



# Cabinet Economic Development Committee

## Minute of Decision

---

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

---

### Infrastructure Levy Model: Appointing the Facilitator, Recommender and Monitor Roles

Portfolio                      Urban Development

On 1 July 2020, the Cabinet Economic Development Committee:

#### Background

- 1        **noted** that on 24 June 2019, Cabinet:
  - 1.1      agreed the high-level intent of the Infrastructure Levy Model as an alternative model to fund and finance aspects of large infrastructure projects;
  - 1.2      noted that the Model includes a Facilitator to assist with the preparation of proposals to access the Levy, and a Recommender function to ensure Cabinet decisions on whether to use the Levy are well informed and independent of the Proposer;
  - 1.3      noted that the Minister for Urban Development will report back on the appropriate entity to be the Facilitator and Recommender, and on associated funding arrangements;

[CAB-19-MIN-0263]

- 2        **noted** that the Infrastructure Funding and Financing Bill (the Bill) was introduced to the House of Representatives in December 2019;

#### Facilitator, Recommender and Monitor roles

- 3        **agreed in principle**, subject to the enactment of the Bill, to:
  - 3.1      appoint the Ministry of Housing and Urban Development (MHUD) to perform the Recommender and Monitor roles under the Bill;
  - 3.2      confirm the appointment of Crown Infrastructure Partners as the Facilitator to assist with the preparation of proposals to access the Levy;
- 4        **noted** that:
  - 4.1      the Treasury will have a role to negotiate and monitor the Government Support Packages required by the Infrastructure Levy Model;

4.2 to do this, the Treasury will expand the role it already has in monitoring financial risk to the Crown;

5 **noted** that the Bill requires the Recommender and Monitor roles to be appointed by Order in Council;

6 **invited** the Minister for Urban Development to issue drafting instructions to the Parliamentary Counsel Office for the relevant Order in Council to make the appointments referred to above;

7 **noted** that the Minister for Urban Development intends to take the Order in Council to the Cabinet Legislative Committee for approval immediately on the passing of the Bill, and before the House rises in 2020, to enable the Infrastructure Levy Model to be operationalised;

### Financial implications

8 **noted** that Crown Infrastructure Partners will fund the activities associated with the Facilitator role from existing appropriations;

9 **noted** that MHUD will fund the Recommender role from baseline for the first year and seek additional funding at a later stage, as use of the Infrastructure Levy Model increases;

10 **noted** that MHUD has secured funding to enable it to take on the Monitor role through Budget 2020, including funding for the additional resource required by the Treasury to negotiate and monitor the Government Support Packages.

Janine Harvey  
Committee Secretary

---

#### Present:

Hon Kelvin Davis  
Hon Grant Robertson (Chair)  
Hon Phil Twyford  
Hon Stuart Nash  
Hon Iain Lees-Galloway  
Hon Jenny Salesa  
Hon Damien O'Connor  
Hon Shane Jones  
Hon Kris Faafoi  
Hon Willie Jackson  
Hon James Shaw  
Hon Eugenie Sage

#### Officials present from:

Office of the Prime Minister  
Officials Committee for DEV