

Title: Testing our thinking - Developing an enduring National Infrastructure Plan

Organisation: Tauranga City Council

Reference: NIPC24-0002977 | Submitted: 06/12/2024 10:43 am | Submitted by:

Summary of information submitted

Page 1 - Introduction

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We're seeking feedback

Our Discussion Document, <u>Testing our thinking: Developing an enduring National Infrastructure Plan</u>, sets out our thinking as we begin work to develop a National Infrastructure Plan. The Discussion Document sets out what we expect the Plan will cover and the problem it's trying to solve, as well as the approach we're proposing to take to develop it.

We're sharing this now to test our thinking and give you the chance to share your thoughts. Let us know if we've got it right or if there are issues you think we've missed.

We'll use your feedback as we develop the Plan. We'll be sharing our thinking by presenting at events around the country, hosting workshops and webinars, and sharing updates through our website, newsletter, and social media. We'll also seek feedback on a draft Plan before publishing the final Plan in December 2025.

Submission overview

You'll find 17 main questions that cover the topics found in the Discussion Document. You can answer as many questions as you like and can provide links to material within your responses. On the final page (6. Next steps) you can provide any other comments or suggestions that you would like us to consider as we develop the National Infrastructure Plan. Submissions are welcomed from both individuals and organisations.

A few things to note:

- You can save progress using the button at the top right of this form.
- A red asterisk (*) denotes a mandatory field that must be completed before the form can be submitted.
- We expect organisations to provide a single submission reflecting the views of their organisation. Collaboration within your organisation and internal review of your submission (before final submission), is supported through our Information Supply Platform. You'll need to be registered with an Infrastructure Hub account, and be affiliated with your organisation to utilise these advanced features. Many organisations will already have a 'Principal respondent' who can manage submissions and assign users at your organisation with access to the draft responses.
- Submissions will be published on our website after the closing date. The names and details of organisations that submit will be published, but all personal and any commercial sensitive information will be removed.

Further assistance

Each submission that is started is provided a unique reference identifier. These identifiers are shown in the top right of each application page. Use this identifier when seeking further assistance or communicating with us about this submission by using one of the following methods.

- Use <u>info@tewaihanga.govt.nz</u> to contact us with any questions relating to our Discussion Document and consultation.
- Use <u>inform@tewaihanga.govt.nz</u> for help managing roles and permissions of user accounts affiliated with your organisation in the Information Supply Platform (ISP).

Submission method

Our preferred method is to receive responses through this form. However, we anticipate some submitters will wish to upload a pdf document, especially where their submission is complex or long. If this submission method is necessary, please use this word template and save as a pdf. We ask that you retain the structure and headings provided in the template as this will support our processing of responses.

Select a submission method

To continue, select the method you will be using.

Online form

Page 2 - Context for the Plan

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The Discussion Document includes five sections. Below we're seeking feedback on why we need a National Infrastructure Plan. We also want to test our thinking on our long-term needs and make sure we have a clear view of what investment is already planned.

Section one: Why we need a National Infrastructure Plan

A National Infrastructure Plan can provide information that can help improve certainty, while retaining enough flexibility to cancel or amend projects as circumstances or priorities change.

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

As outlined in the answers to this submission and our attached letter, we see key challenges the National Infrastructure Plan needs to address over the next 30 years as relating to:

- Population growth and housing needs, including infrastructure provision in a timely manner
- · Funding and financing
- Rising costs of processes and delivery
- Integrated planning and coordination
- Recognising collaborative strategic planning to date
- Need for resilience and adaptability.

Like other cities in New Zealand, Tauranga faces significant challenges that must be addressed as part of the NIP. Tauranga is experiencing significant population growth, which is expected to continue over the next 30 years. With a projected shortfall of around 6,600-7,600 dwellings by 2054, there is an urgent need to ensure that infrastructure development can keep pace with housing and business land supply demands.

The NIP must prioritise strategies that provide long term certainty of planning and delivery of the necessary infrastructure to support growth (acknowledging the need for flexibility). This needs to build off the significant planning done by Councils, Government and other partners to date, providing consistency over successive governments in planning for long term outcomes. Clarity on key outcomes for supporting growth that will meet Government priorities for funding is essential.

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

No response provided

Section two: Our long-term needs

The National Infrastructure Plan will reflect on what New Zealanders value and expect from infrastructure. To do this, the Plan needs to consider New Zealanders' long-term aspirations and how these could be impacted over the next 30 years.

3. What are the main sources of uncertainty in infrastructure planning, and how could they be addressed when considering new capital investments?

No response provided

Section three: What investment is already planned

We already gather and share data on current or planned infrastructure projects through the National Infrastructure Pipeline. This data, alongside other information gathered by the Treasury or published by infrastructure providers, helps to paint a picture of investment intentions.

4. How can the National Infrastructure Pipeline be used to better support infrastructure planning and delivery across New Zealand?

The NIP is a critical step towards ensuring that New Zealand's infrastructure system is sustainable, efficient, and capable of meeting future demands. By outlining a comprehensive and long-term approach, the NIP will assist to provide a necessary framework to address the diverse and evolving needs of our communities.

The discussion document's emphasis on both certainty and flexibility in infrastructure planning is an important foundation for supporting growth of our urban areas. In a rapidly changing environment, the ability to adapt to new challenges while maintaining a clear and consistent vision is crucial.

By identifying long-term infrastructure needs, the NIP has the potential to provide a shared, long-term view of infrastructure expectations and priorities, aligned with both local and central government priorities. An important aspect of this will be identifying challenges to funding and delivery and promoting policy and system reforms to overcome these.

Section four: Changing the approach

We have used our research and publicly available information on infrastructure investment challenges to identify key areas for change. The next question and the following three pages seek further detail on the three themes in section four of our paper. Within each of the three themes, we explore some topics in more detail, outlining

the evidence, discussing the current 'state of play', and asking questions about where more work is needed.

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

No response provided

Page 3 - Capability to plan and build

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Changing the approach — Capability to plan and build

Section four looks at changes that we can make to our infrastructure system to get us better results. We've broken these changes down into three themes: capability to plan and build, taking care of what we have, and getting the settings right.

For the first theme, we look at three key areas:

- Investment management: Stability, consistency, and future focus
- Workforce and project leadership: Building capability is essential
- Project costs: Escalation means less infrastructure services.

Investment management: Stability, consistency, and future focus

We're interested in your views on how we can address the challenges with government infrastructure planning and decision-making.

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

Effective infrastructure planning requires a coordinated approach that integrates various sectors and stakeholders. The NIP should promote collaboration between central and local government, private sector partners, and community organisations. This will ensure that infrastructure projects are aligned with broader economic, social, and environmental goals.

7. How should we think about balancing competing investment needs when there is not enough money to build everything?

The NIP must prioritise strategies that provide long term certainty of planning and delivery of the necessary infrastructure to support growth (acknowledging the need for flexibility). This needs to build off the significant planning done by Councils, Government and other partners to date, providing consistency over successive governments in planning for long

term outcomes. Clarity on key outcomes for supporting growth that will meet Government priorities for funding is essential.

Workforce and project leadership: Building capability is essential

We're interested in your views on how we can build capability in the infrastructure workforce.

- 8. How can we improve leadership in public infrastructure projects to make sure they're well planned and delivered? What's stopping us from doing this? *No response provided*
- 9. How can we build a more capable and diverse infrastructure workforce that draws on all of New Zealand's talent?

No response provided

Project costs: Escalation means less infrastructure services

We're interested in your views on further opportunities to improve our ability to deliver good infrastructure at an affordable cost.

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

No response provided

Page 4 - Taking care of what we've got

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Changing the approach — Taking care of what we've got

The second theme in section four looks at how we can get better at taking care of what we have. It looks at three areas:

- Asset management: Managing what we already have is the biggest task
- Resilience: Preparing for greater disruption
- Decarbonisation: A different kind of challenge.

Asset management: Managing what we already have is the biggest task

Asset management means looking after our infrastructure. We are interested in your views on how we can improve planning for this.

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?

Many of our infrastructure challenges are not new and are identified within our strategic planning frameworks for the city and sub-region. In particular, the SmartGrowth Strategy 2024-2074 has been developed in partnership with Government, Western Bay of Plenty District Council, Bay of Penty Regional Council and other partners, outlining the urban form growth pattern and supporting infrastructure over the short, medium and long term. This strategy has built on successive SmartGrowth planning strategies prepared in partnership with Government agencies – what is required going forward is commitment and funding to enable sustained delivery.

Resilience: Preparing for greater disruption

We are interested in your views on how we can better understand the risks that natural hazards pose for our infrastructure.

12. How can we improve the way we understand and manage risks to infrastructure? What's stopping us from doing this?

No response provided

Decarbonisation: A different kind of challenge

We're interested in your views on how we can improve understanding of the decarbonisation challenge facing infrastructure.

13. How can we lower carbon emissions from providing and using infrastructure? What's stopping us from doing this?

Infrastructure must be resilient and adaptable to changing conditions, including the impacts of climate change, technological advancements, and shifting demographic trends. The NIP should incorporate strategies for enhancing the resilience of infrastructure

systems, with clear direction as to where Government sees priority for investment in resilience and related matters.

Page 5 - Getting the settings right

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Changing the approach — Getting the settings right

The third theme in section four looks at how we can get our settings right to get better results from our infrastructure system. It looks at three areas:

- Institutions: Setting the rules of the game
- Network pricing: How we price infrastructure services impacts what we think we need
- Regulation: Charting a more enabling path.

Institutions: Setting the rules of the game

We're interested in your views on what changes to our infrastructure institutions would make the biggest difference in giving us the infrastructure we need at an affordable cost.

14. Are any changes needed to our infrastructure institutions and systems and if so, what would make the biggest difference?

New ways of funding, financing and delivering development including growth related infrastructure are urgently needed. Tauranga and the Western Bay have a significant infrastructure deficit and SmartGrowth cannot deliver on this Strategy without this. A coordinated and aligned approach for enabling housing, business and infrastructure to better meet the needs of the community is required.

Innovative financing mechanisms are required to address the funding constraints associated with infrastructure delivery. Tauranga City Council recognises the importance of finding more effective and efficient ways to finance and deliver infrastructure projects. This includes exploring public-private partnerships, alternative funding models, and other innovative solutions that can help bridge the funding gap.

Network pricing: How we price infrastructure services impacts what we think we need

We're interested in your views on further opportunities to improve network infrastructure pricing.

15. How can best practice network pricing be used to provide better infrastructure outcomes?

Consideration of who pays is important. However, it must be recognised that Councils and their communities are reaching their thresholds in terms of what can be managed at a local level. Importantly, user pays approaches can only go so far before they start to impact equality outcomes within the community, having impacts on social wellbeing. The NIP needs to consider wider partner approaches with Government and the private sector, including clarifying when the Government will use its balance sheet to fund and/or finance infrastructure.

Regulation: Charting a more enabling path

We're interested in your views on further opportunities to improve regulation affecting infrastructure delivery.

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

The rising costs of infrastructure development (both planning and delivery) pose a significant challenge for Tauranga and other rapidly growing areas. The NIP must consider strategies to manage and mitigate these costs, ensuring that infrastructure projects remain viable and sustainable.

We agree with the approach outlined in the discussion document around 'getting the settings right', including an appropriate level of regulation that is enabling while protecting important values. The SmartGrowth Strategy has identified the need for a radical change to the delivery including new and enhanced streamlined planning processes are provided to address regulatory barriers for infrastructure and development. This is an integral aspect to both cost and timing of infrastructure delivery.

Page 6 - What happens next?

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Additional information to support our development of the Plan

Section five in the Discussion Document is on the next steps. In this section, we're asking you for any additional comments, suggestions, or supporting documentation that we should consider in our development of the National Infrastructure Plan.

17. Do you have any additional comments or suggestions that you would like us to consider as we develop the National Infrastructure Plan?

Click 'Add another' to add multiple suggestions or comments.

Item 1

We appreciate the opportunity to provide feedback on the National Infrastructure Plan (NIP) discussion document recently released by the New Zealand Infrastructure Commission Te Waihanga. Tauranga City Council supports the development of a NIP as outlined in the discussion document. We believe that this initiative is essential for addressing the critical challenges we face over the next 30 years, particularly those related to significant population growth, housing needs, funding constraints, and rising infrastructure costs.

Tauranga City Council is keen to continue working closely with the New Zealand Infrastructure Commission and other stakeholders in the development and implementation of the NIP. Along with our SmartGrowth partners, we have developed a plan to provide for growth, and are ready to work with Government to identify solutions to deliver the needed supporting infrastructure. We believe that ongoing collaboration is essential for addressing the complex infrastructure challenges we face and ensuring that our communities can thrive. We look forward to a continued partnership and the successful realisation of the NIP's goals.

18. Attach any documents that support your submission

Click 'Add another' to add multiple attachments in PDF format.

Document 1



<u>Tauranga City Council 2024 12 05 - National Infrastructure Plan discussion document feedback.pdf.</u>

Last modified 2024-12-5 10:19:30 am, file size 222.81 KB

Attachment added to the end of this document

Thank you for your response

Thank you for providing feedback on our Discussion Document. We'll use your comments as we continue to develop the Plan. This will not be the only opportunity for you to provide feedback, but it is an important way to test our emerging thinking on the development of an enduring National Infrastructure Plan.

If you have prepared a submission on behalf of an organisation, you'll need to be an authorised *respondent* to make the final submission. If you entered a new organisation during sign-up, or your organisation does not already have a *Principal respondent* assigned, you will have been asked to nominate yourself or someone else for this role as you started this submission. Our team will have worked to verify these accounts allowing *Principal respondents* to manage access and assignment of requests for information to people within your organisation.

If you require any assistance please reach out to our team at inform@tewaihanga.govt.nz.





10 December 2024

New Zealand Infrastructure Commission Te Waihanga

Tēnā koe

We appreciate the opportunity to provide feedback on the National Infrastructure Plan (NIP) discussion document recently released by the New Zealand Infrastructure Commission Te Waihanga. Tauranga City Council supports the development of a NIP as outlined in the discussion document. We believe that this initiative is essential for addressing the critical challenges we face over the next 30 years, particularly those related to significant population growth, housing needs, funding constraints, and rising infrastructure costs.

Support for the National Infrastructure Plan

The NIP is a critical step towards ensuring that New Zealand's infrastructure system is sustainable, efficient, and capable of meeting future demands. By outlining a comprehensive and long-term approach, the NIP will assist to provide a necessary framework to address the diverse and evolving needs of our communities.

The discussion document's emphasis on both certainty and flexibility in infrastructure planning is an important foundation for supporting growth of our urban areas. In a rapidly changing environment, the ability to adapt to new challenges while maintaining a clear and consistent vision is crucial.

By identifying long-term infrastructure needs, the NIP has the potential to provide a shared, long-term view of infrastructure expectations and priorities, aligned with both local and central government priorities. An important aspect of this will be identifying challenges to funding and delivery and promoting policy and system reforms to overcome these.

Below we emphasise some of the other issues and areas of focus that need to come through strongly in the NIP, if we are to be able to respond to key infrastructure challenges moving forward.

Key Matters for Consideration

Population Growth and Housing Needs: Like other cities in New Zealand, Tauranga faces significant challenges that must be addressed as part of the NIP. Tauranga is experiencing significant population growth, which is expected to continue over the next 30 years. With a projected shortfall of around 6,600-7,600 dwellings by 2054, there is an urgent need to ensure that infrastructure development can keep pace with housing and business land supply demands.

The NIP must prioritise strategies that provide long term certainty of planning and delivery of the necessary infrastructure to support growth (acknowledging the need for flexibility). This needs to build off the significant planning done by Councils, Government and other partners to date, providing consistency over successive governments in planning for long term

outcomes. Clarity on key outcomes for supporting growth that will meet Government priorities for funding is essential.

Recognising collaborative strategic planning to date: Many of our infrastructure challenges are not new and are identified within our strategic planning frameworks for the city and sub-region. In particular, the SmartGrowth Strategy 2024-2074 has been developed in partnership with Government, Western Bay of Plenty District Council, Bay of Penty Regional Council and other partners, outlining the urban form growth pattern and supporting infrastructure over the short, medium and long term. This strategy has built on successive SmartGrowth planning strategies prepared in partnership with Government agencies – what is required going forward is commitment and funding to enable sustained delivery.

Rising costs of processes and delivery: The rising costs of infrastructure development (both planning and delivery) pose a significant challenge for Tauranga and other rapidly growing areas. The NIP must consider strategies to manage and mitigate these costs, ensuring that infrastructure projects remain viable and sustainable.

We agree with the approach outlined in the discussion document around 'getting the settings right', including an appropriate level of regulation that is enabling while protecting important values. The SmartGrowth Strategy has identified the need for a radical change to the delivery including new and enhanced streamlined planning processes are provided to address regulatory barriers for infrastructure and development. This is an integral aspect to both cost and timing of infrastructure delivery.

Funding and Financing: New ways of funding, financing and delivering development including growth related infrastructure are urgently needed. Tauranga and the Western Bay have a significant infrastructure deficit and SmartGrowth cannot deliver on this Strategy without this. A coordinated and aligned approach for enabling housing, business and infrastructure to better meet the needs of the community is required.

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Integrated Planning and Coordination: Effective infrastructure planning requires a coordinated approach that integrates various sectors and stakeholders. The NIP should promote collaboration between central and local government, private sector partners, and community organisations. This will ensure that infrastructure projects are aligned with broader economic, social, and environmental goals.

Need for Resilience and Adaptability: Infrastructure must be resilient and adaptable to changing conditions, including the impacts of climate change, technological advancements,

and shifting demographic trends. The NIP should incorporate strategies for enhancing the resilience of infrastructure systems, with clear direction as to where Government sees priority for investment in resilience and related matters.

Commitment to Ongoing Collaboration

Tauranga City Council is keen to continue working closely with the New Zealand Infrastructure Commission and other stakeholders in the development and implementation of the NIP. Along with our SmartGrowth partners, we have developed a plan to provide for growth, and are ready to work with Government to identify solutions to deliver the needed supporting infrastructure. We believe that ongoing collaboration is essential for addressing the complex infrastructure challenges we face and ensuring that our communities can thrive. We look forward to a continued partnership and the successful realisation of the NIP's goals.

Yours sincerely
General Manager
Strategy Growth and Governance
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