



## **Proactive Release**

The following document has been proactively released by the Department of the Prime Minister and Cabinet (DPMC).

### **Cyclone Gabrielle: Recovery Arrangements**

The following documents have been included in this release:

**Title of paper:** Cyclone Gabrielle: Recovery Arrangements (CAB-23-SUB-0056)

**Title of minute:** Cyclone Gabrielle: Recovery Arrangements (CAB-23-MIN-0056)

Office of the Prime Minister

Cabinet

## **CYCLONE GABRIELLE: RECOVERY ARRANGEMENTS**

### **Proposal**

- 1 This paper seeks Cabinet's agreement to further arrangements for Government action on the recovery from Cyclone Gabrielle.

### **Relation to government priorities**

- 2 This paper concerns the Government's ongoing response to Cyclone Gabrielle.

### **Summary**

- 3 Cyclone Gabrielle has caused significant damage to the northern and eastern parts of the North Island. While the full impacts of the cyclone continue to be assessed, it is clear that the damage is significant and on a scale not seen in New Zealand for at least a generation. The investment required to respond, recover and rebuild by reconnecting our communities and future-proofing our nation's infrastructure will be significant and require a whole-of-government approach led by advice from local communities and in partnership with the private sector.
- 4 We have already put in place an initial support package to re-establish critical transport infrastructure and support businesses and moved quickly to put in place a new Extreme Weather Recovery Committee, a Cyclone Recovery Minister and lead Ministers for each affected region. We have also created a new Recovery Visa to provide additional workers to support cyclone and flooding recovery and are putting in place a Cyclone Gabrielle Appeal Trust Fund to support fundraising efforts to support the recovery of the affected regions.
- 5 This paper proposes a further set of immediate actions to support these arrangements:
  - 5.1 a Cyclone Recovery Taskforce, chaired by Sir Brian Roche, and
  - 5.2 a lead Chief Executive for Cyclone Recovery, supported by a new all-of-government Cyclone Recovery Unit within the Department of the Prime Minister and Cabinet (DPMC).
- 6 As I have stated already, I am committed to working closely with local communities, iwi and business on the recovery, taking opportunities to build back better. It is important that Government is guided closely by the advice and needs of those affected on the ground.

- 7 The paper directs further work on arrangements for joining up central, regional and local government, potential emergency legislation, and on the critical issues of longer-term resilience, including climate change adaptation and managed retreat.

### **Current situation**

- 8 Cyclone Gabrielle has caused significant damage to the northern and eastern parts of the North Island, including Northland, Auckland, Bay of Plenty, Waikato, Tairāwhiti, Hawke's Bay and Tararua.
- 9 As of Friday 24 February, 11 fatalities have been confirmed. There have been substantial infrastructure impacts, including power, communications, roading and water.
- 10 Response arrangements are being overseen by the Minister for Emergency Management, with a state of national emergency in place until at least 28 February. This may be followed by a national, or local, transition period in support of the recovery, with some statutory powers held by Recovery Managers (at the national or local level) under the Civil Defence Emergency Management Act (the CDEM Act). Both arrangements support local leadership, with the national transition period allowing for greater national level coordination in support of regional and local recovery.
- 11 A national transition period usually lasts 90 days, and a local transition period 28 days, as set out in the CDEM Act (but may be extended if required). There are also options for areas facing a longer recovery being able to transition to local recovery mechanisms in specific areas.
- 12 Looking beyond this, significant coordination will be required for recovery over a much longer period. A coordinated effort for recovery will be required across ministerial portfolios, regional and local authorities, agency accountabilities and interactions with iwi/Māori, affected sectors (including the business sector), insurers, infrastructure providers and communities.

### **Ministerial arrangements**

- 13 As I have already signalled, Hon. Grant Robertson will take on the newly created role of Minister for Cyclone Recovery. The Minister for Cyclone Recovery will chair a new Extreme Weather Recovery Committee, with Hon. Barbara Edmonds, who will be appointed Associate Minister of Cyclone Recovery as deputy.
- 14 This Committee will co-ordinate and direct the government response to recovery from the recent extreme weather events. The Committee will steer the work needed over the coming weeks and months to get affected regions back up and running again. It will also help establish broader policy approaches to support building back better over the longer-term.

- 15 I have put in place Ministers for each affected region, who will work directly with local representatives and communities to ensure that local voices are heard and acted on.
- 16 Ministerial leads are:
- 16.1 Northland: Minister Kelvin Davis
  - 16.2 Auckland and Coromandel: Minister Michael Wood
  - 16.3 Waikato: Minister Nanaia Mahuta
  - 16.4 Tairāwhiti and Bay of Plenty: Minister Kiri Allan
  - 16.5 Hawke's Bay: Minister Stuart Nash
  - 16.6 Tararua and Wairarapa: Minister Kieran McAnulty.
- 17 The above Ministers will be members of the Extreme Weather Recovery Committee. In addition, Deputy Prime Minister Carmel Sepuloni, Minister Megan Woods, Minister Willie Jackson and Minister Meka Whaitiri will also be members, each of whom will have responsibilities overseeing the recovery in areas relevant to their portfolios. As with other Cabinet Committees, other Ministers will submit papers and attend as necessary and relevant.
- 18 The Committee will meet for the first time this week. This paper proposes some of the work that the Committee will consider.

### **Coordination arrangements**

- 19 In support of ministerial arrangements and as noted above, the recovery will take strong and experienced coordination across all arms of government, working alongside local government, the business community, social service providers, iwi and community groups.
- 20 Ministers are already working closely with whānau and hapū in areas affected by the cyclone, including meetings with Iwi Chairs. I expect this work to continue, and to be at the centre of our efforts. As we have experienced on previous recovery efforts, local voices will be critical to informing recovery priorities and decisions.

### *A Cyclone Recovery Taskforce*

- 21 To support what will be a significant work programme, I am establishing a new Cyclone Recovery Taskforce (the Taskforce). This Taskforce will focus on supporting the economic and infrastructure recovery and provide a means for many relevant voices to be heard in the recovery and rebuild phases.
- 22 Its purpose will be to pull together and align the recovery efforts and ensure local voices and iwi have input into decision-making. It will provide an independent perspective to the Minister for Cyclone Recovery and to Cabinet on what is required for the recovery efforts and to improve resilience in the

future. It will advise ministers on the priority needs for recovery and provide assurance on implementation of activities to meet those needs.

- 23 Draft Terms of reference for the Taskforce are attached as Annex One.
- 24 The Taskforce will be chaired by Sir Brian Roche, who brings extensive experience, including on roading, business, and the recent pandemic response.
- 25 This paper proposes that further appointments to the Taskforce are considered by Cabinet, on the recommendations of the Minister for Cyclone Recovery.
- 26 I anticipate that the Taskforce will include local government and iwi/Māori and business. I expect that the Taskforce will create a number of sub-groups to deal with specific issues. This is likely to include a focus on insurance and banking related matters. This will allow more detailed work on these areas, and to bring in the expertise and knowledge of a wider group of people. The proposed new Chief Executive for Cyclone Recovery and the Secretary to the Treasury will attend Taskforce meetings.
- 27 Its initial focus will be on the immediate recovery, but it will also advise government on future resilience to extreme weather events. Part of the Taskforce's work will cover possibilities to do with managed retreat in those areas, as well as other adaptation and resilience issues. Climate resilience and the avoidance of maladaptation must be a core objective of the recovery.
- 28 We cannot overburden the Taskforce, and there are many climate adaptation issues that the Taskforce will not be able to consider. Prominent amongst those are the need to expedite options to prevent future developments in hazard prone areas and determining if elements of the National Adaptation Plan can be accelerated.
- 29 I propose that the Minister for Climate Change, working with other Ministers as appropriate, brings a paper to Cabinet by the end of March on how best to advance climate adaptation issues more generally. I would expect this paper to consider a number of matters, including the following:
  - 29.1 requiring councils to undertake risk assessment for natural hazards, and setting a nationally consistent approach through national direction;
  - 29.2 developing or amending national direction or legislation to prevent/restrict development in areas at risk from natural hazards, including potential amendments to the RMA to give effect to this; and
  - 29.3 if and how Regional Spatial Strategies and the National Planning Framework might enhance / accelerate the recovery.
- 30 We will continue to draw on existing government arrangements to advise on and coordinate social and community efforts. However, mechanisms will be needed to ensure close connections between these arrangements and the Taskforce.

*A new lead Chief Executive role*

- 31 The recovery from Cyclone Gabrielle will require a strong, dedicated leader from the public service, who can work alongside the Chair of the Taskforce and liaise with other chief executives across the system. The establishment of a new Chief Executive for Cyclone Recovery will provide this dedicated focus and resource to support the recovery of affected regions.
- 32 The Public Service Act 2020 allows for the appointment of a functional chief executive – a chief executive responsible for carrying out a particular function within a department, rather than leading a public service agency.
- 33 A functional chief executive is directly responsible to a minister for the operation of their function but is hosted and supported by a host department. The role is appointed by the Public Service Commissioner in the same manner as a departmental chief executive is appointed.
- 34 The Public Service Commissioner is preparing the appointment process to immediately commence to ensure a suitably qualified candidate can be identified and appointed shortly with the appropriate due diligence. The Public Service Commissioner will announce acting arrangements as soon as possible, and also intends to appoint a Deputy Chief Executive for Cyclone Recovery using secondment provisions under section 64 of the Public Service Act.
- 35 I propose that the Chief Executive for Cyclone Recovery is responsible for the delivery of the following functions:
- 35.1 **leadership and coordination** of the Government's recovery work programme, including providing joined up advice to the Cyclone Recovery Minister and Ministerial Committee.
  - 35.2 strategic oversight and coordination of a significant **policy work programme**, looking across locally led planning and cross agency work to ensure that advice to ministers is coherent and brought together in a way that supports decision-making. The Unit would help coordinate across government any legislative change needed to enable urgent or longer-term action. This is covered further below.
  - 35.3 support for locally led **engagement** with communities, iwi, business, local government, regional groups and others. While public communication will be largely local and bespoke, central coordination will help ensure that resources are shared, and that information is easy for the public to access and navigate. This function will also include support for the Taskforce and local arrangements, so that interactions with government are streamlined.
  - 35.4 advice on system **risk and assurance** to provide ministers and decision-makers with regular assurance about delivery across what is likely to be a broad programme of work, and advice on emerging risks and mitigations.

- 35.5 **ensuring alignment** of the recovery programme with wider policy decisions and work programmes relating to long-term resilience, climate change and managed retreat.
- 35.6 leading a unit to support these functions, communicate progress and provide a **secretariat support** for the Cyclone Recovery Taskforce, and other groups as required.
- 36 The Chief Executive will also work to ensure that the interdependencies between different infrastructure investments are understood, and that work programmes can be sequenced and delivered, taking into account resource, workforce and system constraints. The Public Service Commissioner has advised that he will appoint the Chief Executive to the Public Service Leadership Team.
- 37 An Order in Council is required to establish a chief executive under the Public Service Act. The Order in Council will need to specify the Chief Executive's functions and name DPMC as the host department. The Chief Executive will be accountable to the responsible minister, which will be the Minister for the Cyclone Recovery. I invite the Minister for the Public Service to bring the Chief Executive Order in Council to Cabinet on 13 March 2023 along with a recommendation from the Public Service Commissioner for referral to the Governor-General in Council of the person to be appointed to the role.

*A Cyclone Recovery Unit within DPMC*

- 38 The scale and breadth of the recovery will require coordination and leadership across central government, between central, regional and local government, and with many others. The Cyclone Recovery Taskforce will play an important role in engaging outside of government and into communities. I am also proposing a new government unit, to support the new Chief Executive, in coordinating across agencies and supporting decision-makers with policy work and advice, engagement, and assurance about progress.
- 39 This will be a new Cyclone Recovery Unit (the Unit) housed within DPMC. The Unit will help coordinate what will be a significant work programme across agencies, supporting an overall strategy. The Unit would help coordinate across government any legislative change needed to enable urgent or longer-term action.
- 40 Further detail on funding arrangements for the Chief Executive, Unit and Taskforce are below.

*Funding arrangements*

- 41 To support a recovery which could be long and complex, due to the nature of the event we are dealing with, and drawing on past experience, I propose that we establish the Taskforce, Chief Executive role, Deputy Chief Executive role and the Unit for a period of two years, with a report back to ministers before the end of the first year to confirm or amend arrangements as the recovery

progresses. This enables recruitment of the leadership and skills needed for the duration of the recovery.

- 42 To enable immediate action, this paper seeks \$2.5 million for 2022/23 in initial funding. These costs would be met through a fiscally neutral transfer of underspends from within Vote Prime Minister and Cabinet to a new departmental output expense appropriation, also within Vote Prime Minister and Cabinet.
- 43 This initial funding would meet the costs of establishing the Taskforce, salary costs for critical leadership roles (including a new Chief Executive and Deputy Chief Executive) and initial business-critical personnel, travel and accommodation costs associated with the design and establishment of the Unit.
- 44 If agreed, a request for the full funding for the Taskforce and Unit for 2023/24 and 2024/25 will then be submitted by DPMC to the Minister for Cyclone Recovery by 20 March 2023. This will reflect more detailed design and arrangements to ensure the successful delivery of the functions as set out above.

#### *Public sector governance*

- 45 Public sector chief executives work collectively as a leadership team and will continue to do so. A sub-group of this wider team, led initially by the Chief Executive of the DPMC, will be put in place. Membership is expected to mirror ministerial arrangements, and support coordinated and seamless advice from across the public sector. The Chief Executive for Cyclone Recovery will be responsible for keeping all Chief Executives involved and updated.

#### *Regional leadership*

- 46 This paper proposes the establishment of core parts of the system that will be needed to support New Zealand's recovery from Cyclone Gabrielle, consistent with our overall approach.
- 47 As I have set out above, I am committed to a locally led recovery, supported by central government. Given the scale of the impacts, existing central government-local government-iwi and business partnerships will also need to be strengthened within each region. This will include support for the ministerial leadership roles that I have established.
- 48 As part of the recovery, Mayors and Regional Council Chairs, through their Civil Defence Emergency Management (CDEM) Group, are required by the CDEM Act to appoint a Group Recovery Manager, who then, by convention establishes a recovery office, and a governance level recovery leadership group to assist with recovery coordination and oversight. Recovery leadership groups can include local government, central government, iwi and business leaders. CDEM Groups are required under the CDEM Act to provide for strategic planning for recovery in their Group Plan.



- 49 This paper proposes that we direct officials to further investigate ways to bolster recovery leadership groups and to ensure that all partners are well represented. This is likely to be bespoke for each affected area.
- 50 In some regions, like Auckland, there are already multiple central-local government forums covering areas relevant to the recovery so some rationalisation or repurposing may be required. This could also include co-locating central government staff in a joint recovery project office, for example.
- 51 The existing Regional Public Service Commissioners (the Commissioners) will be utilised to strengthen regional system leadership by ensuring there is regional alignment and national level input on decisions where needed. These Commissioners are well-placed to bring systems expertise and capability, provide leadership, coordinate quick joined-up local responses and demonstrate that central government is acting in coherent ways, appropriate to each region. They can perform these vital roles without the need to further alter regional governance arrangements or direct the funding and activities of individual agencies which remain well-placed to address their particular areas of expertise.
- 52 I propose that following local engagement, officials report back to the Minister for Cyclone Recovery to support a Cabinet discussion on 6 March 2023. This report-back should provide further advice on strengthening recovery leadership groups and any other appropriate mechanisms for each local area.
- 53 As part of the recovery work programme, we need to consider New Zealand's long-term resilience arrangements, climate change adaptation and managed retreat. This is reflected in the Terms of Reference for the Taskforce and will be picked up by officials as part of the broader strategy and forward work programme.

#### *Legislative work programme*

- 54 Previous emergencies have required legislation to enable urgent measures to support recovery. For example, the Hurunui/Kaikōura Earthquake Recovery Act 2016, which enabled changes by way of an Order in Council mechanism, to enable works to restore the coastal road and rail network to occur as quickly as possible.
- 55 An initial assessment by officials has identified a range of potential legislative changes that are necessary or desirable to support recovery, which are being assessed for their relative urgency. Officials anticipate that there will be a need for both an Order in Council mechanism similar to the Hurunui/Kaikōura Earthquake Recovery Act 2016, and for some changes to be made directly in an urgent Bill.
- 56 To support this pace, I recommend delegating any urgent consideration of this set of issues to the Minister for Cyclone Recovery and other ministers that form the Extreme Weather Recovery Committee.

- 57 Given the urgency of this matter, I am also seeking Cabinet approval for drafting to begin for short-medium term legislation to support the recovery. This may be in advance of Cabinet policy approval, which will still be sought as soon as possible.

### Financial implications

- 58 As outlined above, funding is sought for the establishment of a new Cyclone Recovery Taskforce and initial funding to establish a Cyclone Recovery Unit within DPMC.
- 59 To enable immediate action, this paper seeks a total of \$2.5 million for 2022/23 in initial funding to:
- 59.1 meet the costs of members of the Taskforce and secretariat support for the Taskforce (approximately \$310,000);
  - 59.2 cover salary costs for new public sector Chief Executive and Deputy Chief Executive roles and other critical leadership roles in the unit (approximately \$430,000); and
  - 59.3 meet initial business critical personnel, travel and accommodation costs associated with the design and establishment of the Unit, (\$1.8 million).
- 60 DPMC forecast a \$4 million underspend for 2022/23 in the Vote Prime Minister and Cabinet departmental output expense appropriation COVID-19 All of Government Response, and a \$4.5 million underspend for 2022/23 in the Vote Prime Minister and Cabinet departmental output expense appropriation Health and Disability System Reform. Agreement is sought to make these underspends available to support the 2022/23 and 2023/24 costs of the Taskforce and the Unit.
- 61 This paper proposes a new departmental output expense appropriation (Extreme Weather Events All of Government Response) within Vote Prime Minister and Cabinet.
- 62 This paper seeks agreement to meet the \$2.5 million cost in 2022/23 through a fiscally neutral transfer from underspend in the Vote Prime Minister and Cabinet departmental output expense appropriation COVID-19 All of Government Response to the proposed new Vote Prime Minister and Cabinet departmental output expense appropriation Extreme Weather Events All of Government Response.
- 63 If agreed, a request for the full funding for the Taskforce and Unit for 2023/24 and 2024/25 will then be submitted by the Minister for Cyclone Recovery by 20 March 2023. This will reflect more detailed design and arrangements to ensure the successful delivery of the functions as set out above.

## Legislative Implications

- 64 There are no immediate legislative implications from this paper. As set out above, emergency legislation to support the recovery may be needed in the future.

## Impact Analysis

- 65 In the time available, the Treasury has not been able to determine if the proposals in this paper are eligible for an exemption.

## Human Rights

- 66 There are no human rights implications from the proposals in this paper.

## Population impacts

- 67 Cyclone Gabrielle will have widespread impacts on many population groups. The proposals in this paper acknowledge these impacts and are designed to set in place arrangements to support a recovery effort that address them.

## Consultation

- 68 This paper was prepared by DPMC and NEMA.
- 69 The Public Services Commission provided input and the Treasury was consulted on the paper.

## Communications and proactive release

- 70 I will communicate the decisions set out in this paper after Cabinet agreement. I intend to proactively release this paper after Cabinet consideration subject to redaction as appropriate under the Official Information Act 1982.

## Recommendations

The Prime Minister recommends that Cabinet:

- 1 **note** the need for strong and coordinated action across all arms of government on the recovery from Cyclone Gabrielle and its impacts;
- 2 **note** that I have established a new Extreme Weather Recovery Cabinet Committee;
- 3 **agree** to establish a Cyclone Recovery Taskforce to pull together the recovery efforts and ensure local voices and iwi have input into decision-making;
- 4 **note** the attached draft Terms of Reference for the Cyclone Recovery Taskforce;

- 5 **agree** that the Prime Minister and the Minister for Cyclone Recovery will finalise the Terms of Reference for the Cyclone Recovery Taskforce with the Chair;
- 6 **note** the intention of the Minister for Cyclone Recovery to appoint Sir Brian Roche as Chair of the Cyclone Recovery Taskforce;
- 7 **invite** the Minister for Cyclone Recovery to recommend membership of the Cyclone Recovery Taskforce to Cabinet subject to the satisfactory completion of conflict of interest checks and other appointment processes;
- 8 **agree** that a core objective of the recovery is improving climate resilience and the avoidance of maladaptation;
- 9 **note** that there are climate adaptation and resilience issues that the Taskforce will not be able to cover, including the need to prevent future developments occurring in hazard prone areas;
- 10 **invite** the Minister for Climate Change, in consultation with the Minister for Cyclone Recovery, to report to the Extreme Weather Recovery Committee by the end of March on how best to advance climate adaptation issues that are not directly covered by the Taskforce set up in this paper;
- 11 **note** that the Public Service Act 2020 allows for the establishment of a functional chief executive who is responsible to a Minister for the performance of a function, rather than a department;
- 12 **agree** to establish a Chief Executive for Cyclone Recovery for the duration of the recovery with responsibility for delivering the following functions:
  - 12.1 leadership and coordination of the Government's Recovery work programme
  - 12.2 strategic policy and legal advice
  - 12.3 engagement to support tailored local communications efforts
  - 12.4 advice on system risk and assurance
  - 12.5 ensuring alignment with wider policy decisions on long-term resilience, climate change and managed retreat
  - 12.6 secretariat support for the Cyclone Recovery Taskforce;
- 13 **note** that the Public Service Commissioner will appoint an acting Chief Executive for Cyclone Recovery as soon as practicable along with a Deputy Chief Executive for Cyclone Recovery and immediately commence the appointment process for the substantive appointment;
- 14 **note** that the Chief Executive for Cyclone Recovery will be responsible to the Minister for Cyclone Recovery;

- 15 **invite** the Minister for the Public Service to instruct Parliamentary Counsel Office to draft an Order in Council to establish a functional chief executive named Chief Executive for Cyclone Recovery, and hosted by the Department of the Prime Minister and Cabinet, by adding an item to Schedule 5 of the Public Service Act 2020;
- 16 **invite** the Minister for the Public Service to bring the Chief Executive for Cyclone Recovery Order in Council to Cabinet on 13 March 2023 along with a recommendation from the Public Service Commissioner for referral to the Governor-General in Council of the person to be appointed to the role;
- 17 **agree** that the Chief Executive for Cyclone Recovery will be hosted by the Department of the Prime Minister and Cabinet and supported by a Cyclone Recovery Unit to deliver their functions;
- 18 **agree** that these arrangements be established for two years, with a report back to Ministers following the first year to confirm or amend arrangements as the recovery progresses;
- 19 **direct** officials, following engagement with local leaders, to report back to the Minister for Cyclone Recovery with further advice on strengthening regionally based recovery leadership groups and any other appropriate mechanisms for each local area, for Cabinet consideration on 6 March 2023;
- 20 **authorise** Parliamentary Counsel Office to begin drafting for short-medium term legislation to support the recovery;
- 21 **authorise** the Extreme Weather Recovery Committee (and any other relevant portfolio ministers that need to be consulted) to make policy decisions for short-medium term legislation to support the recovery;

*Financial recommendations*

- 22 **note** that the Department of the Prime Minister and Cabinet forecast a \$4 million underspend for 2022/23 in the Vote Prime Minister and Cabinet departmental output expense appropriation COVID-19 All of Government Response, and a \$4.5 million underspend for 2022/23 in the Vote Prime Minister and Cabinet departmental output expense appropriation Health and Disability System Reform;
- 23 **note** that on 22 November 2021, Cabinet agreed that any baseline funding in the COVID-19 All of Government Response appropriation for 2022/23 not required to support the government's response to COVID-19 be returned to the centre [DEV-21-MIN-0235 and CAB-21-MIN-0487];
- 24 **agree** that the underspends referred to in recommendation 22 above can be applied to the cost of establishing and operating the Cyclone Recovery Taskforce and the Cyclone Recovery Unit and to other related cyclone and extreme weather response and recovery expenditure in the Department of the Prime Minister and Cabinet;

- 25 **note** that initial funding of \$2.5 million is required for 2022/23 for the establishment and support of the Cyclone Recovery Taskforce and to commence early work to establish a Cyclone Recovery Unit;
- 26 **note** that the Minister for Cyclone Recovery will, by 20 March 2023, seek Cabinet approval for funding for 2023/24 and 2024/25 to enable the full operation of the Cyclone Recovery Unit for a period of 24 months from 1 July 2023 once detailed design of the functions and roles within the Cyclone Recovery Office is complete;
- 27 **agree** to establish the following new appropriation:

Vote	Appropriation Minister	Appropriation Administrator	Title	Type	Scope
Prime Minister and Cabinet	Minister for Cyclone Recovery	Department of the Prime Minister and Cabinet	Extreme Weather Events All of Government Response	Departmental Output Expense	This appropriation is limited to leadership and co-ordination of the Government's response to the sequence of 2023 extreme weather events that impacted the North Island

- 28 **agree** to a fiscally neutral transfer of \$2.5 million for 2022/23 only from the Vote Prime Minister and Cabinet departmental output expense appropriation COVID-19 All of Government Response to the Vote Prime Minister and Cabinet departmental output expense appropriation Extreme Weather Events All of Government Response for the establishment and support of the Cyclone Recovery Taskforce and to commence early work to establish a Cyclone Recovery Unit within the Department of the Prime Minister and Cabinet;
- 29 **approve** the following fiscally neutral adjustment to give effect to the policy decision in recommendation 28 above, with no impact on the operating balance and net debt:

	\$m – increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
<b>Vote Prime Minister and Cabinet</b> <b>Minister for Cyclone Recovery</b> Departmental Output Expenses: Extreme Weather Events All of Government Response (funded by revenue Crown)	2.500	-	-	-	-
<b>Vote Prime Minister and Cabinet</b> <b>Minister for COVID-19 Response</b> Departmental Output Expenses: COVID-19 All of Government Response (funded by revenue Crown)	(2.500)	-	-	-	-

- 30 **agree** that the proposed change to appropriations for 2022/23 above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;
- 31 **agree in principle** that the \$6 million balance of savings referred to in recommendations 22-24 above be available to help meet any additional costs for the Extreme Weather Events All of Government response in 2022/23 and 2023/24.

Rt Hon Chris Hipkins  
**Prime Minister**

## Appendix One: Cyclone Gabrielle Recovery Taskforce Terms of Reference

### Context

1. Cyclone Gabrielle has caused significant damage to the northern and eastern parts of the North Island. While the full impacts of the cyclone continue to be assessed, it is clear that the damage is significant. The investment required to reconnect our communities and futureproof our nation's infrastructure will be significant and will require hard decisions and a whole-of-government approach.
2. The Government is committed to working closely with the local communities, iwi, and the private sector to respond, recover and rebuild. It is important that Government is guided closely by the advice and the needs of those affected on the ground. The Cyclone Recovery Taskforce will enable this by its engagement with regional structures, public sector, Minister for Cyclone Recovery, and Cabinet Extreme Weather Recovery Committee.

### Purpose and scope of the Taskforce

3. The high-level purpose of the Taskforce is to pull together and align the economic and infrastructure recovery efforts and those who will work on the recovery; and ensure local, iwi, and business voices have input into decision making. It will provide an independent perspective to the Minister for Cyclone Recovery and Cabinet on what is required for the recovery efforts and to improve resilience in the future. It will advise ministers on the prioritisation and sequencing of needs for each region and provide assurance on implementation of activities to meet those needs.
4. The Taskforce covers all regions affected by the January and February floods and cyclone. Its initial focus will be on the immediate recovery. It will also lead on planning for future resilience, which will become its greater focus over time. While primarily concerned with economic and infrastructure issues, the Taskforce will have regard to relevant social issues eg, employment and training to support the infrastructure rebuilds.

### Role

5. The Taskforce will:
  - a) Be a key interface between the regional groups, iwi, ministers and central government to ensure their needs are recognised and inform advice to and decision-making by ministers;
  - b) Integrate local views with members' own knowledge and expertise to advise on priorities for recovery and planning and the sequencing of recovery efforts;
  - c) Act as a clearing house both for problems and opportunities, including identifying regulatory, policy, funding, and operational barriers to recovery efforts, and areas where co-ordinated action would be preferable to individual activity (eg, clearing silt across many properties);
  - d) Identify commonalities and differences between the regions to ensure advice considers consistency of approaches or deliberate variations;
  - e) Identify prioritisation and sequencing of work, including policy, to ensure the balance to short-term and long-term responses;



- f) Identify, where and if appropriate, options for retreating from areas of high risk of flooding / damage in the future, along with potential approaches to funding and regulatory implications;
  - g) Ensure the integration and alignment of Government resources with respect to infrastructure to the identified and agreed needs of the regional communities
  - h) Identify, if necessary, areas where future developments might occur to lessen natural hazard risks in the future;
  - i) Collate and share information and, where relevant and possible, de-conflict views;
  - j) Provide an independent view on the effectiveness of recovery activities (this could include reporting itself or commenting on / recommending amalgamated reporting from the Cyclone Recovery Unit or other relevant parties such as insurers);
  - k) Begin identifying opportunities to build more resilient infrastructure.
6. The Chair will also comment on relevant Cabinet papers.
  7. The following functions are outside the scope of the Taskforce's role:
    - Decisions about policy and funding– they are the responsibility of the Extreme Weather Recovery Committee and councils;
    - Welfare and social support response - this will be the role of the relevant agencies;
    - Procurement or contracting this will be the role of the relevant agencies; and
    - Operational delivery.
  8. The Taskforce will work closely with the public sector, including relevant Crown entities, in performing its roles.

### **Reporting and accountability**

9. The Taskforce will report in, via the Chair, to the Extreme Weather Recovery Cabinet Committee. The Committee and the Minister for Cyclone Recovery will be able to give the Taskforce specific tasks. It may also initiate its own activities.
10. The Taskforce will meet regularly with the Minister on behalf of Cabinet.

### **Membership**

11. Sir Brian Roche is the Chair of the Taskforce.
12. Members will be drawn from following:
  - Business New Zealand and one other person with business experience
  - NZCTU;
  - Local government [invite LGNZ to nominate someone]; and
  - Iwi [invite the Iwi Chairs Forum to nominate three people].
13. The Chief Executive of the Cyclone Recovery Unit and the Secretary to the Treasury will attend meetings.

14. The Taskforce may establish sub-groups for certain sectors or issues, eg, insurance. It may co-opt members onto the subgroups as required. Initially, the following sub-groups will be established:

- Insurance and banking;
- Utilities and telecommunications; and
- Infrastructure, construction and roading (including Waka Kotahi and Kainga Ora).

15. Members will be appointed for 12 months with a possible further 12 months.

### **Fees and reimbursements**

16. Letters of appointment will detail the remuneration and reimbursement arrangements for the Chair and members.

### **Secretariat**

17. DPMC's Cyclone Recovery Unit will provide secretariat support. It will support the Chair to arrange and hold meetings, identify agenda priorities, manage the flow of information, support the development and preparation of written advice, and maintain sound board practices. It will also support any sub-groups.

### **Meetings**

18. The Taskforce is expected to meet fortnightly initially, at a minimum, with discretion to meet more frequently. The Chair will determine the meeting processes.

19. Members who are unable to attend a meeting of the Taskforce cannot delegate attendance responsibilities.

### **Information requirements**

20. The Taskforce is likely to require information from other agencies and stakeholders on the response. The Taskforce will regularly engage with the responsible Minister or the Cyclone Recovery Unit regarding information requirements and, at the direction of the Minister, the Minister's Office or the Cyclone Recovery Unit will liaise with the relevant agencies and officials to request such information.

### **Official Information Act**

21. The Taskforce is subject to the Official Information Act. This includes any correspondence, minutes of meetings, and materials prepared by or provided to the Taskforce.

### **Media**

22. The Chair will be responsible for any public statements on behalf of the Taskforce. The Chair should inform the Minister's Office of any requests to comment prior to releasing a public statement, operating under a principle of 'no surprises'.

### **Declarations of conflict**

23. The Chair and Members are responsible for declaring any real or potential conflicts. Any real or perceived conflicts will be discussed by the Chair and/or responsible Ministers, and mitigations put in place if necessary.

### **General confidentiality requirements**

24. Members of the Taskforce must maintain confidentiality of matters discussed at meetings, and any information or documents (not otherwise publicly available) provided to the Taskforce.

### **Removal of Members**

25. Any serious breach of any of these Terms of Reference may result in responsible Ministers removing a member from the Taskforce at their discretion. Serious breaches of the Terms of Reference include, but are not limited to, a breach of confidentiality, unauthorised communication with media about the Taskforce, or a failure to declare, or appropriately manage, a conflict of interest.

26. Any member removed from the Taskforce can be replaced with a new member at the discretion of the responsible Ministers.

### **Disestablishment of the Taskforce**

27. The Taskforce will operate until March 2024 with a possible extension for a further year. It may be disestablished at any time prior to this date at the discretion of responsible Ministers. The Cyclone Recovery Unit will provide advice to the Minister for Cyclone Recovery in late 2023 on whether an extension is required.

PROACTIVELY RELEASED



# Cabinet

## Minute of Decision

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*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.*

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### Cyclone Gabrielle: Recovery Arrangements

**Portfolio**                      **Prime Minister**

On 27 February 2023, Cabinet:

- 1        **noted** the need for strong and coordinated action across all arms of government on the recovery from Cyclone Gabrielle and its impacts;
- 2        **noted** that the Prime Minister has established a new Cabinet Extreme Weather Recovery Committee;
- 3        **agreed** to establish a Cyclone Recovery Taskforce to pull together the recovery efforts and ensure local voices and iwi have input into decision-making;
- 4        **noted** the draft Terms of Reference for the Cyclone Recovery Taskforce, attached to the submission under CAB-23-SUB-0056;
- 5        **agreed** that the Prime Minister and the Minister for Cyclone Recovery will finalise the Terms of Reference for the Cyclone Recovery Taskforce with the Chair;
- 6        **noted** the intention of the Minister for Cyclone Recovery to appoint Sir Brian Roche as Chair of the Cyclone Recovery Taskforce;
- 7        **invited** the Minister for Cyclone Recovery to recommend membership of the Cyclone Recovery Taskforce to Cabinet, subject to the satisfactory completion of conflict of interest checks and other appointment processes;
- 8        **agreed** that a core objective of the recovery is improving climate resilience and the avoidance of maladaptation;
- 9        **noted** that there are climate adaptation and resilience issues that the Taskforce will not be able to cover, including the need to prevent future developments occurring in hazard prone areas;
- 10       **invited** the Minister of Climate Change, in consultation with the Minister for Cyclone Recovery, to report to the Cabinet Extreme Weather Recovery Committee by the end of March 2023 on how best to advance climate adaptation issues that are not directly covered by the Cyclone Recovery Taskforce;
- 11       **noted** that the Public Service Act 2020 allows for the establishment of a functional chief executive who is responsible to a Minister for the performance of a function, rather than a department;

- 12 **agreed** to establish a Chief Executive for Cyclone Recovery for the duration of the recovery, with responsibility for delivering the following functions:
  - 12.1 leadership and coordination of the government's recovery work programme;
  - 12.2 strategic policy and legal advice;
  - 12.3 engagement to support tailored local communications efforts;
  - 12.4 advice on system risk and assurance;
  - 12.5 ensuring alignment with wider policy decisions on long-term resilience, climate change and managed retreat;
  - 12.6 secretariat support for the Cyclone Recovery Taskforce;
- 13 **noted** that the Public Service Commissioner will appoint an acting Chief Executive for Cyclone Recovery as soon as practicable along with a Deputy Chief Executive for Cyclone Recovery, and immediately commence the appointment process for the substantive appointments;
- 14 **noted** that the Chief Executive for Cyclone Recovery will be responsible to the Minister for Cyclone Recovery;
- 15 **invited** the Minister for the Public Service to issue drafting instructions to the Parliamentary Counsel Office for an Order in Council to establish a functional chief executive, named Chief Executive for Cyclone Recovery, and hosted by the Department of the Prime Minister and Cabinet, by adding an item to Schedule 5 of the Public Service Act 2020;
- 16 **invited** the Minister for the Public Service to bring the Chief Executive for Cyclone Recovery Order in Council to Cabinet on 13 March 2023, along with a recommendation from the Public Service Commissioner on the person to be appointed to the role, for referral to the Governor-General in Council;
- 17 **agreed** that the Chief Executive for Cyclone Recovery will be hosted by the Department of the Prime Minister and Cabinet and supported by a Cyclone Recovery Unit to deliver their functions;
- 18 **agreed** that these arrangements be established for two years, with a report-back to Ministers following the first year to confirm or amend arrangements as the recovery progresses;
- 19 **directed** officials, following engagement with local leaders, to report-back to the Minister for Cyclone Recovery with further advice on strengthening regionally based recovery leadership groups and any other appropriate mechanisms for each local area, for Cabinet consideration on 6 March 2023;
- 20 **authorised** Parliamentary Counsel Office to begin drafting the short-medium term legislation to support the recovery;
- 21 **authorised** the Cabinet Extreme Weather Recovery Committee (and any other relevant portfolio Ministers that need to be consulted) to make policy decisions for short-medium term legislation to support the recovery;

**Financial implications**

- 22 **noted** that the Department of the Prime Minister and Cabinet forecast a \$4 million underspend for 2022/23 in the Vote Prime Minister and Cabinet departmental output expense appropriation COVID-19 All of Government Response, and a \$4.5 million underspend for 2022/23 in the Vote Prime Minister and Cabinet departmental output expense appropriation Health and Disability System Reform;
- 23 **noted** that on 22 November 2021, Cabinet agreed that any baseline funding in the COVID-19 All of Government Response appropriation for 2022/23 not required to support the government’s response to COVID-19 be returned to the centre [DEV-21-MIN-0235, CAB-21-MIN-0487];
- 24 **agreed** that the underspends referred to in paragraph 22 above can be applied to the cost of establishing and operating the Cyclone Recovery Taskforce and the Cyclone Recovery Unit, and to other related cyclone and extreme weather response and recovery expenditure in the Department of the Prime Minister and Cabinet;
- 25 **noted** that initial funding of \$2.5 million is required for 2022/23 for the establishment and support of the Cyclone Recovery Taskforce and to commence early work to establish a Cyclone Recovery Unit;
- 26 **noted** that the Minister for Cyclone Recovery will, by 20 March 2023, seek Cabinet approval for funding for 2023/24 and 2024/25 to enable the full operation of the Cyclone Recovery Unit for a period of 24 months from 1 July 2023 once detailed design of the functions and roles within the Cyclone Recovery Office is complete;
- 27 **agreed** to establish the following new appropriation:

Vote	Appropriation Minister	Appropriation Administrator	Title	Type	Scope
Prime Minister and Cabinet	Minister for Cyclone Recovery	Department of the Prime Minister and Cabinet	Extreme Weather Events All of Government Response	Departmental Output Expense	This appropriation is limited to leadership and co-ordination of the government's response to the sequence of 2023 extreme weather events that impacted the North Island

- 28 **agreed** to a fiscally neutral transfer of \$2.5 million for 2022/23 only from the Vote Prime Minister and Cabinet departmental output expense appropriation COVID-19 All of Government Response to the Vote Prime Minister and Cabinet departmental output expense appropriation Extreme Weather Events All of Government Response for the establishment and support of the Cyclone Recovery Taskforce and to commence early work to establish a Cyclone Recovery Unit within the Department of the Prime Minister and Cabinet;

29 **approved** the following fiscally neutral adjustment to give effect to the policy decision in paragraph 28 above, with no impact on the operating balance and net debt:

	\$m – increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
<b>Vote Prime Minister and Cabinet Minister for Cyclone Recovery</b>					
Departmental Output Expenses: Extreme Weather Events All of Government Response (funded by revenue Crown)	2.500	-	-	-	-
<b>Vote Prime Minister and Cabinet Minister for COVID-19 Response</b>					
Departmental Output Expenses: COVID-19 All of Government Response (funded by revenue Crown)	(2.500)	-	-	-	-

30 **agreed** that the change to appropriations for 2022/23 above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;

31 **agreed in principle**, subject to Budget decisions, that the \$6 million balance of savings referred to in paragraphs 22-24 above be available to help meet any additional costs for the Extreme Weather Events All of Government response in 2022/23 and 2023/24.

Rachel Hayward  
Secretary of the Cabinet

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