

Te Waihanga,
New Zealand Infrastructure Commission
Level 7, The Todd Building
95 Customhouse Quay
Wellington 6011



[REDACTED]

15 December 2022

Dear [REDACTED]

Thank you for your Official Information Act request, received on 4 November 2022. You requested:

1. a response on whether or not the Infrastructure Commission / Te Waihanga is working with, has consulted or plan to consult the Ministry of Education, the Ministry of Social Development and Treasury on the infrastructure provisions for the new resource management system, so the future infrastructure planning can better provide for wellbeing. If so, can you please send through their recommendations?
2. a response on whether or not the Infrastructure Commission / Te Waihanga has consulted the Ministry of Education, the Ministry of Social Development and Treasury during the development of Rautaki Hanganga o Aotearoa New Zealand Infrastructure Strategy 2022-2052? If so, can you please send through their recommendations?
3. the research papers and other evidence the Infrastructure Commission / Te Waihanga used to develop wellbeing-related recommendations in Rautaki Hanganga o Aotearoa New Zealand Infrastructure Strategy 2022-2052. "Wellbeing" is mentioned 38 times (including in glossary and references) in the Strategy, which shows the importance of wellbeing in the Infrastructure Strategy.

On 16 November 2022 you clarified your request to:

- cover advice both on the infrastructure content of the national planning framework and other infrastructure related recommendations in the resource management reform, and
- extend points 1 and 2 to also apply to recommendations made by the Ministry of Health.

With regards to point 1, the Government intends to replace the Resource Management Act with the Natural and Built Environments Act (NBA) and Spatial Planning Act (SPA). The Ministry for the Environment is the department responsible for the NBA, while an interdepartmental executive board (IEB) is responsible for the SPA. Both Acts will contain provisions relating to infrastructure. The New Zealand Infrastructure Commission, Te Waihanga has engaged with officials from the Ministry for the Environment and the IEB on this policy. On 18 November

2022 we advised you that we had transferred this part of your request to the Ministry for the Environment.

Information being released

With regards to point 2, Te Waihanga consulted broadly during the development of the New Zealand Infrastructure Strategy. All the submissions we received on the Infrastructure Strategy consultation document can be found on our website (<https://www.tewaihanga.govt.nz/strategy/how-we-developed-the-strategy/>). We did not receive a submission or feedback from the Ministries of Health, Education or Social Development on the consultation document or the Draft Infrastructure Strategy.

Please find enclosed the following documents relating to feedback received from the Treasury on the Draft Infrastructure Strategy:

Item	Date	Document Description	Decision
1	17 August 2021	Email from the Treasury, subject: Feedback on the draft strategy document	Release in part
2	10 September 2021	Email from the Treasury, subject: Infrastructure Strategy updates - process and feedback	Release in part

I have decided to release the relevant parts of the documents listed above, subject to information being withheld under one or more of the following sections of the Official Information Act, as applicable:

- Section 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions, and
- Section 9(2)(k) – to prevent the disclosure of information for improper gain or improper advantage.

Direct dial phone numbers of officials have been redacted under section 9(2)(k) in order to reduce the possibility of staff being exposed to phishing and other scams. This is because information released under the OIA may end up in the public domain, for example, on websites including Te Waihanga’s website.

Information publicly available

With regards to point 3, the research and technical papers relating to wellbeing that informed the development of the New Zealand Infrastructure Strategy have been published on the Te Waihanga website (www.tewaihanga.govt.nz) or are listed in “Section 10. Want to know more” and the references section of the New Zealand Infrastructure Strategy (<https://strategy.tewaihanga.govt.nz/strategy/>).

Accordingly, I have refused your request for the documents listed in the table below under section 18(d) of the Official Information Act:

- the information requested is or will soon be publicly available.

Item	Date	Document Description	Decision
1	2020	Infrastructure Under One Roof: Standardising how we think about the shared services around us.	Available in full at: https://www.tewaihanga.govt.nz/strategy/infrastructure-reports/defining-infrastructure/ .
2	2020-2021	State of Play reports for the telecommunications, energy, waste and resource recovery,	Available in full at: https://www.tewaihanga.govt.nz/strategy/state-of-plays/ . These reports include an assessment of wellbeing, where available, and formed part of the evidence base for the New Zealand Infrastructure Strategy.
3	2021	Preparing for Technological Change in the Infrastructure Sector.	Available in full at: https://www.tewaihanga.govt.nz/strategy/infrastructure-reports/technology-change-and-infrastructure/ .
4	2022	Financing & Funding of Infrastructure in New Zealand.	Available in full at: https://www.tewaihanga.govt.nz/strategy/infrastructure-reports/financing-and-funding-of-infrastructure/
5	2022	Leveraging our energy resources to reduce global emissions and increase our living standards.	Available in full at: https://www.tewaihanga.govt.nz/strategy/infrastructure-reports/leveraging-our-energy-resources-to-reduce-global-emissions-and-increase-our-living-standards/

Information to be withheld in full

With regards to point 1, Te Waihanga is working with the Ministry for the Environment to develop national direction on infrastructure for the National Planning Framework. Te Waihanga has consulted with the Treasury, Ministry for Education, and Ministry of Health on draft proposals for this advice and will continue to do so as the work progresses. The advice on this work is still under active consideration. To date, Te Waihanga has not consulted with the Ministry of Social Development on point 1.

As such, I have declined this part of your request under the following section of the Official Information Act, as applicable:

- section 9(2)(f)(iv) – to maintain the current constitutional conventions protecting the confidentiality of advice tendered by Ministers and officials.

In making my decision, I have considered the public interest considerations in section 9(1) of the Official Information Act.

Please note that this letter (with your personal details removed) and the enclosed documents may be published on Te Waihanga's website.

This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review my decision.

Yours sincerely

A handwritten signature in black ink, appearing to read 'G Cooper', with a stylized flourish at the end.

Geoff Cooper
General Manager, Strategy

From: [Fiona Stokes \[TSY\]](#)
To: [Jon Butler](#); [Geoff Cooper](#)
Cc: [David Taylor \[TSY\]](#); [Rachel Bishop \[TSY\]](#)
Subject: Feedback on the draft strategy document
Date: Wednesday, 18 August 2021 7:49:29 am
Attachments: [image003.png](#)

[IN-CONFIDENCE]

Kia ora korua,

Firstly, I would like to apologise for the delay in sending through the written comments on the draft strategy document entitled *Treasury Version 5 August*. Our team have had to prioritise other work this week, and our capacity to put our comments in writing has been limited. However, these are the comments and feedback that we discussed when we meet on Thursday 12 August so there should be nothing here that is a surprise or unexpected. Please let me know if you need any further clarification, or if you have any questions and/or comments.

Secondly, our team are continuing to work to the assumption that the Minister's meeting is going ahead on Monday 23 August and that your team will be providing a briefing for this meeting in his weekend bag. If we hear anything further from the office we will let you know, and if you could do vice versa that would be great. As you may recall under previous situations lockdown situations we met with the Minister virtually via Zoom with paperwork provided electronically. At this stage DT, Rachel and Lelani will be attending the meeting. However, I will let you know if that team composition changes as well. We look forward to receiving a copy of the briefing, and the latest version of the strategy.

We know your team have been working hard to get the Strategy into a draft form that the team and your Board are happy to discuss with the Minister, and we are looking forward to receiving this version of the Strategy.

The following feedback has been received by the NIU team from various Treasury teams and team members. It is in no particular order:

- There are no recommendations in the document, making it difficult to see how the discussion relates to proposed actions. This also makes it difficult to determine the potential policy implications of the recommendations and the associated marginal costs and benefits.
- [REDACTED]
[REDACTED]
[REDACTED] **9(2)(g)(i)**
- It would be useful to have a discussion at the beginning that connects this strategy with the Government's broader economic strategy. This could be used to illustrate that the two strategies aren't pushing against each other, in the same way that this strategy discusses reform programmes that are currently underway and will impact on the broader environment that the infrastructure strategy will be operating in.
- The 'transformational approaches' at the beginning of the report seem to be sitting on their own – it's unclear what these are and how they link to the rest of the strategy.
- The 'case for change' talks about the rising expectations of our infrastructure – greater resilience, greater levels of service etc. but assumes that the highest level of service will be what we are always delivering to in the future. It would be useful if the strategy was clear that there are trade-offs between cost and levels of service and that these are choices for decision-makers – and then provide some useful advice to guide decision-makers that will ensure we get these high levels of service in the future
- The statement that 'the problem is too big to build our way out of' starts to get at these trade-offs – we can't just build all the infra to the ideal service level because it is too

expensive – but this needs to be integrated into a whole approach of how we get infrastructure in 2050 that is the best it can be, within the constraints of the system

- It would be useful for the strategy to be really clear about external influences on what we need to do and internal choices that we have. E.g. the climate section discusses NZ's climate commitments and reducing carbon outputs to meet those (something that is fixed that influences what we need to do) and then discusses reducing transport emissions through increased PT and active modes as the way to do this. It should be explicit that this is one solution to reduce transport emissions – is this what TW is recommending? Is it what the Climate Commission has recommended? Is it Government policy? There are other ways to address the challenge e.g. increased electrification of private vehicle fleet, everyone just staying at home and reducing trips overall etc. that may either come about through external influences (a pandemic) or be choices of future governments. How does the strategy help inform how we choose to respond to those external challenges throughout time?
- The discussion of infrastructure provision in the regions notes that 'sparse settlement can make it difficult to spread the costs of infrastructure' – this implies a particular funding model for infrastructure (locally funded) – it should be really clear that this is the current model (for some infrastructure) – should this change? Should we think differently about how we provide infrastructure so that these difficulties in regions don't exist?
- There is a very large focus on waste in the document – not all of which is directly related to infrastructure. We would question the relative priority of some of this content vs the focus on other, perhaps more relevant, infrastructure issues.
- The discussion on funding and financing is difficult to follow and not as strategic as some of the other elements of the document. It would be good to address the "so what??" element, which appears to be missing here.
- The discussion within the section on 'better infrastructure through pricing' that focuses on pricing for our fair share of water needs to be made within the context of current reforms and discussions on freshwater management, including Maori rights and interests.
- Similar to the point above regarding trade-offs and levels of service the discussion within the section on planning for generations to come also needs to include a discussion on trade-offs and marginal costs and benefits. Just in time inventory management has generally been adopted because it saves storing a lot of expensive inventory held just in case it's needed. Putting some sort of infrastructure restriction on future land use is analogous to a holding cost of inventory. So the discussion on planning for generations to come may be the right answer, but it needs to be presented with the costs in mind.
- The section on 'leveraging our zero-emissions energy resource' makes a weak case for using clean electricity (over and above the amount needed for zero-carbon) for economic uses. This needs to talk about how the pay-off from, say, a data centre would justify the additional infrastructure spend and how realistic it is that those businesses are actually attracted here (especially v other clean energy places in, for example Europe or Iceland). Or why a large nuclear plant close to data markets like the US or China is not more attractive.

We understand that these are uncertain and unsettling times, please reach out if there is anything you need from our team and we will in turn communicate anything we hear from the office if the situation changes re: meeting etc.

Stay safe, and look after yourselves and your families.

Naku noa, na Fiona



Fiona Stokes (she/her) | **Senior Analyst, National Infrastructure Unit | Te Tai Ōhanga – The Treasury**

Tel: [REDACTED] | Mobile: [REDACTED] | Email/IM: [REDACTED] **9(2)(k)**

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From: [Rachel Bishop \[TSY\]](#)
To: [Jon Butler](#)
Cc: [Fiona Stokes \[TSY\]](#); [David Taylor \[TSY\]](#); [Geoff Cooper](#)
Subject: Infrastructure Strategy updates - process and feedback
Date: Friday, 10 September 2021 8:41:36 pm
Attachments: [image001.png](#)

[IN-CONFIDENCE]

Kia ora Jon,

Hope you are well.

As discussed, this email is to give you some feedback on the latest draft of the strategy (that you gave us last Friday), share our final advice that went to the Minister yesterday (attached), and I also wanted to give you an update on the Executive Leadership Team (ELT) session we had this week.

ELT session

The focus of this session was on the role the Treasury had to play supporting the Minister as he comments on and responds to the strategy (in a policy capacity, not a monitoring capacity), and the focus we should take when developing advice to inform his comments.

We also had a chance to briefly discuss the themes that are emerging in the strategy.

A few take-outs from the session:

- ELT recognise the great value of the strategy and the important role it will play, particularly as infrastructure enables many of the Govt's strategic priorities and the big issues the Treasury is concerned about (e.g. health, housing, climate change). They recognise it's important that the Treasury plays its role supporting the Minister well too.
- As we develop advice to support the Minister's comments on the draft, ELT want us to engage broadly across the Treasury, but be targeted in the focus of our advice (meaning, our advice to the Minister will likely recommend his comments focus on his (and the Govt's) highest priorities).
- We won't replicate the extensive engagement Te Waihanga has undertaken to build a consensus view on the strategy, meaning that we expect most feedback from other agencies/entities will come via other Ministers. By exception we may engage directly with an agency or entity if we think it is necessary to inform the Minister's comments (but we would rely on Te Waihanga to tell us if there is any agency/entity who hasn't engaged with you to date). Note, the process might be different for the Govt response (i.e. there will likely have to be more external engagement).
- Throughout the development of advice to inform Minister's comments, we expect to maintain regular engagement with Te Waihanga to clarification of any issues/questions we have about the content of the strategy and to keep you informed of the expected direction of the Minister's comments.
- ELT did have some high-level observations on the content of the strategy. The comments were based on a two-page high-level summary of the strategic objectives, change levers and key inputs, and included the following:
 - They agreed with the direction set out in the strategy and liked the focus on climate change, resilience, and technology adoption.
 - Some topics did not feature as prominently as they had expected, e.g. productivity, health (and other social infrastructure).
 - They wondered whether the strategy would give much thought about the impacts of the current fiscal environment and regulatory frameworks on infrastructure (not just resource management, but others that are less obvious like immigration regulations or less visible like price-quality regulations).

Feedback on the 2 September version of the draft strategy

We broadly agree with the fundamental direction set out in the most recent version of the draft strategy and it is great to see te ao Māori principles throughout. In addition to those raised by ELT above, we have two main comments at this stage outlined below. Once we see the final draft and get more time to read and think about it, we will be able to come back more detailed thoughts/questions on particular elements.

- **On internal structure/alignment of the strategy:** it is still a little hard to understand how all of the elements of the strategy relate – e.g. how do the strategic objectives, change levers, and key inputs relate to each other/underpin each other?
- **On implementation:** The Government will set out what it wants to implement through the Government response, but there is an opportunity for the strategy to be more bold in the implementation section. For example, there is a lot of information in the strategy, and not everything can be addressed at once (plus the Government will have to make trade-offs against other non-infrastructure priorities too). So how does Te Waihanga recommend the Government begin to implement what is in the strategy, and what should the Government prioritise, particularly in the current fiscal context. In relation to the implementation section, there are a lot of recommendations and it's not clear at the moment which ones are the most important/should be addressed first.

Hope this helps, happy to discuss when I'm back on 20 September.

Ngā mihi

Rachel



Rachel Bishop (she/her) | Senior Analyst – National Infrastructure Unit | **Te Tai Ōhanga – The Treasury**

Tel: [REDACTED] | Mobile: [REDACTED] [REDACTED] **9(2)(k)**

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