



19 September 2018

Cornerstone Infrastructure Partners secures Waikeria Prison contract

H.R.L. Morrison & Co, manager of the Public Infrastructure Partners Funds (PIP Fund), welcomes confirmation that its consortium has been awarded the Public Private Partnership (PPP) contract to design, construct, and maintain the new Waikeria Corrections and Treatment Facility.

Along with PIP Fund as the majority equity partner, other members of the Cornerstone Infrastructure Partners (CIP) consortium to deliver Waikeria Prison are: CPB Contractors (construction), Pacific Partnerships (equity), Cushman & Wakefield (asset management & facilities management services), and Honeywell (electronic security systems).

Steven Proctor, Executive Director of PIP Fund, attributes CIP's success in securing the contract to the proven track record every member of the consortium has in delivering PPP-based public infrastructure.

"On previous PPP projects, we have demonstrated we can deliver innovation that contributes to improved value-for-money over the life of a project, and that we can be adaptable to meet specific client needs.

"Throughout the period since CIP was selected as preferred bidder for the Waikeria Prison contract, we have worked closely with the Department of Corrections to develop solutions as the Department of Correction's requirements have changed," said Mr Proctor.

The new Waikeria Prison will consist of accommodation units providing for 500 beds, and an expanded Mental Health & Behavioural Precinct with an additional 100 beds. The project also includes modern training facilities and improved staff areas.

Under the PPP contract, the consortium will finance, design, construct and maintain the facility. Consequently, substantially all asset delivery risk sits with the private sector. The contract does not include custodial operations, which remain the responsibility of the Department of Corrections.

Following early works on site, construction of the new prison facility is due to commence this month and be completed in early 2022.

The group of Public Infrastructure Funds has been running since 2009. PIP Fund III was established in 2017 following the success of PIP Funds I & II. These funds have delivered six NZ based PPP's with a combined construction value of \$2.6billion. Three of the projects are in the operating phase.

Many New Zealanders are investors in a Morrison & Co PPP fund through their investments in the funds' owners, which include superannuation funds and local community trusts, or as part of their investment portfolio managed by an investment firm.