

Infrastructure weekly update

For the week starting 22 April 2024



To: Hon Chris Bishop, Minister for Infrastructure,
Simon Court MP, Parliamentary Under-Secretary
to the Minister for Infrastructure

Minister's comments:

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1. Actions arising from previous meetings

Meeting date	Agreed action	By whom	By when	Status
11 December	Set up meeting with Transmission Gully reviewers	Minister/ TW	22 Dec	Completed – meeting held 15 April.
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED] s9(2)(f)(iv)
15 April	Publish Transmission Gully Executive Summary report and Te Waihangā Foreword	TW	asap	Aim is to publish by 26 April. Aide memoire being drafted with final docs for release.
16 April	Provide a briefing on the PPP modernisation scope of work	TW	tbc	Pending
16 April	Provide a joint paper on the [REDACTED]	TW/Tsy	tbc	Pending s9(2)(f)(iv)

2. Key issues and updates

2.1. New Dunedin Hospital – [REDACTED]

[REDACTED]

s9(2)(f)(iv)

Rebecca Robertshawe, General Manager Delivery (Acting)

2.2. Upcoming reports on Infrastructure Pricing Study

Good infrastructure pricing is needed for efficient and sustainable infrastructure investment. In 2023, the Commission contracted PwC New Zealand to study how pricing currently works in four network infrastructure sectors: land transport, water, telecommunications, and energy. The aim of the PwC study is to provide a baseline view on pricing in each of these sectors and to assess how current pricing approaches align with best practice principles for pricing of network infrastructure.

The PwC study includes four separate deliverables: Best practice pricing goals and principles (Report 1); Benchmarking current pricing settings against best practice principles (Report 2); Exploration of equity impacts of pricing mechanisms (Report 3); and Review of data sources on pricing settings and prices (Report 4). We intend to provide these reports to you, with a covering aide memoire that summarises key findings, by 25 April. We will also provide them to Under-secretary Court.

After receiving the PwC study, the Commission conducted two discrete pieces of research to consider how Infrastructure Strategy recommendations about transport pricing (congestion pricing/road tolls) and water pricing (volumetric charging/metering) may affect these sectors’ performance against the best practice pricing principles outlined in the PwC Infrastructure Pricing Study. We intend to provide you with these reports, plus a covering aide memoire, in early May. We will also provide them to Under-secretary Court.

We will be re-engaging with sector stakeholders for the PwC Infrastructure Pricing Study prior to publication of these reports in the second half of May.

Geoff Cooper, General Manager Strategy

2.3. Upcoming events

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

Event	Event date	Description (attending/presenting/purpose)
Taituarā CEs Forum	18 April	Geoff Cooper, General Manager Strategy, and Graham Campbell, Principal Economist, will present local government financing research.
IPWEA International Public Works Conference	30 April – 3 May	Ross Copland, Chief Executive, will be presenting at this event.

Infrastructure Commission Symposium	9 May	Ross Copland, Chief Executive, will be speaking about the monitoring of the Infrastructure Strategy. Our Board Chair, Dr Alan Bollard, will give a speech about infrastructure issues over the last five years. Other Commission staff will be chairing panels on infrastructure issues, and speaking about their research.
Infrastructure Commission/Queensland Lakes District Council joint workshop	10 May	Following the Infrastructure Commission’s Symposium, the Commission is co-hosting an event with QLDC with the aim of providing infrastructure providers with an opportunity to discuss individual strategies and identify ways to enhance coordination and inform planning. Led by Ross Copland, Chief Executive, and Mike Theelen, Chief Executive, QLDC.
Wellington Regional Leadership Committee Seminar	15 May	Geoff Cooper, General Manager Strategy, will be presenting on findings from some of the Commission’s recent research.
Āpōpō Congress on Asset Management	21 and 22 May	Peter Nunns, Director – Economics, will be presenting on findings from some of Commission’s recent research on 21 May. On 22 May, Ross Copland, Chief Executive, will be moderating a discussion panel.
Auckland-based Infrastructure Leaders Network Meet-Up	14 June (8am-12pm)	This event will be based on the successful format of the inaugural Meet-up in Wellington in February. The Minister and US Court are both attending. We are working with your offices to support your attendance.

Anna Moodie, General Manager Operations

3. Upcoming advice

3.1. Upcoming briefings and aides memoire for the Minister

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

Topic and tracking number	Date due to your office	What this advice covers	Deadline for Minister’s feedback
Meeting with Port of Tauranga CE and local MPs [TW-2024-391]	Sent 18 April	Provides background for your meeting with Port officials and local MPs on 23 April.	23 April
National Infrastructure Agency (NIA)	Week of 29 April	The Commission and the Treasury will provide you with a joint briefing in response to the Expert Panel’s advice to you.	n/a
Briefings re reports and publications			
Infrastructure Pricing Study – research report	Prior to 25 April	Aide memoire will outline key findings from a study commissioned from PwC New Zealand to identify best practice pricing principles for network infrastructure and benchmark current pricing systems and practices across four sectors – land transport, water, telco and energy.	na
Transmission Gully review – publication of Executive Summary report and Te Waihanga Foreword	24 April	Following the Minister’s decision on 15 April to publish the Transmission Gully Executive Summary report and Te Waihanga Foreword, this aide memoire provides final documents for release.	26 April
Policy papers relating to the ‘What’s Fair’ deep dive work programme	6 May	Informs you of our plan to publish a final report and three policy papers: <ul style="list-style-type: none"> • Final report – <i>Paying for infrastructure: What’s fair? Insights, findings and recommendations</i> • Supplementary papers: 	For publication the week beg 20 May

- *How various pricing policies affect households across different income levels*
- *Pricing policy simulations*
- *Access and quality of four networked infrastructure services*

Māori engagement in infrastructure – research report	8 May (tbc)	Informs you of our plan to publish a report into Māori engagement on projects initiated by infrastructure providers as well as a summary of the history of Māori experiences of infrastructure development.	For publication 20 May (tbc)
Commentary papers on Infrastructure Pricing Study – research reports	May	Aide memoire will outline key findings from two research reports that consider how Infrastructure Strategy recommendations about transport pricing (congestion pricing/road tolls) and water pricing (volumetric charging/metering) may affect these sectors' performance against the best practice pricing principles outlined in the PwC Infrastructure Pricing Study.	n/a

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

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

Topic and tracking number	Date due to your office	What this advice covers	Deadline for US's feedback
Background for meeting on infrastructure national direction	23 April	Potential scope of infrastructure national direction in wider RM reform programme; Standards. To be provided as powerpoint slides prepared jointly by TW and MfE.	29 April
Infrastructure Pricing Study – research report	Prior to 25 April	Aide memoire will outline key findings from a study commissioned from PwC New Zealand to identify best practice pricing principles for network infrastructure and benchmark current pricing systems and practices across four sectors – land transport, water, telco and energy.	na

Commentary papers on Infrastructure Pricing Study – research reports	May	Aide memoire will outline key findings from two research reports that consider how Infrastructure Strategy recommendations about transport pricing (congestion pricing/road tolls) and water pricing (volumetric charging/metering) may affect these sectors' performance against the best practice pricing principles outlined in the PwC Infrastructure Pricing Study.	n/a
Review and refresh of the Crown's PPP policy, framework, and contracting models	Final advice by 30 September with interim briefings and milestones tbc	The Minister for Infrastructure's upcoming Cabinet Paper on Infrastructure Funding and Financing will allocate the Parliamentary Under-Secretary responsibility for the review and refresh of the Crown's PPP, Sale and Leaseback and Unsolicited Proposal policies, frameworks and contracting models. We will work together with the Treasury and other agencies on these matters, with the Commission taking lead responsibility for the PPP Review.	n/a

3.3. Monitoring and performance reports

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

Topic	Date due to your office	What this report covers	Timeline
Third quarter report for 2023/24	30 April	Reports on progress against measures in the Commission's Statement of Performance Expectations for 2023/24	N/A

3.4. Upcoming Cabinet papers

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

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

3.5. Ministerial Official Information Act requests

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

Date received from your office	Correspondent	Description of request	Date due to Minister	Date due to send
29 February	[REDACTED]	Request for a number of specific briefings provided to the Minister for Infrastructure between 1 December 2023 and 15 February 2024	Sent 14 March 2024	25 March 2024
1 March s9(2)(a)	[REDACTED]	Request for 2 specific briefings provided to the Minister for Infrastructure dated 19 February disclosed under WPQ 927 (2024)	Sent 8 March 2024	28 March 2024

5 March s9(2)(a)	[REDACTED]	Request for a number of specific briefings provided to the Minister for Infrastructure between 19-27 February disclosed under WPQ 1189 (2024)	Sent 21 March 2024	3 April 2024
27 March	[REDACTED]	Request for a number of specific briefings provided to the Minister for Infrastructure between 29 February-6 March as disclosed under WPQ 2247 (2024)	Sent 17 April	26 April 2024
3 April	[REDACTED]	Copies of specific briefings provided to the Minister for Infrastructure	Sent 17 April	1 May 2024

3.6. Departmental Official Information Act requests

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

Date received	Correspondent	Description of request	Date due to send
14 March	Being coordinated by the Ministry for the Environment	Proactive release of documents relating to Fast Track Consenting. With your office for review.	Asap
4 April s9(2)(a)	[REDACTED]	Information regarding expenditure on public relations and communications support by the Infrastructure Commission	3 May
15 April	[REDACTED]	Copies of specific documents listed on our website; information about our attendance at upcoming delegations to Europe led by Infrastructure NZ (INZ); copies of email correspondence with INZ and Water NZ (scope tbc).	14 May

Appendix A: List of upcoming reports and publications

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

Topic / Title	Type of report	Intended publication date	What this report or publication covers
Transmission Gully post-construction review	Project review	26 April 2024	In August 2020, the Government directed us to oversee an independent review of how the Transmission Gully Project was commissioned. When this was released in April 2021, we were instructed to do a further review once the project was complete. While we expected to have the review finalised in late 2022, the project’s construction is not yet technically complete. However, the post-construction review is ready for publication. A meeting with the Minister, Reviewers, NZTA and Commission occurred on 15 April where the Minister agreed to publication of the Transmission Gully report Executive Summary and the Commission’s Foreword. A briefing with final documents for release will be provided on 24 April.
Paying for infrastructure – Deep dive topic – technical papers	Research notes	April 2024	Series of research notes associated with the ‘Paying for infrastructure’ – Deep dive topic. These are technical notes.
Monitoring progress against the Infrastructure Strategy	Monitoring report	9 May 2024	This report will show progress against the New Zealand Infrastructure Strategy’s 68 recommendations. This report will meet the monitoring requirements spelled out in our SPE.
Water metering and leakage	Research report	May 2024	Includes cover note and report commissioned from Pat Dougherty, Director Wellington Water, about experiences in introducing water metering.
Infrastructure pricing with case studies in transport	Research Insight	May 2024	This is part of a programme of work to develop an economic framework for pricing infrastructure across four sectors – land transport, water, telco and energy. Research to be published includes current pricing analysis done by PwC.

Paying for infrastructure – Deep dive topic	Research report	May 2024	Final report of deep dive summarising key findings and recommendations from project and supplementary reports.
Potential sites for aggregate extraction in fast growing regions	Research report	May 2024	This work is being undertaken by GNS and is intended to provide useful spatial planning information to inform local government integrated planning. The product will provide geospatial information on potential aggregate sources in four regions: Auckland, Wellington, Tauranga and Queenstown where supply is currently constrained. Between now and publication we are engaging with the relevant local government agencies and MBIE, and then with the quarrying sector, to ensure the final product is fit for purpose. The published geospatial data will be hosted by GNS with free password protected access for users.
Māori engagement in Infrastructure	Research report	May 2024	This work aims to deliver on a recommendation in the New Zealand Infrastructure Strategy for ‘a ‘state of play’ of Māori engagement for infrastructure’. It includes both a report into Māori engagement on projects initiated by infrastructure providers as well as a summary of the history of Māori experiences of infrastructure.
<i>Taking care of Tomorrow Today: An Asset Management State of Play</i>	Research report	Q2 2024	This paper outlines how mature our asset management tools and processes are across different infrastructure sectors, and provides recommendations to improve public sector asset management.
[REDACTED]	[REDACTED]	[REDACTED] s9(2)(f)(iv)	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED] s9(2)(g)(i)	[REDACTED]
Insurance of infrastructure against natural disasters	Research Insight	Q3/Q4 2024	This report is expected to provide information on current approaches to insuring infrastructure assets, across multiple networks, against natural disasters. It will also explore the economic consequences of different approaches to insurance or self-insurance.