



6 August 2025

New Zealand Infrastructure Commission Te Waihanga

Kia ora

Thank you for the opportunity to provide feedback on the draft National Infrastructure Plan.

## Who we are

The Association of Consulting and Engineering New Zealand (ACE New Zealand) is an incorporated society – a firm-based membership organisation representing around 270 professional services firms and 16,000 people working across the built and natural environments.

Our members range from large global firms to employee-owned small and medium enterprises, employing specialists including engineers, project managers, planners, scientists, architects, surveyors and other technical disciplines. Our teams contribute significantly to Aotearoa New Zealand's economy by advising, designing and delivering on critical technology, policies and practices, and construction and infrastructure across the built and natural environment in Aotearoa.

Our members have a deep understanding of the policy and stakeholder issues linked to the economic wealth, wellbeing and prosperity of our society, as well as project design, delivery and decision-making, from our largest infrastructure projects in New Zealand through to smaller community projects.

## General comments

ACE New Zealand welcomes the opportunity to provide feedback on the draft National Infrastructure Plan (the Plan). As the representative body for consulting and engineering professionals, we advocate for a future-focused, resilient, and inclusive infrastructure system that supports New Zealand's long-term wellbeing and prosperity.

A committed pipeline of work is crucial for the stability and growth of our industry. We need greater certainty about where we invest, and we need to be smart about how we plan, deliver, as well as how we use infrastructure. This is crucial for businesses that will be engaged to design, construct and maintain the infrastructure to ensure they have the capability and capacity to do so, when they are needed.

We appreciate the work of the Commission in shaping this draft and agree with the Plan's focus on improving planning, resilience, and establishing sustainable funding to ensure infrastructure delivers greater value and meets future needs.

Overall, we agree with the focus areas the Commission have identified, which frame the 19 proposed recommendations. Below we set our specific feedback on the draft.

## **Bipartisan agreement and coordination**

We consider there could be more detail about how agreement will be reached across parties and throughout all levels of government on long term strategic priorities, drawing on the appropriate evidence base to make informed decisions. In addition, we would like to see more about how decision making can be coordinated and aggregated across central and local government, and the private sector, to ensure a steady flow of work into the market, supporting overall market stability, and aligned in a way that's using the best of New Zealand's resources available, and consistent with our current and future needs.

## **Monitoring and accountability**

We consider the Plan needs to include how the pipeline will be monitored, particularly between the allocation of funding and when a project gets to market, and clarity around who is responsible to drive this. This includes tracking investment intentions to ensure projects move into the market within reasonable timeframes.

## **Establish affordable and sustainable funding**

We agree with the need to plan for uncertainty, and the need to focus on ensuring a consistent flow of small projects.

We support undertaking ongoing, regular updates to the National Infrastructure Pipeline and ongoing updates to the Infrastructure Priorities Programme and the Infrastructure Needs Analysis (recommendation 3).

We also support matching funding tools with asset type (recommendation 6).

Enacting this will require public dialogue about acceptable levels of service, and how we consider certain trade-offs across our system. For example, certain things can be built to a lower design standard, and while they may not theoretically last as long, that could still be acceptable.

## **Right size new investment**

We agree with the need for changes to lift the bar for project appraisal, selection and delivery.

We agree that ensuring greater transparency of large public sector projects will help the public hold the government and delivery agencies to account, which can help get better results. In addition to this, greater transparency also allows the private sector to plan and operate their business more effectively.

We support the recommendation (recommendation 14 and 15) that all crown- funded infrastructure proposals pass through a transparent, independent readiness assessment before funding.

Taking the time better plan, define, and manage project scope is important to get better value from our infrastructure dollar. This will help us to better understand the feasibility and cost of proposed projects, and ensure that what is being asked for in a tender is clear from the beginning, coordinated, and that risk is appropriately and fairly allocated, ultimately allowing for a much more stream-lined procurement and delivery process. However, proposals and prework need to be proportionate to the size and complexity of project and based on need and demand.

Project planning needs to have the right expertise. This can be supported by better collaboration between the public and private sector. Specialist expertise is needed in the feasibility, planning and delivery phases, and it is unrealistic and unaffordable for that expertise to be held inhouse across central and local government. We encourage government to bring in these skill sets from the private sector more often and early in the process to inform the tender process. This will help to ensure the project has a clear scope that all suppliers understand and all the relevant information at the planning stage, this in turn allows a more accurate bidding process which can avoid cost blow-outs down the line.

We also support the publication of information on past projects (recommendation 17). Learning from past practices and projects will support better planning and delivery of future projects. This will require improvements and consistency in data quality and collection. Committing to new technologies and digital practices will also be a key driver for efficiency and boosting productivity.

## Procurement and capability

We support reducing unnecessary barriers in regulatory, approval and procurement processes.

We see improving procurement capability and practice as key to more cost effective and efficient infrastructure delivery in New Zealand. To take best advantage of the frameworks and structures the Government have put in place, including this Plan, we need to address how actors across the sector are interacting with those systems to enable efficient delivery. There is significant opportunity to generate efficiencies and enhance productivity and innovation through better procurement and contracting.

We know that poor procurement is costly. Data from a study commissioned by Consult Australia quantifies the costs associated with poor procurement practices<sup>1</sup>. The findings showed that with improvements in briefs, delivery models and contracts, the following efficiencies could be gained:

- reduction in the costs of projects by 5.4%;
- reduction in delays to projects by 7%;
- improvements in the quality of projects by 7%.

The analysis demonstrated that the total price impacts borne by the Australian Government in 2015 because of poor procurement practices were estimated at around \$239 million per annum. With estimates that better procurement can also lower the costs of rectifying design errors in construction with an annual saving of around \$87 million.

We can lift productivity growth through standardising systems and processes across central and local government to streamline planning and procurement, setting clear expectations that departments, agencies and councils will follow standard processes except in exceptional circumstances, and assigning one agency authority to monitor compliance and hold agencies to account. We also need to establish robust processes and procedures through procurement to ensure that we deliver on our commitments within reasonable timeframes and in the most cost-effective manner.

We can also drive better procurement through collaboration. A project ACE is currently undertaking focuses on this. We have recently developed, through a codesign process involving consultants and clients, a set of six principles which aim to support consultants and clients to work together more collaboratively for more efficient project planning and delivery. We will be launching these principles on 14 August and will share these with the Commission following their launch.

## Leadership capability

We agree with the recommendation (recommendation 2) to strengthen public sector leadership capability through standardising role expectations and improving career pathways. We hear from our members particular concern about procurement and project management capability within the public sector. Building leadership capability will go some way to improving procurement behaviours. We support the idea of establishing sector-wide secondments as a lever to support building leadership capability in the public sector for the planning and delivery of infrastructure projects. ACE New Zealand is currently developing a secondment agreement with public sector agencies that can serve as an industry-accepted template agreement for these arrangements, supporting their increasing use going forward.

## Future workforce

We agree that changes are needed to ensure we develop a future workforce that has the right capacity and capability to deliver on future investment demands.

We support the approach proposed for workforce planning (recommendation 1). To be able to deliver our infrastructure needs efficiently, and when we need it, we need a workforce with the right capabilities and skills which are available in the areas where we need to deliver. However, due to the stop/start nature of the pipeline workforce planning is a significant challenge.

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<sup>1</sup> Deloitte, Economic benefits of better procurement practices, Consult Australia 2015.

We know New Zealand already has a shortage of engineers,<sup>2</sup> and we face numerous challenges both ensuring sufficient numbers of trained professionals are coming through our education system, as well as retaining people in the industry once they are qualified. We are currently losing significant numbers of skilled professionals from the sector due to the current downturn in work, which will create a barrier to responding as quickly and cost effectively to project needs.<sup>3</sup> We must ensure our infrastructure plan can protect us in the future from suffering the workforce exodus we've seen in New Zealand over the last 18 months, and that starts with a clear and consistent pipeline of work.

A longer term outlook for infrastructure investment will help strengthen workforce development decisions. However, to address the infrastructure deficit, we must also grow and diversify the workforce. Women and minority groups are woefully underrepresented in the infrastructure sector. To build and retain our talent we need to provide equitable access to training and upskilling opportunities, and offer more formal career development pathways across the key skills we will require in future.

Government support for existing successful initiatives that support building a more capable and diverse workforce is imperative. There is an opportunity to use procurement to incentivise firms to grow talent and the diversity of our workforce.

### **Immigration**

Attracting skilled migrants will also play a key role in our workforce strategy. We need to ensure we have the immigration settings right to ensure we are able to attract the skilled workers we need from overseas to support our growing work programme. Currently, there are also numerous challenges bringing migrants into the country to pick up the domestic supply shortfall, including the timeframes for processing visa applications, the complexity of the process, and restrictions of the location where people can work. We also need robust pathways to residency so that we can retain the skills and talent once they are here. Without more certainty to residency, and an easier and more efficient system, we will not attract and retain the skilled workers we need from overseas to support our growing work programme.

### **Start with maintenance**

We strongly support focus on prioritising maintenance and renewals, with stronger requirements for agencies to gather and report on performance of their assets.

We agree with the recommendations (recommendations 12, 18 and 19) set out in this section, which will help support change, and agree that one of the first steps is to understand what we've got and what is needed. This must be supported by the use of digital technologies that enable reliable and accurate infrastructure related decision making. This will require investment in digital tools and improved data management. Currently, many agencies have little insight into the state of their assets. We encourage the adoption of digital practices and data-driven asset management, including:

- National data standards.
- Mandated digital delivery and digital twins.
- AI and technology to enhance long-term planning.

Committing to new technologies and digital practices will be a key driver for efficiency and boosting productivity. [A White Paper](#) recently published by Consult Australia provides a road-map for integrating digital practices across the infrastructure sector, including harmonizing standards for data and information management, embedding digital requirements in procurement, and developing digital capability and skills across both the public and private sectors. Other areas of focus could include legislated minimum standards for asset maintenance and renewals and investment in the most critical civic infrastructure.

In addition, an agreed resilience/risk standard framework would enable better infrastructure investment decisions at both central and local government level. Resilience may require additional up front investment but will help mitigate costly impacts during significant events. Defining what resilience looks like and acceptable levels of risk has the potential to fundamentally alter the way we plan and deliver infrastructure.

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<sup>2</sup> [https://www.acenz.org.nz/nz\\_facing\\_long\\_term\\_engineering\\_skills\\_shortage](https://www.acenz.org.nz/nz_facing_long_term_engineering_skills_shortage)

<sup>3</sup> [How's business survey report July 2025.pdf](#)

Conclusion

ACE New Zealand is committed to supporting the development of a robust, future-ready infrastructure system and look forward to continuing to work with the Commission to help shape the National Infrastructure Plan.

We would happy to discuss any aspect of this submission.

Nga mihi,

[Redacted signature]

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