



# Crown Infrastructure Partners

## Briefing for Incoming Shareholding Ministers

November 2020

CIP Shareholding Ministers  
Hon Grant Robertson, Minister of Finance  
Hon Dr David Clark, Minister for State Owned  
Enterprises

# Contents



## ***Building Together Hanga Ngātahi***

Crown Infrastructure Partners overview, purpose and executive summary	3 - 7
Programmes CIP is implementing	8 - 10
CIP operating status and financials	11 - 12
CIP strategic framework and organisational focus	13 - 14
CIP organisational structure and team	15 - 17





# Crown Infrastructure Partners (CIP)

- CIP is a delivery agency that funds delivery partners (private sector and local Government) to deploy infrastructure
- CIP is a multi-policy implementation agency, and has a number of policy Portfolio Ministers and Votes
- CIP's mission statement is:

***“To partner with the private sector and local government to deliver infrastructure to improve the lives of New Zealanders”***

- Policy and Shareholding Ministers for CIP are as follows:

Policy area	Policy Ministers	Shareholding Ministers
Infrastructure	Minister of Finance and Infrastructure* Associate Finance Ministers (Hons Woods and Parker)* <i>* IRG Ministers</i>	Minister of Finance Minister for State-Owned Enterprises
Communications	Minister for the Digital Economy and Communications	

- Urban development/infrastructure funding and financing: Minister TBA
- Board of 5 directors; Chair – Mark Binns; 24 staff; CEO - Graham Mitchell



- CIP is a delivery agency that funds delivery partners (private sector and local Government) to deploy infrastructure
- Public Finance Act Schedule 4 company
- Areas of focus: (1) connectivity (broadband/mobile), (2) infrastructure Reference Group projects, (3) Infrastructure funding and financing, (4) DIA 3 waters infrastructure

**s9(2)(g)(i)**

- CIP is investing \$2.3 billion in infrastructure over the next 5 years
- CIP will receive \$1.9 billion in Government funds and ~\$550 million in recycled capital and external debt over the next 5 years

## **Opportunities**

- CIP proven track record at delivery of complex infrastructure projects and execution in partnership with the private sector and local Government
- CIP can assist Government on delivery and execution of key infrastructure-related priorities over the next term when delivery is through partners

- CIP's purpose, as set out in its constitution, is:
  - (a) implement the government's objectives in relation to improving the performance and availability of, and access to:
    - (i) ultra-fast broadband;
    - (ii) rural broadband;
    - (iii) mobile voice and data coverage;
    - (iv) telecommunications backhaul; and
    - (v) digital equipment,by co-investing with, purchasing from, or making grants to, private sector participants in order to deploy telecommunications network infrastructure and/or procure the delivery of telecommunications services;
  - (b) act as a delivery partner for the government's programme to provide national public safety communications capability, to enable the safe and effective provision of emergency services across New Zealand, including by managing procurement and delivery of radio and cellular network infrastructure and services; and

- (c) implement and/or facilitate funding and financing of infrastructure, including as provided for under the Infrastructure Funding and Financing Act (the IFF Act) (upon the IFF Act receiving Royal Assent), by co-investment with, or facilitating investment from, private sector or other participants, to achieve the government's objectives for:
  - (i) the provision of infrastructure for housing and urban development; and
  - (ii) the provision of other eligible infrastructure in accordance with the IFF Act; and
- (d) assist with the government's response to the COVID-19 pandemic by:
  - (i) providing assistance to the Infrastructure Reference Group (the IRG) in relation to:
    - i. advice to the government on issues affecting the construction industry as a result of the COVID-19 pandemic and the government's response to such issues;
    - ii. assessing proposals for projects that may be suitable for potential government support as part of COVID-19 response initiatives; and
    - iii. preparing reports and other advice as necessary to assist the IRG to carry out its purpose for the government; and
  - (ii) implementing, facilitating or otherwise assisting the government with any transaction, or class of transactions, or providing assistance with any other matter, in relation to any projects that are selected for government support, as agreed from time to time between the Company and the Shareholding Ministers.

- (e) assist with the government's "3 Waters" reform programme by:
  - (i) providing oversight in relation to delivery plans prepared and carried out by regional or district councils, or by other local authorities, and in particular by:
    - i. reviewing each delivery plan prepared by regional or district councils, or by other local authorities;
    - ii. prior to the disbursement of any funds in connection with any delivery plan, confirming to the Secretary of Local Government that the delivery plan is consistent with requirements set out in the relevant funding agreement; and
    - i. monitoring the progress of work in connection with each confirmed delivery plan as against the requirements of the delivery plan, and providing relevant information on such progress to the Secretary of Local Government; and
  - (ii) implementing, facilitating, monitoring, advising or otherwise assisting the government with the "3 Waters" reform programme, including, but not limited to, supporting infrastructure deployment, as agreed from time to time between the Company and the Shareholding Ministers.

# CIP IRG implementation

- Ministerial oversight: IRG Ministers – Finance Ministers, Minister of Infrastructure
- CIP has a dual role:
  - **Implementing** IRG projects (via contracting with third parties)
  - **Co-ordinating** briefings and reporting to relevant IRG Ministers (Ministers of Finance and Infrastructure, Associate Ministers of Finance)
- Ministers allocated 45 projects to CIP to deliver, totalling approximately \$1.3 billion
- CIP has entered into 38 contracts for implementation, committing approximately \$1 billion of Government funding
- Ministers have approved 212 IRG projects in total, with Government funding of approximately \$2.27 billion
- CIP works closely with other agencies implementing IRG projects:



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**Kāinga Ora**  
Homes and Communities



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# Connectivity infrastructure programmes overview: \$671m

*Regional digital connectivity*

## Fibre links

## Marae digital connectivity

## West Coast connectivity



West Coast / Southland fibre links (backhaul)



Marae digital connectivity programme



West Coast connectivity

## Rural capacity upgrades

## IRG digital connectivity

## Public Safety Network



RBI1 rural mobile capacity upgrades



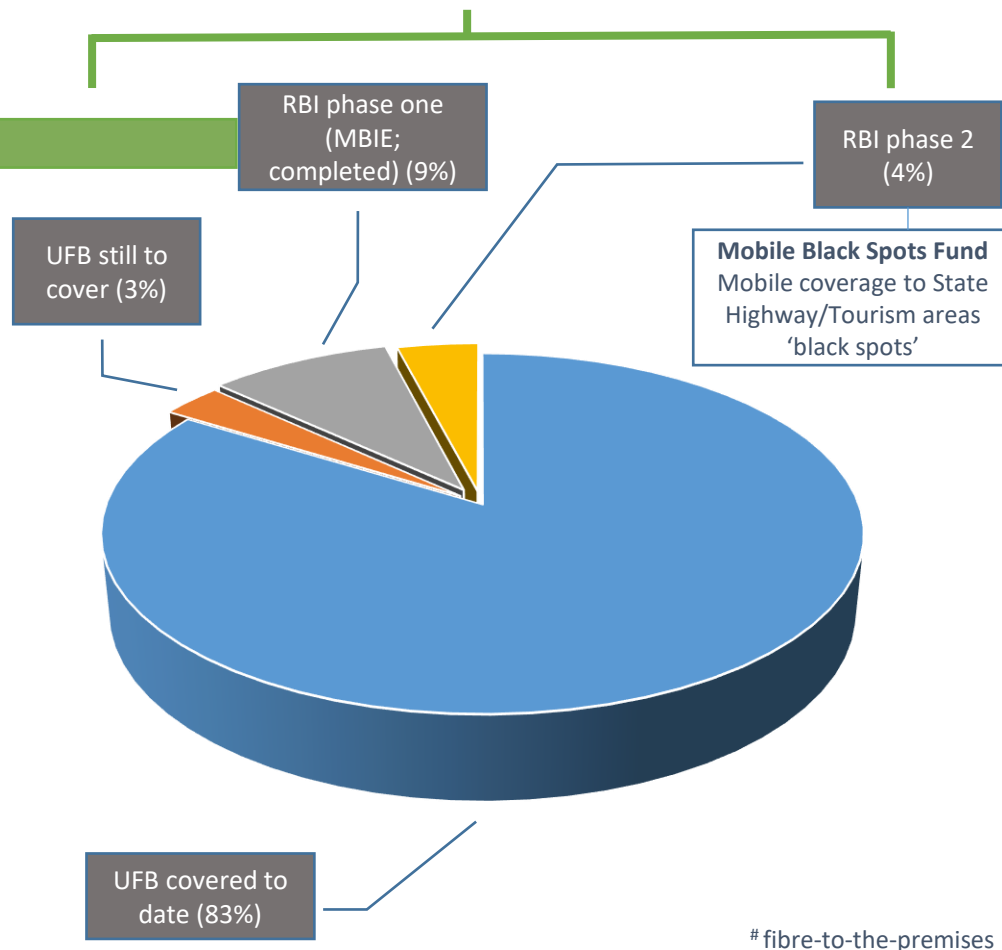
IRG digital connectivity programme, focussing on capacity-constrained rural areas



Public Safety Network

## Ultra-fast Broadband (FTTP# to 86% of population)

## Rural Broadband Initiative phase 2 (last 4% of population)



## National population coverage for UFB and RBI programmes

Note: \$60m in manifesto for more rural

## ‘Three waters’ reform programme supporting Department of Internal Affairs (DIA)

- CIP, under the Cabinet mandate, is supporting DIA on 3 waters infrastructure stimulus funding:
  - Review, advise and recommend to DIA on Council 3 water Delivery Plans for \$523m
  - Review, advise and recommend to DIA on quarterly progress reporting and payments
  - Co-ordinate reporting to Government on infrastructure spend through DIA



**Te Tari Taiwhenua**  
**Internal Affairs**

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## Public Safety Network programme with NZ Police and other emergency agencies

- CIP is infrastructure procurement delivery partner for the Public Safety Network
- New network will be a combination of mobile and land mobile radio technologies



s9(2)(g)(i)

# Funding sources, investments and capital returns

**s9(2)(b)(ii)**



# Strategic framework for CIP

## Principles

- Public policy outcomes are paramount
- Always operate within fiscal envelope
- Have an outcome-based approach
- Keeping staff and contractors safe
- Partnering approach to deliver outcomes
- Contract with partners to execute/deliver outcomes
- Actively monitor project delivery
- Prioritise stakeholder relationships
- Always keep Government appraised of progress, operate in an open + transparent manner (no surprises)

## Approach

- Development of innovative solutions to meet Government policy objectives
- Act commercially to achieve policy outcomes, and take pragmatic approaches where appropriate
- Apply private sector models to procure, contract and manage delivery effectively
- Outcomes-based project management focus
- Strong stakeholder relationships in all areas

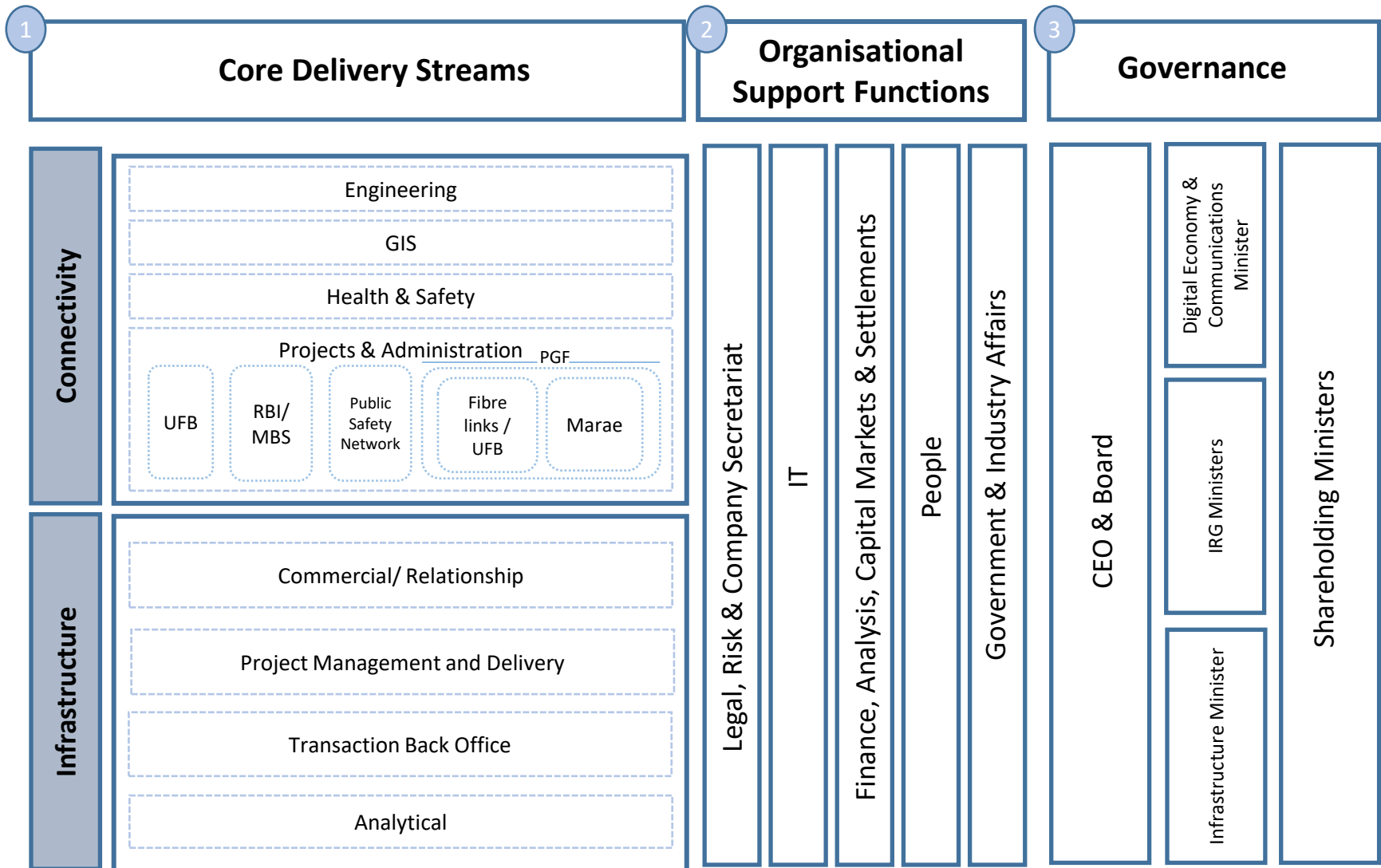
## Values



## Focus






- Funding IRG projects
- Support 3 waters infrastructure
- Funding and financing infrastructure
- Improvement in urban and rural broadband
- Improvement in rural mobile coverage
- Improved emergency services communication
- Targeted digital divide focusses i.e. marae/RDH

# Functional operating model



# CIP organisational structure

**s9(2)(g)(i)**  
**and**  
**s9(2)(a)**

 <p>Mark Binns Chair</p>	 <p>Danelle Dinsdale</p>	 <p>Bella Takiari-Brame</p>	 <p>Chris Gudgeon</p>	 <p>Kerry Knight</p>
<p>Mark is a qualified lawyer, was CEO of the Infrastructure Division of Fletcher Building and Meridian.</p>	<p>Danelle is a lawyer with considerable experience in infrastructure and technology projects.</p>	<p>Bella is a chartered accountant and has worked in the oil, gas and utilities industries. She is also a member of Tainui.</p>	<p>Chris is an engineer who was CEO of Kiwi Property Group and is a director of Argosy Property.</p>	<p>Kerry was a lawyer with Knight Coldicutt focused on business and property law and also through Equinox Group who invest, develop and manage NZ property.</p>



