

OC250479

08 July 2025



Dear 

Thank you for your request dated 24 May 2025 under the Official Information Act 1982 (the Act), seeking the following information:

“What investment analysis was carried out before the government's 2023/24 investment of \$3.564 million in Whanganui Airport?”

What advice was given to the minister or other decision maker?

What rate of return on the investment is expected?”

I am responding to your request by firstly, attaching relevant excerpts from one of the two documents that are in scope, and secondly, providing more context for how the Ministry of Transport assesses the capital expenditure plans of the five joint venture (JV) airports. Whanganui Airport is one of five JV airports in which the Crown has an ownership interest through a JV arrangement. Please note that the amount paid by the Crown for the capital project at Whanganui Airport in 2023/24 (the resealing of the runway) was \$3.368 million, and not \$3.564 million.

Documents in scope of your request

Two documents fall within the scope of your request. Both are in response to your second question. The document schedule at Annex 1 outlines how these two documents have been treated under the Act.

I have provided relevant excerpts from Document 1 (attached as Annex 2) only, because most of the content of this document is out of scope of the request. Section 16(1)(e) of the Act permits information to be made available “by giving excerpts or a summary of the contents”. In addition, certain information has been withheld under the following section of the Act.

9(2)(a)	<i>to protect the privacy of natural persons</i>
9(2)(b)(ii)	<i>to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</i>

Under section 9 of the Act, we consider the reasons for withholding the information at this time are not outweighed by any public interest considerations that would make it desirable to make the information available.

Regarding Document 2, I am refusing your request under the following section of the Act:

18(d)	<i>the information requested is or will soon be publicly available.</i>
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Regarding your first and third questions, I am unable to provide any specific documents related to these issues, and therefore Section 18 (g) of the Act applies:

The information requested is not held by the department ... and the person dealing with the request has no grounds for believing that the information is either:

(i) held by another department (for itself and for a departmental agency hosted by it or an interdepartmental executive board serviced by it) or interdepartmental venture or Minister of the Crown or organisation, or by a local authority; or

(ii) connected more closely with the functions of another department (for itself and for a departmental agency hosted by it or an interdepartmental executive board serviced by it) or interdepartmental venture or Minister of the Crown or organisation or of a local authority.

Capital expenditure at Whanganui airport

The following information may be helpful as it provides context in relation to how the Ministry of Transport determines whether the Crown will fund a specific capital project at any of the JV airports.

This process does not involve investment analysis nor assessing the rate of return on that project. Instead, under the various JV Deeds (including the JV Deed with Whanganui District Council), the Crown (through the Ministry of Transport) is obliged to fund 50% of mutually agreed capital expenditure which the Crown and the Council may consider necessary for the airport, and 50% of operating losses.

The Crown focuses on ensuring the safe operation of the airport in a secure environment, which ultimately promotes regional connectivity for the community, including for emergency services. The Crown is obliged to co-fund capital expenditure where the consequence of the works not being completed would result in a loss of the airport's CAA certification and its ability to continue operations. This means the Crown can only decline capital funding requests where the expenditure is judged to be discretionary to airport operations. The runway reseal project at Whanganui airport was assessed as being required under Part 139 of Civil Aviation Rules to maintain the runway surface in good condition and to maintain the continued safe operation of the airport.

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman's website www.ombudsman.parliament.nz.

The Ministry publishes our Official Information Act responses, and the information contained in our reply to you may be published on the Ministry's website. Before publishing we will remove any personal or identifiable information.

Nāku noa, nā



Bryan Field
Manager – Programme Monitoring and Investment Management

Annex 1: Document Schedule

Doc #	Reference number	Date	Title of Document	Proposed decision on request	Previously released?
1	Briefing OC240145	29/04/2024	Crown – Council Joint Venture Airports	Some material withheld under Section 9(2)(a) and Section 9(2)(b)(ii)	No
2	Cabinet minute CAB-20-MIN-0155.34	20/04/2020	2020 Budget Package: Vote Transport https://www.treasury.govt.nz/sites/default/files/2020-07/b20-cab-20-min-0155-34-4269006.pdf	Refused under Section 18(d) Note: this document has been proactively released	Yes

Annex 2

Excerpts from: OC240145 Crown – Council Joint Venture Airports (Dated 29 April 2024)

Page 1:

Joint Venture airports - key points

- The Ministry of Transport (the Ministry) manages the Crown's interest in five joint venture (JV) airports, located at Whangārei, Whakatāne, Taupō, Whanganui, and Westport.
- The airports are significant contributors to local and regional economies, and in some instances are strategically important from a resilience perspective, providing connectivity for emergency management purposes such as extreme weather events.
- As Minister of Transport, you have responsibility for approving fee reviews, capital expenditure over \$300,000, and landing fees and charges.

Page 3:

Recommendations

We recommend that you:

8. **note** that the Crown is liable for fifty percent of the costs incurred by Whanganui Council in resealing the Whanganui airport runway, which was completed in December 2023 as a necessary step to retaining CAA accreditation, and for which the funding has already been included within the Multi year Appropriation.
9. **approve** payment of the Crown's fifty percent share of \$3,368,134 towards the runway reseal at Whanganui Airport, from the Joint Venture Airports Multi Year Appropriation
10. sign the draft letter in **Appendix Six** confirming that the Crown will meet its financial obligations to the runway reseal at Whanganui airport.

Yes / No

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Approval of Capital expenditure required for Whanganui Airport runway reseal

- 26 Whanganui Airport has submitted a payment request of \$3,368,134.47 for the Crown's fifty percent share of funding towards the reseal of the airport runway. This work was carried out in 2023 and completed in December 2023. Further details on this payment request are included at **Appendix Five**. A draft letter confirming that the Crown will meet its obligations is attached at **Appendix six**

APPENDIX FIVE: WHANGANUI AIRPORT RUNWAY RESEAL

Whanganui Airport has completed a critical reseal of the airport runway

Whanganui Airport runway was previously resurfaced with chipseal in 2007, with regular maintenance work to seal surface cracks occurring each year since 2017. The chipseal surface was deteriorating significantly, potentially creating an unsafe surface for aircraft to operate on.

A Budget bid in 2020 allocated \$4.001 million to the MYA for the Crown's estimated share of the runway reseal, s 9(2)(b)(ii) at the airport. Construction on both projects was set to begin in late 2020 but was delayed due to the COVID-19 pandemic.

Ongoing delays led to a significant increase in costs to both the runway reseal and s 9(2)(b)(ii). Due to the necessity and urgency of the reseal project, the Ministry agreed to reprioritise the assigned \$4.001 million to the runway reseal only s 9(2)(b)(ii).

Work on the runway reseal was completed in early December 2023. The Council has advised the Ministry that the Crown's share of the expenditure totals \$3,368,134.47. The invoice provided to the Ministry is included below.

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

APPENDIX SIX: WHANGANUI AIRPORT RUNWAY RESEAL APPROVAL LETTER

Hon Simeon Brown

MP for Pakuranga

Minister for Energy

Minister of Local Government

the House Minister of Transport

Minister for Auckland

Deputy Leader of



Phil McBride

s 9(2)(a)

Dear Phil

Thank you for your request for Crown funding of \$3,368,134.47, for the Crown's fifty percent share of funding towards the completed reseal of the Whanganui Airport runway.

I am writing to confirm that I approve the funding for this project as the Crown's contribution towards this capital expenditure.

s 9(2)(b)(ii)

I look forward to continuing to work with you.

Yours sincerely

Hon Simeon Brown
Minister of Transport