5. The programme is being structured into three phases:
 - a. **Phase 1: Developing our knowledge (Aug-Dec 2024):** This includes our research programme and stakeholder engagement to test early thinking and encourage the sharing of ideas to improve infrastructure outcomes.
 - b. **Phase 2: Testing our findings (Jan-Jun 2025):** This will include further research to fill gaps in our knowledge, more targeted stakeholder engagement to test our findings from our research programme and raising public awareness in preparation for the release of the draft Plan for consultation.
 - c. **Phase 3: Consultation and revisions (Jul-Dec 2025):** This includes public consultation and feedback from the Minister for Infrastructure on the draft Plan and the finalisation of the Plan to be tabled in Parliament in December 2025.

Workstreams and deliverables

6. The programme has five workstreams, as shown in the diagram in **Appendix A** and further discussed in **Appendix B**.
 - a. Long-term infrastructure needs (the Infrastructure Needs Analysis)
 - b. Current investment intentions (the National Infrastructure Pipeline)
 - c. Gap analysis and prioritisation framework

- d. Priorities (the Infrastructure Priorities Programme)
 - e. Reforms (the Policy and System Reforms)
7. The deliverables for the Plan are contained in **Appendix C** and will be reported on regularly in our weekly report.
8. Key deliverables to December 2024 are as follows.

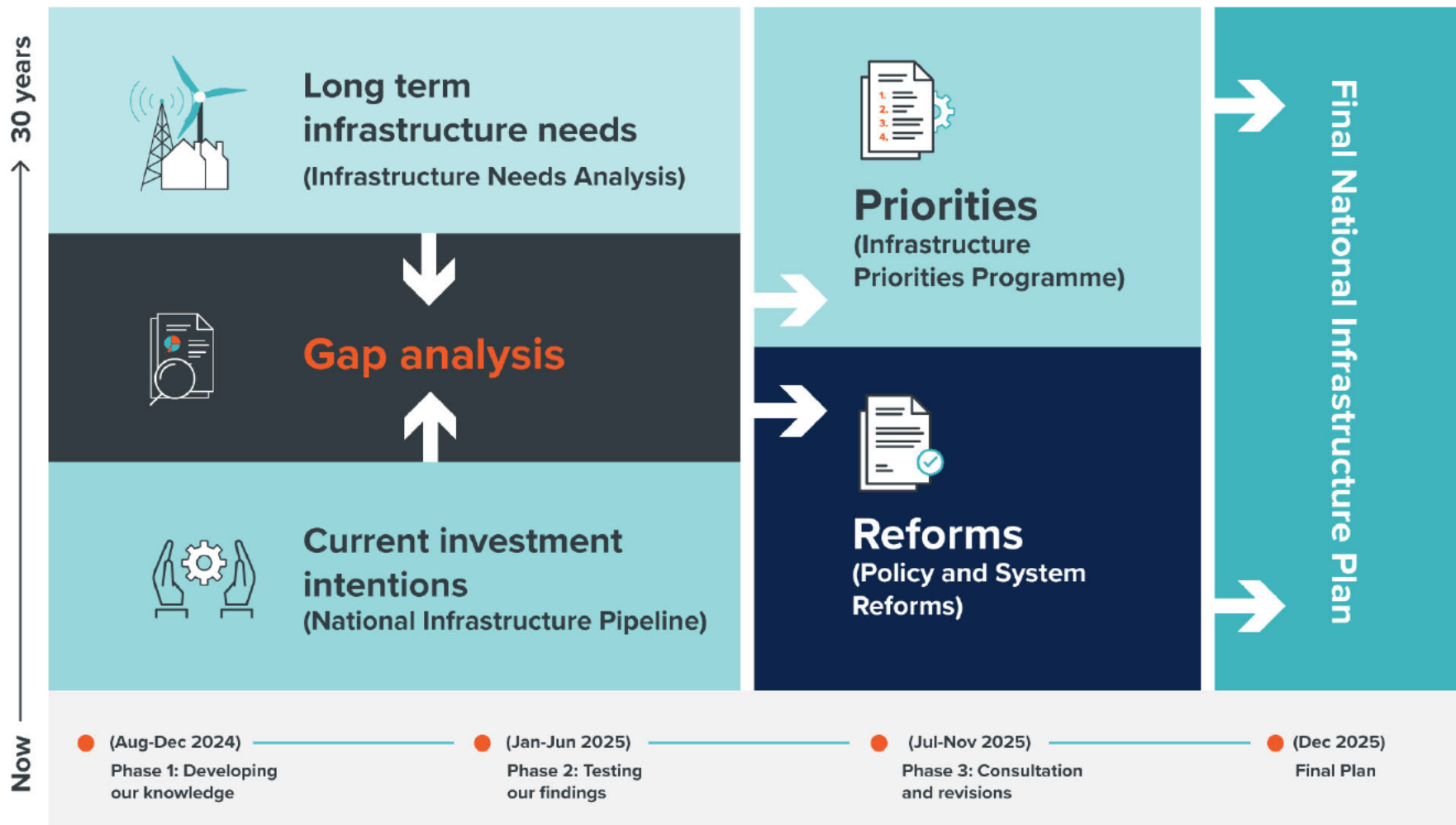
Indicative Timeframe	What	Detail
Mid-October 2024	Stakeholder engagement: Continuing the conversation	<p>The purpose of this engagement is to:</p> <ol style="list-style-type: none"> 1. Test our early/emerging thinking on the National Infrastructure Plan and seek feedback to improve it. 2. Seek information from the infrastructure sector (and other key stakeholders) that we can use to shape the Plan. 3. Provide early visibility over our approach to the Plan, and test buy-in to this approach. <p>This continues the conversation from the Infrastructure Strategy and the Commission's research programme.</p> <p>Output: Briefing on key feedback from the consultation and how this will inform the development of the Plan</p>
Late October	Draft plan outline	<p>Outline of the structure of the Plan including early thinking on key issues.</p> <p>Output: Briefing on proposed approach, including a draft outline for the Plan</p>
September to December 2024	Draft background reports to inform the Infrastructure Needs Analysis	<p>A series of background reports to inform the development of the Infrastructure Needs Analysis. [Insurance against natural hazards, Natural hazards risks to infrastructure, Investment demand related to decarbonisation]</p> <p>Output: A series of background reports</p>
Early-December 2024	Preliminary Infrastructure Needs Analysis	<p>Preliminary draft of the Infrastructure Needs Analysis, for targeted external engagement. This will test whether the chosen approach to the assessment of infrastructure need is appropriate and identify areas for future analysis.</p> <p>Output: Briefing and draft report</p>

Indicative Timeframe	What	Detail
Mid-December 2024	Detailed Plan outline	<p>A detailed outline for the plan will be developed from the findings of work commissioned to November 2024.</p> <p>Output: Briefing on proposed narrative for the Plan, including a detailed outline</p>

Working with political parties

9. The National Infrastructure Plan will provide a shared long-term view of infrastructure investment needs and priorities, which will enable governments, councils and the private sector to leverage best value from infrastructure investment over time.
10. In line with your letters of 28 August to infrastructure spokespersons from the major parties, we will engage with major political parties at least every six months to build bipartisan support for the Plan. We will do this through information sharing and meetings at key points during the development of the Plan. These meetings will be used to outline the purpose of and overall approach to the Plan, and to understand key concerns and issues that are relevant to Plan development.
11. We will send emails to each infrastructure spokesperson next week and we will look to hold initial individual meetings shortly after this.
12. We note that you have also offered to meet with party spokespersons to discuss the Plan, long term infrastructure needs, and infrastructure reform, policy and projects more broadly. We will work with your office to support you in these meetings and to ensure that our engagement is aligned with yours.
13. We will leverage material that is already in the public domain or which has been provided to you in briefings.

Appendix A: Project structure



Appendix B: Workstreams

Workstream	Components	Purpose
Long-term infrastructure needs	Background research reports International Benchmarking Report Infrastructure Needs Analysis Report	<p>To understand the long-term demand for infrastructure investment due to drivers such as population change, asset maintenance and renewal, and climate change, along with the financial implications of these drivers of demand. This will look over a 30-year horizon and tell us what we should be spending across different sectors and, where possible, regions, under various scenario assumptions.</p> <p>The INA will take a constrained, top-down approach to need analysis. Three themes will be used to examine long-term infrastructure needs:</p> <ol style="list-style-type: none"> 1. What is the state of our current network? 2. What are we willing to pay for infrastructure? 3. Where or how should we invest in the future?
Current investment intentions	National Infrastructure Pipeline 10-year capital investment intentions (central and local government)	<p>To provide a national view of:</p> <ul style="list-style-type: none"> • Infrastructure project activity, including current projects and projects that are planned or being planned, including asset maintenance and renewals • 10-year capital intentions from central and local government • Long-term asset management intentions. <p>It will also include a study on the economically optimal mid-point between certainty and flexibility and draw qualitative views on likelihood of projects proceeding on time and within budget.</p>
Gap analysis		To bring together the top-down (infrastructure needs analysis) and bottom-up (investment intentions and infrastructure priorities programme) data and analysis to identify:

Workstream	Components	Purpose
		<ol style="list-style-type: none"> 1. where New Zealand may be over- or under-investing in infrastructure 2. how infrastructure investment could be better planned and programmed to improve outcomes 3. trade-offs between areas of infrastructure need, as well as funding constraints, to support prioritisation of infrastructure investment.
Priorities	Infrastructure Priorities Programme	To provide a structured independent review of infrastructure proposals and problems in various stages of planning, including initiatives that avoid the need for investment, that provides a menu of high-quality infrastructure proposals
Reforms	Policy and System Reforms	<p>To provide recommendations for system changes to address the issues, institutional arrangements and incentives that stop New Zealand from making the best use of our existing infrastructure and that are hindering the efficient delivery of the new infrastructure New Zealand needs.</p> <p>It will produce a small number of high-level policy and system reforms (some with specific recommendations) that are enduring to meet needs into the future. They will focus on incentivising the right actors to make the right decisions to achieve the right outcomes across the system.</p>

Appendix C: Deliverables

National Infrastructure Plan - Key Milestones

Date	Deliverable	Detail	Provided to Minister	Ministerial Action
Mid-October 2024	Stakeholder engagement: Continuing the conversation	Initial engagement to test early thinking on the Plan, seek information from the sector that we can use to shape the Plan, and provide early public visibility to the proposed approach. This continues the conversation from the Infrastructure Strategy and the Commission's research programme.	Briefing Draft deliverable	Feedback
Late October	Draft plan outline	Outline for the structure of the Plan including early thinking on key issues.	Weekly report Draft deliverable	Discussion
September to December 2024	Draft background reports on Infrastructure Needs Analysis	A series of background reports to inform the development of the Infrastructure Needs Analysis. [Insurance against natural hazards, Natural hazards risks to infrastructure, Investment demand related to decarbonisation]	Briefing Draft deliverable	Discussion
Early-December 2024	Preliminary Infrastructure Needs Analysis	Preliminary draft of the Infrastructure Needs Analysis	Briefing Draft deliverable	Discussion
Mid-December 2024	Detailed Plan outline	A detailed outline for the plan will be developed from the findings of work commissioned to November 2024.	Briefing Draft deliverable	Feedback
February to April 2025	Stakeholder and public engagement	Targeted stakeholder engagement to continue to test out thinking. Interactive public engagement to raise awareness seek feedback on key themes and issues.	Weekly report	Information
February 2025	Plan options and preliminary recommendations	Plan options and preliminary recommendations will be discussed with the Infrastructure Commission Board and the Minister.	Briefing Draft deliverable	Feedback
March 2025	Draft international benchmarking report	Draft report benchmarking relative investment levels and, where possible, infrastructure outcomes against international peers.	Briefing Draft deliverable	Discussion
March/April 2025	Early draft of the Plan	An early draft of the Plan will be discussed with the Infrastructure Commission Board and the Minister.	Briefing Draft deliverable	Feedback
April 2025	Draft Infrastructure Needs Analysis	Draft Infrastructure Needs Analysis incorporating findings from all research	Briefing Draft deliverable	Feedback
Mid-May 2025	Draft plan for informal review	Draft of the plan provided to the Minister on a "no surprises" basis for informal review.	Briefing Draft deliverable	Feedback
End of June 2025	Draft plan for Minister's feedback and public consultation	Draft plan approved by the Infrastructure Commission Board, provided to the Minister for formal feedback, and released for public consultation.	Final deliverable	Feedback
July/August 2025	Public consultation period	6 week public consultation period.	Weekly report	Information
September 2025	Outcomes of consultation	Analysis of the outcomes of public consultation.	Briefing	Discussion
End September 2025	Minister's feedback	Minister provides written feedback on the draft plan.		Decision
Mid-November 2025	Update on final plan	Draft of the plan provided to the Minister on a "no surprises" basis.	Briefing Draft deliverable	Feedback
December 2025	Final plan	Final plan published and provided to the Minister to table in Parliament.	Final deliverable	Feedback
Early 2026	Government response	Government formally responds to the Plan.		Decision



**Te Kāwanatanga
o Aotearoa**
New Zealand Government

National Infrastructure Plan Work Programme – further details

Date: 12 September 2024

Report No: TW-2024-482

To	Action sought	Deadline
Hon Chris Bishop, Minister for Infrastructure	Provide any feedback on the work programme for the development of the National Infrastructure Plan.	For discussion at the officials meeting on 16 September.

Attachments

- Appendix A: Workstream key deliverables and timeframes

Contact details

Name	Role	Phone
Jane Simmonds	Programme Manager, National Infrastructure Plan	s9(2)(a)
Peter Nunns	Acting General Manager, Strategy	s9(2)(a)

Actions for the Minister's office staff

Return the signed report to the NZ Infrastructure Commission | Te Waihanga

Minister's Comments

Recommendations

We recommend that you:

1. **Provide any feedback** on the work programme for the development of the National Infrastructure Plan.

Agree / disagree

s9(2)(a)

Peter Nunns

Acting General Manager, Strategy

Hon Chris Bishop

Minister for Infrastructure

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National Infrastructure Plan Work Programme

Purpose

1. This briefing builds on a previous briefing (TW-2024-472) and provides more detail, as requested, on the work programme for the National Infrastructure Plan (the Plan).

Work programme

Context

2. The Plan will provide an assessment of current and future infrastructure needs and identify the priorities for infrastructure for the next 30 years.
3. In developing the Plan, the Infrastructure Commission (the Commission) will answer three key questions:
 - a. What infrastructure will be needed and what should we spend over the next 30 years?
 - b. What infrastructure investment is currently planned over the next 10 years?
 - c. What is the gap between the long-term infrastructure need and planned investment, and how do we address this gap?

Timeframes

4. We will deliver a draft Plan to you for feedback in June 2025. We will finalise the Plan by December 2025, with the Government response to follow in early 2026.
5. We have structured the Plan development work programme into three phases:
 - a. **Phase 1: *Developing our knowledge (Aug-Dec 2024)***: This includes our research programme and stakeholder engagement to test early thinking and encourage the sharing of ideas to improve infrastructure outcomes.
 - b. **Phase 2: *Testing our findings (Jan-Jun 2025)***: This will include further research to fill gaps in our knowledge, more targeted stakeholder engagement to test our findings from our research programme and raising public awareness in preparation for the release of the draft Plan for consultation.
 - c. **Phase 3: *Consultation and revisions (Jul-Dec 2025)***: This includes public consultation and feedback from you on the draft Plan and the finalisation of the Plan to be tabled in Parliament in December 2025.

Workstreams and deliverables

6. We have organised the development of the Plan into the following five workstreams:

Table 1 – Summary of Plan workstreams

Workstream	Description
Infrastructure needs analysis	<p>A 30-year funding forecast of infrastructure service need across different sectors (such as transport, education, health etc) and, where possible, regions.</p> <p>The needs analysis will be presented within a fiscal envelope based on historic average infrastructure investment levels to provide a realistic forecast against which to plan for infrastructure investment.</p>
Current investment intentions	<p>This will bring together analysis of current infrastructure investment intentions to provide a comprehensive view from information sources including the National Infrastructure Pipeline, the Treasury's Quarterly Investment Reporting (QIR), local government plans and significant private sector investment intentions.</p>
Infrastructure Priorities Programme (IPP)	<p>The IPP will provide a structured independent review of infrastructure proposals and problems in various stages of planning, including initiatives that avoid the need for investment, that provides a menu of high-quality infrastructure proposals.</p> <p>The assessments and proposals will be analysed alongside current investment intentions and included as part of the gap analysis workstream.</p>
Gap analysis	<p>The purpose of this workstream is to bring together the top-down (infrastructure needs analysis) and bottom-up (current investment intentions and infrastructure priorities programme) data and analysis to identify where New Zealand may be over- or under-investing in infrastructure and highlight trade-offs.</p> <p>The gap analysis will outline the Commission's recommended approach to infrastructure investment, within current fiscal policy settings, that will best achieve New Zealand's infrastructure investment needs. It will address existing individual projects and programmes (funded and unfunded) and areas of investment not currently in planning.</p> <p>The gap analysis will be based on best available information, meaning there are likely to remain some areas where we have less certainty or confidence. We will make this clear in the analysis.</p>
Policy and System Reforms	<p>This workstream will identify key issues in the current infrastructure system and recommend changes to address these issues.</p> <p>The workstream will produce a small number of policy and system reforms (with specific, implementable recommendations wherever possible) that are enduring to meet needs into the future.</p>

7. Table 2 below outlines the briefings we have provided to you to date on the Plan development and associated workstreams. We also provide regular updates in our weekly reports to you.

Table 2 – Briefings provided to date on National Infrastructure Plan

Briefing name and description	Submission date
30-year infrastructure plans [TW-2024-336]	25 January 2024
Information required to support the development of the National Infrastructure Plan [TW-2024-379]	27 March 2024
Assessing priority projects for the National Infrastructure Plan [TW-2024-390]	2 May 2024
Update on the purpose, scope and deliverables for the National Infrastructure Plan [TW-2024-419]	5 June 2024
Letters to seek government agency and council input to the National Infrastructure Plan [TW-2024-413]	6 June 2024
Draft Cabinet paper on the National Infrastructure Plan [TW-2024-440]	4 July 2024
[Final] Draft Cabinet paper on the National Infrastructure Plan [TW-2024-444]	17 July 2024
Infrastructure Needs Analysis [TW-2024-454]	22 August 2024

8. The workstreams and key deliverables for the Plan are contained in **Appendix A** and will be reported on regularly in our weekly report.

System integration of the National Infrastructure Plan

9. For the Plan to be successful, it will need to be well integrated into existing infrastructure planning and funding processes, including the Investment Management System and the Budget process.
10. We will provide you with a report by 26 September which outlines how the Plan can be integrated into these processes, to best support the Government to achieve its infrastructure priorities and outcomes sought. This will include:
- How elements of the Plan can align with Treasury processes and Ministerial and Cabinet decision-making
 - Roles and responsibilities of the Commission, the Treasury, you as the Minister for Infrastructure as well as other Ministers and Cabinet

- c. What early analysis and elements of the Plan (as it is developed) can support Budget 2025, if possible.

Next steps

11. The Plan is on the agenda for the weekly infrastructure officials meeting on Monday 16 September to enable you to provide us with feedback on the contents of this report and upcoming advice we will provide.
12. Table 3 below provides an outline of upcoming briefings on the Plan and workstreams.

Table 3: upcoming briefings

Briefing	Due to Minister	What this advice covers
Work programme for the Infrastructure Needs Analysis	19 September	Provides further information about key deliverables for this workstream of the Plan (building on TW-2024-454 sent 22 August).
Assessment framework for the Infrastructure Priorities Programme	26 September	Provides further information about the three factors that will be used to assess proposals through the IPP.
System integration of the Plan to inform investment decision-making	26 September	Will describe how the Plan will be integrated into the broader planning and investment management system for infrastructure, including to inform future Budgets.
Draft update for Infrastructure and Investment Ministers Group (IIMG)	26 September	Provides a draft paper for you to take to the IIMG meeting of 15 October. Papers for this meeting are due to the Treasury Secretariat by 1 October.
Draft discussion document	26 September	Provides you with a briefing on the proposed discussion document that will be released for stakeholder feedback in mid-October.
Policy and system reforms	3 October	Provides the scope and approach to the development of recommended policy and system reforms for the Plan.

Appendix A: Workstream key deliverables and timeframes

Workstream	Description and how it will be used	Key deliverables and timeframes			
		September – December 2024	January – March 2025	April – June 2025	June – December 2025
Plan Development	<p>The Plan will be provided to you in the form of a report with the following components:</p> <ol style="list-style-type: none"> 30-year funding forecast of infrastructure service need within existing fiscal policy settings, including scenarios based on various drivers of investment Analysis of current investment intentions, funded and unfunded Analysis of whether current investment intentions will meet New Zealand's infrastructure investment needs, including within funding constraints Recommended approach to infrastructure investment, within current fiscal policy settings, to best achieve New Zealand's infrastructure investment needs. This will address existing individual projects and programmes (funded and unfunded) and areas of investment not currently in planning Proposed areas of policy and system reform that facilitate improved infrastructure outcomes and support the efficient planning and delivery of investment 	<p>Discussion document outlining initial analysis for public feedback including:</p> <ul style="list-style-type: none"> Causes of inefficient infrastructure investment Current state of New Zealand's infrastructure asset base Drivers of investment need Performance against infrastructure investment and asset management planning and delivery standards and requirements Approach to infrastructure investment to meet our infrastructure needs <p>Report for IIMG to provide an update on the Plan development</p>	Early draft of Plan for feedback with Infrastructure Commission Board and Minister for Infrastructure	Draft Plan approved by Infrastructure Commission Board and provided to Minister for Infrastructure for formal feedback , and then released for public consultation.	<p>Analysis of feedback from public and stakeholder consultation</p> <p>Minister for Infrastructure to provide written feedback on the Plan</p> <p>Final Plan published and provided to Minister for Infrastructure to table in Parliament (with Government response due early 2026)</p>
Infrastructure Needs Analysis	<p>The infrastructure needs analysis will provide a 30-year funding forecast of infrastructure service need across different sectors (such as transport, education, health etc) and where possible, regions by answering three questions:</p> <ol style="list-style-type: none"> What is the state of our current network? What are we willing to pay for infrastructure? Where or how should we invest in the future? <p>This will include different scenarios of forecast investment need based on drivers of investment including:</p> <ol style="list-style-type: none"> Population and demographic changes (e.g. changing needs of an ageing population) Asset maintenance and renewal need compared to investment in new assets The need to reduce emissions to meet international obligations Increasing the resilience of infrastructure against extreme weather events <p>The needs analysis will be presented within a fiscal envelope based on historic average infrastructure investment levels to provide a realistic forecast against which to plan for infrastructure investment.</p> <p>The needs analysis is designed to be an input into the Government's fiscal strategy for infrastructure, and to inform Budget strategy.</p>	<p>Draft findings of research that are informing the needs analysis:</p> <ul style="list-style-type: none"> Long-term drivers of infrastructure Identification of risk and damage potential to infrastructure from natural hazards. Insurance of infrastructure and natural hazard risks to infrastructure Investment needs to meet net-zero emission goals International benchmarking of infrastructure investment <p>Interim report for consultation:</p> <ul style="list-style-type: none"> This will cover initial findings of all aspects of the needs analysis for external engagement. 	<p>Final findings of research that are informing the needs analysis:</p> <ul style="list-style-type: none"> Economic and fiscal returns of infrastructure Identification of risk and damage potential to infrastructure from natural hazards. Insurance of infrastructure and natural hazard risks to infrastructure Investment needs to meet net-zero emission goals International benchmarking of infrastructure investment 	<p>Infrastructure Needs Analysis to be included in the draft Plan for consultation:</p> <ul style="list-style-type: none"> This will include full results of all research and modelling of infrastructure needs. 	Finalised Infrastructure Needs Analysis to be included in the National Infrastructure Plan.

Workstream	Description and how it will be used	Key deliverables and timeframes			
		September – December 2024	January – March 2025	April – June 2025	June – December 2025
Current investment intentions	<p>This will bring together analysis of current infrastructure investment intentions to provide a comprehensive view from the following information sources:</p> <ol style="list-style-type: none"> 1. National Infrastructure Pipeline 2. The Treasury's Quarterly Investment Reporting (QIR), including the recently collected 10-year investment intentions data through the June 2024 QIR 3. Local government Long Term Plans and Infrastructure Strategies 4. Other information available on significant private sector infrastructure investment intentions <p>This will support analysis of whether current investment intentions, both funded and unfunded, will enable New Zealand to meet our infrastructure investment needs (to be set out in the infrastructure needs analysis).</p>	<p>National Infrastructure Pipeline:</p> <p>Pipeline Q3 2024 September update</p> <ul style="list-style-type: none"> • Submission deadline 13 September • Publish date 30 September <p>Pipeline Q4 2024 December update</p> <ul style="list-style-type: none"> • Submission deadline 6 December • Publish date 20-23 December 	<p>National Infrastructure Pipeline:</p> <p>Pipeline Q1 2025 March update</p> <ul style="list-style-type: none"> • Submission deadline TBC • Publish date 31 March <p>Additional analysis for Plan:</p> <p>Data analysis and report to bring together all infrastructure investment intentions</p>	<p>National Infrastructure Pipeline:</p> <p>Pipeline Q2 2025 June update</p> <ul style="list-style-type: none"> • Submission deadline TBC • Publish date 30 June 	<p>National Infrastructure Pipeline:</p> <p>Pipeline Q3 2025 September update</p> <ul style="list-style-type: none"> • Submission deadline TBC • Publish date 30 September <p>Pipeline Q4 2025 December update</p> <ul style="list-style-type: none"> • Submission deadline TBC • Publish date 19-22 December TBC <p>Additional analysis for Plan:</p> <p>Updated data analysis and report of comprehensive infrastructure investment intentions for inclusion in the finalised Plan</p>
Infrastructure Priorities Programme	<p>To provide a structured independent review of infrastructure proposals and problems in various stages of planning, including initiatives that avoid the need for investment, that provides a menu of high-quality infrastructure proposals.</p> <p>The IPP will provide:</p> <ol style="list-style-type: none"> 1. A menu of endorsed infrastructure proposals that provide strategic alignment, value for money, and are deliverable. 2. Information of the level of planning maturity / investment readiness of individual proposals. 3. Publicly available assessment reports, enabling the opportunity to build consensus on investment priorities. 4. Guidance to the sector that supports improved planning capability. <p>The assessments and proposals will be analysed alongside current investment intentions and included as part of the gaps analysis workstream (set out below).</p>	<p>Call for applications – Round 1</p> <ul style="list-style-type: none"> • Applications open to all. • Round 1 deadline for applicants is 20 December. 	<p>Call for applications – Round 2</p> <ul style="list-style-type: none"> • Applications open to all. • Round 2 deadline for applicants is 3 April 	<p>Priority menu published – Round 1</p> <ul style="list-style-type: none"> • Public release of endorsed proposals and their assessments • This will include a list of endorsed proposals by Stage on the Te Waihangā website • An assessment report will be included for each proposal, outlining its performance against the Assessment Framework. 	<p>Priority menu published – Round 2</p> <ul style="list-style-type: none"> • Public release of endorsed proposals and their assessments • This will include a list of endorsed proposals by Stage on the Te Waihangā website • An assessment report will be included for each proposal, outlining its performance against the Assessment Framework. <p>Learnings from IPP will inform other workstreams, such as the Gap Analysis, and the final Plan.</p>

Workstream	Description and how it will be used	Key deliverables and timeframes			
		September – December 2024	January – March 2025	April – June 2025	June – December 2025
Gap analysis	<p>To bring together the top-down (infrastructure needs analysis) and bottom-up (current investment intentions and infrastructure priorities programme) data and analysis to identify:</p> <ol style="list-style-type: none"> 1. where New Zealand may be over- or under-investing in infrastructure 2. how infrastructure investment could be better planned and programmed to improve outcomes 3. trade-offs between areas of infrastructure need, as well as funding constraints, to support prioritisation of infrastructure investment. <p>This analysis will result in recommendations about an approach to infrastructure investment that will best address the infrastructure investment needs of New Zealand within current fiscal policy settings. This will address:</p> <ol style="list-style-type: none"> 1. individual projects and programmes in planning and delivery (funded and unfunded), over the shorter-term (e.g. 5-10 years) 2. areas of investment need not yet in planning or delivery, over the longer-term (e.g. 10+ years). <p>This will be based on best available information, meaning there is likely to remain some areas where we have less certainty. We will make this clear in the analysis.</p> <p>This is designed to inform the Government's fiscal and Budget strategies.</p>	<p>Report to Minister for Infrastructure for feedback on approach to integration of top-down and bottom-up analysis (i.e. how to identify the gaps) to develop the proposed infrastructure investment approach</p>	<p>Report to Minister for Infrastructure of initial analysis for feedback:</p> <ol style="list-style-type: none"> 1. Gaps in investment needs 2. Likely key investment areas requiring trade-offs 	<p>Draft proposed infrastructure investment approach to be included in the Plan</p>	<p>Finalised proposed infrastructure investment approach to be included in the Plan.</p>
Policy and system reform	<p>This workstream will identify key issues in the current infrastructure system and recommend changes to address these issues. This might include areas such as:</p> <ol style="list-style-type: none"> 1. Actions or interventions that Ministers or infrastructure providers could take to improve infrastructure performance 2. Investment decision-making and funding processes 3. Regulatory settings 4. Institutional arrangements 5. Actions or interventions <p>The workstream will produce a small number of policy and system reforms (with specific, implementable recommendations wherever possible) that are enduring to meet needs into the future.</p>	<p>Progress update to the Minister including draft topic areas</p> <p>First round of engagement with key external subject matter experts</p> <p>High level outline of draft reforms</p>	<p>Description of assessment framework and how areas for reform were identified and prioritised</p> <p>Second round of engagement with key external subject matter experts</p>	<p>Development of the monitoring framework to evaluate success of the Plan</p> <p>Description of assessment framework and how recommendations were identified and refined</p> <p>Draft reforms and recommendations</p>	<p>Final reforms and recommendations – including the monitoring framework</p>

Work Programme for the Infrastructure Needs Analysis

Date: 19 September 2024

Report No: TW-2024-477

To	Action sought	Deadline
Hon Chris Bishop, Minister for Infrastructure	Note the key deliverables for the Infrastructure Needs Analysis through to December 2024	N/A

Attachments

None

Contact details

Name	Role	Phone
Graham Campbell	Principal Economist	s9(2)(a)
Peter Nunns	Acting GM Strategy	s9(2)(a)

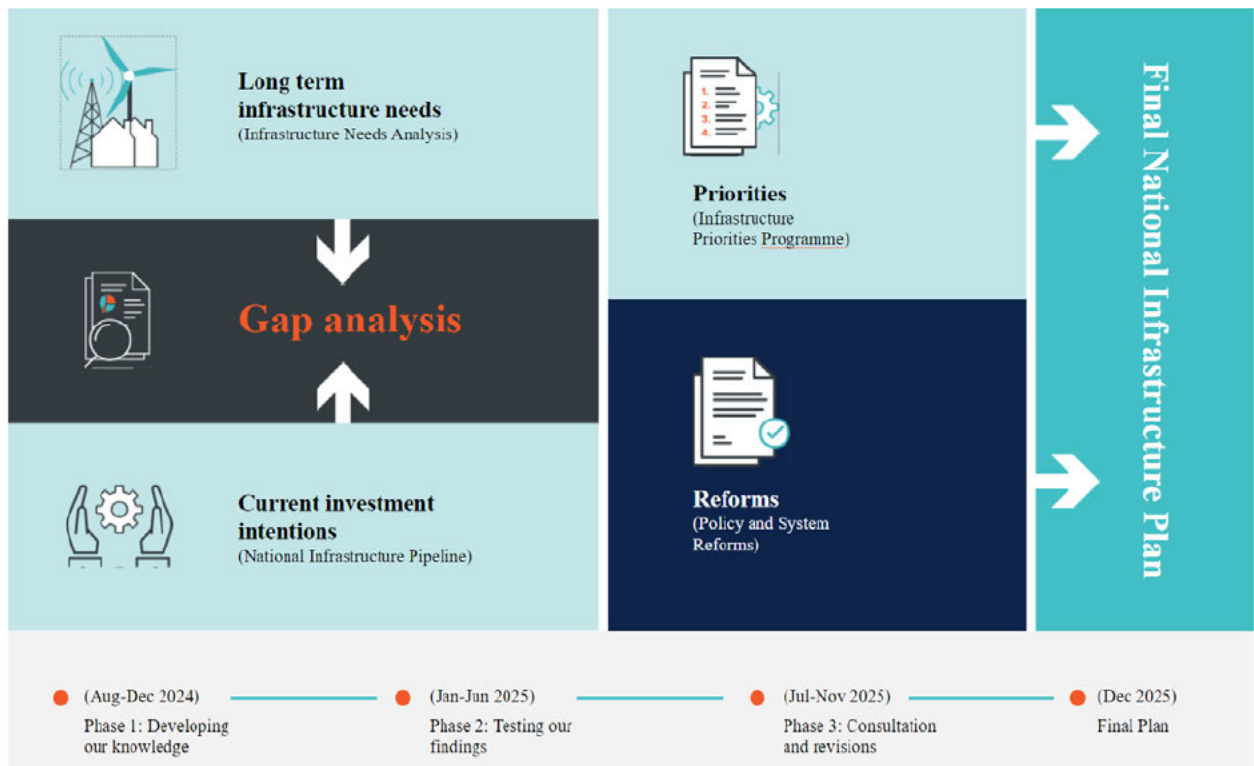
Purpose

1. The purpose of this Aide Memoire is to provide an update on the work programme for the Infrastructure Needs Analysis, which is one of the key components of the National Infrastructure Plan (the Plan). This briefing builds on a previous briefing on our *Approach to Deliver the Infrastructure Needs Analysis* (TW-2024-454).
2. We have separately advised on milestones for the Plan as a whole (TW-2024-482). This Aide Memoire provides you with key deliverables for the Infrastructure Needs Analysis (INA) part of the Plan.

Background on the Infrastructure Needs Analysis

3. The Infrastructure Needs Analysis sits within the 30-year Plan. It seeks to answer what infrastructure will be needed over the next 30 years by taking a top-down, constrained approach to need analysis, drawing upon lessons from previous work by the Commission and other infrastructure bodies' approaches to defining and measuring need.

4. As illustrated below, the results of the INA will be compared with investment intentions and plans over the near and medium term to identify gaps and misalignment. From there, the Commission will generate priority reform opportunities for the infrastructure system. These recommendations will form the heart of the Plan.
5. A draft Plan will be produced in June 2025 for your feedback and public consultation, with the final plan released by December 2025.



Forward work programme for the INA

6. In our previous briefing (TW-2024-454) we included a copy of the next report in a series of reports looking at long-term drivers of infrastructure investment. This report – which has been re-named *Paying it forward: understanding our long term infrastructure needs* – has now been reviewed and we plan to release it next week. We will send you the final version and media briefing this week. We have briefed key stakeholders in central government, local government, and the private sector on the report's findings on an embargoed basis.
7. The first major milestone for the INA will be a preliminary draft for targeted external engagement by December 2024. A more complete draft incorporating feedback from the first draft will be produced by April 2025.

8. Much of the work programme between now and December 2024 will be progressing background research that will inform the INA. These three research projects are:
 - a. Quantifying and modelling the need for infrastructure investment to improve natural hazard resilience.
 - b. Quantifying and modelling the need for infrastructure investment to meet New Zealand's net-zero carbon goals.
 - c. Benchmarking our infrastructure stock and levels of service with peer countries.
9. We expect preliminary results for each of these projects to be available by December 2024. We will provide you with updates on progress and results in the meantime. An indicative timeline of these updates and their content is provided in Appendix A.
10. We will brief you on the final findings from these pieces of research as they emerge in January to March.

Appendix A: Timeline of Ministerial Updates on the Infrastructure Needs Analysis through December 2024

Product	Form of update	Key Information	Indicative Timeline
Provide updates and timelines of INA work through December 2024	Aide Memoire	Provide information on updates and timelines to Minister by December 2024	This briefing.
Update on natural hazards research	Ministerial weekly update	Inform Minister on the project and our work with external contractors to complete it.	Early October 2024
Update on the investment need for net-zero	Ministerial weekly update	Inform Minister on the project and our work with external contractors to complete it.	Mid-October 2024
<i>Research Insights</i> report on insurance of infrastructure	Briefing/Report	Summary and key findings of <i>Research Insights</i> report on insurance of infrastructure against natural hazards, and different approaches to addressing resilience.	Late October 2024
Preliminary results on investment needs to address risks to infrastructure from natural hazards	Aide Memoire	Initial findings from the project	Mid-November 2024
Preliminary results on investment needs for net-zero	Aide Memoire	Initial findings from project	Late-November 2024
Update on project benchmarking New Zealand's infrastructure networks	Ministers weekly Update	Inform Minister on the project, and update on initial findings	Early-December 2024
Interim/Early Report for INA for consultation	Report	Initial report for targeted external engagement outlining the initial findings across all aspects of the INA	Mid-December 2024
Update to Minister on Interim/Early Report for INA	Briefing	Key findings from the Interim Report and outlining process to the draft report in April.	Mid-December 2024

System integration of the National Infrastructure Plan to inform investment decision making

Date: 26 September 2024

Report No: TW-2024-483

To	Action sought	Deadline
Hon Chris Bishop Minister for Infrastructure	Refer this briefing to the Minister of Finance Provide feedback on the proposed approach to system integration of the National Infrastructure Plan	4 October 2024 Also for discussion at the infrastructure officials meeting on 30 September.

Attachments

None

Contact details

Name	Role	Phone
Erana Sitterlé	Special Advisor, National Infrastructure Plan	s9(2)(a)
Peter Nunns	Acting General Manager, Strategy	s9(2)(a)

Actions for the Minister's office staff

return the signed report to the NZ Infrastructure Commission | Te Waihanga

forward the report to the Minister of Finance, subject to the Minister's agreement

Minister's Comments

Executive Summary

1. The National Infrastructure Plan (NIP) will need to integrate with infrastructure investment and planning funding processes to enable it to support the Government's fiscal strategy and investment decision-making. The Infrastructure Commission (Commission) is taking a best practice approach to the development of the NIP, including clear roles and responsibilities for the Commission, the Treasury and decision-makers.
2. In addition to analysis and advice as part of the NIP, the Commission will continue to undertake its role as infrastructure system leader within the investment management system (IMS).
3. The Commission's work across both the NIP and as system leader will provide the following support and input for Budgets 2025 and 2026:

Budget 2025:

4. System level: Analysis to support Budget package development and decisions, Quarterly Investment Reports (QIR) and Fiscal Strategy Report, specifically: high level analysis of long-term needs by sector, including modelling of 30-year potential spending envelopes, for comparison with QIR, Budget initiatives, overall Budget package and the Government's fiscal strategy
5. Agency level: analysis of sector-specific infrastructure strategies and plans on alignment with high level analysis of long-term needs by sector
6. Investment-level: assessment of infrastructure Budget initiatives to inform Budget package development and assessment of new investment proposals through the IMS

Budget 2026:

7. The draft, and then finalised, NIP will be able to inform the full Budget and IMS processes across system-, agency- and investment-levels. This includes Budget strategy, fiscal strategy, Budget initiatives and package development, QIR including sector commentary and assessment of new investment proposals and sector-specific infrastructure strategies/plans.
8. In addition to these quarterly and annual processes, the NIP will be able to inform the Treasury's regular stewardship reports and modelling including the Long-Term Fiscal Statement and Investment Statement.
9. We are working closely with the Treasury to ensure the approach to integration of the NIP is implemented successfully.

Recommendations

We recommend that you:

1. **Forward** this briefing to the Minister of Finance.

Agree / disagree

2. **Provide** feedback on the proposed approach to system integration of the National Infrastructure Plan

s9(2)(a)

Peter Nunns

Acting General Manager, Strategy

Hon Chris Bishop

Minister for Infrastructure

____ / ____ / ____

System integration of the National Infrastructure Plan to inform investment decision making

Purpose

10. The Infrastructure Commission (the Commission) has provided you with the work programme to develop and deliver the National Infrastructure Plan (the NIP) (TW-2024-482 refers).
11. You have asked for further advice on how the NIP and the component deliverables:
 - can be used through the Budget process (including Budget 2025), and
 - will align with the Treasury-led investment management and public finance systems to support Ministerial and Cabinet decision-making.
12. This report outlines this advice. We have also provided a report detailing the assessment framework for the Infrastructure Priorities Programme (IPP) (TW-2024-489 refers).

Context

We have aligned the National Infrastructure Plan approach with best practice

13. As we have refined the approach to develop the NIP, we have reviewed international approaches and lessons from other jurisdictions when undertaking strategic infrastructure planning. In doing so, we have focused on central government planning and funding processes to support Cabinet decision-making, as opposed to place-based planning (e.g. land-use planning undertaken by cities or regions).
14. Figure 1 below outlines the basic steps that are common across jurisdictions when establishing a stable, sustainable, investable infrastructure investment pipeline. The NIP relates to the three 'strategic planning' phases, as set out in Figure 1 and Table 1.

Figure 1: Overview of strategic infrastructure planning and prioritisation¹



¹ Institution of Civil Engineers, (2023). *Driving purpose, certainty, and pace in strategic infrastructure planning*. London: Institution of Civil Engineers.

Table 1: Mapping strategic planning and prioritisation to NIP, funding and reporting processes

Strategic planning	NIP workstream and analysis
Identify national objectives	<ul style="list-style-type: none"> The 2022 Infrastructure Strategy outlines long-term vision, outcomes and strategic objectives for infrastructure. We will draw upon this material, refreshing wording where appropriate.
Assess needs (and other analysis)	<ul style="list-style-type: none"> Infrastructure Needs Analysis Analysis of current investment intentions Analysis of proposals assessed through Infrastructure Priorities Programme Gaps analysis of whether current investment intentions will meet infrastructure needs
Develop a strategy (report)	<ul style="list-style-type: none"> Finalised NIP, which is being delivered as a 'strategy report' under the New Zealand Infrastructure Commission Act 2019. This will comprise analysis and resulting recommendations: Recommended approach to infrastructure investment (covering existing projects/programmes as well as areas of investment not currently in planning) Recommendations on <i>any</i> policy or system change (not solely in relation to central government investment planning and funding) needed to improve infrastructure outcomes and support the efficient planning and delivery of infrastructure
<i>Government response to National Infrastructure Plan</i>	
Prioritisation	Funding process for decision-makers
Prioritise projects	<ul style="list-style-type: none"> Budget process (for Crown-funded infrastructure) Other funding decision-making processes at arm's length of Ministers or separate from central government (e.g. transport infrastructure funded through the National Land Transport Fund or local government funded infrastructure)
<i>Agency delivery of infrastructure projects/programmes</i>	
Reporting	Public reporting on pipeline
Pipeline of projects	<ul style="list-style-type: none"> Reporting on investment projects and programmes through National Infrastructure Pipeline and/or the Treasury's Quarterly Investment Reporting

15. We have similarly considered how other jurisdictions have implemented and integrated advice from independent infrastructure bodies, such as the Commission, to inform infrastructure investment planning and funding decision-making. This is designed to preserve the respective roles of the Commission, the Treasury and Ministers/Cabinet in

the process of prioritising and funding Crown-owned infrastructure, as set out in Table 2 below.²

16. This also aligns with recent Cabinet decisions on establishing the National Infrastructure Agency and on developing the National Infrastructure Plan, which clarified the respective roles of the Commission and other entities in the investment system and in development of the NIP (ECO-24-MIN-0168 and CAB-24-MIN-0277.02 refer).

Table 2: Roles and responsibilities in infrastructure investment planning and funding processes

Agency	Responsibility in relation to infrastructure investment planning and funding
Infrastructure Commission	<p>Provision of independent advice to Government focused on long-term national infrastructure strategy and planning including:</p> <ol style="list-style-type: none"> 1. Undertaking needs-based assessment to build consensus on New Zealand's long-term infrastructure requirements 2. Delivering strategy reports, including in the form of a National Infrastructure Plan in 2025 3. Strategic advice on emerging issues, best practices and market dynamics 4. Providing a system perspective on large, complex, nationally important or at-risk projects and reviews where additional advice is needed by Government
Treasury	<p>Provision of first opinion advice to Government focused on its economic and fiscal leadership role:</p> <ol style="list-style-type: none"> 1. Advice on Budget and fiscal strategy and Budget package <p>Provision of second-opinion advice on agency- or portfolio-specific proposals:</p> <ol style="list-style-type: none"> 1. Advice on sector- or agency-level infrastructure strategies and plans (e.g. Government Policy Statement for land transport; Health Infrastructure Investment Plan) 2. Assessment of infrastructure proposals and business cases <p>Facilitates and implements Government Budget, fiscal strategy and funding decisions.</p>
Ministers and Cabinet	<p>Decision-makers on Budget strategy, fiscal strategy, infrastructure business case approvals and Crown funding decisions.</p>

² There are other funding sources and decision-makers for Crown assets, such as the National Land Transport Fund and New Zealand Transport Agency (NZTA). This report is focused on Treasury-run processes to support Ministerial and Cabinet decisions through the Budget process. We will also engage with these other agencies on how the NIP can support decision-making.

System integration approach

17. We have applied the following principles as we have mapped out how the NIP can integrate and support government decision-making:
 - The NIP will contain independent advice to government. The Government response to the NIP, facilitated by the Treasury, is the formal mechanism by which Cabinet/the Government will decide how to implement all, some, or none of the NIP recommendations.
 - We are developing the NIP within the parameters of the existing investment planning and funding processes led by the Treasury. The NIP may identify opportunities for system improvements; where it does, we will work with the Treasury to have these perspective considered.
 - Integration will seek to maximise the value of the NIP and its associated data and analysis to Ministers and Cabinet to support strategy and investment decision-making and minimise duplication.
 - The Commission will continue to undertake its role as system leader for infrastructure as part of the Investment Management System. This includes review and input into the Quarterly Investment Reporting (QIR) data and analysis, review of new investment proposals (Risk Profile Assessments and Strategic Assessments) for Cabinet approval and review of Budget initiatives
18. We have outlined how NIP data and analysis can support investment planning and funding processes and Treasury advice as it is developed and completed over the current and next financial years. This is in line with the workstreams deliverables timeframes set out in our previous report (TW-2024-482 refers).
19. In relation to the Infrastructure Priorities Programme in particular, the assessments and analysis from this process will not be ready to be integrated to support Budget 2025. We will work with the Treasury on how this will integrate to support Budget 2026 and beyond.
20. As noted in paragraph 17 above, the Commission will support the IMS and Budget processes in its role as system leader for infrastructure as part of the IMS. The Commission's advice on Budget 2025 infrastructure initiatives will be consistent with the approach that will be taken with IPP assessments, as the IPP assessment is aligned with the Treasury's assessment framework (TW-2024-489 refers).

Table 3: NIP analysis and integration with investment planning and funding processes

Financial year	NIP analysis that will be available	Support for Budget, fiscal strategy and investment advice and Ministerial and Cabinet decisions
24/25 (Budget 25)	<p><i>Early-2025:</i></p> <ul style="list-style-type: none"> • High-level analysis of long-term needs by sector for comparison with QIR and other Budget requests. • Modelling of 30-year potential spending envelopes for infrastructure investment. • Analysis on alignment of sector-specific infrastructure strategies and plans with initial infrastructure needs analysis 	<p><i>System-level:</i></p> <ol style="list-style-type: none"> 1. Budget package development and decisions 2. Fiscal Strategy Report <p><i>Agency-level:</i></p> <ol style="list-style-type: none"> 3. Second-opinion advice on sector-specific infrastructure strategies and plans
25/26 (Budget 26)	<p>Draft (<i>June 2025</i>) and final (<i>December 2025</i>) Plan covering:</p> <ol style="list-style-type: none"> 1. Finalised infrastructure needs analysis providing indicative 30-year forecast of infrastructure service needs. 2. Analysis of current infrastructure investment intentions and pipeline 3. Analysis of whether current investment intentions will meet NZ's infrastructure investment needs 4. Analysis of proposals submitted through Infrastructure Priorities Programme 5. Advice and recommendations on approach to infrastructure investment to best achieve NZ's infrastructure investment needs, covering existing projects and programmes (funded and unfunded) and areas not currently in planning 6. Recommendations on any policy or system change needed to improve infrastructure outcomes and support the efficient planning and delivery of infrastructure 	<p><i>System level:</i></p> <ol style="list-style-type: none"> 1. Budget strategy for infrastructure investment (to inform Budget priorities and Budget invites) 2. Fiscal strategy (providing analysis on the infrastructure investment needs to inform fiscal strategy, including both operating and capital expenditure needs) 3. Budget package development 4. Quarterly Investment Reports (providing infrastructure sector analysis) 5. Fiscal Strategy Report <p><i>Agency level:</i></p> <ol style="list-style-type: none"> 1. Second-opinion advice on sector- or agency-specific infrastructure strategies or plans (e.g. Health Infrastructure Investment Plan) <p><i>Investment level:</i></p> <ol style="list-style-type: none"> 1. Budget invites for infrastructure initiatives 2. Budget initiative assessments 3. New infrastructure investment proposals and business cases through Investment Management System (IMS) processes, including Quarterly Investment Reports (QIR) to Cabinet

21. In addition to the quarterly and annual processes outlined in Table 2, the NIP process can inform the Treasury's regular stewardship reports and modelling including:
- Long-Term Fiscal Statement (required every four years, must relate to a period of at least 40 consecutive financial years. It indicates possible trends in spending, revenue, the operating balance and debt over the relevant period, based on current policy settings and recent history)
 - Long-Term Fiscal Model (Treasury model to produce 40-year projections, which supports the Long-Term Fiscal Statement analysis)
 - Investment Statement (every four years the Minister of Finance must present to the House of Representatives a statement prepared by the Treasury that describes the state and value of significant assets and liabilities; how those have changed in value over time; how they are forecast to change over at least the next two years; and changes since the last statement)
22. As our work on the NIP develops, we are considering what analysis and advice the Commission can provide on a more regular basis to integrate with investment planning and funding processes, in addition to the required 5 yearly strategy report (which is how the NIP is being delivered). We will provide you with further advice on this as we develop our business planning.

Feedback from the Treasury

23. We have sought Treasury feedback and collaboration in the development of the approach to system integration of the NIP, including the practical details of how NIP data and analysis will support Treasury processes and advice.
24. The Treasury is supportive of the general approach to align the NIP with the Government's investment planning and funding processes and will work with the Commission to implement this.
25. The Treasury also agrees that the IPP is not ready to be implemented in time to support Budget 2025 and will work with the Commission on how this can be integrated for Budget 2026 and beyond, to ensure processes do not duplicate. The Treasury and the Commission will confirm the detail of how the Commission will support Budget 2025, which will be consistent with the approach taken with previous Budgets and will provide coordinated advice for Ministers.

Broad stakeholder engagement has also commenced

26. It will be critical to the success of the NIP that we engage widely and extensively, which we have commenced. This includes the establishment of a Government Forum to share information and coordinate feedback; regular meetings with capital intensive agencies as well as engagement with local government and the wider infrastructure sector.

Next steps

27. Subject to your feedback, we will work with the Treasury to confirm:
- the operational detail for how the Commission will support Budget 2025, including early analysis from the National Infrastructure Plan and as system leader for infrastructure as part of the IMS, and
 - how the IPP can integrate with the Treasury's processes from Budget 2026 onwards.



**Te Kāwanatanga
o Aotearoa**
New Zealand Government

National Infrastructure Plan – Draft Update for IIMG, 15 October 2024

Date: 26 September 2024

Report No: TW-2024-503

To	Action sought	Deadline
Hon Chris Bishop, Minister for Infrastructure	Provide any feedback on the on the draft update on the National Infrastructure Plan for the 15 October IIMG meeting	1 October 2024, for submission to the IIMG secretariat.

Attachments

1. Draft National Infrastructure Plan, Update to IIMG Meeting 15 October 2024

Contact details

Name	Role	Phone
Jon Butler	Director, Strategy	s9(2)(a)
Peter Nunns	Acting General Manager, Strategy	s9(2)(a)

Actions for the Minister's office staff

Provide any feedback on the draft update to allow for submission to the IIMG Secretariat on 1 October

Minister's Comments

National Infrastructure Plan – Draft Update for IIMG, 15 October 2024

Purpose

1. You are submitting a noting item with an update on the National Infrastructure Plan (the Plan) to the Infrastructure and Investment Ministers Group meeting (IIMG) on 15 October 2024.
2. The attached draft update on the Plan is provided for your feedback, and builds on the briefing provided last week on the work programme for the National Infrastructure Plan (TW-2024-472).
3. Following your feedback, we will finalise the slide deck and submit it to the IIMG secretariat on 1 October.

Key points for your consideration

4. The draft update provides an overview of the Plan's:
 - Purpose and scope
 - Workstreams
 - Development process and timing
 - Key milestones; and
 - Communications and engagement approach (including your intention to send letters to central and local government about the Plan).
5. We have also provided you with a separate paper on the integration of the Plan with the Investment Management System and Budget processes (TW-2024-483), for discussion at Infrastructure Officials on Monday 30 September. You may wish to include information relating to this paper in the update to the IIMG, subject to the outcome of the discussion at Officials.
6. If you would like a more fulsome discussion with the IIMG on development of the Plan, and integration with the Investment Management System, you could defer the update on the Plan to the November IIMG meeting.

National Infrastructure Plan

October 2024 Update

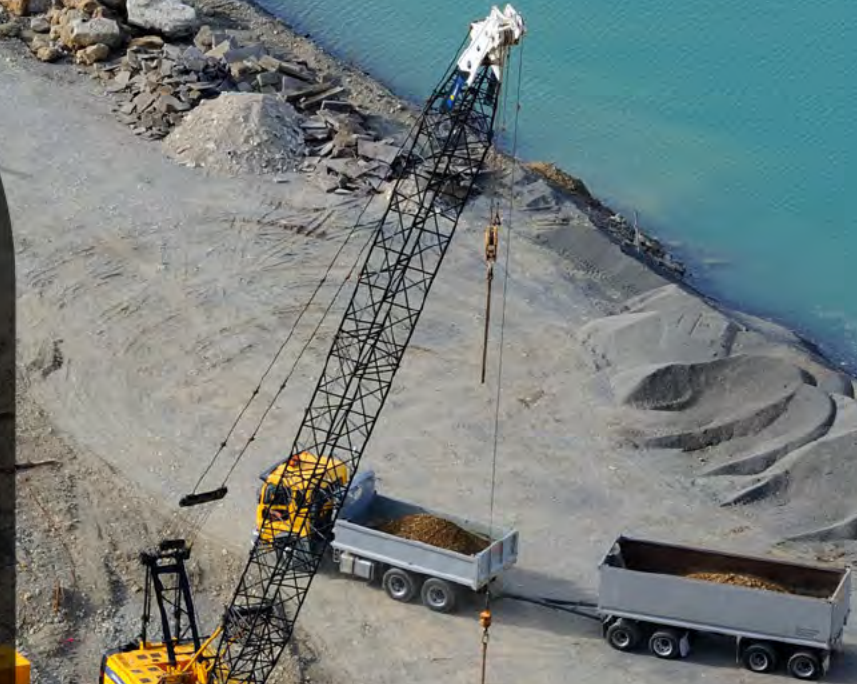
Infrastructure and Investment Ministers Group



Purpose of the Plan

The National Infrastructure Plan will provide an assessment of current and future infrastructure needs and identify the priorities for infrastructure for the next 30 years.

The Plan will support robust decisions that ensure infrastructure investment is affordable for current and future generations and supports thriving communities.





The National Infrastructure Plan

Three key questions the Commission are asking:

1. What infrastructure will be **needed** and what should we be spending over the next 30 years?
2. What infrastructure investment is **currently planned** over the next 10 years?
3. What is the **gap** between the long-term infrastructure need and planned investment, and how do we address this gap?



The Plan is made up of five workstreams:

1. Infrastructure
Needs Analysis

2. Current Investment
Intentions

3. Infrastructure
Priorities Programme

4. Policy &
System Reforms

5. Gap Analysis

Overview of the Plan



Now

30 years

- (Aug-Dec 2024)
Phase 1: Developing our knowledge
- (Jan-Jun 2025)
Phase 2: Testing our findings
- (Jul-Nov 2025)
Phase 3: Consultation and revisions
- (Dec 2025)
Final Plan

**Long term
infrastructure needs**
(Infrastructure Needs Analysis)

Gap analysis

**Current investment
intentions**
(National Infrastructure Pipeline)

Priorities
(Infrastructure
Priorities Programme)

Reforms
(Policy and System
Reforms)

**Final National Infrastructure
Plan**

The background of the slide is a composite of two aerial photographs. The left side shows a wide, calm river flowing through a lush green forest. A small bridge crosses the river. The right side shows a large-scale construction project on a steep, rocky hillside. A winding road leads up the hill, and a large dam or bridge structure is under construction, with cranes and construction equipment visible. The river flows through the construction site.

Development approach for the National Infrastructure Plan



Plan Development Process

The Commission will produce the Plan over three phases, followed by the Government Response





Key Plan Milestones

Key Plan Milestones

	Sep – Dec 2024	Jan – Mar 2025	April – June 2025	June – Dec 2025
Plan development	Discussion document with initial analysis for public feedback		Draft Plan provided to Minister for Infrastructure then released for public consultation	Analysis of feedback from public and stakeholder consultation Final Plan published and provided to Minister to table in Parliament
Needs Analysis	Draft findings of research Interim report for consultation	Final findings of research	Needs analysis included in draft Plan for consultation	Finalised needs analysis in the final Plan
Current investment intentions	Pipeline Q3 2024 September update Pipeline Q4 2024 December update	Pipeline Q1 2025 March update Data analysis and report bringing together all infrastructure investment intentions	Pipeline Q2 2025 June update	Pipeline Q3 2025 September update Pipeline Q4 2025 December update Updated data analysis and report of comprehensive investment intentions included in final Plan
IPP	Call for applications (Round 1)	Call for applications (Round 2)	Priority menu published (round 1)	Priority menu published (round 2) Learnings from IPP inform final Plan
Gap analysis	Report to Minister for feedback on approach to integration of top-down and bottom-up analysis	Report to Minister with initial analysis of gaps in investment needs and trade-offs	Draft proposed infrastructure investment approach	Finalised proposed infrastructure investment approach
Policy and system reforms	First round of engagement with external experts High level outline of draft reforms	Second round of engagement with external experts	Development of monitoring framework to evaluate success of the Plan Draft reforms and recommendations	Final reforms and recommendations



Communications and Engagement Approach





Comms and Engagement Approach

Multiple channels are being used

Minister for Infrastructure

- Ministerial press releases, conferences, speeches
- Letters to local and central government inviting participation
- Developing a bi-partisan approach – regular cross-party briefings

Infrastructure Commission

- Monthly Central Government Agency Forum – to coordinate government input
- Workstream webinars (IPP and Pipeline webinars have seen over 350 attendees representing over 150 organisations in Aug/Sep)
- Social media, podcasts, media, presentations, events, newsletters
- Discussion document and four stakeholder events in November (Auckland, Hastings, Wellington and Christchurch) (2024) and consultation on draft Plan (2025)
- Ongoing iwi/ Māori, local government and private sector engagement



How can stakeholders get involved?

Key touch points during development of the Plan

Now	Late 2024	In 2025
Register in the Infrastructure Portal	Respond to NIP discussion document (Nov 2024)	Respond to consultation on the draft NIP (mid-2025)
Submit proposals to the IPP	IPP open for applications (August – December 2024)	Respond to consultation on the draft NIP (mid-2025)
Submit projects to the Pipeline	----- Pipeline updates every quarter ----->	
Attend workstream webinars and engage on specific topics	--- Regular webinars and engagement on specific topics across 2024-25 -->	
Central Government Agency Forum	----- Forums will be held monthly across 2024-24 ----->	



Overview of National Infrastructure Plan workstreams





1. Needs analysis

1. Infrastructure Needs Analysis

A 30-year funding forecast of infrastructure service need across different sectors (such as transport, education, health etc) and, where possible, regions.

The needs analysis will consider New Zealander's willingness to pay for infrastructure in order to identify trade-offs in needs, inform prioritisation and guide long-term planning



2. Current Investment Intentions



2. Current Investment Intentions

This workstream will bring together analysis of current infrastructure investment intentions to provide a comprehensive view from information sources including the National Infrastructure Pipeline, the Treasury's Quarterly Investment Reporting (QIR), local government plans and significant private sector investment intentions.



3. The Infrastructure Priorities Programme

The IPP will provide a structured independent review of infrastructure proposals and problems in various stages of planning, including initiatives that avoid the need for investment, that provides a menu of high-quality infrastructure proposals.

The assessments and proposals will be analysed alongside current investment intentions and included as part of the gap analysis workstream.





4. Policy & System Reforms—

4. Policy & System Reforms

This workstream will identify key issues in the current infrastructure system and recommend changes to address these issues.

The output will be a targeted set of policy and system reforms (with specific, implementable recommendations wherever possible) that are enduring to meet needs into the future.





5. Gap Analysis

5. Gap Analysis

The purpose of this workstream is to bring together the top-down (infrastructure needs analysis) and bottom-up (current investment intentions and infrastructure priorities programme) data and analysis to identify where New Zealand may be over- or under-investing in infrastructure and highlight trade-offs.





5. Gap Analysis (cont.)

The gap analysis workstream will:

- outline the Commission's recommended approach to infrastructure investment, within current fiscal policy settings, that will best achieve New Zealand's infrastructure investment needs.
- address existing individual projects and programmes (funded and unfunded) and areas of investment not currently in planning.
- be based on best available information, meaning there are likely to remain some areas where we have less certainty or confidence.



What will success look like?

We will:

- Be smarter about how we invest in and select projects
- Look after and get much more out of our existing infrastructure
- Remove the barriers and inefficiencies in our infrastructure system that are causing poor outcomes



Further detail on the Infrastructure Priorities Programme (IPP)

Date: 10 October 2024

Report No: TW-2024-500

To	Action sought	Deadline
Hon Chris Bishop, Minister for Infrastructure	Note the contents of this Aide Memoire	N/A

Attachments

Attachment 1: Infrastructure Priorities Assessment Framework

Attachment 2: Guide to Strategic Alignment Assessments

Attachment 3: Guide to Value for Money Assessments

Attachment 4: Guide to Deliverability Assessments

Attachment 5: Lessons learned from a pilot of the IPL assessment framework

Contact details

Attachments 1-4 are available at <https://tewaihanga.govt.nz/our-work/infrastructure-priorities-programme/assessment-criteria>

Name	Role	Phone
Philip Stevens	Acting Director, Economics	s9(2)(a)
Peter Nunns	Acting GM Strategy	s9(2)(a)

Purpose

1. This aide memoire is a revised version of TW-2024-489. As requested, it provides more detail on how projects will be assessed by the Infrastructure Priorities Programme (IPP), and the trial of the Assessment Framework as part of Budget 2024. It builds on a previous briefing on the National Infrastructure Plan work programme (TW-2024-482).
2. The integration of the National Infrastructure Plan, including the IPP, with the Investment Management System is discussed in a separate aide memoire (TW-2024-483 refers). The Commission will continue to work with Treasury on how the IPP will integrate with the Investment Management System.

Background on the Infrastructure Priorities Programme

3. The IPP is one element of the National Infrastructure Plan. The IPP will provide a structured independent review of infrastructure proposals at set points in the planning process.
4. The IPP will result in a 'menu' of Infrastructure Priorities available to decision-makers and the public. This menu will both identify priority infrastructure problems and signal the readiness of solutions to those problems. This is important for three reasons:
 - a. It will improve public transparency and visibility over investment readiness, allowing decisions to be made in a staged manner and dampening pressure for premature project announcements.
 - b. It will help improve value for money, for instance by signalling that a proposal is addressing an important problem, but that further work is needed to find a solution that is affordable given the size of the problem.
 - c. It will support consensus-building around priority infrastructure problems and proposals.
5. The assessments from the IPP will help the Commission to meet its obligations as a system leader under Cabinet Circular CO (23) 9. This will ensure the Commission can provide robust, high-quality and detailed infrastructure advice on projects when required for Quarterly Investment Reporting and the Budget process.
6. The IPP is open to applications from all regions and all infrastructure sectors.¹ A proposal must meet three conditions to be eligible to apply to the IPP:
 - a. **Uncommitted:** Once a preferred option has been selected and funded, a project is not eligible to apply.²
 - b. **Infrastructure or infrastructure problems:** Eligible proposals can include infrastructure and initiatives that avoid the need for new infrastructure, such as congestion charging.

¹ Groups that are not affiliated with infrastructure providers, such as market led proposals or advocacy group proposals, are able to submit applications to the IPP. However, to be successful at later stages, an applicant must demonstrate that the proposal is deliverable by both the project's proponents and the construction industry.

² The process for commitment to individual projects varies across infrastructure sectors and will be assessed on a case-by-case basis. For example, in some sectors, funding may be allocated through long term plans before a specific project has been developed and confirmed. In this context, we define a project as committed once funding has been given to a preferred option that has been developed to a reasonable level of detail.

- c. **Nationally relevant:** A threshold will be applied to avoid assessing problems and proposals that are small or localised. This is not a strict threshold, with some flexibility on how national relevance is demonstrated.³

The Assessment Framework

7. To ensure that reviews are robust, standardised, and transparent, the Commission has developed an Assessment Framework.
8. The Framework outlines how the Commission will assess proposals based on information that project applicants are expected to produce given:
 - a. Investment Management System rules and settings,
 - b. existing central government proposal documents and templates, and
 - c. other existing guidance.
9. The intent of the Framework is to:
 - a. help to reinforce and uphold existing requirements for investment planning as set out in Cabinet Circular CO (23) 9: Investment Management and Asset Performance in Departments and Other Entities and associated Treasury business case guidance, and
 - b. expand on existing guidance and requirements by providing information that is tailored to infrastructure investments.
10. The Framework is not a project appraisal manual. It does not advise infrastructure providers how to plan and evaluate infrastructure proposals. Nor does it introduce new requirements for project planning and evaluation.
11. The Framework aligns with the Better Business Case (BBC) method, in particular the Five Case model (5CM) framework. This model is used in the United Kingdom and Australia, as well as being fundamental to the New Zealand Treasury's Investment Management System. In particular, the Framework aligns closely with the Treasury's business case and Budget evaluation framework, to enable consistent assessments.
12. The Framework was developed by drawing on international best practice, engaging external reviewers, and testing a draft Framework on existing projects.⁴

³ In general, national infrastructure priorities will be proposals that are substantial enough that they are perceivable at a national level. This test relates to the size of the whole-of-life costs of the problem or the benefits of the solution – is the problem big enough to be a national priority? While the IPP does not have a strict cut-off, problems and opportunities that are valued at \$50 million or more may be considered of a significant size to be strategically aligned. This cut-off relates to the size of the problem, rather than the size of the solution to solve the problem.

⁴ To understand best practice, the Commission engaged Sense Partners / Hadron Group to examine project appraisal systems in other jurisdictions. Infrastructure Australia also provided advice on their Infrastructure Priority List. A draft Assessment Framework then was developed and tested against project proposals for Budget 2024.

13. Proposals can be submitted for assessment at three stages which align with Treasury's Better Business Case guidance:
- Stage 1: Problems and opportunities.** This stage maps to a risk profile assessment / strategic assessment.
 - Stage 2: Potential options for solving the problem.** This stage maps to the Indicative and Programme Business Case stages.
 - Stage 3: Preferred option for solving the problem.** This stage maps to the Detailed Business Case stage.

What does 'good' look like?

14. To be assessed as an Infrastructure Priority, a proposal will need to meet all three of the following criteria:
- Strategic alignment:** It is aligned with either national level strategic priorities (e.g. the New Zealand Infrastructure Strategy), goals and objectives set out in legislation, or sector level strategies.⁵
 - Value for money:** Overall, it is beneficial to New Zealand, taking into account a full range of costs and benefits.
 - Deliverability:** It can be successfully implemented and operated over its life.
15. We have provided assessment guides for each of the three criteria. A copy of the Framework and supporting guidance documents for applicants are included as attachments to this note.
16. The focus of assessment changes depending on the stage of the proposal. Strategic alignment is the focus at Stage 1. It is also assessed at Stages 2 and 3 to ensure that the proposal still aligns and, where possible, quantifies the scale of contribution towards strategic objectives. Moving from Stage 1 to 3, the assessment puts more focus on Value for Money and Deliverability. Deliverability is only used as a formal assessment criterion in Stage 3 as opposed to a review item in Stages 1 and 2.
17. To be assessed positively against the Framework, proposals need to receive a positive assessment against all three criteria at Stage 3, and both the Strategic Alignment and Value for Money criteria at Stage 1 or 2.

Trial of the Assessment Framework during Budget 2024

18. The Infrastructure Commission participated in the Treasury's Budget 2024 (B24) Investment Panel, which reviews capital investment proposals that are seeking Crown funding through the Budget.

⁵ Alignment with sector level strategies might be shown in several ways, such as demonstrating a meaningful contribution to the sector's asset management plan, key objectives for the sector, or the sector's strategic plan.

19. This process was used as an opportunity to pilot the interim Assessment Framework. All proposals were assessed using both the Treasury's evaluation process and the IPP interim Assessment Framework. After assessments were completed, an internal lessons learned review was undertaken with Commission staff who evaluated proposals. A copy of the lessons learned report is included as Attachment 5 to this note.
20. s9(2)(g)(i) [REDACTED]
21. Of the 44 initiatives that the Commission evaluated, only 18 had a business case included in their application. Of the 6 new initiatives evaluated and funded, three had an adequate business case, and only one had a cost benefit analysis ahead of an investment decision.⁶
22. The primary outcome of the lessons learned review was that the basic structure of the assessment framework was sound, and that the three assessment criteria were fit for purpose and aligned well with Treasury's Investment Management System. We found that it was straightforward to map the assessment framework on to the Treasury's Budget questions.
23. Going forward, this indicates that it will be possible to use IPP assessments to feed directly into Budget advice. We expect that this will minimise duplication of effort and facilitate a flow of information from our assessments into Treasury's advice.
24. As a result of the lessons learned review, the Commission:
 - a. Made minor changes to the Strategic Alignment and Value for Money assessment questions.
 - b. Made more substantive changes to the Deliverability assessment questions, with three new questions added.
 - c. Developed a Governance and Sign out Policy to ensure that all IPP assessments are high-quality, consistent, and unbiased.⁷
 - d. Developed three supplementary guidance documents to provide further information to applicants to help them develop strong proposals.
 - e. Developed a web-based application portal that enables collection of detailed information from applicants, secure storage of data, and supports a standardised process for undertaking assessments.

⁶ Adequate business case was defined as included each of the five better business cases (strategic, economic, financial, commercial, and management cases).

⁷ The Assessment Framework and Governance and Sign Out Policy have been approved by the Commission's Board.

25. As a result of this trial and review of the IPP Assessment Framework, we are confident that the Framework is robust and that our assessment process will be effective at evaluating infrastructure proposals.

Strategic Alignment

26. Strategic Alignment tests the extent to which a proposal supports future infrastructure priorities and/or improves existing infrastructure systems and networks that New Zealanders need. Strategic alignment is demonstrated by:
- a. a well-defined problem or opportunity,
 - b. contribution to the strategic objectives set out in the New Zealand Infrastructure Strategy, goals and objectives set out in legislation, or sector-level strategies, and
 - c. the size of the problem or opportunity.
27. Some proposals may not make a direct contribution to the objectives in the Infrastructure Strategy but may contribute strongly to other national strategic objectives. In these cases, applicants will need to demonstrate how the proposal fits into the wider infrastructure network or system, and why the proposal is important strategically within its sector.⁸

Value for Money

28. Value for Money tests whether the proposal provides value to society above the costs required to deliver, operate, and maintain it. It is possible that more than one solution could address a problem in a way that provides net societal benefits. In our assessment of value for money, proposals will need to show that their preferred option achieves higher net societal benefits than other options.
29. Each stage has different requirements to be considered value for money.
- a. At **Stage 1** our assessment focuses on whether applicants have demonstrated that a significant problem or opportunity exists. It is not necessary to have any specific solutions at this stage, but proposals should have considered whether potential solutions to the problem are proportionate to the cost of the problem.
 - b. At **Stage 2** we are focused on determining whether the applicant has appropriately considered a wide range of options that could solve the problem, and identified a shortlist that will do so in the most efficient way. Following a robust longlist and shortlist process provides confidence that the preferred solution will deliver value for money with the greatest certainty.
 - c. At **Stage 3**, we expect applicants to demonstrate whether the preferred option, in a sufficiently scoped and designed form, still maximises value for money under a range of scenarios. We want to see evidence that the applicant has robustly considered the whole-of-life costs of the project.

⁸ This might be demonstrated in several ways, such as demonstrating a meaningful contribution to the sector's asset management plan, key objectives for the sector, or the sector's strategic plan.

30. Different analytical tools can be used to measure whether a project will deliver value for money. Based upon our research into best practice, our Framework states that a strong value for money case should use a combination of four of the following tools: cost-benefit analysis (CBA), scenario testing, qualitative risk assessment and sensitivity testing.
31. The Framework explains that CBA is the best available tool for measuring value for money. This is because CBA is the most comprehensive way to measure and compare all the costs and benefits of a project. In addition to providing a net benefit assessment, CBA can also be used to compare and rank projects designed to address the same problem.
32. In some sectors, the benefits of an investment may be difficult or impossible to monetise. In these cases, cost-effectiveness analysis can be used as an alternative method to demonstrate value for money. A cost-effectiveness analysis assesses the relative costs of alternative options for addressing the problem, to determine whether the preferred option is cost effective compared with other options.

Deliverability

33. Many factors affect the deliverability of a proposal, such as how technical it is, the quality of project planning and design, and the capability of the organisation that is planning and delivering the project. Deliverability is assessed by considering:
 - a. **Project scoping:** Has the scoping been developed to a level appropriate to the proposal stage?
 - b. **Commercial case:** Is the investment viable and achievable in the delivery market?
 - c. **Project controls and project management:** Is the investment supported appropriately to deliver on the proposed scope and realise the intended benefits?
34. Deliverability assessments are completed at each stage of the Framework. As a project progresses, deliverability will become increasingly important. At Stage 1 and 2, Deliverability is a review criterion only. The aim of this is to enable the Commission to review, identify, and make recommendations on the deliverability of earlier-stage proposals, which can then be addressed or mitigated in subsequent stages of planning. At Stage 3, Deliverability is included as an assessment criterion as it is required for a proposal to be investment ready.
35. At **Stage 1**, Deliverability assessments will be focused on evaluating whether the submitter sufficiently understands their investment intention, i.e. the desired outcome they are seeking to achieve from the proposal, what is required to progress the project efficiently, and what is required to manage it successfully through delivery.
36. At **Stage 2**, the Deliverability assessment will check that the project planning approach and scope of the options under consideration will achieve the desired outcomes. The proposal should identify the resources required for delivery, test and validate the feasibility of delivery options, and demonstrate appropriate capability with sufficient oversight and management structures. Sources of risk should be identified and monitored, with appropriate risk management in place.

37. A **Stage 3** proposal should identify a preferred option and the preferred commercial approach to deliver that option. At Stage 3, the Deliverability assessment should check that the preferred option:
- a. has been scoped to fully encompass the works required to deliver the intended outcomes and benefits, including identification and quantification of any interdependencies.
 - b. has been robustly tested and iterated upon to ensure the supplier market is ready, willing, and capable of receiving the investment through the proposed delivery model.
 - c. has all specific sources of risk identified, and appropriate risk mitigation and management identified and able to be implemented.

Potential assessment outcomes

38. Completed assessments will be published on the Commission's website. The IPP will result in a 'menu' of Infrastructure Priorities available to decision-makers and the public.
39. The menu will not be ranked or sorted but will instead list all proposals which meet the three assessment criteria. Projects may be categorised by sector, region, or the types of outcomes they are expected to deliver.
40. There are four potential assessment outcomes:
- a. **Endorsed:** Identified as an Infrastructure Priority and listed on the Commission's website.
 - b. **Endorsed at previous stage:** If a project does not pass at a later stage, we will review whether it could receive a positive assessment at an earlier stage. For example, if a project is submitted for Stage 3 assessment but does not satisfy the requirements for Value for Money at Stage 3, we may review whether it would do so at Stage 2.
 - c. **Not endorsed:** We will outline the rationale for why the proposal has not met the criteria, and opportunities for improvement.
 - d. **Not assessed:** If key information is missing, the application will not be assessed. We will outline what further information may be required.
41. Assessment reports outlining our rationale for the assessment outcomes will be included on the website.

Timeline

42. Table One below sets out the timeline for the IPP to November 2025. For Round 1, we anticipate that the Minister will receive the outcomes of assessments in late April 2025, in advance of public release on 12 May 2025.

Table 1: Mapping strategic planning and prioritisation to NIP, funding and reporting processes

	Round 1	Round 2
Open for applications	28 August 2024	10 February 2025
Application deadline	20 December 2024	April 2025
Review period (Assessment, review, and sign-out):	6 January – 17 April 2025	April – September 2025
No surprises period (Outcomes of assessments shared with applicants, the Treasury, and Minister of Infrastructure)	21 April – 12 May 2025	September 2025
Public release date	12 May 2025	Late September / Early October 2025

Attachments 1-4 are available at
<https://tewaihang.govt.nz/our-work/infrastructure-priorities-programme/assessment-criteria>

Lessons learned from a pilot of the IPL assessment framework

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Date: 22 March 2024

Purpose

In late February, the Infrastructure Commission participated in the Treasury's Budget 2024 (B24) Investment Panel, which reviews capital investment proposals that are seeking Crown funding through Budget. As indicated in our previous update to the Board in November 2023, we used this as an opportunity to pilot the interim Infrastructure Priority List (IPL) assessment framework. This paper reports back with lessons learned during the process and outlines an approach for finalising and publishing the IPL assessment framework.

Background

A high-level summary of the IPL

An infrastructure priority list is a standardised process to assess infrastructure proposals at set points in the planning process, culminating in a list of vetted proposals available to decision makers and the public.

We expect the IPL to contribute to the following outcomes:

- Improve project assurance during planning,
- Improve assurance of strategic alignment of projects,
- Improve knowledge of problems and gaps in the sector,
- Increase visibility of opportunities for early cooperation between agencies or alternate finance, and
- Create greater consensus on infrastructure priorities.

Overview of Budget 2024 Investment Panel

The Budget Investment Panel is usually held near the end of the calendar year to support the Treasury's advice on new capital investment in the May Budget. This year, the timeframe was delayed due to the timing of the October 2023 general election and post-election Government formation. The Investment Panel is convened by Treasury and includes participation from system leaders in different capital-intensive areas, including the Infrastructure Commission.

As part of the Infrastructure Commission's participation in the Budget 2024, we piloted the IPL assessment framework over the infrastructure initiatives that Treasury received.

s9(2)(g)(i)

Noting these challenges, we were able to use the B24 pilot to test the appropriateness of our draft IPL assessment framework and identify areas where the framework should be improved prior to public release.

Recap of the IPL assessment framework

The assessment framework outlines how Te Waihangā will assess proposals based on information that project proponents are expected to produce following the Treasury's *Better Business Case* guidelines and related guidance. It includes the following key elements.

Assessment Criteria

To be assessed favourably against the Infrastructure Strategy, a proposal must satisfy all three assessment criteria:

- **Strategic alignment:** How does a proposal fit within and support future infrastructure priorities and the existing infrastructure systems and networks that are in place?
- **Value for money:** Does a proposal provides value to society over the costs required to deliver, operate, and maintain it?
- **Deliverability:** Can a proposal can be successfully implemented and operated over its life?

These assessment criteria are reviewed separately and considered to be equally important. We do not trade off criteria against each other or weight them to arrive at an overall score for proposals.

Assessment Stages

The assessment framework outlines how proposals can be assessed at three separate stages in the planning phase for an infrastructure project, aligned with the Treasury's *Better Business Case* guidance:

- Stage 1 assesses a **Strategic Assessment** submission that identifies a problem or opportunity that may require an infrastructure solution.
- Stage 2 assesses an **Indicative/Programme Business Case** submission that identifies and assesses a set of options for addressing the problem or opportunity.
- Stage 3 assesses a **Detailed Business Case** submission that identifies a preferred option for addressing the problem or opportunity, followed by a decision about whether to proceed with the project.

The focus of assessment changes for projects at different stages to reflect the type of evidence that is expected to be available at each stage.

Output of assessment

Appendix 2 provides an example of the output from applying the IPL assessment framework to a hypothetical project, adapted from an assessment completed for Budget 2024. Each assessment would result in project-specific commentary to support the assessment, reported in a standard template. For the IPL, an assessment would contain a greater level of detail, which has been omitted from the example for confidentiality reasons.

Lesson 1: The basic structure of the IPL assessment framework is sound

Our key lesson from the trial application of the IPL assessment framework on B24 initiatives is that the basic structure of the assessment framework is sound.

The three Assessment Criteria are fit for purpose

The three Assessment Criteria (Strategic Alignment, Value for Money, and Deliverability) are fit for purpose. They enable us to consider the key factors that influence project success and align well with Treasury's Investment Management System.

The approach of assigning 'holistic' scores for each of the three Assessment Criteria after answering individual assessment questions worked well. It provided structure and rigour to the assessment while allowing assessments to be tailored to different types of proposals.

Even with relatively limited training or briefings prior to assessments, assessors seemed to score initiatives in a broadly consistent way. Moderation of scores resulted in relatively few changes to bring initiative assessments into line with each other. This provides confidence that our assessment framework enables consistent scores to be created, even when multiple assessors are completing assessments.

We were not able to fully test assessment processes for all three stages

Because the Budget Investment Panel focuses on projects that are at the point of a funding application, where a Detailed Business Case is expected, we were not able to fully test how the assessment framework can be applied across all three Assessment Stages. However, we note that these stages align well with the Better Business Case framework.

In addition, assessors identified some proposals that would have received a negative evaluation as a Stage 3 proposal, but which may have been assessed favourably as a Stage 1 or Stage 2 proposal. This suggests that there is value in communicating to proponents that they may be 'listed' at a different stage to the one they apply at.

Suggested change: Update IPL assessment framework to clearly state that while applicants will apply for a particular stage, the assessment framework may result in a favourable assessment at an earlier stage if the proposal is not at a sufficient level of maturity for that stage.

The IPL assessment framework integrates well with Treasury's Budget questions

We used our answers to the IPL assessment questions to score initiatives against both our IPL assessment framework and the Treasury's evaluation framework. We found that it was straightforward to map the IPL assessment framework on to the Treasury's Budget questions.

Going forward, this indicates that it will be possible to use IPL assessments to feed directly into Budget advice. We expect that this will minimise duplication of effort and facilitate a flow of information from our assessments into Treasury's advice.

Lesson 2: Strategic Alignment assessment questions are fit for purpose but could be refined

The assessment framework includes a number of mandatory and non-mandatory assessment questions against each Assessment Criteria. s9(2)(g)(i)

we mainly focused on answering the mandatory assessment questions.

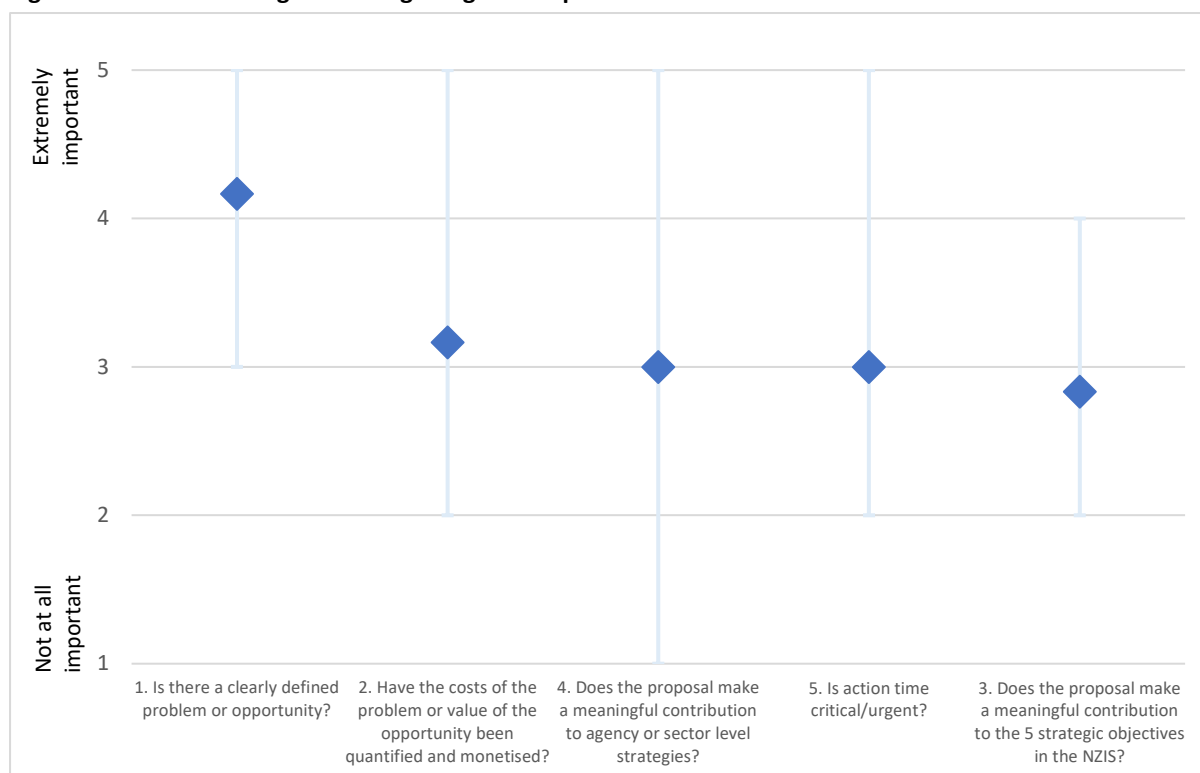
Our overall finding from the trial of the IPL assessment framework is that the Strategic Alignment assessment questions are largely fit for purpose, but that they would benefit from review and refinement prior to finalisation of the assessment framework.

We provided assessors with a set of standard / pre-populated responses to each assessment question, plus the option to provide additional commentary. In addition to this, we found that further guidance or training would have been desirable for assessors.

Assessors' rating of the usefulness of assessment questions

Assessment questions for Strategic Alignment appear to be broadly fit for purpose, covering the key issues. **Figure 1** shows assessors subjective ratings of the strategic alignment questions.¹

Figure 1: Assessors ratings of strategic alignment questions



Suggested changes: Promote question 2 from non-mandatory question to mandatory question. Promote question 4 from non-mandatory question to mandatory question. Add a supplementary question, to assess the quality of the agency or sector level strategy, if applicable. Reword Question 6 to avoid conflation with other definitions of national significance.

¹ The questions shown are a combination of Draft IPL questions and questions developed by Treasury for the Budget 2024 process.

Table 1: Suggested changes to Strategic alignment questions

Question – original wording	Question – revised wording	Rationale for change
<i>Previously optional question</i>	2. Have the costs of the problem or value of the opportunity been quantified and monetised?	Elevated from optional to mandatory question based on ratings and workshop.
<i>Previously optional question</i>	4. Does the proposal make a meaningful contribution to agency or sector level strategies or asset management plans?	Elevated from optional to mandatory question based on ratings and workshop. Added in asset management plans as this may be the relevant sector level document.
<i>New Question</i>	4a. Does the strategic / asset management document meet quality expectations outlined in relevant guidance documents?	It is insufficient for a proposal to be linked to a sector document, this document must also provide sufficient evidence to support the project.
6. Is the proposal nationally significant?	Is the proposal addressing a national infrastructure priority?	Removed the term national significance to avoid conflation with other definitions - National significant has a meaning under part 6AA of the RMA, and also has been used for specific investment programmes (eg the RoNS).

Supplementary guidance to assessors and applicants would be useful

We found that information outside of project business cases was sometimes relevant / necessary for considering aspects of strategic alignment. For instance, assessing a project's contribution to agencies' asset management plans or other long-term strategy and planning documents sometimes required us to seek out those documents, as they were not necessarily fully outlined in the business case.

We expect that the Strategic Alignment Assessment Tool that we developed as part of the IPL assessment framework would support more robust and consistent scoring against Strategic Alignment. However, we were not able to test this in detail due to the limited timeframe.

Suggested change: Develop a supplementary guidance document on the Strategic Alignment assessment criteria to accompany the IPL Assessment Framework. This would focus on providing further explanation of the assessment questions and the intent behind them. This supplementary guidance could be updated on a more regular/as-needs basis than the Assessment Framework itself.

Lesson 3: Value for Money assessment questions are fit for purpose but could be refined

The assessment framework includes a number of mandatory and non-mandatory assessment questions against each Assessment Criteria. Due to the limited timeframes for the B24 Investment Panel, we mainly focused on answering the mandatory assessment questions.

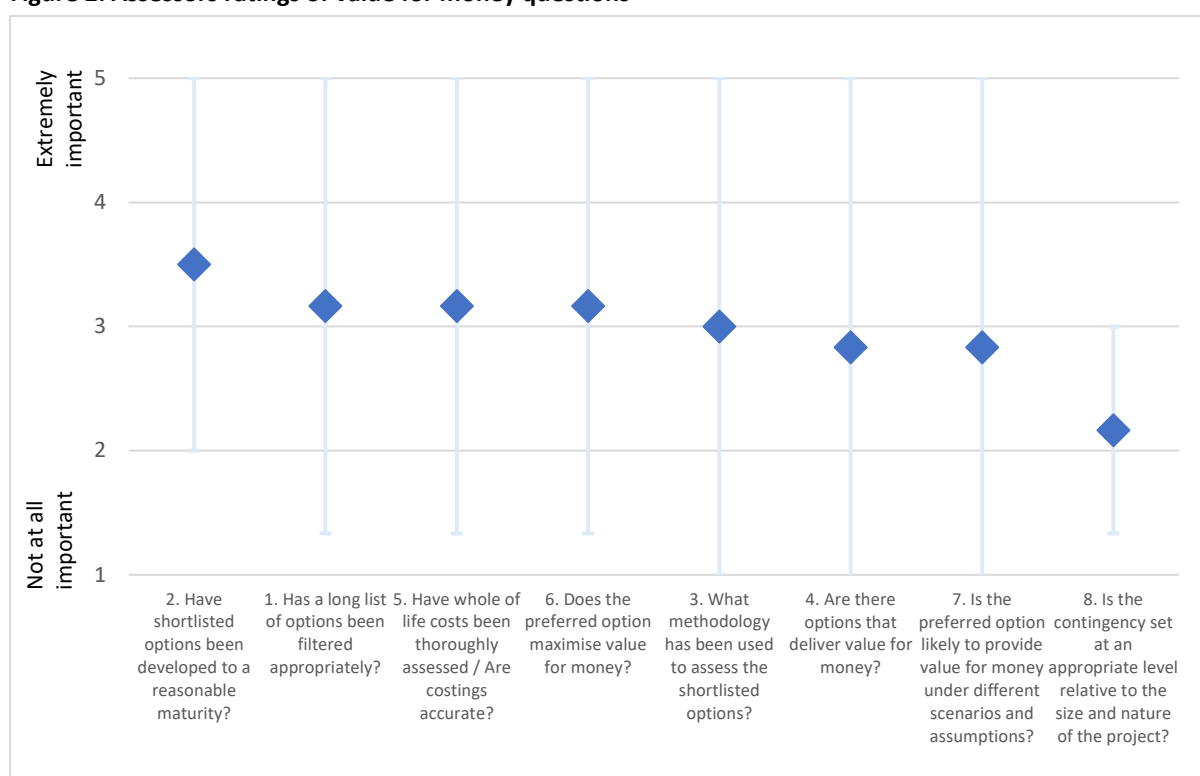
Our overall finding from the trial of the IPL assessment framework is that the Value for Money assessment questions are largely fit for purpose, but that they would benefit from review and refinement prior to finalisation of the assessment framework.

We provided assessors with a set of standard / pre-populated responses to each assessment question, plus the option to provide additional commentary. In addition to this, we found that further guidance or training would have been desirable for assessors.

Assessors' rating of the usefulness of assessment questions

Assessment questions for Value for Money appear to be broadly fit for purpose, covering the key issues. **Figure 2** shows assessors subjective ratings of the strategic alignment questions.

Figure 2: Assessors ratings of value for money questions



Suggested change: Refine question 5 to clarify interpretation and application. Move Deliverability question 9 to the Value for Money category (explained further below).

Table 2: Suggested changes to Value for Money questions

Question – original wording	Question – revised wording	Rationale for change
5. Have whole of life costs been thoroughly assessed	Is the cost estimation appropriate for the project stage? Is the project scope sufficiently developed to provide a high level of confidence in the cost estimate?	Reworded to provide more detail on what is likely to make a cost estimation accurate.
(Delivery question) 9. Have sustainability and resilience been considered in project design, delivery, and operations?	Have sustainability and resilience been appropriately considered in the assessment of options?	Question moved from Deliverability category, as it was agreed that the most substantive decision around sustainability is which option to choose.

Supplementary guidance to assessors and applicants would be useful

We found that some further guidance for assessors would have been useful to interpret and apply the assessment questions. Value for Money assessment questions focus on the appropriateness of options testing and the degree to which a preferred option is likely to maximise value for money. Approaches to options testing and value for money analysis may differ between project categories, meaning that some standard principles are needed to ensure that different types of projects are treated in a consistent manner.

Suggested change: Develop a supplementary guidance document on the Value for Money assessment criteria to accompany the IPL Assessment Framework. This would focus on providing further explanation of the assessment questions and the intent behind them. This supplementary guidance could be updated on a more regular/as-needs basis than the Assessment Framework itself.

Lesson 4: Deliverability assessment questions need further work before publication

The assessment framework includes a number of mandatory and non-mandatory assessment questions against each Assessment Criteria. Due to the limited timeframes for the B24 Investment Panel, we mainly focused on answering the mandatory assessment questions.

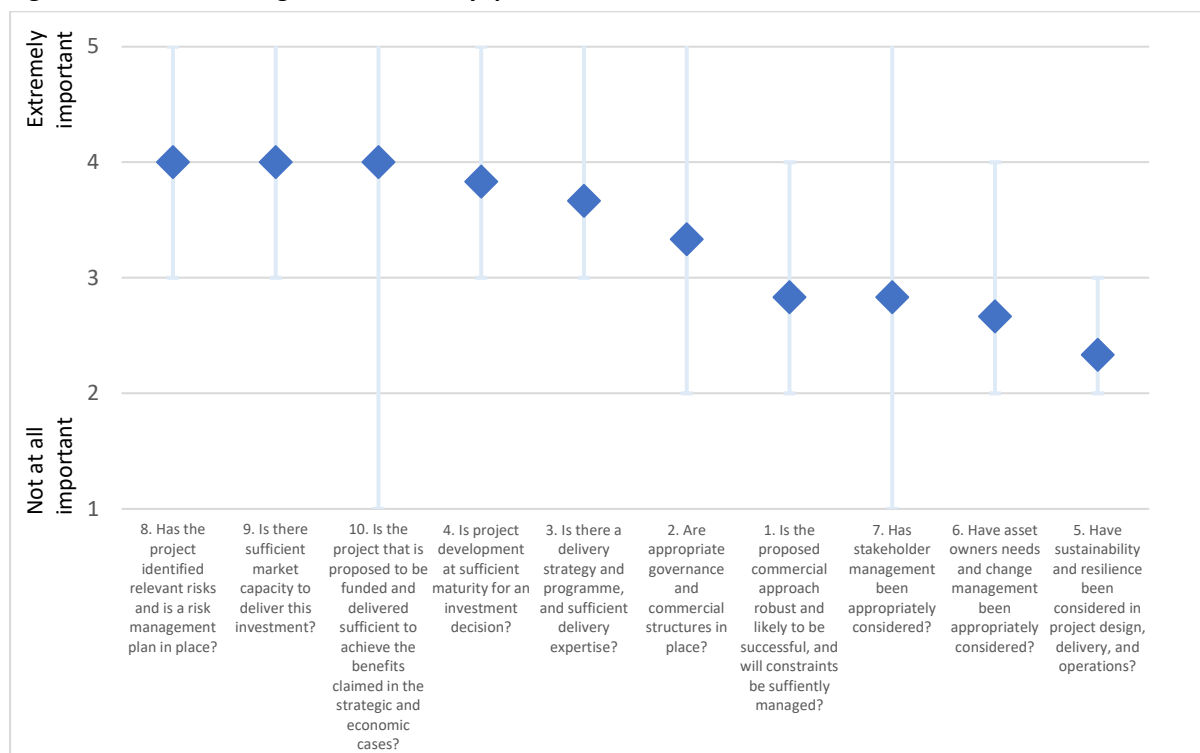
Our overall finding from the trial of the IPL assessment framework is that the Deliverability assessment questions would benefit from more significant review and refinement prior to finalisation of the assessment framework. Feedback from assessors highlighted a number of areas where questions could be clarified or improved.

We provided assessors with a set of standard / pre-populated responses to each assessment question, plus the option to provide additional commentary. In addition to this, we found that further guidance or training would have been desirable for assessors.

Assessors' rating of the usefulness of assessment questions

We identified opportunities to improve assessment questions for Deliverability. **Figure 3** shows assessors subjective ratings of the strategic alignment questions.

Figure 3: Assessors ratings of deliverability questions



Deliverability assessments can be hard to codify

Deliverability assessment can be hard to codify as different factors may constrain or enhance deliverability for different projects. In addition, deliverability is partly a function of project planning, partly a function of agency capability, and partly a function of market capacity and macroeconomic environment when the project is being delivered.

In our trial of the IPL assessment framework, we found that the best insights came from having expert assessors with in-depth experience with projects and agencies. It was often difficult to assess projects' deliverability based on documentation provided by agencies.

Assessors recommended improvements to the structure and content of questions

Based on feedback from assessors, we expect to refine the Deliverability assessment questions to:

- Prompt assessors to look for key information on how project teams are approaching commercial/procurement issues, project governance, and risk analysis and mitigation
- Prompt assessors to look for key documentation/indicators of project design maturity
- Consider agencies' track record in delivering and operating similar projects
- Consider whether the project team has identified and adequately responded to the needs of the people who will be operating and/or using the assets they are developing.

In addition, assessors highlighted that deliverability risks often arise as a result of poor problem definition and options assessment, and that they often result in threats to value for money.

Suggested changes: Shown in table below.

Table 3: Suggested changes to deliverability questions

Question – original wording	Question – revised wording	Rationale for change
<i>New question</i>	What is the currently preferred commercial approach and how mature is its development?	Added as a stocktake question to understand what the proposal includes before a judgement is made on its appropriateness.
<i>New question</i>	Will the project, as scoped, be sufficient to deliver the benefits that are desired and outlined in the economic case? If not, what further investments or changes will be necessary to deliver the project benefits?	Added based on reviews of City Rail Link and Transmission Gully. When projects are not sufficient to deliver benefits, this introduces a substantial risk of either 1) additional investments needed or 2) failure to deliver the benefits outlined in the business case.
<i>New question</i>	What are the governance arrangements for this project - are they the usual arrangements for the organisation or has a bespoke governance arrangement been developed?	Added as a stocktake question to understand what the proposal includes before a judgement is made on its appropriateness.
1. Is the proposed commercial approach robust and likely to be successful, and will constraints be sufficiently managed?	Is the development of the commercial approach / plan sufficient for the project stage, and is the preferred commercial model appropriate?	Adapted from a Budget 24 question. Assessors viewed this as perhaps the most important deliverability question in the Budget process, but thought it needed rewording for clarity. Reworded to focus on commercial approach rather than constraints, separating out from stocktake question of what model is proposed.
2. Are appropriate governance and commercial structures in place?	Are the governance arrangements appropriate for a project of this size and complexity?	Removed commercial component as it is covered in question above. Refined question to be more specific.

3. Is there a delivery strategy and programme, and sufficient delivery expertise?	Does the agency's track record for planning and delivery demonstrate that they have the expertise to deliver a project of this size and complexity?	Reworded to focus on what evidence would provide confidence that the agency has sufficient delivery expertise.
4. Is project development at sufficient maturity for an investment decision?	Is project development at a level of maturity that is appropriate and sufficient for the project stage? For example, is the scope sufficiently mature and have appropriate investigations been completed to ensure that the project can be delivered as expected?	There was broad agreement that this was an important question, but that more detail would be useful. Reworded to include additional prompt.
6. Have asset owners needs and change management been appropriately considered?	Have ultimate asset owners and operators been appropriately involved in the process, and will the infrastructure be able to be used and operated in a way that is fit for purpose?	Question was difficult for assessors to interpret and rated as low value, but agreed in workshop that operational considerations are important. Reworded to provide clarity on intent.
7. Has stakeholder management been appropriately considered?	<i>Delete question</i>	Removed as assessors agreed this did not meaningfully influence scorings. Stakeholders might be more appropriately dealt through other mechanisms, e.g. through the consenting process.
8. Has the project identified relevant risks and is a risk management plan in place?	Has the project identified the main sources of risk and is there a plan in place to manage them? If not, are there substantial risks that need further investigation?	Reworded to highlight that 1) while the team may have identified risks they might not have identified the key ones and 2) the main issue would be if substantial risks need further investigation before the project proceeds.

Supplementary guidance to assessors and applicants would be useful

We found that some further guidance for assessors would have been useful to interpret and apply the assessment questions. This is likely to be more challenging for the Deliverability assessment criteria than for the previous assessment criteria, reflecting the wide range of factors that can affect deliverability and challenges in codifying deliverability risk. However, there is value in providing some supplementary guidance and further developing it over time.

Suggested change: Develop a supplementary guidance document on the Deliverability assessment criteria to accompany the IPL Assessment Framework. This would focus on providing further explanation of the assessment questions and the intent behind them. This supplementary guidance could be updated on a more regular/as-needs basis than the Assessment Framework itself.

Lesson 5: We have learned lessons about the IPL assessment process

We have also identified a number of lessons about the process of implementing the IPL assessment framework. We expect these to inform our implementation plans for the IPL.

Moderation and sign-out processes

s9(2)(g)(i)

Prior to implementation of the IPL, it will be necessary to define clear procedures for moderating assessments and progressing them through a structured sign-out process. To ensure that they can be followed, it will also be necessary to ensure that there is sufficient time in the programme to ensure that these procedures are consistently applied.

Suggested change: Develop a Governance and Sign-out Policy for IPL assessments that can be endorsed by our Leadership Team and the Board. This should cover how we go about developing, reviewing, and approving assessments of proposals using the Assessment Framework. Publish a summary description of the Governance and Sign-out Policy on our website alongside other IPL materials.

Requests for further information

Given short timeframes, we had to assess all initiatives based on the information that was currently available in agencies' submission, plus any knowledge held by Infrastructure Commission staff.

Assessments would have benefitted from the opportunity to request additional information from agencies. This could include additional business case documentation, spreadsheet models, or interviews with key project/agency staff. It is likely that this would have resulted in more positive assessments for some projects, and less positive assessments for others. It will be necessary to allow for this in the IPL assessment process.

In some cases, assessments benefitted from further investigation of claims made by agencies in their initiative templates. Assessors drew upon information held by the Commission or publicly available information (e.g. published business cases or agency asset management plans) to validate factual claims made by agencies. This resulted in more robust assessments in some cases, but as it was time-consuming, we were only able to do this for a small number of high-cost initiatives.

Suggested change: The IPL assessment process should include a stage where Te Waihangā assessors have the ability to ask follow-up questions of project proponents. Our application portal and internal assessment tools should be designed to support this and minimise administrative burden for applicants and assessors.

Automation of IPL assessment processes

To improve the efficiency and consistency of IPL assessments, we trialled a prototype IPL assessment spreadsheet that included pre-populated answers to assessment questions and functionality for outputting results to Word documents.

This tool was useful for standardising assessments, but automation in Excel was not robust for a large number of assessments. As a result, significant manual work had to be done to check that outputs worked appropriately, reducing the overall efficiency of this approach.

A key lesson is that it will be necessary to build a more robust system for IPL assessments prior to undertaking large-scale assessments. It will be necessary to work with the Data Science & Analytics team to do so.

Suggested change: Develop an IPL assessment portal that (a) allows project proponents to submit applications, (b) enables TW assessors to conduct assessments and record results of assessments within that portal, and (c) enables reporting to IPL governance layers and recording of sign-out decisions on applications. This should build upon the Excel-based prototype developed for B24.

Appendix A: Questions by Stage

Note that questions from the Interim Assessment Framework that were used in Stage 1 and 2 only are not listed in this table, as they were not tested through the Budget 2024 process. Questions that require further review / confirmation are shown in **Table 5**.

Table 4: Current versions of reviewed questions, by Stage

Question	Stage 1	Stage 2	Stage 3
Strategic alignment			
1. Is there a clearly defined problem or opportunity?	✓	✓	✓
2. Have the costs of the problem or value of the opportunity been quantified and monetised?	✓	✓	✓
3. Does the proposal make a meaningful contribution to the 5 strategic objectives in the NZIS?	✓	✓	✓
4. Does the proposal make a meaningful contribution to agency or sector level strategies or asset management plans?	✓	✓	✓
(If applicable) 4a. Does the strategic / asset management document meet quality expectations outlined in relevant guidance documents?	✓	✓	✓
5. Is the proposal addressing a national infrastructure priority?	✓	✓	✓
Value for money			
1. Has a long list of options been filtered appropriately?		✓	✓
2. Have shortlisted options been developed to a reasonable maturity?		✓	✓
3. What methodology has been used to assess the shortlisted options?		✓	✓
4. Will at least one of the final options provide value for money?		✓	✓
5. Is the cost estimation appropriate for the project stage? Is the project scope sufficiently developed to provide a high level of confidence in the cost estimate?		✓	✓
6. Does the preferred option maximise value for money?			✓
7. Is the preferred option likely to provide value for money under different scenarios and assumptions?			✓
8. Have sustainability and resilience been appropriately considered in the assessment of options?		✓	✓

Question	Stage 1	Stage 2	Stage 3
Deliverability			
1. What is the currently preferred commercial approach and how mature is its development?		✓	✓
2. Is the development of the commercial approach sufficient for the project stage, and is the preferred commercial model appropriate?		✓	✓
3. What are the governance arrangements for this project - are they the usual arrangements for the organisation or has a bespoke governance arrangement been developed?	✓	✓	✓
4. Are the governance arrangements appropriate for a project of this size and complexity?	✓	✓	✓
5. Does the agency's track record for planning and delivery demonstrate that they have the expertise to deliver a project of this size and complexity?	✓	✓	✓
6. Is project development at a level of maturity that is appropriate and sufficient for the project stage?	✓	✓	✓
7. Have the ultimate asset owners and operators been appropriately involved in the process, and will the infrastructure be able to be used and operated in a way that is fit for purpose?		✓	✓
8. Has the project identified the main sources of risk and is there a plan in place to manage them? If not, are there substantial risks that need further investigation?		✓	✓
9. Is there sufficient market capacity to deliver this investment?			✓
10. Will the project, as scoped, be sufficient to deliver the benefits that are desired and outlined in the economic case? If not, what further investments or changes will be necessary to deliver the project benefits?			✓

Table 5: Stage 1 and 2 questions that require further review / confirmation

Question	Stage 1	Stage 2	Stage 3
Strategic alignment			
Has the applicant provided adequate evidence to demonstrate that there is a substantial problem or opportunity?	✓		
Value for money			
Has the applicant considered potential options for investigation at later stages, such a reform, better use of existing assets, or new capital investment?	✓		
Has the applicant demonstrated that there is an approach to address the problem/opportunity that could potentially provide value for money?	✓		

Has an appropriate methodology been used to assess the shortlisted options?		✓	
Deliverability			
Does the proponent have the necessary capability and mandate to plan and deliver the proposal? If not, have they engaged with another entity that may be able to plan and deliver it?	✓		
Has the proponent identified the necessary planning and preparation activities? Which ones should be undertaken at this stage?	✓		
Is the proponent engaging with the appropriate stakeholders to understand the problem and develop responses?	✓		
Has the proponent identified critical success factors for progressing the proposal to the next phase?	✓		
Are there likely to be any crucial deliverability hurdles for the proposal that require key consideration?	✓		
Is the proponent building the appropriate capacity to deliver the options?		✓	
Have all relevant agencies been appropriately engaged on the proposed options?		✓	
Has the proponent considered the delivery strategy and programme for the proposed options?		✓	

Appendix B: Example IPL Assessment

s9(2)(f)(iv)

s9(2)(f)(iv)

s9(2)(f)(iv)



**Te Kāwanatanga
o Aotearoa**
New Zealand Government

Draft Discussion Document – *Testing our thinking: Developing an enduring National Infrastructure Plan*

Date: 11 October 2024
Report No: TW-2024-501

To	Action sought	Deadline
Hon Chris Bishop, Minister for Infrastructure	Review the attached draft discussion document and provide any feedback Agree to forward this briefing to Under-Secretary Court Indicate if you would like to attend any of the regional stakeholder events in November Indicate if you would like to issue a media statement with the launch of the discussion document	21 October 2024 (to allow for consideration ahead of finalising the document for release) For discussion at the officials meeting on 14 October.

Attachments

Attachment A: Draft discussion document – *Testing our thinking: Developing an enduring National Infrastructure Plan*

This is publicly available at <https://tewaihanga.govt.nz/national-infrastructure-plan/discussion-document>

Contact details

Name	Role	Phone
Peter Nunns	Acting General Manager, Strategy	s9(2)(a)
Geoff Cooper	Chief Executive	s9(2)(a)

Actions for the Minister’s office staff

- Return** the signed report and any feedback to the NZ Infrastructure Commission | Te Waihanga
- Forward** this briefing to Under Secretary Court, subject to the Minister’s agreement.

Minister’s comments

IN-CONFIDENCE



Recommendations

We recommend that you:

1. **Review** the attached draft discussion document *Testing our thinking: Developing an enduring National Infrastructure Plan* which we will release on 5 November
2. **Provide** any feedback on the report to the Infrastructure Commission by 21 October to allow for consideration ahead of the release.
3. **Indicate** if you would like to consider attending any of the regional stakeholder events being held during November in Auckland, Hastings, Wellington and Christchurch
Yes / no
4. **Indicate** if you would like to issue a media release with the launch of the discussion document
Yes / no
5. **Agree** to forward this briefing and the draft discussion document to Under Secretary Court and invite his feedback
Agree / disagree

s9(2)(a)

Geoff Cooper
Chief Executive

Hon Chris Bishop
Minister for Infrastructure

____ / ____ / ____

Draft Discussion Document - *Testing our thinking: Developing an enduring National Infrastructure Plan*

Purpose

1. The purpose of this briefing is to:
 - i. provide you with a draft copy of the discussion document *Testing our thinking: Developing an enduring National Infrastructure Plan*, which we intend to finalise and release on 5 November 2024
 - ii. seek your feedback on the draft discussion document by 21 October, to allow for consideration ahead of finalisation
 - iii. note that the structure of this discussion document does not match the form or content that we expect for the draft or final Plan
 - iv. give you further background on the development of the discussion document, its intended purpose and how we intend to engage with the sector.

The discussion document will start our conversation with the sector

2. We have developed the attached draft discussion document to begin our public engagement on the National Infrastructure Plan (the Plan). It is aimed at infrastructure sector stakeholders and asset owners, largely outside of central government, rather than central government agencies. We have separate ongoing engagement with central government agencies that this does not replace.
3. In releasing a discussion document early in the Plan's development, we are following the same engagement process that worked successfully in the development of the 2022 Infrastructure Strategy (ie, to release a discussion document, followed the draft Strategy, then the final Strategy). This approach helps us build broad public agreement for the strategy report, as required under our legislation.
4. We are releasing the discussion document in early November to give stakeholders time to provide feedback before the end of the year. This will also allow for collation and analysis of the commentary by February 2025, to feed into the Plan development process.
5. We will also be running a series of regional stakeholder events following release of the discussion document to hear as broad a range of views as possible. These will be held in Auckland, Hastings, Wellington and Christchurch during November.
6. We would welcome your attendance at one or more of these events and are working with your office to coordinate this. We are coordinating with Infrastructure New Zealand in planning these events to ensure we reach key stakeholders. We will also host a webinar to ensure there is an online opportunity for people to learn more about the development of the Plan.

The discussion document is not intended to be a draft Plan

7. The structure of this discussion document does not match the form or content that we expect for the draft or final Plan. The discussion document will:
 - i. test key concepts and ideas at an early stage;
 - ii. be a mechanism for having targeted conversations with the sector; and
 - iii. lay the foundations for the emerging narrative of the Plan.
8. We have previously provided you with aides memoire on the National Infrastructure Plan programme and workstreams (TW-2024-482) and how the Plan will be integrated with the wider system for infrastructure investment decision-making (TW-2024-483). This advice sets out the context for the discussion document and the outputs that will inform development of the Plan.

The draft document's narrative pulls together our recent research

9. The content of the discussion document draws upon information about the development of the Plan that has already been made public, and research we have undertaken and published since launching the Strategy in May 2022. This will help to mitigate any risk that the content will be perceived by the sector as overly new or unexpected.
10. The narrative in the discussion document is structured around six sections:
 - i. *Why do we need a National Infrastructure Plan?* The first section sets out the rationale for, and scope and purpose of, the Plan. In this section, we outline the current picture for New Zealand's infrastructure and the main challenges we are facing.
 - ii. *Long-term expectations:* This section discusses how long-term infrastructure needs, and the key drivers of those needs, will be assessed.
 - iii. *Existing investment intentions:* the third section describes how we are identifying the current investment that has been signalled and how we expect to assess the gap between current investment intentions and long-term infrastructure needs.
 - iv. *Changing the approach:* this section describes areas where changes are likely to be needed to meet New Zealand's infrastructure needs, including areas like asset management, investment planning and prioritisation, project leadership capability, regulation, and infrastructure pricing.
 - v. *Other work that will contribute to the Plan:* Section five provides more detail on the Infrastructure Priorities Programme and the Pipeline, as workstreams contributing to the Plan.
 - vi. *What happens next?* The final section outlines next steps, including how feedback can be provided and will be used.

11. In each section the draft document will pose open questions to elicit stakeholder views, and to encourage further sharing of ideas. We will continue to refine the questions in the draft ahead of finalising the discussion document.

We are testing the draft with government agencies ahead of release

12. We are sharing the draft discussion document with members of the government forum ahead of release to ensure consistency of key messages and identify any issues. The discussion document will also be the focus of the next forum session on 21 October.
13. We have shared a copy of the draft discussion document with the Treasury and have incorporated most of their initial feedback. Areas of Treasury's feedback that we will continue to work with them on ahead of finalising the draft include:
 - i. how to address Plan integration with Treasury and Budget processes in the discussion document; and
 - ii. better reflecting recent and current work to improve investment management processes.

We are seeking your feedback by 21 October

14. We welcome your feedback on the draft discussion document by 21 October. You may also like to flag any additional relevant issues that you consider are worth testing with the sector – and for us to consider as we finalise the document.
15. We would welcome a discussion with you on your feedback on the draft at our regular officials meeting on 14 October. Please indicate if you would like to forward a copy of the draft to Under Secretary Court and invite his views.
16. You may also wish to send a copy of the final draft document, when ready, to other infrastructure Ministers on a no-surprises basis ahead of publication.

Next steps ahead of release on 5 November

17. We will continue to make minor improvements to the draft discussion document. The tight timeframe for your feedback is to allow us to complete the document and prepare it for public release on 5 November. Feedback on the discussion document will be open for at least a month.
18. We intend to publish the document on our website and promote it via our mailing lists and on social media. We plan to issue a media release and the discussion document under embargo to media the day before we publish. Please consider if you would like to issue your own media release for the launch of the consultation process.
19. We will provide you with copies of the final version, any media materials and back pocket FAQs in advance of the discussion document launch.

Attachment A is already publicly available