



**National Emergency
Management Agency**
Te Rākau Whakamarumarū



**DEPARTMENT OF THE
PRIME MINISTER AND CABINET**
TE TARI O TE PIRIMIA ME TE KOMITI MATUA

Proactive Release

The following Paper and Minute for the COVID-19 Ministerial Group has been proactively released by the Department of the Prime Minister and Cabinet (DPMC), and National Emergency Management Agency, on behalf of Hon Peeni Henare, Minister of Civil Defence:

Widening the criteria for financial support to Local Authorities to provide welfare assistance in response to COVID-19

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant section of the Act that would apply has been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key to redaction code:

- 9(2)(f)(iv), to maintain the confidentiality of advice tendered by or to Ministers and officials.

In-Confidence

Office of the Minister of Civil Defence

Chair, COVID-19 Ministerial Group

Widening the criteria for financial support to Local Authorities to provide welfare assistance in response to COVID-19

Purpose

This paper seeks Cabinet agreement to create an appropriation for the reimbursement of local authorities / Civil Defence Emergency Management (CDEM) Groups for costs they incur in meeting the immediate qualifying welfare needs of people directly impacted by COVID-19, where these needs cannot be met by other sources of support.

Executive Summary

- 1 This paper seeks Cabinet agreement to broaden the scope of government financial support to local authorities / CDEM Groups for costs they incur in caring for people in an emergency, to include reimbursement of costs incurred in meeting immediate qualifying welfare needs that are attributable to the impact of COVID-19, where these needs cannot be met by other sources of support.
- 2 This follows a previous change to the Guide to the National Civil Defence Emergency Management Plan 2015 ('the Guide') agreed by the COVID-19 Ministerial Group (with Power To Act) on 26 March. This enabled the National Emergency Management Agency (NEMA) to reimburse Local Authorities for costs incurred providing welfare support to people required to self-isolate / stay-in-place due to COVID-19. Prior to this, the Guide only allowed reimbursement for support to people 'displaced' from their usual place of residence due to an emergency.
- 3 The current provisions are not flexible enough to enable reimbursement to local authorities for costs they are incurring at a time when local authorities / CDEM Groups are experiencing significant demand from people in urgent need of essential goods and services (e.g. accommodation, transport, food, nappies, and hygiene products). Demand is high from those in vulnerable communities, and other groups who fall through the usual social support net, such as stranded foreign nationals.
- 4 The proposals in this paper will enable local authorities / CDEM Groups to meet urgent / immediate welfare needs, and are intended to complement other sources of welfare assistance available for people impacted by COVID-19 (e.g. income support provided by MSD, and welfare support provide by Whānau Ora, iwi, Māori and Pacific organisations and other non-government organisations (NGOs)).
- 5 The establishment of an appropriation would also enable local authorities / CDEM Groups to be reimbursed for the provision of urgent welfare support provided during both the response and recovery phases of the COVID-19 emergency. Under existing provisions in the Guide, reimbursement is only available for costs incurred during response.

- 6 MSD and other agencies are also currently developing proposals (9(2)(f)(iv)) on medium to long-term solutions for addressing the food supply needs of vulnerable people and communities. As these initiatives are implemented, the need for local authorities / CDEM Groups to respond should reduce.

Background

A range of agencies play a role in providing welfare and emergency support

- 7 The New Zealand Influenza Pandemic Plan identifies clearly defined roles for government agencies, including NEMA and CDEM Groups. The Guide sets out the arrangements, roles, and responsibilities of agencies for the national and local management of emergencies. It enables and supports actions to implement the National Civil Defence Emergency Management Plan Order (2015) ('the Plan').
- 8 NEMA is the lead agency for Welfare and CDEM Pillars of the all-of-government COVID-19 response. Agencies involved include the Ministry of Social Development (MSD, financial assistance), Ministry of Business, Innovation and Employment (MBIE, temporary accommodation) and Ministry of Health (MOH, psychosocial support). NEMA and CDEM Groups are responsible for registration of welfare needs and needs assessment, emergency accommodation, and household goods and services.

Government increased income support for people impacted by COVID-19 and funded social services to support vulnerable people

- 9 A range of government financial and welfare support is available to people self-isolating / staying in place, or otherwise adversely affected by COVID-19. This includes MSD income support (wage subsidies, special needs grants, main benefits, hardship assistance, and civil defence payments), MBIE's Temporary Accommodation Service, and additional funding provided to non-government organisations to support vulnerable people. For example:
- 9.1 components of the \$12.1 billion economic package, including wage subsidies of \$585.80 gross per week (about 60% of the average wage), \$25 per week increase in core benefits, stand-down period deferral, reduction of hours worked requirements for Family Tax Credit, and doubling the Winter Energy Payment.
- 9.2 \$16 million to bolster existing social services by NGOs to support at-risk individuals, whānau and communities; respond to increased demands or change their operating model; and \$4.8 million for grants or innovative community-led solutions to support local resilience.
- 9.3 a new package for vulnerable Māori whanau and communities, including \$15 million redirected to Whānau Ora Commissioning Agencies. These agencies determine how to use this funding, including providing food and care parcels.

Cabinet approved reimbursement to local authorities for support to people self-isolating

- 10 On 26 March, the COVID-19 Ministerial Group (with Power To Act) agreed to amend the Guide to enable Local Authorities to recover welfare costs incurred when supporting people required to self-isolate as part of the COVID-19 response and unable to access other sources of support. Prior to this, the Guide referred only to the provision of support

to those 'displaced' from their usual place of residence. A state of emergency does not have to be in force for this support to be provided.

- 11 Such assistance is provided to the local authority by way of full reimbursement for actual eligible costs incurred, on the basis of expense claims. CDEM Groups coordinate the delivery of the services funded by the local authority. The COVID-19 Ministerial Group agreed that advance payments can be made in exceptional circumstances.

NEMA and CDEM Groups provide support to people self-isolating

- 12 On 29 March, the Director and National Controller, CDEM, issued a Direction for Groups to activate CDEM arrangements in support of the response to COVID-19, to limit the extent of the emergency. This directed CDEM Groups (until further notice) to:
 - establish multi-agency Emergency Coordination Centres (ECCs) staffed seven days a week, and maintain these for the next three months, subject to review.
 - support DHBs and Primary Health Units (PHUs) in managing the pandemic.
 - plan and coordinate the provision of household goods and services and other essential items to people who have been displaced or who are required to self-isolate / stay in place due to COVID-19, and
 - establish a phone number (operating between 0700-1900 hours daily) for people to call if they urgently need assistance with access to essential household goods and services due to self-isolation.
- 13 CDEM Groups are responsible for registering and assessing the needs of people affected in an emergency. A new COVID-19-specific needs assessment IT system (Āwhina) was launched two weeks ago, and is currently being rolled out across CDEM Groups. The Āwhina COVID-19 system supports:
 - CDEM Groups to conduct welfare needs assessments, and to ensure information collected is securely stored and shared in accordance with the Privacy Act.
 - coordinated delivery of required household goods (CDEM Groups) and temporary accommodation services (MBIE).
- 14 CDEM Groups work closely with partners to ensure food and other essential items are provided and are accessible for those most in need in their communities. Partner agencies range from bulk food providers and supermarkets, through to foodbanks, Whānau Ora agencies, churches, and Māori health providers. Part of the activation of the CDEM Groups involves the setting up of formal arrangements between the Groups and iwi, and marae and iwi are significantly involved in supplying food to families in need, including koha of kai.
- 15 CDEM Groups assist delivery of groceries and essential items, such as blankets and heaters, to people who cannot access these themselves due to movement restrictions in Alert Level 4. A mechanism has recently been established for CDEM Groups to engage Bidfoods (a national wholesale food distributor) to deliver standardised food parcels directly to the homes of people self-isolating and unable to access groceries.

Current settings do not enable CDEM Groups to provide urgent welfare support to people who fall outside usual support mechanisms

- 16 Since New Zealand has been in Alert Level 4, it has become apparent that the above changes to the Guide are not broad enough to ensure that CDEM Groups and local authorities are able to provide welfare support to the range of people adversely affected by COVID-19, and who have immediate welfare needs that cannot be met by other sources of support.
- 17 CDEM Groups have experienced a significant increase in volume of requests for support from people who have been impacted by COVID-19 and who; are unable to access their usual sources of food (e.g. fishing and hunting) or other goods and service (e.g. hygiene, medicine, blankets, winter clothes); are unable to access social or other government assistance; are facing increased costs (e.g. due to shortage of cheaper items, or delivery costs); and / or have reduced access to food assistance (e.g. school breakfast and lunch programmes). In many instances, the need is urgent, and those requesting it do not meet other criteria for CDEM Group assistance or support from other agencies. Examples of call volumes and assistance provided by CDEM Groups to date include:
- The Auckland Emergency Management Office has received 13,754 calls to its 0800 welfare assistance line, including 8,958 requests for essential supplies. As at 15 April, they have arranged the delivery of 30,000 food packs during COVID-19 Alert Level 4, at a cost of \$1.84 million.
 - The Waikato Emergency Management Office has delivered 770 food parcels to people in their region.
 - Emergency Management Otago reports that it has responded to nearly 6000 requests since the start of Alert Level 4 (mostly in Queenstown Lakes District), and has provided over 2300 food parcels or vouchers have been provided across the region.
 - Auckland CDEM Group has housed approximately 500 homeless people in temporary accommodation across 20 accommodation facilities during Alert Level 4, and Nelson-Tasman CDEM Group have identified 100-150 homeless people in the region, 40 of whom have been housed in hotels and motels, with a camp ground opened for others.
- 18 In addition, foodbanks, iwi organisations, and NGOs are reporting an average of 63 percent increased demand - primarily from individuals / families that they have not previously supported - and are experiencing difficulty in meeting this. Prior to the extension to the local authorities / CDEM Group welfare provisions to cover people who can't access essential supplies due to self-isolating, the Salvation Army (which has over 40 foodbanks) almost ran out of food due to increased demand and reduced supply. Foodbanks have advised that they expect demand will continue (and will most likely increase) after Alert Level 4 ends.
- 19 I consider that support is required for a wider group of people than those who cannot physically access household goods because they are displaced, or self-isolating due to COVID-19 requirements.

Current settings do not enable CDEM Groups to support the range of community-based organisations needed to deliver support on the ground

- 20 As noted in paragraph 15 above, councils often work with NGOs, iwi and other Māori organisations to support people impacted by an emergency, as these are the most effective and efficient way to access and distribute food and household goods. Councils are now being asked to financially support community-based organisations to restock, access, or transport bulk goods and distribute food to people at home, as these organisations are unable to meet these costs because of demand, additional costs (e.g. delivery), reduced donations (e.g. from restaurants and cafes), and pressures on the supply chain.
- 21 Some local authorities / CDEM Groups are directly assisting foodbanks to re-stock, which is not consistent with the usual requirements of NEMA's reimbursement processes. MSD does not fund foodbanks as a service (although it funds some NGOs that run foodbanks), but has provided approximately \$270,000 in interim funding to foodbanks for re-stocking during Alert Level 4, ahead of CDEM funding mechanisms being established. MSD and NEMA agree that it would be appropriate for CDEM Groups to provide a level of support to foodbanks in the immediate term as they have a close relationship with the communities, whānau and vulnerable people seeking assistance, and are therefore well placed to assess genuine need.
- 22 The reimbursement provisions of the Guide are currently being applied flexibly to ensure immediate needs are met, but reimbursement can only be provided in line with the scope of the existing provisions. This does not provide adequate assurance to local authorities that they will be able to recover costs they are incurring to support the range of people and organisations in urgent need as a result of COVID-19, and for whom there is no other avenue of immediate assistance.
- 23 The scale of the emergency and the level of demand for support also means that NEMA and local authorities / CDEM Groups are seeking a mechanism that will enable an administratively simple and timely response to requests for immediate welfare support.
- 24 I consider that local authorities / CDEM Groups need flexibility to support and engage community-based organisations to efficiently and effectively source and distribute food and household goods to those who have immediate term needs.

Proposal

The establishment of an appropriation to enable reimbursement of local authorities / CDEM Groups for costs incurred in meeting urgent welfare needs that are not met through other support

- 25 I propose that a new annual appropriation be established for the specific purpose of providing Government financial support to local authorities / CDEM Groups for costs they incur in providing essential welfare support (including accommodation, food, and other essential household goods and services) to people who have immediate welfare needs directly attributable to COVID-19, and where these needs cannot be met by other sources of support.
- 26 This expanded eligibility would add a two additional categories to the existing provisions, as outlined below:

- people who require immediate local authority / CDEM Group assistance because they cannot continue to live in their usual place of residence (i.e. they are displaced) **(existing provision in the Guide)**.
 - people who require local authority / CDEM Group assistance because they are self-isolating at home due to COVID-19, and cannot make their own arrangements to access the essential goods and services they need **(existing provision in the Guide, agreed by COVID-19 Ministerial Group on 26 March 2020)**.
 - people who require local authority / CDEM Group assistance to meet immediate welfare needs attributable to the impact of COVID-19, and where these needs cannot be met by other sources of support **(proposed new provision met through the annual appropriation)**.
 - local authority / CDEM Group support to non-government and community-based organisations (including foodbanks) to provide household goods and supplies to people who have immediate needs attributable to the impact of COVID-19, and where these needs cannot be met by other sources of support **(proposed new provision, met through the annual appropriation)**.
- 27 The provision of funding through the new appropriation will ensure local authorities and CDEM Groups can address immediate COVID-19 related welfare support needs through multiple channels. For example:
- Organising the provision of food parcels (including via the Bidfoods arrangement), and other household goods and services to people who contact the CDEM Group and meet the relevant criteria.
 - Providing upfront funding to, or reimbursement of, local foodbanks, community food organisations and other welfare providers, to enable them to provide food and other essential household items to people who contact them directly. These providers would need to enter into prior agreements or arrangements with local authorities, and invoice local authorities for eligible expenses. Local authorities will then claim reimbursement for these costs from NEMA.
 - Providing emergency accommodation, until temporary accommodation can be arranged through MBIE's Temporary Accommodation Service or other arrangements.
- 28 Local authorities and CDEM Groups would only provide welfare support when people cannot access or have exhausted other sources of assistance. The Āwhina needs assessment system includes guidance for CDEM Groups on the agencies that provide the different types of welfare assistance, and contact details for relevant agencies (e.g. MSD for financial assistance).
- 29 Detailed guidance will be provided to local authorities and CDEM Groups to ensure that implementation of the new provisions is consistent with the intention of the policy and scope of the appropriation.

Officials will develop longer-term options for food security amongst vulnerable communities and people experiencing hardship due to COVID-19

- 30 The impact and long-term economic and social consequences of COVID-19 are such that people negatively impacted (either directly or indirectly) are likely to require welfare

support for a sustained period of time. CDEM Groups are not set up to coordinate and deliver large scale and ongoing welfare responses in the long term. CDEM Groups have other responsibilities, as well as the likely impacts from other emergencies (e.g. drought, floods, landslips, earthquakes etc).

- 31 There is general consensus amongst a wide range of agencies, including MSD and NEMA, about the need for further work on medium- to long-term options for supporting the food supply needs of vulnerable people and communities, particularly as alert levels change over coming months. Work currently being progressed by agencies under the 'Caring for Communities' work stream and beyond includes:
- A number of commercial organisations and philanthropists have made offers of food assistance to the National Crisis Management Centre. Offers include the provision of manufactured pet food, food packaging, ready-made meals, food recovery and distribution nationwide. NEMA and MSD have developed a process to consider offers of assistance, and criteria to analyse each offer to ensure consistency.
 - MSD is planning to use the KiwiHarvest Food Network (a bulk food distribution network currently being established) to enable donations of bulk excess food from food producers to be distributed to foodbanks and other providers, at the volumes they need.
 - The Minister for Social Development intends to bring a paper to the COVID-19 Ministerial Group within the next month, seeking funding for a number of initiatives to support food access for vulnerable people who have been adversely impacted by COVID-19.
 - MSD is currently developing a Budget proposal that includes a component to better meet the needs of people who are food insecure.
 - Initial cross-agency engagement to consider opportunities to improve longer term food security. Agencies involved in this work include MSD, Ministry for Primary Industries, Ministry for the Environment, Ministry of Health, Ministry of Education, NEMA, and the Department of Prime Minister and Cabinet (Child Poverty Unit).

Financial Implications

- 32 The change proposed above is expected to significantly increase the funding required to reimburse local authorities for the provision of immediate welfare support services. The unprecedented nature of the current COVID-19 response means officials do not have sufficient information to precisely estimate the amount of funding required. Potential fiscal implications depend on a range of factors, including:
- the volume of people supported;
 - other sources of welfare assistance available and provided;
 - regional variation in need; and
 - the length of time that the CDEM welfare response to the COVID-19 pandemic is in place, potential for regional variation in Alert Levels, and any transition arrangements that are implemented in moving from the response to recovery phases of the emergency.
- 33 Based on the demand levels and costs incurred by local authorities / CDEM Groups to date, outlined in paragraph 9, officials have estimated a potential cost \$15 million to \$30

million across 2019/20 and 2020/21, front-loaded into 2019/20 when New Zealand is likely to remain in Alert Levels 3 and 4. NEMA will monitor the actual demand, liaising with the Treasury and other social sector agencies.

- 34 Expenses will be covered by a proposed new annual appropriation within Vote Prime Minister and Cabinet: COVID-19: Civil Defence Emergency Management Group Welfare Costs. The scope of this appropriation will be limited to payments to Civil Defence Emergency Management Groups for qualifying COVID-19 welfare costs where these needs cannot be met by other sources of support.

Risks and mitigation approaches

- 35 There are risks associated with the proposals in this paper. These, and the strategies for mitigating them, are as follows:

Uncertain fiscal implications

- 36 The potential fiscal impacts will be managed by establishing an annual appropriation for 2019/20 and 2020/21, which is specific to the COVID-19 response. This will ensure there are clear parameters around the nature of the local authority expenses eligible for government financial support. Additional guidance to CDEM Groups will provide clarity about qualifying welfare costs.

Reduced assurance to central government for funding reimbursed

- 37 A key driver for this proposal is addressing immediate and pressing need to ensure people have sufficient food and other essential household goods. This requires some trade-offs in relation to what would normally be eligible for reimbursement, and the application of standard reporting and assurance mechanisms.
- 38 Prior to seeking reimbursement from NEMA, local authorities will provide a level of assurance when making payments for goods and services. Nevertheless, increasing the span of support provided by NEMA to include matters such as funding of foodbanks, local welfare groups, Iwi and other Māori organisations to restock is likely to require a greater level of trust with respect to eligibility and claims for reimbursement.
- 39 Mechanisms for ensuring appropriate assurance will include:
- CDEM Groups / local authorities will use the Āwhina needs assessment system if possible, and continue to refer people to other government agencies for support, where possible.
 - Requiring CDEM Groups / local authorities to attest when submitting reimbursement claims that the costs incurred are consistent with the qualifying welfare costs under the scope of the appropriation.
 - Requiring CDEM Groups / local authorities to engage and work with community service providers with a proven track record in the provision of the support and services to vulnerable groups.
 - Where reimbursements are made in anticipation of the support being requested/provided (e.g. transporting bulk goods and stocking food banks), local authorities must be comfortable that the costs are appropriate.

- NEMA will provide adequate notice of any change in the reimbursement provisions, such as a transition from the COVID-19 response phase and any implications for the provision of government financial assistance (e.g. transfer of responsibility to another government agency).

A managed transition away from CDEM Group welfare support

- 40 CDEM Groups have different prescribed roles and functions during the response and recovery phases of an emergency. In the context of COVID-19, it is yet unclear when the CDEM Group role will move from response to recovery. The proposals in this paper provide for full reimbursement of qualifying welfare costs during the recovery phase of the pandemic.
- 41 Even so, a point will be reached when the needs of people during recovery will no longer meet the criteria for reimbursement. This will reduce this flow of funding to foodbanks and services that provide assistance to vulnerable people. This transition needs to be carefully managed so as to not to create gaps in services, although it should coincide with reduced need for such services. These transition arrangements will be addressed through the work outlined in paragraphs 30 and 31 above.

Communication / Publicity

- 42 Should COVID-19 Ministers (with Power to Act) agree to the proposals in this paper, the Director CDEM will communicate this to CDEM Groups and the National Welfare Coordination Group.
- 43 NEMA will provide CDEM Groups with detailed guidance about qualifying welfare costs, eligibility criteria and needs assessment processes. MSD and NEMA will work together to provide information to local level welfare service providers (including foodbanks) to ensure they have a clear understanding of qualifying welfare costs and the CDEM Group arrangements and processes for reimbursement.

Impact analysis

- 44 A regulatory impact statement is not required for the proposals in this paper.

Human Rights

- 45 The policy proposals are consistent with the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993. It is also consistent with the Office of the High Commissioner for Human Rights (OHCHR) guidance around measures to reduce the impact of COVID-19.

Disability perspective

- 46 The response to COVID-19 has significant implications for disabled people and their carers, support staff, families and whānau. While the proposals in this paper do not have any specific implications for disabled people and their carers, it will form part of the wider suite of welfare supports available to those who may be adversely and disproportionately affected by the COVID-19 pandemic response.

Treaty analysis

- 47 The proposed approach to providing government financial support to local authorities for costs they incur in providing welfare support during emergencies provides an

opportunity for Māori to provide for Māori. The proposed approach is permissive enough that it will allow Māori to have options in the services they access and puts the onus onto local authorities to ensure their services achieve equity of outcome. The proposed approach also sits within a structure where the CDEM Groups partner with Iwi locally at both a strategic and operational level.

Proactive release

48 This Cabinet paper will be proactively released, with redactions made consistent with the Official Information Act.

Consultation

49 The following agencies have been consulted on the proposals outlined in this paper: Ministry of Health, Ministry of Social Development, Ministry of Business, Innovation and Employment, Department of Internal Affairs, The Treasury; Te Puni Kokiri, Ministry of Pacific Peoples, Kainga Ora, Te Arawhiti, Oranga Tamariki, and the Department of the Prime Minister and Cabinet (Policy Advisory Group).

Recommendations

The Minister of Civil Defence recommends that the COVID-19 Ministerial Group, with Power to Act:

- 1 **note** that on 22 March 2020, the COVID-19 Ministerial Group agreed to amend Section 33 of the Guide to the National Civil Defence Emergency Management Plan 2015 to make provision for local authorities to be fully reimbursed for costs incurred in accommodating, transporting, feeding and clothing people who either:
 - cannot continue to live in their usual place of residence as a result of an emergency; or
 - are required to confine themselves or self-isolate in-situ (either in their own residence or more suitable alternative accommodation) due to having, or being exposed to the COVID-19 virus, or under measures taken as part of the COVID-19 pandemic response – particularly at COVID-19 Alert Levels 3 or 4.
- 2 **agree** to enable the provision of government financial support to local authorities / CDEM Groups for:
 - costs they incur in providing urgent welfare support to people who require assistance to meet their immediate household goods and service needs which are attributable to the impact of COVID-19, and where these needs cannot be met by other sources of support.
 - costs they incur in supporting community-based organisations to source, stock, prepare and deliver household goods and supplies to people who have immediate needs attributable to the impact of COVID-19, and where these needs cannot be met by other sources of support
- 3 **note** that the unprecedented nature of the COVID-19 pandemic and the associated response makes accurately costing this policy difficult, but indications of demand levels and costs incurred by local groups to date suggest an estimate of up to \$30 million over coming months, until the need for this extraordinary assistance is superseded by mainstream policy responses.

4 **agree** to establish the following new appropriation:

Vote	Appropriation Minister	Title	Type	Scope
Prime Minister and Cabinet	Minister of Civil Defence	COVID-19: Civil Defence Emergency Management Group Welfare Costs	Non-Departmental Other Expense	This appropriation is limited to payments to Civil Defence Emergency Management Groups for qualifying COVID-19 welfare costs unable to be met by other sources of support.

5 **approve** the following changes to appropriations to give effect to the policy decision in recommendation 2 above, with a corresponding impact on the operating balance and net core Crown debt:

	\$m – increase/(decrease)				
Vote Prime Minister and Cabinet Minister of Civil Defence	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Non-Departmental Output Expense: COVID-19: Civil Defence Emergency Management Group Welfare Costs	25.000	5.000	-	-	-

6 **agree** that above changes to appropriations for 2019/20 and 2020/21 be included in the 2019/20 Additional Supplementary Estimates and the 2020/21 Supplementary Estimates respectively and that, in the interim, the increases be met from Imprest Supply;

7 **agree** that the expenses incurred under recommendation 5 above be charged against the COVID-19 Response and Recovery Fund established as part of Budget 2020;

- 8 **note** that while the exact timing of spending is uncertain, the amounts in recommendation 5 above have been weighted towards the 2019/20 financial year to avoid the risk of unappropriated spending in that year;
- 9 **agree** that any amounts that remain unspent in 2019/20 be available for transfer to 2020/21, subject to joint confirmation by the Minister of Civil Defence and the Minister of Finance;
- 10 **direct** NEMA and MSD officials to continue to work together to confirm the operational eligibility requirements for the funding of foodbanks to provide emergency supplies under the above appropriation, consistent with the support provided to local Emergency Operation Centres.
- 11 **note** that agencies, including NEMA and MSD, have identified the need for medium and long-term solutions to address the ongoing food security needs of vulnerable people, particularly as alert levels change over coming months, and that proposals (9(2)(f)(iv)) are currently under development.

Authorised for lodgement

Hon Peeni Henare
Minister of Civil Defence



Meeting of the COVID-19 Ministerial Group

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.

Widening the Criteria for Financial Support to Local Authorities to Provide Welfare Assistance in Response to COVID-19

The group of Ministers with Power to Act on COVID-19 matters [CAB-20-MIN-0130] convened on 21 April 2020 at 10.30am, and in accordance with their Power to Act:

- 1 **noted** that on 22 March 2020, the COVID-19 Ministerial Group agreed to amend section 33 of the Guide to the National Civil Defence Emergency Management Plan 2015 to make provision for local authorities to be fully reimbursed for costs incurred in accommodating, transporting, feeding and clothing people who either:
 - 1.1 cannot continue to live in their usual place of residence as a result of an emergency; or
 - 1.2 are required to confine themselves or self-isolate in-situ (either in their own residence or more suitable alternative accommodation) due to having, or being exposed to the COVID-19 virus, or under measures taken as part of the COVID-19 pandemic response, particularly at COVID-19 Alert Levels 3 or 4;
- 2 **agreed** to enable the provision of government financial support to local authorities/CDEM Groups for:
 - 2.1 costs they incur in providing urgent welfare support to people who require assistance to meet their immediate household goods and service needs that are attributable to the impact of COVID-19, and where these needs cannot be met by other sources of support;
 - 2.2 costs they incur in supporting community-based organisations to source, stock, prepare and deliver household goods and supplies to people who have immediate needs attributable to the impact of COVID-19, and where these needs cannot be met by other sources of support;
- 3 **noted** that the unprecedented nature of the COVID-19 pandemic and the associated response makes accurately costing this policy difficult, but that indications of demand levels and costs incurred by local groups to date suggest an estimate of up to \$30 million over coming months, until the need for this extraordinary assistance is superseded by mainstream policy responses;

4 **agreed** to establish the following new appropriation:

Vote	Appropriation Minister	Title	Type	Scope
Prime Minister and Cabinet	Minister of Civil Defence	COVID-19: Civil Defence Emergency Management Group Welfare Costs	Non-Departmental Other Expense	This appropriation is limited to payments to Civil Defence Emergency Management Groups for qualifying COVID-19 welfare costs unable to be met by other sources of support.

5 **approved** the following changes to appropriations to give effect to the policy decision in paragraph 2 above, with a corresponding impact on the operating balance and net core Crown debt:

Vote Prime Minister and Cabinet Minister of Civil Defence	\$m – increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Non-Departmental Output Expense: COVID-19: Civil Defence Emergency Management Group Welfare Costs	25.000	5.000	-	-	-

6 **agreed** that above changes to appropriations for 2019/20 and 2020/21 be included in the 2019/20 Additional Supplementary Estimates and the 2020/21 Supplementary Estimates respectively and that, in the interim, the increases be met from Imprest Supply;

7 **agreed** that the expenses incurred under paragraph 5 above be charged against the COVID-19 Response and Recovery Fund established as part of Budget 2020;

8 **noted** that while the exact timing of spending is uncertain, the amounts in paragraph 5 above have been weighted towards the 2019/20 financial year to avoid the risk of unappropriated spending in that year;

9 **agreed** that any amounts that remain unspent in 2019/20 be available for transfer to 2020/21, subject to joint confirmation by the Minister of Civil Defence and the Minister of Finance;

10 **directed** the National Emergency Management Agency (NEMA) and the Ministry of Social Development (MSD) to continue to work together to confirm the operational eligibility requirements for the funding of foodbanks to provide emergency supplies under the above appropriation, consistent with the support provided to local Emergency Operation Centres;

- 11 **noted** that agencies, including NEMA and MSD, have identified the need for medium and long-term solutions to address the ongoing food security needs of vulnerable people, particularly as Alert Levels change over coming months, and that proposals (9(2)(f)(iv)) are currently under development;
- 12 **directed** officials to report back to COVID-19 Ministers with further advice on how welfare support for vulnerable communities will be transitioned from the immediate emergency response led by Civil Defence Emergency Management to the long-term recovery led by the relevant social sector agencies, to avoid duplication and overlap and address any identified gaps;
- 13 **directed** officials to report back to COVID-19 Ministers with further advice relating to undocumented workers and people on work visas who have lost their jobs as a consequence of COVID-19).

Rachel Hayward
for Secretary of the Cabinet

Distribution:

The Cabinet
Minister of Civil Defence
Hon James Shaw

Copied to officials via email