

HON PEENI HENARE, MINISTER OF DEFENCE

First Principles Review Defence Estate, Investment Priorities and Future Naval Base

November 2022

This paper seeks approval to close out the First Principles Review of the Defence Estate Footprint

The pack comprises the following documents:

- August 2022 Cabinet Government Administration and Expenditure Review Committee Minute of Decision *First Principles Review Defence Estate, Investment Priorities and Future Naval Base* [GOV-22-MIN-0027]; and
- The associated Cabinet Paper *First Principles Review of the Defence Estate Footprint, Estate Investment Priorities and Future Naval Base Indicative Business Case*.

This pack has been released on the New Zealand Defence Force website, available at:

www.nzdf.mil.nz/nzdf/search-our-libraries/documents/?document-type=Official+information&sort=relevance.

The business case (Annex A) for this project is withheld in full in accordance with:

- section 9(2)(b)(ii) of the OIA: *to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied the information;*
- section 9(2)(f)(iv) of the OIA: *to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials;* and
- section 9(2)(j) of the OIA: *to enable a Minister of the Crown or any department or organisation holding the information to carry out, without prejudice or disadvantage, negotiations.*

The public interest is met with a summary of the key information that formed the basis of Cabinet's decision to invest this funding being provided by the Cabinet paper.



Cabinet Government Administration and Expenditure Review 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.

First Principles Review Defence Estate, Investment Priorities and Future Naval Base

Portfolio **Defence**

On 25 August 2022, the Cabinet Government Administration and Expenditure Review Committee:

- 1 **noted** that in April 2019, Cabinet directed the Defence Force to undertake a First Principles Review of the Defence Estate Footprint to provide the government with a long-term, 50 year view of the future of the Defence Estate, including identifying potential options for the future location of the Devonport Naval Base [CAB-19-MIN-0171.01];
- 2 **noted** that in 2019, the Minister of Defence was invited to submit an Indicative Business Case on the outcome of the comprehensive external study into relocating the Naval Base from Devonport to Northport [GOV-19-MIN-0012];
- 3 **agreed** that the First Principles Review of the Defence Estate Footprint is concluded and that as a guiding principle to managing the Defence Estate, the Defence Force will maintain a substantial presence in its current locations including existing training areas at: Whangaparaoa, Devonport, Papakura, Whenuapai, Waiouru, Linton, Ohakea, Trentham, Woodbourne, Burnham, West Melton and Tekapo;
- 4 **noted** the following immediate priorities for investment in the Defence Estate:
 - 4.1 continuation of approved infrastructure projects meeting compliance and health and safety requirements (from the Defence Estate Regeneration Programme Plan 2019-2035);
 - 4.2 additional infrastructure for the Future Air Surveillance Maritime Patrol (P-8A) capability at Ohakea in the Ohakea Infrastructure Programme;
 - 4.3 infrastructure supporting the Consolidated Logistics Project at Linton and Burnham (with its planned infrastructure builds of workshops and warehouses);
 - 4.4 horizontal infrastructure replacement (e.g. three waters, roads, electricity and telecommunication utilities) across the Defence Estate;
 - 4.5 off-base Defence housing in support of camps and bases;

- 4.6 on-base accommodation, messing and dining modernisation;
- 4.7 infrastructure linked to new capabilities and platforms;
- 4.8 regional facilities providing for Reserves, Defence Careers and contingent capability in support of local government;
- 4.9 moving facilities and units from Waiouru to Burnham and Linton to support personnel and family needs, and optimise the Army's functional distribution of land training between the North and South Islands;
- 5 **endorsed** the Future Naval Base Indicative Business Case, attached at Annex A to the paper under GOV-22-SUB-0027;
- 6 **agreed** to the recommended option in the Future Naval Base Indicative Business Case, to remain at Devonport;
- 7 **agreed** that the Defence Force develop a Programme Business Case that outlines the investment required to remain in the Devonport Naval Base that would include the following considerations:
- 7.1 the adequacy of the South Yard of Devonport to accommodate all the consolidated infrastructure;
- 7.2 the ability to mitigate/defend the North Yard of Devonport from sea level rise/stormwater inundation;
- 7.3 operational maintenance infrastructure at Devonport to keep the port operations viable;
- 8 **agreed** that the Defence Force develop a Programme Business Case that outlines the investment required to develop a supplementary facility at Whangārei;
- 9 **noted** that the Defence Force expects to complete the Programme Business Cases outlined in paragraph 7 and 8 above by mid 2024, for submission to the Minister of Defence and then Cabinet;
- 10 **agreed** that while further investigative work is being undertaken, the Defence Force will continue to invest in the Defence Estate in accordance with the Defence Estate Regeneration Portfolio Business Case 2019-2035 [CAB-19-MIN-0171.01].

Vivien Meek
Committee Secretary

Present:

Hon Grant Robertson (Chair)
Hon David Parker
Hon Nanaia Mahuta
Hon Stuart Nash
Hon Peeni Henare
Hon Michael Wood
Deborah Russell, MP

Officials present from:

Office of the Prime Minister
Officials Committee for GOV

Office of the Minister of Defence

Chair, Cabinet Government Administration and Expenditure Review Committee

FIRST PRINCIPLES REVIEW OF THE DEFENCE ESTATE FOOTPRINT, ESTATE INVESTMENT PRIORITIES AND FUTURE NAVAL BASE INDICATIVE BUSINESS CASE

Proposal

1. This paper seeks Cabinet approval to close out the First Principles Review of the Defence Estate Footprint. It highlights priorities for investment in the Defence Estate. It seeks approval of the Future Naval Base Indicative Business Case. Finally, it seeks agreement to progress to a Programme Business Case to investigate investment at Devonport Naval Base and investigate a supplementary maritime facility in Whangārei.

Relation to government priorities

2. The Future Naval Base proposal will help support the three key objectives of the Government's priorities [CAB-20-MIN 0525 refers] as follows:
 - 2.1. Accelerating the Recovery - by requiring an investment in infrastructure which is at the core of the Government's economic plan;
 - 2.2. Laying the Foundations for the Future - means reshaping the economy to be more productive, more sustainable, and more equitable. Wellbeing guides the government's policy development. Investment in Devonport will have a positive impact on the living and working conditions of Navy personnel; and
 - 2.3. Strengthening Māori-Crown relations - the proposals present opportunities to partner with Māori.
3. Furthermore the proposal could facilitate shared facilities with our partner agencies such as Customs, Police and Conservation for joint activities in Whangārei and Auckland for operations, diver training and secure facilities for sensitive information.
4. The proposal aligns with the Cabinet approved Defence priorities (ERS-21-MIN-0040 refers)
 - 4.1. People - the proposal will provide certainty for the locations of camps and bases thereby improving well-being and providing a sense of security. The Whangārei Navy proposal will ensure improved wellbeing, better work/life balance and improved housing accessibility compared to Auckland;
 - 4.2. Infrastructure - the proposal will allow for the appropriate level of investment without regretful spend and provide stability for military operational outputs. Specifically the First Principles Review is a key pillar that was signalled to be completed by quarter three 2021. This will provide direction from Government on investment priorities for the Estate and lay the future foundations for more productive, sustainable and equitable infrastructure.
 - 4.3. Pacific - the proposal provides good locations for projection into the Pacific.

Executive Summary

5. The New Zealand Defence Force's (the Defence Force) estate and infrastructure is in need of maintenance and upgrades. Investment in the Defence Estate is vital for the ongoing well-being of New Zealanders, and supports sustainable and inclusive growth in the regions in response to economic recovery. Without continued investment in assets at camps and bases, regional facilities and training locations, the Defence Force will need to reset expectations of its contribution to delivering the Government's defence policy priorities.
6. Multiple studies have considered the future locations of Defence Force sites, and as a result maintenance and renewal has repeatedly been deferred with many assets nearing their end of life. The Defence Force has completed the First Principles Review of the Defence Estate Footprint (the Review). The findings indicate that remaining at all current locations for the foreseeable future is the preferred operational outcome for the Defence Force, the Government, and represents the best value for money option at this time.
7. This outcome means the priority for investment, as outlined in the Defence Estate Regeneration Programme 2019, remains:
 - 7.1. continuation of approved infrastructure projects meeting compliance and health and safety requirements (from the Defence Estate Regeneration Programme Plan 2016-2030);
 - 7.2. additional infrastructure for the Future Air Surveillance Maritime Patrol (P-8A) capability at Ohakea in the Ohakea Infrastructure Programme;
 - 7.3. infrastructure supporting the Consolidated Logistics Project at Linton and Burnham (with its planned infrastructure builds of workshops and warehouses);
 - 7.4. horizontal infrastructure replacement (e.g. three waters, roads, electricity and telecommunication utilities) across the Defence Estate;
 - 7.5. off-base Defence housing in support of camps and bases;
 - 7.6. on-base accommodation, messing and dining modernisation;
 - 7.7. infrastructure linked to new capabilities and platforms;
 - 7.8. regional facilities providing for Reserves, Defence Careers and contingent capability in support of local government; and
 - 7.9. moving facilities and units from Waiouru to Burnham and Linton to support personnel and family needs, and optimise the Army's functional distribution of land training between the North and South Islands.
8. As part of the completion of the Review a further challenge has been singled out for these investment priorities. The Devonport Naval Base is suffering from the impacts of climate change. The northern yards of the Base are already affected by coastal inundation, with almost half the Base at risk from increased flooding events due to rising sea levels from 2030 onwards. Without mitigation measures such as raising the ground levels and improved stormwater management, remaining in parts of the site will become untenable. Uncertainty about the location of a Future Naval Base has delayed much needed capital investment, resulting in visible deterioration of the Devonport Naval

Base's living and teaching environments; and network utilities. Certainty on the future of Devonport Naval Base would provide much needed confidence for future investment decisions at Devonport.

9. As part of the Review, an Indicative Business Case on the Future Naval Base was undertaken. It considered the investment required to fully relocate the Devonport Naval Base to Whangārei. The Business Case confirmed that remaining in Devonport is the best option. It also concluded that consideration should be given to the location of a supplementary maritime facility at Whangārei. It is therefore recommended that further investigation using a Programme Business Case is undertaken to confirm the investment required. The relative priority of the investment at Devonport can then be set in relation to other investment requirements, aligned with capability decisions, and the Defence Estate Regeneration Programme can be updated. In the meantime, regeneration of the Defence Estate should occur in accordance with the approved Programme.

Background and Context

10. The Defence Estate provides the training, infrastructure, working and living environments critical for generating and maintaining the Defence Force's capabilities. The challenge is balancing demands for investment in the Defence Estate while supporting the introduction and delivery of strategic military capability; while also addressing increasing health and safety liability risks from degraded infrastructure.
11. Historically the Defence Estate has suffered from long term under investment, resulting in infrastructure past its useful life. In response to this, in 2016, the Defence Force initiated a significant investment programme, the 'Defence Estate Regeneration Programme 2016-2030', to address critical under-investment in the Defence Estate.
12. In April 2019, Cabinet approved continued investment in the Defence Estate out to 2035 in a refresh of the Defence Estate Regeneration Programme. Cabinet also approved the principle that funding allocated to the Defence Estate Regeneration Programme, as set out in the Defence Capital Plan, will not be reallocated within Vote Defence Force without Cabinet's agreement. Further, each investment seeking additional funding must be justified through a business case to be considered by Cabinet, subject to funding being available in the Budget capital allowances, taking into account other government investment priorities [CAB-19-MIN-0171.01 refers].
13. In April 2019, Cabinet directed the Defence Force to undertake a First Principles Review of the Defence Estate Footprint, including options for the location of the Devonport Naval Base [CAB-19-MIN-0171.01 refers]. The purpose of the Review was to provide confidence to the Government that investment decisions made between now and 2070 will meet the future needs of the Defence Force. The Minister of Defence was also invited to submit an Indicative Business Case on the outcome of a comprehensive study into the relocation of the Naval Base from Devonport to Whangārei [GOV-19-MIN-0012 refers].
14. In July 2020 the Minister of Defence reported back to Cabinet on the Review and provided a Preliminary Report on the outcomes, including a short list of footprint options, and a Strategic Direction paper that detailed further investigation of options [GOV- 20- MIN-0034 refers].

The First Principles Review of the Defence Estate Footprint

15. The Review concludes that the status quo for core army operational activity should be retained for the land domain footprint (Trentham, Papakura, Waiouru, Linton, Burnham, West Melton and Tekapo). The existing footprint, supported by the training areas and regional sites, enables delivery of capabilities for the long term.
16. The Review found only limited operational advantages for significant changes to the Air domain footprint. Ohakea, Whenuapai and Woodbourne will be retained as airbases, although it is acknowledged there may be some benefits from expanding military operations at Christchurch airport. Cabinet has approved a business case for investment at Ohakea [GOV-20-MIN-0031 refers].
17. The Future Naval Base Indicative Business Case (discussed below) considered the investment required to relocate the Devonport Naval Base to Whangārei. It concludes the home of the Navy should remain at Devonport. In addition, the Business Case recommended that consideration should be given to investment in a supplementary maritime facility at Whangārei for activities such as training.
18. The Review also found there was merit in exploring the cost/benefit of the establishment of a permanent Navy presence in the South Island. The facility would assist maritime operations and deployment to Antarctica, and in the Southern Ocean. Work on the capabilities of a Southern Ocean Patrol Vessel is underway and is expected to be considered by Cabinet in 2023/24. Once Cabinet decisions on the Southern Ocean Patrol Vessel are made, consideration could be given to investing in a South Island facility.
19. Given these findings, Cabinet agreement to the conclusion of the First Principles Review of the Defence Estate Footprint is sought. This means that the Defence Force will maintain a substantial presence in its current locations (including the existing training areas) at: Whangaparaoa, Devonport, Papakura, Whenuapai, Waiouru, Linton, Ohakea, Trentham, Woodbourne, Burnham, West Melton and Tekapo. The Defence Force will continue to invest in the Defence Estate in accordance with the Defence Estate Regeneration Portfolio Business Case 2019-2035 [CAB-19-MIN-0171.01 refers] for all locations.
20. The outcome of the Review supports the priority for investment as outlined in the Defence Estate Regeneration Programme 2019, as outlined in the executive summary of this paper.

Future Naval Base Indicative Business Case

21. There have been 32 reports undertaken between 1997 and now on the future of Devonport Naval Base. The reports highlight the on-going recognition of the strategic problems with the site. Nevertheless they conclude that the drivers have not been strong enough to enact a change of location or for a change of location to be economically feasible.
22. The Future Naval Base Indicative Business Case, as guided by the First Principles Review, is different to previous studies in that it has a long term view out to 2070 and it considers the investment required to relocate the Naval Base to Whangārei, taking into account wider social and economic benefits. This involved analysis of the regional and

national economic growth impacts, housing costs/allowance impacts for Navy families, long term operational impacts for the Defence Force, and the benefits to Auckland from releasing land for development at Devonport.

23. The Devonport Naval Base is split into two precincts – a North Yard and a South Yard. Coastal inundation is already being experienced in the North Yard and recent climate change projections and hazard assessments predict increased risk from 2030 in the North Yard. The impacts from climate change over the next 30 years limits the amount of space available at the site and may require assets to be moved from the North Yard to the South Yard or elsewhere such as Whangārei. Initially it was assumed there would be a single location for the Naval Base. However, as work progressed, the spatial constraints and the impact of other investments in Whangārei required the analysis of two split base options that retained a presence in Devonport as well as facilities in Whangārei. .
24. The analysis indicates the option to remain at Devonport, rather than either a full relocation to Whangārei or a split base option, presents the best value for money for the Defence Force, the government and the economy. This is because Devonport is it has a superior deep water channel with greater ease or manoeuvrability for Navy vessels compared to Whangarei Harbour. In addition the estimated capital cost of moving to Whangarei is approximately \$945 million greater in real terms than remaining at Devonport and operating costs could be over \$820 million greater over a 50 year period. A relocation to Whangarei could take up to 20 years and would require a long term funding commitment to commence the process. NZDF would need to carry out ongoing maintenance and retain functionality and capability at Devonport while the new facility was constructed.
25. The analysis, however, raised questions as to whether the Navy could sustain its output over the long term with a single base at Devonport. The North Yard at Devonport Naval Base is already affected by coastal inundation, with almost half of the site at risk from increased flooding events due to rising sea levels from 2030 onwards. If the North Yard can no longer be used, additional space will be required at another waterside location. Analysis and assessment of Whangarei locations through the IBC and other studies have confirmed that it is the best location for such a facility. Therefore a business case should be prepared to determine whether there is a need for a supplementary naval facility at Whangarei.
26. Rather than develop a split base with duplication of functions at both sites, a supplementary facility at Whangārei would provide for all the training needs as well as secondary resilience benefits. For example, it would provide the opportunity to develop energy efficient buildings and infrastructure resilient to the impacts of climate change. Other opportunities include co-location or support for other security partners and/or inter-agency operations in Northland. For Navy, a supplementary facility at Whangārei presents the opportunity to take into account the support systems for Navy personnel including improved wellbeing, better work/life balance and improved housing accessibility compared to Auckland.
27. Aside from providing sufficient space for the Navy's training needs, a supplementary base will address the need for resilience and an integrated NZDF. This business case would explore how the operational and support units from the Navy, Army and Air Force could share facilities as an Integrated Defence Force. It would also involve partner

agencies, such as Customs, Police and the Department of Conservation in the design and provide the opportunity to contribute to the Northland economy.

Quality Assurance

28. The Indicative Business Case has been the subject of quality assurance processes and the Defence Force has accepted and addressed the recommendations of these reviews:
 - 28.1. Independent Quality Assurance by IQA NZ;
 - 28.2. Treasury End Point Clinic; and
 - 28.3. Stage 0/1 Gateway Process.

Next steps

29. The best pathway forward for investment decisions at Devonport Naval Base would be a Programme Business Case outlining options for phasing and scaling that align with Capability decision points. In the immediate future this will be comprised of a number of projects focused on supporting the operational maritime environment.
30. Cabinet approval is sought to develop a Programme Business Case that outlines the investment required to remain in the Devonport Naval Base and to develop a supplementary facility at Whangārei that would include the following considerations:
 - 30.1. the adequacy of the South Yard of Devonport to accommodate all the consolidated infrastructure;
 - 30.2. the ability to mitigate/defend the North Yard of Devonport from sea level rise/stormwater inundation;
 - 30.3. operational maintenance infrastructure at Devonport to keep the port operations viable; and
 - 30.4. the costs and benefits of investing in a supplementary facility at Whangārei for training.
31. If Cabinet agrees to progress further investigations, the Defence Force will seek agreement with the relevant landowners to formalise an interest in the land being considered for Defence Force purposes.

Other Defence Estate Investment Proposals

32. Following agreement of the future footprint, further papers seeking approval to invest in the Defence Estate as noted by Cabinet in 2019 [CAB-19-MIN-0171.01 refers] will be submitted to Cabinet for approval as follows:
 - 32.1. on base accommodation, messing and dining modernisation;
 - 32.2. off base Defence Force housing;
 - 32.3. horizontal infrastructure across the entire Defence Estate; and

32.4. Ohakea Infrastructure Programme.

33. The infrastructure stimulus provided by these investment proposals will not only address the problems faced by the Defence Force on its Estate but will accelerate recovery in New Zealand's regions.

Financial Implications

34. There are no direct financial implications arising from the decisions sought in this paper. The intention is to complete the Programme Business Cases signalled using baseline funding from Vote Defence Force. However, if Cabinet at a later date makes investment decisions based on the options outlined in those Business Cases, there will be cost implications, which will be outlined in future papers.
35. The total capital and operating expenditure required to remain at Devonport under Option 1A/1B is estimated to be \$7,884m over 50 years.

Consultation

36. This paper has been consulted on with The Treasury, Ministry of Defence, Ministry of Business, Innovation and Employment, Ministry of Housing and Urban Development, and the New Zealand Infrastructure Commission. The Department of Prime Minister and Cabinet has been informed.
37. A wide range of stakeholders were engaged with during the development of the Indicative Business Case. Chapter 7 of the Indicative Business Case Appendices sets out the engagement and responses. In summary, stakeholders from local government, central government agencies with relevant operational responsibilities (including Education, Social Development, and Conservation) and private companies/industry including NorthPort Limited, and North Tec were consulted. In general stakeholders were supportive of the proposal and did not foresee any issues that were not manageable.

Tiriti o Waitangi/Treaty of Waitangi

38. Over the last two years, the Defence Force has consulted with Whangārei hapū about the Future Naval Base options. This has enabled the Defence Force to establish relationships and build trust, and develop thinking about how the Defence Force can work together with our Treaty partners.

Legislative Implications

39. There are no immediate legislative implications for the Future Naval Base Study although if facilities are constructed in Whangārei, District Plan changes and/or Defence designations may be required.

Climate Implications of Policy Assessment

40. The Ministry for the Environment has been consulted and confirms that the Climate Implications of Policy Assessment requirements do not apply to this proposal as the threshold for significance is not met. The likely emissions impacts of proposals advanced from proposed further work will be assessed as appropriate.

Population Implications

41. The Royal New Zealand Navy employs over 2,300 full time Regular Force personnel, over 500 Reserve personnel and several hundred Civilian staff. Many of these people not only work on the Devonport Naval Base but live there while they work and train. Furthermore, there are a number of other Defence Force personnel, other government agencies, contractors and service providers that operate from the Devonport Naval Base and facilities.
42. If a decision is made to relocate training functions to Whangārei, it will impact the number of new entrants to the Whangārei economy, drive GDP and have impacts on housing, employment and wages.
43. The Programme Business Case for the Future Naval Base will take into account New Zealand's increasing diversity, and give consideration to the relationship between strengthening social inclusion and improving the wellbeing of our communities.

Other Implications

44. There are no Human Rights, Legislative, Regulatory, Gender or Disability implications resulting from this paper.

Communications

45. It is proposed that the Minister of Defence announce the proposal to undertake further investigations at an appropriate event in the coming months.

Proactive Release

46. This paper, alongside the Indicative Business Case (Annex A), will be considered for proactive release following Cabinet decisions and any public announcement of those decisions, subject to any appropriate redactions.

Recommendations

47. The Minister for Defence recommends that the Committee:
 1. **note** that in April 2019, Cabinet directed the Defence Force to undertake a First Principles Review of the Defence Estate Footprint to provide the Government with a long-term, 50 year view of the future of the Defence Estate, including identifying potential options for the future location of the Devonport Naval Base [CAB-19-MIN-0171.01 refers];
 2. **note** that in 2019 the Minister of Defence was invited to submit an Indicative Business Case on the outcome of the comprehensive external study into relocating the Naval Base from Devonport to Northport [GOV-19-MIN-0012 refers];
 3. **agree** that the First Principles Review of the Defence Estate Footprint is concluded and that as a guiding principle to managing the Defence Estate, the Defence Force will maintain a substantial presence in its current locations including existing training areas at: Whangaparaoa, Devonport, Papakura, Whenuapai, Waiouru, Linton, Ohakea, Trentham, Woodbourne, Burnham, West Melton and Tekapo;

4. **note** the following immediate priorities for investment in the Defence Estate:
- 4.1. continuation of approved infrastructure projects meeting compliance and health and safety requirements (from the Defence Estate Regeneration Programme Plan 2019-2035);
 - 4.2. additional infrastructure for the Future Air Surveillance Maritime Patrol (P-8A) capability at Ohakea in the Ohakea Infrastructure Programme;
 - 4.3. infrastructure supporting the Consolidated Logistics Project at Linton and Burnham (with its planned infrastructure builds of workshops and warehouses);
 - 4.4. horizontal infrastructure replacement (e.g. three waters, roads, electricity and telecommunication utilities) across the Defence Estate;
 - 4.5. off-base Defence housing in support of camps and bases;
 - 4.6. on-base accommodation, messing and dining modernisation;
 - 4.7. infrastructure linked to new capabilities and platforms;
 - 4.8. regional facilities providing for Reserves, Defence Careers and contingent capability in support of local government; and
 - 4.9. moving facilities and units from Waiouru to Burnham and Linton to support personnel and family needs, and optimise the Army's functional distribution of land training between the North and South Islands.
5. **endorse** the Future Naval Base Indicative Business Case (as attached at Annex A);
6. **agree** to the recommended option in the Future Naval Base Indicative Business Case, to remain at Devonport;
7. **agree** that the Defence Force develop a Programme Business Case that outlines the investment required to remain in the Devonport Naval Base that would include the following considerations:
- 7.1. the adequacy of the South Yard of Devonport to accommodate all the consolidated infrastructure;
 - 7.2. the ability to mitigate/defend the North Yard of Devonport from sea level rise/stormwater inundation; and
 - 7.3. operational maintenance infrastructure at Devonport to keep the port operations viable
8. **agree** that the Defence Force develop a Programme Business Case that outlines the investment required to develop a supplementary facility at Whangārei;

9. **note** that the Defence Force expects to complete the Programme Business Cases outlined in recommendations 7 and 8 by mid 2024, for submission to the Minister of Defence and then Cabinet; and
10. **agree** that while further investigative work is being undertaken, the Defence Force will continue to invest in the Defence Estate in accordance with the Defence Estate Regeneration Portfolio Business Case 2019-2035 [CAB-19-MIN-0171.01 refers].

Authorised for lodgement

Hon Peeni Henare
Minister of Defence

Annex:

- A. Future Naval Base Indicative Business Case

Proactively Released by the Minister of Defence