

Infrastructure weekly update

For the week starting 27 May 2024



To: Hon Chris Bishop, 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 |
|--------------|--|---------|-------------|---------|
| 29 January | Provide advice on prioritisation, implications and trade-offs for development of 30-year infrastructure plan | TW | s9(2)(g)(i) | Pending |

2. Key issues and updates

2.1. National Infrastructure Plan

The Infrastructure Priorities Programme (IPP) forms part of the National Infrastructure Plan and will provide a 'menu' of potential high-quality proposals from central and local government (and potentially the private sector). We are intending to open the IPP for applications on Wednesday 19 June 2024. We will work with your office on the communications approach for the launch.

Geoff Cooper, General Manager - Strategy

2.2. Government Policy Statement on land transport

We have received a revised Government Policy Statement on land transport 2024 – 34 (GPS 2024) and Cabinet paper for our review. The Cabinet paper seeks agreement to release the final GPS 2024, and agreement to the funding arrangements for land transport investment from 1 July 2024. There have been minor changes to reflect feedback from public consultation.

Our ongoing feedback is around the transparency of expectations and decision-making responsibilities for projects to be funded from the National Land Transport Fund (NLTF) and Crown funding respectively. We note the Minister of Transport's recent decision to bring projects previously under the New Zealand Upgrade Programme under the umbrella of the National Land Transport Programme (NLTP) – bringing the total number of Roads of National Significance (RONS) to 17, along with 11 Roads of Regional Significance. This represents a massive forward delivery programme that will not be affordable within current forecast revenue. We are seeking clarification about the implications of these changes for management of future cost, timing and scope changes by Waka Kotahi, and how any cost increases can be met from the NLTF. These questions will also inform our input to the transport revenue review, funding and financing options to meet future investment needs, and our ongoing input to assurance for major projects such as RONS and Waitematā Harbour Connections.

We understand that the Minister of Transport will be seeking departmental and Ministerial feedback on the final draft GPS and Cabinet paper by 31 May, and will look to take the paper to ECO on 19 June and to Cabinet on 24 June. The final GPS needs to be published by 30 June to inform development of the National Land Transport Programme.

Barbara Tebbs, General Manager Policy

2.3. Waitematā Harbour Connections

We have been working with Ministry of Transport, Treasury and NZTA | Waka Kotahi officials on a revised Cabinet paper on next steps for an alternative crossing for the Waitematā Harbour. The Minister of Transport has provided direction that, **s9(2)(f)(iv)**

[Redacted content]

[Redacted content]

s9(2)(f)(iv)

We understand that the Minister of Transport will look to consult with you on these proposals before the Cabinet paper is lodged – which could be as soon as Thursday 30 May.

Andy Hagan, General Manager Delivery; Barbara Tebbs, General Manager Policy

2.4. Forward agenda for the Infrastructure and Investment Ministers Group (IIMG)

We understand that this is on the agenda for your weekly meeting with infrastructure officials. We will work with the Treasury to support a well-structured and effective forward agenda for the IIMG. We consider there may be options to use these meetings to discuss key upcoming projects (similar to the recent Northland Corridor Acceleration discussion), projects that are at risk (similar to the separate session on New Dunedin Hospital), alongside updates on your key priorities being progressed by agencies, including Te Waihangā (e.g., PPP model refresh).

Andy Hagan, General Manager Delivery

2.5. New Dunedin Hospital

You discussed the New Dunedin Hospital project s9(2)(f)(iv) on 21 May with your Ministerial colleagues. s9(2)(f)(iv)

Andy Hagan, General Manager Delivery

2.6. 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) |
|---|------------|--|
| Wellington Transport Analytics Unit (partnership between GWRC and NZTA): The Future of Transport Infrastructure Funding | 29 May | Peter Nunns, Director – Economics, will serve on a panel looking at range of transport funding options. |
| Building Together Transitioning To Tomorrow, forum hosted by Minter Ellison | 6 June | Ross Copland will be speaking on a panel: <i>Making the most of what we've got</i> . Ministers Willis and Bishop will also be participating in the forum as panel members. |
| IPANZ webinar: What's fair when it comes to paying for infrastructure | 11 June | Members of the Commission's enquiry team will be presenting findings from their study on fairness and paying for infrastructure services. |
| Infrastructure New Zealand AGM | 11 June | Ross Copland will be speaking at this event. |
| Transportation Group Conference | 12 June | Nadine Dodge, Principal Economist will be speaking at this event about the national |

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|--|--------------------|--|
| | | infrastructure plan and the Commission’s equity research. |
| Auckland-based Infrastructure Leaders Network Meet-Up (Commission event) | 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. |
| Local Government New Zealand Infrastructure Symposium | 14 June | Peter Nunns, Director – Economics, will present findings of some of our recent research, including infrastructure pricing. |

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 |
|--|-------------------------|---|----------------------------------|
| Talking points: Cabinet paper re time of use charging [TW-2024-408] | Sent 21 May | Provides talking points ahead of the ECO Cabinet Committee meeting on 22 May, where a Cabinet Paper on ‘Land Transport: Time of use charging’ will be considered | 22 May |
| OECD Infrastructure Forum [TW-2024-405] | Sent 22 May | Summarizes the OECD Infrastructure Week held in Paris in April and attended by the Commission. | n/a |
| Monthly Bishop/Court meeting with officials on 28 May | Sent 23 May | InfraCom and MfE officials re RM – joint background paper provided on 23 May (from MfE) Infracom and TSY officials re PPP – no additional papers but refer TW-2024-400 | 28 May |
| NDH s9(2)(f)(iv) | 30 May | s9(2)(f)(iv) | n/a |
| Building Together conference on 6 June | 4 June | Minter Ellison has organised this conference. You and Hon Willis will be on a panel to discuss procurement and funding models, construction and infrastructure priorities. This aide memoire will provide context and talking points. | 6 June |
| Infrastructure Leaders Network meet up in Auckland on 14 June | 11 June | Background information and talking points for your attendance at this second INL meeting in Auckland (building on the earlier ILN meet-up in Wellington) | 14 June |

Briefings re reports and publications

| | | | |
|--|-------------|---|-----------------------------------|
| Māori engagement in infrastructure – research report [TW-2024-383] | Sent 22 May | 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 early to mid June |
| Potential sites for aggregate extraction in fast growing regions [TW-2024-411] | Sent 23 May | Informs you of key findings from research and reports on potential sites for aggregate extraction in fast growing regions, and our plan to publish the reports in early June. | For publication 5 June |
| Final report for the ‘What’s Fair’ deep dive work programme | 30 May | Informs you of our plan to publish the final report “Paying for infrastructure: What’s fair? Insights, findings and recommendations” and associated technical research notes. | For publication 11 June (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. These papers are signalled in an aide memoire delivered 23 April [TW-2024-393 refers]. | For publication in June (tbc) |

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 |
|---|-------------------------|---|----------------------------|
| Monthly Bishop/Court meeting with officials on 28 May | 23 May | InfraCom and MfE officials re RM – joint background paper provided on 23 May (from MfE) Infracom and TSY officials re PPP – no additional papers but refer TW-2024-400 | 28 May |

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 |
|---------------------|-------------------------|---|----------|
| Final SPE | Before 30 June | Provides the Commission’s Statement of Performance Expectations, including outputs, outcomes and measures | N/A |
| Q4 Quarterly Report | End of July | Provides an update of our progress on key aspects of our work programme, and performance against the SPE. | 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 |
|---------------|-------------|-------------------------|------------|------------|
| s9(2)(g)(i) | [Redacted] | [Redacted] | [Redacted] | [Redacted] |
| [Redacted] | [Redacted] | [Redacted] | [Redacted] | [Redacted] |
| [Redacted] | [Redacted] | [Redacted] | [Redacted] | [Redacted] |
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| [Redacted] | [Redacted] | [Redacted] | [Redacted] | [Redacted] |
| [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 |
|--------------------------------|---------------|--|----------------------|------------------|
| 9 May | s9(2)(a) | Copies of advice, briefings and communications re finding cost efficiencies for the Riverlink project in Hutt City | Sent 20 May | 27 May |
| 14 May | s9(2)(a) | Copies of briefings disclosed under WPQ 4093 | 31 May | 11 June |
| 14 May | s9(2)(a) | Copies of listed reports | 31 May | 11 June |

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 |
| 7 May | s9(2)(a) | Copies of specific briefings provided to the Minister for Infrastructure - transferred from the office of the Minister for Infrastructure [OIA24-CB109] | 5 June |
| 23 May | s9(2)(a) | Any advice the Infrastructure Commission has given regarding work on a Waitemata Harbour Crossing, from October 2023 to present | 21 June |

3.7. Upcoming Ministerial meetings

Where requested, we provide support for meetings the Minister is attending.

| Meeting | Meeting date | Who will be attending/presenting | Comment / action |
|--|----------------------|---|--|
| Monthly meeting Minister Bishop/US Court | 28 May, 5.15pm | Minister, US Court, and officials (as required). | Agenda tbc – likely to include national direction under the RMA; and PPP work programme. We will provide background briefings. |
| Housing Ministerial Group (tbc) | 28 May, 7.30pm | Hons Willis, Upston, Potaka, Penk and US Court. Geoff Cooper to attend for InfraCom | tbc |
| Joint Ministers meeting re fast track | 29 May, 6.30-8pm | Joint fast track Ministers, officials tbc | tbc |
| Meeting re NIA establishment | 4 June, 5.15-5.45pm | Minister, InfraCom Chair and CE (and potentially others tbc) | We have provided previous briefings – may provide additional talking points as required. |
| Post-Budget speech | 5 June, from 12 noon | Minister to speak at Dunedin Chamber of Commerce | tbc |
| Meeting with Dean Kimpton, Auckland Transport CE | 6 June, 11.15am | | This is a quick meeting at the venue for the next meeting. |
| Building Together conference (Minter Ellison) | 6 June, 11.30am | Ministers Willis and Minister Bishop will be on a panel to discuss procurement and funding models, construction and infrastructure priorities | We will provide an aide memoire with context, talking points/FAQs by 4 June. |
| Meeting with LGNZ | 10 June, 1.15pm | LGZ and InfraCom (attendance tbc) | A briefing is probably not required – tbc |
| Meeting with Beca CE | 11 June, 3.30pm | | CIP has provided an aide memoire. |

| Meeting | Meeting date | Who will be attending/presenting | Comment / action |
|---|------------------|---|--|
| Going for Housing Growth meeting | 11 June, 4.15pm | Geoff Cooper and Peter Nunns to attend. | Agenda tbc |
| Quantity Surveyors conference | 13 June, 9.30am | | Minister to deliver keynote. Commissioning tbc – refer to Minister of Building and Construction? |
| Tasman Business Circle lunch | 13 June, 12.30pm | Minister | Minister will give a 15 minute speech across all his portfolios |
| LGNZ Infrastructure Symposium networking function | 13 June, 5.30pm | | Talking points etc tbc. |
| Infrastructure Leaders Network event in Auckland | 14 June, 10.30am | Minister Bishop and US Court both attending. | We will provide an aide memoire and talking points. |
| Property Council industry awards | 14 June, evening | Minister – probably not speaking but giving awards. | Tbc |
| Estimates select committee hearing | 18 June, 2.30pm | | Tbc |
| Going for Housing Growth meeting | 18 June, 4.30pm | Geoff Cooper and Peter Nunns to attend. | Agenda tbc |
| Monthly meeting Minister Bishop/US Court | 18 June, 6.30pm | Minister, US Court, MfE and InfraCom officials as required | Agenda tbc |
| Infrastructure and Investment Ministers Meeting | 18 June, 7pm | Ministers Willis, Bishop, Brown, Jones, US Court, officials | |
| Meeting with Chorus | 19 June, 1.15pm | | Briefing from MBIE? |
| Meeting with Hydrogen NZ | 19 June, 3pm | | Briefing from MBIE? |
| Meeting with Downers | 19 June, 4pm | | We will contribute to a background briefing as required. |

| Meeting | Meeting date | Who will be attending/presenting | Comment / action |
|--|--------------------|---|--|
| Electricity Forum | 20 June, 2.30pm | | Agenda likely to focus on RMA (MfE lead), critical resilience (DPMC lead). |
| Housing Ministerial Group | 25 June, 7.30pm | Hons Willis, Upston, Potaka, Penk and US Court. Geoff Cooper to attend for InfraCom | tbc |
| Meeting with Minister Brown and Fletchers | 26 June, 12pm | Hons Bishop, Brown and officials (tbc) | We will contribute to a background briefing as required. |
| Property Institute speech | 26 June, 5.30pm | | Probably nothing required from us. |
| RMA Ministerial Group | 26 June, 7pm | Ministers and US Court. Barbara Tebbs and Paul Alexander to attend for InfraCom | Tbc |
| Meeting with Meridian re fast track consenting | 27 June, 3.30pm | Tbc | We will contribute to a background briefing as required. |
| Going for Housing Growth meeting | 27 June, 4.15pm | Geoff Cooper and Peter Nunns to attend. | Agenda tbc |

3.8. Upcoming meetings for the Parliamentary Under-Secretary

Where requested, we provide support for meetings US Court is attending.

| Meeting | Meeting date | Who will be attending/presenting | Comment / action |
|--|-----------------|---|--|
| Monthly meeting Minister Bishop/US Court | 28 May, 5.15pm | Minister, US Court, and officials (as required). | Agenda tbc – likely to include national direction under the RMA; and PPP work programme. We will provide background briefings. |
| Housing Ministerial Group meeting | 28 May, 7.30pm | Hons Willis, Upston, Potaka, Penk and US Court. Geoff Cooper to attend for InfraCom | Tbc |
| Monthly meeting Minister Bishop/US Court | 18 June, 6.30pm | Minister, US Court, MfE and InfraCom officials as required | Agenda tbc |
| Housing Ministerial Group (tbc) | 25 June, 7.30pm | Hons Willis, Upston, Potaka, Penk and US Court. Geoff Cooper to attend for InfraCom | tbc |

[Note that, due to timeframes, Written and Oral Parliamentary questions and media requests will be provided directly to the Minister’s office and not signalled in this report.]

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 |
|--|----------------------|---------------------------|---|
| Potential sites for aggregate extraction in fast growing regions | Research report | W/C 3 June 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. We will provide you an aide memoire on this work in late May. |
| Māori engagement in Infrastructure | Research report | W/C 10 June 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. |
| Paying for infrastructure: What’s Fair? – Deep dive topic | Research report | W/C 10 June 2024 | Final report of deep dive summarising key findings and recommendations. Technical research notes which support this research will also be released at this time. |
| Water metering and leakage | Research report | June 2024 | Examines the economic and societal benefits of using water metering and volumetric charging to help solve water network-related challenges. |
| Transport pricing case studies | Research report | June 2024 | This looks at experience of tolling, congestion charging and other forms of pricing and demand management. |
| Transparency response paper | Response to research | July 2024 | This report analyses the possible actions the Government could make in response to the Infrastructure Commission’s work on transparency in projects. |

| | | | |
|--|------------------|----------------|---|
| | | | A briefing on this was provided to the Minister on 26 March [TW-2024-339 refers]. |
| Taking care of Tomorrow Today: An Asset Management State of Play | Research report | July 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. |
| Introducing water meters | Case studies | July 2024 | Includes foreword from us, followed by case studies and reflections on introducing water metering commissioned from Pat Dougherty, Director Wellington Water. These are about his experiences introducing water metering in Kapiti and Nelson. |
| Auckland's infrastructure | Research report | TBC Q3 2024 | Using recently published research, this report will drill down into several pieces of our published research to provide Auckland-focused insights. |
| Insurance of infrastructure against natural disasters | Research Insight | TBC 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. |