

We're seeking feedback

Our Discussion Document, [Testing our thinking: Developing an enduring National Infrastructure Plan](#), 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, you can provide any other comments or suggestions that you would like us to consider as we develop the National Infrastructure Plan. Submissions are welcome from both individuals and organisations.

Deadline for submissions: 5.00pm on 10 December 2024.


A few things to note:

- 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.

Submission method

We prefer feedback to be submitted through our [online survey](#). Alternatively, you may use this Word template to generate and upload a PDF.

Instructions for PDF submission:

1. Complete your response using this Word template. You can edit the document at points marked with the  cursor. This includes adding tables, images and text as normal.
2. Save the file type as PDF by selecting 'Save as' in MS Word and choosing 'PDF' as the file type.
3. Complete the introduction section of the online form.
4. Select 'PDF attachment' as your submission method. You'll then be prompted to upload your PDF.

Important: PDF submissions that are not generated from this Word template cannot be processed.

If you have any questions, please feel free to email info@tewaihanga.govt.nz and one of our team will follow up with you.

Context for the Plan

Section one: Why we need a National Infrastructure Plan

- Q1. What are the most critical infrastructure challenges that the National Infrastructure Plan needs to address over the next 30 years?

We view that the eight drivers of infrastructure spending that Te Waihangā has identified to explore reflect the greatest challenges appropriately. These drivers are; renewal of existing infrastructure, population growth and demographic change, economic development and changing standards, construction price inflation, resilience to natural hazards, decarbonising our economy, technology change and the shortage of existing infrastructure.

We view it is critical that the National Infrastructure Plan appropriately provides for the right infrastructure in the right places, particularly to uphold drivers 1 (renewal of existing infrastructure) and 8 (shortage of existing infrastructure). Having infrastructure in the right places has the potential to facilitate growth which will fund maintenance and new development, both of which are influential to support these drivers of infrastructure spending.

The Plan should identify where infrastructure needs to be and how what already exists will be managed. The Plan needs to have clear guidance on Asset Integrity and Replacement so that renewal of existing infrastructure can be appropriately managed. This has not historically been well managed as the size and nature of the investment is not easily understood. Further, the Plan needs to look forward at the changing requirements for Infrastructure over a longer pathway, so appropriate transitions can be managed. This will help to ensure bipartisan support, and de-politicise decisions where there is a significant transition that requires buy in from the population (e.g., delay in the Transmission Gully investment decision, cycleway politicisation rather than focussing on use, and anticipating the Auckland transport requirements (public transport, congestion charging, and harbour crossing).

Further, the Plan would also be supported by establishing a National Population Plan that:

- a. Presents a likely population pathway over the next 50 years and identifies requisite supporting policies;
- b. Provides direction for regional spatial plans; and
- c. Identifies supporting policies required for New Zealand to capitalise on the benefits of a larger population, while managing and minimising the costs of growth. Regularly review and publish best-practice advice to improve population projection accuracy. Require local governments and other public infrastructure providers to test significant infrastructure projects and investment plans against high, medium and low projections.

- Q2. How can te ao Māori perspectives and principles be used to strengthen the National Infrastructure Plan's approach to long-term infrastructure planning?

Section two: Long-term expectations

- Q3. What are the main sources of uncertainty in infrastructure planning, and how could they be addressed when considering new capital investments?

We view the main sources of uncertainty in planning emerge from whether to prioritise building or maintaining existing infrastructure and public attitudes towards funding national infrastructure. We note that a lack of bipartisan support across political parties has resulted in a dependence on the government of the day for infrastructure planning. Cross-party consensus on infrastructure needs would increase certainty and strengthen confidence from the sector.

We support a prioritisation of infrastructure investments where economic growth may be generated. This will lead to increased revenue that may fund more infrastructure projects. If this investment generates benefits for people and businesses, they will, in turn, be more willing to pay extra for it.

We agree with Te Waihanga's approach of grounding their consideration of new infrastructure investments through three questions. These include what the current state of our networks is, what we are willing to pay for infrastructure and where and how we should invest in the future.

Section three: Existing investment intentions

Q4. How can the National Infrastructure Pipeline be used to better support infrastructure planning and delivery across New Zealand?

We view that the National Infrastructure Pipeline may be used to improve New Zealand's approach to procurement, which would help build capacity across the construction sector. In particular, we suggest that adopting a partnership approach between public and private sector agencies would better support infrastructure planning and delivery.

We are also of the view that infrastructure planning and delivery varies between local and central authorities. This inconsistency impairs the sectors' ability to appropriately organise and meet infrastructure needs. We suggest that Pipeline should be used to achieve consistency between local and central infrastructure planning and delivery.

Section four: Changing the approach

Q5. Are we focusing on the right problems, and are there others we should consider?

We broadly agree with the problems Te Waihanga has focused on in the National Infrastructure Plan. However, we view that greater and more specific consideration should be given to improving procurement processes, incentivising and allowing for innovation, and enhancing the capacity and capability of the infrastructure and construction sectors. Where appropriate, our submission refers to these issues.

With regard to procurement, we view that there is a need for greater opportunities and planning for projects which cover different market sectors. We view that dividing work within the market appropriately and equitably, ensuring work is available to firms of all sizes, will benefit our infrastructure capacity and capability. Moreover, we view that being open to and encouraging alternative tenders will improve procurement processes.

Moving forward, we suggest that Te Waihanga creates opportunities for stakeholders to provide more robust comments on the aforementioned matters.

Capability to plan and build

Theme one: Capability to plan and build	
Investment management: Stability, consistency and future focus	
Q6.	What changes would enable better infrastructure investment decisions by central and local government?
<p>We emphasise the importance of good governance practices to improve New Zealand’s long-term strategic vision for infrastructure so that we may perform comparably to other high-income nations. Te Waihangā’s analysis of 44 capital initiatives that were considered for funding in Budget 2024 recognised that only 18 had business cases attached. Further, many more did not follow core business case guidance, with only three containing a cost-benefit analysis.</p> <p>We suggest that the National Infrastructure Plan ensures that the procurement process is not only standardised but also adopted from the initial stages of these projects. This will ensure that stability and consistency may be safeguarded early on, and across both central and local government. Taking the necessary time to plan and understand project options and details at their inception mitigates against the risk of these projects costing more or taking longer to complete than first anticipated.</p> <p>We support recommendation 14 of the Infrastructure Strategy, whereby the realignment of local government boundaries should be redrawn to reflect functional and practical labour-market boundaries, enabling the coordination of key infrastructure and planning decisions.</p> <p>There also needs to be recognition that central and local government are long-term customers of the infrastructure sector (both designers, consultants and contractors) as part of investment decisions. Supporting the capability development and skills of the wider construction sector should also be a key consideration.</p>	
Q7.	How should we think about balancing competing investment needs when there is not enough money to build everything?
<p>We accept that until our investment aspirations and needs can be fully funded, balancing is necessary. To provide the sector with confidence, we suggest that balancing and communication of decisions as to what takes precedence is done at an early stage. We view that early balancing will provide more clarity as to the cost of the infrastructure over the asset life which, in turn, would help with maintenance.</p> <p>Adopting a long-term outlook, we view that the correct approach for addressing competing investment needs is not to balance them out, but to secure greater funding streams to address the deficit. We view that incentivising and allowing financial contributions from the private sector or third-party revenue streams may be beneficial.</p> <p>We also view that it may be appropriate to utilise long-term debt to bridge the gap. Long-term debt finance ought to be used to finance long-lived infrastructure assets that provide intergenerational service and benefits. As has been acknowledge by the government in its refreshed Public-Private Partnership (PPP) Framework. Long-term debt can be an equitable use of Crown borrowing capacity.</p>	

Implementing mechanisms which uphold recommendations 47 ([Improve equitable funding of local infrastructure](#)) and 48 ([reform the transport funding system](#)) of the Infrastructure Strategy may also be beneficial.

Workforce and project leadership: Building capability is essential

Q8. 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?

We support [recommendation 67](#) of Te Waihangā's Infrastructure Strategy and view that strengthening the capability of the government client-side to plan, design and deliver projects is critical to improving leadership in public infrastructure projects.

We view that agencies should be appropriately resourced and upskilled to be capable of delivering infrastructure projects whilst supporting contracting parties. Agencies building up internally can help ensure consistency and stability, but the role of specialist consultants is also important, because outside the few bodies with significant infrastructure assets, the level of capability can be very mixed.

We view that the complexity of governance structures impairs effective leadership in public infrastructure projects. We suggest that it would be beneficial for public infrastructure projects to have clear lines of distinction between governance and decision-making and advisory and management functions. A clear decision-making matrix which clarifies roles and responsibilities would ensure that oversight and decisions are made at the appropriate levels. Providing greater and ongoing opportunities for collaboration between public and private sector stakeholders may also be of benefit.

Q9. How can we build a more capable and diverse infrastructure workforce that draws on all of New Zealand's talent?

We agree with Te Waihangā's recognition of the gap in successful project delivery. Importantly, we are presently without any formal frameworks or pathways for skills development.

We support Te Waihangā's Project Leadership Capability framework and leadership network to support the connection of infrastructure leaders.

We support [recommendation 65](#) of the Infrastructure Strategy and view that the delivery of a national infrastructure skills plan would help build a more capable and diverse infrastructure workforce. We note that the Construction Sector Transformation Plan 2022 – 25 was introduced to address this recommendation but has recently been closed by the Government. We view this plan and its focus on [workforce development](#) holds the potential to enhance pathways and facilitate a modern, productive industry.

We also support [recommendation 63](#) of the Infrastructure Strategy and view that accelerating the digitalisation of infrastructure is a future-focused approach to promote efficiency and consistency.

Project costs: Escalation means less infrastructure services

Q10. What approaches could be used to get better value from our infrastructure dollar? What's stopping us from doing this?

We view that benchmarking for future infrastructure projects would enable better value for infrastructure dollars. It would be appropriate for previous project details to set realistic aims for future project costs and for New Zealand's cost performance to be benchmarked against better-

performing OECD countries with drivers of difference identified, as per [recommendation 46](#) of the Infrastructure Strategy. Furthermore, as per the recommendation, it would be useful to conduct investigations across infrastructure sectors to identify common issues and points of difference.

We also view that a value for money approach may be beneficial. This approach would consider prioritising and funding projects and arrangements which will result in design innovation, construction and operating cost optimisation, alongside improved risk management and overall performance efficiencies. We note the government's refreshed PPP framework refers to these considerations. We are of the opinion that these considerations apply suitably here also.

Furthermore, we suggest that considerations towards risk allocation, which addresses risk aversion, can encourage better dollar for dollar value. We view that it is appropriate and beneficial for the procuring agency to take more risk where appropriate.

Taking care of what we've got

Theme 2: Taking care of what we've got

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

- Q11. 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?
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We suggest that a review of the Infrastructure Strategy to incorporate long-term asset management as an objective may be beneficial.

We view that long-term asset management is influential for achieving a thriving New Zealand and complements the existing objective's aspirations to leverage our low-emissions energy resources, plan for generations to come, and achieve better infrastructure through pricing.

We also view that it would be useful for central and local government to lift understanding of the importance and practice of asset management and asset integrity.

Resilience: Preparing for greater disruption

- Q12. How can we improve the way we understand and manage risks to infrastructure? What's stopping us from doing this?
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We view that there is an existing information gap and enabling the use and sharing of better information will be critical for supporting and improving risk management. We suggest that information is centralised and accessible to allow for knowledge sharing and encourage best practice, optimising our infrastructure performance.

We support [recommendation 26](#) of the Infrastructure Strategy and view that ensuring regular disclosures of information about critical infrastructure preparedness and minimum service levels in an emergency will help improve the way risks to infrastructure are understood and managed.

Decarbonisation: A different kind of challenge

- Q13. How can we lower carbon emissions from providing and using infrastructure? What's stopping us from doing this?
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Getting the settings right

Theme 3: Getting the settings right

Institutions: Setting the rules of the game

- Q14. Are any changes needed to our infrastructure institutions and systems and, if so, what would make the biggest difference?
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With the introduction of the National Infrastructure Agency, we view that there is a need for greater certainty across our infrastructure institutions and systems. We suggest that the roles and responsibilities of each agency are clearly defined and communicated to ensure our infrastructure delivery is clear and cohesive. Where appropriate, we also view there is benefit in our institutions collaborating with one another.

We support [recommendation 27](#) of the Infrastructure Strategy and view a prioritisation of accessible, consistent and robust information on climate change impacts across New Zealand through adopting the infrastructure actions set out in the National Adaption Plan.

The prioritisation of a circular economy, shifting away from the linearity of the status quo take-make-dispose model for waste management would be a positive change for our waste management institutions.

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

- Q15. How can best practice network pricing be used to provide better infrastructure outcomes?
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We agree with the best practice goals outlined in the [Network Infrastructure Pricing Study](#) commissioned by Te Waihanga and believe they offer the right approaches for facilitating better infrastructure outcomes.

In addition to the goals, we suggest consideration is given to whole-of-life cost, namely, the actual benefit and who benefits, and the proportion that should and will be user pays. We encourage determinations on network pricing to be communicated up front.

Regulation: Charting a more enabling path

- Q16. What regulatory settings need to change to enable better infrastructure outcomes?
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We recognise that our status quo consenting legislation, such as the Resource Management Act 1991, requires approval for new infrastructure on a case-by-case basis. We agree the efficiency of regulation may be improved by streamlining this process. As per the Sapere report conducted in July 2021 for Te Waihanga, interviews with key stakeholders indicated the inconsistency in consenting experiences for infrastructure developers and consenting at status quo imposes significant indirect costs.

Further, we recognise the inefficiency of the overlaps in the enforcement of regulation. Infrastructure projects involving foreign investors often have their environmental impacts assessed separately through both the Resource Management Act 1991 and the Overseas Investment Act 2005, using different sets of criteria. We support the consolidation of this process so that people building

infrastructure do not need to rework the same information twice so that it is suitable for two separate applications, which increases their costs without necessarily enhancing benefits.

We support [recommendation 66](#) of the Infrastructure Strategy, which suggests identifying and reducing barriers for international firms and products to enter the New Zealand market by adopting international standards as a default. New Zealand specific standards will only be generated where required.

The changes being considered also need to include how the New Zealand seismic requirements are applied, both to critical and non-critical infrastructure. New Zealand is a seismically active region and the engineering understanding of seismic movements and the effects on structures and infrastructure is developing over time. However, this has also been a big driver of the additional cost of infrastructure, which is not well assessed or understood. To address the affordability of construction, greater visibility and consideration should be given to the seismic risks inherent in the construction of infrastructure so that mature and informed decisions may be made pertaining to these risks. Simply increasing the requirements does not mean that risk will be reduced.

What happens next

Section five: What happens next?

Q17. Do you have any additional comments or suggestions that you would like us to consider as we develop the National Infrastructure Plan?

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.

Please email info@tewaihanga.govt.nz if you have any questions or need more information.