TE OPE KĀTUA O AOTEAROA
DEFENCE FORCE

Defence Estate and Infrastructure

DEI PORTFOLIO DASHBOARD TACTICAL REPORT

January Month-End FY 2025-2026

Consolidated and Prepared by the DEI Portfolio Management Office

Opening of Tū Manawa Ora – Burnham Centre for Military Health and Performance

Aviation Fuel Installation at RNZAF Base Ohakea

New housing construction at Linton Military Camp

Please note: Report has been amended to remove CIC Programme Finances

DEI PORTFOLIO QUARTERLY SUMMARY DASHBOARD REPORT as at 28 February 2026

PORTFOLIO SUMMARY

Portfolio Health Status

The Defence Estate and Infrastructure (DEI) Portfolio has improved from Amber/Yellow to Yellow since the September 2025 report. This is due to Cabinet's approval of the Future Naval Base and Horizontal Infrastructure Programme Business Cases in November 2025. Further positive momentum comes from the opening of the Burnham Military Health Centre in Christchurch on 18th February. The Ohakea Infrastructure Programme and the Homes for Families Programme are nearing key delivery milestones with practical completion of the Fuels Precinct soon and the opening of 23 homes across Linton, Ohakea, and Burnham by April 2026.

The Horizontal Infrastructure Workstream has now been initiated underneath DERP. The DERP team are now working on how we will implement the delivery.

The Infrastructure Master Plan (IMP) for Devonport Naval Base was completed in late 2025 and has now been signed and published. Developed alongside the Future Naval Base Programme Business Case and the DECAP workstream, the IMP provides the spatial framework to guide future development and infrastructure renewal across the base.

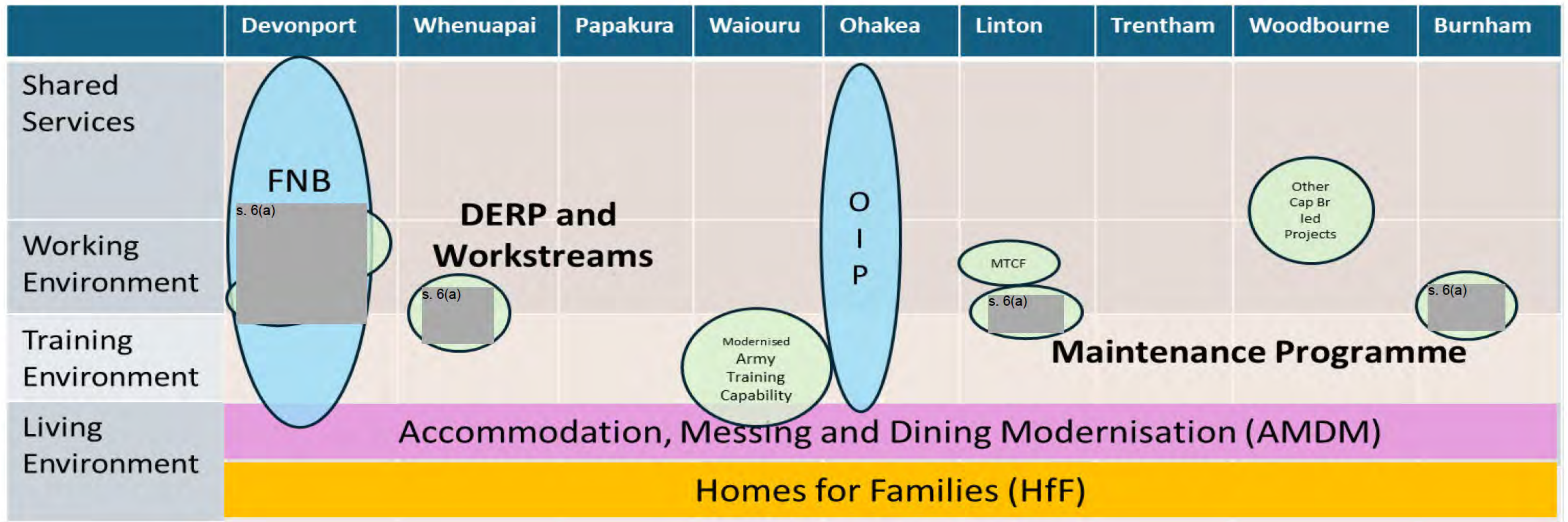
In late February SPAB approved the preferred suppliers for each Camp and Base under the Future Facilities Maintenance Project (Future FM). Negotiation with preferred suppliers has commenced, with contracts intending to commence from 1 June 2026 at Trentham, 1 July at Burnham, and with other camps and bases to follow. These contracts represent a significant shift from outputs based to input based requirements. This will provide greater control and transparency over our Maintenance Programme. DEI resource is being shifted to support the seemless transition.

DEI is currently carrying a substantial number of vacancies (20% of roles) which adversely impacts the ability of teams to deliver on previously agreed work programmes. This risks manifesting in several ways, most notably the ability to move projects through our Capital Project Delivery Framework (CPDF). This could manifest as outyear CAPEX underspends. Recruitment activity has commenced for the highest-priority DEI roles; however, the limited capacity of NZDF recruitment resources constrains progress through the prioritised vacancy list DEI has established. With workload high, it will not surprising to see the impact on morale reflected in the 2026 Force Readiness Survey results.

At the February IVC there was discussion around benefits traffic lights. RAYG status shows divergence from plan/baseline. Most benefits in the portfolio are shown as Green because most programmes are very early in their lifecycle with no benefit realisation expected at this time. s. 9(2)(g)(i) [redacted]. Benefit realisation is both years away and highly dependent on on-going programme funding, not just for FNB but also for OIP, HfF and AMDM. Even so, benefits management needs to mature as reflected in the DEPP. It is intended to present a portfolio-level benefits map to IVC every August. This will be part of a summary of cumulative progress made against the 15 year

VISUALISING THE PORTFOLIO

Estate regeneration projects and workstreams stretch across the estate as does the Maintenance Programme. Other DEI-led programmes are either geographically focused or asset class focused. Non-DEI-led programmes/projects (in green) contain infrastructure elements, highlighting the need for close coordination with other portfolios, particularly Capability. This relationship is depicted below.



DEFENCE ESTATE PORTFOLIO ROADMAP SNAPSHOT 2026-2027

All DEI-led infrastructure programmes scheduled across 2026 and 2027 are depicted below. Major decision points or milestones (Business Case submissions to Cabinet Committee, Practical Completion dates, etc) are highlighted. The quality of information in this graphic will continue to improve and minor timing changes to milestones can be expected. While IVC will see this graphic infrequently, the DEI Portfolio Office will update it at least monthly so that it helps provide a clear view of programme status, sequencing, and delivery expectations across a two-year period.

DEI Led Programme's	2026				2027			
Yearly Quarters	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Defence Estate Regeneration Programme *Only showing Projects over $25M* *Please refer to DERPB Reports for all Projects Pipeline*	s. 9(2)(f)(iv), s. 9(2)(g)(i) [redacted]							
Workstream: Burnham Infrastructure *Only showing Projects over $25M* *Please refer to DERPB Reports for all Projects Pipeline*								
Workstream: Horizontal Infrastructure								
Ohakea Infrastructure Programme Tranche 2								
Tranche 3 & 4 - *TBD*								
Homes for Families Tranche 1 - *Phase 1*								
Tranche 1 - *Phase 2*								
Tranche 1 - *Phase 3*								
Tranche 1 - *Phase 4*								
Tranche 2 - *TBD*								
Future Naval Base Programme Tranche 1 8 Projects - Practical Completion dates TBD								
Tranche 2 TBD								
Tranche 3 -7 TBD								
Accommodation Messing & Dining Programme Linton - *On hold*								
Workstream: Barracks Modernisation Tranche 1 *(B26)*								
s. 9(2)(f)(iv) [redacted]								

Legend

Programme Stages Legend	Portfolio Stages	Colours/ Symbols
Pre-Project	Strategy	Grey
Initiate (ATI)	Define	Green
Design & Planning (AIP)	Define	Orange
Construction	Delivery	Blue
Practical Completion		★
Confirmed Business Case Date - Cabinet Committee		▲ (green)
Forecasted Business Case Date - Cabinet Committee		▲ (yellow)

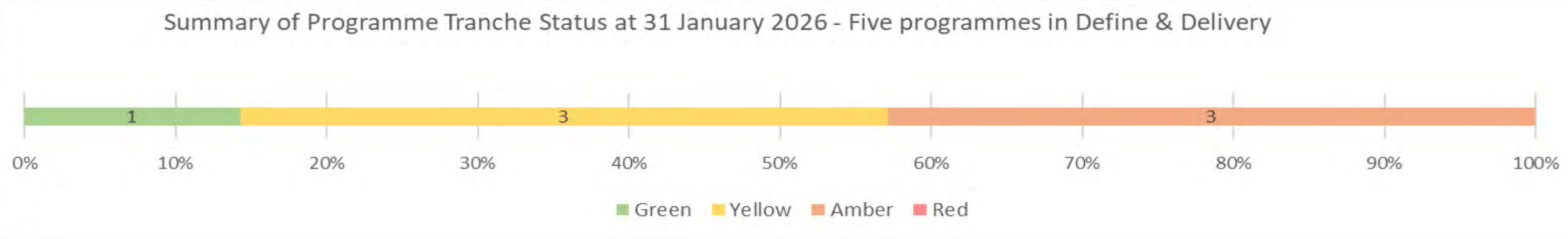
Forecast milestones subject to change

DEI-LED PROGRAMMES/PROJECTS MONTHLY DASHBOARD REPORT as at 31 January 2026

OVERVIEW

This dashboard provides a high-level overview of all Capex Programmes and Projects in the DEI Portfolio. Overall portfolio health remains as Yellow.

Timing delays across multiple projects are reflected below, largely due to scope changes, resource constraints, and funding uncertainty in several tranches and projects. These factors are collectively impacting delivery confidence and contributing to the current portfolio status reporting. The ability to get timely decisions has also been indentified as a challenge. Work is underway across the portfolio to identify opportunities to move through the required milestones faster without compromising quality and compliance.



	Programme Name	Overall Status: This month	Overall Status: Last report	Budget	Schedule	Risk	% funded	Benefits Status	Commentary
DEFINITION	Accommodation Messing & Dining (AMDM) *Including Workstreams: Barracks Modernization (BMW)*	A	A	G	A	A	0%	G	The Investment Committee endorsed the AMDM way forward in November 2025 and subsequently approved the draft Detailed Business Case (DBC) for Barracks Modernization s. 9(2)(f)(iv) [redacted]
	Homes for Families Programme (HfF) - Tranche 1 & 2	Y	Y	G	Y	Y	T1 - 39% T2 - 0%	G	s. 9(2)(j) [redacted] The T1P3 SSLBC draft has been completed and is currently under review, with the RFP scheduled to close on 15 January. For T1P4, a draft SSLBC has been completed, with Budget 2026 funding required to move forward. Work has commenced on the Tranche 2 Detailed Business Case.
	Future Naval Base Programme (FNB) - all 7 tranches	Y	Y	Y	Y	A	0.40%	Y	Cabinet approved the Future Naval Base Detailed Business Case on 24 November 2025, and the Associate Minister of Defence announced the programme at Devonport the following day. The RAYG status has shifted to Yellow to reflect that approval. DEI Strategy is now considering the approach for FNB Tranches 2 and beyond. Programme stand-up activity is underway.

	Programme Name	Overall Status: This month	Overall Status: Last report	Budget	Schedule	Risk	% funded	Benefits Status	Commentary
DELIVERY	Defence Estate Regeneration Programme (DERP) *Including Workstreams: Burnham Infrastructure (BHW), Rolling Replacement (RRW) & Horizontal Infrastructure (HIW)*	A	A	A	A	A		Y	Two projects at Waiouru (WAI Water Treatment Plant and Abstraction) are paused while DERPB consider initiating a WAI Potable Water Network project that will change the sequencing of water projects in Waiouru and deliver better value for money. DERP is managing positive cash flow variance due to construction lifecycle fluctuations. Scenario options to address this pressure are being developed and will be presented to DERPB alongside the DERP Q2 update.
	Ohakea Infrastructure Programme (OIP) - Tranche 1 & 2	A	A	G	Y	A	100%	Y	Tranche 1: Construction complete; closeout progressing. Tranche 2: 99% complete. Budget related risk signalled to EIC in Aug 25 remains a concern, and is being closely monitored despite current estimates being within budget. Tranches 3 & 4: Awaiting direction on how to proceed given further funding is unlikely before B28. Amber risk relates to funding of future tranches and commisioning/certification/personnel traing risks related to the Fuels Project.
	Homes for Families Programme - Tranche 1 (Phase 1 & 2)	G	Y	G	G	G	100%	G	Construction is currently underway at Linton, Ohakea (the pilot), and Burnham. Practical Completion for the 10 Burnham homes is scheduled for 1 March 26. Five homes at Ohakea are scheduled for 25 March 2026, while the eight Linton homes are scheduled for 1 April 2026. An opening ceremony is being planned in coordination with the Associate Minister's Office.
	Future Naval Base Programme - Tranche 1	Y	Y	G	G	Y	17%	G	Project briefs were approved in Dec 25 to move into Phase 1. The Statement of Works to progress concept designs has also been approved. The Case for Change workshops was completed in Dec 25 with progression into the Long List Options workshops in Jan/Feb 26 scheduled to be completed early March 26. An Asset map overlay of various works planned for Devonport Naval Base is also in progress. Following the Feb IVC decision, Small Boats Storage is in the process of shifting from DERP to FNB.

Commentary for Programmes that have Red RAYG indicators in any area

%of total programme/tranche funding secured

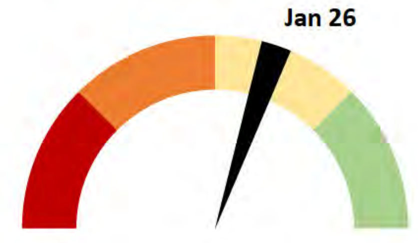
Programme Name	RAYG	Area	Risk/Issue	Get to Green Plan
There are no programmes predicting a change this period.				

Programme Name	Current	Next	Commentary
There are no programmes predicting a change this period.			

DEI-LED PROGRAMMES & PROJECTS PORTFOLIO SUMMARY

Progress of Programmes towards Government Submissions 2026

Cabinet Committee Date	Title	Type of Document	Submission Date to the Minsters Office
s. 9(2)(f)(iv) [redacted]	Barrack Modernisation	Detailed Business Case	s. 9(2)(f)(iv) [redacted]
	Homes for Families Tranche 1 Phase 3	Approval to Deliver	
TBC	Ohakea Infrustratcure - Tranche 3 & 4	Detailed Business Case	TBC
TBC	Homes for Families - Tranche 2	Detailed Business Case	TBC



Programme Health Status

The overall portfolio health remains as Yellow, with continued movement towards Green.

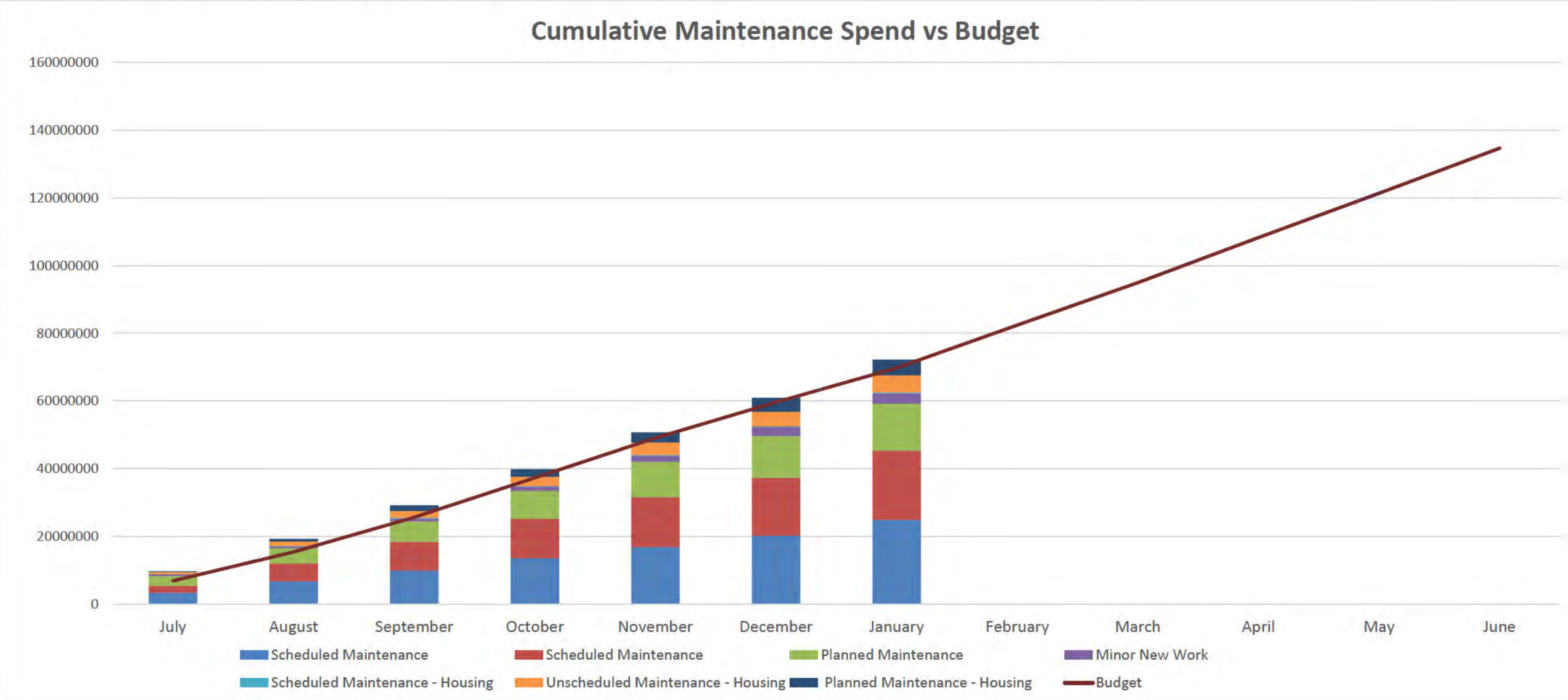
Status of Projects over $25M Whole of life Cost

	DERP	OIP	AMDM	HfF	FNB	Total	
Green	15	1			5	21	On track, no issues
Yellow	4			1		5	Manageable with minor issues
Amber			1			1	Issues may require intervention
Red							At risk, requires intervention

DEI PORTFOLIO MONTHLY FINANCE DASHBOARD REPORT as at 31 January 2026

MAINTENANCE EXPENDITURE

As of January 2026, DEI Maintenance is overspent by (1%). The variance is primarily driven by project and task timing changes. However full year expenditure is expected to align with the annual budget.



CAPITAL EXPENDITURE BY LOCATION

Actual Spend & Forecast by Location ($M)

$M Location	Jan YTD Forecast*	VAR	FY 2025/26 Forecast*
ESTATE Burnham	40.28	(4.36)	55.02
ESTATE Devonport	17.46	9.43	33.76
ESTATE Linton	13.96	(0.48)	22.54
ESTATE Ohakea	31.25	6.12	35.78
ESTATE Papakura	0.53	(0.05)	13.22
ESTATE Trentham	0.82	(0.29)	2.14
ESTATE Waiouru	10.72	(0.86)	30.16
ESTATE Whenuapai	6.54	(1.54)	11.21
ESTATE Woodbourne	0.13	(0.15)	0.13
ESTATE Unallocated	7.68	(0.60)	17.82
Total Allocated Funding	**129.37**	**7.23**	**221.78**
Total Defence Estate Portfolio Funding	**129.37**	**7.23**	**221.78**

CAPITAL EXPENDITURE

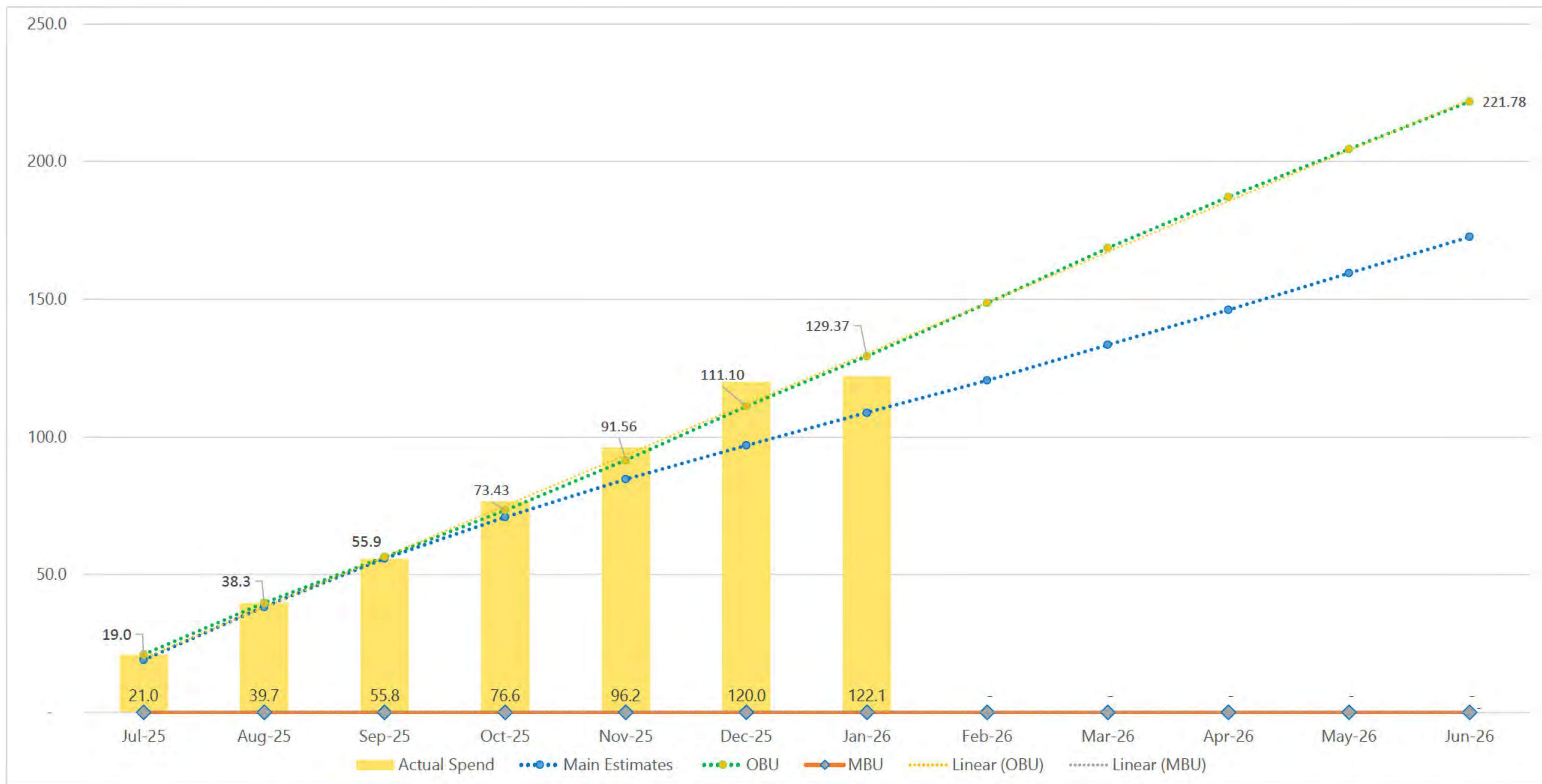
DEI-led capital expenditure (Capex) for the year to January 2026 totals $122.14M, compared with a forecast of $129.37M, an underspend of 7.23%. This reflects a shift from December 2025, when programmes were tracking at an 8.93% overspend.

The primary driver of the current variance is the Ohakea Infrastructure Programme, where timing differences related to project practical completion activities have resulted in an underspend this month, once closure activities are finalised, this timing variance will be eliminated (before year end). Contributing to the programme variance was one-off lump-sum payments that were processed instead of the planned monthly invoicing. As is typical in the construction lifecycle, delivery sequencing and activity fluctuations create uneven expenditure patterns across the year. All DEI-led programmes continue to forecast completion within their Cabinet-approved budgets. Further analysis of the FNB underspend is occuring.

DEI-Led	Jan YTD ($M)			Full Year
Project	Actual	Forecast	Variance	Mains
Homes for Families	s. 9(2)(j)			37.84
Accommodation Messing & Dining				0.4
Ohakea Infrastructure Programme				30.9
Future Naval Base				11.26
Property Acquisition				4.25
DERP				137.13
Total	122.14	129.37	7.23	221.78

NZDF	Jan YTD ($M)			Full Year
Portfolio	Actual	Forecast	Variance	Mains
Defence Estate Infrastructure	122.14	129.37	7.23	221.78

CUMULATIVE CAPITAL EXPENDITURE GRAPH



TE OPE KĀTUA O AOTEAROA DEFENCE FORCE

Defence Estate and Infrastructure (DEI) RISK PROFILE REPORT – Jan 2026

Previous report Oct 2025, next update Apr 2026

Maturity

People, processes and tools are available and sufficiently mature to successfully deliver infrastructure investments.

NZDF Risk Appetite: Cautious

Our overall philosophy for risk taking is a preference for safe delivery. We will only put this at risk if the possibility of failure is limited and heavily outweighed by benefits.

Indicators and RAYG Status

DEI people, processes and tools are increasing the speed of project progress.

Last	Current	6mth Forecast
Medium	Medium	Medium

Current Commentary and Treatment

- The DEI Strategy 2019–2025 is being refreshed to ensure alignment with Defence priorities such as the DCP 25 and the wider NZDF Strategy. The refresh will also account for emerging risks and changes in the operating environment. A key focus is strengthening collaboration, integration, and alignment with the DEI Alliance Roadmap to 2031. The updated strategy will be submitted to governance boards for consideration by mid-2026.
- DEI is carrying a high number of vacancies across the portfolio. This has been impacting morale, performance and the capacity of teams to deliver as per previously agreed plans.
- Work is underway on the report back to the CO (23) 9 Asset Management attestation presented in July 2025. The report is a six months check on how DEI will achieve compliance against the two areas of non-compliance, being:
  1- demonstrate appropriate level of asset management practice and performance, and
  2- maintain asset management plans to inform strategic, tactical and operational choices.

Evidence & Measures

- DEI Alliance KRAs.
- Improvements in Business Case methodology.
- Procurement using multiple accepted methods.
- FM Providers KRAs.
- CO (23) 9 Asset Management Attestation

Delivery

A fit for purpose Estate and Infrastructure Is delivered to NZDF as expected by government.

NZDF Risk Appetite: Cautious

Our overall philosophy for risk taking is a preference for safe delivery. We will only put this at risk if the possibility of failure is limited and heavily outweighed by benefits.

Indicators and RAYG Status

Increased delivery against budget and schedules of projects prioritised from asset information

Last	Current	6mth Forecast
Very High	High	Medium

Current Commentary and Treatment

- The CO (26) Government Decisions and Actions in the Pre-election Period may impact the delivery of the DEI programmes and project that depend on Ministerial or Cabinet approvals or endorsements, as no significant decisions will be taken between 7 August and 8 November 2026..
- Approximately 70% of horizontal infrastructure is at end-of-life or operating at maximum capacity, limiting support for new vertical assets. Projects are exceeding budgets as they absorb these additional costs.
- Continued deferral of horizontal infrastructure through re-prioritisation and budget constraints increasing risk of failure. The Horizontal Infrastructure Workstream Business Case was approved by Cabinet in November 2025.
- The Estate's Maintenance Programme faces a $514M backlog of identified but unfunded initiatives. While a cost pressure bid secured $26M per annum, over four years for Defence Infrastructure, that is not sufficient to meet estate requirements.

Evidence & Measures

- Promulgation of PMP projects and ongoing tracking and reporting of progress against plan to all stakeholders.
- Metrics demonstrating greater accuracy of costs and estimates through the project life cycle. Compare AIP / ATI to ACF and final costs.

Confidence

NZDF, Treasury and Ministers have confidence in DEI's ability to deliver and manage its portfolio.

NZDF Risk Appetite: Minimal

Our overall philosophy for risk taking is extremely conservative. We will only put this at risk if essential, and the possibility of failure is limited.

Indicators and RAYG Status

Feedback on key investment decisions and a secured construction funding pipeline.

Last	Current	6mth Forecast
Medium	Medium	Medium

Current Commentary and Treatment

- Financial performance across key DEI programmes has shown a sustained reduction in variance, even as programme volumes have increased. Enhanced capital forecasting processes have contributed to maintaining minimal levels of variation when compared with other major NZDF portfolios.
- Cabinet approved the Defence Estate Portfolio Plan (DEPP) in August 25. The Plan advances the case for a Estate that enables Defence outputs and operations in a structured and affordable way by investing in core locations that directly support operations, military training and output delivery; in service- critical assets, and resilience, while progressively lifting the overall standard of asset performance.
- As part of the National Infrastructure Plan, five programmes & DEPP have been given approval through the Infrastructure Priorities Programme to proceed to the next stage. AMDM and OIP were regarded as investment ready.

Evidence & Measures

- All documentation reflects government policy.
- Annual report on progress of the DERP, to reflect benefit realisation.
- A monthly portfolio report delivered to governance requirements.
- Maintenance of strong engagement with iwi.

Affordability

DEI remains within indicative funding envelope set by DEPP 2025.

NZDF Risk Appetite: Flexible

Our overall philosophy for risk taking is to take strongly justified risk. We will only put this at risk if we can manage the impacts.

Indicators and RAYG Status

Development of Programme budget tolerances, delegations and contingencies.

Last	Current	6mth Forecast
Very High	High	Medium

Current Commentary and Treatment

s. 9(2)(g)(i) [redacted]

- Ohakea Infrastructure Programme (OIP) is funded through to Jun 26. The Defence Capability Plan (DCP) 24 indicates the remainder of funding through to Budget 28. The funding gap between 26 and 28 might impact tranches 3 and 4 s. 9(2)(g)(i) [redacted] which is a high risk for Defence strategic outcomes. The Estate cannot maintain the programme without additional funding.
- The Estate Capital budget funded by depreciation for 25/26 was confirmed as $120M. This amount is far below the approximately $500M required per annum to deliver fit for purpose and sustainable infrastructure as specified in the DEPP 25.

Evidence & Measures

- Engagement with Ministers, Ministry of Defence and the Treasury.
- Ministers well informed.
- Organisational flexibility (agility to re-plan).
- Active monitoring of legislation changes.
- Cabinet approval of HfF and FNB funding in budget 25.

Coherence

DEI capability coherence is maintained to levels that ensure ability to deliver on Estate capital and maintenance expectations.

NZDF Risk Appetite: Cautious

Our overall philosophy for risk taking is a preference for safe delivery. We will only put this at risk if the possibility of failure is limited and heavily outweighed by benefits.

Indicators and RAYG Status

The quantity of changes or deviations from approved construction and maintenance plans.

Last	Current	6mth Forecast
Medium	Medium	Medium

Current Commentary and Treatment

- In December 2025, DEI was realigned from the Vice-Chief of Defence Force (VCDF) to the Chief Joint Defence Services (CJDS) portfolio.
- Future Naval Base Programme Business Case was approved by Cabinet in November 2025.
- The impact of the Workforce Savings Programme's outcomes on civilian functions across DEI that support delivery of the DEPP, coupled with the high reliance on people networks within NZDF.
- DEI and Capability Branch have agreed a MOU based on the DEI Alliance professional services approach for the Capability projects PRICIE infrastructure elements. Projects with infrastructure components will now have access to design standards and whole of life costing approach developed by DEI Alliance, which can improve integration of new Cap Branch and MOD infrastructure requirements with DEI systems.

Evidence & Measures

- Regular refresh of camps and bases master plans.
- Business Continuity Plan execution and reporting on lessons identified.
- Application of PRICIE on CapBr linked programmes.
- FNB Programme Business Case

Note: The delivery and affordability risk ratings have been reassessed against the stated goals and indicators of good performance. While our ability to utilise allocated funding for its intended purpose continues to strengthen, this progress is often overshadowed by a focus on funding shortfalls rather than the effective use of resources provided by government. Insufficient funding remains a critical constraint and will ultimately affect our ability to deliver on the DEI vision. Accordingly, the delivery and affordability ratings have been re-baselined to ensure alignment with our objectives and the standards previously defined as indicators of success.