



**Far North  
District Council**



# **TŪHONOTANGA MINITI ATTACHMENTS MINUTES**

**Ordinary Te Koukou - Transport and  
Infrastructure Committee Meeting**

**23 April 2024**

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# The LGNZ Transport Forum

{ Local democracy's  
vision and voice.



## // Purpose of the forum



Supports delivery of LGNZ's transport policy and advocacy work programme, guided by the key objectives outlined in our Position Statement.

The Forum does this by:

- providing advice and input
- supporting engagement with central government, other key stakeholders and the media.

## // Members of the Forum

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- Neil Holdom, Mayor New Plymouth District Council (Forum Chair)
- Sam Broughton, LGNZ President/Mayor Selwyn District Council
- Paula Southgate, Mayor Hamilton City Council
- Rehette Stoltz, Mayor Gisborne District Council
- Alex Walker, Mayor Central Hawke's Bay District Council
- Dan Gordon, Mayor Waimakariri District Council
- Daran Ponter, Chair Greater Wellington Regional Council
- Tim King, Mayor Tasman District Council
- Andy Watson, Mayor Rangitikei District Council
- Pamela Storey, Chair Waikato Regional Council

## // The challenges

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- State of the network
- Short term planning cycle
- Funding model and priorities
- Limited local government influence
- National need for equitable managed retreat
- Alignment/ integration within our regions

## // Our priorities

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1. A strategic, long-term approach to planning that joins up central and local government decision-making
2. Sufficient, long-term transport investment that prioritises resilience building, safety and better asset management
3. Integrated transport and freight networks that support placemaking
4. A climate resilient, low carbon transport network

## // Our work so far

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- Shaping LGNZ's submission on the draft Government Policy Statement on Land Transport
- Initial engagement with the Minister of Transport on our key issues



## // Key GPS points

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LGNZ supports giving the land transport system a longer-term focus and ensuring its funding is sustainable.

To improve the GPS Land Transport, LGNZ wants to see the following:

- Increased funding in key areas and reversal of the proposed changes to funding for public transport services and rail
- Better alignment across central government's policy and reform programmes
- Greater flexibility for councils
- Integration of safety throughout
- Retention of the GPS's role in climate change mitigation
- Promotion of an integrated freight system.

## // Our work programme

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The Forum's immediate work programme is focused on:

- **Data** – building the evidence base to support change
- **Spatial planning and infrastructure** – Ensuring better alignment between local and regional priorities in planning and investment
- **Engagement** – Building relationships needed to achieve our priorities



# The National Infrastructure Plan

**11 April 2024**

**Geoff Cooper**

**General Manager, Strategy**



**Te Kāwanatanga o Aotearoa**  
New Zealand Government

Disclaimer - This presentation contains general information and is not formal advice. It is recommended that you seek independent advice on any matter relating to the use of the information. We will not be liable for any loss or damage whatsoever arising from the use of the information.

Context



# Our context

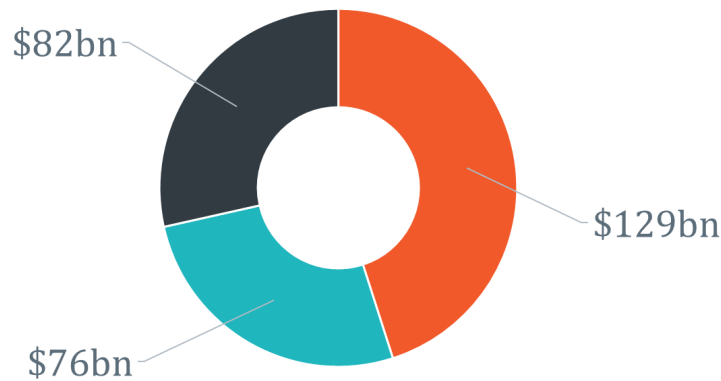
*The main function of the Commission is to co-ordinate, develop, and promote an approach to infrastructure that encourages infrastructure, and services that result from the infrastructure, that improve the well-being of New Zealanders.*

## What we have, what we spend

### Local Government is 26% of the infrastructure stock

The value of infrastructure assets, 2022

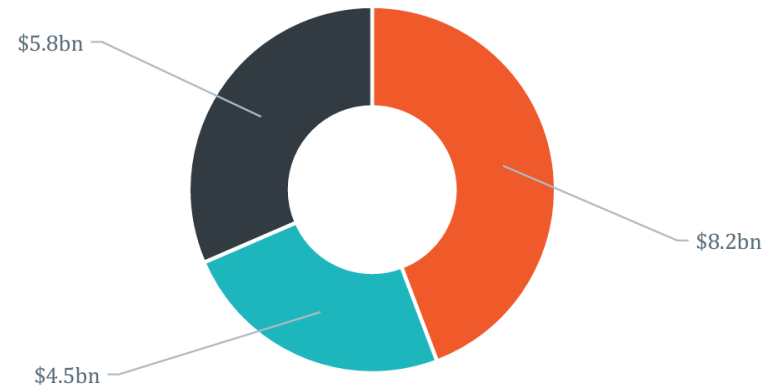
■ Central Government   ■ Local Government   ■ Commercial / Private



### Local Government spends \$4.5bn per year

Average annual infrastructure investment, 2013-2022

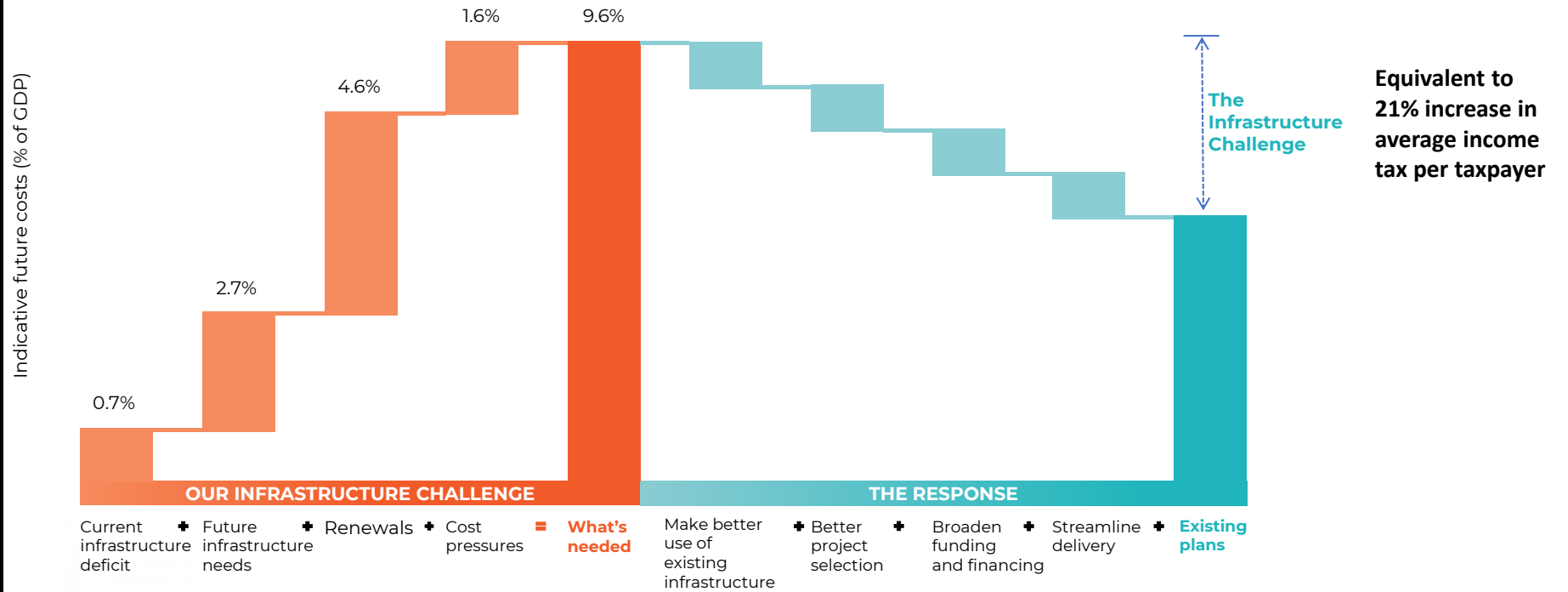
■ Central Government   ■ Local Government   ■ Commercial / Private



*Note: Net capital stock excludes the value of land used for infrastructure*

**The Challenge**

# A trillion on infrastructure? No Chance





## National Infrastructure Plan

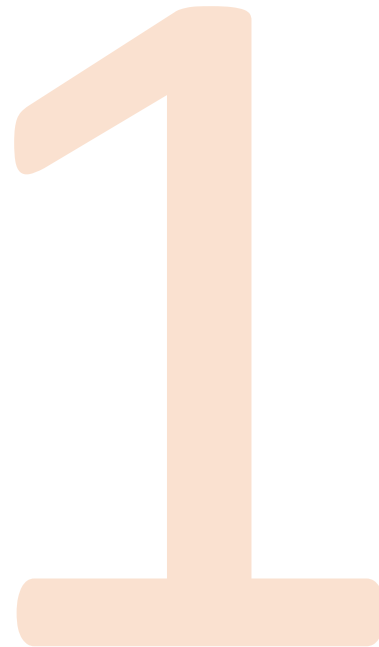
- This long-term plan will:
  - **Signal future requirements:** Better utilisation of existing assets and new investment
  - **Create a genuine pipeline:** Give industry confidence to invest in technology, equipment and people; drive efficiencies; and deliver cost reductions.
  - **Build an enduring consensus on high quality capital investments**
  - **Broken down by city and region:** Reflecting an intention to inform City and Regional Deals.
- **Draft Plan** by June 2025. Finalised by the end of 2025.



# National Infrastructure Plan

## Three components

- 1. Pipeline:** National view of infrastructure project activity, including current projects and projects that are planned or being planned. **0-10 years**
- 2. Priorities:** A structured independent review of infrastructure proposals and problems in various stages of planning, including initiatives that avoid the need for investment. Includes non-built solutions including policy and system interventions. **5-15 years**
- 3. Needs:** A long-term needs assessment with indicative spending bands. **15-30 years**



# The National Infrastructure Pipeline





# 1. National Infrastructure Pipeline

## Overview:

- National dataset of infrastructure project information
- Maintenance, new and proposed, reinstatement
- Updated quarterly

## Informs and supports:

- Government decision making on issues influencing the infrastructure system
- Planning and coordination by infrastructure providers
- Construction sector planning and investment in capacity and capability

## March 2024 Pipeline:

- 82 contributing organisations, including central, local, private sector
- 5,300 planned and active projects for 130 infrastructure providers
- \$121 billion in value

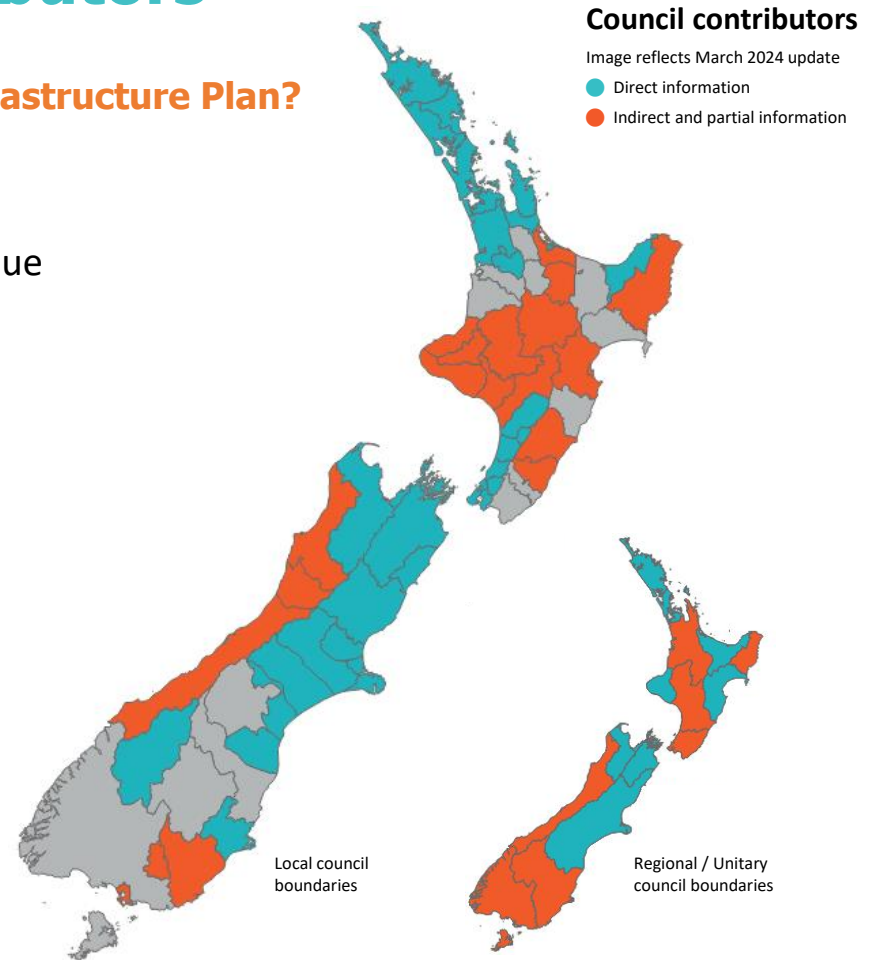
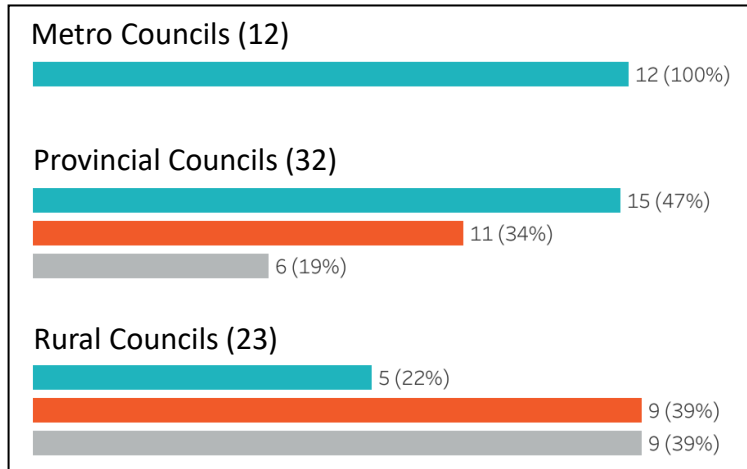
Local government

# Local government contributors

(March 2024)

## Will you be represented in the National Infrastructure Plan?

- Local Government is \$34 billion total Pipeline value
- We would expect it to be higher



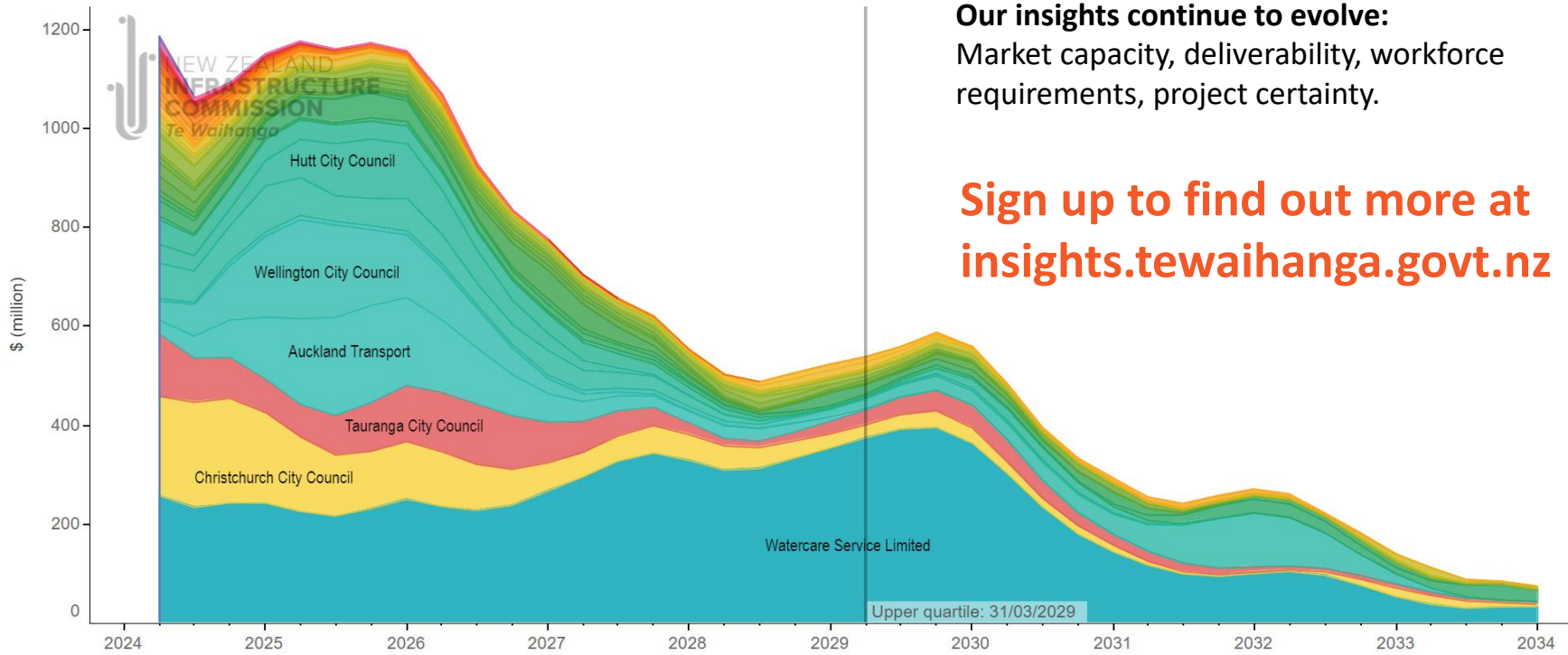


Contact us

[pipeline@tewaihanga.govt.nz](mailto:pipeline@tewaihanga.govt.nz)

Spend profile

# Local government spend profile (March 2024)



**Our insights continue to evolve:**  
Market capacity, deliverability, workforce requirements, project certainty.

**Sign up to find out more at**  
[insights.tewaihanga.govt.nz](https://insights.tewaihanga.govt.nz)

Excluding CIP and Kānoa projects, including CCOs for water and transport



# 2

## Infrastructure Priorities



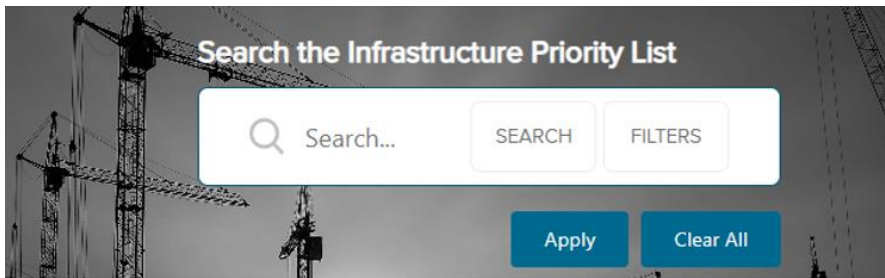
## 2. Infrastructure Priorities

### Purpose of the Infrastructure Priorities Program

- A standardised process to assess infrastructure proposals at set points in the planning process.
- Culminating in a list of vetted proposals available to decision makers and the public
- Can be thought of as a menu
- Transparent and independent.

IPP

Australian Experience



The Infrastructure Priority List is a credible pipeline of *unfunded* nationally significant proposals.



The Priority List contains proposals in the key stages of project development, from Early-stage (Stage 1) to Investment-ready proposals (Stage 3).

Use the search bar above and links below to explore the current priority list.

- [Explore the full Infrastructure Priority List](#)
- [Generate a pdf of the latest Infrastructure Priority List](#)
- [View New Proposals added in 2022](#)

Image: Infrastructure Australia


## Australia has been doing this for more than a decade

- Infrastructure Australia have operated an IPL since 2008.
- They undertake assessments at key stages in the planning phase and...
- Publish a list of passing projects at each stage.
- [Click here to view the list.](#)


Australian Experience

166 proposals found with keywords: Nil and filters: All


List View
Map View




**A3 and A6 corridor capacity**  
 A range of interventions aimed at reducing capacity constraints on the A3 and A6 Potential Investment Options (Stage 2) 📍 New South Wales Transport, M




**Armadale, Midland and Fremantle rail lines capacity**  
 The Armadale, Midland and Fremantle rail lines are known as Perth's 'heritage line' capacity of the heritage lines is insufficient to accommodate future growth. This will not to travel by rail.  
 Early Stage Proposal (Stage 1) 📍 Western Australia Transport, R




**Australia-Asia PowerLink**  
 The public outcomes to the Australian community from the Australia-Asia PowerLink developed on a commercial basis with private funding. The realization of benefits i  
 Investment Ready Proposal (Stage 3) 📍 Northern Territory Energy, Ren



**Australian Marine Complex infrastructure capacity**  
 The AMC is an integrated marine and industrial fabrication complex established to oil and gas, mining and shipbuilding industries. The existing complex is home to v  
 common user facility to support growing demand.  
 Early Stage Proposal (Stage 1) 📍 Western Australia Transport, Pr



**Barossa Valley Region water supply**  
 The River Murray is currently the major source of irrigation water to the Barossa Va  
 is not fit-for-purpose or sufficient to meet increasing industry demand.  
 Early Stage Proposal (Stage 1) 📍 South Australia Water, Water st



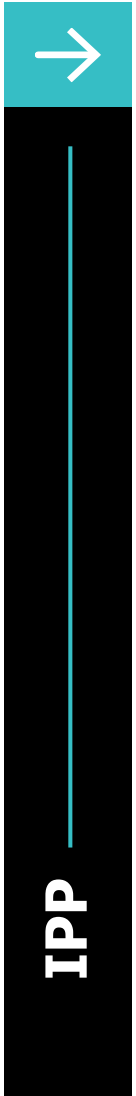
**Beerburrum to Nambour Rail Upgrade**  
 Duplication of a 20 km section of track from Beerburrum to Landsborough, as well  
 improve the efficiency of passenger and freight rail services.  
 Investment Ready Proposal (Stage 3) 📍 Queensland Transport, Rail

Image: Infrastructure Australia

## Australia has been doing this for more than a decade

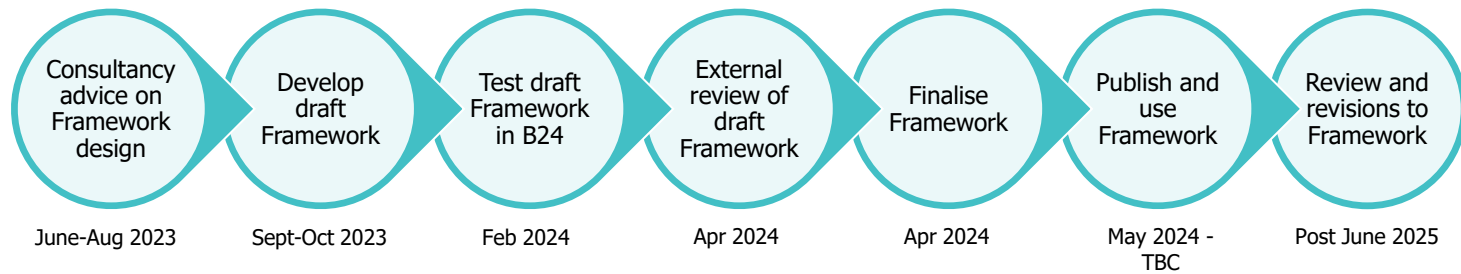
- The IPL has raised the proportion of investments with business cases.
- In recent years, 85% of federal projects over \$100m were selected from the IPL.
- Australia's COVID-19 stimulus included projects from its list.

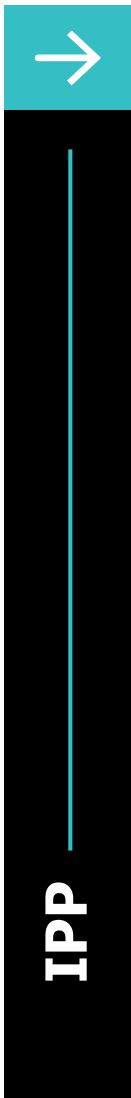




# Assessment Framework

## Our process





# Infra Priorities Assessment Framework

## Assessment Stages

|                |                                   |                      |
|----------------|-----------------------------------|----------------------|
| <b>Stage 1</b> | <b>Problems and opportunities</b> | Strategic Assessment |
| <b>Stage 2</b> | <b>Potential options</b>          | IBC                  |
| <b>Stage 3</b> | <b>Preferred option</b>           | DBC                  |



# Infra Priorities Assessment Framework

## Assessment Criteria

### Strategic alignment

Does a proposal support future infrastructure priorities and/or improve existing infrastructure systems and networks that New Zealanders need?

### Value for money

Does a proposal provide value to society above the costs required to deliver, operate, and maintain it?

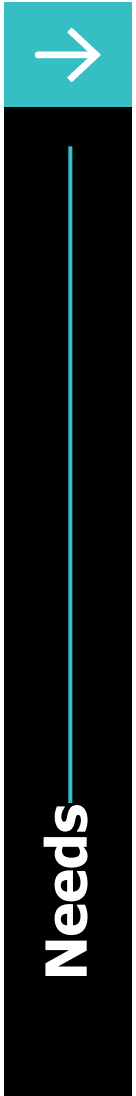
### Deliverability

Can a proposal be successfully implemented and operated over its life?



# 3

## Long-term Needs Assessment

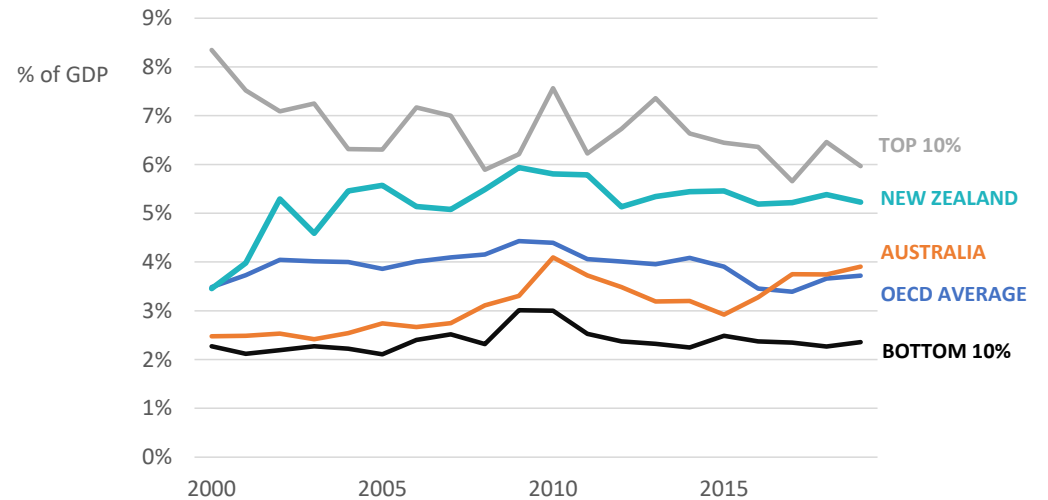


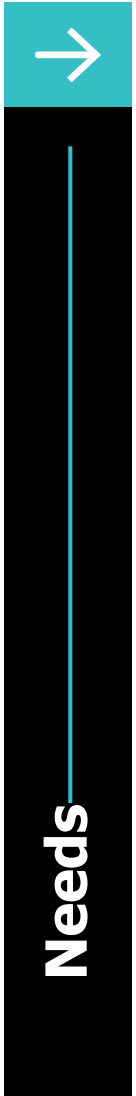
### 3. National Needs Assessment

- Long term assessment of infrastructure spending

#### Benchmarking historical infrastructure spending

Public investment as a share of GDP

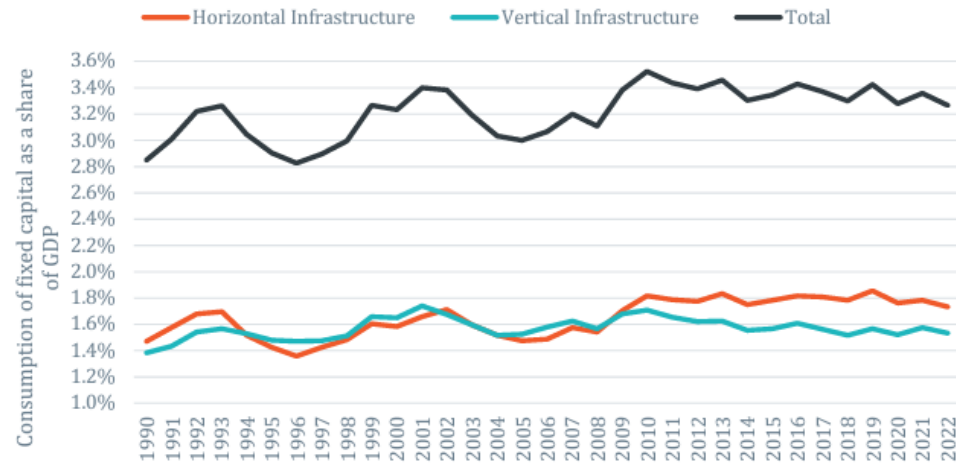


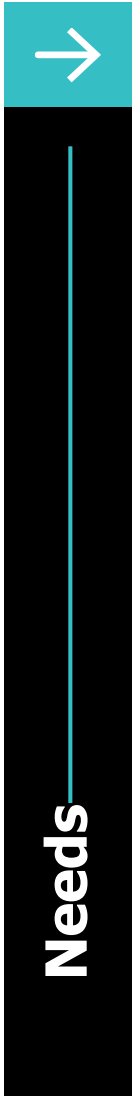


### 3. National Needs Assessment

- Long term assessment of infrastructure spending
- New investment and expected maintenance and renewals

**Maintenance should be 60 cents in every dollar**  
 Infrastructure depreciation as a share of GDP, 1990-2022



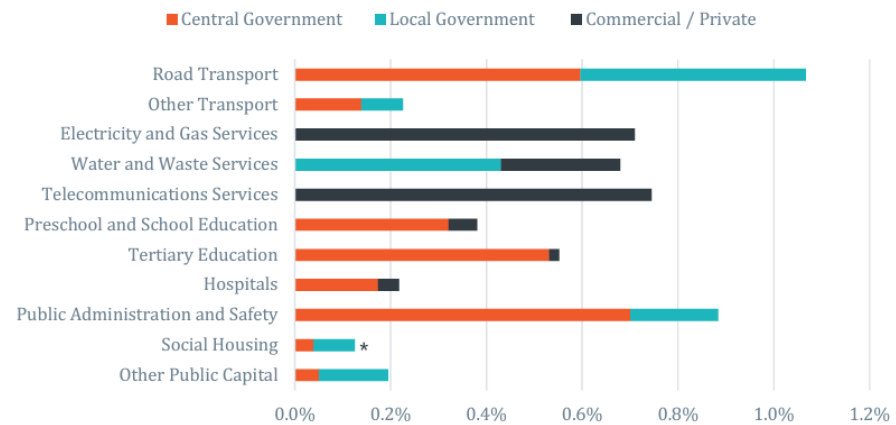


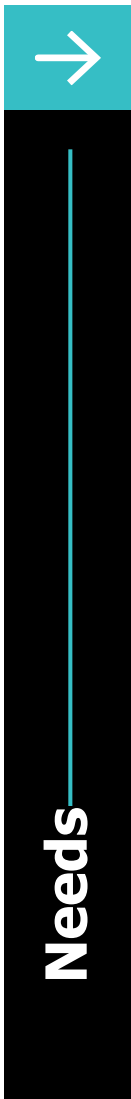
### 3. National Needs Assessment

- Long term assessment of infrastructure spending
- New investment and expected maintenance and renewals
- Sector breakdowns

#### Sector breakdowns

Average annual investment as a share of GDP



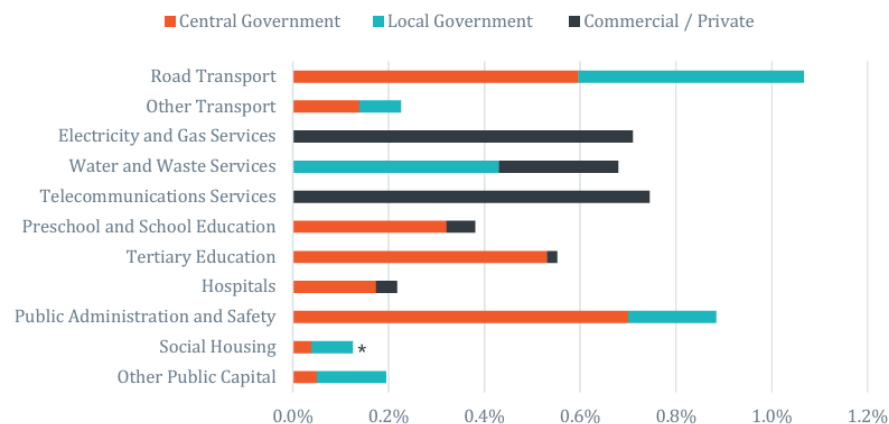


### 3. National Needs Assessment

- Long term assessment of infrastructure spending
- New investment and expected maintenance and renewals
- Sector breakdowns
- Five demand drivers

#### Sector breakdowns

Average annual investment as a share of GDP



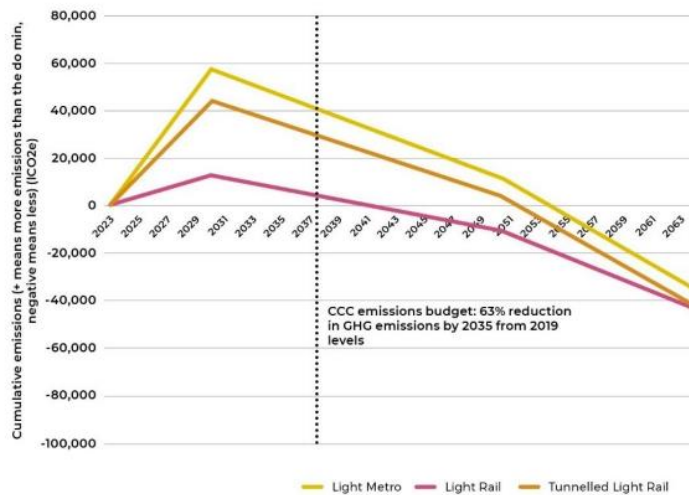




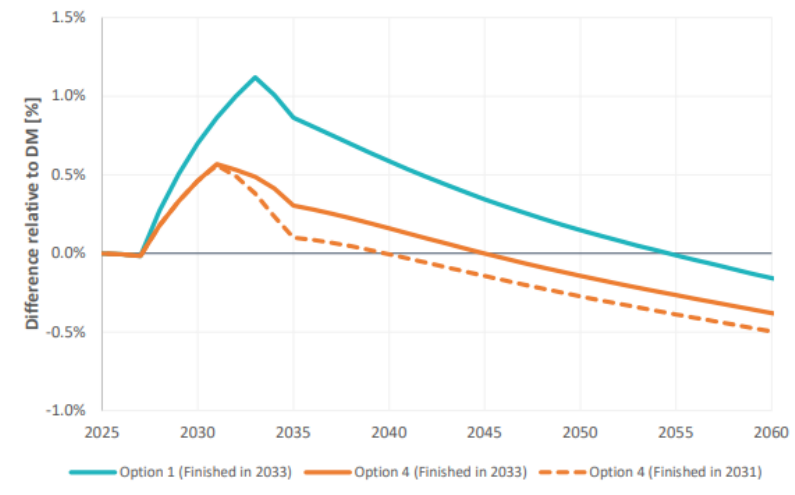
# Five drivers of demand

## 1. Net-zero carbon

ALR net positive between 2041-2056



LGWM net positive between 2040-2055



→  
Adaptation

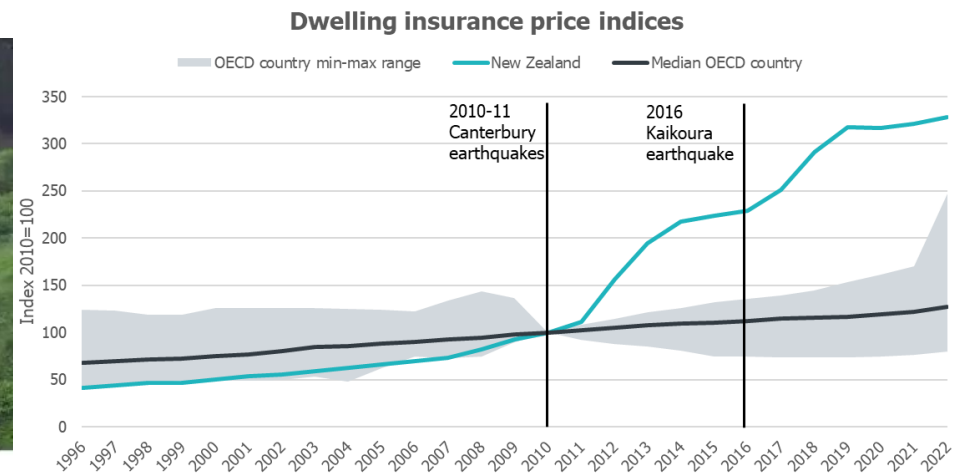
# Five drivers of demand

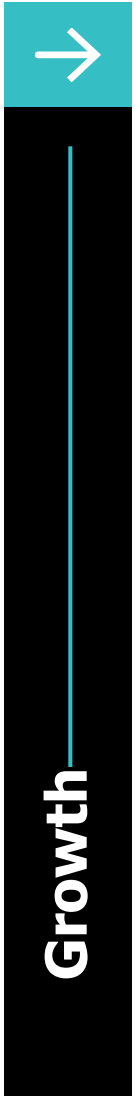
## 2. Adaptation and resilience

We need more from our infrastructure



Or face the consequences of rising costs





# Five drivers of demand

## 3. Population growth and demographics

Two thirds of all growth in six places

Almost half in one city



Source: Statistics New Zealand

Demographics

# Five drivers of demand

## 3. Population growth and demographics

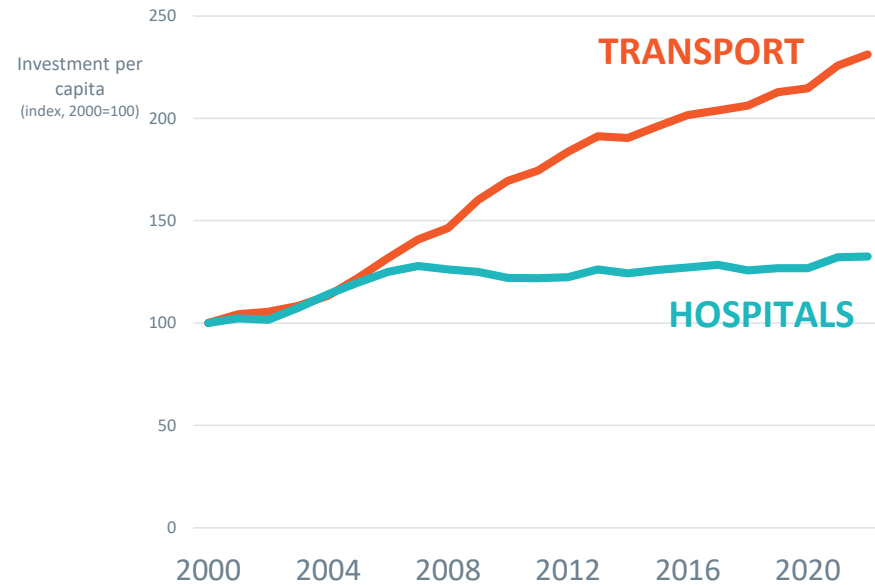
Two thirds of all growth in six places

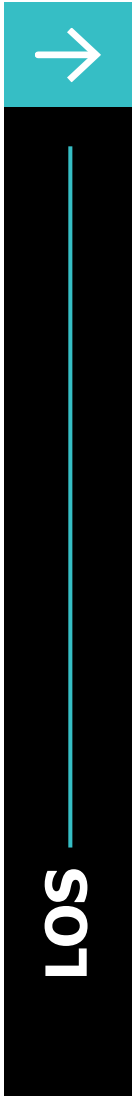
Almost half in one city



### We're aging: are we planning for it?

Investment per capita, transport vs hospitals

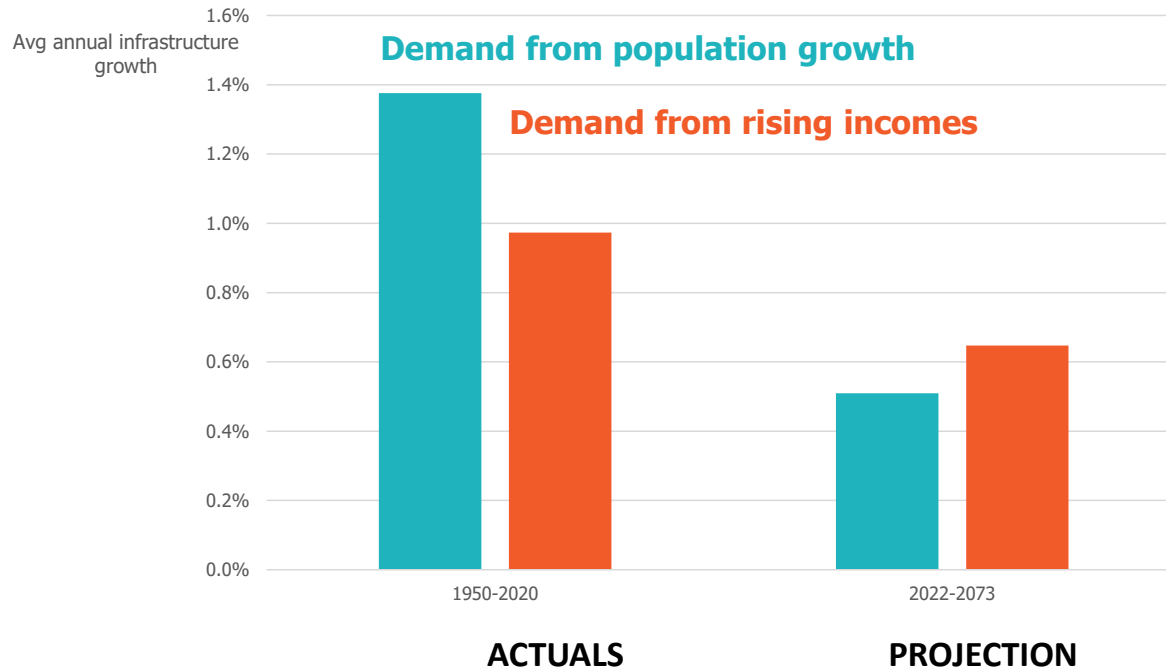




# Five drivers of demand

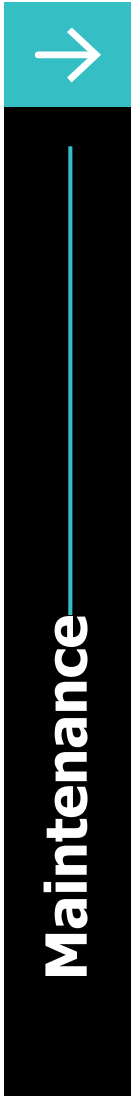
## 4. Levels of service

Rising incomes to overtake population as key investment driver?



But falling demand for infrastructure per capita could arise from:

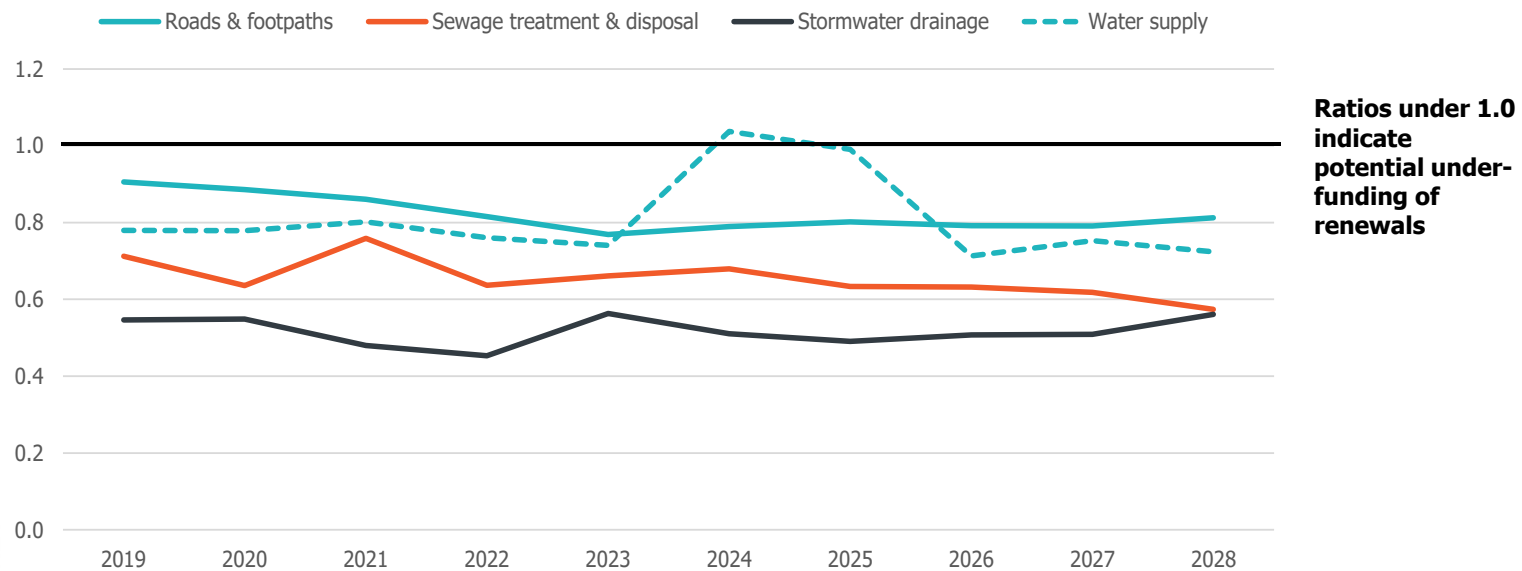
- a) Falling annual population growth rates
- b) Slowing growth rates in income



# Five drivers of demand

## 5. Maintenance and renewals

For every \$1 of assets used up, councils are reinvesting 74 cents

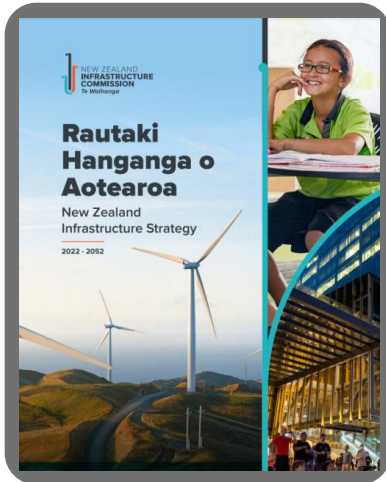


Source: Office of the Auditor General, [https://www.localcouncils.govt.nz/gijp.nsf/wpg\\_URL/Resources-Download-Data-Local-authority-long-term-plans](https://www.localcouncils.govt.nz/gijp.nsf/wpg_URL/Resources-Download-Data-Local-authority-long-term-plans)

# From Strategy to Plan

More uncertainty, more options

## Strategy



## Plan

