

ONE PAGE ASSESSMENT OF PROJECTS

Project

Whanganui Port Revitalisation Project – Stage 1c Geotechnical assessment

Lead Agency: MBIE

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The project is to conduct investigative works that will enable infrastructure projects which, if not done, will prevent other investments in the Whanganui Port precinct being made. It is part of a wider project to revitalise the Whanganui Port. This particular part entails:

- Complete further technical work (including geotechnical) and an engineering assessment of the existing wharf structures etc.;
- undertake additional design work;
- review various options for vessel launch infrastructure;
- undertake a value engineering exercise; and
- complete the business case for the next stage of the development, which builds on the results of these investigations.

The short term objectives of this stage of work are to inform the design of a boat hoist (for ship building and repairs) and strengthening of existing wharf infrastructure. It will be used to inform the Stage 2 business case that will be presented to the potential and current funding partners in Local Government, Central Government and Industry.

Longer term, the aim is that a revitalised Whanganui Port will secure the use of the area as a coastal shipping location, will provide a more extensive area for value added specialist manufacturing, commercial boat construction, refit services, recreational boat storage, expand freight and logistics servicing capability and make Whanganui potentially attractive to related industries.

Budgets

- The overall cost for this project is \$120,000
- Whanganui District Council has committed \$30,000
- Whanganui District Council sought \$90,000 from central government which was approved by Senior Regional Officials on 25 January 2018. This is operational expenditure.

Assessment

The project fits with the PGF criteria in that it contributes to lifting the productivity potential of the region, more jobs, improved social inclusion, Māori development, environmental sustainability and increased resilience. The work will likely retain 125 skilled jobs in the boat building sector and is expected to create an additional 160 new jobs as other maritime and boat building businesses establish in the revitalised Port area. It is expected to act as a catalyst to attract new investment and businesses to the District as well as ensuring lower river protection works are fit for purpose. The project will also serve to create a revitalised public space in the Port area including bars and restaurants. The project also aligns with a three-year project to strengthen the track at Castlecliff and to connect the line between Palmerston North and New Plymouth being undertaken by KiwiRail

which will aid exporters.

The Whanganui Port Revitalisation Project has been identified in the Manawatū-Whanganui Region's Accelerate 25 Plan as a high priority project.

Governance and costs

- The project is being managed by Whanganui District Council. Governance is provided by the Whanganui Port Revitalisation Programme Governance Group which is represented by business, Whanganui River iwi (Tupoho), District Councillors, Central Government and the Whanganui economic development agency.
- Total costs of the wider project (whole of life) are estimated to be \$90 million with direct economic benefits of the project estimated at \$24 million per annum.
- Non-financial benefits include increased resilience against flooding events, improved resilience of port infrastructure to meet demand and provide alternatives in event of disaster, and opportunity for a revitalisation of Whanganui.

What risks are there?

- Momentum stalls in relation to the Port works to be done in Stage 2 resulting in the cornerstone private boat building businesses relocating to a Port elsewhere that already provides some services such as deep water launching facilities.
- Inadequate funding committed by the local councils and private sector to match government's financial contribution.
- Poor financial management and oversight of the works undertaken in Stage 2.

Recommendation

Please note that \$90,000 was approved for this project under delegation powers of Senior Regional Officials.

We recommend announcing this project as it will inform further work on a project that could be transformative to Whanganui and the wider Manawatū-Whanganui region.

Appendix - supporting documents

Whanganui Port Revitalisation Programme: Stage 1c – Business Case

Whanganui Port Revitalisation Roadmap & Timeline