



Proactive Release

The following documents have been proactively released by the Department of the Prime Minister and Cabinet (DPMC), and National Emergency Management Agency (NEMA), on behalf of Hon Kiri Allan, Minister for Emergency Management:

Financial Assistance to Support the Buller District Council's Recovery Efforts for the July 2021 Flooding Event

The following documents have been included in this release:

Title of paper: Financial Assistance to Support the Buller District Council's Recovery Efforts for the July 2021 Flooding Event (CAB-21-SUB-0332 refers)

Title of minute: Financial Assistance to Support the Buller District Council's Recovery Efforts for the July 2021 Flooding Event (CAB-21-MIN-0332 refers)

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~~Security classification In Confidence~~

Office of the Acting Minister for Emergency Management
Office of the Minister of Local Government

Cabinet

Financial assistance to support the Buller District Council's recovery efforts for the July 2021 flooding event

Proposal

- 1 This paper seeks approval for financial support of \$8 million to enable the Buller District Council to meet its immediate operating shortfalls and start a recovery programme of works following the impact of the July 2021 flooding event.

Executive summary

- 2 Severe flooding last month had a destructive impact on Buller communities. In Westport 43% of the residents sought assistance from the Council. In total 463 houses in the district were flooded in some way. It is estimated that 224 houses are currently uninhabited with people requiring alternate accommodation.
- 3 Some of the houses are damaged beyond economically feasible repair and are likely to need to be demolished. In other cases, sum insured values may be inadequate to fund required repairs. Repairs, where they are feasible, will take time and require hard-to-source materials and skillsets. Housing and psycho-social impacts on the affected community are the issues of greatest concern.
- 4 At the time of the flooding the Government provided \$300,000 to the Buller District Mayoral Relief Fund. This was to support people in the community and cannot be used for Council costs.
- 5 Having a small rating base the Council cannot absorb the costs of the floods easily. An advance of \$1 million was therefore made to the Council on 20 July 2021.
- 6 The Council has since advised it remains in a severe financial situation and will exhaust its available funds by 20 August 2021. It requires further emergency funding to meet immediate operating shortfalls and to start a recovery programme of works.
- 7 Given the exceptional nature of the Council's financial position agreement is sought from Cabinet for new funding of \$8 million to provide for additional assistance to the Buller District Council to meet immediate operating shortfalls and to start a recovery programme of works following the impact of the July 2021 flooding event.

- 8 The \$8 million financial assistance package will fund:
 - 8.1 immediate costs associated with recovery that ordinarily would be expected to be met by the Council
 - 8.2 support for a community hub and navigation services so those affected can be supported to access services
 - 8.3 assistance to support the Buller District Council and funding to purchase skilled advisory services to advise Ministers on the financial health of the Buller District Council and other assurance that may be required.
- 9 Other government agencies are also supporting the recovery including the Ministry of Business, Innovation and Employment, the Ministry for Primary Industries, the Ministry of Social Development, Te Puni Kōkiri and the Ministry of Health through the local District Health Board.
- 10 The Associate Minister of Housing (Public Housing) will also be providing a paper seeking additional funding for the short-term response of the Temporary Accommodation Service in early September.
- 11 The Acting Minister for Emergency Management, the Minister of Local Government and the Associate Minister of Housing will provide a joint paper in October updating Cabinet on any other measures that may be required from government for the mid- to long-term.

Background

Buller District has experienced a severe flood event, which has resulted in significant impacts for the Council to manage

- 12 Heavy rainfall from Thursday 15 July 2021 to Sunday 18 July 2021 caused severe flooding within Westport and across the Buller District. The Buller River recorded the largest river flow ever in New Zealand.
- 13 The flow breached Westport's existing flood defences, with 826 properties and 2,060 people evacuated. An unknown number of residents chose to stay with friends or families.
- 14 There has also been damage and disruption to essential services and other community related assets of the Council.
- 15 The Buller District Council indicated that it was unable to absorb the costs of immediate response including provision of welfare support to communities. An advance of \$1 million was therefore made to the Council on 20 July 2021 to assist in meeting these costs.
- 16 There are similarities between this event and the Kaikoura 2016 earthquake, in terms of the financial situation of the Council and the socio-economic profile of the population.

17 For the Kaikoura event the Government provided the following funding in the first 6 months of the recovery:

- **Local Government operational costs and services (Total \$28.22m):**
 - \$2.5 million funding to support councils' additional statutory functions after the earthquake, such as building consents, planning and hazard management
 - \$2.6 million to help Hurunui and Kaikōura districts repair waste facilities, recycle earthquake debris and manage hazardous waste
 - \$5.72 million to restore the council owned Harbour
 - \$2 million to cover Council debt on Kaikōura Health Centre
 - \$4 million for uninsurable infrastructure repairs
 - \$11.4 million towards the repair and emergency works of local roads
- **Support for local industry (Total \$9.22m):**
 - \$1.22 million to support tourism relief package and overseas marketing
 - \$2 million to support impact on near-shore fisheries
 - \$5 million fund for support to primary industries
 - \$1 million for the Business Recovery Grant Programme for quake-affected businesses in Kaikōura, Hurunui and Marlborough
- **General recovery and rehabilitation costs (Total \$6.26m):**
 - \$2.26 million for a health services package (free visits, mental health services, additional health practitioners, support for schools and rural health trusts)
 - \$3 million to meet new Government requirements for street-facing parapets of unreinforced masonry buildings
 - \$0.5 million for three rural recovery coordinators on the ground and \$0.5 million additional funding for the North Canterbury Rural Support Trust

Recovery in Buller district is supported by government agencies

18 A range of central government agencies are providing support. This includes:

- National Emergency Management Agency – is providing ongoing recovery advice and support to the Council and co-ordinating central government agencies via a National Recovery Coordination Group. Provision of a \$1m advance to meet immediate welfare response costs, ordinarily reimbursed by central government to local government, has been made.

- The Ministry of Business and Innovation and Employment Temporary Accommodation Service has taken over responsibility for temporary accommodation from the Council and has stood up their Matching and Placement team to support displaced community members to find accommodation. This includes deployment of staff who are working closely with the Council on the provision of temporary accommodation; exploring parcels of land for accommodation villages, development opportunities and sites for storage of Porta Cabins; deployment of portable cabins and securing the supply of motels and campervans.
- The Ministry of Social Development has made Civil Defence and Rural Assistance Payments available to the Buller District. Between mid-July and mid-August 1,161 payments totalling \$321,256 have been made.
- The Minister for Social Development has authorised Enhanced Task Force Green to clean up operations up to the value of \$500,000 across Marlborough and Buller Districts.
- The Ministry for Primary Industries classified a medium-scale adverse event for which \$25,000 went to the West Coast Rural Support Trust . MPI is working closely with MSD's Enhanced Task Force Green to identify farms where clean-up support is required.
- West Coast District Health Board has appointed seven navigators for an interim period of one month to connect those affected with the help they need.

It is now evident that additional support from government is required

- 19 Having a small rating base the Council cannot absorb the costs of the floods easily. The event has also interrupted its business-as-usual activities. The Council has insufficient strength in its balance sheet, nor other adequate funding streams to meet the associated costs of response and recovery while continuing to deliver business as usual activities.
- 20 Unlike the experience that Kaikoura District had following the earthquake in 2016 where they were well supported by resources from the Canterbury Region, the Buller District Council is not situated within a well-resourced region that can offer a similar level of support. The West Coast Regional Council have indicated they too have been impacted significantly through the loss of rates income.
- 21 The Buller District Council is small serving a low-income district. Buller is home to approx. 10,000 people and covers 8,574km², of which 87% is Department of Conservation land and therefore not rateable. The Council has the lowest average residential rates in New Zealand (\$1,815); the national average for residential rates is \$2,571.
- 22 The Council's total budgeted rates take for this financial year is \$16 million of which \$9.4 million is general rates (the rest are targeted rates). \$94,000 is 1% of their general rates take and flood affected properties account for approx. \$1.8 million of their total rates take (11.25%)

- 23 The Council's budget for this financial year has operating revenue and expenditure within \$15,000 of each other, their borrowing costs per household is \$209 (national average is \$177) and their total operating costs per household is \$5,439 (national average is \$4,992). A small rate paying base with areas of high deprivation means the Council has a limited ability to raise additional funding to meet its operating shortfalls and ongoing recovery programme of works.
- 24 The Buller district has a socio-economic deprivation index of 9 (where 10 is the most deprived), and an overall deprivation ranking of 58th out of 67 districts (where place 67 is the most deprived). Buller is the most deprived and has the highest Jobseeker Support rate and ranking of all South Island districts. It also has the lowest median household income and the highest means tested benefit rate across the country.
- 25 The Council thus has limited ability to absorb the costs of response and recovery through reprioritising expenditure or raising additional revenue through rate and service charge increases. The Council is therefore seeking further support from Government to be able to act quickly and flexibly to meet immediate and ongoing needs to support the recovery of Westport and Buller district communities.
- 26 Initial analysis from the Department of Internal Affairs indicates the Council manages its finances and operations prudently. However, the scale of this event has created additional costs and the expected loss of forecasted revenue. This loss is mostly due to the Council allowing for rates remission to relieve the financial burden for owners whose properties are currently uninhabitable or ratepayers who otherwise face undue hardship from this event.
- 27 The event has also highlighted constraints in the Council's administrative capacity and capabilities to both manage its core services and support the substantial response and recovery efforts.

Government financial assistance sought by the Buller District Council

- 28 The Council has advised it remains in a severe financial situation and will exhaust its available funds by 20 August 2021. It therefore requires further emergency funding to meet immediate operating shortfalls and to start a recovery programme of works.
- 29 The Council has sought funding of approximately \$20 million over 12 months to cover:
- ***Buller District Council response/recovery costs \$8.360 million***
 - \$1.950 million for infrastructure immediate repairs
 - \$1.460 million for response costs
 - \$1.500 million for waste removal
 - \$650,000 for Temporary Accommodation Village infrastructure services

- \$2.800 million for community hub and Navigators services
 - **Buller District Council operations \$11.675 million**
 - \$7.563 million for employees and contractors
 - \$2.301 million for insurance, legal and other expenses
 - \$1.810 million for loss of rate income
- 30 Due to the short timeframe before the Council's funds are expended, officials have not had sufficient time to analyse figures provided by the Council to assess their robustness and whether alternative options exist for some of the proposed expenditure. This paper addresses measures that will be put in place to ensure any expenditure is assessed and is appropriate.
- 31 While further advice is prepared for a detailed recovery programme, in light of the Council's financial situation some immediate financial support needs to be provided. We are therefore seeking agreement to provide the Buller District Council with \$8 million which will cover four months of service delivery. Specifically the funding will cover:
- \$1 million for a community hub and Navigator services to support affected communities;
 - \$1.450 million for immediate response and recovery costs;
 - \$1.500 million for waste removal;
 - \$650,000 for Temporary Accommodation Village infrastructure services;
 - \$3.250 million for further interim funding to the Council to ensure it can both continue and ramp up the recovery process, while providing for its ongoing business as usual activities; and
 - \$150,000 to purchase skilled advisory services to advise Ministers on the financial health of the Buller District Council and other assurance that may be required.

There is a strong case for obtaining skilled advisory services to carry out a financial health check of the Council

- 32 Engaging skilled advisory services is needed to work with the Buller District Council and undertake an early stocktake of key issues facing the Council and evaluate, with the Council, long-term financial sustainability to determine what resources and capability will be required to effectively manage ongoing activities.
- 33 The purpose of this service would be to provide independent advice and assurance to the Minister of Finance, Minister for Emergency Management and Minister of Local Government for the managed release of funds monthly. The service would most likely be obtained through a contract for a short period of up to two to three months to provide a baseline assessment of resourcing and capability to manage the recovery going forward. This approach was used very successfully for the Kaikoura District following the earthquakes.

- 34 The purchase of this service will be made in consultation with the Council. This will help confirm that the Government intends to work closely with the Council to support the recovery through partnership and close oversight of the draw down of funding for the Council.
- 35 The Department of Internal Affairs and the National Emergency Management Agency will prepare a Terms of Reference for purchasing this service and consult the Council before engaging a provider.

Monitoring and assurance

- 36 Governance and oversight will need to be developed with the Buller District Council and key stakeholders as financial assistance is implemented. The experience with the Kaikōura earthquake recovery highlighted the importance of having a Steering Group which included key central and local government representatives along with iwi and provided programme oversight and monitoring functions.
- 37 The National Emergency Management Agency and Department of Internal Affairs will develop a governance structure in consultation with local government which will:
- 37.1 oversee and monitor the Buller District Council's use of available funding;
 - 37.2 inform regular reporting to the Minister of Finance, Minister for Emergency Management, and Minister of Local Government; and
 - 37.3 seek approval for the drawdown of funds in monthly instalments.

Community navigation services

- 38 The Council have identified the need for a service to support individuals and whānau in order to ease the physical, psychological and social difficulties being experienced by people in Buller. The Council have presented a comprehensive business case to NEMA in collaboration with Te Rūnanga o Ngāi Tahu, mana whenua Ngāti Waewae and Poutini Waiora that outlines a locally led approach to deliver this support through the provision of tailored and targeted social services.
- 39 Despite several agencies training and employing navigators, there is no current allocation of responsibility or funding for a navigation service of this nature to any government agency during recovery. Additionally, there is an identified need to change the current social service model to one that provides stronger wrap around co-ordination to support people through the recovery process and emerging multiple and complex social and wellbeing issues. NEMA has consulted the Ministry of Health, Ministry of Social Development and Te Puni Kōkiri on this proposal. Each of these agencies has agreed in principle to this locally led approach and provided advice on the resources and costings in this regard.

- 40 Whānau impacted by this event will require resilience as they work through insurance claims, rebuild decisions, planning and compliance, all while they are in temporary accommodation and their usual networks are in a parallel state of flux.
- 41 Previous disasters in New Zealand have seen the use of a navigation service with proven benefits. Following the Canterbury and Kaikoura earthquakes, and the Edgumbe floods, community navigation services helped people to understand the services available to them, develop a whānau-based recovery plan, receive psychological support and provide assurance that people have access to the help and information they need to support their recovery.
- 42 The Council have requested funding to cover the cost of engaging navigators to enable the necessary support to be provided for the forecast period of most disruption to the community. The proposal is that Poutini Waiora (Maori Health and Social Services) hold the contract for service provision. Navigators are supplied by host agencies but managed centrally by a navigator coordinator. Given previous experience in the application of community navigation services, the Ministry of Social Development recommend that based on the 250-300 families affected, a ratio of 1:20 whānau per navigator is suitable. This equates to a total of 12-15 navigators. The Ministry's community connectors have performed similar roles in the past and are budgeted for at \$120,000 per FTE (including salary and overheads).

Westport Community Hub

- 43 The Council has been running the Westport Community Hub to provide a centralised location for people to access services. The hub has been utilised by Government agencies (Ministry of Social Development, Kāinga Ora, Ministry of Business, Innovation and Employment, Ministry for Primary Industries, Te Puni Kōkiri), agencies/organisations (Te Pūtahitanga, Insurance Council New Zealand, Multi-Cultural Council) and NGOs (NZ Red Cross) since the first week following the severe weather event to provide emergency support. Four community NGOs, in close partnership with the CDEM Welfare Response team have been managing the hub in addition to their normal scope of work. Resourcing and staffing for the hub have not been funded to date.
- 44 We recommend that this facility and service continues to operate in support of broader recovery activities. Community NGOs will continue to provide a reception and an active support/advice presence at the hub on a rotational basis. They will ensure that government agencies and other transitional support services are catered for with desk space at the hub. The Westport Community Hub will also be the central base for the new navigator team and co-ordinator.
- 45 We recommend that the Council administers the community hub and navigator service in line with evidence that locally led recovery is the most effective approach. The Council can therefore coordinate, monitor and report on their recovery action plan priorities. Navigators should be hosted by appropriate NGOs that have been identified to provide a range of specialist

avenues within the service. This approach is consistent with previous navigation services during protracted recoveries.

Further funding assistance to support full recovery will be needed

- 46 Under the current National Civil Defence Emergency Management Plan (2015) existing policy provisions allow for central government to meet 60 per cent of the costs of the re-instatement of the Council’s network infrastructure, principally its three waters assets.
- 47 The Council has indicated that it will struggle to meet its share of the infrastructure re-instatement costs. Also, it could make financial sense to consider options for betterment as part of this recovery process.
- 48 There are likely to be other unfunded costs from this event that the Council, and potentially the West Coast Regional Council, cannot readily meet. There are also questions around the most effective options for increasing resilience to future flood events. Further advice will be provided from agencies on this need as the options for a full recovery, and adding more resilience, evolve.
- 49 The Associate Minister of Housing (Public Housing) will also be providing a paper seeking additional funding for the short-term response of the Temporary Accommodation Service in early September.

Financial implications

- 50 This paper seeks new funding of \$8 million in 2021/22 split across Vote Prime Minister and Cabinet, and Vote Internal Affairs to provide for additional assistance to the Buller District Council to meet immediate operating shortfalls and to start a recovery programme of works following the impact of the July 2021 flooding event.
- 51 This funding requires the establishment of the following new appropriation within Vote Internal Affairs:

Vote	Appropriation Minister	Title	Type	Scope
Internal Affairs	Minister of Local Government	Supporting Local Government with Natural Hazard Events	Non-Departmental Other Expense	This appropriation is limited to assisting local authorities to deliver effective local government services associated with preventing or responding to adverse natural events or natural hazards.

52 It is noted that the scope of the above appropriation will accommodate the activities for which future funding might be sought in October 2021 and, if applicable, any future community resilience work.

53 This paper also signals:

53.1 that the Associate Minister of Housing (Public Housing) will be providing a paper seeking additional funding for the short-term response of the Temporary Accommodation Service in early September; and

53.2 that the Minister for Emergency Management, the Minister of Local Government and the Associate Minister of Housing intend to provide a joint paper by 27 October updating Cabinet on any other measures that may be required from government for mid to long-term recovery.

Legislative implications

54 There are no legislative implications arising from the proposals in this paper.

Treaty of Waitangi implications

55 The Buller District Council, who will receive the support funding, will be engaging with iwi and Māori, and other stakeholders. We expect that, as recovery proceeds, local Māori contributions are recognised, resourced and reflected at all levels of the recovery process. This includes valuing the role Māori communities, marae, hapū, iwi and Māori organisations play within the Buller district and wider West Coast region.

Population implications

56 The average income in Buller is \$22,900. At the household level, the median income is \$44,782 compared with a national median household income of \$83,497.

57 Within the Buller District, there is a higher proportion of NZ European, a lower proportion of Māori and small representation of other ethnicities.

Human rights

58 The proposals in this paper are intended to ensure people in affected communities receive support in a time of need. There are no legislative or regulatory implications that affect human rights.

Consultation

59 This paper was developed in urgency by the National Emergency Management Agency, with support from the Department of Internal Affairs, and feedback from The Treasury, Department of the Prime Minister and Cabinet, Te Puni Kōkiri and Ministries of Social Development, Health, Primary Industries and Business, Innovation and Employment.

60 Given the urgent need to make decisions on this matter, and the timeframe for preparing this paper, it has not been possible to undertake wide consultation

with local government, iwi and Māori, and other stakeholders on this document. However, Te Rūnanga o Ngāi Tahu, mana whenua Ngāti Waewae and Poutini Waiora were collaborators in the development of the Business Case for Community Hub and Navigators.

Communications

- 61 The Acting Minister for Emergency Management and the Minister of Local Government will develop a joint communications plan to inform communications with local authorities and the public.

Proactive release

- 62 We intend to proactively release the Cabinet paper consistent with Cabinet Office Circular CO (18) 4.

Recommendations

- 63 The Acting Minister for Emergency Management and Minister of Local Government recommend that Cabinet:
- 1 **note** the Buller District Council is leading the recovery to the severe flooding event within its district;
 - 2 **note** that because of its small rating base the Buller District Council cannot easily absorb the response and recovery costs associated with the floods;
 - 3 **note** that \$1 million was advanced to the Buller District Council on 20 July 2021 to cover immediate welfare response costs as per the policy under the Guide to the National Civil Defence Emergency Management Plan for Councils to seek 100% reimbursement of costs for welfare services;
 - 4 **note** the Buller District Council has since advised it remains in a severe financial situation and will exhaust its available funds by 20 August 2021 and therefore requires further emergency funding to meet immediate operating shortfalls and to start a recovery programme of works;
 - 5 **note** in light of the Council's financial situation and the need to press ahead with recovery activities funding of \$8 million is considered appropriate to assist the Buller District Council in the short-term;
 - 6 **note** that it is intended this funding will cover:
 - 6.1 \$1 million for a community hub and Navigator services for single point of contact for affected communities
 - 6.2 \$1.450 million for immediate response and recovery costs
 - 6.3 \$1.500 million for waste removal
 - 6.4 \$650,000 for Temporary Accommodation Village infrastructure services

- 6.5 \$3.250 million for further interim funding to the Council to ensure it can both continue and ramp up the recovery process, while providing for its ongoing business as usual activities
- 6.6 \$150,000 to purchase skilled advisory services to advise Ministers on the financial health of the Buller District Council and other assurance that may be required;
- 7 **agree** to provide additional assistance of \$8 million in 2021/22 to enable the Buller District Council to meet its immediate operating shortfalls and start a recovery programme of works following the impact of the July 2021 flooding event;
- 8 **agree** to establish the following new appropriation within Vote Internal Affairs:

Vote	Appropriation Minister	Title	Type	Scope
Internal Affairs	Minister of Local Government	Supporting Local Government with Natural Hazard Events	Non-Departmental Other Expense	This appropriation is limited to assisting local authorities to deliver effective local government services associated with preventing or responding to adverse natural events or natural hazards.

- 9 **approve** the following changes to appropriations to give effect to the decision in recommendation 7 above, with a corresponding impact on the operating balance and net core Crown debt:

	\$m – increase/(decrease)			
	2021/22	2022/23	2023/24	2024/25 & Outyears
Vote Prime Minister and Cabinet Minister for Emergency Management Multi-Category Expenses and Capital Expenditure: Emergency Management Leadership and Support MCA Non-Departmental Other Expense: Emergency Risk Reduction, Readiness, Response and Recovery	4.600	-	-	-
Vote Internal Affairs Minister of Local Government Departmental Output Expense: Local Government Policy and Related Services Non-Departmental Other Expense:	0.150	-	-	-

Supporting Local Government with Natural Hazard Events	3.250	-	-	-
Total Operating	8.000	-	-	-

- 10 **agree** that the proposed changes to appropriations for 2021/22 above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 11 **agree** that that the expenses incurred under recommendation 9 above be charged against the between-Budget contingency established as part of Budget 2021;
- 12 **note** the National Emergency Management Agency and Department of Internal Affairs will develop a governance structure in consultation with local government which will:
- 12.1 oversee and monitor the Buller District Council's use of available funding
 - 12.2 inform regular reporting to the Minister of Finance, Minister for Emergency Management, and Minister of Local Government
 - 12.3 seek approval for the drawdown of funds in monthly instalments
- 13 **note** that the Associate Minister of Housing (Public Housing) will be providing a paper seeking additional funding for the short-term response of the Temporary Accommodation Service in early September; and

- 14 **note** the Minister for Emergency Management, the Minister of Local Government and the Associate Minister of Housing will provide a joint paper by 27 October 2021 updating Cabinet on any other measures that may be required for mid to long-term recovery.

Authorised for lodgement

Hon Kris Faafoi
Acting Minister for Emergency Management

Hon Nanaia Mahuta
Minister of Local Government

Proactively Released



Cabinet

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.

Financial Assistance to Support the Buller District Council's Recovery Efforts for the July 2021 Flooding Event

Portfolios **Local Government / Emergency Management**

On 23 August 2021, Cabinet:

- 1 **noted** that the Buller District Council (the Council) is leading the recovery from the severe July 2021 flooding event within its district;
- 2 **noted** that, because of its small rating base, the Council cannot easily absorb the response and recovery costs associated with the floods;
- 3 **noted** that on 20 July 2021, \$1.0 million was advanced to the Council to cover immediate welfare response costs as per the policy under the Guide to the National Civil Defence Emergency Management Plan for Councils to seek 100 percent reimbursement of costs for welfare services;
- 4 **noted** that the Council has since advised it remains in a severe financial situation and will exhaust its available funds by 20 August 2021, and therefore requires further emergency funding to meet immediate operating shortfalls and to start a recovery programme of works;
- 5 **noted** that, in light of the Council's financial situation and the need to press ahead with recovery activities, funding of \$8 million is considered appropriate to assist the Council in the short-term;
- 6 **noted** that it is intended the funding referred to in paragraph 5 above will cover:
 - 6.1 \$1 million for a community hub and Navigator services for single point of contact for affected communities;
 - 6.2 \$1.450 million for immediate response and recovery costs;
 - 6.3 \$1.500 million for waste removal;
 - 6.4 \$650,000 for Temporary Accommodation Village infrastructure services;
 - 6.5 \$3.250 million for further interim funding to the Council to ensure it can both continue and ramp up the recovery process, while providing for its ongoing business as usual activities;
 - 6.6 \$150,000 to purchase skilled advisory services to advise Ministers on the financial health of the Council and other assurance that may be required;

7 **agreed** to provide additional assistance of \$8 million in 2021/22 to enable the Council to meet its immediate operating shortfalls and start a recovery programme of works following the impact of the July 2021 flooding event;

8 **agreed** to establish the following new appropriation within Vote Internal Affairs:

Vote	Appropriation Minister	Title	Type	Scope
Internal Affairs	Minister of Local Government	Supporting Local Government with Natural Hazard Events	Non-Departmental Other Expense	This appropriation is limited to assisting local authorities to deliver effective local government services associated with preventing or responding to adverse natural events or natural hazards.

9 **approved** the following changes to appropriations to give effect to the decision in paragraph 7 above, with a corresponding impact on the operating balance and net core Crown debt:

	\$m – increase/(decrease)			
	2021/22	2022/23	2023/24	2024/25 & Outyears
Vote Prime Minister and Cabinet Minister for Emergency Management				
Multi-Category Expenses and Capital Expenditure:				
Emergency Management Leadership and Support MCA				
Non-Departmental Other Expense:				
<i>Emergency Risk Reduction, Readiness, Response and Recovery</i>	4.600	-	-	-
Vote Internal Affairs Minister of Local Government				
Departmental Output Expense:				
Local Government Policy and Related Services	0.150	-	-	-
Non-Departmental Other Expense:				
Supporting Local Government with Natural Hazard Events	3.250	-	-	-
Total Operating	8.000	-	-	-

10 **agreed** that the changes to appropriations for 2021/22 in paragraph 9 above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

11 **agreed** that that the expenses incurred under paragraph 9 above be charged against the between-Budget contingency established as part of Budget 2021;

- 12 **noted** that the National Emergency Management Agency and Department of Internal Affairs will develop a governance structure in consultation with local government which will:
- 12.1 oversee and monitor the Council's use of available funding;
 - 12.2 inform regular reporting to the Minister of Finance, Minister of Local Government, and Minister for Emergency Management;
 - 12.3 seek approval for the drawdown of funds in monthly instalments;
- 13 **noted** that the Associate Minister of Housing (Public Housing) intends to submit a paper to Cabinet in early September seeking additional funding for the short-term response of the Temporary Accommodation Service;
- 14 **noted** that the Minister of Local Government, Associate Minister of Housing (Public Housing) and Minister for Emergency Management intend to report back to Cabinet by 27 October 2021 on any other measures that may be required for mid to long-term recovery.

Michael Webster
Secretary of the Cabinet

Proactively Released