



SUBMISSION

NZ INFRASTRUCTURE

COMMISSION/TE WAIHANGA

BILL

Engineering New Zealand welcomes the creation of an Infrastructure Commission. We thank the Finance and Expenditure Select Committee for the opportunity to present this submission.

Engineering New Zealand (formerly IPENZ) is New Zealand's peak professional body for engineers. We are New Zealand's strongest and most influential voice on engineering issues. Our membership is growing, with more than 23,000 members who want to help shape the public policy agenda.

OUR VISION FOR ENGINEERING A BETTER NEW ZEALAND

We spoke to our vision of a resilient New Zealand in our recent publication [Engineering A Better New Zealand](#). Today's engineers balance society's needs with planning and designing of long-life infrastructure and systems. We create new and innovative solutions to some of the world's most difficult problems and we respond in times of great need and disaster. Engineers create – and use – every imaginable technology to benefit communities. Our perspective and expertise inform and drive change for a better New Zealand.

Sometimes what engineers see keeps us awake at night. We're part of the community and like you we want it to thrive. We see seismic resilience, water quality and climate change as three critical challenges facing New Zealand. The Canterbury and Kaikōura earthquakes have delivered stark lessons on seismic resilience. But those earthquakes are not the most severe that nature can throw at us. Outbreaks of waterborne illness are on the rise. Our rivers are increasingly polluted by run-off, contaminants and sediments. More severe storms are causing more frequent flooding and slips.

These challenges come with huge opportunities to make a difference. To create a future where our cities, towns and rural communities are healthy, productive, resilient and liveable. Where our buildings both protect people and sustain less damage from earthquakes. Where New Zealanders can all rely on the quality of our water, and where storms and flooding have less impact. Where our society has adopted cleaner forms of energy as we adapt to a world where our climate is changing. Unless we take clear, coordinated action together now, this future is at risk.

Taking action means placing our communities at the heart of everything we do. It means valuing resilience and creating buildings, infrastructure and processes that protect people and property. And it means making sure these are robust and sustainable enough to ride out turbulent events and our changing world.

Our vision is that we plan for and invest in resilient infrastructure. Planning and investment for infrastructure resilience is integrated across organisational and sector boundaries. It creates necessary redundancy in key utility and transportation networks. It's prominent in central government and council long-term plans. When considering infrastructure investment, we consciously assess resilience. Decisions about future infrastructure factor in ways to reduce risk and increase resilience. That is where the new Infrastructure Commission comes into play.

RESILIENCE

We agree that the purpose of infrastructure is well-being, but this is a broad statement which could be further clarified.

We note that [Indicators Aotearoa New Zealand – Ngā Tūtohu Aotearoa: Key findings from Consultation and Engagement](#) identified resilience as a key gap. The peer review panel of international and national subject matter experts endorsed specifically including infrastructure resilience as a proposed well-being indicator.

We agree with the recent Treasury discussion paper [Resilience and Future Wellbeing \(DP 18/05\)](#) that *“a more proactive, coordinated and evidence-based approach to risk management and resilience building is required to maintain societal resilience and sustainability in the face of the complex risks we are facing domestically and globally”*. The Infrastructure Commission must become one of “the institutions that enable society to absorb shocks and stresses, and support recovery from them”.

Lifelines infrastructure includes the transport, energy, communications and water services sectors that are fundamental to New Zealand's communities and economy. [The New Zealand Lifelines Council Infrastructure Vulnerability Assessment: Stage 1 report](#) summaries key findings from regional lifelines studies and other major national hazard studies. The report states *“there are a number of legislative and regulatory requirements requiring lifelines to plan for hazards and restore services quickly (to pre-identified emergency service levels) following an event. However, there are no nationally consistent standards for resilience applied to New Zealand's critical infrastructure as these are defined by each lifeline utility. Additionally, there is no national picture or monitoring of planned investment in infrastructure resilience or understanding of societal risk tolerance.”* We suggest that addressing this gap is a priority for the new Infrastructure Commission.

Recommended wording to promote resilience

We consider there are area in the Bill where resilience, particularly as a well-being indicator, should be explicitly referenced:

*Recommend **add the bolded words** to Preamble page 1*

“The Commission will focus on promoting infrastructure that improves the well-being of New Zealanders by—

developing broad public agreement on long-term infrastructure strategy:

building infrastructure resilience:

enabling co-ordination of infrastructure planning.”

Recommend add the bolded words to Clause 9 Main function of Commission

*“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 **and resilience** of New Zealanders.”*

Recommend add the bolded words Clause 11 Infrastructure needs and priorities for infrastructure

“When identifying or advising on current and future infrastructure needs, or the priorities for infrastructure, the Commission—

*(a) must provide advice with the objective of achieving infrastructure, and services that result from the infrastructure, that improve the well-being **and resilience** of New Zealanders”*

STANDARDS

There are significant problems with the current standards regime, including a lack of funding, de-jointing from Australian Standards and not keeping up to speed with international innovation. We see the Infrastructure Commission as an ideal agency to ensure that we have appropriate infrastructure standards.

LOCAL GOVERNMENT

We note that the challenges in planning and funding decisions are in part a reflection of the relationship between central and local government. A national infrastructure strategy must be integrated with the infrastructure strategies of local councils. Except for Auckland as the only regional unitary authority, there is a gap in regional infrastructure strategic planning. We suggest that addressing this gap should be a key task for the Infrastructure Commission.

We agree with the Society of Local Government Managers (SOLGM) [web published draft] submission that *“local government is a key provider of infrastructure. [They] are the owners of almost all of the nation’s three waters assets, some 90 percent (by length) of the road infrastructure, and community facilities such as parks, libraries, museums etc. According to the Department of Internal Affairs the sector owns about \$119 billion in fixed assets, most of which is either network infrastructure or community infrastructure.”*

As the Office of the Auditor General noted in its review of local government infrastructure strategies, procurement and asset management require improvement. There can be a lack of engineering know how at the local level. There is a need to put the right people on the ground with the required expertise to appraise options. Objective expert advice is especially needed when decisions for the long-term are not locally popular. For example, disinvesting assets likely to become stranded due to climate change and technological transformation.

The Preamble (p. 3) states *“the Commission will also provide advisory support services for infrastructure projects and proposed projects, which is intended to support central and local government projects...”* It further states that *“the Commission could embed its staff into agencies to support projects where appropriate”*. That level of intervention would need to be with the consent of the local authority. There may be instances where the Commission will need information from local authorities to enable it to carry out its role, and it must have the requisite powers to enable it access to that information. For this reason, we suggest the Commission be empowered to request information from local authorities as follows.

*Recommend **add the bolded words** to Clause 23 Power of Commission to obtain information*

(5) A request may be made to 1 or more of the following entities:

(e) local authorities (as named or specified in Schedule 1 of the Local Government Official Information and Meetings Act 1987).

*Recommend **add the bolded words** to Clause 24 Power of Commission to obtain information*

*(2) The information cannot be withheld other than for the reasons in subsection (1), and cannot be withheld at all if it could not properly be withheld under the Official Information Act 1982 or **the Local Government Official Information and Meetings Act 1987.***

CONCLUSION

We consider the fundamental test of good infrastructure is whether it increases community well-being. We recommend making resilience an explicit goal to meet the long-term needs of all New Zealanders.

Resilient infrastructure requires standards and the Commission can play a key role in ensuring that up-to-date standards are in place. Last the Commission needs to be empowered to request local authorities to engage because they play a vital role in the delivery of community infrastructure.



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