NONSUCH

Infrastructure - Warrant of Fitness

A board-ready infrastructure health check

Prepared for	***Sample Council***
Prepared by	Nonsuch Infrastructure Advisory
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Version	Final

1. Scope and context

What was reviewed

This Warrant of Fitness assessed *Sample Council's* infrastructure investment pathway across seven dimensions. The review was conducted over eight working days and involved document review, structured interviews with six senior leaders, and a half-day workshop with the infrastructure leadership team.

Who was consulted

Name / Role	Engagement format
General Manager Infrastructure	Interview + workshop
Chief Financial Officer	Interview
Programme Manager, Capital Delivery	Interview + workshop
Manager, Asset Strategy	Workshop
PMO Lead	Interview + workshop
Manager, LTP and Corporate Planning	Interview

Documents reviewed

Long-Term Plan 2024–34, Capital Programme 2025–28, Asset Management Plans (transport, water, stormwater), Infrastructure Strategy, current governance framework and committee terms of reference, quarterly board reporting pack (Q3 2025), programme risk register, infrastructure programme business cases, programme and project planning artefacts.

2. Executive summary

Sample Council is managing one of the most significant infrastructure renewal and growth programmes in New Zealand local government. Following the governance reset period, the organisation has reset its governance foundations and is now moving into a more demanding delivery phase. This WoF finds the Council strategically well positioned, with sound asset planning and a credible capital programme, but not yet systemically mature enough to support the 2026–28 delivery ramp without targeted strengthening in investment discipline, portfolio reporting, and workforce resilience.

The central judgement is straightforward: Council broadly knows what it is trying to do, but parts of the delivery system are still too dependent on individual capability, informal workarounds, and project-by-project visibility. If these weaknesses are not addressed before delivery peaks, the likely result is slower decision-making, reduced board confidence, and avoidable delivery friction.

What is working well

- The Infrastructure Strategy is current, well-structured, and clearly communicated to the leadership team. There is genuine alignment between the strategy and LTP capital commitments.
- Asset Management Plans across transport and three waters are materially stronger than two years ago. The Council has invested in this area, and it shows.
- The governance reset following a period of external oversight has produced clearer decision rights at committee level. The GM Infrastructure has effective oversight of the capital programme.

Where the main risk sits

- Business case quality is variable. Smaller projects are moving into delivery without investment logic that is clearly aligned to the Long-Term Plan or community outcomes. This creates approval risk and post-delivery review exposure.
- Programme-level reporting remains project by project. The board receives project status, not a portfolio view. When cross-programme dependencies or resource conflicts emerge, they surface late.
- Workforce depth is the most significant delivery risk over the next 24 months. Key delivery roles carry single-point-of-failure risk, and the pipeline of suitably experienced infrastructure professionals in the region is thin.

The most important actions

1. Introduce a standardised business case framework for all capital projects above a defined threshold—prioritised before the next round of project approvals.
2. Shift board reporting to a portfolio view: one consolidated dashboard showing programme health, cross-programme dependencies, and forecast variance.
3. Develop a workforce plan for the infrastructure function ahead of peak delivery in 2026–27 — including succession cover for the three most critical roles.

Ratings Table

Ratings in the following table reflect both current position and readiness for the next delivery phase. Strong means the system is fit for purpose and generally reliable. Attention required means the fundamentals are in place, but inconsistency or underdevelopment is likely to create friction. At Risk means the issue is material enough to affect delivery confidence, governance quality, or programme performance if not addressed in the near term.

Review Dimension	Rating	Key Observation
Strategic direction	● Strong	Clear long-term strategy in place and well understood by the leadership team.
LTP and capital plan process	● Strong	LTP is current; capital programme is aligned to strategy and realistic in sequencing.
Investment logic and business cases	● Attention required	Business case quality is variable — smaller projects lack consistent investment logic.
Governance and gateways	● Attention required	Gateway process exists but is inconsistently applied below programme level.
Portfolio reporting and programme management	● At Risk	Board receives project-level reporting only — no consolidated portfolio view.
Commercial and financial practice	● Attention required	Procurement frameworks are sound; cost estimation capability needs strengthening.
Workforce and capability	● At Risk	Key delivery roles carry single-point-of-failure risk; pipeline is thin for peak delivery.

Rating key: **● Strong** **● Attention required** **● At Risk**

3. Observations

The sections below set out the key observations for each review dimension. Each section states what was found, what is working, and what needs attention.

3.1 Strategic direction ● Strong

The Council's Infrastructure Strategy is current (adopted 2024), internally consistent, and clearly connected to the LTP. The leadership team can articulate the strategic priorities, and there is visible alignment between the strategy and capital programme commitments.

Strength: Strong community outcome framing throughout the strategy. The connection between investment priorities and service level expectations is clear.

Gap / Risk: The strategy does not yet include an explicit outcomes measurement framework. Benefit realisation is not tracked at the portfolio level, making it difficult to demonstrate value delivered against strategic intent.

3.2 LTP and capital plan process ● Strong

The LTP 2024–34 is current and the capital programme is credible. There is good alignment between the ten-year capital plan and the asset management plans. Sequencing reflects an understanding of delivery capacity constraints.

Strength: The capital programme is realistically phased, with front-loaded investment in renewals before new capacity. This reflects sound investment logic.

3.3 Investment logic and business cases ● Attention required

Gap / Risk: The absence of a standard business case framework for smaller projects creates inconsistency. Several projects reviewed had not clearly tested alternatives or quantified benefits before approval. This creates post-delivery review risk, weakens the quality of prioritisation decisions, and makes it harder to explain why one project should proceed ahead of another.

Strength: The major project business cases reviewed are Treasury BBC-aligned and decision-focused. There is clear understanding at senior level of what good looks like.

3.4 Governance and gateways ● Attention required

A gateway review process exists in the programme management framework. It is consistently applied to major capital projects but informally applied — or skipped — at programme and project level for smaller investments.

Strength: Decision rights at committee level are now clearly documented following the recent governance review. The Infrastructure Committee has appropriate oversight of major commitments.

The Council currently reports to the board at the individual project level. There is no consolidated portfolio view that shows programme health, cross-programme dependencies, resource allocation, or forecast variance across the capital programme as a whole. In the last three reporting packs reviewed, dependency issues and resource pressure were described within individual project commentary but not presented as a collective portfolio management issue.

3.5 Portfolio reporting and programme management ● At Risk

Gap / Risk: The absence of portfolio-level reporting means that cross-programme dependencies and resource conflicts are only visible to the GM Infrastructure and a small number of senior staff. The board cannot readily assess aggregate risk, cumulative forecast movement, or reprioritisation choices when capital constraints arise. This is the most significant governance gap identified in this review.

Strength: Project-level reporting is well-structured and regularly produced. The programme management team understands their projects. Data quality at the project level is reliable.

3.6 Commercial and financial practice ● Attention required

Gap / Risk: Cost estimation capability needs strengthening. Early-stage cost estimates (at business case) are frequently revised upward once detailed design is completed. In the sample reviewed, three of five projects showed cost uplift of more than 15% between early approval and later design refinement. This suggests estimation methodology, scope definition, and contingency application are not yet sufficiently robust at the front end of the lifecycle.

Strength: Panel procurement arrangements are well-managed. Relationships with key contractors are professional and there is good commercial awareness at the programme manager level.

The infrastructure delivery function is appropriately structured but is carrying significant workforce risk as the capital programme approaches peak delivery in 2026–27. Three critical roles, the Programme Manager, the Senior Project Manager (transport), and the Manager Asset Strategy, each carry single-point-of-failure risk. Two of these roles have no documented second-in-line coverage, and there is no formal succession or contingency plan if a vacancy occurs during the peak period.

3.7 Workforce and capability ● At Risk

Gap / Risk: The regional talent pool for experienced infrastructure professionals is limited. If any of the three critical roles were to become vacant at peak delivery, the consequences for programme continuity would be material. A workforce plan, including succession depth, targeted recruitment, and short-term coverage arrangements, is needed before the end of Q2 2026.

Strength: The current leadership team is experienced and capable. There is genuine commitment to professional development, and the team culture is collaborative.

4. Priority actions

The table below sets out recommended actions in priority order. These are the practical steps most likely to reduce risk and strengthen the infrastructure investment pathway.

#	Recommended Action	Owner	Timing
1	Develop and adopt a standardised business case framework for all capital projects above $1M. Include a minimum options analysis requirement and benefit identification. Apply to all projects entering the approval pipeline from Q3 2026.	GM Infrastructure / CFO	0–3 months
2	Develop and implement a portfolio reporting dashboard for the board. Consolidate project data into a single programme health view showing RAG status, forecast vs budget variance, cross-programme dependencies, and resource allocation. Review monthly.	GM Infrastructure / Programme Manager	0–3 months
3	Develop a workforce plan for the infrastructure function. Map critical roles, identify succession risk, define coverage arrangements, and initiate targeted recruitment for positions at risk. Complete before peak delivery ramp in Q3 2026.	GM Infrastructure / People & Culture	3–6 months
4	Formalise the gateway review process below programme level. Introduce a lightweight independent quality check (internal or external) before projects move from planning into delivery. Pilot on the next five projects entering delivery.	Programme Manager	3–6 months
5	Document capital prioritisation criteria for use at the next LTP refresh. Define the framework by which investment decisions are made when capital is constrained. Adopt at governance level.	CFO / GM Infrastructure	6–12 months
6	Introduce portfolio-level benefits tracking. Agree on three to five outcome measures aligned to the Infrastructure Strategy and report progress to the Infrastructure Committee quarterly.	GM Infrastructure	6–12 months

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Nonsuch Infrastructure Advisory

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