



Infrastructure
New Zealand

NEW ZEALAND'S
INDEPENDENT
INFRASTRUCTURE
THOUGHT
LEADERSHIP
NETWORK.

Infrastructure Priorities for the 2020-2023 Government

COVID-19 combined with historic underinvestment and record population growth has created a perfect storm for New Zealand infrastructure. This is what the 2020-2023 Government needs to do to address long-standing issues and achieve public outcomes:

1.

Publish a National Vision, comprising key outcomes and with clear objectives for New Zealand to achieve in 30 years

There is broad agreement that New Zealand has not successfully promoted outcomes. The new Government needs to define the national strategic outcomes and supporting objectives it wants to achieve to guide and inform public and private decision making.

- ✓ Outline a National Vision that brings the country together
- ✓ Determine the National Strategic Outcomes to be prioritised
- ✓ Set objectives, goals and targets to maintain direction



A measurable and defined National Vision will provide the direction that the infrastructure sector, local government and communities need to support Government direction.



2.



Agree the Infrastructure Strategy to achieve the National Vision

To achieve outcomes, the Government is going to need a strategy to get there. Current projects, plans and initiatives merely contribute to the general direction of priorities rather than comprise a coordinated programme to realise a National Vision.

Long-term infrastructure planning and investment integrates public services and institutions and will provide the pathway to get from where we are today to where we want to be tomorrow. The New Zealand Infrastructure Commission – Te Waihanga has been charged with developing a 30-Year Infrastructure Strategy which will align and coordinate long-term planning and investment. This strategy should provide the platform to enable National Strategic Outcomes and realise the National Vision.

- ✔ Focus the 30-Year Infrastructure Strategy on achieving the National Vision
- ✔ Support and deliver the Infrastructure Strategy

The Strategy will give officials, citizens and businesses the confidence to plan and invest in New Zealand's future and participate in driving our National Vision forward.

3.



Incorporate the Infrastructure Strategy into the revised Planning System

A new Planning and Development Act is required to give statutory weight to the Infrastructure Strategy and National Strategic Outcomes via aligned strategic, spatial and land use planning. The existing planning system focuses on effects, misaligns strategic and land use planning and neither protects the environment nor promotes wider societal outcomes.

Clear government direction supported by agreed regional spatial plans will give confidence to public agencies and the private sector to invest in opportunities which support national outcomes. A separate Environment Act is needed to establish and enforce bottom lines. Clearer guidance as to what is not permitted will reduce confusion and legal complexity.

- ✔ Replace the Resource Management Act with separate planning and environmental protection statute
- ✔ Create an Environment Act to establish bottom lines to protect the natural and built environment
- ✔ Create a Planning and Development Act to empower the 30-Year Infrastructure Strategy, support long-term regional spatial plans and ensure land use plans promote infrastructure-enabled development within environmental limits

Integrating strategic and land use planning will align investment and development, making New Zealand more responsive to growth while a dedicated Environment Act protects the environment.

4.



Develop the skills and human capital to deliver the Plans

Projects and other initiatives which feature in the Strategy, regional spatial plans and other documents will need people with the right skills to deliver them. In the wake of COVID-19, New Zealanders are looking for work and we can no longer rely on international labour to fill gaps in the workforce.

Tertiary institutions, employers and government need to know what skills are required to deliver plans. Fit for purpose education and training will be necessary to ensure the workforce of the future is ready.

- ✔ Develop the pipeline of projects necessary to implement plans
- ✔ Identify the skills needed to deliver the projects and programmes
- ✔ Publish a National Skills Strategy to align tertiary institutions, contractors and government

Training and educational programmes will provide employment opportunities to workers across the country and support implementation of national, regional and local priorities.

5.



Fund and finance the Plans

To achieve priorities set out in the National Vision, Infrastructure Strategy and regional spatial plans, funding is going to need to follow agreed plans. Current resourcing decisions prioritise short-term annual spending allocations over outcomes, resulting in funding and financing shortfalls for critical services even when there is willingness to pay.

All funding tools and financial resources should be leveraged to ensure that projects and programmes which promote strategic priorities are delivered and the costs of investment are fairly and efficiently allocated.

- ✔ Fund water services through volumetric pricing
- ✔ Implement dynamic road pricing to optimise traffic movement and offset improving vehicle efficiency
- ✔ Reorient taxes to capture land value changes and discourage property speculation
- ✔ Make private capital the default option to finance infrastructure investment
- ✔ Fund infrastructure with indirect benefits from the consolidated account
- ✔ Use transfers and grants from central to local government to incentivise and encourage alignment with national direction

Fair and efficient pricing for infrastructure will encourage infrastructure providers to deliver services which achieve strategic priorities and ensure the costs and benefits of investments are evenly distributed.

6.



Reform governance to enable implementation

Projects and plans necessary to support strategic priorities must be implemented. Many existing institutions are too small to plan and invest strategically, procure critical services and operate complex networks. Others are too broad to represent the needs of their customers and constituents, and are challenged by competing responsibilities in delivery and oversight.

Monitoring of overall system performance and delivery of services with national-level impacts needs to be performed by central government bodies. Services with regional-level impacts need to be provided by regional authorities with the capacity and capability to deliver. Services with local-level impacts need to be provided by local councils with the ability to engage and represent their communities.

- ✔ Spatial planning, transport and development to enable housing performed by strengthened and reoriented regional authorities
- ✔ Local councils refocused on community representation and engagement, local services, community projects, and placemaking
- ✔ Three waters provision regionalised and corporatised so it is publicly owned but does not sit on council balance sheets
- ✔ Infracom, Taumata Arowai (the Water Regulator), the Climate Change Commission and related entities strengthened to monitor outcomes and performance

Governance reform will ensure local projects and plans have local support, that regional activities support dynamic and competitive regional economies, and will strengthen national oversight to ensure National Strategic Outcomes are met.



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