



## Proactive Release

The following documents have been proactively released by the Department of the Prime Minister and Cabinet (DPMC):

### **Funding for the Cyclone Recovery Taskforce and the Chief Executive, Cyclone Recovery**

The following documents have been included in this release:

**Title of paper:** Funding for the Cyclone Recovery Taskforce and the Chief Executive, Cyclone Recovery (EWR-23-SUB-0020)

**Title of minute:** Funding for the Cyclone Recovery Taskforce and the Chief Executive, Cyclone Recovery (EWR-23-MIN-0020)

**Title of minute:** Report of the Cabinet Extreme Weather Recovery Committee:  
Period Ended 17 March 2023 (CAB-23-MIN-0086)

Office of the Minister for Cyclone Recovery  
Extreme Weather Recovery Committee

## **THE GOVERNMENT'S RESPONSE TO RECENT EXTREME WEATHER EVENTS: FUNDING FOR THE CYCLONE RECOVERY TASKFORCE AND CHIEF EXECUTIVE, CYCLONE RECOVERY**

### **Proposal**

- 1 This paper seeks Cabinet's agreement to funding arrangements for the Cyclone Recovery Taskforce and the Chief Executive, Cyclone Recovery to support the recovery from recent extreme weather events.

### **Relation to government priorities**

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

### **Executive Summary**

- 3 The Government's response and recovery from Cyclone Hale, the Auckland Anniversary Weekend Floods and Cyclone Gabrielle requires significant programmes of work to rebuild homes and communities, and to future-proof our nation's infrastructure. It requires an all-of-government approach, supporting and informed by local communities and in partnership with iwi, local government, and the private sector.
- 4 In response to what is likely to be a long and complex recovery, Cabinet agreed to establish a Cyclone Recovery Taskforce (the Taskforce) to enable engagement with regional structures, the private sector (insurance companies, banks, utilities, roading etc), the Minister for Cyclone Recovery, and Cabinet Extreme Weather Recovery Committee.
- 5 Cabinet also agreed to establish a Cyclone Recovery Unit (the Unit) hosted within the Department of the Prime Minister and Cabinet (DPMC), to support the Government's recovery work programme for two years. The Unit will be led by a Chief Executive who will support me in my role as Minister for Cyclone Recovery, Cabinet, and other Ministers as required.
- 6 Alongside this, Cabinet agreed to a fiscally neutral transfer of \$2.5 million for 2022/23 to meet establishment costs for these arrangements, including initial funding for the Taskforce [CAB-23-MIN-0056].
- 7 This paper seeks medium term funding for the Taskforce and the Unit within DPMC. The funding sought is a small adjustment to the amount needed for

the establishment in the 2022/23 financial year and funding for the 2023/24 and 2024/25 financial years. The funding will enable the Chief Executive and the Unit to deliver the functions agreed by Cabinet [CAB-23-MIN-0056] including the delivery of a coordinated effort for recovery across ministerial portfolio's; regional and local authorities; and affected sectors and communities. Any funding not needed will be returned to the centre at the conclusion of 2024/25.

- 8 This paper also seeks funding for the public sector in the regions, including Regional Public Service Commissioners, to support designated Ministerial leads for affected regions.

## **Background**

- 9 Cabinet agreed to establish a Cyclone Recovery Taskforce (the Taskforce), supported by a Cyclone Recovery Unit hosted within the Department of the Prime Minister and Cabinet (DPMC) to support the Government's recovery work programme for two years.
- 10 Alongside this, Cabinet agreed to a fiscally neutral transfer of \$2.5 million for 2022/23 to meet establishment costs for these arrangements [CAB-23-MIN-0056]. Separately, I will propose the membership of the Taskforce to Cabinet and that the full Taskforce can commence its work as soon as possible. An Executive Director Taskforce is in place and has started working with the Chair.
- 11 Cabinet will consider an Order in Council on Monday 13 March 2023 to establish the role of the Chief Executive, Cyclone Recovery to lead the Cyclone Recovery Unit. Cabinet will also consider a recommendation from the Public Service Commissioner of an appointment to the role. The Chief Executive will be responsible to me as Minister for Cyclone Recovery.
- 12 The Prime Minister put in place a lead Minister for each affected region who will work directly with local representatives and communities to ensure that local needs are understood and acted on. These Ministers are members of the Cabinet Extreme Weather Recovery Committee [CAB-23-SUB-0056]. Ministers have been working with their local areas to identify appropriate structures in each region and associated costs. I will consider Ministers' funding requests for regional response structures separate to this paper.

## **Government Coordination of Cyclone Recovery**

- 13 The Government's response and recovery from the Cyclones and floods will require significant programmes of work to recover and to increase the resilience of New Zealand's critical infrastructure. This will require an all-of-government approach based on the needs of local communities and in partnership with the private sector.

- 14 The Taskforce and Regional Groups are critical to informing the central government. Coordination of an all-of-government approach to recovery will leverage the capability of line agencies to deliver on the Government's recovery work programme. A Chief Executive governance group will be established as a critical coordination point. Appendix One sets out the high level architecture of the recovery.
- 15 The Chief Executive, Cyclone Recovery will ensure the interdependencies between infrastructure investments are understood, and that work programmes are sequenced to take into account regional priorities and resource, workforce, and system constraints. The Chief Executive will play a significant role in coordinating and ensuring coherent and joined up approaches between locally led recovery plans and central government agencies' recovery work.

#### *Changes to existing emergency management arrangements*

- 16 The Civil Defence Emergency Management Act 2002 (CDEM Act) creates a framework for the sustainable management of hazards including the arrangements to respond to, and recover from, emergencies. The CDEM system is a decentralised framework that follows a model of locally led, regionally coordinated, and nationally supported.
- 17 The National CDEM Plan Order 2015 outlines the Crown's approach to recovery, including objectives and principles, and the roles and activities of recovery at a national level. Typically, the national recovery functions and responsibilities would be expected to be undertaken by the National Emergency Management Agency (NEMA). Examples of national recovery functions are coordinating across government and planning for recovery activity at a national level, developing national recovery plans and tracking recovery progress at a national level.
- 18 As already agreed by Cabinet, the Chief Executive, Cyclone Recovery will be responsible for leadership and coordination of the Government's Recovery work programme [CAB-23-MIN-0056]. The national recovery functions and responsibilities will be undertaken by the Chief Executive, Cyclone Recovery.
- 19 The powers available to the Director CDEM and National Recovery Manager under any National Transition Period, such as those outlined in section 9(2)(a) of the CDEM Act will remain with NEMA. Retaining these powers with the Director CDEM will allow the Chief Executive to focus on national level coordination while working closely with NEMA. NEMA holds key relationships to CDEM Groups and local authorities.
- 20 The Chief Executive will ensure the recovery at a national level is fit for purpose given the scale and complexity of the consequences of the cyclones and floods.

- 21 Recovery arrangements, functions and responsibilities at local and regional level will align with the existing recovery framework which allows for flexibility and scalability. The Chief Executive and Unit will work closely with NEMA and local and regional governance and CDEM Groups to ensure activities are aligned and local leadership is supported to drive the recovery.

#### *Cyclone Recovery Taskforce*

- 22 The Taskforce is advisory in nature. Its main purpose 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 how to improve resilience in the future. It will advise Ministers on the prioritisation and sequencing of needs for each region.
- 23 The Taskforce will be provided with a secretariat function for which funding is sought. The secretariat will support the Taskforce Chair to arrange and hold meetings, identify agenda priorities, manage the flow of information, and support the development and preparation of written advice. It will also support the sub-groups of the Taskforce. The Secretariat will be a core part of the Unit.

#### *Chief Executive, Cyclone Recovery and supporting Unit*

- 24 The Chief Executive, Cyclone Recovery will advise the Minister for Cyclone Recovery on leadership and coordination of the Government's recovery work programme, alignment with wider policy decisions relating to long-term resilience, and will provide regular reporting and assurance about the progress of the recovery.
- 25 To support the functions, the Chief Executive, Cyclone Recovery, and the Chief Executive of the host agency DPMC, must agree the working arrangements with the Public Service Commissioner, as stipulated under section 55 of the Public Service Act. Resourcing sought for the Unit in this paper is reflective of initial views about what will be needed for the Unit to deliver its functions as agreed by Cabinet and will not duplicate the role of any existing line agency involved in the recovery [CAB-23-MIN-0056].
- 26 The design and capability of the Unit will be informed by lessons-learned from the recent and significant cross-agency coordination efforts to respond to and manage COVID-19 at a national level, Canterbury earthquakes, 2016 Kaikoura earthquake and tsunami and 2017 Whakatane flooding. The Unit's capability and roles will reflect the importance of local leadership leading community recovery, supported by central government.
- 27 The strategic policy and legal advice function will co-ordinate policy advice from central government agencies and ensure advice is joined up and reflective of input from and leadership of the regions. The Taskforce, in liaison

with the Chief Executive, may commission policy work and in general I expect the advice provided to decision-makers will be informed by the work of the Taskforce. The coordination function will help ensure that advice to ministers is coherent and brought together in a way that supports decision-making. I expect the Unit to facilitate a system view of the policy work programme, supporting decision-makers to direct the programmes of work in a coordinated way.

- 28 The unit will have a role in ensuring alignment of the wider policy decisions and work programmes relating to long-term resilience, climate change, and managed retreat and will help coordinate across government any legislative change needed to enable urgent or longer-term action. Alignment with any legislative changes to the CDEM Act will also be worked through.
- 29 Locally led engagement with communities, iwi, business, local government, regional groups, and others will be enabled by the Unit in the form of support for regional and iwi liaison. The lead Minister for each region has been tasked by the Extreme Weather Recovery Committee to work with the stakeholders in their region to create and plan and structure to guide the recovery and rebuild. It is important that the public service in the regions are aligned with these plans. The Unit will support a small number of staff in the regions to ensure planning and action at a central government level is properly reflective of the work being undertaken in the regions. I expect that the Unit will ensure that support for public service liaison in the regions is streamlined.
- 30 The engagement function will help inform central government agencies of what is occurring and being planned in affected regions across all areas of work which in turn will assist agencies to ensure the work they do supports a locally led recovery. Ministers will remain a critical source of information for me and the Cabinet Committee.
- 31 The planning function will work closely with the Taskforce to advise on the coherence and coordination of planning for recovery. It will bring local recovery plans together with the central government agency plans to advise decision-makers on sequencing and prioritisation of investment and short-, medium- and longer-term recovery activities. The Unit will work with agencies to ensure advice is provided to government about the interdependencies between different infrastructure investments, and that work programmes can be sequenced and delivered, taking into account resource, workforce, and system constraints.
- 32 The system assurance and reporting function will provide ministers and decision-makers with regular assurance and risk analysis that takes a system perspective to recovery work programmes. The system assurance picture will be informed by central government engagements, regional liaisons, and the Taskforce. Ministers will receive regular reports and insights on the progress of recovery across agency work programmes and regions, and advice on emerging risks and strategies to manage them.

- 33 The Unit is a temporary national recovery arrangement. The Chief Executive will plan what a possible transition arrangement might look like on disestablishment of the Unit. This planning should have regard to how the transition arrangements can enhance New Zealand's emergency management and recovery system in the future.

### **Funding arrangements**

- 34 Cabinet agreed to establish a Cyclone Recovery Taskforce (the Taskforce) and establish a Chief Executive, Cyclone Recovery supported by a Cyclone Recovery Unit hosted within the Department of the Prime Minister and Cabinet (DPMC) to support the Government's recovery work programme for two years. Cabinet noted there would be a further request for the funding needed to deliver on these arrangements [CAB-23-MIN-0056].
- 35 Alongside this, Cabinet 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 DPMC [CAB-23-MIN-0056].

#### *Taskforce funding*

- 36 Funding of \$6.202 million is sought for the Taskforce for the 2022/23 to 2024/25 financial years and includes:
- Chair and membership costs (in accordance with the Cabinet Fees Framework), travel and meeting costs, and the ability to commission independent expertise to supplement the Taskforce's advice.
  - Personnel and operating costs of a Secretariat serviced by the Unit. It is estimated the Secretariat will be made up of 6 full time equivalents.

#### *Cyclone Recovery Unit funding*

- 37 Funding is sought to enable the Chief Executive to deliver their functional accountabilities, for a Unit with an estimated 29 full time equivalents (excluding the Chief Executive, Taskforce Secretariat, and a small amount of host agency corporate support which is not part of the Unit) hosted within DPMC.
- 38 Funding of \$25.409 million is sought for the Unit and host agency corporate support for the 2022/23 to 2024/25 financial years and includes:
- Unit personnel costs (excluding the secretariat)
  - Unit non-personnel operating costs (i.e., travel and engagement costs)

- Unit overheads (i.e., IT equipment and licenses, accommodation, and depreciation)
- DPMC host agency corporate costs and Central Agencies Shared Services support costs and associated overheads (i.e., communications, legal, IT support, HR services, and Ministerial servicing). These functions are not part of the Cyclone Recovery Unit.

- 39 The estimated Unit costs assume a third of staff would be recruited in the remainder of this financial year, a gradual ramping up of personnel in the first quarter of 2023/24 and the unit to be fully staffed by end of October 2023 (at the latest). Positions will not be filled if the work can be undertaken by a smaller number of staff and surplus funding will be returned to the Crown.
- 40 Given the complexity, demands and expectations of the Unit the modelled costs of establishing the Unit reflect that the Chief Executive's leadership team is likely to include officials with the experience to engage effectively with other agencies and organisations at a very senior level. Leadership will include the capability and seniority to effectively engage with iwi/Māori and Treaty partners on the recovery work programme. While establishment will proceed as quickly as it can, allowance has been made in case temporary arrangements are needed given the tight labour market and urgent demands during the establishment phase.
- 41 It is anticipated the Unit will be staffed through a mixture of secondments and fixed term appointments. There may be a need for specialist expertise from time to time. The financial profile reflects the likelihood that it will take several months to fully recruit.

*Funding for support to designated Ministerial leads for affected regions*

- 42 It is vital that the public service in each of the affected regions works together, and in a way that is supportive of the locally and regionally led approach to the recovery and rebuild. Existing funding for the Regional Public Service Commissioners currently runs until 30 June 2023. Longer-term funding for Regional Public Service Commissioners would need to be sought through standard budget processes. It is proposed that the additional funding of \$3.110 million sought in this paper for the 2022/23 to 2024/25 financial years would specifically enable regional public service responses, including the Regional Public Service Commissioners to provide support to the lead Minister for affected regions. The funding sought is costed on the basis that it would allow for the equivalent of 9 roles in total (plus operating overheads) to assist the Commissioners to support the lead regional ministers.

*Review of arrangements*

- 43 Cabinet has agreed a report-back will be provided to Ministers following the first year of these arrangements being in place to confirm or amend arrangements as the recovery progresses [CAB-23-MIN-0056].



- 44 There is uncertainty in the timing and scale of costs that can be expected for the remainder of this financial year as the unit is established and the work programmes for the Taskforce and Unit become more apparent.
- 45 It is proposed that any underspend in the Extreme Weather Events All of Government Response departmental output expense appropriation be available for expense transfer to the next financial year, where necessary (e.g., in the event of delays in recruitment), to ensure funding remains available for this initiative, with the final amount for transfer to be confirmed in the October Baseline Update following completion of the Department of the Prime Minister and Cabinet's audited financial statements for the previous financial year. Any funding that remains unspent in the Extreme Weather Events All of Government Response departmental output expense appropriation at the completion of 2024/25, at which point the cyclone recovery function becomes disestablished, be returned to the centre.

### Financial implications

- 46 Tables 1 and 2 set out the funding that is sought for the Cyclone Recovery Taskforce, and the Cyclone Recovery Unit within DPMC and Regional Public Service Commissioners to support the lead regional ministers. The funding sought covers the 2022/23 to 2024/25 financial years.

Operating costs	\$ million			2025/26 & outyears
	2022/23	2023/24	2024/25	
<b>Taskforce</b>				
Members fees and expenses, travel, and professional advice	0.525	1.684	1.684	-
Secretariat personnel and travel	0.187	1.061	1.061	-
<b>Total Task force costs</b>	<b>0.712</b>	<b>2.745</b>	<b>2.745</b>	-
<b>Cyclone Recovery Unit</b>				
Personnel	1.049	6.941	7.025	-
Non-personnel unit operating costs	0.525	2.867	2.908	-
DPMC and CASS direct costs (personnel + on-costs)	0.218	0.838	0.839	-
Corporate overheads (CASS, accommodation, depreciation etc)	0.039	0.929	1.231	-
	<b>1.831</b>	<b>11.575</b>	<b>12.003</b>	-
<b>Total Taskforce and Cyclone Recovery Unit costs</b>	<b>2.543</b>	<b>14.320</b>	<b>14.748</b>	-
Funding approved 27 February 2023	(2.500)	-	-	-
<b>Additional Operating funding sought</b>	<b>0.043</b>	<b>14.320</b>	<b>14.748</b>	-
<b>Capital costs</b>				
IT equipment	0.122	-	-	-
Office fitout	-	1.386	-	-
<b>Total Capital costs</b>	<b>0.122</b>	<b>1.386</b>	-	-

	\$ million			
	2022/23	2023/24	2024/25	2025/26 & outyears
<b><u>Support to enable regional public services including for Regional Public Service Commissioners to support Lead Regional Ministers</u></b>	0.346	1.382	1.382	-

- 47 The establishment of this new unit will result in the need for additional floor space. In the short term the unit can occupy available floor space under DPMCs current lease of existing premises (along with some other parts of DPMC and NEMA) however this ends in September 2023. It is possible that DPMC may need to enter into a new lease for the new premises for these parts of DPMC and NEMA, of which the Unit would be a small part of for a limited amount of time. Any funding pressures arising from this due to not finding a suitable alternative tenant for the premises after the Cyclone Recovery Unit is disestablished will need to be addressed as part of the disestablishment process.
- 48 IT equipment for the Unit will be purchased by The Treasury and be provided to the Cyclone Recovery Unit as part of Central Agency Shared Services support for DPMC.
- 49 A fiscally neutral adjustment is also required in the Shared Support Services appropriation within Vote Finance. The shared service function of the Treasury provides the corporate functions of Finance, Human Resources and Information Technology to the Department of the Prime Minister and Cabinet and NEMA, and a portion the additional funding sought will be for the provision of corporate functions. This fiscally neutral adjustment is to avoid unappropriated expenditure in Vote Finance in delivering this service.

### **Legislative implications**

- 50 There are no immediate legislative implications from this paper.

### **Impact Analysis**

- 51 There are no regulatory proposals in this paper, and therefore Cabinet's regulatory impact analysis requirements do not apply.

### **Human Rights**

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

## Population impacts

- 53 Cyclone Gabrielle will have widespread impacts on many population groups. The proposals in this paper are designed to fund arrangements to support a recovery effort that address them.

## Consultation

- 54 This paper was prepared by DPMC.
- 55 The National Emergency Management Agency, the Public Service Commission, and the Treasury were consulted on the paper. The Ministry for Social Development is aware of the proposal in this paper relating to Regional Public Service Commissioners.

## Communications and proactive release

- 56 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

- 1 **note** that Cabinet agreed to establish a Cyclone Recovery Taskforce, appoint a Chief Executive, Cyclone Recovery, supported by a Cyclone Recovery Unit hosted within the Department of the Prime Minister and Cabinet to support the Government's recovery work programme for two years [CAB-23-MIN-0056];
- 2 **note** that initial design of the Cyclone Recovery Unit and its functions is now complete, and that further funding is sought for 2022/23 as well as for 2023/24 and 2024/25 for the full expected costs of support for Regional Public Service Commissioners, the Cyclone Recovery Taskforce, and the Cyclone Recovery Unit;

### *Financial recommendations*

- 3 **note** Cabinet approved a fiscally neutral transfer of \$2.5 million for 2022/23 for the establishment and support of the Cyclone Recovery Taskforce and to commence early work to establish a Cyclone Recovery Unit;

#### *Cyclone Recovery Taskforce and Cyclone Recovery Unit*

- 4 **agree** to increase funding in Vote Prime Minister and Cabinet by a total of \$29.111 million to meet the costs of the of the Cyclone Recovery Taskforce and the Cyclone Recovery Unit within DPMC for 2022/23 to 2024/25;
- 5 **agree** to a capital injection of \$1.386 million in 2023/24 to Vote Prime Minister and Cabinet for the fitout costs for office space for the Cyclone Recovery Unit;

- 6 **agree** to increase spending to provide for costs associated with the policy decisions in recommendation 4 and 5 above, with the following impacts on the operating balance and net debt:

<b>Vote Prime Minister and Cabinet</b>	<b>\$m – increase/(decrease)</b>				
	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27 &amp; Outyears</b>
Operating Balance and Net Debt Impact	0.043	14.320	14.748	-	-
Operating Balance Impact Only	-	-	-	-	-
Net Debt Impact Only	-	1.386	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>0.043</b>	<b>15.706</b>	<b>14.748</b>	<b>-</b>	<b>-</b>

- 7 **approve** the following changes to appropriations to give effect to the policy decision in recommendations 4 and 5 above:

<b>Vote Prime Minister and Cabinet Minister for Cyclone Recovery</b>	<b>\$m – increase/(decrease)</b>				
	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27 &amp; Outyears</b>
Departmental Output Expense: Extreme Weather Events All of Government Response (funded by revenue Crown)	0.043	14.320	14.748	-	-
<b>Department of the Prime Minister and Cabinet Capital Injection</b>	-	1.386	-	-	-
<b>Total Operating</b>	<b>0.043</b>	<b>14.320</b>	<b>14.748</b>	<b>-</b>	<b>-</b>
<b>Total Capital</b>	<b>-</b>	<b>1.386</b>	<b>-</b>	<b>-</b>	<b>-</b>

- 8 **agree** that the proposed change to appropriation and proposed departmental capital injection for 2022/23 above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 9 **agree** that decision making on the fiscal management treatment of both the operating balance and net debt impact and the net debt impact only in recommendation 6 above of expenses and the capital injection incurred under recommendation 7 above be delegated to the Minister of Finance, following further advice from Treasury;
- 10 **agree** in-principle that any underspend in the Extreme Weather Events All of Government Response departmental output expense appropriation be available for expense transfer to the next financial year, where necessary (e.g., in the event of delays in recruitment), to ensure funding remains available for this initiative, with the final amount for transfer to be confirmed in the October Baseline Update following completion of the Department of the

Prime Minister and Cabinet's audited financial statements for the previous financial year;

- 11 **agree** that any funding that remains unspent in the Extreme Weather Events All of Government Response departmental output expense appropriation at the completion of 2024/25, at which point the cyclone recovery function becomes disestablished, be returned to the centre;

*Shared Support Services*

- 12 **agree** to a \$1.886 million fiscally neutral increase to the Shared Support Services departmental output expense appropriation in Vote Finance for 2022/23 to 2024/25, to be funded by departmental revenue from DPMC, for shared services costs to support the Cyclone Recovery Unit;
- 13 **agree** to a capital injection of \$0.122 million in 2022/23 to Vote Finance for the purchase of IT equipment to be used by the Cyclone Recovery Unit;
- 14 **agree** to increase spending to provide for costs associated with the policy decisions in recommendations 12 and 13 above:

Vote Finance	\$m – increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Operating Balance and Net Debt Impact	-	-	-	-	-
Operating Balance Impact Only	-	-	-	-	-
Net Debt Impact Only	0.122	-	-	-	-
No Impact	0.186	0.848	0.852	-	-
<b>Total</b>	<b>0.308</b>	<b>0.848</b>	<b>0.852</b>	-	-

- 15 **approve** the following changes to appropriations to give effect to the policy decision in recommendations 12 and 13 above:

Vote Finance	\$m – increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
<b>Minister of Finance</b>					
Departmental Output Expense:					
Shared Support Services (funded by revenue department)	0.186	0.848	0.852	-	-
<b>The Treasury</b>					
Capital Injection	0.122	-	-	-	-
<b>Total Operating</b>	<b>0.186</b>	<b>0.848</b>	<b>0.852</b>	-	-
<b>Total Capital</b>	<b>0.122</b>	-	-	-	-

- 16 **agree** that the proposed change to appropriation and proposed departmental capital injection for 2022/23 above be included in the 2022/23 Supplementary

Estimates and that, in the interim, the increases be met from Imprest Supply;  
and

- 17 **agree** that decision making on the fiscal management treatment of the net debt impact only in recommendation 14 above of the capital injection incurred under recommendation 15 above be delegated to the Minister of Finance, following further advice from Treasury.

*Support for Regional Public Service*

- 18 **agree** to increase funding in Vote Prime Minister and Cabinet by a total of \$3.110 million for 2022/23 to 2024/25 for a contribution towards the costs of regional public service responses, including enabling the Regional Public Service Commissioners to provide support to the lead Minister for affected regions;

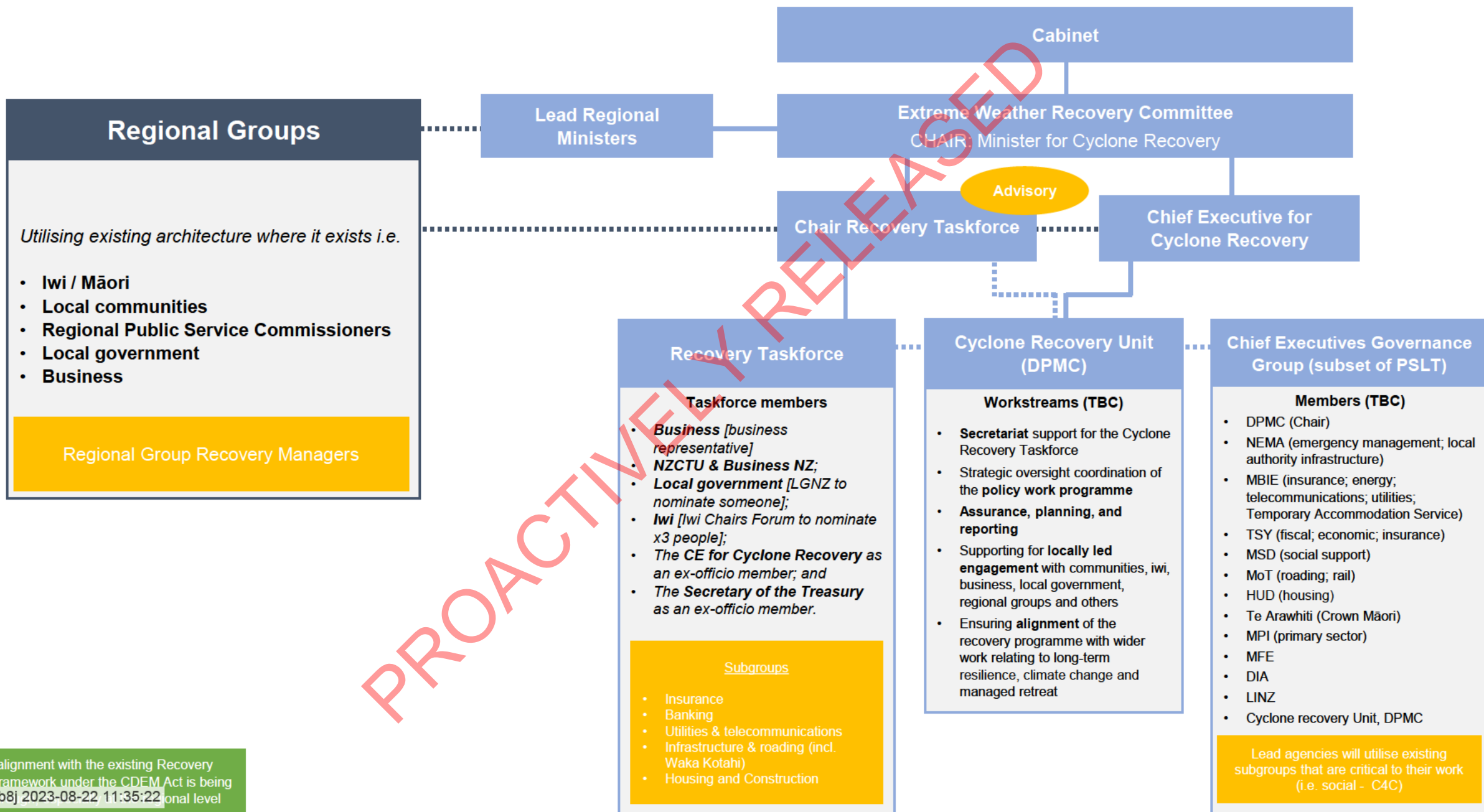
- 19 **approve** the following changes to appropriation to give effect to the policy decision in recommendation 18 above, with a corresponding impact on the operating balance and net debt:

Vote Prime Minister and Cabinet Minister for Cyclone Recovery	\$m – increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Departmental Output Expense: Extreme Weather Events All of Government Response (funded by revenue Crown)	0.346	1.382	1.382	-	-

- 20 **agree** that the proposed change to appropriation for 2022/23 above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;
- 21 **agree** that decision making on the fiscal management treatment of the expenses incurred under recommendation 19 above be delegated to the Minister of Finance, following further advice from Treasury.

Hon Grant Robertson  
**Minister for Cyclone Recovery**

**DRAFT: National Recovery Framework for Cyclone Gabrielle**



PROACTIVELY RELEASED

NOTE: alignment with the existing Recovery legislative framework under the CDEM Act is being  
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# Cabinet Extreme Weather Recovery Committee

## 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.*

### Funding for the Cyclone Recovery Taskforce and the Chief Executive, Cyclone Recovery

Portfolio                      Cyclone Recovery

On 14 March 2023, the Cabinet Extreme Weather Recovery Committee, exercising its Power to Act in accordance with its terms of reference:

#### Background

- 1        **noted** that on 27 February 2023, Cabinet agreed to establish a Cyclone Recovery Taskforce, and to appoint a Chief Executive, Cyclone Recovery, supported by a Cyclone Recovery Unit hosted within the Department of the Prime Minister and Cabinet (DPMC) to support the government's recovery work programme for two years [CAB-23-MIN-0056];
- 2        **noted** that the initial design of the Cyclone Recovery Unit and its functions is now complete, and that further funding is sought for 2022/23 as well as for 2023/24 and 2024/25 for the full expected costs of support for Regional Public Service Commissioners, the Cyclone Recovery Taskforce, and the Cyclone Recovery Unit;
- 3        **noted** that on 27 February 2023, Cabinet approved a fiscally neutral transfer of \$2.5 million for 2022/23 for the establishment and support of the Cyclone Recovery Taskforce and to commence early work to establish a Cyclone Recovery Unit [CAB-23-MIN-0056];

#### Cyclone Recovery Taskforce and Cyclone Recovery Unit

- 4        **agreed** to increase funding in Vote Prime Minister and Cabinet by a total of \$29.111 million to meet the costs of the Cyclone Recovery Taskforce and the Cyclone Recovery Unit within DPMC for 2022/23 to 2024/25;
- 5        **agreed** to a capital injection of \$1.386 million in 2023/24 to Vote Prime Minister and Cabinet for the fitout costs for office space for the Cyclone Recovery Unit;



6 **agreed** to increase spending to provide for costs associated with the policy decisions in paragraphs 4 and 5 above, with the following impacts on the operating balance and net debt:

Vote Prime Minister and Cabinet	\$m – increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Operating Balance and Net Debt Impact	0.043	14.320	14.748	-	-
Operating Balance Impact Only	-	-	-	-	-
Net Debt Impact Only	-	1.386	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>0.043</b>	<b>15.706</b>	<b>14.748</b>	-	-

7 **approved** the following changes to appropriations to give effect to the policy decision in paragraphs 4 and 5 above:

Vote Prime Minister and Cabinet Minister for Cyclone Recovery	\$m – increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Departmental Output Expense: Extreme Weather Events All of Government Response (funded by revenue Crown)	0.043	14.320	14.748	-	-
Department of the Prime Minister and Cabinet					
Capital Injection	-	1.386	-	-	-
<b>Total Operating</b>	<b>0.043</b>	<b>14.320</b>	<b>14.748</b>	-	-
<b>Total Capital</b>	-	<b>1.386</b>	-	-	-

8 **agreed** that the changes to appropriations and the departmental capital injection for 2022/23 above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

9 **agreed** that decision-making on the fiscal management treatment of both the operating balance and net debt impact and the net debt impact only in paragraph 6 above of expenses, and the capital injection incurred under paragraph 7 above, be delegated to the Minister of Finance, following further advice from Treasury;

10 **agreed in principle** that any underspend in the Extreme Weather Events All of Government Response departmental output expense appropriation be available for expense transfer to the next financial year, where necessary (e.g., in the event of delays in recruitment), to ensure funding remains available for this initiative, with the final amount for transfer to be confirmed in the October Baseline Update following completion of DPMC’s audited financial statements for the previous financial year;

11 **agreed** that any funding that remains unspent in the Extreme Weather Events All of Government Response departmental output expense appropriation at the completion of 2024/25, at which point the cyclone recovery function becomes disestablished, be returned to the centre;

### Shared Support Services

- 12 **agreed** to a \$1.886 million fiscally neutral increase to the Shared Support Services departmental output expense appropriation in Vote Finance for 2022/23 to 2024/25, to be funded by departmental revenue from DPMC, for shared services costs to support the Cyclone Recovery Unit;
- 13 **agreed** to a capital injection of \$0.122 million in 2022/23 to Vote Finance for the purchase of IT equipment to be used by the Cyclone Recovery Unit;
- 14 **agreed** to increase spending to provide for costs associated with the policy decisions in paragraphs 12 and 13 above:

Vote Finance	\$m – increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Operating Balance and Net Debt Impact	-	-	-	-	-
Operating Balance Impact Only	-	-	-	-	-
Net Debt Impact Only	0.122	-	-	-	-
No Impact	0.186	0.848	0.852	-	-
<b>Total</b>	<b>0.308</b>	<b>0.848</b>	<b>0.852</b>	-	-

- 15 **approved** the following changes to appropriations to give effect to the policy decision in paragraphs 12 and 13 above:

Vote Finance Minister of Finance	\$m – increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Departmental Output Expense: Shared Support Services (funded by revenue department)	0.186	0.848	0.852	-	-
The Treasury Capital Injection	0.122	-	-	-	-
<b>Total Operating</b>	<b>0.186</b>	<b>0.848</b>	<b>0.852</b>	-	-
<b>Total Capital</b>	<b>0.122</b>	-	-	-	-

- 16 **agreed** that the changes to appropriations and the departmental capital injection for 2022/23 above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 17 **agreed** that decision-making on the fiscal management treatment of the net debt impact only in paragraph 14 above of the capital injection incurred under paragraph 15 above be delegated to the Minister of Finance, following further advice from Treasury;

### Support for Regional Public Service

- 18 **agreed** to increase funding in Vote Prime Minister and Cabinet by a total of \$3.110 million for 2022/23 to 2024/25 for a contribution towards the costs of regional public service responses, including enabling the Regional Public Service Commissioners to provide support to the lead Minister for the affected regions;

19 **approved** the following changes to appropriation to give effect to the policy decision in paragraph 18 above, with a corresponding impact on the operating balance and net debt:

Vote Prime Minister and Cabinet Minister for Cyclone Recovery	\$m – increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Departmental Output Expense: Extreme Weather Events All of Government Response (funded by revenue Crown)	0.346	1.382	1.382	-	-

- 20 **agreed** that the changes to appropriation for 2022/23 above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;
- 21 **agreed** that decision-making on the fiscal management treatment of the expenses incurred under paragraph 19 above be delegated to the Minister of Finance, following further advice from Treasury.

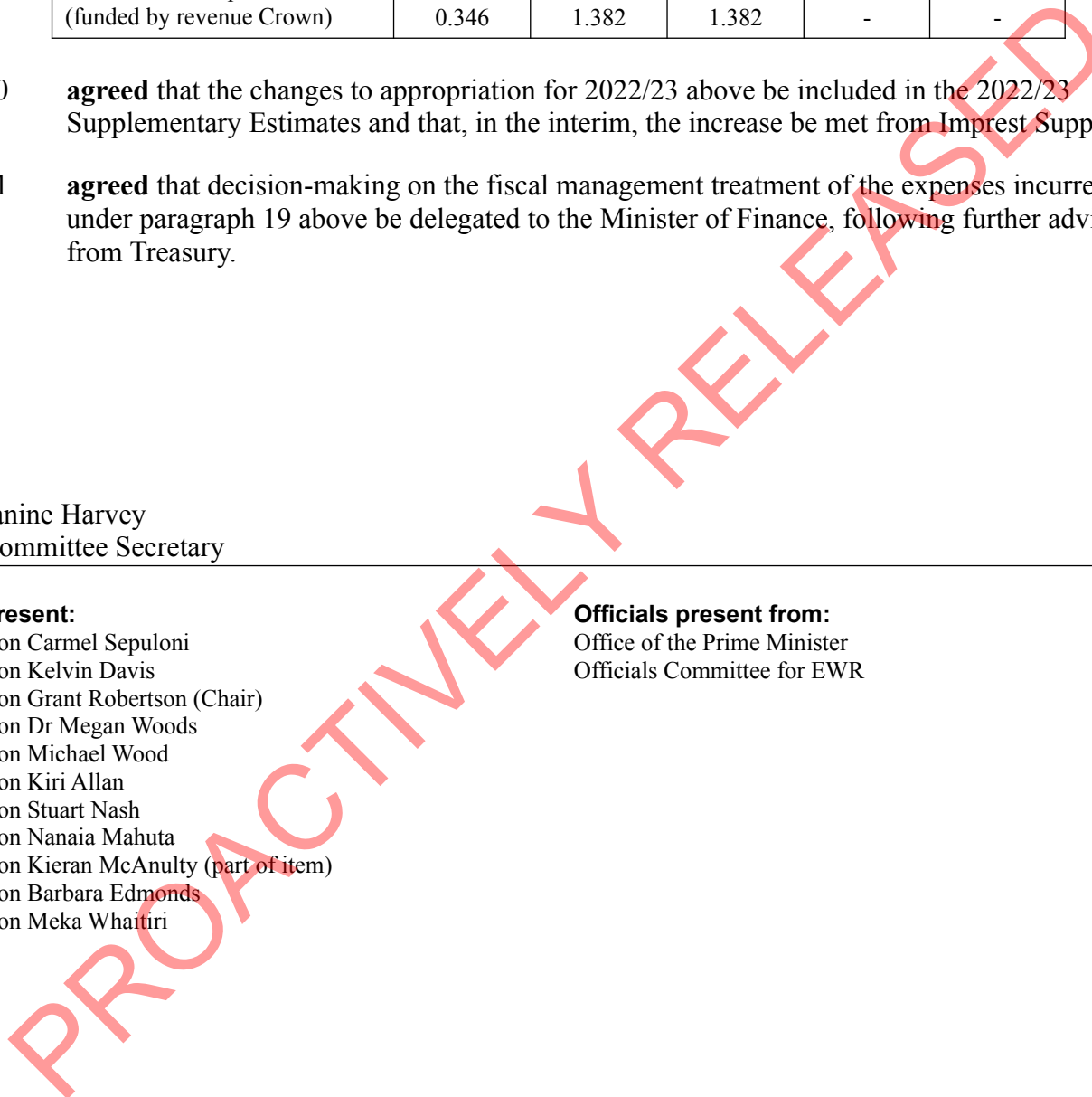
Janine Harvey  
Committee Secretary

**Present:**

- Hon Carmel Sepuloni
- Hon Kelvin Davis
- Hon Grant Robertson (Chair)
- Hon Dr Megan Woods
- Hon Michael Wood
- Hon Kiri Allan
- Hon Stuart Nash
- Hon Nanaia Mahuta
- Hon Kieran McAnulty (part of item)
- Hon Barbara Edmonds
- Hon Meka Whaitiri

**Officials present from:**

- Office of the Prime Minister
- Officials Committee for EWR





# 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.*

### Report of the Cabinet Extreme Weather Recovery Committee: Period Ended 17 March 2023

On 20 March 2023, Cabinet made the following decisions on the work of the Cabinet Extreme Weather Recovery Committee for the period ended 17 March 2023:

Out of scope	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
EWR-23-MIN-0020	<b>Funding for the Cyclone Recovery Taskforce and the Chief Executive, Cyclone Recovery</b> Portfolio: Cyclone Recovery	CONFIRMED
Out of scope	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]

PROACTIVELY RELEASED

Rachel Hayward  
Secretary of the Cabinet

PROACTIVELY RELEASED