

// **SUBMISSION**



National Infrastructure Plan Discussion Document

// Local Government New Zealand's submission

// December 2024





Ko Tātou LGNZ.

LGNZ champions, connects and supports local government. We represent the national interests of councils. Our aim is for New Zealand to be the most active and inclusive local democracy in the world.

Introduction

Thank you for the opportunity to submit on the discussion document *Testing our Thinking: Te whakapātaritari i ō mātou whakaaro*. Overall we would like to express our strong support for this work. We look forward to providing more substantive feedback and input as the National Infrastructure Plan is developed.

In this submission, we have only answered the questions that are most relevant or would benefit from further substantiation. The numbered questions below correspond to the question in the discussion document.

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

Funding/affordability. We support the discussion document's emphasis on getting better value from what we invest and from the infrastructure we currently have. Addressing affordability challenges for our local communities and improving financial sustainability are critical priorities for local government and LGNZ. We know we cannot buy our way out of our infrastructure deficit and so we welcome the intention to develop smarter ways of working with what we already have, along with greater choice of funding tools.

An aligned long-term view for infrastructure investment. Councils' infrastructure planning and funding plans are heavily influenced by central government political cycles, which can lead to wasted investment of time and money as priorities change from one parliamentary term to the next. A less partisan approach to infrastructure planning would provide more certainty and reduce cost.

Resilience. Building and maintaining resilient infrastructure requires long-term planning, reliable data and strong collaboration between different agencies. Councils are well placed to build more resilient infrastructure and communities but are often held back by funding and regulatory constraints that favour short-term, piecemeal solutions. New Zealand's infrastructure sectors also need to become more mature at assessing and managing risk; this needs to be a key focus for the National Infrastructure Plan.

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

We already see many great examples of Māori businesses and organisations achieving excellence in infrastructure planning and delivery. Many councils have long-established and productive relationships with iwi and hapu, demonstrating that working in partnership achieves results. These partnerships weave in core principles of te ao Māori such as kaitiakitanga (guardianship),

kotahitanga (unity), whanaungatanga (relationships, collaboration) and manaakitanga (respect, care). Incorporating te ao Māori into infrastructure planning and delivery can help to ensure a long-term view, holistic and integrated planning, and the safeguarding of inter-generational equity and consensus building, which improves the chances of long-term success.

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

We support Table 1, which covers the key issues that need to be addressed.

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

Local government needs an enabling and empowering legislative framework so that councils can make decisions that are in the best interests of their current and future communities' needs. This may also include sharing or pooling of resources. In some regions, this has already been done voluntarily through shared services but the sector would benefit from regulatory settings that enable this to happen more easily.

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

We note from Figure 3 that New Zealand does not perform well with regards to procurement. We would strongly welcome improvements to settings and tools with regards to supporting better procurement and contract management across local government, including tools to enable more shared procurement.

11. What strategies would encourage a better long-term view of asset management and how could asset management planning be improved? What's stopping us from doing this?

We agree that asset management planning practice in New Zealand needs to be strengthened; it is an important part of taking a more rounded approach to improving service delivery. Capability in the sector is improving, but it would be accelerated by incentivising best practice in asset management planning. This could include incentives and standards for ensuring transparency and consistency in asset management plans, building asset management governance capability and supporting the sharing and pooling of specialist resources across councils.

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

A key element that is needed in New Zealand's regulatory framework is spatial planning. In several regions, councils have voluntarily joined forces to carry out spatial planning, but nationwide direction would really help to incentivise this good practice across the whole country. Spatial planning is essential to enable genuine cross-sector collaboration and integrated strategic planning so that infrastructure priorities can be agreed and coordinated between central government, local government, Iwi Māori and local communities.

Poorly aligned investment cycles are a clear hindrance to good infrastructure outcomes. For example, the timing of the GPS Land Transport and NLTP alongside the timeframes for Regional Land Transport Plans and local authority LTPs results in significant wastage and inefficiencies.

We see regional deals as a good opportunity to achieve better alignment and more streamlined regulation in high-growth areas.