HON PEENI HENARE, MINISTER OF DEFENCE

Linton Maintenance Support Facility Build: Project Implementation Business Case

September 2021

This publication provides papers associated with Cabinet's June 2021 decision on the implementation business case for the redevelopment of the Linton Maintenance Support Facility and approval for the Chief of Defence Force to commit funds to enter into a commercial contract with a preferred supplier.

The pack comprises the following documents:

- June 2021 Cabinet Government Administration and Expenditure Review Committee
 Minute of Decision Linton Maintenance Support Facility Build: Project Implementation
 Business Case [GOV-21-MIN-0016]; and
- The associated Cabinet Paper Defence Consolidated Logistics Project Linton Maintenance Support Facility Build [GOV-21-SUB-0016].

This pack has been released on the New Zealand Defence Force website, available at: www.nzdf.mil.nz/nzdf/public-information.

It has been necessary to withhold certain information in accordance with the following provisions of the Official Information Act 1982. Where information is withheld, the relevant sections of the Act are indicated in the body of the document. Where information has been withheld in accordance with section 9(2) of the Act, no public interest has been identified that would outweigh the reasons for withholding it.

In addition, the business case for this project is withheld in full in accordance with the following provisions of the Act. Recognising the public interest in information on the investment decision, the Cabinet paper provides a summary of the key information that formed the basis of Cabinet's decision to invest this funding.

Information is withheld in order 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)(b)(ii)];
- maintain the constitutional conventions for the timing being which protect the confidentiality of advice tendered by Ministers of the Crown and officials [section 9(2)(f)(iv)]; and
- enable a Minister of the Crown or any department or organisation holding the information to carry out, without prejudice or disadvantage, negotiations [section 9(2)(j)].



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.

Linton Maintenance Support Facility Build: Project Implementation Business Case

Portfolio Defence

On 3 June 2021, the Cabinet Government Administration and Expenditure Review Committee:

- noted that in June 2020, the Cabinet Government Administration and Expenditure Review Committee approved in principle the sequenced option for the Consolidated Logistics Project (CLP), subject to approval of implementation business cases for the Linton Maintenance Support Facility (MSF) and the Burnham MSF [GOV-20-MIN-0019];
- 2 **noted** that the current workshop facilities at Linton are not fit for purpose, and have insufficient capacity and functionality to cope with the range, volume and complexity of modern equipment;
- noted that the proposed solution to these issues is the investment in the Linton MSF, as currently designed, which will address these issues through an innovative, and future-focused design;
- 4 **noted** that the Whole-of-Life Cost for the proposed build is s.9(2)(j) over 25 years, comprising \$47.066 million of construction-related costs and contingency, pre-approved contract and management costs, and s.9(2)(j) in through life costs;
- noted that the forecast operating expenditure increase of s.9(2)(j) per annum, and depreciation uplift of \$0.706 million per annum, is able to be funded through the Defence Capability Plan 2019 tagged contingency established at Budget 2020 [CAB-20-MIN-0155.10];
- **noted** that the total capital cost for construction, including contingency, of \$47.066 million is able to be funded from within the existing Cabinet approval of \$129.882 million including \$110.420 million of capital injection [GOV-20-MIN-0019];
- 7 **approved** the implementation business case for the Linton MSF build, attached under GOV-21-SUB-0016;

- **authorised** the Chief of Defence Force to commit and approve expenditure of public money up to the amount of \$47.066 million for the design and construction of the Linton MSF;
- **approved** the following changes to appropriations and departmental capital injections to give effect to paragraph 7 above, with a corresponding impact on the operating balance and/ or net core Crown debt:

	NZ \$m - increase/(decrease)				
Vote Defence Force	2020/21	2021/22	2022/23	2023/24	2024/25 &
Minister of Defence	2020/21	2021/22	2022/23	2023/24	outyears
Departmental Output Expense:					
Army Capabilities Prepared for					
Joint Operations and Other	_	-	s.9(2)(j)	s.9(2)(j)	s.9(2)(j)
Tasks					
(funded by revenue Crown)					
Total Operating	-	-	s.9(2)(j)	s.9(2)(j)	s.9(2)(j)

- agreed that the expenses incurred under paragraph 8 above be a charge against the Defence Capability Plan 2019 Contingent Funding to Support the Introduction of New Capabilities tagged contingency established at Budget 2020 [CAB-20-MIN-0155.10];
- agreed that the expiry date of the tagged contingency in paragraph 10 above be extended to 30 June 2022;
- noted the following balance of the Defence Capability Plan 2019 tagged contingency reflecting the decision under paragraph 6 above;

NZ \$M	Total funding to 2029/30
Current amount remaining in tagged contingency	s.9(2)(j)
CLP Linton	s.9(2)(j)
Remaining amount in tagged contingency	s.9(2)(j)

- noted that up to s.9(2)(b)(ii) will be used for preliminary works for the Burnham MSF;
- 14 **noted** that the Burnham MSF and future builds under the CLP programme will continue to seek Cabinet approval with successive Project Implementation Business Cases for each build.

Rachel Clarke Committee Secretary

Present:

Hon Grant Robertson (Chair) Hon David Parker Hon Nanaia Mahuta Hon Jan Tinetti Hon Meka Whaitiri Deborah Russell, MP

Officials present from:

Office of the Prime Minister Officials Committee for GOV

Office of the Minister of Defence

Chair, Government Administration and Expenditure Review Committee

DEFENCE: CONSOLIDATED LOGISTICS PROJECT – LINTON MAINTENANCE SUPPORT FACILITY BUILD

Proposal

1. This paper and attached Project Implementation Business Case reaffirms the need for investment in new logistic infrastructure, seeks Cabinet approval of the preferred supplier for delivering the Linton Maintenance Support Facility, and seeks approval to commit funds to enter into a commercial contract.

Relation to Government Priorities

- 2. This proposed build will help support the three key objectives of the Government's priorities (CAB-20-MIN-0525 refers). Objective 1: *Keep New Zealanders Safe from COVID-19* means constantly improving our lines of defence. The New Zealand Defence Force (NZDF) plays a major role in the All of Government response to COVID-19 through Operation PROTECT. This significant commitment is possible because of the level of preparedness that the NZDF maintains, allowing it to respond effectively to events ranging from COVID to earthquakes, floods and fires.
- 3. Preparedness comes through people, training and the ability to maintain equipment, and provide effective logistics support. The combination of these factors enables the NZDF to respond with full confidence in its capabilities. The new Maintenance Support Facility (MSF) will provide the NZDF with the tools necessary to maintain its high level of readiness, through a dedicated, fit for purpose facility.
- 4. This proposal also supports Objective 2: *Accelerating the Recovery*. The NZDF has selected a New Zealand owned and operated company to build the Linton MSF. This will involve 100-120 workers on site during peak construction, with approximately 80-85% being local contractors, and the remaining 15-20% coming from outside the region. Taking supply chains and manufacturing into account, an estimated 300-360 workers in total will be involved in the project, primarily sourced from local companies. Of the total contract value, approximately 90% (\$37 million) will be spent in the region.
- 5. Objective 3: Laying the Foundations for the Future is supported through the provision of a modern, environmentally sustainable and energy efficient facility. This will ensure that current and future generations of the NZDF are well equipped to maintain and sustain Defence equipment for the next six decades, and be better prepared to respond to the needs of New Zealand.

Executive Summary

6. Today's Defence Force uses a wide range of sophisticated equipment to provide the response options and capabilities required by Government. This equipment ranges from armoured fighting and specialist military vehicles, engineering, weapons, medical

and other supporting equipment types. The NZDF also operates highly advanced communications and other electronic apparatus such as night vision equipment. The NZDF is required to be able to support what it uses, maintain it, repair it when it is damaged, and ensure that the right equipment and parts are available at the right time, in the right place.

- 7. 'Logistics' is the term for undertaking all these tasks. Logistics is the essential foundational work that enables the NZDF to function, and, if necessary, fight. To ensure that they have logistics fit for the 21st century, the NZDF are currently undertaking the Consolidated Logistics Project (CLP), which is updating and upgrading a range of logistic functions from software to buildings.
- 8. A key component of the logistics system is the infrastructure in which to house, operate and maintain equipment. Many of the current logistic facilities in Linton and Burnham camps were built primarily in the 1940s, and have had only token and spasmodic upgrades since then. The facilities are highly degraded, cramped, cold, unsuitable as a modern day workplace and unable to functionally support the wide array of sophisticated equipment in use by the NZDF today.
- 9. CLP proposes five infrastructure builds; MSFs and warehouses in Linton and Burnham, and a regional vehicle facility in Linton. The highest priority is replacing the MSF (effectively a comprehensive workshop and engineering facility) at Linton. This is the Army's biggest workshop, supporting the widest range of equipment on the Army's biggest base the home of the Army's primary operational force, 1 (NZ) Brigade, which services over 3,000 personnel, and several hundred vehicles.
- 10. The Linton MSF forecast construction-related capital cost is \$47.066 million, which includes contingency of s.9(2)(b)(ii). This is able to be funded from the \$129.882 million capital expenditure originally approved for CLP by Cabinet in 2016 (CAB-16-MIN-0654.01 refers), including a capital injection of \$109.979 million. The forecast operating expenditure increase of s.9(2)(j) per annum will be funded from the remaining balance of the Defence Capability Plan 2019 (DCP19) tagged contingency established at Budget 2020.
- 11. If approved, construction is expected to commence in Q3 2021, with completion estimated in Q2 2023, and infrastructure occupied and fully operational from Q3 2023.

Background

Previous Cabinet Decisions

- 12. Cabinet approved a Detailed Business Case (DBC) refresh for CLP in June 2020 (CAB-20-MIN-0296 refers), and as part of the DBC refresh, agreed in principle to commencing a 'Sequenced Option' for infrastructure delivery.
- 13. A DBC refresh was required, as the initial estimated capital cost of infrastructure had escalated by s.9(2)(f)(iv). Key reasons for the cost increase included a nation-wide increase in infrastructure costs due to supply and demand issues, lengthening of project timelines, and delays in construction. It was determined that the escalated cost is able to

be funded from Defence's depreciation reserves, and a capital injection was not required.

14. Infrastructure delivery is subject to future Budget decisions and Cabinet approval of successive Project Implementation Business Cases for each build.

The Infrastructure Challenge

- 15. Army's equipment has changed over time, and maintenance, support and infrastructure needs to evolve with these changes. As the current Army workshop infrastructure has not fundamentally changed for decades, it is well behind current acceptable practice. It is not well suited to recent and planned equipment upgrades, including the current Protected Mobility Capability Project, Medium Heavy Operational Vehicles, and weapons projects. Facilities for personnel are also well below contemporary standards.
- 16. In an era where the NZDF is procuring less of each equipment type, it requires the equipment it does have to be available, serviced, and ready, in order to meet the tasks that Government requires of it, and extract the full benefits of the investment in equipment. Without investment in infrastructure, availability of equipment to support readiness is projected to decrease over time.
- 17. The infrastructure forecast for upgrades in the approved 2020 DBC refresh included:
 - 17.1. Maintenance Support Facilities (MSFs, or workshops) at Linton and Burnham;
 - 17.2. Regional Supply Facilities (RSFs) at Linton and Burnham; and
 - 17.3. Regional Vehicle Storage (RVS) facilities at Linton.
- 18. This business case is for the construction of the MSF in Linton, Army's highest priority. It also seeks authority for expenditure up to s.9(2)(j) for preliminary work for the Burnham MSF, in advance of Cabinet approval for a preferred supplier.

Investment Objectives

- 19. Five investment objectives to tackle the infrastructure challenge were agreed to prior to the indicative business case, which remain unchanged:
 - a Improve equipment availability to meet operational outcomes and training plan demands, within a reducing asset base;
 - b. Change logistics business processes to enable uniformed logistic personnel to be available for deployment on operations;
 - c. Simplify logistic processes and improve logistics outcomes within a fixed or reduced cost of ownership;
 - d. House and maintain equipment in fit for purpose infrastructure; and
 - e. Improve the cost effectiveness of equipment management and utilisation through appropriate integrated logistic support.

Proposed Linton MSF Build

- 20. The proposed infrastructure build would replace the existing Linton MSF, and consolidate dispersed workshop buildings into one premise. This allows vehicles to be repaired under cover, and highly technical equipment to be repaired in fit-for-purpose facilities.
- 21. The work required for the Linton MSF build includes relocating and demolishing the highly degraded existing facilities, and building a new 8500m² MSF with a number of ancillary buildings, such as a Dangerous Good Store, Heavy Recovery Vehicle storage, fire sprinkler pump room, and a relocated storage building. Other preparatory work has included the realignment of an 800m open watercourse and storm water network, to free up development of the wider logistics precinct, including the Linton MSF. The estimated cost to complete the realignment is s.9(2)(j) and is funded separately through NZDF depreciation funding.
- 22. The NZDF intends to operate the Linton MSF for approximately 60 years, and plans to undertake renewal and maintenance requirements at scheduled and planned intervals as part of good capability life cycle management practice.



Figure 1: Current Linton MSF

Sustainable Design Consideration

- 23. Significant consideration has been given to the design of the Linton MSF, particularly around its environmental impact and sustainability. The MSF has numerous features that promote environmental sustainability, improved energy efficiency, and a reduced carbon footprint. The build has also been designed in line with the NZDF's sustainable development policy.
- 24. The building has a resilient and flexible design that supports future change and growth. The building also has electric vehicle charging, and supports any future investment to diversify electricity supply through the use of solar / wind generation. Siting has been undertaken to allow for future modular building expansion if needed.

- 25. Furthermore, the facility has been designed to be energy and water efficient, and has been informed by thermal modelling to maximise solar gain. It has long lasting LED lighting, rainwater harvesting for water re-use, and low energy heat pump systems to provide heating and cooling. Materials selected are highly durable and locally sourced where possible (for example maximising use of local low embodied carbon timber framing).
- 26. Additional features promote health and wellbeing such as increased levels of thermal insulation, high performance double glazing, acoustic considerations and demand controlled ventilation.



Figure 2: Future Linton MSF

Implementation

27. s.9(2)(f)(iv)

- 28. As the busiest and most utilised facility, the Linton MSF is the highest priority for the infrastructure programme, and will deliver significant benefits to the NZDF. The workshop currently supports nearly 17,000 pieces of equipment, in facilities that are no longer fit for purpose.
- 29. The proposed schedule for the delivery of the Linton MSF build is set out in the table below.

Key Milestones	Timing
Approval to commit funds for Linton MSF construction	Q2 2021
Contract Signing	Q2 2021
Readiness for Service complete	Q2 2023
Platform delivery	Q2 2023
Interim Operating Capability – Linton MSF	Q2 2023
Operational Release/Full Operational Capability (infrastructure occupied and operational)	Q3 2023

Tender Process

- 30. For the selection of the Linton MSF Contractor, a two stage process was undertaken between July 2020 and January 2021: a Registration of Interest (ROI) which was advertised on the Government Electronic Tendering System, and a Request for Tender (RFT).
- 31. Ten proposals were received by the ROI close date, and four contractors were shortlisted in September 2020, following a robust evaluation process. The RFT was then issued to the shortlist, and three of the four shortlisted contractors submitted a response.

Selecting the Preferred Supplier

- 32. After a robust and thorough evaluation process, the evaluation team confirmed that the preferred contractor for the services is McMillan & Lockwood. With the highest overall score, they were the clear frontrunner following the evaluation process.
- 33. McMillan & Lockwood are a regionally-based, New Zealand-owned company, and due diligence has confirmed their ability to deliver to the high standard required. Furthermore, as they have a significant presence in the Manawatu region, they provide the opportunity to support regional development.
- 34. Defence has undertaken a number of assurance processes, including engagement with independent quantity surveyors, conducting a schedule of quantities process to detail costs of each component of the structure, and a Quantitative Risk Assessment. This provides additional cost assurance and has informed the project's ongoing risk management approach and contingency provision. Notwithstanding these measures, there remains uncertainty in the market associated with the future costs of some materials (e.g. steel).
- 35. Therefore, the final price for the build is likely to vary somewhat from the tendered price, as materials are ordered and prices are confirmed. Regardless, McMillan & Lockwood's price is within the affordability envelope stipulated for the Linton MSF build. Defence is confident that cost risks have been mitigated within the contingency sought.
- 36. The preferred tender offer has a validity period expiring on 30 June 2021. A tender validity period of this duration is commercially acceptable. Defence is working to ensure that the contract can be finalised prior to this date. Not meeting this deadline would impose additional risk on scheduling and pricing in the current construction environment, and renegotiation would be required.

Financial Implications

37. The Linton MSF forecast construction cost is \$47.066 million, which includes contingency of s.9(2)(b)(ii) . This is able to be funded from the \$129.882 million capital expenditure originally approved for CLP by Cabinet in 2016 (CAB-16-MIN-0654.01 refers), including a capital injection of \$109.979 million. The table below provides a further breakdown of the costs involved.

Linton Maintenance Support Facility (\$M)	M& L Constructio n (A)	NZDF Sided Costs (B)	Total Constructio n (C) = (A) + (B)
PIBC Capital Investment			
Construction	\$35.039M		\$35.039M
Hardstanding, Roading & Landscaping	\$3.670M		\$3.670M
Furniture, Fittings & Equipment & Soft Fit-Out	\$1.436M	s.9(2)(b)(ii), s.9(2)(j)	s.9(2)(b)(ii), s.9(2)(j)
Computers and Information Systems			
PIBC Capital Investment (excluding Contingency)	\$40.145M		
McMillan & Lockwood Tagged Contingency (Price Uncertainty)	\$0.716M		
PIBC Capital Investment contingency	\$5.421M		
TOTAL CONTINGENCY	\$6.137M	\ \ \	j
PIBC Capital Investment (including Contingency)	\$46.282M	\$0.783M	\$47.066M

- 38. The construction cost is 13.6% higher than the estimate contained in the 2020 CLP DBC refresh. This increase is the result of a combination of market related factors, and design detail and maturity. Since the initial design was developed in 2019, the market has seen a significant increase in costs, including material and labour prices. Supply chains have also been impacted due to unprecedented factors such as COVID-19.
- 39. Despite the increase in construction costs, the tendered contract amount still remains within the pre-tender estimates.
- 40. The current cost to operate and maintain the existing facility is \$0.730 per annum. The estimated cost to operate and maintain the proposed facility is \$0.730 per annum. The increase in operating costs is due to a number of reasons, including that the new building will be 83% larger than the current facility, and will include new capabilities not currently in use, such as knuckle vehicle lifts. The net increase is \$0.9(2)(i) per annum and it is proposed that the increase be funded from within the approved Defence Capability Plan 2019 (DCP19) tagged contingency, established at Budget 2020.
- 41. The existing facility has an annual deprecation cost of s.9(2)(i) per annum. The total depreciation cost for the new facility, once constructed, will be per annum. It is proposed that this net increase be funded through an uplift in depreciation funding of \$0.706 million per annum, to be sought from the tagged contingency established at Budget 2020.
- 42. The estimated Whole of Life Cost is s.9(2)(j) over 25 years, made up of in through life costs.
- 43. Defence is confident that due to the assurance processes, referenced in para 32 above, the final price on completion will be within the amount sought. Overall, the CLP project is on track to deliver all future builds within the fiscal envelope established in the DBC refresh. The workshops in Linton and Burnham are key priorities. Cost pressures of future builds will be met, if required, through a combination of contingency and

alterations to the scope and scale of Regional Supply Facilities and Regional Vehicle Storage.

44. The table below summarises the overall cost breakdown for the CLP infrastructure and non-infrastructure related costs.

Description (\$M)	Capex	Additional Depreciation	2016 Cabinet Approval
CLP Non Infrastructure	51.606		51.606
Project Team & Professional Fees	18.969	-	18.969
PIBC 1: Linton MSF	47.066	-	47.066
Linton & Burnham RSF, Linton RVS Design Stage	s.9(2)(f)(iv), s.9(2)(j)		Oell
PIBC 2: Burnham MSF	s.9(2)(f)(iv), s.9(2)(j)		C
PIBC 3: Linton & Burnham RSF, Linton RVS	s.9(2)(f)(iv), s.9(2)(j)		
CLP Infrastructure	s.9(2)(f)(iv), s.9(2)(j)	•	
Total	s.9(2)(f)(iv), s.9(2)(j)	×0,	129.882
		.6	
Funded by (\$M)	Total	Depreciation	Capital

Funded by (\$M)	Total	Depreciation	Capital Injection
2016 Cabinet Paper	129.882	s.9(2)(f)(iv), s.9(2)(j)	109.979
2020 Refreshed DBC	s.9(2)(f)(iv), s.9(2)(j)		-
Total	s.9(2)(f)(iv), s.9(2)(j)		109.979

Next Steps

45. The remaining priorities for the CLP infrastructure programme are the Burnham MSF and Regional Supply Facility (RSF), and the Linton Regional Supply Facility and Regional Vehicle Storage (RVS) to house the Medium Heavy Operational Vehicles (MHOV).

46. s.9(2)(j), s.9(2)(f)(iv)

47. Funding for the capital costs of these builds will be sought from a combination of residual funding available from the 2016 CLP DBC, and depreciation reserves. Future Project Implementation Business Cases will detail operating cost and funding sources prior to consideration by Cabinet. This may include reprioritisation of existing NZDF baselines, or through the approval of future Budget submissions.

48. s.9(2)(f)(iv)

Other Implications

49. There are no legislative, gender, disability, climate change, or human rights implications resulting from this proposal.

Consultation

50. This paper has been prepared by the Ministry of Defence and the New Zealand Defence Force. DPMC has been informed. Treasury has been consulted.

Communications and

51. It is proposed that the Minister of Defence issues a press release announcing the infrastructure project after the contract with McMillan & Lockwood is signed.

Proactive Release

52. This paper, and other relevant papers relating to the build will be proactively released, with appropriate redactions, once the contract has been signed.

Recommendations

The Minister of Defence recommends that the Committee:

- note that the refreshed Consolidated Logistics Project Detailed Business Case approved by Cabinet in June 2020 outlined a sequenced option for progressing with infrastructure delivery, subject to approval of successive implementation business cases for each build (CAB-20-MIN-0296 refers);
- note that the current workshop facilities at Linton are not fit for purpose, and have insufficient capacity and functionality to cope with the range, volume and complexity of modern equipment;
- 3. **note** that the proposed solution to these issues is the investment in the Linton Maintenance Support Facility (MSF), as currently designed, which will address these issues through an innovative, and future-focused design;
- 4. **note** that the Whole of Life Cost for the proposed build is years, comprising \$47.066 million of construction-related costs and contingency; s.9(2)(b)(ii) of pre-approved contract and management costs; and in through life costs;
- 5. **note** that the forecast operating expenditure increase of s.9(2)(j) per annum, and depreciation uplift of \$0.706 million per annum, is able to be funded through the Defence Capability Plan 2019 tagged contingency established at Budget 2020;
- 6. **note** that the total capital cost for construction, including contingency, of \$47.066 million is able to be funded from within the existing Cabinet approval of \$129.882 million (CAB-20-MIN-0296 refers) including \$110.420 million of capital injection;

- authorise the Chief of Defence Force to commit and approve expenditure of public money up to the amount of \$47.066 million for the design and construction of the Linton MSF:
- 8. **approve** the following changes to appropriations and departmental capital injections to give effect to recommendation 7 above, with a corresponding impact on the operating balance and/or net core Crown debt;

	NZ \$m – increase/(decrease)				
Vote Defence Force	2020/2	2021/22	2022/23	2023/2	2024/25 &
Minister of Defence	1	2021/22	2022123	4	outyears
Departmental Output Expense:					0
Army Capabilities Prepared for Joint			s.9(2)(j)	s.9(2)(j)	s.9(2)(j)
Operations and Other Tasks	_	-	3.0(2)()	5.8(Z)(J)	ر المراجعة
(funded by revenue Crown)					
Total Operating	-	-	s.9(2)(j)	s.9(2)(j)	s.9(2)(j)

- agree that the expenses incurred under recommendation 8 above be a charge against the Defence Capability Plan 2019 Contingent Funding to Support the Introduction of New Capabilities tagged contingency established at Budget 2020 (CAB-20-MIN-0155.10 refers);
- 10. **note** the following balance of the Defence Capability Plan 2019 tagged contingency reflecting the decision under recommendation 6;

NZ \$M	Total funding to 2029/30
Current amount remaining in tagged contingency	s.9(2)(j)
CLP Linton	s.9(2)(j)
Remaining amount in tagged contingency	s.9(2)(j)

- 11. **note** that up to s.9(2)(b)(ii) will be used for preliminary works for the Burnham MSF; and
- 12. **note** that the Burnham MSF and future builds under the CLP programme will continue to seek Cabinet approval with successive Project Implementation Business Cases for each build.

Authorised for lodgement

Hon Peeni Henare

MINISTER OF DEFENCE

[The Project Implementation Business Case is withheld under s.9(2)(b)(ii) and s.9(2)(j) of the OIA.]