

Infrastructure for a Better Future – Submission from [REDACTED]

Thank you for the opportunity to make a submission on the Infrastructure Commission's 30 Year Infrastructure Strategy. I am making this submission in a personal capacity, regarding my views on what can only be described as a crisis of non-delivery of critical infrastructure across NZ.

Summary of key points:

- **Funding streams need certainty, with a mix of user charging and government investment**
- **Long term planning – 30 years plus is needed for basis of delivery of work program**
- **Delivery should be from a consolidated national body**
- **Political involvement should be limited at the work program level, and instead be focused on policy and accountability**

Background

There are numerous examples of historic underinvestment in core infrastructure:

- **Havelock North water contamination (2016)** - a consequence of substantial shortfalls in infrastructure at both the local and central level.
- **Wastewater treatment plants** - quality standards are becoming a serious issue, with numerous wastewater treatment plants no longer having a resource consent or non-compliant.
- **Storm water** - virtually untreated on a national scale.
- **Rail** - under resourced for over 50 years
- **Roading delivery** - too slow, with increasing failure rates and quality standards issues
- **Leaky schools** – funding is being directed to expensive repairs and legal action
- **Public hospitals** – the DHBs announcement earlier this year was lacking planning to address the capital investment required to address sub-standard physical infrastructure.

This underinvestment is further complicated by various system failures. Much of the funding and staff time goes toward planning, numerous designs, endless business cases, consenting and consultation. It is time to think about how we work and streamline the process. We are over-governed, and there are too many competing agencies.

The infrastructure deficit is estimated at **\$7 trillion**. It's a very big problem that will need radical re-thinking, not just a tinkering around the edges. The Infrastructure Commission's strategy document makes this self-evident

Proposed solution

- **Delivery**
I would suggest the reintroduction of the **Ministry of Works (MOW)**, which used to deliver key infrastructure in partnership with local government. A modernised MOW could bring an integrated approach to infrastructure delivery of key infrastructure, if operated as a national agency with a 30-year plan. A similar approach is needed for the delivery of three waters infrastructure.
- **Funding**
Radical rethinking is also needed around funding. I would suggest a comprehensive user-pays system, including congestion charging. This would require a government funding top-up based on an agreed formula. Long-term government funding currently lacks certainty. **Infrastructure needs secure long-term funding**, and we can't continue to have funding

diverted at the project level after each election. Funding needs to be collected and distributed through a single agency, on a need and productivity-based priority system.

- **Governance**

The MOW would require a professional governance board appointed by local government, iwi and Crown representatives. A system similar to an Electoral College where the college would appoint from its ranks the Interview panel who would appoint the Directors to the Infrastructure Entities, set KPIs and report of progress. This would, in turn, be subject to a quality and value for investment auditor.

- **Political oversight**

The role of both local and central government elected members would be focused on long-term policy settings for financial inputs, audits, and public consultation.

Our current system is cumbersome and overly complex, prone to political interference, and lacking in long-term planning, stable funding, and best practice procurement. Our cost of delivery is expensive when benchmarked against international standards. A seismic shift is required around how we approach infrastructure delivery in New Zealand.